



## **ARIAS SOCIETY**

**Assam Rural Infrastructure and Agricultural Services Society**

*(An Autonomous Body under Govt. of Assam)*

**Project Coordination Unit (PMU) of World Bank funded**

**Assam Citizen Centric Service Delivery Project (CCSDP)**

Agriculture complex, Khanapara, G.S. Road, Guwahati-781022 (Assam, India)

Tel: +91 361-2332125; Fax: +91 361-2332564; email: [spd@arias.in](mailto:spd@arias.in)

---

*World Bank Financed*

ASSAM CITIZEN CENTRIC SERVICE DELIVERY  
PROJECT  
(ACCSDP)

(IBRD CR. No. 8754-IN)

(World Bank Project ID: P150308)

# **FINANCIAL MANAGEMENT MANUAL**

## **Contents**

- **Abbreviations**
- **Financial Management Manual**
- **Project Description in Brief**
  - *Project Development Objective*
  - *ACCSDP components*
- **Financial Management Manual (FMM)**
- **Coverage of the FMM**
- **Implementation Arrangements**
- **Financial Management Manual**
  - *Disbursements and Funds Flow*
  - *Financial Management Arrangements (Component-1)*
    - Budgeting
    - Annual Work Plan (AWP)
    - Funds Flow
    - Fund Flow Chart
    - Banking Arrangement
    - Accounting and financial reporting
    - Staffing
    - Internal Control
  - *Financial Management Arrangements for the DLI Component (For information only) Eligible Expenditure Programs (EEPs)*
  - *External Audit*
  - *Retroactive Financing*
- **Operational Guidelines for Project Financial Management (PFM)**
  - *Advances*
  - *Centralized payment*
  - *Decentralized Payment*
  - *Disbursement Procedure*
  - *Policies on Accounting and Financial Management*
- **Annexures:**
  - Annexure-1: Day-to-day financial & accounts management of the Project
  - Annexure-2: Staffing & Supervision
  - Annexure-3: Auditing Arrangements
  - Annexure-4: Chart of Accounts
  - Annexure-5: IUFR Formats Annexure-5 (5.1, 5.2 and attachment to IUFR)

## **ABBREVIATIONS**

<b>ARIASS</b>	Assam Rural Infrastructure and Agricultural Services Society	<b>IFR</b>	International Financing Review
<b>AMTRON</b>	Assam Electronics Development Corporation Limited	<b>IPF</b>	International Project Financing
<b>AR &amp; T</b>	Administrative Reform & Training	<b>IUFR</b>	Interim Unaudited Financial Report
<b>BBNL</b>	Bharat Broadband Network Limited	<b>MDG</b>	Millennium Development Goals
<b>CAA&amp;A</b>	Controller of Aid Accounts and Audit	<b>M &amp; E</b>	Monitoring & Evaluation
<b>CAG</b>	Controller and Auditor General	<b>MIS</b>	Management Information System
<b>CCSD</b>	Citizen Centered Service Delivery	<b>MOU</b>	Memorandum of Understanding
<b>CS</b>	Chief Secretary	<b>NFSA</b>	National Food Security Act
<b>CSC</b>	Common Service Center	<b>NGO</b>	Non-Governmental Organization
<b>DC</b>	Deputy Commissioner	<b>ORAF</b>	Operational Risk Assessment Framework
<b>DLI</b>	Disbursement Linked Indicators	<b>PAD</b>	Project Appraisal Document
<b>EEP</b>	Eligible Expenditure Programs	<b>PDO</b>	Project Development Objective
<b>ESD</b>	Electronic Service Delivery	<b>PMU</b>	Project Management Unit
<b>FM</b>	Financial Management	<b>PRI</b>	Panchayati Raj Institutions
<b>FY</b>	Financial Year	<b>PSM</b>	Procurement and Supply Management
<b>G2B</b>	Government-to-Business	<b>PTBC</b>	Plain Tribals and Backward Classes
<b>G2C</b>	Government-to-Citizen	<b>RFD</b>	Results Framework Document
<b>G2G</b>	Government-to-Government	<b>RIK</b>	Rural Information Kiosks
<b>GoA</b>	Government of Assam	<b>RTI</b>	Right to Information
<b>GoI</b>	Government of India	<b>RTPS</b>	Right to Public Service
<b>GRM</b>	Grievance Redress Mechanism	<b>SBD</b>	Standard Bidding Document
<b>HADP</b>	Hill Areas Development Program	<b>SC</b>	Scheduled Castes
<b>HR</b>	Human Resources	<b>SCA</b>	Service Center Agency
<b>IA</b>	Implementing Agency	<b>SDC</b>	State Data Center
<b>IBRD</b>	International Bank of Reconstruction and Development	<b>SDO</b>	Sub Divisional Office
<b>ICT</b>	Information & Communications Technology	<b>SHG</b>	Self-Help Groups
<b>IDA</b>	International Development Association	<b>SMS</b>	Short Messaging Service
<b>IEC</b>	Information, Education & Communication	<b>ST</b>	Scheduled Tribes
		<b>TTL</b>	Task Team Leader
		<b>VSAT</b>	Very-Small-Aperture-Terminal
		<b>WDR</b>	World Development Report

# FINANCIAL MANAGEMENT MANUAL

## Project Description in Brief:

1. The Government of Assam (GoA) intends to implement a World Bank funded project on Citizen Centric Service Delivery Project in the State of Assam, titled as “Assam Citizen Centric Service Delivery Project (ACCSDP)”. The GoA through the Government of India has applied for a credit of US \$39.2 million from the World Bank (W.B.) for implementation of the ACCSDP and a Project Preparatory Facility (PPF) of US\$ 2 million has already been approved by the W.B.
2. **The Project Development Objective** is to improve access in the delivery of selected public services in Assam. The Project seeks to enable citizens to access services under the Assam Right to Public Services Act (RTPS), 2012 in a timely, efficient, and accountable manner. ACCSDP also seeks to ensure that citizens can apply for services through a one-stop shop closer to where they reside, particularly at the block and circle levels. The Project adopts an integrated approach to improve access and accountability, addressing both the supply-side and demand-side aspects of service delivery. Project interventions will (i) strengthen RTPS implementation; (ii) support process re-engineering in targeted services; (iii) develop one-stop shops to deliver services electronically at the block and circle levels; and (iv) promote citizen engagement.
3. **The ACCSDP consists of two components.** *Component One:* Technical Assistance (US\$ 31.7 million) will finance activities designed to strengthen RTPS implementation; support process reforms/e-enablement in targeted services; establish one-stop-centers; and create citizen feedback mechanisms. This component will disburse against eligible expenditures upon submission of IFRs. *Component Two:* Results-based Financing (US\$ 7.5 million) provides incentives for achieving results with respect to improving the access and accountability of RTPS services. This component will disburse against agreed eligible expenditure programs (EEPs) upon achievement of Disbursement Linked Indicators (DLIs).
4. The Administrative Reforms & Training (AR&T) Deptt. of the GoA vide Notification No. AR.41/2013/Pt/27 dated 21.02.2015, has notified that a dedicated ‘Project Management Unit’ created under the ARIAS Society will implement the ACCSDP.

## Financial Management Manual (FMM)

5. Project financial management is a process which brings together planning, budgeting, accounting, financial reporting, internal control, auditing, procurement, disbursement and the physical performance of the project with the aim of managing project resources properly and achieving the project’s development objectives. The FMM for ACCSDP has been developed to provide the essential information to enable the PMU of ARIASS and other project implementing departments/agencies to carry out the financial operations in the ACCSDP effectively and efficiently.

## Coverage of the FMM:

6. This financial management manual is going to cover only the Component-1 of the project and the reference in this FMM to the Component-2 of the project, which is based on DLI (Disbursement Link Indicators), is for information purpose only.
7. The financial management arrangements for the ACCSDP have been described in this manual. This manual is intended for the use of officials working on the Project, as it outlines the project financial management arrangements that they would require for the project implementation. This manual has been prepared by the ARIASS, and after concurrence by the World Bank, shall be the binding on all concerned implementing entities of the ACCSDP.

8. As the project implementation commences, depending on the experience and need, the FMM will be updated/amended in consultation with the World Bank. However, any modification to the Financial Management Manual has to be agreed with the World Bank and approved by Governing Body of the ARIASS. The FMM shall be uploaded in the website of ARIASS and the amendments to the FMM, if any shall also be uploaded in the website of ARIASS and shall be intimated to all the concerned stakeholders.
9. Other related key documents which may be referred along with this Manual are:
  - a) Financing and Project Agreements
  - b) Disbursement Letter of the World Bank
  - c) Project Appraisal Document (PAD)
  - d) Operations Manual including the Procurement Manual (PM)
10. The project will be managed through a Project Management Unit (PMU) under the ARIASS. It would be led by a State Project Director and would have *inter alia* senior consultants to lead each of the following critical activity areas:
  - Business Process Re-engineering and Information Technology
  - ICT infrastructure
  - Social development and communication
  - Financial management
  - Procurement management
  - Monitoring and evaluation

## Implementation Arrangements

11. The project is divided into two components and these components are again divided into sub-components reflecting the activities as also the outputs expected from the project. The implementation of this project is guided by an Operations Manual and references to this FMM are made at relevant sections of Operational Manual indicating that the financial management of the project shall be as per provisions in this manual. Procurements under the Project will be made as per the World Bank approved Procurement Plan, Procurement Manual for the project and as per the guidelines of the World Bank.
12. The Project will use existing state-level institutional arrangements to support the management and implementation of the envisaged activities. The Project will be implemented through the Assam Rural Infrastructure and Agriculture Services Society (ARIASS), which has the experience of managing two World Bank -financed projects in Assam since 1998. The State Project Director of ARIASS will serve as Project Director of ACCSDP . This existing institutional arrangement will be beneficial for coordination among GoA departments and streamlining fiduciary arrangements, including financial management aspects of the project. The procurement and financial management specialists to be hired for the ACCSDP will facilitate all fiduciary activities related to the Project, under supervision of the existing senior procurement and financial management experts of ARIASS.
13. The existing High-Level Project Guidance Council (PGC) of the ARIAS Society, which is the apex body of the Society, will be responsible for the overall management of the Project. The PGC is headed by the Chief Secretary to the GoA. For the purpose of implementation of the ACCSDP, the ARIAS Society would co-opt the Senior most Secretaries of the GoA's Departments of Administrative Reforms and Training (ART), Revenue & Disaster Management, Information & Technology (IT), Welfare of Plain Tribes & Backward Classes (WPT&BC), Transport, Urban Development; and Commissioner, Guwahati Municipal Corporation (GMC) and Managing Director (MD), AMTRON (Assam Electronics Development Corporation Ltd.) as Members of the PGC. The Senior Most Secretaries of all the Finance, Planning & Development, are already members of the PGC. The PGC will provide strategic and policy level direction and facilitate coordination among different departments of the GoA. It will also facilitate in resolving any major problems that affect the Project implementation.
14. The existing Governing Body (GB) of the ARIAS Society, the executive body of the Society on which all the management powers are vested with, will oversee the Project implementation. The Governing Body is chaired by the Additional Chief Secretary and Agriculture Production Commissioner, GoA; or the purpose of implementation of the ACCSDP, the ARIAS Society would co-opt representatives, not below the rank of Secretary to the GoA, from the Departments of AR&T, Revenue & DM; IT, WPT&BC; Transport; Urban Development; and the Director, Land Records & Surveys; Director, Land Requisition Acquisition & Reforms; Director, WPT&BC; Commissioner, Transport; Commissioner, GMC; and MD, AMTRON as Members of the GB,. The mandate of the GB will *inter alia* include routine coordination among stakeholder departments/agencies. The GB will also be responsible for monitoring the Project's goals and targets on a regular basis.
15. For the purpose of implementation of the ACCSDP, the ARIASS will co-opt representatives, not below the rank of Joint Secretary to the GoA, from the Departments of Revenue & DM; Information & Technology, WPT&BC; Transport; Urban Development; and Director, Land Records & Surveys; Director, Land Requisition Acquisition & Reforms; Director, WPT&BC; Commissioner, Transport; Commissioner, GMC; and MD, AMTRON as Members of the Sanction Sub Committee (SSC) and Empowered Committee for Contract Finalization (ECCF) of the ARIAS Society (presence as applicable for proposals from the concerning Deptts.). However,

representative from the Department of AR&T will be permanent invitee for SSC and ECCF meetings relating to the CCSD project.

16. A senior civil servant from the GoA, who is also the State Project Director of ARIAS Society, will serve as the full-time State Project Director (SPD) of ACCSDP and will oversee implementation on a day-to-day basis. The State Project Director will also serve as the Member Secretary of the Governing Body. The respective Secretaries of the stakeholder departments will assist in Project management and collaborate with the Project Director on supervision of Project activities. Other key implementing entities responsible for different Project components will be the departments of Revenue, WPTC&BC, Transport and Guwahati Municipal Corporation, with other departments to be included subsequently. As and when RTPS Act services of more departments/ agencies of the GoA is included under the CCSD project, respective officials from these departments/ agencies as mentioned above will be co-opted as members of PGC/GB/SSC/ECCF..
17. A Project Management Unit (PMU) within ARIAS under the leadership of the SPD, shall be responsible for day-to-day implementation, management, coordination, and monitoring of the Project and for compliance with the World Bank guidelines, processes, and procedures. The PMU will coordinate with all participating agencies and liaise with the Bank. The PMU will oversee technical inputs, consolidate required documentation, and conduct financial management and procurement activities. The SPD and the PMU will be responsible for ensuring compliance with the Bank’s financial management, procurement regulations and safeguard requirements, and will report to the World Bank on a regular basis.
18. In addition, the Project will identify focal points in each of the implementing agencies to facilitate Project implementation. A nodal officer in each of these departments will coordinate Project activities, with the support of PMU-appointed staff. Such staff will assist with the implementation of process re-engineering, and the conduct of change management and capacity-building initiatives.

## Financial Management Manual

19. The Financial Management Manual (FMM) developed for the Project provides the essential information, to enable the PMUs, and the project associates to carry out effectively the financial operations in the Project . It is a guide to the implementation agencies for understanding the detailed Financial Management of the Project. The prime objective of this manual is to bring in uniformity in Financial Managemnt of the project such as accounting , financial reporting, audit etc. and to make the participants familiar with the guidelines and standards to be adopted while implemnttation of the project task.
20. From a financial management perspective, the primary implementing agency will be the Assam Rural Infrastructure and Agriculture Services Project (ARIAS) Society.. The PMU will oversee technical inputs, consolidate required documentation, and conduct financial management and procurement activities.
21. **Disbursements and Funds Flow:** The following table shows the disbursement arrangements.

Disbursement Categories	Amount of Credit (US\$)	%age of Expenditure to be Financed by the World Bank (including Taxes)	Disbursement Cycle	Disbursement Condition
(1) Goods, Non-Consulting Services, Consultants’ Services, Incremental Operating Costs, Training and Workshops – Component	31.7 million	80%	Quarterly based on IUFRR.	None

Disbursement Categories	Amount of Credit (US\$)	%age of Expenditure to be Financed by the World Bank (including Taxes)	Disbursement Cycle	Disbursement Condition
1 activities to be implemented by ARIAS				
(2) Eligible Expenditure Program (“EEP”) – Component 2 (#1)	7.5 million	80%	Annual Reimbursement of eligible expenditure based on certification of DLIs achieved and expenditure reported in semi-annual IFRs	Achievement of DLI targets

**#1** The Eligible Expenditure Program (“EEP”) under Component-2 is basically Results-based Financing to provide incentives for achieving results with respect to improving the access and accountability of RTPS services. This component-2 will disburse against agreed eligible expenditure programs (EEPs) upon achievement of Disbursement Linked Indicators (DLIs) as mentioned in the PAD of ACCSDP. **The mention in the FMM relating to disbursement against DLI under component-2 of the project is for reference only and is not covered under the scope of this Manual.** The Disbursement-Linked Indicators (DLIs) are:

Project DLIs	Rationale	Financing
<b>DLI #1:</b> Number of applications submitted on-line for RTPS services.	Facilitate access to more accountable, effective and transparent public services by citizens of Assam.	USD 2.5 million
<b>DLI #2:</b> One-stop shop service access centers fully operational	Facilitate access to public services through the geographical expansion of the service access center network to district, sub-division, circle and block offices.	US\$ 1.0 million
<b>DLI #3:</b> Access to RTPS services expanded in underserved areas of Assam.	Expand coverage of Assam RTPS Act to all sixth schedule tribal districts administered by Autonomous Councils under the 6th Schedule of the Indian Constitution.	US\$ 2.5 million
<b>DLI #4:</b> Number of services notified under the RTPS Act	Notifying additional services under the Assam Right to Public Service Act for simplified, time-bound service delivery.	US\$ 1.5 million

## 22. Financial Management Arrangements (Component-1)

- Budgeting:** The fund requirement for the project will flow through the budget of the GoA for which necessary provision will made annually in the budget for both the GoI/World Bank share and counterpart share of GoA and it will be budgeted under a separate budget head in the Government of Assam’s budget under the demand for grants of the Department of Administrative Reforms and Training (AR&T) – Budget Head (“Grant Number-11-Major Head- 2052 (Secretariat General Service)-Sub-Major Head – 00-Minor Head- 090 (Secretariat)-Detail Head- 32 –Grant-in-Aid (non salary) -99 others”) has been created..
- A detailed work plan for the Project as prepared by ARIASS (as mentioned below at ‘b’) will be the basis for the annual budget provision in the state budget. The Budget for the ACCSDP, will be approved by the Legislative Assembly of the State, along with the overall State Budget of the GoA. The tentative timeline is given in the table below.

Type of Budget	FY	Timeline	Responsible Agency
Original Budget Estimate	For next FY	October of current FY	PMU
Revised Budget estimate	For current FY	December of current FY	PMU

- c) **Annual Work Plan (AWP):** The Financial Year (FY) of the GoA is from 1<sup>st</sup> April of a year to the 31<sup>st</sup> March of the succeeding year. The AWP for a Financial Year will be prepared in the preceding FY by the PMU and it will be based on targets in the approved Procurement Plan, Cost Tables, and PAD of ACCSDP. The PMU will place the AWP for a FY before the Governing Body of ARIAS Society for approval by the first week of December of the preceding FY.

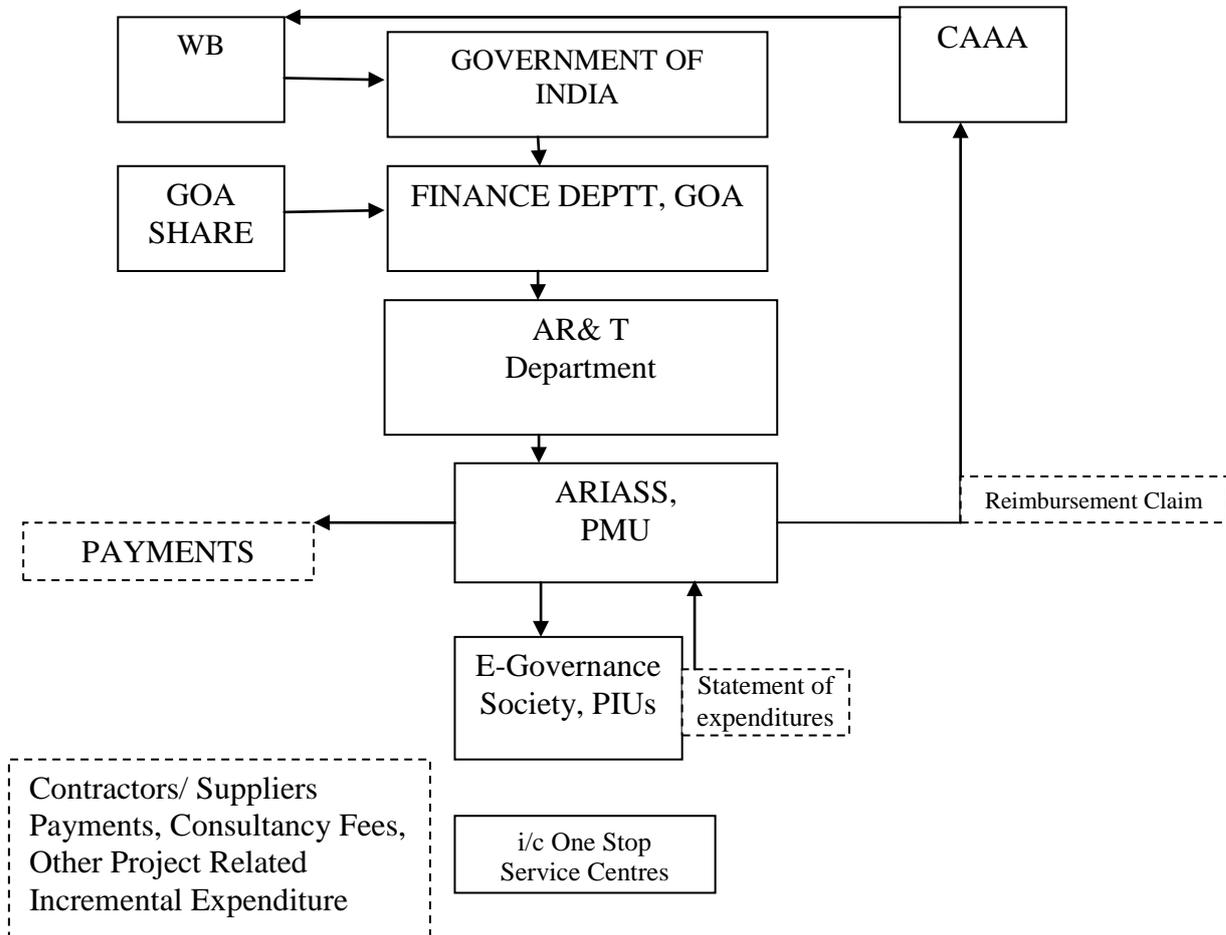
Based on the approval of the AWP by the GB, General Administrative Approval (AA) to all the schemes/activities on the AWP will be accorded by the State Project Director, ARIAS Society

- d) **Funds Flow to the Project from GoA :** The DDO in AR&T will periodically draw funds from the State budget as 'Grant in Aid' and provide the funds so drawn to the ARIASS, which will deposit the proceeds into Project specific bank accounts. However, the GoA may subsequently declare the SPD, ARIASS as the DDO for the ACCSDP/ARIASS and in that case the SPD will draw the funds for ACCSDP from the GoA which is budgeted under the AR&T Deptt.
- e) **Funds Flow From Project Bank Account :**

- As per the design of the project, **all procurements under the project and contract management will be centralized at the PMU of the ARIASS and hence there is unlikely to be any substantial outflow of funds to the implementing Departments/agencies, other than for petty operating/ training related expenses** Nevertheless, all fund transfers from ARIAS will be based on the existing centralized fund management arrangement with commercial banks (parent-child zero balance account).
- Fund transfers from ARIAS for decentralized activities to district e-governance societies will be facilitated by extending the existing centralized fund management arrangement with commercial banks (parent-child zero balance account) to facilitate payments at the district level.
- Activities related to the acquisition of major goods (IT and non IT), non-consultancy and consultancy contracts will be centralized in ARIAS, with only training and capacity building being decentralized.
- **Operating Expenses of the One Stop Service Centres (OSSCs):** District e-governance societies will operate on an imprest (advance) to be provided by the PMU, ARIASS for meeting the day-to-day operating costs of the OSSCs. The e-governance societies will submit monthly standardized statement of expenditures for the imprest to the PMU for purposes of accounting. The eligible operating expenditures (like paper, printer cartage, minor repair of electrical appliances, etc) under the imprest (advance) will be notified by the ARIASS separately in consultation with the World Bank. The i/c officer of the OSSCs will forward the indent of monthly requirement to the i/c District e-governance societies, who in turn will provide the items to the OSSCs. Funds of imprest provided to the District e-governance societies shall not be transferred to the OSSCs. There shall be no other bank account for the purpose of ACCSDP at the District, Sub-Division or block level, *except one separate bank account for ACCSDP to be opened by each of the district e-governance society.* The i/c District E-Governance Society and the Accountant of the District E-Governance Society shall jointly operate the bank account.
- The Project bank account in the PMU will be jointly operated by State Project Director, ARIAS Society and Chief Financial Controller, ARIAS Society. PMU will open accounts in any nationalized bank of India having e-banking facilities. PIUs will be assigned child accounts and monthly limits will be specified from the main(parent) bank account of the PMU. These limits will be based on PIUs requirement of funds for the month/quarter payment of Incremental Operational Expenses which the PIUs will for make under the joint signatures i.e signed jointly. Of the head of the PIU and any one other office

- The SPD (ARIASS) will be responsible for Contractors payments, for Consultancy Fees, Operating cost of the PMU and any other expenses of the PMU and for releasing Project related Incremental Operating funds to the PIUs.
- The PIUs shall be responsible only for training & capacity building and Project related Incremental Operating Expenditure and for rendering financial information to the PMU on regular basis.

f) The Fund Flow Chart of ACCSDP is shown below :



- g) **Banking Arrangement: Bank Account:** The PMU will open one parent account (current bank account) for all the ACs. The PIUs (**e-governance society at District**) will have child account in convenient branches of the same bank where parent account is opened by PMU. The child account shall be zero balance current bank account. The PMU will fix limit to be drawn for each PIU. The bank will honour cheques/other instruments up to the limit allotted for PIUs. An amount equal to the amount disbursed/drawn from PIUs will be swept from the parent account to the child account at the end of the day. The SPD, ARIAS society will have viewing right of transactions of parent account as well as all the child accounts. The PIUs will have the viewing right of the transactions of the Child Account. No charges will be levied by bank on any of the Child Bank Accounts or Parent Bank Account. In no case should funds be kept in Fixed Deposits / Term Deposits. In no case funds are to be transferred to Treasuries, or in Personal Ledger Account, Treasury Savings Accounts, Treasury Public Deposit Account etc.
- h) **Accounting and financial reporting:** ARIAS society operates an off the shelf accounting system (TALLY) and follows the cash basis of accounting, which will be extended to this Project. The chart of accounts reflecting the Project specific activities will be updated in

TALLY, which will enable Project specific reporting. **As all payments under the project will be centralized at the PMU of ARIASS, other than the petty operating expenses passed on to different implementing entities on replenishable Imprest Advance basis, there will not be any separate Accounting Centre (AC) under the Project, other than at the ARIASS HQ.** The PIUs at district level will operate on an imprest basis and render monthly accounts alongwith all vouchers and xerox copy of the cash book and bank ledger. For operating expenses of the One Stop Shop Centre under a district, requisition of expenditure will be given to the E-governance society of the district by the OSSC and payment/ material will be made from the district. However, in case any ACs are required to be established, the ACs will report monthly to the PMU as per standardized formats based on the records of books of accounts (manual cash book) and the FM Manual will be updated accordingly in consultation with the World Bank.

- i) **Staffing:** The financial management section of ARIAS is headed by a Chief Financial Controller (CFC) and for the purpose of FM of ACCSDP, the CFC will be supported by 2-3 finance consultants at the state level. For more details please refer to **Annexure-2**.
  - j) **Internal Control:** ARIASS is an autonomous Society under the GoA, with its own Memorandum of Association, Rules of Business, Bylaws, a Project Guidance Council headed by the Chief Secretary GoA and a Governing Body headed by the Agriculture Production Commissioner (APC). Accordingly it has its own internal control arrangement and the Senior Financial Management Consultants of the ARIASS will ensure the Internal Control.
23. **Financial Management Arrangements for the DLI Component** (based on the PAD) **(For information purpose only)**

- a) **Eligible Expenditure Programs (EEPs):** According to the PAD of ACCSDP, the main EEP to support the DLI component will be the salaries of the Department of Revenue under major Heads of Stamps and Registration and Land Revenue. For this, specific budget heads from the state budget have been identified which will adequately cover the value of DLIs each year. Monthly pay bills are prepared manually by the DDOs and submitted to the respective treasuries, based on which payments are made by the treasuries. The Directorate of Accounts and Treasuries is in the process of transiting to electronic payment of salaries without any manual intervention and efforts are also underway to populate the HRMIS with pay related data which will facilitate electronic preparation of pay bill by the DDO. An EEP report will be submitted annually in support of the DLI achieved. This will be based on the expenditure generated from the CTMIS.
- b) **The Eligible Expenditure Program to support the DLI component will be salaries of the Department of Revenue and Disaster Management.** The Department is responsible for administering all facets of land and land revenue besides various aspects of disaster management and strengthening the resilience against disaster. They are also responsible for delivering the most relevant RTPS services. The Budget heads operated by the Department of Revenue and Disaster Management Department that have been identified as related to the delivery of project results as shown in Table below<sup>1</sup>: The EEP has been computed from Major Heads 2030 and 3475 for Stamps and Registration and Major Head 2029 for Land Revenue. The object Heads include Pay, DA, LTC, Medical Allowance, HRA and medical reimbursements. The Minor Heads include Direction and Administration, Survey and Settlement, Land records and collection charges.

S.	Major Head		Sub Major Head		Minor Head		Sub Head		Detailed Head	
<b>Grant name: Land Revenue (06)</b>										
1	2029	Land revenue	n/a	n/a	001	Direction & Admn	140	Directorate of Land Records	01	Salaries
2	2029	Land revenue	n/a	n/a	001	Direction & Admn	317	Directorate of Land	01	Salaries

<sup>1</sup> The following EEPs will provide funding to support achievement of DLIs as follows: DLI 1: 202900001317; 202900101000; 202900102444 and 202900102446. DLI 2: 202900103146. DLIs 3 & 4: 202900102447; 20300300131; 3475008001474; and 20300100100.

S.	Major Head		Sub Major Head		Minor Head		Sub Head		Detailed Head	
								Requisition and Acquisition		
3	2029	Land revenue	n/a	n/a	101	Collection Charges	n/a	n/a	01	Salaries
4	2029	Land revenue	n/a	n/a	102	Survey and Settlement Operations	444	General & Controlling Section	01	Salaries
5	2029	Land revenue	n/a	n/a	102	Survey and Settlement Operations	445	Drawing Sections	01	Salaries
6	2029	Land revenue	n/a	n/a	102	Survey and Settlement Operations	446	Reproduction Sections	01	Salaries
7	2029	Land revenue	n/a	n/a	102	Survey and Settlement Operations	447	Traverse Section	01	Salaries
8	2029	Land revenue	n/a	n/a	103	Land Records	146	District Charges	01	Salaries
<b>Grant name: Stamps and Registration (07)</b>										
9	2030	Stamps and Registration	01	Stamps - Judicial	001	Direction & Admn	n/a	n/a	01	Salaries
10	2030	Stamps and Registration	03	Registration	001	Direction & Admn	31	HQ Admin	01	Salaries
11	3475	Other General Economic Services	n/a	n/a	800	Other Expenditure	1474	Registration of firms and societies	01	Salaries

- c) **For each year, the amount eligible for disbursement will be equivalent to the price of the DLIs achieved as given in the table above.** Where achievement of a DLI cannot be verified by the World Bank, an amount equivalent to the price of that DLI will be withheld by the World Bank. This amount may be paid by the bank at any later date when such achievement can be verified by the Bank.

DLI	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
	US\$ in thousands						
<b>DLI 1:</b> Citizens' access to RTPS services in underserved areas	0	1,150	450	450	450	450	2,500
<b>DLI 2:</b> Volume of applications submitted on-line for RTPS services increases	0	125	125	500	750	1000	2,500
<b>DLI 3:</b> Services notified under the ARTPS Act.	0	300	300	300	300	300	1,500
<b>DLI 4:</b> One-stop shop service access centers fully operational	0	0	250	250	250	250	1,000
<b>Total Financing Allocated:</b>	<b>0</b>	<b>1,575</b>	<b>1,125</b>	<b>1,500</b>	<b>1,750</b>	<b>1,550</b>	<b>7,500</b>

- d) **Disbursement schedule for DLI.** The table below presents the indicative disbursement schedule for DLI based disbursements under Component 2 of the project (based on the PAD).

Period	Performance & IFRs Period	No. of DLIs to be Achieved	Submission of DLI results report to the Bank along with IFR & WA	Verification and Agreement on DLI Results between the Bank and Govt.	Amount to be Disbursed Component 2 (US\$)
Year 1	Till credit signature	3	Effectiveness	On submission of evidence	1.15
	From credit signature -		Annually	Within two months of submission of IUFRR	0.425
Year 2	2017-18	4	Annually	Within two months of submission of IUFRR	1.125
Year 3	2018-19	4	Annually	Within two months of submission of IUFRR	1.5
Year 4	2019-20	4	Annually	Within two months of submission of IUFRR	1.75
Year 5	2020-21 until closing date	3	Annually	Within two months of submission of IUFRR	1.55
	TOTAL	19			7.5 Million

24. **External Audit:** ARIAS will engage a firm of chartered accountants acceptable to the Association to audit and certify the annual financial statements of the Project. The TORs for the audit will be agreed with the World Bank and documented in the FM Manual. The audits would be conducted on a quarterly basis and the audit reports would be submitted to the Bank within nine months of the close of each financial year. For the DLI component, World Bank will put reliance on the state audit report, supported by a financial report from AG (A&E) for the specific budget head up to the Object Head level. As the State Audit Report is made available only after it is placed in the state legislature, the same will be shared with the World Bank within 12 months of the close of the financial year and audit is complete. Thus the following audit reports would be monitored:

Implementing Agency	Audit	Auditors	Period of submission
ARIASP	Annual Project financial statement for the Technical Assistance Component	Firm of Chartered Accountants	Within nine months of close of financial year i.e. by Dec 31.
ARIASP	State Annual Audit Report	AG (audit)	Within 12 months of the close of the financial year i.e. by March 31 <sup>st</sup> of the following year.
DEA	Designated Account	CAG	Within nine months of close of financial year i.e. by December 31.

The audited Project financial statements will be hosted on the website of the ARIASS in line with the World Bank's disclosure policies. For more details please refer to **Annexure-3**.

25. **Retroactive Financing:** Project expenditures incurred one year prior to credit signing and procured following World Bank procurement guidelines will be eligible for retroactive financing up to a maximum of 20 percent of the proposed loan (that is, US\$7.84 million). A Project Preparation Advance (PPA) of USD 2 million has been made available to the Project which will be adjusted against the IDA credit.

### Operational Guidelines for Project Financial Management (PFM)

26. **Advances** will be paid to consultants, contractors and suppliers as per the provisions of their contract agreement and advances shall be paid only under the orders of the SPD and after taking full security for summary recovery of the advance in the event of its not being adjusted against work done, goods supplied or services rendered.
27. **Centralized payment:** All payment under the project will centralized at ARIASS and Payments will be made by directly from the bank account of the PMU to the contractors, suppliers, consultants and others including the imprest advances for operating expenses.
28. **Decentralized Payment:** Only payments relating to operating costs will be decentralized . The payment will be made by account payee by the E-governing Society (PIUs) of the District. At the end of the month the monthly accounts along with all vouchers and xerox copy of the cash book and bank ledger will be submitted to the PMU and accordingly PMU will replenishment of limits/funds.
29. **Disbursement Procedure:** Disbursements under component-1 will be report-based where a rolling advance equivalent to six months forecast will be provided by the bank into the designated account of the Government of India (GoI). The GoI will pass on the funds to GoA on a back to back basis as per existing arrangements between GoI and states for externally aided projects. Subsequent quarterly IUFs will be the basis of documentation of the expenditures incurred in the previous quarter. These IUFs will also provide the forecast for the following six months, on the basis of which the amount of funds to be disbursed will be determined. Eligible expenditures will comprise: (i) consulting and non-consulting services, (ii) goods, (iii) workshops and training, and (iv) other operating costs. Disbursements for component-2 are conditional on the achievement of reform actions or results measured by the DLIs as indicated under para 17 above.

### Policies on Accounting and Financial Management

30. The project accounts will be maintained on the double entry system of accounting and will follow the cash basis of accounting. However, certain receivables and payables, which are to be specifically mentioned with reasons in the Notes on Accounts, may be accounted for on an accrual basis.
31. The Project being jointly funded by the Government of Assam and by the World Bank, the Project Accounts reflect the total expenditure incurred by the Project. Therefore, all receipts, payments and

expenditure, are to be recorded in gross amounts, irrespective of the extent to which these expenses may be reimbursable by the World Bank.

32. The head of accounts in the Final Accounts are based on the Chart of Accounts attached to the Financial Management Manual, which is again based on the 'Cost Tables' for the project. Thus, the fixed assets created out of administrative expenses are not separately reflected in the final accounts. However, details of such fixed assets as at the end of the year will be separately disclosed as an Annexure.
33. Funds received from Government of Assam (GoA) will be treated as receipts of Grants by the project. Payment of Imprest money will be considered as Advance, which are to be recorded as an expenditure only upon submission of vouchers to the PMU.

### **Day-to-day financial & accounts management of the Project**

34. Please refer to **Annexure-1** for key staffing supervision of FM activities

### **Staffing & Supervision**

35. Please refer to **Annexure-2** for key staffing supervision of FM activities

### **Auditing Arrangements**

36. Please refer to **Annexure-3** for auditing arrangements.

### **Chart of Accounts**

37. Please refer to **Annexure-4** for draft Chart of Accounts (to be updated after Procurement Plan is finalized).

### **IUFR Formats**

38. Please refer to **Annexure-5 (5.1, 5.2 and attachment to IUFR)** for IUFR formats.

## Annexure-1

### **Day-to-day Financial & Accounts Management of the Project.**

#### **Chart of Accounts**

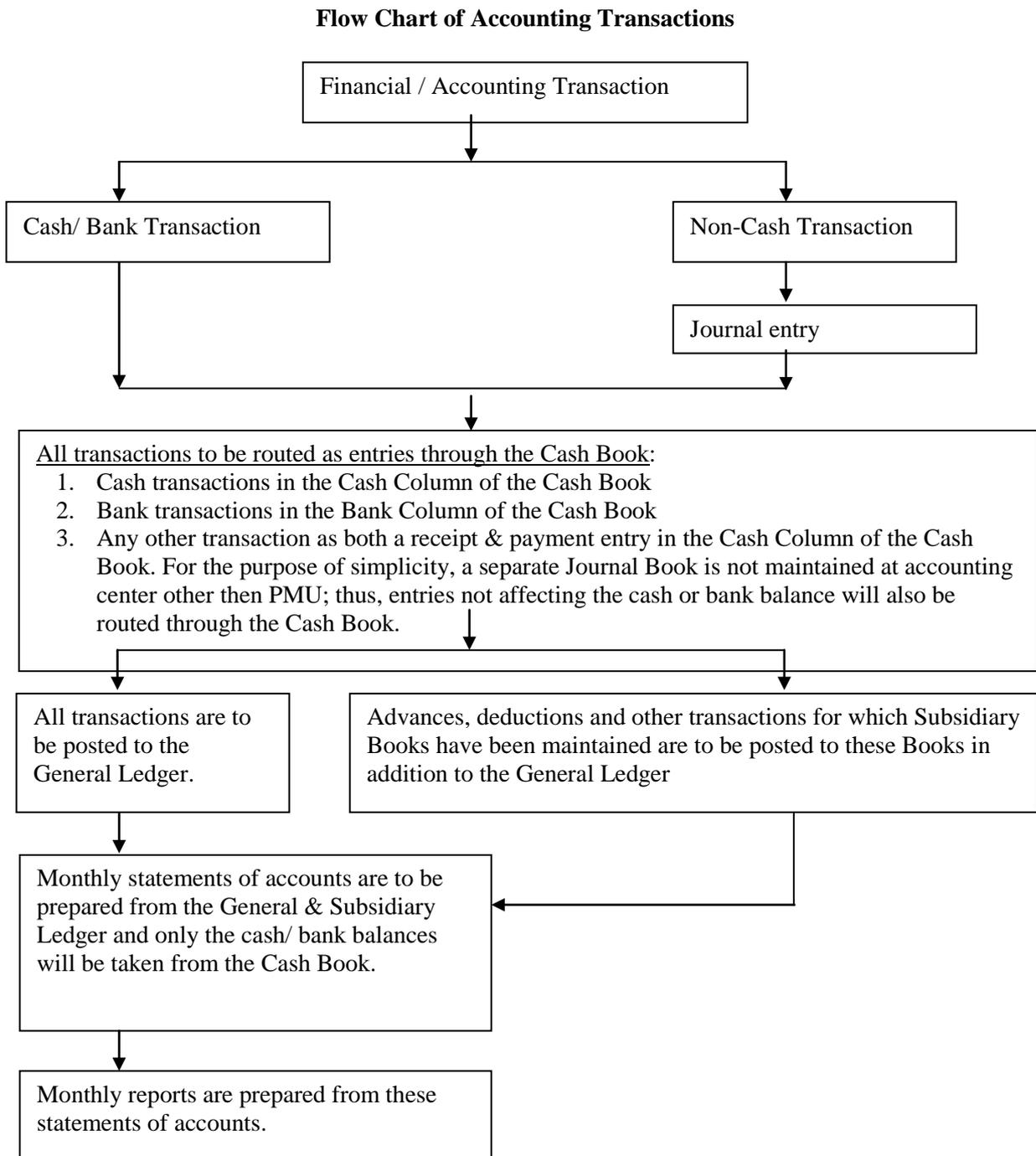
1. For the Financial Data to identify the transactions properly and to serve a meaningful purpose, it is essential to classify the transactions into Major Heads, Minor Heads and sub-heads/ detailed heads. The major heads will be classified as per project components and there under there will be minor heads linked to detailed activity expenditure.
2. The Chart of Accounts (CoA) at Appendix-1 annexed, contains a list of groups, sub-groups & heads of accounts along with their code numbers. The CoA also identifies the flow of each head of account into the annual Financial Statements for the purpose of consolidation. It will be noted that the accounting software will automatically consolidate the heads of accounts into sub-groups and groups. Thus, no separate manual posting to these groups and sub-groups is required. The CoA is explained in the Table below:

1	Code	Each head of account is assigned a unique digit code to be defined.
2	Nomenclature	Name of the head of account

#### **Books of Accounts**

3. Software generated Cash Book and relevant books of accounts like General Ledger, Advance register etc. are to be printed on a monthly basis with seal & sign of SPD and kept in a chronological order at the PMU. The Accounting system in software will be supplemented by various reports/register that are to be maintained manually. The registers that to be maintained at PMU are listed below. The books of account to be maintained PMU include:
  - Cash Book (Soft ware generated)
  - General Ledger (Soft ware generated)
  - Cheque Issue Register (Software generated)
  - Advance Register (Software generated)
  - Register of Receipts (Software generated)
  - Deduction and Deposit Register for EMD, Security Deposit and Income Tax and other Deductions. (Software generated)
  - Fixed Asset Register (only to record furniture, IT/office equipment etc purchased with project funds and which will be retained by the implementing departments/agencies even after completion of the project)
  - Procurement Plan Head Wise Expenditure Register (the register is meant for disclosing head wise expenditure)

#### 4. Guidance for recording of accounting transactions



#### 5. Maintenance of the Cash/Bank Book/s

- a) The PMU is required to maintain a separate **Cash Book** for the ACCSDP. The Cash Book will have separate columns for Cash and Bank transactions. For the uniform classification of accounts, a list of account heads and their code numbers will be generated for the ACCSDP in consultation with the World Bank.

## Annexure-2 Staffing & Supervision

1. **Chief Financial Controller - CFC (1 post):** The Chief Financial Controller (CFC) at the PMU shall be the overall Head of the Account Branch of the PMU and will report to the SPD. He is responsible for drawal, disbursement and deposit of project funds and inter alia, will also be responsible for
  - All works relating to Financial Management of ARIAS Projects.
  - Compilation of Accounts of ARIAS Projects and to place the Accounts before the Governing Body of ARIAS Society.
  - Maintenance of PMU Accounts.
  - Inspect Accounts of the Accounting Centers of ARIAS Projects, with approval of SPD, to ensure accounts are being maintained as per the norms applicable for the ARIAS Projects.
  - Monitor and report (to SPD) regarding any violation of the Financial Management Manual (FMM) by the Accounting Centers of ARIAS Projects.
  - Prepare Financial Statements of PMU and ACCSDP Project.
  - Assess Training needs of the financial Staff of PMU/Accounting Centers and organize Training/capacity building workshops.
  - Liaise with the Accountant General's Office/Chartered Accountancy (CA) Firm for audit matters of ACCSDP Project Accounts.
  - Liaise with the Finance Department, Government of Assam.
  - Monitor the works of the CA firm.
  - Preparation, Consolidation and updating the cost-tables of ACCSDP project.
  - All works relating to drawal/disbursement and deposit of ACCSDP Project Fund.
  - Supervise processing of reimbursement claims for ACCSDP Project, as applicable and Liaise with the office of CAAA, GOI.
  - Scrutinize the Sanction and Payment Proposals, as & when related files are marked by SPD to CFC.
  - Issue of cheques/ as per sanction and Payment Proposals approved by SPD.
  - Periodic checking of bank balance through online banking.
  - Any work as & when assigned by the SPD.
2. **Senior Financial Management Specialist (1post):**
  - Technical support in all areas of day to day finance and accounting functions and financial management of CCSDP, to ensure regular & proper keeping of accounts related records of the CCSDP, observing the standard accounting principles of double entry systems;
  - Work closely with the accounts team of ARIASS and will assist in works related to budget; work plan, grants disbursement and audits;
  - Regularly monitor the financial performance of CCSDP including monitoring of expenditures, including analysis and preparations of reports required for financial management of the project
  - Assist in maintenance of the CCSDP Accounts as per the Financial Management Manual of CCSDP/ARIASS and other rules & regulations and guidelines issued by ARIASS from time to time;

- Ensure that the Financial management systems and internal control procedures as applicable to the CCSDP are being adhered to by the various units;
- Keep strong liaison with the Finance & Accounts personnel of the PCU, ARIASS with regards to consolidation of information, claim submission and other accounting issues;
- Ensure that goods & services are procured in accordance with the relevant Financing & Project Agreements and as per the World Bank guidelines for procurement of goods, works & services;
- Ensure that all expenditure incurred under CCSDP has been authorized by the SPD, ARIASS and entered into the MIS system of ARIASS and in the Accounting Software (such as Tally);
- Processing of bills/invoices etc for payment in MIS/computerized financial accounting systems; including proper deduction of all applicable taxes and levies including service tax, TDS etc. and timely deposit of all the returns to the concerned authorities;
- Ensure that the asset sanctioned and created under the CCSDP have been recorded in the Asset Register showing their identification, location and custody;
- Ensure that funds disbursed are properly accounted for and that necessary supporting documents such as records, vouchers, relevant contract agreements, etc. and books of accounts are properly retained in respect of all project procurements & expenditures, so that these are made available to Audit (Chartered Accountant/Accountant General) on demand as and when required;
- Assist in maintaining cash book on daily basis and will prepare monthly expenditure statements, compilation of monthly accounts & annual financial reports, and preparation of the monthly reimbursement applications and related statements of the CCSDP for sending to the Govt. of India/World Bank.
- Prepare Power Point Presentation/detailed note in respect of Financial Status of the CCSDP as and when required;
- Carry out monitoring visits with the program team and other members of finance team in order to ensure effective financial management of CCSDP;
- Liaise with appointed internal auditors and review internal audit reports and will ensure compliance with corrective measures; review the external audit reports of Accountant General and will ensure compliance with corrective measures;
- Any other official responsibilities as assigned by the SPD, ARIASS/Lead Financial Management Specialist, CCSDP/Senior Financial Advisor, ARIASS

### **3. Financial Management Support Assistant (two):**

- Technical support in all areas of day to day finance and accounting functions and financial management of CCSDP, to ensure regular & proper keeping of accounts related records of the CCSDP, observing the standard accounting principles of double entry systems;
- Work closely with the accounts team of ARIASS and will assist in works related to budget; work plan, grants disbursement and audits;
- Regularly monitor the financial performance of CCSDP including monitoring of expenditures, including analysis and preparations of reports required for financial management of the project
- Assist in maintenance of the CCSDP Accounts as per the Financial Management Manual of CCSDP/ARIASS and other rules & regulations and guidelines issued by ARIASS from time to time;
- Ensure that the Financial management systems and internal control procedures as applicable to the CCSDP are being adhered to by the various units;

- Keep strong liaison with the Finance & Accounts personnel of the PCU, ARIASS with regards to consolidation of information, claim submission and other accounting issues;
- Ensure that goods & services are procured in accordance with the relevant Financing & Project Agreements and as per the World Bank guidelines for procurement of goods, works & services;
- Ensure that all expenditure incurred under CCSDP has been authorized by the SPD, ARIASS and entered into the MIS system of ARIASS and in the Accounting Software (Tally);
- Processing of bills/invoices etc for payment in MIS/computerized financial accounting systems; including proper deduction of all applicable taxes and levies including service tax, TDS etc. and timely deposit all the returns to the concerned authorities;
- Ensure that the asset sanctioned and created under the CCSDP have been recorded in the Asset Register showing their identification, location and custody;
- Ensure that funds disbursed are properly accounted and that necessary supporting documents such as records, vouchers, relevant contract agreements, etc. and books of accounts are properly retained in respect of all project procurements & expenditures, so that these are made available to Audit (Chartered Accountant/Accountant General) on demand as and when required;
- Assist in maintaining cash book on daily basis and will prepare monthly expenditure statements, compilation of monthly accounts & annual financial reports, and preparation of the monthly reimbursement applications and related statements of the CCSDP for sending to the Govt. of India/World Bank.
- Prepare Power Point Presentation/detailed note in respect of Financial Status of the CCSDP as and when required;
- Carry out monitoring visits with the program team and other members of finance team in order to ensure effective financial management of CCSDP;
- Liaise with appointed internal auditors and review internal audit reports and will ensure compliance with corrective measures; review the external audit reports of Accountant General and will ensure compliance with corrective measures;
- Any other official responsibilities as assigned by the SPD, ARIASS/Lead Financial Management Specialist, CCSDP/Junior Financial Advisor, ARIASS

### Annexure-3 Auditing Arrangements

1. The Annual Accounts of the society are audited both by the Chartered Accountant (CA) and by the Accountant General (Audit) Assam. The Chartered Accountant conducts quarterly and annual audits of the project accounts as per approved TOR wherein the time periods for initiation and completion of their audit are specified.
2. The scope of audit is to carry out the assignment as per general principles and standard of auditing and to include such tests and control as considered necessary by the auditor. While conducting the audit, special attention will be paid by the auditor to ensure the following:
  - a) All project funds have been utilized in accordance with the relevant financing agreement and with economy and efficiency.
  - b) Goods and services financed are in adherence to both the Bank's guidelines for procurement as also the Government's rules and regulations.
  - c) The projects accounts have been prepared in accordance with consistently applied accounting standards and give a true and fair view of financial situation of the project for the financial year and of resources and expenditure of that year.
3. The CA firm will make further comments on important deficiencies in accounting as noticed during audit, lacuna in financial management and lapses in discharging the responsibilities by the concerned officers causing improper use of project funds.
4. The audit observations appearing in the CA's report will be attended and replied to by the concerned Officers of the PMU after remedying the defects pointed out. The replies to the audit report on consolidation are sent to the CA for further necessary action. Cases of gross financial lapses / irregularities are brought to the notice of the departmental higher authorities by the PMU for appropriate action.
5. The audit observations appearing in the Inspection Report of the AG are replied to by the ACs the same are sent to the PMU . Thereafter PMU furnishes the replies for the society as a whole to the AG. Finally, the AG prepares the Audit Report on the accounts of the society considering the replies so furnished and submits the Audit Report duly approved by the C&AG of India to the Government of Assam, Department of AR&T for placing the report before State Legislature.
6. These audit observations and replies there to are also placed before the GB for information at the time of considering the Annual Accounts and forwarding the same to the PGC for approval.
7. A register on audit observation will be made in the following manner.

Official of PMU who will reply	Observation	Action	Remarks

8. All observations must be recorded along with date and criteria developed that the same will be acted upon within 30 days. This register will be printed out at the end of every month and submitted to the Project Director for his appraisal. Action to record forwarding to the concerned office etc and remarks will record the final settlement and the date.
9. The CA shall submit certificate of claim made as per following formats given at Appendix-1
10. The Project Management is to provide a 'Management Representation Letter' as per format given at Appendix-2.
11. The Auditor shall provided audit opinion as per format given at Appendix-3

**Appendix-1 to Auditing arrangements**  
**FORMAT FOR AUDIT CERTIFICATE**

*The Expenditure Statement relating to the project Assam Citizen Centric Service Delivery Project (Loan/Credit No Q924-IN) under ARIAS Society upto ..... attached hereto has been audited in accordance with the standards of audit of the Institute of Chartered Accountants of India and accordingly included such test of accounting records, internal checks and controls and other auditing procedures necessary to confirm:*

- a) that the resources are used for the purposes of the project and*
- b) that the Expenditure Statements are correct.*

*During the course of the audit referred to above, Statements of Expenditure and the connected documents were examined and these can be relied upon to support reimbursement under the aforesaid credit agreement.*

*On the basis of the information and explanations that have been obtained as required and according to the best of our information as a result of the test audit, it is certified that the Expenditure Statements read with the observations made in our separate audit report of their annual accounts represent a true and fair view of the implementation of the project for the period upto.....*

**ARIAS SOCIETY**

**Agricultural Campus, Khanapara :: Guwahati - 22**

**STATEMENT OF EXPENDITURE OF ACCSDP**

<i>Application No.</i>	<i>Date</i>	<i>Amount of Expenditure (in Rs. Million)</i>	<i>Amount Claimed Rs. Million) (in</i>
------------------------	-------------	---	--

**Appendix-2 to Auditing arrangements**  
**Format for Management Representation Letter**  
(on the letterhead of ARIAS Society)

(To Auditor)

*This Representation Letter is provided to you in connection with your audit of the Project Financial Statements of the Assam Citizen Centric Service Delivery Project under Credit No Q924-IN (Assam Citizen Centric Service Delivery Project) for the year ended on ..... implemented by the ARIAS Society for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Project as of ..... and of the sources and uses of funds for the year then ended. We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the basis of accounting policies followed by ARIASS, and we confirm, to the best of our knowledge and belief, the following representations made to you during your audit:*

- *The Project Financial Statements are free of material misstatements, including omissions.*
- *Assets shown on the project balance sheet exist, are owned by ARIAS Society, and are used solely for project purposes.*
- *Project funds have been used for the purposes for which they were provided.*
- *Project expenditures are eligible for financing under the Credit and Project Agreements.*
- *There have been no irregularities involving management or employees which have a significant impact on the internal controls or that could have a material effect on the project financial statements.*
- *Procurement has been done as per the agreed procedures as per the Credit and Project Agreements and the Operational Manual including the Financial Management Manual. We have made available to you all procurement documents relating to the project.*
- *We have made available to you all books of account and supporting documentation relating to the Project.*
- *All complaints received and subsequent correspondences thereof have been made available to you.*
- *The Project has complied with the conditions of the Credit Agreement, Project Agreement, Minutes of Negotiations, Operations Manual & Financial Management Manual.*

**Chief Financial Controller**

**State Project Director**

**Appendix-3 to Auditing arrangements**  
**Model Audit Report**  
**Unqualified Opinion\*\*\***  
**(for Project Financial Statement Including IFR/SOE)**

Addressee\*

**Introductory Paragraph**

*We have audited the accompanying financial statements \*\* of Assam Citizen Centric Service Delivery Project financed under World Bank Loan No. Q924-IN/IDA as of 31<sup>st</sup> March, 20XX for the year then ended. Our responsibility is to express an opinion on these financial statements based on our audit.*

**Scope Paragraph**

*We conducted our audit in accordance with National Standards on Auditing issued by the Institute of Chartered Accountants 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.*

**Opinion Paragraph:**

*In our opinion, the financial statements give a true and fair view of the Sources and Application of Funds and the financial position of Assam Citizen Centric Service Delivery Project for the year ended 31<sup>st</sup> March, 20XX in accordance with relevant national standards.*

*In addition, (a) with respect to IUFRs adequate supporting documents has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and (b) which expenditures are eligible for financing under the Loan/Credit Agreement (Credit No. Q924- IN ). (c) The IUFR submitted and procedure and internal controls involved in their preparation can be relied upon to support the withdrawals.*

*(Name and address of Audit Firm)*

*(Date- Completion Date of Audit)*

*\* The auditors report should be appropriately addressed as required by the circumstances of the engagement and local regulations.*

*\*\* A Source and Application of Funds statement is always required for each project. A balance sheet is also required where the project has assets and liabilities.*

*\*\*\* in case of a qualified/adverse/disclaimer the language needs to be modified suitably by the auditor.*

**Annexure-4**

**Assam Citizen Centric Service Delivery Project  
CHART OF ACCOUNTS  
COST HEADS (To be updated based approved Procurement Plan)**

<b>LEVEL 1 ( Component)</b>	<b>LEVEL 2 (Sub-Component)</b>	<b>LEVEL (Detail Head)</b>	<b>LEVEL (Minor Head)</b>
Technical Assistance (Component-1)	Strengthening RTPS implementation	<i>Comprehensive RTPS ICT platform for automated tracking</i>	Purchase of ICT Hardware for One Stop Shop
			Network Connectivity of 425 One Stop Shop
			RTPS and linkages of Departments
		<i>Management Information System</i>	Project baseline and annual follow-up-studies
			Third Party verification of DLIs
		<i>Online portal to promote proactive disclosure related to citizens</i>	RTPS Portal Software applications
			Develop implement and maintain RTPSs Portal
		<i>Capacity Building to support adaptation to electronic processing</i>	
		<i>Staff Survey to understand front-line staff concerns</i>	
		<i>Design and implementation of a change management strategy</i>	Study and Assessment of e-district project
			Change Management
	Supporting Process Re-engineering in Targeted Services		
		<i>Integration of electronic approaches to G2C service delivery</i>	Technical support to Departments
			Technical Support to Autonomous Council
			Support to Autonomous Council
		<i>Process simplification</i>	
		<i>Improving field verification system for delivery services</i>	Hiring Agency for Reengineering for RTPS Service

**Assam Citizen Centric Service Delivery Project  
CHART OF ACCOUNTS  
COST HEADS (To be updated based approved Procurement Plan)**

<b>LEVEL 1 ( Component)</b>	<b>LEVEL 2 (Sub-Component)</b>	<b>LEVEL (Detail Head)</b>	<b>LEVEL (Minor Head)</b>
		<i>Development of quality management system</i>	Hiring of Head Hunting Firm
			Senior Advisor
			Business Process Re-engineering and IT Specialist
			ICT Infrastructure Specialist
			M& E Specialist
			Senior Procurement & Contract Management Specialist
			Financial Management Specialist
		<i>Creation of integrated electronic repository of government</i>	
	Setting up One-Stop Centres		
		<i>Creating 400 one Stop Shops</i>	Hiring contractual staff
		<i>ICT infrastructure and broadband connectivity</i>	
		<i>Hiring Contractual staff</i>	Manpower Agency for One Stop Shop
			PMU Support Staff
		<i>Incidental Costs</i>	
	Promoting Citizen Engagement	<i>State-wide Information and Education Campaign</i>	IEC Campaign
		<i>Development of a mobile and web-based citizen feedback system</i>	
		<i>Establishment of a toll-free call centre for assistance</i>	
Results- Based Financing ( Component -2)	Heads to be Inserted	<i>Sub-Heads to be Inserted</i>	
		<i>Sub-Heads to be Inserted</i>	
		<i>Sub-Heads to be Inserted</i>	

**Annexure-5.1  
IUFR FORMAT 1-A**

Citizen- Centric Service Delivery Reform in the Northeast Project (PPA No IDA Q924-IN)				
1A. Project Sources and Used of Funds				
For the period .....				
				Amount in Rsmillion
Particulars	Current Quarter	Year to Date	Cumulative to Date	PAD
<b>Opening Cash Balance</b>	-	-	-	
Project/ Operating Bank Account				
Designated Account				
<b>Opening Balance Total</b>	-	-	-	
<b>Add: Sources of Funds</b>	-	-	-	
Government Funds( Temporary Advance from Project Coordination Unit)				
<b>Sources of Funds Total</b>	-	-	-	
<b>Total Receipts</b>	-	-	-	
<b>Less: Uses of Funds</b>				
Goods	-	-	-	
Non-Consulting Services	-	-	-	
Consultants' Services	-	-	-	
Incremental Operating Costs	-	-	-	
<b>Uses of Funds Total</b>	-	-	-	
<b>Closing Cash Balance</b>				
Project/ Operating Bank Account	-	-	-	
Designated Account				
<b>Closing Balance Total</b>	-	-	-	

Eligible Expenditure	
Reimbursement Percentage	80%
Reimbursable Amount	

Chief Financial Controller  
CCSDP

State Project Director  
CCSDP

**Annexure-5.2  
IUFR FORMAT 1-B**

<b>(PPA No IDA Q924-IN and Project Credit No. ....)</b> <b>Citizen- Centric Service Delivery Project 1B.</b> <b>Uses of Funds by Project Components/Activities</b> <b>For the reporting Quarter</b>										
Project Activities	Actual			Planned			Variance*			PAD
	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	List of the Project
(a) Operating Costs										
(b)										
(C)										
(d)										
(e)										
<b>Total Financed</b>	-	-	-							

Chief Financial Controller  
CCSDP

State Project Director  
ARIAS Society, CCSDP

**Annexure-5.2  
Attachment to IUFR**

**Payment Made during Reporting Period against Contracts Subject to Bank's Prior Review**

Contract Number	Supplier	Contract Date	Contract Amount	Date of WB's Non Objection to Contract	Amount Paid to Supplier during Period	WB's Share of Amt Paid to Supplier during Period

Chief Financial Controller  
CCSDP

State Project Director  
ARIAS Society, CCSDP