



TEL/FAX-0172-703149  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
Principal Accountant General (Audit) Punjab and U.T.  
Sector 17, Chandigarh-160 017

No.IC-II/GIA/EAP/AC/321/PSRBP/08-09/09-10/366-  
68 Dated: 29.01.10

To

The Project Director,  
Punjab Roads & Bridges Development Board,  
SCF No.61-62, Phase-II, Sector.54,  
Mohali-160055

**Subject: - Issue of revised audit Certificate in respect of World Bank Aided "Punjab State Road Sector Project" Loan No.4843-IN for the year 2008-09\**

Sir,

I am to invite a reference to this office letter no IC-II/GIA/EAP/AC/321/PSRBP/08-09/09-10/416-18 dated 30.11.09 on the subject cited above and to enclose revised audit certificate alongwith financial statement in respect of the World Bank Aided "Punjab State Road Sector Project" Loan.No.4843-IN for the year 2008-09 amounting to Rs.2,96,33,53,700/- for further necessary action.

Yours faithfully,

  
Sr. Audit Officer

Encl:-As above

Copy of above alongwith audit certificate is forwarded to the Secretary, Finance, Department of Economic Affairs, New Delhi for information and necessary action.

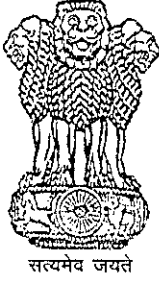
Encl:-As above

  
Sr. Audit Officer

Copy of the above alongwith audit certificate is forwarded to the Country Director, World Bank, 70, Lodhi Estate New Delhi for information and necessary action.

Encl:-As above

  
Sr. Audit Officer



**Revised Audit certificate**  
Audit Report/Opinion for "Punjab State Road Sector Project"  
(For Project Financial Statement including SOE)

**Introduction**

We have audited the accompanying financial statement of the "Punjab State Road Sector Project" financed under the World Bank Loan No.4843-IN as of March 31, 2009 for the year 2008-09. Our responsibility is to express our opinion on these financial statement based on our audit.

**Scope**

We conducted audit in accordance with the regulations and standards of audit laid down by the Comptroller and Auditor General of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining on a test basis, evidence supporting the amounts, internal checks and controls and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for opinion.

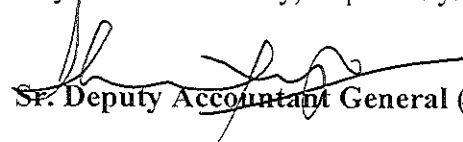
**Opinion**

In our opinion the financial statements, read with observations annexed give a true and fair view of the Sources and Application of Funds and financial position of the Project for the year ended March 31, 2009, in accordance with the consistently applied Government Accounting Standards.

In addition (a) with respect to SOE/FMRs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred and (b) the expenditures are eligible for financing under the Loan/Credit Agreement (Loan .No.4843-IN). During the Course of the audit referred to above, Statement of Expenditures/FMR of Rs.2,96,33,53,700/- (Rupees two hundred ninty six crore, thirty three lacs, fifty three thousand, seven hundred only) and the connected documents were examined and these can be relied upon to support reimbursement under the Loan agreement.

This certificate is issued without prejudice to CAG's right to incorporate any further/detailed audit observation if and when made in the Report of CAG's of India for being laid before Parliament/State Legislature.

**Note:** - The audit certificate is subject to the comments given in the statement 'A' and statement 'B' Amount objected Rs.2353.50 lacs (Twenty three crore, fifty three lacs and fifty thousand only) and Rs.933.72 lacs (Rupees Nine crores thirty three lacs and seventy two thousand only) respectively.

  
Sr. Deputy Accountant General (IC-II)

**Statement-B**  
**Statement of Differences**

Name of Project: Punjab State Road Sector Project (PRBDB) under World Bank Aided Project.  
Loan No: 4843-IN

- (a) Differences between the figures booked by the divisions and the office of A G (A&E), Punjab, Chandigarh for the year 2008-09

(Rupees in lakhs)

Sr. No	Name of divisions	Figures booked by the division	Figures booked by the O/o AG(A&E) Punjab, Chandigarh	Amount
1	Ludhiana	8973.54	8965.77	7.76
2	Kapurthala	3005.51	3007.64	(-)2.13
3	Mohali	8728.52	8734.27	(-)5.76
4	Sangrur	47.07	47.07	Nil
5	Amritsar	3191.07	3202.10	(-)11.03
6	Ferozepur	5145.14	5125.81	19.33
7	PRBDB Mohali	542.69	514.83	27.86
	Total	29633.54	29597.49	36.03

- (b) Difference of reconciliation pointed out by Audit Party during audit of the Project:

Sr. No.	Name of Unit	Para No	Subject	Amount in lakhs
1	Director Punjab Roads & Bridges Development Board, Mohali.	15	Non reconciliation of expenditure figures	897.69

Grand Total (a + b)

Rs. 933.72 lakhs.

  
Sr. Audit Officer

Project Financial Statements:

Quarter wise summary of funds received of PSRSP for the year ended on 31-03-09

Amount in Rs.

Particulars	Opening Balance	Q1	Q2	Q3	Q4	For the Year	Cumulative till date
<b>Funds Received</b>							
Govt. of Punjab Funds	1,104,199,000	0	384,000,000	0	0	384,000,000	1,488,199,000
World Bank Funds	2,409,165,000	1,159,262,000	0	0	0	1,159,262,000	3,568,427,000
Amount transferred from PRBDB	2,583,810	0	0	0	0	0	2,583,810
<b>Deposits</b>							
Security Deposit	1,824,921	6,257	-91,076	544,160	406,244	865,585	2,690,506
Earnest Money Deposit	0	0	0	0	0	0	0
Retention Money	45,158,717	23,685,524	31,996,882	30,033,416	38,284,227	124,000,049	169,158,766
Delay Damages	0	0	0	446,000	14,829,500	15,275,500	15,275,500
<b>Income Earned</b>							
Tender Fees	1,916,000	0	0	0	0	0	1,916,000
Interest	18,346,288	31,746,768	7,566,417	20,671,069	81,249,876	141,234,130	159,580,418
Others	3,599,282	0	398,150	73,340	6,000	477,490	4,076,772
<b>Total Receipts</b>	<b>3,586,793,018</b>	<b>1214700549</b>	<b>423870372.6</b>	<b>51767985.3</b>	<b>134775846.9</b>	<b>1825114754</b>	<b>5411907772</b>

*Fact of the financial statement verified in w/o expenditure of Rs 2,963,353,700 subject to the observations made in LARs already issued for the financial year 2008-09.*

Attested

*[Signature]*  
 Sr. Audit Officer (GTA)  
 कार्यालय : हाजिराकार (ले०प०)  
 पंजाब - चण्डीगढ़-160017  
 Op. The Accountant General (Audit)  
 PUNJAB, CHANDIGARH-160017

*[Signature]*  
 Sr. Audit Officer  
 27.1.2008  
 कार्यालय : हाजिराकार (ले०प०)  
 पंजाब - चण्डीगढ़-160017

*[Signature]*  
 Col. [Name]  
 Pb. [Name]  
 S.C. [Name], Phase-2, Mohali

Project Financial Statements:-

Quarter wise summary of expenditures of PSRSP for the year ended 31.03.09

Amount in Rs.

Project Component/ Sub component	Opening Balance	Q1	Q2	Q3	Q4	For the year	Cumulative till date
<b>Road Upgrading, Rehabilitation &amp; Periodic Maintenance</b>							
Upgradation of about 400 km of roads	1,008,339,566	315,593,739	358,841,663	351,932,972	317,660,092	1,344,028,466	2,352,368,032
Rehabilitation/Strengthening of about 800km of roads	670,551,889	306,699,498	336,220,450	343,721,612	569,396,252	1,556,037,812	2,226,589,701
Periodic Maintenance of about 400 km	598,496,728	23,320,503	11,135,768	704,700	100,000	35,260,971	633,757,699
<b>Institutional Strengthening</b>						0	0
E-governance and e-procurement	0					0	0
Computerization & GIS	5,056,600	0	579,600	0	0	579,600	5,636,200
Training	245,200	1,180,490	82,994	788,861	402,430	2,454,775	2,699,975
Road Safety	0	0	0	351,120	420,399	771,519	771,519
HIV/Aids	1,964,400	0	0	1,309,600	0	1,309,600	3,274,000
Institutional Development.	12,628,170	0	0	0	0	0	12,628,170
<b>Incremental Project Cost</b>						0	0
Vehicle Expenses	3,606,379	1,717,086	1,018,158	1,481,330	1,477,241	6,693,815	10,300,194
Office Administration	18,313,506	3,362,507	1,172,571	1,434,437	1,995,245	7,964,760	26,278,266
<b>Other Advances</b>							
Advances for shifting of Utilities & other advances	2,500	5,124,686	2,453,704	559,564	114,428	8,252,382	8,254,882
<b>Total Project Expenditure</b>	<b>2,319,204,938</b>	<b>656,998,509</b>	<b>712,504,908</b>	<b>702,284,196</b>	<b>891,566,087</b>	<b>2,963,353,700</b>	<b>5,282,558,638</b>

Facts of the financial statement verified in w/o expenditure of Rs. 2,963,353,700/- Subject to the observations made in LARs already issued for the financial year 2008-09.

*Manoj*  
Sr. Audit Officer  
लेखा परीक्षा अधिकारी  
कार्यालय प्रधान महालेखाकार (ले.प.)  
पंजाब एवं यू.टी. चण्डीगढ़

*Manoj*  
Controller Final  
Roads & Bric  
C.E. 61-62, Ph

*Manoj*  
Approved

Board  
Mohali

*Manoj*  
लेखा परीक्षा अधिकारी  
Sr. Audit Officer (C2A)  
कार्यालय महालेखाकार (ले.प.)  
पंजाब चण्डीगढ़-160017  
O/o The Accountant General (Audit)  
PUNJAB, CHANDIGARH-160017

Project Financial Statement of World Bank Aided Punjab State road Sector Project:  
Balance Sheet for the year ended 31.03.09

Amount in Rs.

Particulars	Previous Year	Current Year
<b>Liabilities</b>		
<b>Grant in Aid</b>		
Grant in Aid from World Bank	2,409,165,000	3,568,427,000
Grant in Aid from State Government	1,104,199,000	1,488,199,000
<b>Total (a)</b>	<b>3,513,364,000</b>	<b>5,056,626,000</b>
<b>Current Liabilities</b>		
Deposits ( Schedule "A")	46,983,638	187,124,772
Taxes & Duties	0	5,379,561
Earnest Money Deposits	0	0
Income Earned (Schedule "B")	23,861,570	165,573,190
Inter Unit Transactions	2,651	2,727
Amount trsfed from PRBDB( inter unit transaction)	2,583,810	2,583,810
<b>Total (b)</b>	<b>73,431,669</b>	<b>360,664,060</b>
<b>Total Liabilities (a+b)</b>	<b>3,586,795,669</b>	<b>5,417,290,060</b>
<b>Assets</b>		
<b>Project Expenditures</b>		
Road Upgrading, Rehabilitation & Periodic Maintenance (Schedule "C")	2,277,388,183	5,212,715,432
Institutional Strengthening ( Schedule "D")	19,894,370	25,009,864
Incremental Project Cost ( Schedule "E")	21,919,885	36,578,460
<b>Total (a)</b>	<b>2,319,202,438</b>	<b>5,274,303,756</b>
<b>Current Assets</b>		
Tax deducted at source	206,980	26,367,247
Cash & Bank Balance ( Schedule "F")	1,267,383,751	108,364,175
Other Advances	2,500	8,254,882
<b>Total (b)</b>	<b>1,267,593,231</b>	<b>142,986,304</b>
<b>Total Assets (a+b)</b>	<b>3,586,795,669</b>	<b>5,417,290,060</b>

*Qa*  
Controller Finance  
Pb. Roads & Bridges Dev. Board  
S.O.F. 61-62, Phase-2, Mohali

**Deposits****(Schedule "A")**

Particulars	Amount (in Rs.)
Retention Money	169,158,766
Security Deposit ( Amount withheld)	2,690,506
Delay Damages	15,275,500
Total	187,124,772

**Income Earned****(Schedule "B")**


Particulars	Amount (in Rs.)
Sale of Bidding Documents	1,916,000
Bank Interest	159,580,418
Misc. Receipts	4,076,772
Total	165,573,190

**Road Upgrading, Rehabilitation & Periodic Maintenance****(Schedule "C")**

Particulars	Amount (in Rs.)
Upgradation of roads	2,352,368,032
Rehabilitation/Strengthening of Roads	2,226,589,701
Periodic Maintenance	633,757,699
Total	5,212,715,432

**Institutional Strengthening****( Schedule "D")**

Particulars	Amount (in Rs.)
Computerization & GIS	5,636,200
Training	2,699,975
HIV/Aids	3,274,000
Institutional Development ( Consultancy fees)	12,628,170
Road Safety	771,519
Total	25,009,864


  
Controller Finance  
Pb. Roads & Bridges Dev. Board  
S.C.F. 61-62, Phase-2, Mohali

**Incremental Project Cost ( Schedule "E")**

Particulars	Amount (in Rs.)
Office administration Expenses	26,278,266
Vehicle expenses	10,300,194
<b>Total</b>	<b>36,578,460</b>

**Cash & Bank Balance ( Schedule "F")**

Particulars	Amount (in Rs.)
Saving a/c & FDRs	108,364,175
<b>Total</b>	<b>108,364,175</b>


  
Controller Finance  
Pb. Roads & Bridges Dev. Board  
S.O.F. 61-62, Phase-2, Mohali

**Project Financial Statements**

**Reconciliation of funds as per Consolidated books of accounts & as per World Bank  
for the year ended 31.03.09**

Particulars	Amount in Rs.
Funds received from World bank as per consolidated books of accounts *	3,568,427,000
Add:- Amount disallowed by World Bank	0
Total Disallowance	0
Add: Funds released by World Bank but not received by PRBDB:-	903,683,138
Funds disbursed as per World Bank	4,472,110,138


\* Funds received from World Bank includes the amount of RS. 4,55,65,000/- released by the World Bank against PPF

  
Controller Finance  
Pb. Roads & Bridges Dev. Board  
S.C.F. 61-62, Phase-2, Mohali



Statement showing the division wise expenditures of World Bank Aided Punjab State Road Sector Project for the year ended 31.03.09

Name of the Unit	Name of the component						Total Expenditures
	Upgradation	Rehabilitation	Periodic Maintenance	Institutional Strengthening	Incremental Project Cost	Other Advances	
EE C/W Div., Mohali	269353269	599263838			2619739	1614663	872851509
EE C/W Div., Amritsar	301879083	0	15787260	0	1441008	0	319107351
EE C/W Div., Ludhiana	731779254	147312117	14502467	0	1232514	2527381	897353733
EE Construction Div., Kapurthala	0	294853550	4971244		627816	97910	300550520
EE Construction Div., Ferozepur	0	512337667	0	0	955438	1221366	514514471
EE Construction Division, Sangrur	1418282	0	0		727206	2561742	4707230
PRBDB	39994297	1874921		5115494.18	7054854	229320	54268886.18
<b>Total</b>	<b>1344424185</b>	<b>1555642093</b>	<b>35260971</b>	<b>5115494.18</b>	<b>14658575</b>	<b>8252382</b>	<b>2963353700</b>

  
 Controller Finance  
 Pb. Roads & Bridges Dev. Board  
 S.C.F. 61-62, Phase-2, Mohali