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सत्यमेव जयते

PHONE : 2213-3151 / 3152 / 3163
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भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय - प्रधान महालेखाकार (सामान्य और सामाजिक क्षेत्र, लेखा परीक्षा), पश्चिम बंगाल
ट्रेजरी बिल्डीगंस, 2, गवर्मेन्ट प्लेस (पश्चिम), कोलकाता - 700 001

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(GENERAL & SOCIAL SECTOR AUDIT), WEST BENGAL
TREASURY BUILDINGS, 2, GOVT. PLACE (WEST), KOLKATA - 700 001

No.FAW/FASS-V/53/EAP/NHP-I & WD/2018-19/403
Date : 01.02.2019

To
The Chief Engineer (D & R) &Nodal Officer,
National Hydrology Project, West Bengal (SW),
Irrigation & Waterways Directorate,
Jalasampad Bhaban, Western Block, 1st. Floor,
Saltlake, Kolkata-700 091.

Subject : Audit Report in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the financial year 2016-17 and 2017-18.

Sir,

I am to forward herewith the Audit Report, duly incorporating the audit observations, in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the financial year 2016-17& 2017-18. The receipt of the same may kindly be acknowledged.

Enclo: As stated.

Yours faithfully,

(Timir Bhadra)
Sr. Dy. Accountant General / FAW

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TREASURY BUILDINGS, 2, GOVT. PLACE (WEST), KOLKATA - 700 001

To
The Principal Secretary to Government of West Bengal,
Irrigation & Waterways Department,
JalasampadBhaban, 1st. Floor,
Saltlake, Kolkata-700 091.

Report of the Comptroller and Auditor General of India on the Project Financial Statements

We have audited the accompanying financial statements of the World Bank assisted National Hydrology Project (Loan No. 8725-IN), which comprise the Statement of Sources and Applications of Funds, Reconciliation of Claims to Total Applications of Funds and Management Assertion letter as furnished by the Project Authority for the year ended 31 March 2017. These statements are the responsibility of the Project's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of World Bank assisted National Hydrology Project (Loan No. 8725-IN)for the year ended 31 March 2017 in accordance with Government of India accounting standards.

In addition, in our opinion, (a) with respect to PFS, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and (b) except for ineligible expenditures as detailed in the audit observations, expenditures are eligible for financing under the Loan / Credit Agreement. During the course of the audit, PFS and the connected documents were examined and these can be relied upon to support reimbursement under the Loan / Credit Agreement.

This report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament / State Legislature.

Audit Observations :

The Project Financial Statement in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN), for the financial year 2016-17 furnished by the Project Authority disclosed an expenditure of ₹ **Nil** which is accepted in audit.

T. Bhadra
Sr. Dy. Accountant General / FAW

Date : 18.01.2019

सत्यमेव जयते

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We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the year ended 31 March 2018 in accordance with Government of India accounting standards.

In addition, in our opinion, (a) with respect to PFS, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and (b) except for ineligible expenditures as detailed in the audit observations, expenditures are eligible for financing under the Loan / Credit Agreement. During the course of the audit, PFS and the connected documents were examined and these can be relied upon to support reimbursement under the Loan / Credit Agreement.

This report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament / State Legislature.

Audit Observations :

The expenditure incurred in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN), for the financial year 2017-18 is ₹ **1762577.00** and expenditure admitted in audit is ₹ **1723277.00**.

Out of ₹**1723277.00,** amount eligible for reimbursement stands at ₹ **861638.50** in audit as shown below:-

(in ₹)

Components	Expenditure incurred as per audit	Expenditure inadmissible in Audit	Expenditure admitted in audit	Percentage of reimburse-ment	Amt eligible for reimbursement	Reasons for inadmissible in audit (₹)
(1)	(2)	(3)	(4) (2 – 3)	(5)	(6)	(7)
Component A & D	1762577.00	10250.00	1723277.00	50%	861638.50	In violation of the memo of NPMU, MoWR, RD & GR dated 09.10.2017, which stipulates that the participant would have to make their own arrangement for boarding and lodging during the training period, participants were allowed food charges Hence, the expenditure of ₹ 10,250.00 on food is held inadmissible.
		29050.00				Hiring charges (₹29050.00) incurred in excess of ceiling rates stipulated in Gazette Notification no. 3564-WT/3M-31/98 dated 24.11.2008 of Transport Department, GoWB.
Total:	**1762577.00**	**39300.00**	**1723277.00**		**861638.50**	

T. Bhadra
Sr. Dy. Accountant General / FAW

Date : 18.01.2019