Project Number: 41116 Loan Numbers: 2925/3132 Period covered: 1 April 2015 to 31 March 2016

# IND: Jammu and Kashmir Urban Sector Development Investment Program (Project 2 and Project 3)

Prepared by Economic and Reconstruction Agency

For the Asian Development Bank Date received by ADB: 9 December 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 Economic and Reconstruction Agency.



Jammu and Kashmir Economic Reconstruction Agency

2<sup>nd</sup> Floor Commercial Complex Rambagh- Srinagar 13 C/C Gandhi Nagar, Jammu

The Country Director, INRM, Asian Development Bank, 4-San Martin Marg, Chanakyapuri, New Delhi-110021.



No. ERA/CEO/299/Adm/2781-83

Subject: - Loan No.2331-IND, Loan-2925-JND & Loan-3132-IND: Jammu and Kashmir Urban Sector Development Investment Program (JKUSDIP) Project-I, II & III- Audited Project Accounts for 2015-16.

Madam,

Pursuant to the provisions of the Project Loan Agreements, enclosed kindly find herewith the Audited Accounts of J&K Economic Reconstruction Agency (ERA) pertaining to Loan-2331-IND, Loan-2925-IND and Loan-3132-IND, Jammu and Kashmir Urban Sector Development Investment Program (JKUSDIP) Project-I, II & III for the financial year 2015-16 for information.

Yours faithfully

Director Finance J&K ERA

Copy along with copy of Audited Accounts to the:-

- 1. Joint Secretary, Department of Economic Affairs, Ministry of Finance, Govt., of India, Room No. 67-B, North Block, New Delhi.
- 2. Controller, Aid Accounts and Audit Division, 5<sup>th</sup> Floor, B-Wing, Janpath Bhawan, New Delhi.

#### INDEPENDENT AUDITOR'S REPORT

## To the Members of: JAMMU & KASHMIR ECONOMIC RECONSTRUCTION AGENCY

#### Report on the Financial Statements

We have audited the accompanying financial statements of Jammu & Kashmir Economic Reconstruction Agency ('I&K ERA')("the Society"), which comprises the Balance Sheet, related schedules, Receipts and Payments account and Statement of Expenditures of the four projects as at **31st March**, **2016** and summary of significant accounting policies and other explanatory information. The four projects that J&K ERA has been implementing are following:

- Multi-Sector Project for infrastructure Rehabilitation in Jammu & Kashmir (MPIRJK);
- Jammu & Kashmir Urban Sector Development Investment Programme- Project-I (JKUSDIP);
- Jammu & Kashmir Urban Sector Development Investment Programme- Project-II (JKUSDIP);
- Jammu & Kashmir Urban Sector Development Investment Programme- Project-III (JKUSDIP);
   Geographical Information Sector Development Investment Programme- Project-III (JKUSDIP);
- Geographical Information System.

The 'MPIRJK and JKUSDIP are both funded by the 'Asian Development Bank and co-funded by the 'Government of India' and 'Government of Jammu & Kashmir'.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true a fair view of the financial positions and financial performance of 'the Society' in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.We conducted our audit in accordance with Standards on Auditing issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

It is the policy of the Society to prepare its Financial Statements on the cash receipts and disbursements basis. On this basis, revenue and related assets are recognised when received rather that when earned & expenses are recognised when paid rather than when the obligation is incurred.

In our opinion, subject to what is been stated above and to the best of our information and according to the explanations given to us, the financial statements of 'the Society', read together with the appended accounting policies and notes thereon and subject to the comments and opinion stated herein, give a true and fair view (or presents fairly, in all material respects) the cash receipts and expenditures during the year ended **31st March 2016** in accordance with the accounting standards prescribed by the ICAI in respect of :

(i) the attached Balance Sheet of J&K ERA as at 31st March 2016;

- (ii) the Statements of Expenditure for the projects MPIRJK (Loan 2151-IND), JKUSDIP (Loan 2331-IND), JKUSDIP (Loan 2925-IND) and JKUSDIP (Loan 3132 IND) as at **31<sup>st</sup> March 2016**; and
- (iii) the Receipts and Payments Statement for the year ended on **31**<sup>st</sup> March 2016.

### Emphasis of Matter

We draw attention to the following items disclosed in the Financial Statements without qualifying our Audit Report:

a. Though the J & K ERA has demonstrated that the action and correspondence have been made to the respective departments and parties to whom the advances have been paid but there has been no proper response for advances to the tune of Rs. 14,64,56,814.00 therefore we are unable to verify the actual recoverability of these advances in cash/kind. Such advance of Rs. 14,64,56,814.00 has been reported under <u>Schedule F: Current Assets, Loans and Advances</u> as line item – <u>"Advances to Govt. Agencies for Shifting Utilities"</u> under the head <u>Loans and Advances – MPIRJK.</u>

#### Other Matters

- a. The Project Management Unit (PMU) makes advances of money to the two Project Implementation Unit (PIU) for implementation of the project and record expenses reported by them against the advances.
- b. Vouchers relating to the Project Management Unit (PMU) have not been verified and signed off by any internal audit department which leads us to question the presence, efficiency and effectiveness of the Internal Control System implemented at the Society.

## Report on Other Legal and Regulatory Requirements

Based on our audit of the accompanying financial statements, we report that:

- a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. The financial statements as dealt with by us in this report are in agreement with the books of accounts maintained at the Project Management Unit.
- Proceeds of the Loan from ADB have been utilised for the purpose as per the ADB Loan/ Project Agreement.
- Financial Covenants in the Loan Agreement MPIRJK (Loan -2151 IND), JKUSDIP (Loan 2331-IND), JKUSDIP (Loan 2925-IND) and JKUSDIP (Loan 3132 IND) dated 17.03.2005, 28.12.2007, 16.05.2013 and 30.12.2014 respectively have been complied with.
- e. (i)(a)with respect to SOEs, adequate supporting documentation has been maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred; and (b) except for the ineligible expenditures as detailed in the audit observations, if any, appended to this report, expenditures are eligible for financing under the loan Agreement.
  (c) further, such expenditures withdrawn under SOE procedures are accurate and conform to the propriety principles to the extent as presented to us during the course of our Audit and ADB can rely on such SOE's as a basis for credit disbursement.

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

Place: Jammu Dated: 02.12.2016 For Raj Har Gopal & Co. Chartered Accountants FRN: 002074N

(Gopal Krishan Gupta) Partner M.No: 081085

## Audit Observations for the Financial Year ended 31st March 2015 and Compliance thereof:

During the Audit Process for the Financial Year ended 31<sup>st</sup> March 2016, we have noted the compliance or otherwise by the Auditee, J&K ERA, of the following observations for the Financial Year ended on 31<sup>st</sup> March 2015 :

<u>a) Audit Observation at in 'Emphasis Matter' Para (a):</u> Though the J & K ERA has demonstrated that the action and correspondence have been made to the respective departments and parties to whom the advances have been paid but there has been no proper response for advances to the tune of Rs 16,53,87,212/- therefore we are unable to verify the actual recoverability of these advances in cash/kind. Such advance of Rs. 16,53,87,212/- has been reported under <u>Schedule F : Current Assets</u>, <u>Loans and Advances as line item – "Advances to Govt. Agencies for Shifting Utilities"</u> under the head <u>Loans and Advances – MPIRIK</u> therefore we are unable to verify the actual recoverability of these advances in cash/kind.

## Compliance by Auditee:

During the financial year 2015-2016 Advances to the tune of R5. 1,89,30,398/- has been adjusted. Remaining advances of Rs. 14,64,56,814.00 are outstanding for a longer period for which there has been no response as on 31/03/2016.

a) <u>Audit Observation at 'in Emphasis Matters Para (b)</u>: "There is a suspense amount of Rs. 5,000/outstanding for reconciliation from previous accounting periods other than under Audit and has been separately reflected in the Financial Statements."

## Compliance by Auditee:

As at 31<sup>st</sup> March 2016, the suspense amount of Rs. 5,000/- is adjusted.

b) Audit Observation at 'Other Matters Para (b): Internal Audit has not been conducted by any external agency for the financial year 2014-15 and considering the size of the organisation and guantum of transactions, it is imperative that an Internal Auditor should be appointed.

## Compliance by Auditee:

The Society has appointed M/s K G Somani & Co., Chartered Accountants for conducting the Internal Audit of the society for the Financial Year(s) 2015-16 and 2016-17.





Jammu & Kashmir Govt. Economic Reconstruction Agency



2<sup>ND</sup> Floor, Commercial Complex, Srinagar----13 C/C Gandhi Nagar, Jammu

M/s. Raj Har Gopal & Co., Chartered Accountants, 412, Ansal Bhawan, 16 K.G.Marg, New Delhi- 110001.

December 02, 2016

## Subject: Management Representation Letter regarding Statutory Audit for FY 2015-16.

Sir(s),

This representation letter is provided in connection with your audit of the financial statements of the J&K Economic Reconstruction Agency for the year ended March 31, 2016 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the state of affairs of J&K Economic Reconstruction Agency as of March 31, 2016 and of the results of operations for the year then ended. We acknowledge our responsibility for preparation of financial statements in accordance with the requirements of the recognized accounting policies and practices, including the Accounting and Auditing Standards issued by the Institute of Chartered Accountants of India (ICAI).

### 1. Accounting Policies

The Accounting policies, which are material or critical in determining the results of operations for the year or state of affairs are set out in the financial statements and are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on cash basis except as stated otherwise in the financial statements.

There are no changes in the accounting policies followed by the society during the current year,

## 2. Fixed Assets

- 2.1 The fixed assets held by J&K Economic Reconstruction Agency have been properly accounted for and have been physically verified at the year end. No discrepancies are noticed on such verification.
- **2.2** Fixed Assets Register has been properly maintained at all the Branches. All fixed assets shown in the Balance Sheet are in working condition.
- 2.3 Capital expenditure incurred only for the assets put to use have been fully capitalized and is not shown in Work in process/advances for capital works-Sundry Debtors.
- 2.4 All transfers-in and transfer-out of capital assets have been correctly accounted.

2.5 No Depreciation on these assets has been provided in accordance with the cash basis of accounting.

#### 3. Capital Commitments

At the balance sheet date, there were no outstanding commitments for capital expenditure other than those disclosed in the financial statements.

#### 4. Other Current Assets

In the opinion of the management, other current assets have a value on realization in the ordinary course of the J&K Economic Reconstruction Agency activities which is at least equal to the amount at which they are stated in the balance sheet.

### 5. Cash and Bank Balances

- 5.1 The cash balance as on March 31, 2016 is Rs. 1, 12,593/- (Rupees One Lac Twelve Thousand Five Hundred Ninety Three Only) and has been verified by us.
- 5.2 Balances with Banks as at 31<sup>st</sup> March 2016 were reconciled.

#### 6. Liabilities

The J&K Economic Reconstruction Agency has recorded all known liabilities in the financial statements.

#### 7. Contingent Liabilities

The J&K Economic Reconstruction Agency has disclosed in notes to the financial statements all contingent liabilities exist as on the date of financial statements.

8. There have been no events subsequent to the balance sheet date that require adjustment of or disclosure in, the financial statements or notes thereto.

#### 9. Statement of Expenditures

Except as disclosed in the financial statements, the results for the year were not materially affected by:

- (a) transactions of a nature not usually undertaken by the J&K Economic Reconstruction Agency;
- (b) circumstances of an exceptional or non-recurring nature;
- (c) charges or credits relating to prior years;
- (d) changes in accounting policies.

#### 10. Project Funds

The project funds have been expended in accordance with the intended purposes as reflected in the financial statements.

11. We have made available to you all the latest reports on the accounts of our J&K Economic Reconstruction Agency, and compliances by the J&K Economic Reconstruction Agency on the observations contained therein:

Apart from the above, the J&K Economic Reconstruction Agency has not received any show cause notice, inspection advice, etc., from Government of India or any other monitoring or regulatory authority of India that could have a materia: effect on the financial statements of the J&K Economic Reconstruction Agency during the year.

#### 12. Balancing of Books

The books of the accounts are manual as well as computerized. In case of manual ledgers maintained. We confirm that they duly match with the general ledger balances.

- 13. There is no enquiry going on or concluded during the year by Central Bureau of Investigation (CBI) or any other vigilance or investigating agency on J&K Economic Reconstruction Agency or on its employees and no cases of frauds or of misappropriation of assets of the J&K Economic Reconstruction Agency have come to the notice of the Management during the year.
- 14. There have been no irregularities involving management or employees who have a significant role in the system of internal control that could have a material effect on the financial statements.
- 15. The financial statements are free of material misstatements, including omissions,
- 16. The J&K Economic Reconstruction Agency has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulating authorities that could have a material effect on the financial statements in the event of non-compliance.
- 17. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
- 18. The other particulars required have already been given to you and particulars and other representations made to you from time to time are true and correct in all respects.

## 19. <u>Taxability</u>

Since J&K ERA has no taxable income hence no Income Tax Return(s) have been filed till date but the J&K ERA has obtained Permanent Income Tax Account Number (PAN). J&K ERA is having Tax Deduction Account Number (TAN) and is complying with the provisions relating to Tax Deduction at Source of Income Tax Act 1961.

#### 20. Internal Control/Internal Audit

M/s K.G. Somani and co. (Chartered Accountants) has been appointed as internal Auditor for the financial years 2015-16 and 2016-17. The Principal A.G. Office has conducted audit on the account's of J&K ERA for the period 2013-14. The Society has its own internal control/ Internal Audit System.

(Director Finance) J&K ERA

## Balance Sheet J&K Urban Sector Development Investment Programme in J&K - (JKUSDIP) Loan 2331, 2925 & 3132- IND as at 31st March 2016

Particulars	Schedule	Ac ni 24		Amount in ₹ As at 31.03.2015	
Falcebars	No	As at 31.03.2016		As at 51.	03.2015
Funds for JKUSDIP- Loan 2331-IND ADB Funds Counterpart Funds		163,63,42,000.00 208,00,00,000.00	371,63,42,000.00	146,34,33,000.00 208,00,00,000.00	354,34,33,000,00
Funds for JKUSDIP- Loan 2925-IND ADB Funds Counterpart Funds State Funds for Land acquisition		224,70,68,000,00 131,04,00,000,00 20,00,00,000,00	375,74,68,000.00	94,15,56 000.00 27,00,00,000.00 20.00,00,000.00	141.15,56,000,00
Funds for JKUSDIP- Loan 3132-IND ADB Funds		54,06,61,000.D0	54,06,61,000.00	1	
Curront Liabilities & Payables	A		34,54,81,034,00		16,14,30.437,00
Total			835,99,52,034.00		511,64,19,437.00
<u>Application of funds</u> Fixed Assets	в		1.41,19,172.00		1,18,13,730,00
ject Expenditure : <b>'KUDSIP</b> اله) Loan 2331-IND (b) Loan 2925-IND (c) Loan 3132-IND	c	239,27,23,342,98 394,76,89,908,00 102,10,12,088.00	736,14,25,338.98	217,63,98,279.21 103,98,36,272.00 15,29,04,412.00	336,91,38,963.21
Current Assets, Loans and Advances	D	S. S. S. S. A.	98,44,07,523.02		173,54,66,743.79
Total			835,99,52,034.00		511,64,19,437.00

Significant Accounting Policies Notes to accounts

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In term of our report of even date

For Raj Har Gopal & Co. Chartered Accountants FRN NO. 00207481 K.Gupta ranner FRN No: 0020741 5110 M. No.: 081095 Place: 2 Ammu Date: 02/12/2016

Mohammad Yousuf Pandith Director Finance J & K ERA

Vinod Sharma CEO J & K ERA ۲

## Statement of Expenditure on J&K Urban Sector Development Investment Programme-Project 1 (JKUSDIP) Loan 2331- IND

## From Inception To 31st March 2016

			Amount in <sup>1</sup>	र
Component	As on 31	.03.2016	As on 31.03.2015	
A : Expenditure				
Works	151,85,66,915.00		141,54,78,492.00	
Consultancy Services	46,85,67.616.00		41,40,51,776.00	
Incremental Administration Costs	41,75,23,116.98	240,46,57,647.98	35,86.81,741.21	218.82,12,009.21
B ; Advances	1			
Works	10,38,36,310.00		19,42,52,210.00	
Consultancy Services	(2,02,479.00)		(2,02,479.00)	
Incremental Administration Costs	(71.00)		11,184.00	
Land Acquisition	2,24,85,555.00	12,61,19,315.00	2,24,85,555.00	21,65,46,470.00
Less:		- I)		
C: Retention Money/Security Deposit	1.8.7			
Works	3,63,29,600.00		3,94,19,000.00	
Incremental Administration Costs	40,000.00	3,63,69,600.00	40,000.00	3,94,59,000.00
Total (A+B-C)		249,44,07,352.98	-	236,52,99,479.21

In term of our report of even date

For Raj Har Gopal & Co. Chartered Accountants

CA G.K. Gupta Partner FRN No: CO2CT AIN M. No: OSJOS5 Place: J.P. Manut Date: O2J12/2c16 Mohammad Yousuf Pandith Director Finance J & K ERA

Vinod Sharma CEO J&KERA

## <u>Statement of Expenditure on J&K Urban Sector Development Investment Programme</u> <u>Project 2 (JKUSDIP) Loan 2925 - IND</u> From Inception To 31st March 2016

		Amount in 🗟	F	
Component	As on 31	.03.2016	As on 31.03.2015	
A : Expenditure				
Works	256,95,93,319.00		80,43,73,658,00	
Equipment	15,74,76,852.00		6,26,67,932.00	
Consultancy Services	36,43,59,187.00		11,73,71,692.00	
Incremental Administration Costs	11,12,93,879.00			
Resettlement Plan	66,62,33,105.00		1,06,19,490.00	
Land Acquisition	8,09,18,433.00	394,98,74,775.00	4,48,03,500.00	103,98,36,272.00
B : Advances				
Works	32,09,57,993.00		42,37,36,902.00	
Equipment	0.00		44,59,581.00	
Consultancy Services	17,48,311.00		2,21,11,856.00	
Incremental Administration Costs	78,941.00		-	
Resettlement Plan	24,67,000.00		65,71,07,000.00	
Shifting Utilities	18,10,93,784.00		19,02,28,557.00	
Land Acquisition	10,30,78,738.00	60,94,24,767.00	13,91,68,071.00	143,68,11,967.00
Less:				
C: Retention Money/Security Deposit				
Works	12,13,93,393.00		3,87,67,950.00	
Equipment	0.00		3,23,000.00	
Incremental Administration Costs	30,241.00	12,14,23,634.00	10	3,90,90,950.00
Total (A+B-C)		443,78,75,908.00		243,75,57,289.00

In term of our report of even date

For Raj Har Gopal & Co. Chartered Accountants

CA G.K.Gupta Partner FRN No: © C2C74 N M. No.: ©8)085 Place : J.Ammvo

Place: J'Ammu Date: 02/12/2016 Mohammad Yousuf Pandith Director Finance J & K ERA

Аų Vinod Sharma CEO J&K FRA

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## <u>Statement of Expenditure on J&K Urban Sector Development Investment Programme-</u> <u>Project 3 (JKUSDIP) Loan 3132 - IND</u> From Inception To 31st March 2016

	Amount in ₹	iount in ₹		
Component	As on 31.03.2016		As on 31.03.2015	
A : Expenditure				
Works	100,35,60,909.00		14.26.74.412.00	
Consultancy Services	72,21,179.00		0.00	
Land Acquisition	1,02,30,000.00	102,10,12,088.00	1,02.30,000.00	15,29,04,412.00
B : Advances				
Works	25,16,62,674.00		16,21,18,118.00	
Shifting Utilities	2,12,87,499.00	27,29,50,173.00	1,16,00,000.00	17.37,18,118.00
Less:				
C: Retention Money/Security Deposit				
Works	4,87,45,400.00	4,87,45,400.00	69,73,000.00	69,73,000.00
Total (A+B-C)		124,52,16,861.00	la	31,96,49,530.00

In term of our report of even date

For Raj Har Gopal & Co. Chartered Accountants

CA G.K.Gupta Partner FRN No: 0020741M M. No.: 081085 Place: JAMMUS Date: 02020212016

Mohammad Yousuf Pandith Director Finance J & K ERA

Vinod Shama CEO J&KERA

## Schedules annexed to and forming part of Balance Sheet as at 31st March 2016

## Schedule 'A' - Current Liabilities & Payables

			Amou	int in र
Particulars	As on 31.03.2016		As on 31.03.2015	
<u>A : For JKUSDIP- Loan 2331</u> Sundry Creditors Consultants Contractors Suppliers/Service Providers	17,10,853.00 3,63,29,600.00 40,000.00	3,80,80,453.00	17,10,853.00 3,94,19,000.00 40,000.00	4,11,69,853.00
Taxes, duties etc. deducted and payable		(18,170.00)		(65,336.00)
Other Liabilities		13,21,28,054.00		6,98,29,164.00
		17,01,90,337.00		11,09,33,681.00
<u>B : For JKUSDIP- Loan 2925</u> Sundry Creditors Consultants	48,65,761.00		36,29,561.00	
Contractors Suppliers/Service Providers	12,14,23,634.00 0.00	12,62,89,395.00	3,90,90,950.00 0.00	4,27,20,511.00
Taxes, duties etc. deducted and payable	0.00	2,55,902.00	0.00	8,03,245.00
<u>C : For JKUSDIP- Loan 3132</u> Sundry Creditors		12,65,45,297.00		4,35,23,756.00
Consultants	0.00		0.00	
Contractors Suppliers/Service Providers	4,87,45,400.00 0.00	4,87,45,400.00	69,73,000.00 0.00	
Taxes, duties etc. deducted and payable		0		-
		4,B7,45,400.00		69,73,000.00
Total (A+B+C+D)		34,54,81,034.00		16,14,30,437.00

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## Schedules annexed to and forming part of Balance Sheet as at 31st March 2016

## Schedule 'B' - Fixed Assets

			Amoui	nt in ₹
Particulars	As on 31.03.2016		As on 31.03.2015	
Fixed assets out of JKUSDIP Funds Trend	he-I			
Furniture and fixtures	8,70,954.00		7,59,449.00	
Office equipments	36,57,216.48		36,48,146.48	
Taxes and duties on fixed assets	81,354.52	46,09,525.00	81,354.52	44,88,950.00
Fixed assets out of JKUSDIP Funds Trenc	he-II			
Office equipments	21,84,867.00	21,84,867.00		
JKUSDIP		1.00		
Project Support Consultant	39,90,073.00		39,90,073.00	
Design & Supervision Consultant- Jmu	33,34,707.00	73,24,780.00	33,34,707.00	73,24,780.00
Total		1,41,19,172.00		1,18,13,730.00



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## Schedules annexed to and forming part of Balance Sheet as at 31st March 2016

Schedule 'C' - Expenditure on JKUSDIP- Project 1- Loan 2331 - IND, Project 2- Loan 2925 - IND & Project 3- Loan 3132 - IND

Particulars	As on 31	Amount in ₹ 31.03.2016 As on 31.03.2015		
A: JKUSDIP Loan -2331				
Works Water Supply Sewerage Solid Waste Management	14,31,14,734,00 86,90,57,678,00 50,63,94,503.00	151,85,66,915.00	13,98,56,614,00 80,85,10,189,00 46,71,11.668,00	141,54,78,492.0
Consultancy Services Project Support Consultant Design & Supervision Consultants Jmu Design & Supervision Consultants Kmr	8,97,73,944.0D 17,78,39,146.00 19,36,29,746.00	46,12,42,836.00	8.97.73,944.00 16,76,20,182.00 14,93,32,870.00	40,67,26,996.0
Incremental Admin Support Project Management Unit Project Implementation Unit - Jammu Project Implementation Unit - Kashmir Less: Recoveries and receipts	15,24,33,762.98 17,21.25,862.00 10,26.30,315.00 (1,42,76,338.00)	41,29,13,591.98	13,29,14,630,21 14,41,82,992,00 8,46,68,725,00 (75,73,556,00)	35,41,92,791.2
TOTAL		239,27,23,342.98		217,63,98,279.2
B: JKUSDIP Loan- 2925 Works Water Supply Drainage System Urban Transport Equipment Consultancy Services Project Support Consultant Design & Supervision Consultants Jmu Design & Supervision Consultants Kmr Consultancy Services for CBISC Consultancy Services for NRW Incremental Admin Support Project Implementation Unit - Jammu Project Implementation Unit - Jammu Project Implementation Unit - Kashmir Less: Recoveries and receipts Expenses Out of Counterpart Funds Land Acquisition Resettlement Pian	22,18,44,515.00 91,63,72,605.00 143,13,76,199.00 15,74,76,852.00 11,33,48,582.00 6,70,39,966.00 4,39,42,075.00 7,27,13,476.00 6,73,15,088.00 1,83,36,671.00 5,32,11,141.00 3,77,56,296.00 (1,95,096.00) 8,09,18,433.00 66,62,33,105.00	36,43,59,187.00 10,91,09,012.00	5,54,69,890.00 2,04,18,973,00 0.00 1,79,27,301.00 2,35,55,528.00 - - - - 4,48,03,500.00	86,70,41,590.0 11,73,71,692.0
	00,02,35,103.00			
TOTAL		394,76,89,908.00		103,98,36,272.0
C: JKUSDIP Loan- 3132				
Works Water Supply Drainage System Sewerage Urban Transport	27.09,71,841.00 61,00,43,762.00 5.24,36,188.00 7.01.09,118.00		14,26,74,412.00	14,26,74,412.0
Consultancy Services Consultancy Services for Gender Action Plan		72,21,179.00		+
Expenses Out of Counterpart Funds Land Acquisition		1,02,30,000.00		1,02,30,000.4
TOTAL		102,10,12,088.00	-	15,29,04,412.0

Note: Cost of Fixed Assets acquired out of the Project funds is shown in Schedule 'B' Fixed Assets

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## Schedules annexed to and forming part of Balance Sheet as at 31st March 2016

## Schedule 'D' - Current Assets, Loans and advances

			Amount in	र
Particulars	As on 31.03.2016		As on 31.03.2015	
Loans and Advances -JKUSDIP-Tranche-I Advances to Employees for official purposes Advances to Govt, Agencies for Land Advances to Contractors Advance to Others Advances to Consultants	(71.00) 2,24,85,655.00 10,38,36,310.00 (18,98,48,926) (2,02,479.00)	(6,37,29,611.00)	11,184.00 2,24,85,555.00 19,42,52,210.00 (18,72,29,022) (2,02,479.00)	2,93,17,448.00
Loans and Advances -JKUSDIP-Tranche-II Advances to Employees for official purposes Advances to Govt. Agencies for Land Advances to Govt. Agencies for Resettlement Advances to Contractors Advances to Consultants	78,941.00 10,30,78,738.00 24,67,000.00 32,09,57,993.00 17,48,311.00		0.00 13,91,68,071.00 65,71,07,000.00 42,81,96,483.00 2,21,11,856.00	143,68,11,967.00
Advances to Govt. Agencies for Shifting Utilities	18,10,93.784.00	60,94,24,767.00	19,02,28,557.00	143,68,11,987.00
Loans and Advances -JKUSDIP-Tranche-III Advances to Contractors Advances to Govt. Agencies for Shifting Utilities	25,16,62,674.00 2,12,87,499.00	27 <b>,2</b> 9,50, <b>17</b> 3.00	16,21,18,118.00 1,16,00,000.00	17,37,18,118.00
Cash at Bank in Current Account with J&K Bank - PMU - JKUSDIP J&K Bank - PMU - SBG - 041 JKUSDIP L-1 J&K Bank - PMU - SBG - 043 JKUSDIP L-II & L-II1	(9.21) 15,15,69,587.00 1,40,80,023,23	16,56,49,601.02	(9.21) (35,96,938.00) 9,91,63,527.00	9,55,66,579.79
Cash in Hand Cash in Hand - PMU JKUSDIP	1,12,593.00	1,12,593.00	52,631.00	52,631.00
Total		98,44,07,523.02		173,54,66,743.79



## Jammu & Kashmir Economic Reconstruction Agency

## Schedule "G"- Significant Accounting Policies

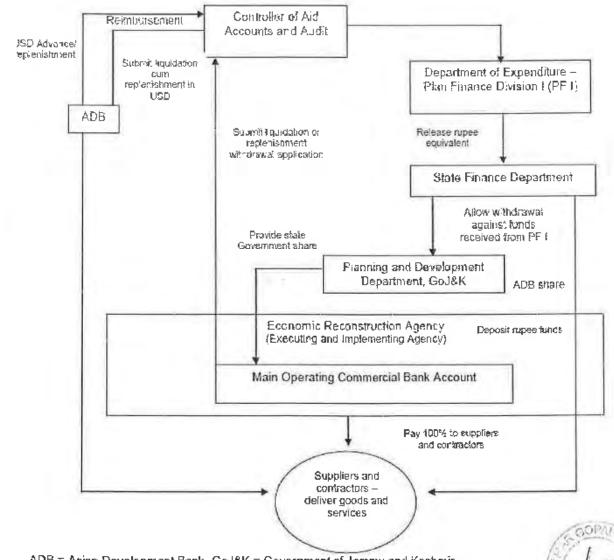
## 1. System of Accounting

- 1.1 Financial statements of Jammu & Kashmir Economic Reconstruction Agency (J&K ERA) consists of Balance Sheet, supporting schedules, Receipt and Payment Account, Statement of Expenditures (SOEs) for MPIRJK (Loan 2151-IND), JKUSDIP (Loan 2331IND, Tranche-I), JKUSDIP (Loan 2925-IND, Tranche-II) and JKUSDIP (Loan 3132-IND, Tranche-III)
- 1.2 These financial statements have been prepared in accordance with the generally accepted accounting standards, as applicable in India and are consistently being followed.
- 1.3 The financial statements are prepared on cash basis and under historical cost and going concern conventions.

## 2. Fund Flow Mechanism

The following diagram depicts the Fund Flow of Project Funds:

## E. Fund Flow Diagram



ADB = Asian Development Bank, GoJ&K = Government of Jammu and Kashmir.

## 3. Fixed Assets and Depreciation

- 3.1. Fixed assets are stated at acquisition cost. No depreciation is provided on fixed assets in line with the cash basis of accounting.
- 3.2. Assets like office furniture and fixtures, office equipment, vehicles, computers, etc., purchased by the Project Management Unit(PMU) and Project Implementation Units(PIUs) out of funds for Multi-Sector Project for Infrastructure Rehabilitation in J&K(MPIRJK Loan 2151-IND) and J&K Urban Sector Development Investment Program-Project-1 (JKUSDIP Loan 2331-IND), Program-Project-2 (JKUSDIP Loan 2925-IND) & Program-Project-3 (JKUSDIP Loan 3132-IND) are accounted for under fixed assets. Vehicles and office equipment purchased out of the initial grants from the Govt. of J&K are also accounted for under Fixed Assets.

3.3. Fixed Assets purchased by the Project Consultants-Project Management Consultants (PMC), Project Support Consultants (PSC) and Design and Supervision Consultants (DSCs) out of the funds provided by J&K ERA are also accounted for under fixed assets and are held with PMC, PSC and DSCs. These assets being the property of J&K ERA, adequate controls for their safe keeping is the prime responsibility of PMC, PSC and DSCs, till these are handed over to J&K ERA on completion of the project.

## Advance & Other Receivables

- 4.1 The Project Management Unit (PMU) makes advances to the two Project Implementation Unit (PIU) for implementation of the project and record expenses reported by them against the advances.
- 4.2 Advances given on Shifting of Utilities are settled as soon as Utilization Certificates are received with proper approval by the competent authority.
- 4.3 Interest free mobilization advance is paid to the contractors at a rate specified in the contract (Ten/Twenty percent of the accepted amount less provisional sums). Repayment of the same is due when payments are 20% of the accepted contract amount less provisional sums. Thereafter, these advances are recovered through deduction from interim payments at a rate specified in the respective contract.

## Project Expenditures

All expenditures on civil works, equipment, materials, consulting services and administration for the projects/programmes being executed by J&K ERA on behalf of the Govt. of J&K viz., MPIRJK, JKUSDIP, GIS for Jammu and Srinagar cities, and PPTA for phase-II are carried forward under the head "Project Expenditure" in the Balance Sheet. Direct costs (including civil works, equipment and materials, etc.) are aggregated under individual contracts for sub projects. Indirect implementation costs (Consulting services and administration costs) are being aggregated for each consultancy contract, PIU and PMU and will be allocated to individual sub-projects after completion of the project.



## 6. Income

All recoveries and receipts incidental to contracts like interest on advances and penalties from contractors and consultants, sale of bid documents are accumulated separately and reduced from expenditures on incremental administration costs.

## 7. Employee Costs

All employee costs, including retirement benefits, if any, are being accounted for on cash basis.

## 8. Accounting for Grants

J&K ERA had received an initial grant of '1,28,98,170/- from the Govt. of J&K. This is being accounted for on cash basis under individual heads of grants and disclosed in the Balance Sheet under Sources of Funds.

## 9. Interest expenses and Financial Charges

The project loan from Asian Development Bank (ADB) and the counterpart share is passed on by the Govt. of India to the Govt. of J&K as 90% grant and 10% loan. These funds are transferred to J&K ERA by the State Govt. for project implementation. Interest during construction and commitment charges to ADB are payable by the Govt. of India. Govt. of J&K is liable to pay interest only on the 10% loan component to Govt. of India. J&K ERA is not subject to any commitment or interest charges on ADB loan and hence the same have not been accounted for in the books of J&K ERA.

### 10. <u>Recoveries and Receipts incidental to Contracts</u>

All recoveries and receipts incidental to contracts like interest on advances and penalties from contractors and consultants, sale of bid documents, charges for damage/permission for laying cables, etc. along road and bridge sub-projects are accumulated separately and reduced from expenditures on incremental Administration costs.

## 11. Allocation of Administrative Expenses for MPIRJK and JKUSDIP

Administrative expenses of PIUs for MPIRIK and JKUSDIP are charged to the respective project accounts. Administrative expenses of the PMU, except for the officers associated with MPIRIK are charged to JKUSDIP.



## Jammu & Kashmir Economic Reconstruction Agency

## Schedule "H"- Notes to Accounts

#### 1. Reporting Entity

J&K Economic Reconstruction Agency is a Special Purpose Vehicle for Implementation of Externally Aided Projects. It is a Society registered under Societies Registration Act of 1941 AD. ERA came into being on 28th Dec 2004. Hon'ble Chief Minister, J&K is the Chairman of the Governing Body of ERA, which is the highest decision making body. The Territorial limits of the state (J&K) are the operational areas of J&K ERA.

## 2. Reporting Period

Financial statements are for the financial year ended on March **31**<sup>st</sup> **2016**. Previous year's figures are for the financial year ended March **31**<sup>st</sup> **2015**.

#### 3. Financial Statements

- 3.1. Financial statements consist of Balance Sheet, supporting schedules, Receipt and Payment account, Statement of Expenditure for MPIRIK (Loan 2151-IND), JKUSDIP Project-1 (Loan 2331-IND), JKUSDIP Project-2 (Loan 2925-IND) and JKUSDIP Project-3 (Loan 3132-IND) Significant Accounting Policies and Notes to Accounts.
- 3.2. Balance Sheet is a statement of affairs of J&K ERA as at **31**<sup>st</sup> March **2016** representing its financial position as on that date. Receipts & Payment Account is a summary of all receipts and payments during the financial year 2015-16 and cash & bank balances as at 31<sup>st</sup> March 2016. The Statement of Expenditure (in place of Income & Expenditure Statement) is prepared under the broad heads of project expenditures as specified in the project loan agreements and include all payments since inception of the project to 31<sup>st</sup> March 2016 under MPIRJK and JKUSDIP Project-1, Projecct-2 & Project-3.
- 3.3. Since J&K Era was constituted for implementation of externally aided infrastructure projects in the state of Jammu & Kashmir, the administration and operating costs of J&K ERA are also funded/charged against the projects executed by it. Such costs have been disclosed under the head "Project Expenditure' in Balance Sheet and in the statement of expenditure hence no separate Income & Expenditure Statement has been prepared."

#### Statement of Project Expenditure

A separate Statement of Expenditure has been prepared for each of the project loan i.e. MPIRJK (Loan 2151-IND), JKUSDIP Project-1(Loan 2331-IND), JKUSDIP Project-2 (Loan 2925-IND) & JKUSDIP Project-3 (Loan 3132-IND) The Statement of Expenditure contains the total disbursement of the project and includes cost of fixed assets and advances given to the consultants, contractors, Govt. agencies and others. Expenditure on the project as indicated in Schedule 'C' is exclusive of fixed assets and advances, which are shown separately under the Schedule 'B' and 'F' respectively.

### 5. Multi-sector Projects for Rehabilitation in Jammu& Kashmir [MPIRJK (Loan 2151-IND)]

- 5.1. A loan agreement between Govt. Of India and Asian Development Bank (AOB), and a Project agreement between ADB, Govt, of J&K and J&K ERA were signed on 17<sup>th</sup> March 2005 for implementation of MPIRJK. The effective date of the project and loan agreement was 13<sup>th</sup> May 2005 as notified by ADB/Govt, of India and closing date was March 2014.
- 5.2. The project is being funded through ADB and counterpart funding of Govt. of India/Govt. of J&K. Funds received from ADB through Govt. of India/Govt. of J&K are deposited is a separate bank account for the project maintained at Srinagar/Jammu with Jammu & Kashmir Bank. No fixed deposit of the surplus funds has been made with any bank.
- 5.3. Payment of indirect taxes and duties and miscellaneous income from project are identified separately and deducted from project expenditure while making a claim to ADB for reimbursement.

#### 6. Urban Sector Development Investment Program, (JKUSDIP)ADB Loan-II

J&K Urban Sector Development Investment Program (JKUSDIP) was approved by ADB on 31<sup>st</sup>May 2007. It is a Multi-Tranche Financing Facility (MFF) aimed at expansion of basic urban infrastructure in the capital cities of Jammu & Srinagar and other regional towns in the state.

The total size of JKUSDIP was Rs. 2425 Crore of which Rs. 1500 Crore is the ADB loan - Component and the balance Rs. 925 Crore counterpart fund from the state plan. The total size of JKUSDIP has been reduced to Rs. 1769 Crore.

#### 6.1 <u>Tranche-I(2331-IND)</u>

Tranche-I under JKUSDIP was approved on 4<sup>th</sup>June 2007. A loan agreement between Govt. Of India and Asian Development Bank (ADB), and a Project agreement between ADB, Govt. of J&K and J&K ERA were signed on 28<sup>th</sup> December 2007 for implementation of JKUSDIP. The effective date of the project and loan agreement is 25<sup>th</sup> March 2008 as notified by ADB/Govt. of India.

The project is being funded through ADB and counterpart funding of Govt. of India/Govt. of J&K. Funds received from ADB through Govt. of India/Govt. of J&K are deposited is a separate bank account for the project maintained at Srinagar/Jammu with Jammu & Kashmir Bank. No fixed deposit of the surplus funds has been made with any bank.

Payment of indirect taxes and duties and miscellaneous income from project are identified separately and deducted from project expenditure while making a claim to ADB for reimbursement.

#### 6.2 <u>Tranche-II(2925-IND)</u>

Tranche-II under JKUSDIP was approved on 26<sup>th</sup> October 2012. A loan agreement between Govt. Of India and Asian Development Bank (ADB), and a Project agreement between ADB, Govt. of J&K and J&K ERA were signed on 16<sup>th</sup> May 2013 for implementation. The effective date of the project and loan agreement is 19<sup>th</sup> August 2013 as notified by ADB/Govt. of India.

#### 6.2 Tranche-III(3132-IND)

Tranche-III Under JKUSDIP was approved on 18<sup>th</sup> June 2014. A loan agreement between Govt. Of India and Asian Development Bank (ADB), and a Project agreement between ADB, and Govt. of J&K and J&K ERA were signed on 30<sup>th</sup> Dec 2014 for implementation. The effective date of the project and loan agreement is 29<sup>th</sup> Jan., 2015 as notified by ADB/Govt. of India.

## 7. PPTA for Phase-II

J&K Era has been incurring expenditure for Project Preparatory Technical Assistance (PPTA) for the Phase-II sector loan from ADB. These are being carried forward separately under the head 'Project Expenditure'. '56,00,000/- have been received by J&K FRA from Govt. of J&K as counterpart fund for this vide sanction letter no. PD/EAP-101/2004-05/18(15) dated 10<sup>10</sup> February 2006.

## 8. GIS for Jammu and Srinagar Cities

All expenditures incurred for Geological Information System (GIS) for the cities of Jammu and Srinagar are carried forward separately under the head 'Project Expenditure'. Govt. of J&K has made payment of '2.00 crore to J&K ERA in December 2010 and 1.00 crore to J&K ERA in March 2012.

## 9. Previous Year Figures

Previous year figures have been re-classified/re-grouped wherever considered necessary,

## 10. Related Parties' Transaction

There was no related party transaction during the period.

## 11. Payment to Statutory Auditors and Internal Auditors

During the year `11, 47,585/- has been paid to Internal and Statutory Auditors towards consolidated audit fees for the financial year 2014-15 and 2015-16.

## 12. Contingent Liabilities

The detail of contingent liabilities existing as on 31<sup>st</sup>March 2016 is as under:

Sn.	Nature of Contingent Liability	Current Year 'Crores	Previous Year ` Crores
1.	Estimated amount of contracts remaining to be executed on capital account (Net of advances)	742.62	1011.34
Ρ	Pension/Retirement Benefits	Nil	Nil
3.	Guarantees Issued and Outstanding	Nil	Nil
4.	Legal Claims	Nil	Nil



## Receipt & Payment Account for JKUSDIP Loan-2331, 2925 & 3132 for the year ended 31st March, 2016

Particulars					
	2015-1	16	2014-15		
Opening Balance:					
Cash	52,631.00		40,806,00		
Barik	9,55,66,579,79	9,56,19,210.79	19,39,74,572.79	19,40,15,378.79	
-	9,30,00.079.19	9,90,19,210.79	19,00,11,012,15	13,40,10,010	
RECEIPTS					
Loan-2331 Tranche-I					
Project Funds					
ADB Funds	17,29,09 000.00		13,39,04,000.00		
Counterpart Funds	0.00	17,29,09 000.00	0.00	13,39.04,000.00	
Other Receipts					
Recovery of Advances	8,77,77,150.00		13,40,79,300.00		
Retention Money (net)	15,93,13,963.00		27.25,39,303.00		
Taxes & duties deducted (net)	2,62,95,559.00		4,19,99,887,00		
Deduction from Salaries	16,29,035.00		32,27.342.00		
Advance from Loan-2151	54,55,02,000.00		39,23,97.076.00		
Other Receipts	6,98,23,200.00	69,03,40,907.00	7,39,47,961.00	91,61,90,869.00	
	0,00,20,2000	00,00,40,001.00	1,00,11,00,100	01,01,001000.00	
Loan-2925 Tranche-II					
Project Funds					
ADB Funds	129,79,05,000.00		64,96,77,000.00		
Counterpart Funds	104,04,00,000.00		27,00,00,000,00		
Land Acquision	D.00	233.83,05,000.00	20,00,00,000.00	111,96,77,000.00	
Other Receipts					
Recovery of Advances	20,30,88,611.00		7,03.31,668.00		
Retention Money (net)	216,84,17.069.00		87,06,83,864.00		
Deduction from Salaries	41,63 382.00				
Taxes & duties deducted (net)	29,93,37,381.00	267,50,06,443.DD	11,08,76,062.00	105,18.91,594,00	
Loan-3132 Tranche-III					
Project Funds					
ADB Funds		54,06,61,000.00		0.00	
Other Receipts					
Recovery of Advances	11,75,78,100.00		2,50,30,000.00		
Retention Money (net)	91,95,67,575.00		16.12,47,412.00		
Taxes & duties deducted (net)	13,46,58,688.00	117,18,04.363.00	2,25,03,407.00	20,87,80,819.00	
Total Receipts		778,90,26,713.00		343,24,44,282.00	
PAYMENTS					
Funanditura Loon 2334 Transhe L					
Expenditure Loan-2331 Tranche-I					
Works	10,08,88.423.00		16,92,97,908.00		
Consultancy Support	5,45,15,840.00		9,49,90,558.00		
Incremental administration costs	6,46,30,713.77	22,00,34,976.77	14,56,20,005.00	40,99,08,481.00	
Advances					
Advances to Govt. Agencies	0.00		0.00		
Advances to Contractors	3,05,100.00		1,89,01,610.00		
Advance to Loan-2151	54,55,00,000.00		24,25.30,720.00		
Advances to Staff	1.53,150.00	54,59,58,250.00	7,55,000.00	26,21,87,330.00	
Expenditure Loan-2925 Tranche-II					
Works	181,93,87,581.00		72,05,62,209.00		
Consultancy Support	23.50.85,238.00		10,18,75,908.00		
Incremental administration costs	11,09,40,346.00	216.54.13,165.00	0.00	82,24,38,117.00	

## Receipt & Payment Account for JKUSDIP Loan-2331, 2925 & 3132 for the year ended 31st March, 2016

Particulars		T	Amount in ₹		
raniculars	2015-1	16	2014-1	2014-15	
Advances		1.			
Advances to Govt Agencies	3,50,31,827.00		19,00,00,000.00		
Advances to Contractors	7,25,57.576.00		11,38,95,747.00		
Advances to Consultante	4.42,000.00	10,60,31,403.00	3 32,99,564 00	24,71,95,311 DC	
Expenditure Loan-3132 Tranche-III					
Works	66,08.86,497.00		14.26,74,412.00		
Consultancy Support	72.21,179.00	86,81,07,676.00	0.00	14,26,74.412.00	
Advances					
Advances to Govt. Agencies	2,28,31,499.00		1,02.30,000 00		
Advances to Contractors	19,39,78,656.00	21,68,10,155.00	19.87,48.118.00	20,89,78,118,00	
Other Payments					
JKUSDIP Loan-2331					
Retention Money	16,24,03 363.00		26,63,58,303.00		
Taxes & Duties deducted	2,63,25,140.00		4,19,99,887.00		
Deduction from Salaries	16,25,465.00	19,03,53,968.00	34,89.689.00	31,18,47,879.00	
JKUSDIP Loan-2925	1 A A				
Retention Money	208,70,35,260.00		83,80,16,114.00		
Taxes & Duties deducted	30,24,48,654.00	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	11,08,16,869.00		
Deduction from Salaries	42,36,359.00	239,37,20,273.00	0.00	94,88,32,983.00	
JKUSDIP Loan-3132					
Retention Money	87,77,95,175.00		15,42,74,412.00		
Taxes & Duties deducted	13,46,58,688.00	101,24.53.863.00	2,25.03,407.00	17,67,77,819.00	
Total Payments		771,88,83,729.77		353,08,40,450.00	
Closing Balance		16.57,62,194.02	-	9,56,19.210.79	
Cash at Bank in	1.1				
J&K Bank - PMU -JKUSDIP	(9.21)		(9,21)		
J&K Bank - PMU - SBG - 041 JKUSDIP	15,15,69,587.DD		(35,96,938.00)		
J&K Bank - PMU - SBG - 043 JKUSDIP	1,40,80,023.23	16,56,49,601.02	9,91,63,527.00	9,55,66,579.79	
Cash in Hand			_		
Cash in Hand - PMU JKUSDIP	1,12,593.00	1,12,593.00	52.631.00	52,631.00	
Total		16,57,62,194.02		B,56,19,210.75	

In term of our report of even date

For Raj Har Gopal & Co Chartered Accountants CA G.K.Gupta Partner FRN No: 0 • 20 74 No. 0 M. No: 0 ftpff Place : JAMONU Date 2 12 2016

4km U

Mohammad Yousuf Pandith Director Finance J & K ERA

NB

Vinod Sharma CEO J & K ERA

Annexure-1

#### Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAME OF THE FROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-I (JKUSDIP) Loan/Grant No. 2331-IND

#### STATEMENT OF RECEIPTS AND PAYMENTS REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

				in (INR)
Particulars	Note Reference	During the Current Year fur 12 month period	During the Previous Year for 12 month Period	Cumulative Project to Date As at (end of CURRENT year)
Opening Balance <sup>1</sup> (A)			340,95,29,000.00	340,95,29,000.00
Receipts				
Funds received from Government"	4			
ADB Loanf	5	17,29,59,000.04	13,39,04,000.00	30,68,13,000.00
ADB Gran t <sup>a</sup>	Б			
Co-financier 1	7			
Co-financier 2	8			
Beneficiary contribution (if any)	9			
Other receipts such as interest income, sale from				
disposals of fixed assets, etc.	10		tree entrestant	
Total Receipts (B)		17,29,09,000.00	13,39,04,000.00	30,68,13,000.00
Total ( $C = A + B$ )		17,29,09,000.00	354,34,33,000.00	371,53,42,000.00
Opening Balance Payments (D)	1		208,32,84,454.23	208,32,84,454.21
Investment Costs <sup>4</sup>	11			
Civil Works Water Supply		1,02,52,120.00	0.00	
Civil Works - Sewerage		(3,73,72,011.00)	(7,02,02,755.00)	[10,24,74,767.00]
Civil Works - Solid Waste		3,78,81,814.00	11,80,41,974.00	15,59,23,788.00
Eonsultancy Services		5,45,15,840-00	9,49,90.558.00	14,95,06,408.00
Land Acquisition		0,00	0.00	0.00
Sub Totel (E)		7,02,77,763.00	14,29,29,786.00	21,32,07,549.00
Recurrent Cost	12			
Incremental Admin Costs		5,88,30,120.77	13,90,85,739.00	19,79,15,359.77
Sub Total (F)		5.88,30,120.77	13,90,85,239.00	19,79,15,359.77
Total Payments		12,91,07,883.77	28,20,15,025.00	41,11,22,908.77
Financing Charges During Implementation (G)	13			
Total Project Cost (H = D + E + F+G)		12,91,07,883.77	236,52,99,479.23	249,44,07,362.98
Closing Balance (C-H)		4,36,01,116.23	117,81,33,520.75	122,19,34,637.02

If each balance are controlled by the entity, indicating cash balance, imprest account and SGIA balance separately.

<sup>2</sup>These will include external assistance received by Government for the project.

<sup>a</sup>This shall include amounts received in the Bank Account as well as amounts deemed to be received against direct payments made by ADB to the suppliers of poods and services under Direct Payment procedure and Commitment Letter procedure

\*Expenditure categories are based on the cost allocation table as per Loan/Grant Agreement.

Notes 1 to x of the financial statements form an integral part of these financial statements

Hanto



#### Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the imprementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

#### NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-H (JKUSDIP) Loan/Grant No. 2331-IND

Particulars		Co-Financier		Government		Total		
	Percentage	Actual Expendit	ure	Actual Experi	diture	Actual Expenditu	Jre	Expenditure
	of financing <sup>1</sup>	Amount	%	Attiount	%	Amount	%	
	1	2	З	4	5	6	7	8
Investment Costs <sup>2</sup>								
Civil Works - Water Supp'y	82	84,06,738,00		1		18,45.382,00		1,02,52,120.00
Livil Works - Sewerage	82	2,79,07,328.00				(6,02,79,339,00)		(5,73,72,011.00)
Civil Works - Solid Waste	82	0.00				3,78,81,814.03		3,78,81,814.00
Consultancy Services	95	6,15,04,947,00				(69,89,107.00)		5,45,15,840.00
Land Acguisition		D,00				D.00		6.00
Sub Total (A)	1	9,78,19,013,00	-			{2,75,41,250.00}		7,02,77,763.00
Recurrent Cost								
Incremental Admin Costs	80	5,23,96,836.00				64,33,284,77		5.88.30,120.77
Sub Total (B)	_	5,23.96.836.00				64,33,284.77		5,88,30,120.77
Total Cost (C=A+8) <sup>3</sup>		15,02,15,849.00				(2,11,07,965,23)		12.91.07.883.77
% Total Project Cost	1							
Total Project Cost for Financial Year 2015-2016	2	15,02,15,849.00				(2.11.07.965.23)		12.91.07.883.77

#### STATEMENT OF EXPENDITURE BY CATEGORY AND FINANCIER (SOE) PROCEDURE REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

The financing percentages for ADB funds should directly correlate to the financing percentages in the allocation table(s) of the financing agreement(s).

<sup>2</sup>Expenditure categories are based on the cost allocation table as per Loan/Grant Agreement.

<sup>3</sup>The figures shown against various categories of expenditure should agree with the current years's payment in Apnexure 1, Statement of Receipts and Payments.

<sup>4</sup>This shall include total expenditure claimed from ADB under various disbursement procedures, i.e. direct payment, reimbursement, imprest account and commitment letter.

Notes 1 to x of the financial statements form an littegral part of these financial statements



## Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAME DF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-I (JKUSDIP) Loan/Grant No. 2331-IND

FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

#### Statement of Disbursement

				in (INR)
Satement of Disbursement	Note	Current Year	Prior Year	Cumulative Project to Date
ADB Fund claimed during the year				
Reimbursement <sup>a</sup>	6.1	15,02,15,849.00	26,25,16,629.00	185,54,83,177.00
Imprest Fund*	6.7			
Direct Payment	E.3			2,06,79,000,00
Commitment Letter	6.4			
Subtotal	(A)	15,02,15,849.00	26,25,16,629.00	187,61,62,177.00
Total Expenditure made during the year <sup>1</sup> Less:	{B}	12,91,07,883.77	28,20,15,025.00	249,44,07,362.92
Expenditure not yet claimed	(C)	0.00	D.DD	32,97,66,302.21
Borrower's Share	(D)	(2,11,07,965.23)	1,94,98,396.00	28,84,78,883.77
Tota) Eligible Expenditure Claimed (B - C - D = E = A)		15,02,15,849.00	26,25,16,629.0D	187,61,62,177.00

The total expenditure as per Statement of Receipts and Payments.

<sup>2</sup>This should tally with the Government share included in Statement of Expenditure by category and financier (Column 6)-

Fincludes both dalms using SOE and full supporting documentation.

Notes 1 to x of the financial statements form an integral part of these financial statements





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[NAME OF THE COUNTRY/IMPLEMENTING AND EXECUTING AGENCY] [NAME OF THE ENTITY/PROJECT] [ADB LOAN REFERENCE] NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED (YEAR END DATE)

Schedute

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#### Project Nature and Activities.

Please sufer to

Ecosoription of the Project, the nature of activities, commencement and expected completion deres. Mention tocation, domicile, (ega) form, controlling TAZ EX, prier, nature of the project outputs.

Significant

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1.2 Own logislative tramework.

usent as relevant.

STATEMENT OF COMPLIANCE.

These financial statements have been prepared in accordance with approved accounting standards, as applicable in India. This refers to the each basis of accounting applied with due regard to the General Financial Rules. PWD Codes Treasury Codes, and similar financial rules and codes as are is effect and applicable to the operations of the Project.

- SIGNIFICAN FACOOUNTING POLICIES
- 3.5 Financial Statements

This comprises of the Statement of Receipts and Paymente, Inc. Statements of Expanditure by Category and Financiar, the Statement of Disbursement and obside heres and appendices to the financial statements.

3.2 Basis of measurement.

 Financial statements have been prepared under the fustorical cost convention and on (cosh/ accrual; basis of accounting)

0.3 Clumges in Accounting pulicies

Describe changed in accounting policies, if any

- 3.4 Ethd Riew mechanism.
  - Describe the fund flow mechanism, in particular, whether the DVSA-control control of whether of payrmetic are centrolized.
- 4.6 Advances and other receivables.

Treachor readment of intvances against expenditure.

Trags 2, of 3

## 3.3 Cash and each equivalents

Case equivalents compase (deline components of cash). Explain if the entity controls unseent advances, only petty cash, or has a nit balance, as opplicable

3.7 Accorded and other liabblies.

Disclose any major lisbilities which have not been accrued under the cash basis ocleg

- 3.8 Income
  - i) Usecribe nature of different types of income and now they are incognized. For example presits, only of proceeds of fixed assets, interast income on bents accounts sto.
  - ii) [Include if applicable] Free of cost office space, electricity and contain other services provided by [insert name] are not valued and accordingly are not recognized in these financial statements as income of the Project.

0.9 Correspondence transactions and translation +

(a) Functional and presentation currancy

Items included in the financial statements of the Project are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is the Indian Ruped (INR)

(b) Trainsactions and palances.

Transactions in foreign currency are convened at the exchange rate prevalency at the date of transaction. Foreign currency bank balances are re-stated at the year and the resulting gains/losses are recognized in the statement of receipts and payments account. Conversion Rate: USD \$ 1 = USR \_\_\_\_ as of 31 March \_\_\_\_\_

3.10 Altocation of Common Costs

Describe how common posts are allocated to different outpotractivities

0.1.1 Priorest Expenses and Pinancial Charges \*

Cescribe low inancial charges are treated and recorded. For elso operationse are nor niccated to the Project by the borrower.

Annexury 1 Page 3 of 3

## Sunds Received from the Government

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Cive details of the government budgeting and funding mechanism

		Current Year	Prion Year	a (018) 050 Opmulative Year to date
Sovernment Counterpart & Amount Reimbursable to G	inding Jovernm <b>ent</b>			
1 M 140	4			
Total				

5. DATE OF AUTHORIZATION

These financial statements have been sufferized for issue by the

1-Htanot Director Finance J&K ERA

**Annexure-5** 

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Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-I (JKUSDIP)

Loan/Grant No. 2331-IND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

6. Funds Received from ADB

Give key terms and conditions of the loan including date of loan agreement, loan effectiveness date, key terms conditions, disbursement schedule, commitment fee and ineterest rates etc.

During the Previous Pr Year 26,25,16,629.00 26,25,16,629.00					in (INR)
ursement $6.1$ $15,02,15,849.00$ $26,25,16,629.00$ it Account <sup>1</sup> $6.2$ $15,02,15,849.00$ $26,25,16,629.00$ Payment $6.3$ $6.3$ $15,02,15,849.00$ $26,25,16,629.00$ Payment $6.4$ $15,02,15,849.00$ $26,25,16,629.00$ It mont Letter $6.4$ $15,02,15,849.00$ $26,25,16,629.00$ Ind Grand Total $15,02,15,849.00$ $26,25,16,629.00$ $26,25,16,629.00$	ADB Source of Funds - Method of Withdrawal	Note Reference	During the Current Year	During the Previous	Cumulative Project to Date
ursement $6.1$ $15,02,15,849.00$ $26,25,16,629.00$ it Account <sup>1</sup> $6.2$ $6.2$ $7,02,15,849.00$ $26,25,16,629.00$ Payment $6.3$ $6.3$ $7,02,15,849.00$ $26,25,16,629.00$ Payment $6.4$ $15,02,15,849.00$ $26,25,16,629.00$ Otal $15,02,15,849.00$ $26,25,16,629.00$ Ind Grand Total $15,02,15,849.00$ $26,25,16,629.00$	ADB Loan				
it Account <sup>4</sup> 6.2     6.2     6.3       Payment     6.3     6.4     7       itment Letter     6.4     15,02,15,849.00     26,25,16,629.00       otal     15,02,15,849.00     26,25,16,629.00       ind Grand Total     15,02,15,849.00     26,25,16,629.00	- By Reimbursement	6.1	15,02,15,849.00		185,54,83,177.00
Payment     6.3     6.3     6.3       itmont Letter     6.4     15,02,15,849.00     26,25,16,629.00       otal     15,02,15,849.00     26,25,16,629.00     1	- By Imprest Account <sup>1</sup>	6.2			
itmont Letter 6.4 6.4 5.02,15,849.00 26,25,16,629.00 15.02,15,849.00 26,25,16,629.00 16.00 16.00 15.02,15,849.00 26,25,16.629.00 16.00 15.02,15.849.00 15.02,15.849.00 15.02,15.849.00 16.00 15.00 16.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 15.00 16.00 15.	- By Direct Payment	6.3			2,06,79,000.00
otal     15,02,15,849.00     26,25,16,629.00       Ind Grand Total     15.02,15.849.00     26,25,16,629.00	- By Commitment Letter	6.4			
Ind Grand Total 26.25.16.629.00 26.25.16.629.00	ADB Loan Total		15,02,15,849.00		187.61.62.177.00
15.02.15.849.00 26.25.16.629.00	ADB Grant				
	ADB Loan and Grand Total		15,02,15,849.00	26,25,16,629.00	187,61,62,177.00

<sup>1</sup>This should agree with the advances/replenishments net of refunds in Statement 6.2

5.1 Funds Received from ADB through Reimbursement Method



Annexage 5

"Not Applicable"

Name of the Executing Agency Name of the Implementing Agency

[NAME OF THE ENTRY/PROJECT] Lean/Grant No. HOTES TO THE FINALICIAL STATEMENTS FOR THE YEAR ENDED [YEAR END DATE]

6.2 Reconciliation of the Imprest Account and the Bank Statement is given below

	· .	ľ	rier You	in (FIR) '000 Compet Year
lation o	a brez gbDorwaru (re.) (providus, period		100	- 140
Addia	Advonce`		200	200
	Replectances received during the year/period		50	10
	Interest Eomeri Subtotal (A)		310	300
	Discluor. Payments made during the year/paripul (Paple hishment /) iguitation Expanditure yer to be claimed	50 100	156	160
	Amount rotuncied during the year/period			20
	Closing falance (B)		130	1,80
	As perfork statement (copy attached)	and manufacture	ीबंध	133

STATEMENT OF IMPREST ACCOUNT FOR THE YEAR/PERIOD ENDED XX, XXXX,

6.2.1 The US \$ oquivalent potational amount held at the RB1 in respect of the above limplest Account balance is \_\_\_\_\_\_US \$ (bank statement affached)

state: Figures indicated are illustrative in trature

Director Finance J&K ERA

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9.3 Details of Physicians, and disortly by ADB are given bride.

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6.4 Details of phymonts made through compatient procedure

(add rolewant defails hard)

6.5 Debits of Crants

(Chernerson details for granis)

Director Finance J&K ERA Name of the Executing Agency, J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

Annekure-7

NAML OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-I (JKUSDIP) Loan/Grant No. 2331-IND NOTESPO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED (01 APR-2015 TO 31-MAR-2016)

6.0 Details of dishursement claimed under the Statement of Expenditure (SOr) Procedure are given helpwing

## DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

W/A	SDE	Category	Total Amount	ADB	AL A 412 114			in (INR)
No.	Sheet No.	Category	Paid	AD5 Financing %	Nat Eligible Expense	Amount Reimbursed	Imprest Fund Replenished/ Liquidated	Total Disbursement Using SOE Procedure
1	2	3	4	5	6 (4x5)	7	8	7+8=9
105	1	Consultants	87,78,914	95	83.39,968	83,39,968		83,35,968
106	1	Incremental	1,85,36,875	θu	1,48,29,500	1,48.29,500		1,48,29,500
107	1	:9uremental	97,32,648	BD	77,86,118	//,86,138		//,86,118
108	1	Consultants	63,54,450	95	60,36,728	60,36,728		60,36,728
109	1	Civil Works - Sewerage	23,03,467	82	18,88,843	18,88,843		18,88,843
	2	Incremental	66,94,815	50	53,55,850	53,55,850		53,55,850
110	1	Consultants	1,52,83,505	95	1,45,19,330	1,45,19,330		1,45,19,330
111	1	Civil Works - Sewerage	41,09,927	82	33,70,140	33,70,140		33,70,140
	2	Consultants	54,76,283	95	52,02,460	52,02,469		52,02,469
112	1	Incremental	3,05,31.710	80	2,44,25,368	2,44,25,368		2,44,25,368
113	1	Consultants	1,22,25,793	95	1,16,14,503	1,16,14,503		1,16,14,503
114	1	Consultants	1,39,61,540	82	1,14,48,463	1,14,48,463		1,14,48,463
175	1	Civil Works - Water Supply	32,58,120	82	26,71,658	26,71,658		26,71,658
	2	Civil Works - Sewerage	2,80,000	82	2,29,600	2,29,600		2,29,600
	3	Consultants	45,72,091	95	43,43,486	43,43,486		43,43,480
116	1	Civil Works - Water Supply	69,54,000	82	57,35,080	57,35,080		57,35,080
	2	Civil Works - Sewerage	1,55,55,237	8,2	1,27,55,294	1,77,55,294		1,27,55,294
117	1	Civil Works - Sewerage	1,17,84,696	82	96.63.451	96,63,451		96,63,451
-	_	Total	17,64,34,069		15,02,15,849	15,02,15,849	1	15,02,15,849

The financing percentages within the table for ADB funds are as perioan agreement Schedule 3.

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<u>Hamp of the Executing Agency</u> <u>Hame of the In</u>plementing Agency

MAINE OF THE ENVIRY/PROJECT] LOOM/GROUTING NOVES TO THE PINANCIAL STATEMERTS FOR THE YEAR ENDED [YEAR END DAITE]

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and a subscription		111 (113) 900.
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Surrent	Paor	orgiaerro.
/car	Yaan	elistie -

If any of the amounts given on the Statements of Receipts and Payments require further detail or Break down, provide this hore against relovant Note

Finance Director J&K ERA

Name of the Project - Jammu & Kashmir Urban Sector Development Investment Program (JKUS0JP), Tranche-I Name of Executing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Name of friplementing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Loan/Grant No. - 2331-IND

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STATEMENT OF APPROPRIATION VS. ACTUAL

International conditionant conditinex conditenex conditionant conditer conditionant conditionant co		Forthe	For the current year ended Mar 2016	ided Mar 2016	1	For	For the Prior year ender Mar 2015	den Mar 2015		<	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		
Indication         Budgeted         Actual         Utilization         Variance         Budgeted         Actual         Utilization         Variance           M Xriance         Expenditures         Expenditures         Expenditures         Expenditures         Expenditures         Expenditures         Percentage         Variance           M Xriance         Expenditures         Expenditures         Expenditures         Expenditures         Expenditures         Percentage         Variance           M Xriance         M Xrian         M Xrian         M Xrian         Unitration         Variance         Expenditures         Percentage         Variance           M Xrian           M Xrian<		fe referred	A							1	mulative from bi	eginning to Mar	010
INK '000         NM '000 <th>Cašt Cútagories</th> <th>Expenditures</th> <th>Expenditures</th> <th></th> <th></th> <th>Budgeted Expenditures</th> <th>_</th> <th>Utilization Percentàge #</th> <th>Variance</th> <th>Budgeted Expenditures</th> <th>Actual Evolutiones</th> <th>Utilization</th> <th>Variance</th>	Cašt Cútagories	Expenditures	Expenditures			Budgeted Expenditures	_	Utilization Percentàge #	Variance	Budgeted Expenditures	Actual Evolutiones	Utilization	Variance
Mr. 000         INR '000         INR '000         INR '000         NR '000         %         INR '000         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         N         %         %         N         %         N         %         N         %         N         %         N         %		000, NN1	000, 8NI	10	IALLY POINT	TALE LOOD					experiences	à la	
3%         51,238         3,40,170         47,940         14,09%         2,92,230         19,35,407         15,86,074         81,95%           6%         5,484         1,20,000         94,990         79,16%         25,010         4,85,000         4,68,365         96,57%           6%         5,484         1,20,000         94,990         79,16%         25,010         4,85,000         4,68,365         96,57%           4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         24,42,907         20,76,924         85,02%           4%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3           1%         7,112         1,40,000         1,39,085         93,35%         915         4,25,942         4,17,483         98,01%         3           1%         7,112         1,40,000         1,39,085         93,318,155         28,68,849         24,94,407         86,95%         3           1%         6,3844         6,00,170         2,38,155	Investment Costs			R	INR WO	INR DRM	000 NI	38	INR '000	JNR '000	000, 3NI	*	000, 841
31,04,170         47,940         14,09%         2,92,230         19,35,407         15,86,074         81,95%           65         1,20,000         94,990         79,16%         25,010         4,85,000         4,68,365         96,57%           65         5,484         1,20,000         94,990         79,16%         25,010         4,85,000         4,68,365         96,57%           4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         22,590         22,486         96,01%         3           4%         56,722         4,60,170         1,39,085         93,35%         915         4,25,942         4,17,483         98,01%         3           1%         7,112         1,40,000         1,39,085         93,35%         915         4,25,942         4,17,483         98,01%           1%         7,112         1,40,000         1,39,085         99,35%         318,155         28,68,849         24,94,407         86,95%         3           1%         7,112         1,40,000         1,39,085         99,35%         318,155         28,68,849         24,94,407         86,95%         3           1%         7,112         1,40,000         1,39,085         99,318,155	Civil Works ##, d	67,000	15 762			-							
60,000         54,516         90.86%         5,484         1,20,000         54,516         90.86%         5,484         1,20,000         54,516         90.86%         5,484         1,20,000         54,516         90.86%         5,484         1,20,000         54,516         96,57%         96,57%           1,27,000         7,0,23         55,34%         5,572         4,60,170         1,42,930         31,05%         3,17,240         22,500         22,486         99,94%           1,27,000         7,0,23         55,34%         5,712         1,40,000         1,33,065         93,37,240         20,76,924         85,02%         3           65,942         56,330         89,21%         7,112         1,40,000         1,39,085         93,35%         915         4,17,483         98,01%         3           65,942         58,330         89,21%         7,112         1,40,000         1,39,085         93,35%         915         4,25,942         4,17,483         98,01%         3           1,92,942         58,830         89,21%         7,112         1,40,000         1,39,085         93,35%         915         4,25,942         4,17,483         98,01%         3           1,92,942         1,29,108         6,52%	Mechanical and Equipment		20.444			3,40,170	47,940	14.09%	2,92,230	19,35,407	15,86,074	81.95%	3 40 322
6%         5,484         1,20,000         94,990         79,16%         25,010         4,85,000         4,68,365         96,57%           4%         56,722         4,60,170         1,42,930         31,05%         3,17,240         22,486         99,94%           1%         7,112         1,40,000         1,39,085         99,35%         91,5         4,25,942         85,07%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,7           1%         7,112         1,40,000         1,39,085         99,35%         3,8         4,25,942         4,17,483         98,01%         3,6           1%         5,3834         6,00,170         2,82,015         4,25,942         4,17,483         98,01%         3,7           1%         6,3834         5,18,155         28,68,849         24,94,407<	Environment and Social Mitigation												cocietie
(6)%         5,484         1,20,000         94,990         79.16%         25,010         4,85,000         4,68,365         96,57%           4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         22,500         22,486         99,94%           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,7           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,7           1%         7,112         1,40,0000         1,39,085         99,35%         3,1         3,25,942         4,17,483         98,01%         3,1           1%         6,3834         6,00,170         2,82,015         4,25,942         4,17,483         98,01%         3,1           1%         6,3834         6,00,170 <td>Cunsultants</td> <td></td>	Cunsultants												
15,484         1,20,000         94,990         79.16%         25,010         4,85,000         4,68,365         96,57%         36,57%           4%         56,722         4,60,170         1,42,930         31.06%         3,17,240         22,486         99,94%         3,67%         3,67%         3,67%         3,67,240         24,42,907         20,76,924         85.02%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98.01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98.01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98.01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98.01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         3,18,155         28,68,849         24,94,407         86,95%         3,7           1%         6,00,170         2,82,015         46,99%	a. Project Management	50.000	PA PA										
4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         22,500         22,486         99,94%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         8,07,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         3,18,155         28,68,849         24,94,407         86,95%         3,7           1%         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           1%         98,017%         3,18,155         28,68,849         24,94,407         86,95%         3,7           1%         98,13,155         4,	b. Capacity Development	000'00	are'sc		5,484	1,20,000	94,990	79.16%	25,010	4.85.000	4 68 366	DE CTer	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         22,500         22,486         99,94%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           2%         6,3,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98,33         9,735         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7	Othurs										- notice it	aviring.	10,035
4%         56,722         4,60,170         1,42,930         31,06%         3,17,240         24,42,907         27,433         99,03%         3,17,240         3,17,240         24,42,907         20,76,924         85,02%         3,1           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,           2%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,7           2%         5,318,155         28,68,849         24,94,407         86,95%         3,7           2%         98,334         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           3%         98,334         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           3%         98,334         5,01770         2,82,015         46,99%         3,18,155         28,68,849         2	Subtotal	200 20 2								22 500	204.66		
1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           1%         7,112         1,40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%         3,6           2%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         983         9,785         4,59%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98,349         24,94,407         86,95%         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,7         3,	Sacuroot Care	DUU1/12/2	/0,278	55.34%	56,722	4,60,170	1.42.930	21 0620	ONC LES	non an an	Do+'77	24-94%	14
Territorio         L,337,085         99,355%         915         4,25,942         4,17,483         98,01%           1%         7,112         1,40,000         1,39,085         99,355%         915         4,25,942         4,17,483         98,01%           2%         6,3834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         983         9,785         45,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         983         9,785         45,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.349         5,137         5,13,155         28,68,849         24,94,407         86,95%         3,7           5%         98.37         5,13,155         28,68,849         24,94,407         86,95%         3,7	VERTICAL COSTS	65,942	58,830	89.21%	C11.7	1 40.000	and or a	aron.to	n+7"/7"C	24,42,907	20,76,924	85.02%	3.65.983
1%         7,112         1,40,000         1,39,085         99,15         4,25,942         4,17,483         98,01%           2%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         98,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         4,594         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         4,594         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         5,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         5,18,155         28,68,849         24,94,407         86,95%         3,7	Salar es				and a	nnn'n+'*	C20'52'T	%5E'66	915	4,25,942	4,17,483	98.01%	0 4CO
1%         7,112         1,40,000         1,39,085         99.35%         915         4,25,942         4,17,483         98.01%           2%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         98.015         45.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         4,59%         5,187         5,187         5,18,75         3,7         5,54,407         86,95%         3,7	Accomodation				T							2	ECH'O
1%         7,112         1,40,000         1,39,085         99.35%         915         4,25,942         4,17,483         98.01%           2%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         98.015         45.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         4,59%         5,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.7         5,18,155         28,68,849         24,94,407         86,95%         3,7	Equipment Operation & Maintonance				T								
1%         7,112         1,40,000         1,39,085         99.35%         915         4,25,942         4,17,483         98.01%           2%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         98.015         45.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7	Otners				T								
1.40,000         1,39,085         99,35%         915         4,25,942         4,17,483         98,01%           2%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         98.3         9,785         45,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7	Subtota	65.942	58 830	ALL OF	Case I							T	
0x00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,1           56         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           56         63,834         6,00,170         2,82,015         46,99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           56         98,23         9,785         45,99%         5,18,155         28,68,849         24,94,407         86,95%         3,7	Total Paymence	1,92,942	1 29 108	WT7'50	1,114	1,40,000	1,39,085	99.35%	915	4,25,942	4.17.483	98.01%	0 450
5%         63,834         6,00,170         2,82,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%           5%         9.785         4,598         5,18,155         28,68,849         24,94,407         86,95%	Mantine Coates, Durios factoriation		DOT STATE	R 76-00	03,634	6,00,170	2,82,015	46.99%	3,18,155	28,68,849	24,94,407	86,95%	CA2.0
5%         63,834         6,00,170         2,87,015         46.99%         3,18,155         28,68,849         24,94,407         86,95%         3,7           5%         987         9,785         4,598         5,18,155         28,68,849         24,94,407         86,95%         3,7													
1%         98.1         45.99%         3.18,155         28,68,849         24,94,407         86,95%         3.7           1%         98.2         9,785         4,598         5.18,75         24,94,407         86,95%         3.7	Total Project Cost	1,92,942	1,29,108	66.92%	63.834	6 00 170	200 000	100					
<sup>1%</sup> 982 9.785 4,598 46.99% 5.187 57 71 715 Ac <b>1</b> /2	Grane total of expenditure in USD 1000	2 969	r			OUT SOLO	610(3013	\$66.94	3,18,155	28,68,849	24,94,407	86.95%	3,74,442
		anal-	/ ac'T	%76.ug	382	9,785	4r,598	46.99%	5,187	51.715	46 704	DE DEG	

dd Uld zation was under achieved on account of termination of one works package due to slow progress and encastment of Bank Guarantee account of termination of two works packages due to slow progress and encashment of Ronk Guarantee

2014-15 USD 1 = INR 61 54 2015-15 LSD 1 = INR 64.58

Dvérad USD I = INR VA 41

1



Name of Executing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Name of Implementing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Vanie of the Project - Jammu & Kashmir Ucban Sector Development Investment Program (JKUSDIP), Tranche-II Loar/Grant No. - 2925-MD

B

STATEMENFOF APPROPRIATION VS. ACTUAL

Cost Calegories		For the current year ended Mar 2016	ded Mar 2016		Fort	For the Prior year ended Mar 2015	ded Mar 2015		Cumu	Cumulative from beginning to Mar 2016	nning to Mar 20	16
	Budgeted Expenditures	Actual	Utilizacion Percentaga	Variance	Budgeted Expenditures	Accual Expenditures	Utilization Percentage	Variance	Budgeted Expenditures	Actual Expenditures	Utilization Percentage	Variance
	000, 2NI	ODO, NNI	*	1000, RMI	000, BNI	000, NNI	*	000, NNI	1NR '000	INR '000	22	000, 8NI
Investment Costs												
Civil Works	27,70,000	15,70,681	88.74%	1,99,315	9,25,457	8,16,6/5	88.25%	1,08,782	33,06,445	29,50,252	35.23%	3,56,193
Mechanica, and Equipment	000/26	90,672	98.55%	1,328	1,00,000	63,983	63,99%	36,012	1,65,000	1.57,477	95-44%	7,523
Environment and social Mitigation	1,200	974	81.13%	226	4,60,000	4,66,633	101.44%5	6,633	6,71,200	6,68,700	%E9:66	2,500
Consultants												
a. Project Management	2,00,000	1,85,424	92.71%	14,57E	1,00,000	96,264	96.26%	3,736	3,11,000	2,92,262	93.97%	18,738
a. Capacity Development	45,000	41,200	91.56%	CO9,E	35,000	32,645	93.27%	2,355	80,000	72,846	92.31%	6,154
Others	30	26	%EE'S8	2	1,66,000	1,66,160	100.10%	091-	1.82,030	1,83,997	101.08%	1,967
Suatota	21,09,23D	18,85,576	89.60%	2,19,254	17,86,457	16,42,370	%E6.16	1,44,087	47,15,675	43,26,533	91.75%	3,89,142
Redurtent Costs	1,15,000	1,11,343	96.32%	3657	0	D		0	1.15,000	1,11,343		
Salaries												
Accomogation												
Equipment Operation & Micintonanco												
Cthers												
Subtotal	1,15,000	1,11,343	56,82%	3.657	0	0			1,15,000	1,11,343	96.82%	3.657
Total Payments	22,23,230	20,00,319	89.97%	2.22.911	17.86.457	16,42,370	91,93%	1,44,087	48,30,675	44,37,876		3,92,799
Montcing Crickges During Implementation												
Total Project Cost	22,23,230	91E,00,02	89.97%	2,22,911	17,86,457	16,42,370	91.93%	1,44,087	48.30,675	44,37,876	91.87%	3,92,799
Granditore de expenditure in USD CDD	53,881	30,484	%26.68	79E,E	29,052	26,709	91,93%	2,345	75,671	815'69	%L2-16	6,153

Note: Conversion Rate

2)

2014-15 USD 1 - INR 61.49 2015-16 USD 2 - INR 65.62 Overall USD 1 = INR 63-87



Name of Executing Agency - ECONOMIC RECONSTRUCT-ON AGENCY (ERA), JAMMAU & KASHMiR Name of Implementing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Name of the Project Jammu & Kashmir Urban Sectur Development Investment Program (JKUSDIP), Trancha-U Loan/Grant No. - 3132-IND

E

STALEMENT OF APPROPRIATION VS. ACTUAL

Bungerted         Actual         Utilizatio           Expenditures         Expenditures         Percental           INR 'DUD         INR '000         %           10,02,000         9,18,346         91.6           7,500         7,221         96.2           0         0,09,500         5,18,346         91.6           10,09,500         5,25,567         91.6           0         0         0         0           10,09,500         9,25,567         91.6           10,09,500         9,25,567         91.6			Für the Prine Veen andex Mar 1010	ad har 1010		~			
Expenditures         Expenditures         Percentation           INR '000         INR '000         9.18,346         91.6           7,500         9,18,346         96.2         96.2           7,500         7,221         96.2         91.6           7,500         7,221         96.2         91.6           10,09,500         5,25,567         91.6         91.6           10,09,500         9,25,567         91.6         91.6	I Iti izution	L		STO7 JEINI DA		Cumu	Cumulative from beginning to Mar 2016	ning to Mar 20	-
INR '000 % 100 % 10,00 % 10,02,000 9,18,346 91.6 10,02,000 9,18,346 91.6 10,09,500 7,221 96.2 91.6 10,09,500 5,25,567 91.6 10,09,500 9,25,567 91.6 10,09,500 9,25,567 91.6 10,09,500 9,25,567 91.6 10,09,500 10,00,500 9,25,567 91.6 10,09,500 10,000 10,000	-	Expenditures	Actual Expenditures	Utilization	Variance	Budgeted Extrandituree	Actual	Utilization	Variance
10,02,000 9,18,346 91.6 7,500 7,221 96.2 0 7,221 96.2 10,09,500 5,25,67 91.6 10,09,500 5,25,567 91.6 10,09,500 9,25,567 91.6	NO NI %	000, 8191	1810-1000	24		and a line of the	sauninuadys	rercentage	
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		3,68,713	3,19,650	86.69%	49,063	13,85,713	12,45,217	89.86%	1,40,496
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TU,U3,200 9,25,567 91.69		3,68,713	3,19,650	86.69%	49.063	12 85 713	CAL IN CL		
Gränd total of expenditure in USD '0000 16,128 14,787 41 694	1 50% T 241	- E				CTUTONICT	1177'64'71	89.86%	1,40,496
	None of the other states	Pan'n	4,849	86.69%	744	21,396	19,227	89.86%	2164

2014-15 J5D \* - INR 62,59 2015-16 USD 1 + INR 62,59 Overal USD 1 = INR 54 27

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Director Finance J&K ERA THE AND

Example of a Management Assertion Letter

Manage mont letter evelore of

(Project Letterhead)

(Date)

(To Author) 👘

- The project thrancle) statements are free or material abstractmente happene.
- indject functs have been used for the purposes for which they were provided.
- Project expenditures are oligible for financing under the trooh/Credit agreement.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the project fibrancial statements.
- We have made available to you all books of account and supporting documentation relation to the project;
- The project has complied with the conditions of all relevant equil agreements, including the Financialy Agreement, the Project Agreement, the Project Agreement, the Minutes of Negotiations, and the Docover's Project replementation Plan;

or Finance irec J&K ERA

Griegest Director / Chief Executive Officer,

(Object mance Officer / Senior Finance Officer)

Excerpt net. CAC Audiling Standards (2<sup>nd</sup> Edition, 2002) Chapter (V. Reporting telendards

- Itz. The form and content of audit option and report.
- 12.1 The form and content of all audit opinions and reports are founded on the rohowing general principles:
  - (a) Nitle. The opinion or report should be preceded by a suitable fille of seading, helping, the reader to distinguish it from statements and information issued by others.
  - (b) Signature and dare. The opinion or report should be properly signed. The inclusion of a date informs the reader that consideration has been given to the effect of events or transactions about which the auditor became aware up to that date (which, in the case of regularity (financial) audits, may be beyond the period of the financial statement).
  - (c) Objectives and scope. The opinion or report should include orderedue to the objectives and scope of the public. This information outridishes the publicue and boundaries of the addit.
  - (2) Completeness. Opinions should be appended to and published with the financial statements to which they relate, but performance reports may be free standing. The auditor's opinions and reports should be presented as prepared by the auditor. In exercising its independence CAG may acquire information from time to time, which in the national microst cannot be freely disclosed. This can affect the completeness of the guiding report. In this situation the suditor should consider the nased to make a report, possibly including confidential or sensitive material in a separate, inpublished report.
  - (a) Addressice. The opinion or report should identify those to whom it is addression, at renulred by the optimistances of the and trengagement and total regulations of practice. This is unnecessary where formal procedures exist for its delivery.
  - (f) (dentification of subject matter, the opinion or (eptin should identify the huandla' statements (in the case or regularity (financia) audits) or area (in the case or performance audits) to which it relates. This includes information such as the name of the audited entity, the date and period covered by the financial statements and the subject matter that has been audited.
  - (g) Legal basis. Audit opinions and reports should identify the togetailors of output surfacity providing for the audit.
  - (-) Compliance with orapidands. Audit opmous and renors, curved induces the auxiling standards or practices followed in conducting the audit must providing the subcord with an expression that the audit has been consist out an accordance with generally accupied proceduro?
  - To timetables the audit opinion of report satisfies graitable promptly to be of greatest upp to readers and users particularly to be who have to take neutration, action

Director Finance J&K ERA

Awater '

Report of the Comptroller and Auditor Central of (adia

(Project (mplementing Authority)

Fegure of the Project Flavnenit Statements

We have midned the accompanying financial sciencests of the Project financed under Ason Development Bank Loan No. which comprise the Statement of Receipts and Phyments, the Statement of Expanditure by Cotogory and Financies, the Summers of Disbursement and related notes for the year ender.

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in ensetthe (TA) is maintaining Balance Sheet and statement of Income and Expenditure followingpara may be substituted:

We have sudited the accompanying financial statements alongwith Balance Sheet training short, income and expenditure statement and Cash Flow Statement and related statements of the \_\_\_\_\_\_ Project financed under Asian Covelopment: Baul LongNo. \_\_\_\_\_\_ for the year ended \_\_\_\_\_\_

These statements are the responsibility of the Project's transponent. Can responsibility is to express an opinion on the accompanying Financial statements based on our aida.

We conducted our sudii in accordance with the Auching Standards promitigated op the Comparelies and Auditor General of India. Those Standards require that we often and perform the audit to obtain teasonable assurance about whether the financial sourceasts are free of material missiblement. Our sudit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also metodes ascessing the accounting principles used and significant estimates made by menogeneous, as well associating the overall enternet presentation. We believe that our cardy provides accounting the opinion.

in our opinion, the financial statements present fairing, is all material request, the transmustant applications of funds of Project for the year carled (insert data) in the additions of funds of Project for the year carled (insert data) in the additions of the second one.

as educities of exists of priced canonication and schedules and read to be outserver or the strategy of has exist to be a state of a set

child the station of Sinarce presentes adoption of the accounting attace of protocols. In the second operation of the accounting standards featured by the contract of turble coll or



in addition, in our opinion;

Proceeds of the Ioan from ADB have been inflized for the purposes as per ADB Loon / Project Agreement

6.15

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Financial covenants in the loss agreement (name and number of loan) dated fame or low of have been complied with

(i)(a) With respect to SOEs, adequate supporting documentation has been 100 maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred; and (b) except for incligible expenditures as detailed in the audit observations, if any, appended to this audit report, expenditures are eligible for financing under the Loan Agreement.

Gigarme impost accounts give a true and this view of the conclusion collected and got its one mode during the year obtaid---- and the mese reactions and payments support impress Account significations/replenishments during the octar.

This report is issued without prejudice to CAG's sight to incorporate the auditobservations in the Report of CAG of India for being laid before Parliament/State or UT hegislanore.

[Auditor's Signature]

[Auditor's Address]

(Onter)

and unitary applied built due organizes the General Financial Relation P Verocegies. In case, eacher and facilia insuraint rates as it codes as the orielfoer and applicable to the orient term. If 0 is project

she respond house be more as of the date is which the anti-to-mail traditions are to and particles all deplaces u evenus and questioning that is scherally the finel date of the livert the process to the date of ignitie the to his equart.

Homot Director Finance J&K ERA

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Name of the implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAME OF THE PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-II (JKUSDIP)

Loan/Grant No. 2925-IND

### REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016 STATEMENT OF RECEIPTS AND PAYMENTS

1

Particulars	Note Reference	During the Current Year for 12 month period	During the Previous Year for 12 month Period	Cumulative Project to Date As at lend of CURRENT year)
Antonio Balancel (A)		0.00		0.00
Opening control for Receipts Funds received from Government <sup>2</sup> ADB Luan <sup>3</sup> ADB Grant <sup>3</sup> Co-financier 1 Co-financier 1 Co-financier 2 Reneficiary contribution (If any) Other receipts such as interest income, sale from	4 UN UN PN 80 DN 2	104,04,00,000,00 130,55,12,100.00		
disposals of them asserts, while		234.59.12,000.00	111,96,77,000.00	
Total Receipts (B)		234.59.12.000.00	111,96,77,000.00	
Total (C = A + B)		000'0	146,65,49,666.00	146,65,49,666.00
Opening balance regiments (M) Investment Costs <sup>4</sup>	11		C 24 11 144 00	224,87,91,723,00
Civit Works		9,06,72,339.00	6,39,87,51	15,45,59,85
Ecolomiente Training & Workshop		0.00	0.00 0.22.89.08.917.000	0.80
Consulting Services Resettlement Plan		25,600.00		
Land Acquisition		188,89,76,040.00	97,10,07,623.00	285,99,83,663.00
Recurrent Cost	12	11.13.42.579.00	0.00	
Incremental Admin Costs		11 13 42.579.00	0.00	
Sub Total (F) Total Parments		200,03,18,619.00	97,10,07,623.00	297,13,26,242.00
es During	t1	00 01 12 12 10 00c	243.75.57.289.00	443,78,75,908.00
Total Project Cost (H = D + E + F+G)		34,55,93,381.00		(68,04,07,908.00)

0

If cash balance are controlled by the entity, indicating cash balance, imprest account and SGIA balance separately.

<sup>2</sup>These will include external assistance received by Government for the project.

<sup>3</sup>This shall include amounts received in the Bank Account as well as amounts deemed to be received against direct paymonts made by ADB to the supplicits

of goods and services under Direct Payment procedure and Commitment Letter procedure \*Expenditure categories are based on the cost allocation table as per Loan/Grant Agreement

Notes 1 to x of the financial statements form an integral part of these financial statements

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### Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

# NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-II (JKU5DIP)

Loan/Grant No. 2925-IND

### STATEMENT OF EXPENDITURE BY CATEGORY AND FINANCIER (SOE) PROCEDURE REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

Particulars								Total
		ADB <sup>4</sup>		Co-Financier	cier	Government	t	Expenditure
	Percentage	Actual Expenditure	ture	Actual Expenditure	nditure	Actual Expenditure	ture	
	of financing <sup>1</sup>	Amount	%	Amount	%	Amount	%	
	1	2	-	4	m	9	~	80
Investment Costs <sup>2</sup>								
Civil Works	70	108,16,44,972				48,90,35,564		157,06,80,35
Equipment	100	7.79,45,599			_	1,27,26,740		9,06,72,339
Training & Workshop	100	0				0		
Consulting Services	80	14,64,34,346			_	8,01,89,604		22,66,23,950
Resettlement Plan		0				9,73,615		9,73,615
Land Acauisitian		0				25,600		25,600
Sub Total (A)		130,60,24,917				58, 29, 51, 123		188,89,76,040
Recurrent Cost Incremental Admin Support	80	8,91,12,178				2,21,51,401		11,13,42,579
Sub Total (R)		8,91,91,178				2,21,51,401		11,13,42,579
Total Cost (C=A+B) <sup>3</sup>		139,52,16,095				60,51,02,524		200,03,18,619
% Total Project Cast								
Total Project Cost for Financial Year 2015-2016		139,52,16,095				60,51,02,524		Z00,03,13,619

"The financing percentages for ADB funds should directly correlate to the financing percentages in the allocation table(s) of the financing agreement(s). <sup>2</sup>Expenditure categories are based on the cost allocation table as per Loan/Grant Agreement.

\*This shall include total expenditure claimed from ADB under various disbursement procedures. i.e. direct payment, reimbursement, imprest account and commitment letter. <sup>4</sup>The figures shown against various categories of expenditure should agree with the current years's payment in Annexure 1. Statement of Roceipts and Payments.

Notes 1 to x of the financial statements form an integral part of these financial statements



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Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-If (JKUSDIP)

Loan/Grant No. 2925-IND

FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

### **Statement of Disbursement**

				jn (INR)
Satement of Disbursement	Note	Current Year	Prior Year	<b>Cumulative Project to Date</b>
ADB Fund claimed during the year				
Reimbursement <sup>3</sup>	6.1	139,52,16,095.00	61,69,95,141.00	201,22,11,236.00
Imprest Fund <sup>3</sup>	6.2	°		
Direct Payment	6.3	91,61,000.00	28,58,000.00	1,20,19,000.00
Commitment Letter	6.4			
Subtotal	(A)	140,43,77,095.00	61,98,53,141.00	202,42,30,236.00
Total Expenditure made during the year <sup>3</sup>	(8)	200,03,18,619.00	97,10,07,623.00	297,13,26,242.00
Less:				
Expenditure not yet claimed	Ξ	6,47,53,669.00	12,49,91,896.00	18,97,45,565.00
Borrower's Share	(a)	53,11,87,855.00	22,61,62,586.00	75,73,50,441.00
Total Eligible Expenditure Claimed (B - C - D = E = A)		140,43,77,095.00	61,98,53,141.00	202,42,30,236.00

'The total expenditure as per Statement of Receipts and Payments.

<sup>2</sup>This should tally with the Government share included in Statement of Expenditure by category and financier (Column 6). <sup>3</sup>includes both claims using SOE and full supporting documentation.

Notes 1 to x of the financial statements form an integral part of these financial statements



Please super to Schedule 'G' - Significant servering priviles Schedule 'H' - Notes to comme

O AND EXECUTING ACTENCY;

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(MAME OF THE COUNTRY/MPLEMENTING AND EXECUTING ACEPU'S) RIAME OF THE ENDITY/PROJECT( (ADB LOAN DEFERENCE) NOTES TO THE FINANCIAL STATEMENTS FOR THE VEAR ENDED (YEAR END DATE)

### Project Natione and Activities.

- Depertment of the Project, the nature of activities, commencement and expected completion datas. Montion location, domicilo, legal (can controlling 1// inter still) nature of the project outputs.
- 1.2 Give legislative transvork.

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- STATEMENT OF COMPLIANCE.
  - These financial statements have been prepared in accordance with approved accounting standards, as applicable in India. This refers to the cash basis of accounting applied with due regard to the General Financial Notes, PWD Codes Treasury Codes, and similar financial rules and codes as are to effect and applicable to the operations of the Profest.
- 3. SIGNIELGANT ACCOUNTING POLICIES
- 3.3 Financial Statements

This comprises of the Statement of Receipts and Paymonte. In: Statements of Txpenditure by Category and Financier, the Statement of Dispursement and related bulks and appendices to the financial statements.

S.2 Basis of measuremen.

Tinanclul statements have been prepared under the historical cost convention and pu-(cash/ accrual) basis of accounting

3.2 Changes in Accounting onlicies.

Condribe changes in accounting policies, if any

### 2.4 Ernal Flow mechanism

Describe the fund flow mechanism, in particular, whother two tA/HA control turns, or whother all payments are contraitzed

3.5 Advances and other receivables.

Describe transment of solvances against pripanditues:

for Finance J&K ERA

### Compand dash equivalents

Dasa aquivalents comprise (aeline components or easi), forprain if the antity controls incoent auxamuct, only pelly cann, or has a nit balance, an applicable

5.7 Acclaud and other fisbliftics.

Disclose way major rightilities which never nor been sounded under this used basing adject

- 3 Incontrol
  - ii Describe nature of different types of income and how usay are recognized. For example membre of choceads of fixed essent interest income the hank accounts etc.
  - i) [Include if applicable] Free of cost office spare, electricity and cartain other services provided by finsert name] are not valued and accordingly, site not renognized in these illumoist statements as income of the Project.
- 3.0 Epreign currency transactions and translation.
  - (a) Functional and presentation currency

Items included in the ligancial statements of the Project are measured using the currency of the primary economic environment is which the entity operates (me insojional currency), which is the Indian Rupes (MS)).

(b) Transactions and balances

Transactions in torsign currency are converted at the exchange rate prevailing at the data of transaction. Foreign currency bank balances are re-stated or the year and kine, and the resulting gains/losses are recognized in the statement of receipts and payments account. Conversion Rate: USD S 1 – INR \_\_\_\_\_ as of 31 Marci \_\_\_\_\_

3.10 Allocation of Common Costs.

Coscribe how common costs are allocated to different ontput/setivities

2.11 millionest Expension and Hinanoial Charges \*

Describe now linearcal charges are treated and recorded. For example of 1658 are not allocated to the Project by the portower

niterature -l Proga 2:00-0



### I unde Received from the Covernment

### Cive details of the government budgeting and funding mitchenism

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		a (318; 1
Current	Prior	Cumelative
1888	Y 899	Year to date

\_\_\_\_\_\_

Government Counterpart funding Amount Reimbursable to Government

Total

### 5. DATE OF AUTHORIZATION

Those Phancial stalements have been supported for issue by the

Hanot Director Finance J&K ERA

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Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY NAME OF THE ENTITY/PROJECT; Jammu & Kashmir Urban Sector Development Investment Program Tranche-II (JKUSDIP)

Loan/Grant No. 2925-IND

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

Funds Received from ADB

Give key terms and conditions of the loan including date of loan agreement, loan effectiveness date, key terms conditions, disbursement schedule, commitment fee and ineterest rates etc.

				in (INR)
ADB Source of Funds - Method of Withdrawal	Note Reference	During the Current Year	During the Current During the Previous Year Year	Cumulative Project to Date
ADB Loan		19		
- By Reimbursement	6.1	139,52,16,095.00	61,69,95,141.00	241,83,61,197.00
- By Imprest Account <sup>1</sup>	6.2			
- By Direct Payment	6.3	91,61,000.00	28,58,000.00	1,20,19,000.00
- By Commitment Letter	6.4			
ADB Loan Total		140,43,77,095.00	61,98,53,141.00	243,03,80,197.00
ADB Grant				
ADB Loan and Grand Total		140,43,77,095.00	61,98,53,141.00	243,03,80,197.00

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'This should agree with the advances/replenishments net of refunds in Statement 6.2

6.1 Funds Received from ADB through Reimbursement Method





6.6 Details of disbursement claimed under the Statement of Expenditure (SCE) Procedure are given below

### DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

_		Ê						in (INR)
No.	SOE Sheet No.	Category	Total Amount Paid	ADB Einancing %	Net Eligible Expense	Amount Reimbursed (In Rs)	Imprest Fund Replenished/ Liquidated	Total Disbursement Using SOE Procedur
1	2	3	4	5	6 = (4*5)	7	B	7+8=9
36	1	Civil Works	21,60,772	/0	15,12,540		0	15,12,54
36	2	Civil Works	4,74,933	70	3,32,453			3,32,45
36	3	Consulting Services	86,59,377	80	69,27,502			59,00,00
37	1	Civil Works	35653297	70	24957308			
38	1	Civil Works	3529502	70		1		7,49,57,30
38	2	Equipment	4.08.995	100	2470651		1.	24,70,65
38	3	Consulting Services	1,07,47,527	80	4,08,995			4,08,99
39	1	Civil Works			85,98,022			85,98,02
39	2	Civil Works	3,37,75,143	70	2,35,42,600		1	2,36,42,60
			4,00,75,587	70	2,80,52,911			2,80,52,9:
4Ŭ	1	Civil Works	96,46,853	70	67,52,797			67,52,75
40	2	Civil Works	54,76,199	/1	38,33,339			38,33,33
40	3	Civil Works	45,00,000	70	31,50,000			31,50,00
40	4	Consulting Services	1,91,09,174	60	1,52,87,339			1,10,52,19
41	1	Civil Warks	6,71,39,415	70	4,69,97,591			4,69,97,59
41	2	Civil Works	9,32,33,576		6,52,63,504			6,52,63,50
41	Э	Çivil Works	70,99,776		49,69,843	· · ·		49,69,84
41	4	Fquipment	3,78,00,416	:00	3,78,00,415	3,78,00,415		3,78,00,41
42	1	Civil Works	1,10,68,721	70	/7,48,109			77,48,10
42	2	Civil Works	3,31,02,112	70	2,31,71,478	2,31,71,478		2,31,71,4
43	1	Civil Works	17,227	70				12,0:
43	2	Civil Works	2,30,000	70	1,61,000	1,61,000		1,61,0
43	в	Consulting Services	86.06,426	60	68,85,141	49,66,815		49,66,8
45	1	Civil Works	31,00,000	70	21,70,000	21,70,000		21,70,0
45	2	Civil Works	1,14,07,223	70	79,85,056	79,85,056		79,85,0
45	3	Civil Works	31,63,660	70	22,14,576	22,14,576		22,14,5
45	4	Equipment	35,04,870	100	35,04,870	35,04,870		35,04,81
45	5	Incremental Admin Support	1,52,35,099	30	1,21,88,079	1,21,88,079		1,21,28,03
45	6	Consulting Services	2,23,34,770	80	1,78,67,816	1,78,67,816		1,78,67,8
4ñ	1	Civil Warks	90,48,001	70	63,33,601			63,33,6
45	z	Civil Works	5,27,98,684	70	3,69,59,079	3,69,59,079		3,69,39,01
47	1	Civil Warks	1,42,17,992	70	99,52,594	99,52,594		99,52,55
47	2	Civil Works	1,39,28,484	70				97,49,93
48	1	Civil Works	7,57,37,758	70	5,30,16,431	5,30,16,431		5,30,16,43
48	2	Civil Works	2,24,10,454	70	1,56,87,317	1		1,56,87,3
49	1	Civil Warks	22,60,362	70				15,82,25
49	z	Incremental Admin Support	1,46,17,062	80				1, 16, 93, 63
49	з	Consulting Services	53,60,100					42,88,08
49	4	Consulting Services		Clairned Amount				10,27,50
50	1	Civil Works	65,43,642					45,80,55
50	2	Equipment	55,65,500					56,65,50
50	3	Consulting Services						
		-	1,17,92,997					94,34,39
53	1	Civl Works	6,40,18,938					4,48,13,29
51	2	Civi: Works	2,01,65,950		1,41,16,165			1,41,16,10
51	3	Civil Works	71,77,907			50,24,535		50,24,5.
52	1	Civil Works	3,00,000					2,10.0
5Z	2	Civil Works	1,02,56,032					71,79,23
52	د	Civil Works	4,50,000	70				3,15,0
52	4	Incremental Admin Support	1,52,95,143	50	1,22,36.113	1,22,36,113		1,22,36,1
52	5	Consulting Services	1,96,95,456	кп	1,57,59,569	1,57,59,565		1,57,59,51
53	1	Civil Works	1,93,25,043	70	1,35,27,533	1,35,27,530		1,35,27,5;
53	z	Civil Works	1,99,85,426	/п	1,39,89,795	1,39,89,798		1,39,85,79
53	3	Ciyil Warks	1,44,58,737	70				1,01,21,11
54	1	Civil Works	1,04,35,962					73,05,1
54	2	Incremental Annin Support	1,13,01,080					90,40,56

Page 1 of 2



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NAMEDE THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-II (JKUSDIP) Lolan/Grant No. 2925-IND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED (01-APR-2015 TO 31-MAR-2016)

6.6 Details of dispursement claimed under the Statement of Expenditure (SOE) Procedure are given below

### DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

	C.D.F.							in (INR)
W/A No.	SOE Sheet No.	Category	Total Amount Paid	ADB Financing %	Net Eligible Expense	Amount Reimbursed (in Rs)	Imprest Fund Replenished/ Liquidated	Total Disbursement Using SOE Procedure
1	2	3	4	5	6 = (4*5)	7	В	7+8=9
54	3	Consulting Services	84,57,113	80	67,65,690	67,65,690		67,65,69
55	1	Civli Warks	4,92,75,093	70	3,44,92,565	3,44,92,565		3,44,92,56
55	2	Clv1: Warks	2,45,52,706	70	1,71,86,894	1,71,86,894		1,71,86,89
55	3	Civil Warks	76,38,817	70	53,47,172			53,47,17
56	1	Civl! Works	33,74,595	79	23,62,217	23,62.217		23,67,21
56	2	Incremental Admin Support	1,21,22,664	50	95,92,131	96,98,131		96,98,13
56	3	Consulting Services	1,55,33,573	80	1,24,26,858			1,24,26,858
57	1	Civil Works	10,58,50,658	70	7,40,95,461	7,40,95,461		7,40,95,46
57	2	Civil Works	3,35,93,589	70	2,35,15,722			2,35,15,72
58	1	Civil Works	2,80,000	70	1,96,000			1,96,000
58	2	Civil Works	21,49,530	70	15,04,671	15,04,671		15,04,67;
58	3	Incremental Admin Support	1,37,50,379	80	1,10,00,303	1,10,00,303		1,10,00,30
58	4	Consulting Services	1,89,97,000	80	1,51,97,600	1,51,97,600		1,51,97,60
59	1	Civil Works	6,87,00,322	70	4,80,90,576	4,80,90,576		4,80,90,579
59	2	Civil Works	4,91,99,577	70	3,44,39,704	3,44,39,704		3,44,39,704
59	з	Civil Works	2,04,58,962	70	1,43,21,273	1,43,21,273		1,43,21,27
60	1	Clvii Warks	42,69,700	/0	29,88,790	29,88,790		29,88,790
60	2	Civil Warks	29,14,632	70	20,49,242	20,40,242		20,40,242
60	3	Civi' Works	20,73,000	76	14,51,100	14,51,100		14,51,10
60	4	Equipment	6,29,50D	100	6,29,500	6,29,500		6,29,500
60	5	Incremental Admin Support	1,54,03,810	80	1,23,23,048	1,23,23,048		1,23,23,048
60	6	Consulting Services	1,90,17,512	80	1,52,14,010	1,52,14,010		1,52,14,610
61	1	Civi Works	10,52,62,973	70	7,36,84,081	7,35,84,081		7,36,84,081
61	2	Civi. Warks	8,53,78,499	70	5,97,64,949	5,97,64,949		5,97,64,945
ы	э	Civil Works	83,76,306	70	58,63,414	58,63,414		58,63,414
61	a	Equipment	Z,99,36,319	· 00	2,99,36,319	2,99,36,319		2,99,36,319
62	1	Civi, Warks	7,69,11,252	70	5,38,37,877	5,38,37,877		5,38,37,877
62	2	Civil Works	7,59,56,029	70	5,31,69,220	5,31,69,220		5,31,69,220
62	з	Cjvil Works	81,04,967	70	56,73,477	56,73,477		56,73,477
63	1	Civil Warks	1,90,17,789	70	1,33,12,452	1,33,12,452		1,33,12,452
63	Z	Civil Works	17,00,000	70	11,90,000	11,90,000		11.90,000
63	3	Civil Works	2,87,800	75	2,01,460	2,01,460		7,01,460
63	4	Consulting Services	2,04,48,240	50	1,63,58,592	1,63,58,592		1,63.58,592
65	1	Civil Works	68,83,376	70	48,18,328	48,18,328		48.18,328
65	2	Incremental Admin Support	1,37,63,738	80	1,10.10.990	1,10,10,990		1,10,10,990
65	3	Consulting Services	19,71,508	80	15,77,206	15,77,206		15,77,206
66	3	Civil Works	97,63,000	70	68,34,100	68,34,100		68,34,100
66	Z	Civil Works	4,48,59,793	70	3,14,01,855	3,14,01,855		3,14,01,855
	-	Total	192,64,03,950		140,23,97,067	139,52,16,095		139,52,16,095

The financing percentages within the table for ADB funds are as per loan agreement Schedule 3.

Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY



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NAMEOF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-II (JKUSDIP) Loan/Grant No. 2925-IND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED (01-APR-2015 TO 31-MAR-2016)

B.6 Details of disbursement claimed under the Statement of Expenditure (SOF) Procedure are given below

DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE
FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

N/A No.	SÖE Sheet No.	Category	Total Amount Paid	ADB Financing %	Net Eligible Expense	Amount Reimbursed (in Rs]	Imprest Fund Replenished/ Liquidated	in (INR) Total Disbursement Using SOE Procedure
1	2	3	4	5	6 = (4*5)	7	8	7+8=9
54	3	Consulting Services	84,57,113	80	<del>ល</del> ី7,65,690	67,65,690		67,65,692
55	1	Civil Works	4,92,75,093	70	3,44,92,565	3,44,92,565		3,44,92,565
55	2	Civil Works	2,45,52,706	70	1,71,86,894	1,71,86,894		1,71,86,894
55	3	Civi' Works	76,38,817	70	53,47,172	\$3,47,172		53,47,172
56	1	Civi: Works	33,74,595	70	23,62,217	23,62,217		23,62,217
56	2	Incremental Admin Support	1,21,22,664	80	96,98,131	96,98,131		96,98,131
56	3	Consulting Services	1,55,33,573	80	1,24,26,858	1,24,26,858		1,24,26,858
57	1	Civi! Works	10,58,50,658	70	7,40,95,461	7,40,95,461		7,40,95,461
57	2	Civil Works	3,35,93,889	70	2,35,15,722	2,35,15,722		2,35,15,722
58	1	Civil Works	2,80,000	70	1,96,000	1,96,000		1,96,000
58	2	Civil Works	21,49,530	70	15,04,671	15,04,671		15,04,671
58	3	Incremental Admin Support	1,37,50,379	80	1,10,00,303	1,10,00,303		1,10,00,303
58	4	Consulting Services	1,89,97,000	80	1,51,97,000	1,51,97,600		1,51,97,600
59	1	Clvil Works	6.87,00,822	70	4,80,90,576	4,80,90,576		4,80,90,576
59	2	Civil Warks	4,91,99,577	70	3,44,39,704	3,44,39,704		3,44,35,704
59	э	Civil Works	2,04,58,962	70	1,43,21,273	1,43,21,273		1,43,21,273
60	í	Civil Works	42,69,700	70	79,88,790	29,88,790		29,88,790
60	2	Civil Works	29.14,632	(1)	20,40,242	20,40,242		20,40,242
60	з	CIVII Works	20,73,000	70	14,51,100	14,51,100		14,51,100
60	4	Equipment	6,29,500	100	6,29,500	6,29,500		6,29,500
60	5	Incremental Admin Support	1,54,03,810	60	1,23,23,048	1,23,23.048		1,23,23,048
60	6	Consulting Services	1,90,17,512	60	1,52,14,010	1,52,14,010		1,52,14,010
61	1	Civil Works	10,52,62,973	70	7,36,84,081	7,36,84,081		7,36,84,681
61	2	Civil Works	8,53,78,499	70	5,97,64,949	5,97,64.949		5,97.64,947
61	3	Civil Works	83,76,306	70	58,63,414	58,63,414		58,63,414
61	4	Equipment	2,99,36,319	- DD	2,99,36,319	2,99,36,319		2,99,36,319
62	1	Civil Works	7,69,11,252	70	5,38,37,877	5,38,37,877		5,38,37,877
62	2	Civil Works	7,59,56,029	76	5,31,69,220	5,31,69,220		5,31,69,220
62	з	Civil Warks	81,04,967	70	56,73,477	56,73,477		56,73,477
63	1	Civil Works	1,90,17,788	70	1,33,12,452	1,33,12,452		1,33,12,452
63	2	Civil Warks	17,00,000	70	11,90,000	11,9 <b>0,</b> 000		11,99,000
63	3	Civil Works	2,87,800	70	2,01,460	2,01,460		2,01,460
63	4	Consulting Services	2,04,48,240	AC	1,63,58,592	1,63,58,592		1,63,58,592
65	1	Civil Works	68,83,326	70	48,18,328	48,18,328		48,18,328
65	2	Incremental Admin Support	1,37,53,738	80	1,10,10,990	1,10,10,990		1,10,10,930
65	3	Consulting Services	19,71,508	80	15,77,206	15,77,206		15,77,206
66	1	Civil Works	97,63,000	70	68,34,100	68,34,100		68,94,100
66	2	Civil Works	4,48,59,793	70	3,14,01,855	3,14.01.855		3,14,01,855
		Total	192,64,03,950		140,23,97,067	139,52,16,095		139,52,16,095

<sup>1</sup>The financing percentages within the table for ADB funds are as per loan agreement Schedule 3.

interstation ( Not Applicable)

Name of the Exection of Againsy Name of the Implementing Againsy

GALVE OF THE ENDINGRAUSEOT} LooidGrant Ho. NOTES TO THE FRADE/AL STATEMENTS FOR THE MEAN ENDED [YEAR END DATE)

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staconciliation of the Imprest Account and the Bank Statement is given below 6.2

### STATEMENT OF IMPREST ACCOUNT FOR THE YEAR/PERIOD ENDED XX, XXXX.

	1		Price Year	Surrey Year
Galand	s bree glit forward intell pravious period	1	100	140
Add,	//dVahref		200	206
	Replenishment received during the year/partod <sup>1</sup> - interest Barned	1	10	10
	Subfotal (A)		.J*0	356
	Deduct: Payments mode during the vear/period Reptenishment /Liquidstion <sup>1</sup> 1 uppediture yet to be clarmed	45 100	1.5m	150
	Annual situated damig the year/period		20	21
	Closing Balance (B)		136	(6)
	As per bunk siziement (copy attached)	-	ابل الم	

The US S equivalent polational amount field at the RSU in respect of the above. 6.2 () Imprest Account balance is \_\_\_\_\_\_US \$ (bar.k statement attached)

Note: Aques indicated are its rative in natura

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Littary Director Finance J&K ERA

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3.3 Details of Payments made directly by ADB are given below

(Add relevant details here)

1.1 Estate of payments (inde 8) augh commitment (indeuter)

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6.5 Listails of Grants

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Give relevant details for manuf.

Director Finance J&K ERA



Nameof the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAMEOF THE ENTITY/PROJECT: Jammu & Koshmir Urban Sector Development Investment Program Tranche-II (JKUSDIP)

Lo an/Grant No. 2925-IND

NOTES TO THE FINANCIAL STATEMENTS. FOR THE YEAR ENDED (01-APR-2015 TO 31-MAR-2016)

6.61 Details of disbursement claimed under the Statement of Expenditure (SOE) Procedure are given below

DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE
FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

V/A No.	SOE Sheet No.	Category	Total Amount Paid	ADB Financing %	Net Eligible Expense	Amount Reimbursed (in Rs)	Imprest Fund Replenished/ Liquidated	in (INR) Total Disbursement Using SOE Procedur
1	2	3	4	5	6 = (4*5)	7	8	7+8=9
36	1	Clvil Works	21,60,772	70	15,12,540	15,12,540		15,12,54
36	2	Clvil Works	4,74,933	70	3,32,453	3,32,453	1.1.1.1	3,32,45
36	3	Consulting Services	86,59.377	90	69,27,502	59,00,002		59,00,00
37	1	C vl  Works	35653297	70	24957308	24957308		2,49,57,30
38	1	Civil Works	3529502	70	24706S1	2470651		24,70,65
38	2	Fquipment	4,08,995	100	4,08,995	4,08,995	1	4,08,99
38	3	Consulting Services	1,07,47,527	80	85,98,022	85,98,022		85,98,02
39	1	Civil Warks	3,37,75,143	70	2,36,42,600	2,36,42,600		2,36,42,61
39	2	Civil Works	4,00,75,587	70	2,80,52,911			2,80,52,93
40	1	Civil Works	96,46,853		67,52,797			67,52,79
40	2	Civil Works	54,76,199		38,33,339			38,39,33
40	3	Civil Works	45,00,000		31,50,000			31,50,00
40	4	Consulting Services	1,91,09,174		1,52,87,339			1,10,57,19
41	1	Civil Works	6,71,39,415		4,69,97,591			4,69,97,59
41	2	Ctvil Works	9,32,33,576		6,52,63,504			6,52,63,50
41	3	Civit Works	70,99,776		49,59,843			49,69,84
41	4	Equipment	3,78,00,416		3,78,00,415			3,78,00,43
42	1	Civil Works	1,10,68,721	70	/7,48,105			/7,48,1
42	2	Civil Works	3,31,02,112		2,31,71,478			2,31,71,4
43	1	Civil Works	17,227		12,055			32,0
43	2	Çivil Warks	2,30,000		1,61,000			1,61,0
43	3	Consulting Services	86,06,426		68,85,141			49,66,8
45	1	Civil Works	31,03,000		21,70,000			21,70,0
45	2	Civil Works	1,14,07,223		79,85,056			79,85,0
45	3	Civil Works	31,63,680		22,14,576			77,14,5
45	4	Equipment	35,04,870		35,04,870			35,04,8
45	S	Incremental Admin Support	1,52,35,099		1,21,88,079			1,21,88,0
45	6	Consulting Services	2,23,34,770		1,78,67,810			1,78,67,8
46	1	Civil Works	90,48,001		63,33,603			63,33,6
46	2	Civil Works	5,27,98,684		3,69,59,079			3,69,59,0
47	1	Civil Warks	1,42,17,992		99,52,594			99,52,5
47	2	Civil Works	1,39.28,484		97,49,939			97,49,9
48	1	Civil Works	7,57,37,758		5,30,16,43:			5,30,16,4.
48	2	Civil Warks	2,24,10,454		1,56,87,315			1,56,87,3
49	1	Civil Works	22,60,362					15,82,2
49	2	Incremental Admin Support	1,46,17,062		1,16,93,654			1.16.93.6.
49	÷.	Consulting Services	53,50,100		42,88,080			42,88,0
49	4	Consulting Services		Salmed Amount				10,27,5
50	1	Civil Works	65,43,642	70	45,80,550	45,80,550		45,80,5
50	2	Equipment	56,65,500	l loa	56,65,500	56,65,500		56,65,5
50	3	Consulting Services	1,17,92,997	80	94,34,351	7 94,34,397		94,34,3
51	1	Civil Works	6,40,18,939	70	4,48,13,25	7 4,48,13,257		1,48,13,2
51	7	Civil Warks	2,01,65.953	70	1,41,15,163	5 1,41,16,165		1,41,16,1
51	3	Civil Warks	71,77.907	70	50,24,53	50,24.535		50,24,5
52	1	Civil Works	3,00,000	70	2,10,00	0 2,10,000		2,10.0
52	2	Civil Warks	1,02,56,032	70	71,79,22	3 /1,/9,223		71,75,2
52	3	C.v I Works	4,50,800	70	3,15.00	J,15,000		3,15,G
52	4	Incremental Admin Support	1,52,95,143	80	1,22,36,11			1,22,36,1
.52	5	Consulting Services	1,96,99,456	12 I I I I I I I I I I I I I I I I I I I				1,57,59,5
53	1	Civil Works	1,93,25,043					1,35,27,5
53	z	Civi Works	1,99,85,426					1,39,89,7
53	3	Civi Works	1,44,58,73)					1,62,21,1
54	1	Civil Works	1.04.35,962					73,05,1
54	7	Incremental Admin Support	1,13,01,080	-				90,40,

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Annexure-7

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### (MAAE OF THE ENTITY/PROJECT) Soci/Crapt No. NOTES FOTHS PINANCIAL STATEMENTS FOR THE YEAR ENDED (YEAR END DATE)

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If any of the amounts given on the Statements of Receipts and Payments require further detail or Sreak-down, provide this here against relevant Note

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Director Finance J&K ERA

Name of Executing Agency ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMir Name of Implementing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMMU & KASHMIR Name of the Project - Jammu & Kashmir Urban Sector Development Envestment Program (JKUSDIP), Tranche-II Loan/Girant No. 2925 IND

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STATEMENT OF APPROPRIATION VS. ACTUAL

Cost Catagor es	For the	For the current year ended Mar 2016	ded Mai 2016		Lo: 1	For the Prior year ended Mar 2015	ded Mar 2015		Cum.	Cumulative from beginning to Mar 2016	nring to Mar 20	16
	Buogeteo Experoitures	Actual Expenditures	Util'zation Percentage	Variance	Burigeted Expenditures	Actual Expenditures	Utilization Percentage	Varlance	Budgeted Expenditures	Actual Expenditures	Utilization Percentage	Variance
	INR '000	INR '000	26	000, 8NI	OCO, HNI	OOO, NNI	%	NR '000	INR '000	000. 8NI	%	INR '000
Investment Costs												
Civii Works	17.70,000	15.70.681	88.74%	1.99,319	9.25,457	2,16,675	88.25%	1,08,782	33,06,445	29,50,252	89.23%	3,56,193
Mechanical and equipment	52,500	90,672	98.56%	1,328	1,00,000	63,983	63,99%	36,012	1,65,000	1,57,477	95.44%	7,523
Er Vronprent and Social Mitigation	1,200	974	81.13%	226	4,60,000	4,66,638	101.44%	-6,638	6,71,200	6,68,700	99.63%	2,500
Cansultants												
a. Project Management	2,00,000	1,85,424	92.71%	14,576	1,20,200	96,264	96.26%	3,736	3,11,000	2,92,262	93.97%	18,738
a. Cagacity Development	45,000	41,200	91.56%	3,800	35,000	32,645	8%72.E2	2,355	80,000	73,846	92,31%	6,154
Others	30	26		4	1,66,000	1,66,160	100.10%	-160	1,32,030	1,83,997	101.08%	-1,967
Subrotai	21,08,230	18,53,576	89.60%	2,19,254	17,86,457	16,42,370	51.53%	1,44,087	47,15,675	43,26,533	91.75%	3,89,142
Recurrent Costs	1,15,000	1,11.343	56.82%	3657	0	0		0	1.15,000	1.11.343		
5 d. ari e.s.				1								
Accompation.												
éruipment Operation & Maintenance												
Cthers												
Subtatal	1,15,000	1,11,343	96.82%	3.657	0	0			1.15,000	1.11.343	96.82%	3,657
Total Payments	22,23,230	20,00,319	%26.68	2,22,911	17.86,457	16.42.370	81,93%	1.44.087	48,30,575	44,37,876		9'E
Financing Charges During Implementation.												
Total Project Cost	22,23,230	20,00,319	81.97%	116,52,7	17,86,457	16,42,370	%66.16	1,44,Ď87	48,30,675	44,37,876	91.87%	3,92,799
Grand total of expenditure in LSD '000	33,861	30,484	89.97%	168,8	Z9,052	26,709	91.93%	2,343	75,671	69,518	91.87%	6,153

Note: Conversion Rate

2014-15 USD 1 = 1 CSU 21-4-15 GF 43 2015-15 USD 1 = 4/1K C5, C2 0veralt L5D 1 INS 53.84

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### AND MOTURE BY CUTFLY COMPONENTS.

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and the set of a state of the last of the	Phote -	1000 million	Cum d Deco	Delor Marc	Current	Cut le Cole	Fully Marie	Yean Yean	a entro Data	Photon 21	C 1967	0.010 1220	1.000, 100, 6	11 and 1	No.
Presenteri Custe															
CNH WOLLS															1
Kerki alikuli Papi duaruli														and the set of the set	
Environmente la Social															
telingation															
Consultans															
a Project Vianagement														1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
b. Capsoly Llevelopment															
Olhers															
Suttetal (Å)															
Rectivent Costs				-											
514.4158 214.4158														tel harm	Interesting the
Асстановает														-	
Externation direction and															
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<ol> <li>M. D. E. D. M. L.</li> </ol>	-					*				and the second s	-	and the second s	11.01-1	12	

ਜੇ, ਘਰ ਜਾ ਨੇ ਆ ਗੇਜ਼ ਆਪ ਤੇ ਕੇਲ-ਦੂਲੇ ਸਿਕਬਰੇ ਪੰਜਾਬੀ ਵਿਚ ਸਾਨੇ ਹੋ ਹੋਏ ਸਿੰਘ ਨੇ ਉੱਛਪੀ ਦੇ ਸਿੰਘ ਨੇ ਇਸਕੇ ਸਾਹਿਤ ਕਿ ਦੇ ਸਾਨੇ ਸਾਨੇ ਹੋ ਸਾਨੇ ਹੋ ਨੇ ਜਾਂਦੂ ਬੰਦ ਜਾ ਜਾਂਦੇ ਇਸ ਜਿਆਨ, ਸ਼ਹਿਤ ਕੇ ਜਿਵੇਂ ਨੂੰ 10

Director Finance J&K ERA

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Example of a Management Assertion Lotter

Representation Management Ayart endor of Report

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(Tio Author)

(Project) effectived.

- the project financial statements are free or charecel interaction of the project in the statement.
- Projobilitunds have been used for the purposes for which they were blownled.
- Project expanditures are eligible for financing under the Unan/Credinagreament.
- There have been no irregularities involving management or employees who nove a significant role is internal control or that could have a meturial effect on the project financial statements.
- We have made available to you all books of account add supporting documentation relation to the project.
- The project has complied with the conditions of all relevant legal agreemance isolading the chancing Agreement, the Project Agreement, the Project Appreciat Document, the Minuted of Negletiations, and the Commerce Project Implem addition Plan.

Finance Director J&K ERA

(Englect Director) Chief Executive Officer,

(Clue) Finance Officer / Senior Finance Officer)

azec(partion, CAO Auditing Standards /2<sup>nd</sup> Edition, 2002). Chapter (V. Reporte ). Stenbards

12. The ioma and content of parity option and reports

- The form and content of all public opinions and records are counded on the repowing general principles:
  - (a) Fifth. The option or report should be preceded by a suitable fille of heading (height)) instruction to distinguish it from statements and information (asked by others).
  - (b) Signoiste and date. The opinion or report should be properly signed. The inclusion of a date informs the reader that consideration has been given to the effect of events or transaction i about which the auditor became aware up to that date (which, in the base of regularity (financial) audits, may be beyond the period of the financial statement).
  - (c) Objectives and scope. The opinion of report social include polenes end and objectives and scope of the sudit. This information out-plishes the purpose and boundaries of the surfit.
  - (d) Completences Opinions should be appended to and published with the financial statements to which they relate, but performance reports may be free standing. The studitor's opinions and reports should be presented as prepared by the auditor. In exercising its independence CAG may acquire information from time to time, which in the number of the neutrino to the completences of the number of the neutrino to the completences of the number of the neutrino the neutrino
  - (b) Addressee. The opinion of report should centify those to whom the addressed los required by the organistances of the amit ungagement and toost regulations of practice. This is immedeasary where formal procedures exist for its delivery.
  - (i) Identification of subject matter. The opinion or (epon should identify the anarcual statements (in the case of regularity (financial) audits) or area (in the case of performance audits) to which it relates. This includes information such as the name of the audited entity, the date and period covered by the financial statements and the subject matter that has been audited.
  - (g) Legal basis. Audit combans and reports should standing the begislation. In other pathodity providing for the audit.
  - (c) Compliance with standards. And, opinit is and variants should informate the auditing standards or practices followed is conducting the sudi, thus trovidled the rouder with an assurance that the audit has been control out to accordance with upmorally secapted procedures.
  - To concluses the audit opinion or report should be available promptly to be of greatest use to readers and users particularly these who have to take peoplektar action

Director Finance J&K ERA

Report of the Comptroller and Auditor General of India

(expect booteminting authority)

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Repair of the Project Databased Servements

We neve sudites the accompanying finaricial statements of the \_\_\_\_\_\_ (rojest) financed notion Ashri Development Bank Loan bos. \_\_\_\_\_\_ which comprise the Statement of Statement and Payments, the Statement of Expenditure by Theorem and Financies, the Statement of Diabarsement and related notes for the year onder \_\_\_\_\_\_.

in case,the PIA is maintaining Balance Sheet and statement of Income and Exponditure, followingpara may be substituted:

We have audited the accompanying financial statements alongwith Bulance Sheet burnee sheet, income and expenditure statement and Creb Flow Statement and related statements of the \_\_\_\_\_\_ Project financed under Asian Face-opment Bank LoanNo.\_\_\_\_\_\_ for the year ended \_\_\_\_\_\_

These summeries are the responsibility or the troject's than generic that seconsibility is to express an opinion on the accompanying lineacial size ments based on our add.

We conducted our studit in accordance with the Auditory standards providened by the Comptroller and Auditor General of India. These Standards require that we often and perform the audit to obtain reasonable assurance about whether the financial statements are then of material missistement. Our audit examines, on a test pasts, evidence supporting the automits and displayates in the financial statements. It also includes assesting the depointing principles used and significant estimates made by management, as with associating the overall statement presentation. We believe that our addit provides areasonable extra for comopinion.

in our opinion, the financial statements present fairly, in all numerial respects, the sources and applications of funds of Project for the year ended finsers deted in accordance with Covernment of India accounting standards.

to originate or other estimated tonaements and schootnes, not defined to a proceeder of the state of the stat

(i) a it is administry of Finance preservices adoption of the accounters sturds relation to be the extent of our p of the second relation of the period of grandands followed us the second mean of traffic and relations of the second relation of the period of grandands followed us the second mean of traffic and relations of the second of the second relations of the second of the second of the second relation of the second of the se



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Products of the loan from ADS have been utilized for the purposes as per ADD Loan Moyeet Agermeet

Provide a coventate in the loss systement many number of four participant. or itself have able complice with

(i)(2) With respect to SOEs, adequate supporting documentation has been ici maintained to support claims to the Asian Development Bank for reimbursements of expendences incorred; and (b) except for ineligible expenditures to detailed in the sudii observations, if say, appended to this audit report, expenditures are cligible for financing under the Luan Agreement.

Charlesso hupped a secondo give a true and the class of the complex callebred not present of show during the year entrad--- and so these reactipts and an one of support impress Account Equidations/replansamments, litting the vent

This report is assual without prejudice to CAG's right to incorporate the codifebrations in the Report of CAG of India for being laid before Partiament/State of CIA ່ມຂອງໄດ້ໄດ້ແມ່ສະ

(Anditor's Signature)

(Auditor's Aduress)

(Desci)

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the resource is and by thread any disher the reconciliance to the providence of uncertainty of the reconciliance to a wavered and considering a fill is periodily the final date of the board of supervision for date or meropy of -1.0.107-20162

> Latternot **Director** Finance J&K ERA

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Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY

NAME OF THE PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-III (JKU5DIP)

Loan/Grant No. 3132-IND

### REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016 STATEMENT OF RECEIPTS AND PAYMENTS

Particulars	Note	During the Current Year	<b>During the Previous Year</b>	Cumulative Project to Date As
	Reference	for 12 month period	for 12 month Period	at (end of CURRENT year)
Opening Balance <sup>1</sup> (A)		0.00	0.00	
Receipts				
Funds received from Government <sup>2</sup>	4			
ADB Loan <sup>a</sup>	S	54,06,61,000.00	0.00	54.06.61.000.00
ADB Grant <sup>a</sup>	9			
Co-financier 1	7			
Co-financier 2	60			
seneiktary contribution (if any)	D			
Other reacipts such as interest income, sale from				
disposals of fixed assoris, etc.	10			
Total Receipts (B)		54,06,61,000.00	0.00	54,06,61,000.00
Total (C = A + B)		54,06,61,000,00	00.0	54.06.61.000.00
Opening Balance Payments (D)				
Investment Costs <sup>4</sup>	11			
Civil Works		72,62,90,355,00	30.94.19.530.00	00 385 00 23 201
Consulting Services		62,50,170.00	00.0	67 50 170 00
ResetLement Pian		0.00	0.00	0.00
Land Acquisition		0:00	1,02,30,000.00	1.02.30.000.00
Sub Total (E)		73,25,40,525.00	31,96,49,530.00	105.21.90.055.00
Recurrent Cost	12			
Incremental Admin Costs		00.0	0.00	0.0
Sub Total (F)		0.00	0.00	
Total Payments		73,25,40,525.00	31.96.49.530.00	105.21 90.055.00
Financing Charges During Implementation (G)	13			
Total Project Cost (H = D + E + F+G)		73,25,40,525.00	31,96,49,530,00	105.21.90.055.00
Closing Balance (C-H)		(19,18,79,525.00)	(31.96.49.530.00)	151 15 29 055 001

lf cash baiance are controlled by the entity, indicating cash balance, imprest account and \$GM balance separately.

<sup>2</sup>These will include external assistance received by Government for the project.

<sup>3</sup>This shall include arrounts received in the Bank Account as well as amounts deemed to be received against direct payments made by ADB to the supplicrs of

goods and services under Direct Payment procedure and Commitment Letter procedure <sup>4</sup>Expendicure categories are based on the cost allocation table as per Loan/Grant Agreement

Notes 1 to x of the financial statements form an integral part of these financial statements

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Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development investment Program Tranche-III (JKUSDIP)

Loan/Grant No. **3132-IND** 

### STATEMENT OF EXPENDITURE BY CATEGORY AND FINANCIER (SOE) PROCEDURE REPORT FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

Particulars		ADB <sup>4</sup>		Co-Financier	cier	Government		Total
	Percentage	Actual Expenditure	ture	Actual Expenditure	ndíture	Actual Expenditure	an	Expenditure
	of financing <sup>1</sup>	Amount	*	Amount	*	Amount	*	
	1	2	m	4	5	uc	-	~
investment Costs <sup>2</sup>								0
Civit Works	C8	72.62.90 355 00				10.30 55 707 00		
Consulting Services	100	62.50.170.00				00,000,15,0		91,65,46,152.00
Resertlement Plan		0.00						00.211,12,21
Land Acquisition	-	0.00				000		00.0
Sub Tatal (A)		73.25.40.525.00				10 20 25 00 01		0.00
Recurrent Cast						חחיםחסיחליהכיבי	T	00'1\$5'/0'00'76
viciremential Admin Coste	20	00.00				0.00		D.01
Sub Total (B)	+	0					1	
Total Part (C-A. 01)		0.00				0.00		0.00
וחופו רספו (כ-אדם)-		73,25,40,525.00				19,30,26,806.00	1	92.55.67.331.00
% Total Project Cost								
Total Project Cost for Financial Year 2015-2016		73,25,40,525,00				19 30.76 R06 00	T	47 55 67 331 00

<sup>1</sup>T: a financing percentages for ADB funds should directly correlate to the financing percentages in the allocation table(s) of the financing agreement(s). <sup>2</sup>Expenditure calegories are based on the cost allocation table as per Loan/Grant Agreement.

<sup>37</sup>he figures shown against various categorics of expenditure should agree with the current years's payment in Annexurc 1. Statement of Receipts and Payments.

<sup>4</sup>This shall include total expenditure claimed from ADB under various disbursement procedures, i.e. direct payment, reimbursement, imprest account and commitment letter.

Notes 1 to x of the financia: statements form an integral part of these financial statements



Page 1 of 1

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Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-III (JIKUSDIP) Loan/Grant No. 3132-IND

FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

### **Statement of Disbursement**

				in (INR)
Satement of Disbursement	Nate	Current Year	Prior Year	Cumulative Project to Date
ADB Fund claimed during the year				
Reimbursement <sup>3</sup>	6.1	73,25,40,525.00	24,75,35,624.00	98,00,76,149.00
Imprest Fund <sup>a</sup>	6.2			
Direct Payment	6.3			
Commitment Lotter	6.4			
Subtotal	(V)	73,25,40,525.00	24,75,35,624.00	98,00,76,149.00
Total Expenditure made during the year <sup>1</sup>	(8)	92,55,67,331.00	31,96,49,530.00	124,52,16,861.00
:ssal				
Expenditure not yet claimed	(c)	1,12,91,262.00	1,02,30,000.00	2.15.21.262.00
Borrower's Share	(D)	18,17,35,544.00	6,18,83,906.00	24,36,19,450.00
Total Eligible Expenditure Claimed (B - C - D = E = A)		73,25,40,525.00	24,75,35,624.00	98,00,76,149.00

The total expenditure as per Statement of Receipts and Payments.

<sup>2</sup> I his should tally with the Government share included in Statement of Expenditure by category and financier (Column 6), <sup>3</sup>Includes both claims using SOE and full supporting documentation.

Notes 1 to imes of the financial statements form an integral part of these financial statements



Please sufer to Schedute Gr divinficant Acoun Stricity. Schedule Notes Comunt Americants われいりっこう

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(MAME OF THE COUNTRY/WPILEMENTING AND EXECUTING ACENCY) (MAME OF THE FWITH (MPROJECT) (ADB LOAN REFERENCE) NOTES TO THE EMARCIAL STATEMENTS FOR THE YEAR ENDED (YEAR END DATE)

### Project Nature and Activities

E 7

- Description of the Project, the nature of activities, commissionment and exposited completion dates. Mention recetion, domicilo, legal form controlling TAZ EV, inforpature of the project outputs.
- 1.2 Give logislative stamework.

rasient as relevent

### STATEMENT OF COMPLIANCE.

These financial statements have been prepared in accordance with approved accounting standards, as applicable in India. This refers to the cash basis of accounting applied with due regard to the General Financial Rules. PWD Codes Treasury Codes, and similar financial rules and codes as are is officer and applicable to the operations of the Project.

- 3 SIGNIF.CANTACCOUNTING POLICIES.
- 5.3 Inchoial Statemonia.

This comprises of the Statement of Receipts and Phyments, the Statements of Expenditure by Category and Financier, the Statement of Explorations and appendices to the financial statements.

- 3.2 Basis of measurument
  - Financial statements have been prepared under the htstorical cost convention and on [cash/ accrual, basis of accounting.
- 3.3 Owinges in Accounting policies.

Collicribe changes in accounting policies, it any

- 3.4. Ethie Elevensehansen
  - Describe the fund flow mechanism, in particular which write (MEX) sugged source of which her all payments are confidinged.
- 35 Advances and other receivables.

Terantic addition of advances against expenditure.

or Finance J&K ERA

### 1.5 Creational cash equivalents.

Case, equivalence compress (define components of each). Explain if the entire summer, unceast, advances, only petity cash, or has a nit balance, no noplication

3.7 Aborued and other liabilities

Disclone day major fishlider which have not been accurate under the cash passe bowly

3.0 (maome)

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- Describe nature of different types of income and here they are recognised. For example gradies, cale of proceeds of fixed assets, interest income on bank accounts all
- [include if applicable] Free of cost office space, electricity and contain other services provided by {insert name] are not valued and accordingly. are not recognized in these financial statements as income of the Project.
- 3.9 Foreign currency transactions and translation.
  - (a) Functional and presentation currency

trems included in the fibancial statements of the Project are reposited using the ourrency of the primary economic environment in which the entity operates (incl functional currency), which is the Indian Rupee (INR)

(b) Trainsactions and balances

Intersections in forbign out ency are convolted at the exchange (atto prevailing at the date of transaction, horoign outrency bank balances are ra-stated at the year and the resulting gains/deses are recognized in the statement of receipts and payments account. Conversion Rate, USE \$ 1 = this \_\_\_\_\_ as of 31 March

3,16 Allocation of Common Costs

Oscende how common costs are allocated to different output/activities

3.17 Interest Expenses and Financial Charges

Describe new financial charges are treated and recorded. For example in these are not allocated to the Project by the borrower.





### Funds Received from the Government

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### Give details of the government budgeting and funding mechanism

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	Current Year	Prior Year	io (ciny 1000 Cuny dative Yoan to date
Government Counterpart funding Amount Reimbursable to Government			
Total			

5. DATE OF AUTHORIZATION

These incancial statements have been authorized for issue by the

Hanot Director Finance J&K ERA

G

Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY Name of the Implementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY NAME OF THE ENTITY/PROJECT: Jammu & Kashmir Urban Sector Development Investment Program Tranche-III (JKUSDIP) Loan/Grant No. 3132-IND

### **NOTES TO THE FINANCIAL STATEMENTS**

## FOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016

Funds Received from ADB

Give key terms and conditions of the loan including date of loan agreement, loan effectiveness date, key terms conditions, disbursement schedule, commitment fee and ineterest rates etc.

ADB Source of Funds - Method of Withdrawal	Note Reference	During the Current Year	During the Current During the Provious	Cumulative Proised to Date
ADB Loan				
- By Reimbursement	6.1	73,25,40,525.00	24,75,35,624.00	24,75,35,624,00
- By Imprest Account"	6.2			
- By Direct Payment	6.3	0	0	0
- By Commitment Letter	6.4			
ADB Loan Total		73,25,40,525.00	24,75,35,624.00	24.75.35.624.00
ADd Grant				
ADB Loan and Grand Total		73,25,40,525.00	24,75,35,624.00	24,75,35.624.00

<sup>1</sup>This should agree with the advances/replenishments net of refunds in Statement 6.2

6.1 Funds Received from ADB through Reimbursement Method



Vancanas e Klot Applicator ?

<u>dame of the Execution Association ( Nome of the Implementing Agency</u>

[MAME OF THE ENTITY PROJECT] Long South Dot NOTES TO THE FINALISIAL STATEMENTS FOR THE YEAR ENDED [YEAR END PLATE]

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### 9.2 Reconciliation of the improst Account and the Bank Statement is given below.

	STATEMENT OF IMPREST FOR THE YEAR/PERIOD END	AGGOL XIB XX,	<u>ann</u> XXXX.	
	•	-	Prior Year	in driftig (c00 Centent Year
Satan	s here, ghit torward inc. , principles period		186	(41)
Add;	Advance'		200	200
	(Represionment received during the year/period <sup>1</sup> ) [ Interest Barned	1 1	10	10
	Subtotal (A)		31⊐	J50
	Caduat: Payments made during the year/beriou Reviewsmown / Liquidation <sup>1</sup> Expenditure yet to be glaimed	55 303	150	150
	Amount refunded during the year/period		20	20
	Closing Salance (B)		1×fi	(30
	As per bank statsment (copy attached)	orabithe so	1 14.)	180 

6.2.1 The US 3 equivalent notational amount held at the RBL n respect of the above Imprest Account balance is \_\_\_\_\_\_US \$ (bank statement altached)

Pole: Equies indicated are illustrative in nature

Director Finance J&K ERA

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3.4 Dotails of payments made through commitment procedure.

(Add relevant detaild here)

5.5 Durate of Grants

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(Give relevant details for grants)

inance Director J&K ERA

Name of the Executing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY A smellof the triplementing Agency: J&K ECONOMIC RECONSTRUCTION AGENCY



b\_6 Details of disbursement claimed under the Statement of Expenditure (SOE) Procedure are given below

### DISBURSEMENT CLAIMED UNDER STATEMENT OF EXPENDITURE (SOE) PROCEDURE <u>EOR THE YEAR/PERIOD ENDED 01-APR-2015 TO 31-MAR-2016</u>

W/A	SOF		Leve 14					in (INR)
No.	Sheet	Category	Total Amount Paid	ADD	Net Eligible	Amount Oxidation and	Imprest Fund	Total Disbursement
	No.		Pala	Financing %	Expense	Reimbursed	Replenished/ Liquidated	Using SOE Procedure
1	2	3	4	5	6 (4x5)	7	8	7+8-9
5	1	Civil Works	3,49,92,000	80	2,79,93,600	2,79,93,600		2,79,93,600
5	7	Civil Works	1,16,31,774	80	93,05,419	93,05,419		93,05,413
6	1	Civil Works	2,08,56,806	80	1,66,85,445	1,66,85,445		1,66,85,449
7	1	Civil: Works	7,95,10,971	80	2,36,08,777	2,36,08,777		2,36,08,771
1	2	Civil Works	1,54,14,738	80	1,55,31,750	1,55,31,790		1,55,31,79
8	1	Civil Works	2,00,35,857	80	1,60,28,686	1,60,28,686		1,60,28,686
8	2	Civil Works	6,47,399	80	5,17,919	5,17,919		5,17,919
8	Э	Civil Works	1,40,29,179	80	1,17,23,343	1,12,23,343		2,12,23,343
9	1	Civil Works	1,87,81,658	80	1,50,25,326	1,50,25,326		1,50,25,320
9	2	Civil Works	1,36,85,726	80	1,09,48,581	1,09,48,581		1,09,48,58
10	1	Civil Works	2,80,46,664	80	2,24,37,331	2,24.37,331		2,24,37,33
10	2	Civil Works	2,65,40,120	80	2,12,32,096	2,12,32,096	0	2,12,37,09
11	1	Civil Works	91,89,074	80	73,51,259	73,51,259		73,51,259
11	2	Civi, Works	4,45,95,335	80	3,56,76,268	3,56,76,268		3,56,76,26
11	3	Civil Works	17,35,022	80	13,88,018	13,88,018		13,88,01
12	1	Civil Works	3,13,63,493	80	2,50,90,794	2,50,90,794		2,30,90,79
13	1	Givil Works	1,49,29,381	60	1,19,43,505	1,19,43,505		1,19,43,50
13	2	Civil Works	2,49,58,735	80	1,99,66,988	1,99,66,988	1	1,99,66,98
14	1	Civil Works	7,96,60,710	\$D	6,37,28,568	6,37,28,568		6,37,28,56
14	2	Civil Works	2,48,28,675	80	1,98,62,940	1,98,52,940		1,98,62,94
15	1	Elvil Works	1,72,32,852	80	1,37,86,282	1.37,85,282		1,37,86,28
15	2	Civil Works	5,85,38,879	80	4,68,31,103	4,68,31,103		4,68,31,10
15	3	Civil Works	98,14,000	BO	78,51,200	78,51,200		78,51,28
16	1	Civil Warks	6,13,73,874	80	4,90,99,099	4,90,99,099		4,93,99,09
16	7	Civil Works	2,45,42,176	80	1,96,33,741	1,96,83,741		1,96,33,74
16	3	Civil Works	2,65.40,000	80	2,12,32,000	2,12,32,000		2,12,32,00
16	4	Consultancy Support	14,21,396	100	14,21,396	14,21,396		14,21,39
1/	1	Civir Works	4,31,10,832	80	3,44,88,666	3,44,88,666		3,44,88,66
17	2	Civil Works	97,24,778	80	77,79,822	77,79,822		77,79,82
17	з	Consultancy Support	36,98,437	100	36,98,437	36,98,437		36,98,43
18	1	Civil Works	5,78,64,730	80	4,67,91,784	4,62,91,784		4,62,91,78
18	2	Civil Works	2,37,21,410	80	1,89,77,128	1,89,77,128		1,89,77,12
18	з	Civil Works	1,66,83,345	SC	1,33,46,676	1,33,46,676		1,33,46,67
18	4	Consultancy Support	12,93,292	100	12,93,792	11,30,337		11,30,33
13	1	Civil Works	2,19,26,182	80	1,75,40,946	1,75,40,946		1,75,40,94
19	2	Civil Works	6,73,56,569	80	5,38,85,255	5,38,85,255		5,38,85,25
		Total	91,42,76,069		73,27,03,480	73,25,40,525		73,25,40,52
	1	<b>Total for Financial Year 201</b>						

The financing percentages within the table for AD8 funds are as per loan agreement Schedule 3,





Annexure-7

further stelets - wit

<u>Name of the Executing Agains</u> (Jam<u>e of the Implementing Agains</u>)

NAME OF THE GATITY/PROJECT. Loom(Start) No. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED TYPES END DATE:

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If any of the amounts given on the Statements of Receipts and Payments require further detail or Break-down, provide this tiere against relovant. Note

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Director Finance J&K ERA

hame of Executing Agency - FCONOMIC RECONSTRUCTION AGENCY (ERA), JAMIAEUR & KASHMIR Name of Implementing Agency - ECONOMIC RECONSTRUCTION AGENCY (ERA), JAMIAU & KASHMIR Name of Ittle Project - Jamiau & Kashmir Urban Sector Dave opnicul Investment Program (JKUSDIP), Tranche-III Loan/Grant No. - 3132-IND

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### STATEMENT OF APPROPRIATION VS. ACTUAL

Budgered         Actual (concentratione)         Utilization (concentratione)         Utilizatione)     <		For th	For the current year ended Mar 2016	ded Mar 2016		t int	he Prior was rond	Hod MALS JUST	ſ		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Categoriest         Expenditures (wirking)         Expenditic (wirking)        <		Budgeted	Artual	I Itili and Tan			ILL LINI ARM FIL	כנטל זפוא משט		Cumul	ative from begin	ning to Mar 20	16
Init Casis         Init Cud	Last Categor es	Experiultures	Expenditures	Percentage	Variance	Expenditures	Expenditures	Dtillzation	Variance	Budgeted	Actual	Utilization	Variance
Niccl         Niccl <th< th=""><th></th><th>D00, 2K1</th><th>IN R '000</th><th>2</th><th>000, 651</th><th>MD 1000</th><th>IND LOUD</th><th>-Garrison -</th><th></th><th>Samonada</th><th>cxpenditures</th><th>Percentage</th><th></th></th<>		D00, 2K1	IN R '000	2	000, 651	MD 1000	IND LOUD	-Garrison -		Samonada	cxpenditures	Percentage	
Worlds         J0.00,000         9,18,346         51,65%         83,56,483         3,09,420         86,31%         49,663         13,60,483         12,27,766         90,24%           Our exit and Sould Mitigation         0.00,000         9,18,346         51,65%         83,56%         3,56,483         3,09,420         86,31%         49,663         12,27,766         90,24%           Our exit and Sould Mitigation         1	Investment Costs					DOD YN	ROD. YINI	8	000, NNI	000, NNI	INR '000	%	DDD, UNI
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	Civ. Works	10.02.000	9.18.346	R1 656		204 00 0	Too and						
Ontrent 3-nd Sould Mitigation         On	Mechanical and Equipment			NTOT :		2,28,463	3,09,420			13,60,483	12,27,766		1.32.717
ultariti         ultarit         ultariti         ultariti	Environment and Social Mitigation												
Oper (Kanagement $7_{500}$ $7_{221}$ $96_{28}(8)$ $0$ <	Consultants												
pacity Locvalopment $7,500$ $7,211$ $56,28\%$ $0$ $10,230$ $10,230$ $12,212$ $48,14\%$ rata $10,00,0\%$ $0$ $0$ $0$ $10,230$ $10,230$ $10,230$ $10,230$ $10,00\%$	a. Project Management												
	b. Capacity Development	7,500	100 C	1006 20									
utal         10,09,500         9,25,567         9,165/36         8,569%         49,063         13,85,713         12,45,217         89,86%         14           rient Costs         0         0         10,230         10,230         10,230         10,230         10,230         10,030         1           rient Costs         0         0         0         10         10         10         0	)thers	Q	10	20.4074						15,000	100 2	A9 1 A0/	AFC F
rent Costs	ubitata.	10 10 600	D and and			10,230	10,230	100.00%	0	10.230	UEC UI	1000000	6114
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Design         Design<		0	0			0	C		nonin	CT/CO/CT	117'55'71	89.86%	1,40,496
modation	sighters									0	0		
Immet Operation & Maintenance         0	comedation												
3         3         13 <td>julpment Operation &amp; Maintenance</td> <td></td>	julpment Operation & Maintenance												
Ital         0	thers												
Payments         10.09,500         9,25,567         91.69%         83,933         3,68,713         3,19,650         86.69%         49,063         13,85,713         12,45,217         89.86%           Cing Charges During implementation         Total Project Cost         10,09,500         9,25,567         91.69%         83,933         3,68,713         3,19,650         86.69%         49,063         13,85,713         12,45,217         89.86%           Total Project Cost         10,09,500         9,25,567         91.69%         83,933         3,68,713         3,19,650         86.69%         49,063         13,85,713         12,45,217         89.86%           Total Project Cost         10,09,500         9,25,567         91.69%         3,19,650         86.69%         49,063         13,85,713         12,45,217         89.86%           Total Project Cost         10,09,500         9,25,567         91.69%         1,341         5,593         4,849         86.69%         740         21,395         12,45,217         89.86%           Total of expenditure in USD '20U         16,128         1,341         5,593         4,849         86.69%         74         21,395         12,45,217         89.86%	ubtotal	0	0										
Cing Charges During Implementation	otal Payments	10.09.500	9 25 567	01 60%	CU0 10	0	0			0	0		
Total Project Cost         10,09,500         9,25,567         91.69%         83,933         3,68,713         3,19,650         86.69%         49,063         13,85,713         12,45,217         89,86%         1,4           total of expenditure in USD '20u         16,128         14,787         91.69%         1,341         5,593         4,849         86.69%         741         21,395         19,227         89,86%         1,4	hancing Charges During Implementation		Include	execute	255,00	3,68,/13	3,19,650	86.69%	49,063	13,85,713	12,45,217	89,86%	1,40,496
tatic of exper diture in USD '200         16,128         14,787         91.69%         1,341         5,533         3,19,650         86.69%         49,063         13,85,713         12,45,217         89.86%         1,4           tatic of exper diture in USD '200         16,128         14,787         91.69%         1,341         5,533         4,849         86.69%         741         21,396         19,227         89.86%         1,4	Total Project Cost		0.35 E.C.7		00.000								
15,128 14,787 91.69% 1,341 5,593 4,849 86.69% 744 21,396 19,227 89 86.69%	réod toté, of avoar dit ira is tien roos		Inciente		63,933	3,68,713	3,19,650	86.69%	49,063	13,85,713	12,45,217	89.86%	1.40.496
		15,128	14,787	91.69%	1,341	692,2	4,849	86.63%	744	39E,12	19.227	RG RFW	7 160

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Director Finance

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Management enclose d Rebolt

(Project Leiterbeach)

(To Author)

(a) (a) (a)

This sciencific total is provided in connection with your such of the invencion anteneous of the Project, for the year ended <u>Mic</u> science/bone out responsibility for the init presentation of the thandial statements in accordance with the cast posicion accounting followed by the Government of India, and we confirm to the best of our Anoviedge and posicion, botter, be following representations made to you during your audit.

- The project figuration statements are first of material missignements and data annexing
- Project funds have been used to the purposes for which they were provided.
- Project expenditures are eligible for financing under the Load/Credit agreement
- There have been no integrigities involving management or employees who have a significant role in internal control or that could have a material effect on the project financial statements.
- We have made available to you all books of account and supporting documentation relation to the project.
  - The project has complied with the conditions of all relevant logal agreements including the Financing Agreement, the Project Agreement, the Project Apprentiate Occumpont the Minutes of Negotiations, and the Serouvier's Project Implementation Plan.

inance Directo J&K ERA

(Emject Director / Onio! Executive Official)

(Chief Finance Officer / Senior Finance Officer),

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Esterior main GAC Audiling Standarus (2<sup>nd</sup> Edition, 2002, Chapter (V. Resonand) Standards

22. The fort, and content of audit option and report.

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- The form and content of all audit opinions and reports are lounded on one touched on one toucoung general principles:
  - (a) Filte Fire opinion or report should be preceded by a spreade title of unadicity delping.
     (b) Filte Fire opinion or report should be preceded by a spreade title of unadicity delping.
     (b) respect to that inguists it from statements and information is used by others.
  - (b) Signature and date. The opinion or report should be property signed. The inclusion of a date informs the reader that consideration has been given to the effect of events or transactions about which the auditor became sware up to that date (which, in the case of regularity (financial) audits, may be beyond the period of the financial statement).
    - (c) Objectives and scope. The opinion or report should include opteronice to the objectives and scope of the budit. This information establishes the propose spaboundaries of the sudd.
    - (c) Completences. Opinions should be appended to and published with the financial statements to which they relate, but performance reports may be free standing. The subtrols opinions and reports should be presented as prepared by the auditor. In exercising its independence CAG may acquire information from time to time, which in exercising its independence CAG may acquire information from time to time, which in exercising its independence CAG may acquire information from time to time, which in exercising its independence CAG may acquire information from time to time, which in exercising its independence CAG may acquire information from time to time, which in exercising its independence CAG may acquire information from time to time, which in exercising its independence cannot be freely disclosed. This can affect the completencess of the audit report. In this situation the auditor should consider the need to make a record, possibly including confidential or sensitive material in a separate, impublished (consider).
      - (a) Addressee The opinion or report should identify those to whom, it is addressed, or required by the discumstances of the auch engagement and local regulations of practice This is encodessary where formal proceduries exist to the delivery.
      - (i) Identification of subject matter. The opinion or report should reactly the treatest statements (in the case of regularity (financial) auties) or area (in the case of performance audits) to which it relates. This includes injustration such as the name of the audited entity, the date and period covered by the financial statements and the subject matter that has been audited.
      - (g) Legal basis. Audit opinions and reports should identify the translation or other authority providing for the audit
      - (a) Compliance tribs standards. Audit opinions and renorts should indicate the auditing standards or practices followed in conducting the audit, thus providing the reader with an assurance that the audit ties seen carried out in eccontance with penality accepted procedures.
        - Consideress. The sudif optimion of report should use available promptly to be or grastest use to readers and users, norticularly (Lose who have to take necessar) action.

Director Finance J&K ERA

Repris of the Comptroller and Auditor General or Budis

Bulet, Lansmitting Authority:

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Remarkov the Project Manufal Spiremonts

We nove surfight the accompanying financial sciencears of the \_\_\_\_\_\_ Project dimension under Asian Development (sank) can No. \_\_\_\_\_\_\_ which comprise the Supercent of Receipt, and Paryments, the Statement of Reporting by Caregory and Emantion 3 : Statement of Disburgement and refused notes for the year codest \_\_\_\_\_\_.

th catchibe PLA is maintaining Balance Sheet and statement of theorem and Expenditure followingpara may be substituted:

We have audited the accompanying financial statements alongwith Balance Sheet balance sheet accome and expenditure statement and Cash Flow Statement and related some actual of the <u>second</u> Project (inance) under 4-iam Te-relopment Dauk LoanNo.\_\_\_\_\_\_ for the year and of \_\_\_\_\_\_

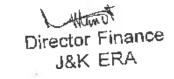
These saugments are the responsibility of the Propert's transgement. Our vectorsibility is to express an opinion on the accompanying linencial statements baced on our such;

We conducted our and/i in accordance with the A, diving standards provide, and by the Comptroller and Anditor General of India. Those Standards require that we plan are perform the audit to obtain reasonable assurance about whether the financial statements are free of material mustatement. Our audit examines, on a cest basic, evidence supporting the amount and disclosures in the financial statements, it also includes assesting the accounting principlet used and significant estimates made by management, as well accounting for overall statement presentation. We believe that our audit provides areasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material access the sources and applications of famils of Project for the year ended (insert late) in recording with Covernment of india seconding standards.<sup>2</sup>

is projected other repairer antements and standards included on an observe of the project. As used structurents, if any

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Proceeds of the leave from ADB have been utilized for the purposes as per ADB 1.13 Lenna Project Astreement

researcial non-marks in the least agreement (name and turniber of from) dated (antiof hour have been complete with

(i)(a)With respect to SOEs, adequate supporting commentation has been includined to support claims to the Asian Development Bank for reinfinitsements of expenditures incorred; and (b) except for inclinible expenditores as detailed in she audit observations, if any, appended to this oudit report, expenditures are eligible for financing under the Loan Agreement.

(itsoffine imprest Accounts give a true and the view of the reaction collected and community made during the year encode --- and (as mere receipts and coverners support impress Account Equilibrium/replotishareous during the over

This report is issued without prejudics to CAG's right to incorporate the auditobservations in the Report of CAG of India for being laid before Parliament/State or UT logislaam.

[Auditor's:Signature]

[Auditor's Address]

(Date')

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to repetit mound or thread as of the date or which the availant in the care where we are a consistent and the care constant and transportants. Units is generally fate final date of the food sports to specific the sowith speed.

> Attunot Director Finance J&K ERA