

INDEPENDENT AUDITORS' REPORT

To,
The State Project Director,
ACCSDP,
ARIAS Society, Agriculture Complex,
Khanapara, Guwahati, Assam

Report on the Audit of Project Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Assam Citizen Centric Service Delivery Project (ACCSDP) financed by the International Bank for Reconstruction and Development (IBRD) under Loan 8754-IN and implemented by Assam Rural Infrastructure and Agriculture Services Society (ARIAS Society). These financial statements comprise of the Balance Sheet, Income and Expenditure Account and Receipt and Payment Account and notes to these financial statements, including a summary of significant accounting policies, collectively referred to as the "Project Financial Statements".

In our opinion, the aforesaid special purpose Project Financial Statements give a true and fair view of the financial position of the Project as at March 31, 2019 income and expenditure statement, receipts and disbursements of the Project for the year ended on March 31, 2019 and the expenditure of the Project for the year ended on March 31, 2019, in accordance with the financial reporting provisions of Section 5.09 of the General Conditions of the World Bank read with the Loan Agreement and Project Agreement both dated 05-06-2017.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India (ICAI). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the implementing agency in accordance with the ICAI's Code of Ethics for undertaking this assignment, and we have fulfilled our ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Point No. 4 of Significant Accounting Policies which depicts that PFS were maintained on Cash Basis. The PFS are prepared to assist the Assam Rural Infrastructure and Agriculture Services Society (ARIAS Society) to meet the financial reporting requirements of the Project's Loan Agreements for Investment Project Financing dated 05-06-2017 in respect of preparation of the Project Financial Statements in a manner to

reflect the operations, resources and expenditures related to the Project. As a result, these special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and those charged with Governance for the Project Financial Statements

The Management of the implementing agency is responsible for the preparation and fair presentation of the Project Financial Statements in accordance with the financial reporting to these financial statements, and for such internal control as management determines is necessary to enable the preparation of Project Financial Statements that are free from material misstatement, whether due to fraud or error.

The Management and those charged with governance are responsible for overseeing the implementing agency's financial reporting process.

Auditor's Responsibilities for the Audit of the Project Financial Statements

Our objectives are to obtain reasonable assurance about whether the Project Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standard of Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Project Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the Project Financial Statements, including the disclosures and whether these financial statements present the Project's operations and underlying transactions and events in a manner that achieves fair presentation in accordance with the financial reporting.

- communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Assam Rural Infrastructure and Agriculture Services Society (ARIAS Society) has prepared a separate set of entity financial statements for the year ended March 31, 2019 on which we have issued a separate auditor's report to the Governing Body dated 31-12-2019 and expressed an unmodified audit opinion.

Further to our opinion on the Project Financial Statements we further report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of accounts have been kept by the implementing agency for Project purposes so far as appears from our examination of those books;
- c) the Project Financial Statements dealt with by this report is in agreement with the books of accounts;
- d) the Project funds were utilized for the purposes for which they were provided;
- e) expenditures, including assets created under the Project, shown in the PFS are eligible for financing under the Project Financing Agreements;
- f) Interim Financial Reports (IFR) submitted by the Project management can be relied upon to support applications for withdrawal of the Loan, and adequate supporting documentation has been maintained to support these claims;
- g) Procurement has been carried out in line with the agreed procedures as detailed in the Project Implementation Plan and Legal Agreements; and
- h) the Project has an adequate internal financial control system (including IT controls) and such controls were operating effectively as at March 31, 2019 and the Project complies with the provisions on financial management contained in the Project Implementation Plan and Financial Management Manual, in all material aspects.

For Agarwal A Kumar & Associates
Chartered Accountants
FRN: 07905N



CA Ravi Kumar Sharma
M. No. 426020
Partner

Place: Chandigarh
Date: 31.12.2019

UDIN : 20426020AAAAAB7515

ARIAS SOCIETY,Agricultural Campus, Khanapara
Guwahati, Assam**ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT (ACCSDP)****Balance Sheet as at 31st March, 2019**

Prev. Year	LIABILITIES	AMOUNT	TOTAL	Prev. Year	ASSETS	AMOUNT	TOTAL
34,60,30,057.00	Capital Fund : Opening Balances Add: Grant in Aid <hr/> Less : Total Project Expenditure (Schedule III)	34,60,30,057.00 0.00 34,60,30,057.00 4,38,10,671.00	30,22,19,386.00	34,60,30,057.00	Current Assets & Loans & Advances : i. Closing Balance of Cash in Hand at Bank ii. Advance (OB) Add : During the year <hr/> Less : Adjusted during the year	30,20,43,386.00 1,24,400.00 2,77,100.00 4,01,500.00 2,25,500.00	30,22,19,386.00
0.00	Current Liabilities & Provisions : Deductions of Statutory & other Dues: (To be deposited)	0.00	0.00				
34,60,30,057.00	TOTAL:		30,22,19,386.00	34,60,30,057.00	TOTAL:		30,22,19,386.00

As per our report of even date annexed,
For**Agarwal A. Kumar & Associates,**
Chartered Accountants
FRN: 07905N.....
CA. Ravi Kumar Sharma
M.No. : 426020
Partner
Dated : 31/12/2019For
Assam Citizen Centric Service Delivery Project (ACCSDP).....
Chief Financial Controller.....
State Project Director

ARIAS SOCIETY,

Agricultural Campus, Khanapara
Guwahati, Assam

ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT (ACCSDP)**Income & Expenditure Accounts for the year ended on 31st March, 2019**

Prev. Year	EXPENDITURE	AMOUNT	TOTAL	Prev. Year	INCOME	AMOUNT	TOTAL
0.00	To Expenditure		0.00	0.00	By Grant-in-Aid Received from Govt. of Assam		0.00
0.00	To Excess of Income over Expenditure during the Year		0.00	0.00	By Excess of Expenditure over Income during the Year		0.00
0.00	TOTAL:		0.00	0.00	TOTAL:		0.00

As per our report of even date annexed,

For

Agarwal A. Kumar & Associates,

Chartered Accountants,

FRN: 07905N

.....
CA. Ravi Kumar Sharma

M.No. : 426020

Partner

Dated : 31/12/2019

For

Assam Citizen Centric Service Delivery Project (ACCSDP)

.....
Chief Financial Controller

.....
State Project Director

ARIAS SOCIETY,

Agricultural Campus, Khanapara
Guwahati, Assam

ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT (ACCSDP)**Receipts & Payments Accounts for the year ended on 31st March, 2019**

Prev. Year	RECEIPTS	AMOUNT	TOTAL	Prev. Year	PAYMENTS	AMOUNT	TOTAL
25,96,772.00	To Opening Balance : Cash in Hand	0.00		1,50,96,715.00	By Expediture on ACCSDP (Schedule-III)		4,38,10,671.00
	Cash at Bank	34,59,05,657.00	34,59,05,657.00	11,30,795.00	By Deposit of Statutory Dues : (Schedule-I)		33,35,120.00
36,10,00,000.00	To Grant in Aid	0.00	0.00	94,400.00	By Advances Given (Schedule-II)		2,77,100.00
11,30,795.00	To Deduction of Statutory Dues & Others Dies: (Schedule-I)	33,35,120.00	33,35,120.00	25,00,000.00	By Refund of Temporary Advance		
	To Adjustment of Advances (Schedule-II)	2,25,500.00	2,25,500.00	34,59,05,657.00	By Deposit to Govt. Revnue Accounts : (Sale of Bid Documents)		
					By Closing Balance : Cash in Hand 0.00 Cash at Bank (Bank of Baroda A/c 00013) 30,20,43,386.00		30,20,43,386.00
36,47,27,567.00	TOTAL:		34,94,66,277.00	36,47,27,567.00			34,94,66,277.00

As per our report of even date annexed,
For
Agarwal A. Kumar & Associates,
Chartered Accountants,
FRN: 07905N



.....
CA. Ravi Kumar Sharma
M.No. : 426020
Partner
Dated : 31/12/2019

For
Assam Citizen Centric Service Delivery Project (ACCSDP)

.....
Chief Financial Controller

.....
State Project Director

Schedule - I

Details of Deduction & Deposit of Statutory Dues & Other Dues :

Particulars	OB	Deductions	Deposit	Closing Balances
GST	0.00	1,03,782.00	1,03,782.00	0.00
IGST	0.00	2,49,669.00	2,49,669.00	0.00
Income Tax	0.00	29,53,951.00	29,53,951.00	0.00
P.Tax	0.00	27,718.00	27,718.00	0.00
	0.00	33,35,120.00	33,35,120.00	0.00

Schedule - II

Details of Miscellaneous Advances as at 31.03.2019 :

Name of Person (s)	OB	Given	Recovered	Amount (Rs)
Ananda Das, Project Manager	30,000.00	0.00	0.00	30,000.00
Monoj Sarma, Administrative Officer	94,400.00	2,01,100.00	2,25,500.00	70,000.00
Assam Administrative Staff College	0.00	76,000.00	0.00	76,000.00
TOTAL	1,24,400.00	2,77,100.00	2,25,500.00	1,76,000.00

Schedule - III

Details of Expenditure upto 31.03.2019

Particulars	Amount (Rs)	
	Debit	Credit
ACCSDP Expenditure	4,38,10,671.00	
PMU Costs	1,37,48,478.00	
BPR-Eng&IT Spl. PMU	26,20,447.00	
IEC Cum Communication Specialist	5,95,000.00	
Incremental Operating Cost	51,02,364.00	
Jr. ICT Infrastructure Specialist	5,47,500.00	
M&E Specialist	6,51,600.00	
Misc. Exp. (Contingencies)	2,57,893.00	
Remuneration of PMU Staffs	32,05,992.00	
Senior Advisor, ACCSDP	7,67,682.00	
Promoting Citizen Engagement	7,43,180.00	
Establishment of Call Center	7,43,180.00	
Setting-Up Public Facilitation Centre (PFCs)	11,54,835.00	
Setting Up 428 PFCs with Conn. ICT Equip. & Staff	11,54,835.00	
Strengthening RTPS Implementation	1,53,83,421.00	
CM Along with Training and Capacity Building	1,51,082.00	
Dev. of RTPS ICT Platform and Online Portal	14,89,021.00	
Strengthening Project Base-Line and M&E	1,37,43,318.00	
Supporting Process Re-Engineering in Selected Serv.	1,27,80,757.00	
Simplification of Admin. PROCEDURES (BPR Study)	1,27,80,757.00	
Grand Total	4,38,10,671.00	

**NOTES AND INFORMATION FORMING THE PART OF ACCOUNTS FOR THE
YEAR ENDING AS ON 31ST MARCH 2019**

Significant Accounting Policies

1. These are the Financial Statements of the Assam Citizen Centric Service Delivery Project (ACCSDP) under Assam Rural Infrastructure and Agriculture Services Society (An Autonomous Body under Govt. of Assam).
2. These financial statements apply to the financial year ended on 31st March 2019 and have been stated in INR.
3. These financial statements have been prepared in accordance with applicable Accounting Standards.
4. These financial statements have been prepared using the Cash Basis of accounting.
5. These financial statements have been prepared on a going concern basis.

Significant Accounting Policies

1. Previous year figure have been rearranged, regrouped and recast whenever necessary.

For,
Agarwal A Kumar & Associates
Chartered Accountants
FRN: 07905N



CA Ravi Kumar Sharma
M. No. 426020
Partner

For,
**Assam Citizen Centric Service Delivery Project
(ACCSDP)**



Chief Financial Controller



State Project Director

ARIAS SOCIETY,
Agricultural Campus, Khanapara
Guwahati, Assam

ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT (ACCSDP)

Reconciliation statement of Reimbursement Claims

Financial Year	Expenditure as per AFS (Note 1)	Expenditure Ineligible for Reimbursement (Note 2)	Mobilisation Advance Given	Adjustment of Mobilisation Advance during the year	Total Claimable Expenditure	Expenditure as per SOE	Difference in Expenditure
1	2	3	4	5	6=2-3+4-5	7	8=6-7
2018-2019	4,38,10,671.00	0.00	0.00	0.00	4,38,10,671.00	4,30,07,386.00	8,03,285.00 **
TOTAL	4,38,10,671.00	0.00	0.00	0.00	4,38,10,671.00	4,30,07,386.00	8,03,285.00

1. The Reconciliation statement of Reimbursement claims has been worked out on the basis of gross expenditure incurred or services rendered by the PCU for the period from the Financial Year 2018-2019.
2. SOE Expenditure has been worked out on the basis of SOEs submitted for expenditure incurred for the above period.
- ** 3. Excess Claim made during the Financial Year 2017-2018 is adjusted with Claim of Financial Year 2018-2019.

As per our report of even date annexed,
For

Agarwal A. Kumar & Associates,
Chartered Accountants,
FRN: 07905N

CA. Ravi Kumar Sharma
M.No. : 426020
Partner
Dated : 31/12/2019

For
Assam Citizen Centric Service Delivery Project (ACCSDP)

Chief Financial Controller

State Project Director

ARIAS SOCIETY,

Agricultural Campus, Khanapara
Guwahati, Assam

ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT (ACCSDP)

Sl. No.	Particulars	Amount (Rs.)	Rate of Claim (%)	Claim Amount	Remarks
1	Component 1				
	Consultants Services	3,27,28,547.00	80%	2,61,82,837.60	
	Non - Consultants Services	33,90,000.00	80%	27,12,000.00	
	Incremental Operating Cost	76,92,124.00	80%	61,53,699.20	
Total Expenditure for the FY 2018-2019		4,38,10,671.00		3,50,48,536.80	

As per our report of even date annexed,
For
Agarwal A. Kumar & Associates,
Chartered Accountants,
FRN: 07905N



.....
CA. Ravi Kumar Sharma
M.No. : 426020
Partner
Dated : 31/12/2019

For
Assam Citizen Centric Service Delivery Project (ACCSDP)

.....
Chief Financial Controller

.....
State Project Director

LIST OF REIMBURSEMENT CLAIM SUBMITTED TO WORLD BANK
FOR THE FINANCIAL YHEAR 2018-2019 (Loan No.8754-IN)

Sl. No.	PCU Appl.		Category No.	R.I. Claim	Amount	Progressive Total	DEA Appl. No. & Date		Amount approved	Cumulative of Amount approved	Amount Disallowed	RF/WA No	Date
	Appl. No.	Date		Expenditure	Claim		Appl. No.	Date					
1	11	01/04/18 to 30/06/18		8.58	6.86	6.86			6.86	6.86			
2	12	01/07/18 to 30/09/18		8.67	6.94	13.80			6.94	13.80			
3	13	01/04/18 to 30/06/18		11.46	9.17	22.97			9.17	22.97			
4	14	01/04/18 to 30/06/18		14.30	11.44	34.41			11.44	34.41			
									Total Rs.	34.41			
									Less : Disallowed	0.00			
									Amount Disbursed	34.41			

As per our report of even date annexed,
For
Agarwal A. Kumar & Associates,
Chartered Accountants,
FRN: 07905N



.....
CA. Ravi Kumar Sharma
M.No. : 426020
Partner
Dated : 31/12/2019

For
Assam Citizen Centric Service Delivery Project (ACSDP)

.....
Chief Financial Controller

.....
State Project Director

Bank Reconciliation Statement as on 31st March, 2019

Bank of Baorda A/c 56720200000013

Balance as per Cash Book			30,20,43,386.00
	Bank of Baorda A/c 56720200000013	30,20,43,386.00	
Add: Cheque issued but not presented for Payment			
30.03.2019	CCSDP	5,46,567.00	
30.03.2019	CCSDP	2,438.00	
30.03.2019	CCSDP	14,700.00	
		5,63,705.00	5,63,705.00
Less :	Cheque deposit by Monoj Sarma but not cleared	39,018.00	39,018.00
	Bank of Baorda A/c 56720200000013	-	30,25,68,073.00
Balance as per Bank Statement			
	Bank of Baorda A/c 56720200000013	30,25,68,073.00	

AUDIT REPORT OF ASSAM CITIZEN CENTRIC SERVICE DELIVERY PROJECT

(ACCSDP) FOR THE YEAR ENDED MARCH 31, 2019

During audit of Assam Citizen Centric Service Delivery Project, (ACCSDP) under Assam Rural Infrastructure and Agriculture Services society, we noted the following observations:

1. QUOTATIONS NOT INVITED

During checking of procurement we found that following payments made without taken quotations. Details are given below:

Date	V.No	Amount (Rs)	Observations
26.04.2018	5	46060.00	Amount paid to Hotel Aster Premier for providing lunch and high tea in training. Quotations were not invited.
03.05.2018	10	93287.00	Amount paid to Hotel Land Mark for stay and food charges during training. Quotations were not invited.
09.07.2018	33	56092.00	Amount paid to Mrs Monisha Rongpharpi for conducting training at Karbi Analog district. We have noted following observations: <ol style="list-style-type: none">1. Bill of Rs. 50300/- of M/S Das Hotel taken without date.2. Bill of Rs. 2100/- taken from Binod Fancy Store without date.3. Quotations were not invited.4. Participants in the meeting were 100 nos. but list attached of participants were only 60 persons.5. Payments were transfer to Mrs Monisha Rangpharpi account instead of direct suppliers account.

2. STATUS OF ADVANCES

We have checked the advance register and found that advance given to staff for conducting training and incurred other administrative expenditure but not settled at the end of March 31,2019. Details are given below:

Date of Advance	V. No.	Amount	Observations
11.04.2018	1	104900.00	Advance paid to Administrative officer Mr. Manoj Sarma for conducting training. Advance given on dated 11.04.2018 but adjusted of Rs. 65882/- dated on 04.03.2019 and remaining of Rs. 39018/- return to society dated on 04.03.2019. Bills were adjusted almost one year after conducting training dated on 12.04.2018.
07.05.2018 29.12.2018 24.01.2019	13 96 112	25000.00 10000.00 35000.00	Advance paid to Administrative officer Mr. Manoj Sarma for conducting training. Advance given on various dates but bills were not submitted till March 2019 of Rs. 70000/-
02.11.2018	81	76000.00	Advance paid to Assam Administrative Staff College for conducting training. Advance given on 02.11.2018 but bills were not submitted till March 2019 of Rs. 76000/-
25.04.2016	7	30000.00	Advance paid to Mr. Ananda Das, Project Manager for conducting training. Advance given on 25.04.2016 but bills were not submitted till March 2019 of Rs. 30000/-