



कार्यालय प्रधान महालेखाकार (लेखापरीक्षा), उत्तराखण्ड
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
UTTARAKHAND



REPORT OF COMPTROLLER AND AUDITOR GENERAL OF INDIA
REPORT ON PROJECT FINANCIAL STATEMENTS (PFS)

We have audited the accompanied Financial Statements of the Skills strengthening for Industrial value Enhancement (STRIVE), financed under World Bank (IDA) Loan No. 5965IN, which comprise the Statement of Sources and Application of Fund and the Reconciliation of claims to Total Application of Funds for the years ended 31 March 2020 and 31 March 2021. These statements are the responsibility of the project's management. Our responsibility is to express an opinion on the accompanying financial statement based on our audit.

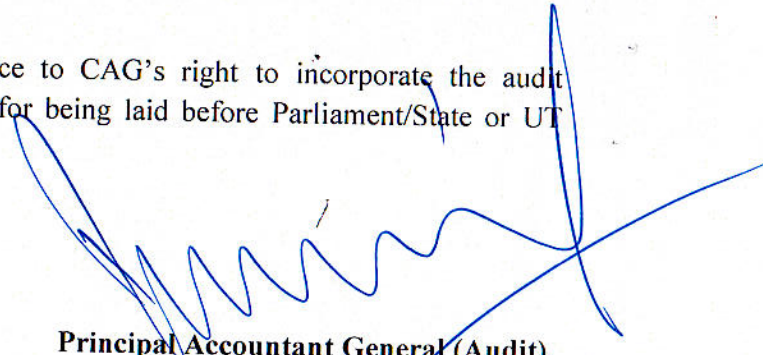
We conducted audit in accordance with Auditing Standards promulgated by the Comptroller and Auditor General of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our Audit examines,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

In our opinion, the project financial statements present fairly, in all material respects, the sources and applications of funds of Skills strengthening for Industrial value Enhancement (STRIVE) for the year ended 31 March 2020 and 31 March 2021 in accordance with Government of India Accounting standards.

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

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

Date: February 2022


Principal Accountant General (Audit),
Uttarakhand, Dehradun

Annexure-I
Details of expenditure Incurred under World Bank assisted (50%)
STRIVE Project
(Loan No.5965-IN)

(Amount in ₹)

Particulars	2019-20	2020-21
Opening Balance (a)	0	1,45,00,000
Fund received from Govt. through budget (b)	1,45,00,000	4,38,00,000
Fund received directly by project implementing agency through external assistance(c)	Nil	Nil
Total receipts (d) = (a)+(b)+(c)	1,45,00,000	5,83,00,000
Expenditure incurred during financial year (e)	0	48,58,772
Closing Balance (f) = (d)-(e)	1,45,00,000	5,34,41,228
Ineligible expenditure (g)	Nil	NIL
Ineligible expenditure due to wrong payment (h)	Nil	NIL
Eligible expenditure (i) = (f)-(g)-(h)	Nil	48,58,772
World bank share (j) = 50% of (i)	Nil	24,29,386


Sr. Audit Officer/FAW

Audit Observations

1. As per para no. 4.1.5 of STRIVE Project Operation Manual, implementing agencies are to prepare financial statement including Result Area wise, a summary of funds received, Income and Expenditure and Balance Sheet showing accumulated funds of the Project, bank balance, other assets, and liabilities of the project.

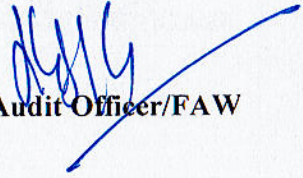
Scrutiny of the records revealed that financial statements were neither prepared in proper format nor Audited by Internal Auditor. On being pointed out, Project Implementing Unit (PMU) replied that no budget was allocated for preparation of financial statement. The reply is not acceptable because financial statements are vital document to verify all income and expenditure.

2. Scrutiny of records revealed that the PMU made advance payment of ₹ 48.07¹ Lakh to Director, ITDA, IT park, Dehradun for internet connectivity in 21 ITIs of the state. It also came into notice that the tender process for the internet connectivity was not completed yet. Hence, the amount of ₹ 48.07 was parked at the end of ITDA.

On being pointed out, entity accepted the fact.

3. During the audit certification of the accounts of STRIVE for the year 2019-20 and 2020-21, it came into noticed that only ₹ 48.59 Lakh was spent against the total allotment of ₹ 583 Lakhs². The expenditure was only 8.33% of the total allocation during the year. So, the implementation of the project is extremely slow.

On being pointed out, entity accepted the fact.


Sr. Audit Officer/FAW

¹ ₹ 16.45 lakh on 18-12-2020 and ₹ 31.62 lakh on 25-03-2021

² ₹ 48 lakh on 28-02-2019, ₹ 107 lakh on 14-06-2019, ₹ 214 lakh on 01-09-2020 and ₹ 214 lakh on 19-10-2020