

No. G-20/1/2017-GA  
Government of India  
Ministry of Water Resources, River Development and Ganga Rejuvenation  
(General Administration)  
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Shram Shakti Bhawan, Rafi Marg,  
New Delhi, dated 02.05.2019

**Subject: Forwarding of records/information to visiting audit party of Director General of Audit, Scientific Departments for FY 2017-18.**

Please find enclosed **Audit Memo No.25** dated 01.05.2019 received from the Audit Party from O/o the Director General of Audit, Scientific Departments, New Delhi, who is conducting Audit of Ministry for the year FY 2017-18.

2. The requisite information may kindly be sent to Audit Party immediately to Room No. 19 'A', Shram Shakti Bhawan.

**Encl: As above.**



(A.K.Kaushik)

Under Secretary to the Govt. of India  
Ph: 011-23710303

To,

Director (NHP), MoWR, RD & GR, MTNL Building, CGO Complex, New Delhi.

Copy to:

1. Controller of Accounts, MoWR, RD & GR, Shastri Bhawan.



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C&AG's Audit Party

**OFFICE OF THE DIRECTOR GENERAL OF AUDIT  
SCIENTIFIC DEPARTMENTS, NEW DELHI-110002  
Camp: MoWR, RD&GR, New Delhi**

Audit Memo No.25  
Dated: 01.05.2019

**Sub : National Hydrology Project- Observation thereof.**

National Hydrology Project (NHP), with support from the World Bank, envisages establishing a system for timely and reliable water resources data acquisition, storage, collation and management across all States & UTs in India and Central Government Agencies. It will also provide tools/systems for informed decision making for water resources assessment, planning and management. Further, it is proposed to building capacity of the State and Central sector organizations in water resources management. The duration of the project has been proposed as eight years i.e 2016-17 to 2023-24.

The loan agreement was signed on 18 April 2017 with credit effectiveness from 5 May 2017 except withdrawals upto an aggregate amount not to exceed thirty four million US dollars may be made for payments made prior to this date but on or after 6 April 2016 for eligible expenditures under works, goods, non-consulting services etc.

The Cabinet has approved(06.04.2016) the NHP for total outlay of Rs.3679.77 crore (Rs.3640 crore for NHP & Rs.39.77 crore for National Water Informatics Centre (NWIC)) as a Central Sector Scheme with 100% grant to State/Central Implementing Agencies under Externally Aided Project. Under the NHP there are a total 49 State and Central Implementing Agencies (IA) across India and a number of IAs were not familiar with the World Bank Procurement procedures. Further State Governments have their own procedures for getting the approval of their respective governments on the various documents/activities involved as a pre cursor to start/implement the project. The Memorandum of Agreement (MoA) including Financial Management Guidelines were signed with majority of the IAs in the month of October 2016 and onwards. This was followed by completion of other formalities viz. Project Implementation Plan(PIP), Annual Work Plan (AWP), Annual Procurement Plan (PP),Opening of separate Bank Account dedicated to the NHP.

During 2016-17, as per the approved AWP the Ministry released Rs.47,83,79,000.00 as first tranche to 43 IAs . No fund could be released to Delhi and Goa as they could not complete all the mandatory formalities. Four IAs viz. Ministry of Water Resources as the National Project Monitoring Unit (NPMU), Central Water Commission (CWC), Central Ground Water Board (CGWB), Central Water and Power Research Station (CWPRS) are part of the Ministry and can utilize Ministry's budget head. A total of Rs. 51.71 crore was spent under NHP (including release to IAs) during 2016-17 against the available budget (Revised) of Rs.54.93 crore. Against release of Rs.37,61,07,000/= to 39 IAs , UC of Rs.2,61,72,294 was received leaving a unspent balance of Rs.35,42,78,431/=.

Due to late release of fund during 2016-17, most of the IAs could not utilize the released fund as per their AWP. The unspent amount with IAs has been revalidated by NPMU with the

approval of the competent authority to utilize during 2017-18. While concurring with the revalidation proposal, IFD wing of the Ministry has commented that these funds could only be spent against the activities approved in AWP 2016-17 and there is no repeat in 2017-18, to take up the work of new activities planned in AWP 2017-18, the IAs need fund from this year i.e. 2017-18 budget. The conditions for release of the first tranche of fund (upto 60% of AWP) during a year include "Interim Unaudited Financial Report for the previous half year and UC for the previous year" apart from other condition. As almost nil or very small expenditure could be incurred during 2016-17 and revalidation of unspent amount has been issued recently, it may not be possible to fulfill the stated condition by IAs.

Against release of Rs.51.77 crore and Rs.177.97 crore to IAs , expenditure of Rs. 7.18 crore and Rs.56.81 crore only was incurred during 2016-17 and 2017-18 respectively. Rs. 319.9546 Million was claimed by the Ministry during 2016-18.

In this connection, the following information may please be furnished to Audit with relevant documents :

1. The facts and figures may please be confirmed
2. As per the AWP the Ministry released Rs.47.84 crore during 2016-17 as first tranche to 43 IAs . Further, it was stated that a total of Rs. 51.71 crore was spent under NHP (including release to IAs) during 2016-17 against the available budget (Revised) of Rs.54.93 crore. Please intimated the actual budget allocation, revised budget allocation, release and expenditure of all the IAs .
3. Dates of signing of MoA with all the IAs alongwith the dates of release to the IAs.
4. Reason for non releasing of fund to Delhi in 2017-18.
5. Whether Audit report for the previous financial years i.e. 2016-17 has been received from IAs before releasing of fund during 2017-18 as mentioned in the conditions of release. If yes, the copy of the same. If not, the reasons of release.
6. Whether UCs of Rs. 51.71 crore for the year 2016-17 were received . if yes, the copies of the same. If not, reasons thereof.
7. A copy of AWP of Andhra Pradesh (GW) and Maharashtra (SW) for the year 2016-17 & 2017-18.
8. Reasons for releasing of funds during 2017-18 to the IAs though IFD commented **it may not be possible to fulfill the stated condition by IAs.**
9. Whether any Audit Report received from IAs. If yes, the copy of the same. If not, reasons thereof.
10. Reasons for incurring expenditure of Rs. 56.81 crore only against release of Rs.177.97 crore may please be elucidated.



Sr.Audit Officer

To  
The Director, GA  
MOWR, RD&GR, New Delhi.

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Government of India  
Ministry of Water Resources, River Development and Ganga Rejuvenation  
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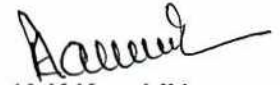
Shram Shakti Bhawan, Rafi Marg,  
New Delhi, dated 02.05.2019

**Subject: Forwarding of records/information to visiting audit party of Director General of Audit, Scientific Departments for FY 2017-18.**

Please find enclosed **Audit Memo No.26** dated 01.05.2019 received from the Audit Party from O/o the Director General of Audit, Scientific Departments, New Delhi, who is conducting Audit of Ministry for the year FY 2017-18.

2. The requisite information may kindly be sent to Audit Party immediately to Room No. 19 'A', Shram Shakti Bhawan.

**Encl: As above.**



(A.K.Kaushik)

Under Secretary to the Govt. of India  
Ph: 011-23710303

**To,**

Under Secretary (NWM), MoWR, RD & GR, MTNL Building, CGO Complex, New Delhi.

**Copy to:**

1. Controller of Accounts, MoWR, RD & GR, Shastri Bhawan.



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OFFICE OF THE DIRECTOR GENERAL OF AUDIT  
SCIENTIFIC DEPARTMENTS, NEW DELHI-110002  
*Camp: MoWR, RD&GR, New Delhi*

Audit Memo No.26  
Dated: 01.05.2019

**Sub : National Water Mission- Observation thereof.**

Ministry of Water Resources, River Development and Ganga Rejuvenation has launched National Water Mission (NWM) as part of National Action Plan on Climate Change (NAPCC) with the main objective of "Conservation of water, minimizing wastage and ensuring its more equitable distribution both across and within states through integrated water resources development and management". NWM has identified five goals and various strategies to achieve the objectives. The five goals are –

**Goal I :** Comprehensive water data base in public domain and assessment of the impact of climate change on water resources

**Goal II:** Promotion of citizen and state actions for water conservation, augmentation and preservation

**Goal III:** Focused attention to vulnerable areas including over-exploited areas

**Goal IV:** Increasing water use efficiency by 20%

**Goal V :** Promotion of basin level integrated water resources management

Water resources situation, its development, management and availability vary considerably from State to State. Many of the identified strategies/actions to achieve the goals of the NWM are required to be taken by the State Governments/UTs. In this context, it is required to develop State Specific Action Plans (SSAP) for water sector aligned with the State Action Plan on Climate Change formulated by the States under NAPCC which given the holistic roadmap to achieve the desired goals.

The total time for preparation of SSAPs for water sector would be twelve months which will be completed in three stages as follows-

- (i) Stage-I, status report on water resource, availability, development and management-to be completed in six months. A state level workshop shall be held at the end of phase discuss the status report.
- (ii) Stage-II, preparation of Interim report that will contain impact of Climate change, various interventions etc.and at the end, a second workshop would be organized including sensitization of policy makers. The time frame for this would be three months.
- (iii) Stage-III, the third and final stage shall be preparation of SSAP for which a time period of three months would be there.

Financing of proposed SSAPs was proposed @ Rs.50 lakh to large states and Rs.30 lakh to small States/UTs as a grant of formulation of SSAPs for water sector. The grant shall be released to the Nodal Agency nominated by the respective State Govt. for preparation of SSAPs. The funds will be released @ 40%, 30% & 30% for Stage-I, Stage-II & Stage-III respectively.

NWM engaged North Eastern Regional Institute of Water and Land Management (NERIWALM), Assam the Nodal Agency to get the SSAP for water sector and would conduct an inception course for Nodal agencies and officers of the States/UTs on preparation of SSAPs in Phase-I.

NWM developed a template to formulate a SSAP on water budgeting and the template was circulated to the State Governments. The template was required to be completed and sent the

State Governments within 3 months, but no State Government has completed filling up of the template so far (10.08.18). The State Government/UT need mentoring and guidance in the formulation of plans through convergence and synergy to complete the plans within the time frame. As one of the recommendations of the workshop was to undertake capacity building and training exercise at the State level to enable them to build and reinforce the capacities of States/UTs in order to develop the SSAP's effectively in a time bound manner, State Governments were requested to organized a workshop at the state level involving all the stakeholders. Only West Bengal has organized the workshop to build capacities of its officials on 23 and 24 February 2018 in Kolkata. NWM is organizing regional level workshops with the State Government Officers to build capacities of state government officials and facilitate to build capacities of various stakeholders in providing necessary inputs and information required to complete the template on time. Five regional workshops are planned to be conducted in Septemeber & October 2018 at Pune, Bhubaneswar, Hyderabad, Gangtok and Shimla.

An MoU had been signed (25 August 2017) between NERIWALM and NWM for twelve states in phase-I viz. Andhra Pradesh, Assam, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, West Bengal, Tamil Nadu, Telangana, Odisha, Uttarakhand, Chattisgarh.

Rs. 93.84 lakh was released by NWM to NERIWALM in August 2016 for Gujarat, Madhya Pradesh, Karnataka, Maharashtra and Uttarkhand including 2% management fees. NERIWALM released funds to the states except Gujarat as they have not provided Bank details and MoU has not been signed. Rs.36,72,000/= was released to Nagaland, Meghalaya and Sikkim during 2017-18 and UC was received.

In this connection, the following information may please be furnished alongwith supporting documents :

1. The facts and figures may please be confirmed or stated otherwise.
2. Details of release of fund during 2015-16 to 2017-18 alongwith the date of release , name of state, copies of UC
3. Reasons for releasing of fund to Gujarat for not providing Bank details and non signing of MoU during 2016-17.
4. The date of submitting bank details and date of signing of MoU by Gujarat alongwith copies of the same.
5. Date of organizing workshop by states alongwith the copies of the same.
6. Details of status report on water resource, availability, development and management of each state.
7. If not received the status report as stated in sl.No.6 ,the reasons may also be elucidated.
8. Date of sending template to the states.
9. Action taken for obtaining completed filling up of the template from the States.
10. Whether Five regional workshops have been organized. If yes, the details thereof. If not, reasons thereof.
11. Whether West Bengal has received fund for organizing workshop in February 2018. If yes, copy of the sanction order. If not, the details thereof.
12. Whether Stage-I, Stage-II & Stage-III has been completed by any state. If yes, the details of completion of stages alongwith the status report on water resource, availability, development and management/Interim report/preparation of SSAP. If not, reasons thereof.

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Sr.Audit Officer

To  
The Director, GA  
MOWR, RD&GR, New Delhi.