

Audited Project Financial Statements

Project Number: 42267-026

Loan/Grant Number: 3183

Period covered: 1 April 2015 to 31 March 2016

IND: Rajasthan Urban Sector Development Program

Prepared by Rajasthan Urban Infrastructure Development Project (RUIDP), Government of Rajasthan (GOR)

For the Asian Development Bank
Date received by ADB: 4 October 2016

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the RUIDP, GOR.



Government of Rajasthan
Office of Project Director

Rajasthan Urban Infrastructure Development Project

AVS Building, Jawahar Circle, JLN Marg, Jaipur - 302017

Tel No.: 0141-2721966, Fax No.: 0141-2721919, email : mail.ruidp@rajasthan.gov.in,

web site : www.ruidp.rajasthan.gov.in

No.F (2)/ RUIDP/Acctt/Audit/2015-16 10246

Date: 30-9-16

Country Director,
Asian Development Bank,
IRM 4, San Martin Marg,
Chankyapuri, New Delhi 110021.



Sub: Submission of Audited Financial Statement for the Financial Year 2015-16 for Loan No. 2366, 2506 & 2725 under Phase-II and Loan No. 3182 & 3183 under Phase -III of RUIDP.

Sir/Madam,

With reference to subject mentioned above the Audited Financial Statement for the Financial Year 2015-16 for Loan No. 2366, 2506 & 2725 under Phase-II and Loan No. 3182 & 3183 under Phase -III of RUIDP has been received from office of the Principal Accountant General (G & SSA). The audited financial statements and other related information for the year 2015-16 are hereby enclosed with this letter for further necessary action please.

Enclosed- As above


(Om Prakash)

Financial Advisor

ई-मेल : agaurajasthan1@cag.gov.in
E-mail : agaurajasthan1@cag.gov.in

Report of the Comptroller and Auditor General of India

To,
The Project Director,
Rajasthan Urban Sector Development Investment Programme,
AVS Building, Jawahar Circle, JLN Marg,
Jaipur - 302004,

Report on the Project Financial Statements

We have audited the accompanying financial statements of the "Rajasthan Urban Sector Development Investment Programme (RUSDIP)" Project financed under Asian Development Bank Project-3 (Loan No.3182/3183-IND), which comprise the Statement of Receipts and Payments, the statement of Expenditure by Category and Financier, the Statement of Disbursement and related notes for the year ended 2015-16.

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 from 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 application of funds of project for the year ended 31st March 2016 in accordance with Government of India accounting standards.

In addition, in our opinion,

- (a) Proceeds of the loan from ADB have been utilized for the purposes as per ADB Loan/Project Agreement.
- (b) Financial covenants in the loan agreement "Rajasthan Urban Sector Development Investment Program (RUSDIP) Project-3 (Loan No.3182/3183-IND)" dated 11.09.2015, has been complied with

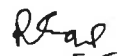
(c)

(i)(a) with respect to SOE's, adequate supporting documentation has been maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred; and (b) except for ineligible expenditures as detailed in the audit observations, if any, appended to this audit report, expenditures are eligible for financing under the Loan Agreement.

(ii)(a) The Imprest account give a true and fair view of the receipt collected and payments made during the year ended 31st March 2016; and (b) these receipts and payments support Imprest Account liquidations/replenishment during the year.

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

Date:- 28/9/2016


Dy. Accountant General / (G.S.S.-I)

Audit observations

Audit observations are based on the audit of accounts of Asian Development Bank assisted "Rajasthan urban sector development investment programme Project-3 (Loan No.3182/3183-IND) " for the year 2015-16.

1. Irregular inclusion of Income Taxes ₹ 58,51,464/-

As per the provisions of the loan agreement Income Tax is not eligible for financing / reimbursement by the funding agency, but was charged to the project. In the view of the above provision, the reimbursement claimed ₹ 58,51,464/-was inadmissible and may deducted now.

S.No.	Name of office	Amount (₹)
1.	Project Director RUSIDP, Jaipur	58,51,464/-
	Total	58,51,464/-

This expenditure of ₹ 58,51,464/-preferred for claim was irregular, and does not qualify for reimbursement.

2. Irregular inclusion of Hiring of vehicles and Office Expenses : ₹ 3,62,913/-

During the review of records it was noticed that amount of ₹ 3,62,913/- paid for hiring of vehicles and other office expenses which is not admissible as per the project conditions.

S.No.	Name of office	Amount (₹)
1.	Project Director RUSIDP, Jaipur	3,62,913/-
	Total	3,62,913/-

Hence the inclusion of ₹ 3,62,913/- preferred for claim was irregular, and does not qualify for reimbursement.


Dy.Accountant General/G.S.S.-I

**Rajasthan Urban Infrastructure Development Project
RUIDP-PHASE-III**

**An ADB Financed Project
Loan Account No.3182 & 3183- PHASE III
Statement of Affairs as on 31st March 2016**

Amount In INR

Particulars	Schedule No.	As On 31.03.2016	As On 31.03.2015
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Liabilities (Sources of Funds)

Funds From The Government Of Rajasthan	A	589,595,241	8,364,370
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Contribution from Local Bodies		-	-
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Current Liabilities & Payables		-	-
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Total		589,595,241	8,364,370
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Assets (Uses of Funds)

Fixed Assets


CWIP & Expenditure to be allocated	B	589,595,241	8,364,370
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Current Assets , Loans and Advances		-	-
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Total		589,595,241	8,364,370
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Place : Jaipur

Dated : 23.8.16


(Om Prakash)
Financial Advisor
RUIDP


(Dr. Preetam B. Yashvant)
Project Director
RUIDP

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Rajasthan Urban Infrastructure Development Project
RUIDP-PHASE-III
An ADB Financed Project
Loan Account No. 3182 & 3183-Phase III
Government Of Rajasthan A/c

Schedule-A

Particulars	As On 31.03.2016	As On 31.03.2015
Opening Balance as on 1.4.2015 (a/c 4217)	8,364,370	831,579
Add: Receipts From GoR (Including SGIA Imprest from ADB received through GoR, transfers etc)		
Under Works account	552,262,984	
Under Adm. & Others Head	28,967,887	7,532,791
	589,595,241	8,364,370
Closing Balance as on 31-03-2016 (A/c 4217)	589,595,241	8,364,370
Total funds from GoR as on 31-03-2016	589,595,241	8,364,370

Place: Jaipur
Date: 23.08.16

(Om Prakash)
Financial Advisor
RUIDP

(Dr. Freetam B. Yashvant)
Project Director
RUIDP

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Rajasthan Urban Infrastructure Development Project
RUIDP-PHASE-III
An ADB Financed Project
Loan Account No.3183- PHASE III

Statement of Expenditure for the Year Ended on 31 March, 2016

PARTICULARS	Amount In INR	
	For 2015-16	For 2014-15
Civil Works (Including Equipments)	552,262,984	-
Works Expenditure	522,607,258	-
Mobilization Advances	29,655,726	
Consulting Services (Fees& Expenses)		
Incremental Administration & Other		
Implementing Expenditure	28,967,887	7,532,791
Salary	25,009,981	6,203,712
Travelling expenditure	195,857	187,014
Medical Reimbursement Expenditure	99,888	49,644
Office Expenses	99,518	99,567
Hiring of vehicles	791,782	286,000
Office Rent		
Professional & Special Services		
Audit Fees & Exp.		
Payment to Contract personnel	865,719	244,717
Purchase of Vehicles		
Maintenance Of Vehicles		
Advertising & Other Expenses	1,905,142	462,137
Competurization		
Total	581,230,871	7,532,791

Place : Jaipur
Dated : 23.08.16

(Om Prakash)
Financial Advisor
RUIDP

(Dr. Preetam B. Yashvant)
Project Director
RUIDP

**Rajasthan Urban Infrastructure Development Project
RUIDP-PHASE-III**

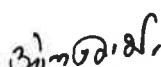
An ADB Financed Project

Loan Account No. 3182 & 3183- PHASE III

Fixed Assets (including CWIP & expenditure to be allocated)

Schedule - B

S. No.	Particulars	Schedule	As on 31.03.16	As on 31.03.15
Loan a/c 3183 - IND				
1	Urban infrastructure improvement		552,262,984	-
1A	Civil works (incl. Mobilisation Advance)		552,262,984	
1B	Equipment			
1C	Resettlement			
2	Capacity Development and Investment Program Management		37,332,257	8,364,370
2A	Consulting Services		-	-
2B	Training		-	
2C	Incremental Recurrent Cost	C	37,332,257	8,364,370
	Total		589,595,241	8,364,370


(Om Prakash)
Financial Advisor
RUIDP


(Dr. Preetam B. Yashvant)
Project Director
RUIDP

Rajasthan Urban Sector Development Investment Programme (RUSDIP)
 RUIDP-PHASE-III
 An ADB Financed Project
 Loan Account No.3182 & 3183- PHASE III

Schedule-C

Expenditure On Incremental Administration and Implementation Assistance

PARTICULARS	Amount In INR	
	As on 31.3.2016	As on 31.3.2015
Expenses on Incremental administration		
Salary	31,997,873	6,987,892
TA	382,871	187,014
Medical	149,532	49,644
Office expenses	217,840	118,322
Hiring of vehicles	1,077,782	286,000
Payment to Contract personnel	1,139,080	273,361
Advertising & Other Exp.	2,367,279	462,137
Total	37332257	8364370

(Signature)
 (Om Prakash)
 Financial Advisor
 RUIDP

(Signature)
 (Dr. Preetam B. Yashvant)
 Project Director
 RUIDP

Place : Jaipur

Dated : 23.08.16

**ACCOUNTING POLICIES & NOTES ON THE FINANCIAL STATEMENTS
OF Rajasthan Urban Sector Development Investment Programme
(RUSDIP) of RUIDP-Phase-III, RAJASTHAN- INDIA, an ABD financed
project (For the year 2015-16-Loan Agreement No.3183-IND)**

ACCOUNTING POLICIES

1. The Project is following the cash system of accounting in view of the pattern of accounting being followed by the projects of the State Government. Hence the provision / Adjustment and disclosure of prior period, prepaid, claims, penalty, counter claims and outstanding expenditure / receipt etc. is not made in the accounts. Further neither the amount of the said head of account ascertained nor reported in view of the cash system of accounting.
2. The statement of affairs is prepared under the broad heads as specified in the project agreement. The details under the sub heads have been given in the schedules.
All such accounting is being done as per nature of the project and as per the past practice being followed. The previous year's figures have been regrouped/rearranged wherever found necessary.
3. The project has been commenced for reimbursement under ADB Finance the project is compiled SOE/WA and has filed with ADB from time to time as per the prevailing norms/eligibility criteria under project agreement / Loan agreement.
4. In view of the cash accounting system and the maintenance of the accounts on the pattern of the State Government projects, the project could not follow the National/ International Accounting Standards for accounting and reporting requirements.
5. Since all direct & indirect expenditures are incurred on the project, the direct expenditure is allocated to the direct works & indirect expenditure is accounted for separately. The allocation would be made on completion of the works. Till then the unallocated balance is being carried in the statement of affairs. In view of this no profit & loss account/ income & expenditure account is prepared and no depreciation is provided for on the supportive fixed assets purchased like office furniture, equipment, computers etc. The Statement of Affairs (as balance sheet) is prepared at the end of each financial year.

6. The Loan assistance has been granted by Asian Development Bank (ADB) to Government of Rajasthan through Government of India under multi-trench back to back financing. All the reimbursements as bank finance are received by GOR through GOI.

The amount is received from GOR for execution of the project is allotted through budgetary provision and therefore the same is shown in the Statement of Affairs under the liabilities to the account of GOR.

Om Prakash

(Om Prakash)

Financial Advisor

RUIDP

Place: Jaipur

Date: 23.09.16

Rajasthan Urban Infrastructure Development Project

Figures of project cost estimated / budget & Actual expenditure of Phase-III

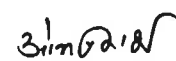
(Amount Rs In Crores)

Loan no	Original project Cost	Estimated project Cost	Actual expenditure as per balance sheet upto FY 2014-15	Actual expenditure as per balance sheet upto FY 2015-16
3183	3660.00	3660.00	0.84	58.96
Total	3660.00	3660.00	0.84	58.96

Source of funds as per Balance Sheet For the year 2014-15 & 2015-16

(Amount in Rs.)

Particulars	2014-15	2015-16
Account no 4217 Receipts from GOR (including SGIA Imprest from ADB received through GOR, transfers etc		
Under works Accounts	0	552262984
Under Admn. And other heads	7532791	28967887
Grand Total	7532791	581230871


 Financial Advisor
 RUIDP, Jaipur

Reconciliation of Expenses shown in APA & Disbursement

Under Loan no. 3183 for the F.Y. 2015-16

Particulars		Civil Works
Expenditure as per APA(Including Mob Adv and Mat Advance)		489282176
Less:-	Expenditure incurred in 2015-16 but claimed in 2016-17 (Anex "A")	286791088
Total Amount Eligible for claim		202491088
ADB Finance amount@73%		147818494
Amount disbursed by ADB 2015-16		147818494

Particulars		Consultancy
Expenditure as per APA(Including Mob Adv)		62980808
Less : Ineligible expenditure		46000
Less : Service Tax (Anex B")		3609696
Less: Expenditure incurred in 2015-16 but claimed in 2016-17 (Anex B")		2907029
Total Amount Eligible for claim		6562725
ADB Finance amount@100%		56418083
Amount disbursed by ADB 2016-16		56418083

Particulars		Incremental
Expenditure as per APA		28967887
Add: Retroactive Financing		4191549
Less: Expenditure incurred in 2015-16 but claimed in 2016-17		4137253
Total Amount Eligible for claim		29022183
ADB Finance amount@55%		15962201
Amount disbursed by ADB 2016-16		15962201

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Annexure A																							
Unit	Sr	PCSS No.	Package No.	Application Number	Date of submission	Contract Value	Running/MSA Bill No.	Value of This Bill(₹-10)	Mobilization Advance	Retention Money	With Held Money	Income Tax	Sales Tax	Royalty	Any other Tax/Duties	Penalty	Any Other Deduction & Defect Liability	Total Deduction (sum of 12 to 20)	Net Payments (11-21)	Cheque No./Draft No.	Date	Eligible Amount For Claim	ADB Finance Amount(@73)
1	2	3	#####		#####	7	8	11	12	13	14	15	#####	17	18	19	20	21	22	23	24	25	26
		3	TONK001	7	28-Mar-16		MOB 1st	84300000				1686000						1686000	82614000	Online	21-Mar-16	84300000	61538000
		2	TONK001	8	12-Apr-16		MOB 2	202491088				4049822						4049822	198441266	Online	30-Mar-16	202491088	147818494
					Grand Total			286791088	0	0	0	5735822	0	0	0	0	0	5735822	281055266			286791088	209357494

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Unit	Sr No.	PCSS No.	Package No.	Contractor Name	Application Number	Date of submission	Contract Value	Running/ASA Bill No.	This Bill (9-10)	Mobilization Advance	Income Tax	Service Tax	Net Payments (11-21)	Date	Eligible Amount For Finance Claim (Col 7+16+17+18+22)	ADB Amount (Col 13)	Annexure B
	1	PMDSC01			2	10-Dec-15		399	29667426	0	2966743		26700683	22-Sep-15	29667426	29667426	
	1	PMDSC01			4	13-Jan-16		500	538379	11700	53838	66117	472841	29-Oct-15	460562	460562	
	1	PMDSC01			4	13-Jan-16		579	2348911	13867	233534	288463	2101810	12-Jan-15	2046881	2046881	
	1	PMDSC01			4	13-Jan-16		614	4105205		331065	463491	3741440	14-Dec-15	3641714	3641714	
	1	PMDSC01			4	13-Jan-16		624	3221688		259814	363739	2961874	18-Dec-15	2657949	2657949	
	1	PMDSC01			5	9-Feb-16		667	2756983		222337	311272	2534646	6-Jan-16	2445711	2445711	
	1	PMDSC01			5	9-Feb-16		666	1097636		88535	123949	1009301	6-Jan-16	973887	973887	
	1	PMDSC01			5	9-Feb-16		661	3219614	59214	315040	395391	2835360	6-Jan-16	2755009	2755009	
	1	PMDSC01			5	9-Feb-16		710	4367695		350819	508688	4016876	28-Jan-16	3859007	3859007	
	1	PMDSC01			5	15-Mar-16		757	4688622	138810	454981	593756	4094831	19-Feb-16	3956056	3956056	
	1	PMDSC01			5	15-Mar-16		729	4248711		341262	494630	3907449	4-Feb-16	3753881	3753881	
	1	PMDSC01			9	12-May-16		819	2907029	0	233496	338570	2673533	16-Mar-16	2568459	2568459	Claimed in next year
						Grand Total			63168089	232291	5851464	3948266	57083344	508059	58986542	58986542	

Service tax for claimed bill 3948266
 Service Tax for bill claimed in next year 338570
 Net service tax eligible 3609696

RUIDP

Demand No. 29

Budget head -4217-60-050-04-00 Plan

FY-2015-16

Office	Salary	T.A.	Medical	O.E.	ADVT	Works	Vehicle Rent	Contract	Total
PMU	21686651.00	173703.00	85092.00	36393.00	1905142.00	62980808.00	709092.00	704154.00	88281035.00
PIU TONK	1518559.00	22154.00	5038.00	49988.00	0.00	84300000.00	82690.00	141551.00	86119980.00
PIU PALI	1008866.00	0.00	9758.00	10596.00	0.00	404982176.00	0.00	20014.00	406031410.00
PIU JHUNJHUNU	795905.00	0.00	0.00	2541.00	0.00	0.00	0.00	0.00	798446.00
TOTAL	25009981.00	195857.00	99888.00	99518.00	1905142.00	552262984.00	791782.00	865719.00	581230871.00

verified AIC month of 12/2016
20/12/16
Atgach
Atgach



20/12/16

ज. अरबन इन्फ्रास्ट्रक्चर डेवलपमेंट
जयपुर