

External Auditor Report

Bihar Aapda Punarwas Evam Punarnirman Society

Credit no. 5696-IN

Bihar Kosi Basin Development Project (Kosi -II)

For

The Period 01.04.2021 to 31.03.2022

As Submitted By

KRA & Co

(Chartered Accountants)

101B, Myrah Residency, Road No.-4 Mahesh Nagar, Patna-800024
0612-3504121, Email-krapatna@gmail.com



K R A & C O .
(Chartered Accountants)

101B, Myrah Residency, Road No.-4 Mahesh Nagar, Patna-800024
0612-3504121, Email-krapatna@gmail.com

To
The Members
Bihar Aapda Punarwas Evam Punarnirman Society (BAPEPS)

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying special purpose financial statements of the **Bihar Kosi Basin Development Project**, financed by the World Bank Loan/IDA Credit No 5696-IN and implemented by BIHAR AAPDA PUNARWAS EVAM PUNARNIRMAN SOCIETY (BAPEPS). These Project financial statements (PFS) comprise of the Balance Sheet as at 31st March 2022, the Receipts and Payments and the Income and Expenditure Account for the year ended on that date and schedules to these financial statements, including a summary of significant accounting policies, other explanatory information and statement of reconciliation of claims. We have also audited Interim Financial Reports (IFR) submitted to World Bank during the year ended on that date for reconciliation with audited expenditure. We have covered period from 01st April 2021 to 31st March 2022.

In our opinion, and to the best of our information and explanation given to us the aforesaid special purpose Project Financial Statement give a true and fair view of the receipts and disbursements of the Project for the year ended on March 31, 2022 and the expenditure of the Project for the year ended on March 31, 2022, in accordance with the financial reporting provisions of the General Conditions of the World Bank read with Financing Agreement and Project Agreement both dated 20.01.2016.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India (ICAI). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the PFS section of our report. We are independent of the Project implementing agency (BAPEPS) in accordance with the ICAI's Code of Ethics for undertaking this assignment, and we have fulfilled our ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Project Financial Statement is prepared to assist the Bihar Aapda Punarwas Evam Punarnirman Society (BAPEPS), to meet the financial reporting requirements of the Project's Financing Agreements, Financing for Investment Project Financing in respect of preparation of the PFS in a manner to reflect the operation, resources and expenditures related to the Project. As a result, these special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Responsibilities of Management and those charged with Governance for the Project Financial Statements

The Management of the implementing agency is responsible for the preparation and fair presentation of the PFS. These responsibilities also includes maintenance of adequate accounting records in accordance with the Financial management manual of the Society (BAPEPS) for safeguarding the assets of the Society and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement , whether due to fraud or error.

The Management and those charged with governance are responsible for overseeing the implementing agency's financial reporting process.

Auditor's Responsibilities for the Audit of the Project Financial Statements

Our objectives are to obtain reasonable assurance about whether the Project Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standard of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Project Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether these financial statements present the society's operations and underlying transactions and events in a manner that achieves fair presentation in accordance with the financial reporting framework with accounting principles generally accepted in India.
- communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.




- provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be sought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Moreover, to our opinion on the Project Financial Statements, we further report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of accounts have been kept by the implementing agency for Project purposes so far as appears from our examination of those books;
- c) the Financial Statements dealt with by this report is in agreement with the books of accounts;
- d) the Project funds were utilized for the purposes for which they were provided;
- e) expenditures, including assets created under the Project, shown in the PFS are eligible for financing under the Project Financing Agreements;
- f) Interim Financial Reports (IFR) submitted by the Project management can be relied upon to support applications for withdrawal of the Loan, and adequate supporting documentation has been maintained to support these claims;
- g) Procurements have been carried out in line with the agreed procedures as detailed in the Operations Manual/Procurement Manual/Project Implementation Plan/Legal Agreements.
- h) the Project Implementing Agency (BAPEPS) has an adequate internal financial control system (including IT controls) and such controls were operating effectively as at 31st March 2022 and the Project complies with the provisions on financial management contained in the Operations Manual/ Project Implementation Plan/ Financial Management Manual, in all material aspects.

For KRA & Co
Chartered Accountants
Firm's Registration No. 020266N

Mannabdas

(Partner)
M.No: 513727

Place: Patna

Date: 29/09/22

UDIN: 22513727AWUWUJ2461

Bihar Aapda Purnawas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)
Balance Sheet as at 31st March 2022

(Amount in Rs.)

As at 31st March, 2021	Liabilities	Schedule No	As at 31st March, 2021	Assets	Schedule No	As at 31st March, 2022
1,19,58,00,621.80	Grant from Government of Bihar -		3,39,802.00	Fixed Assets	3	3,96,076.00
1,45,60,00,000.00	Unutilized Grant at the beginning of the year		1,06,18,00,858.24	Current Assets, Loans & Advances -	6	* 1,677.00
1,58,99,68,045.56	Add : Grant received during the year		2,20,00,00,000.00	Cash in Hand		
	Less: Grant Return to Plan. & Dev. Dept.		1,53,40,27,785.73	Balance with Banks	4	2,08,58,24,571.79
	Less : Project Revenue Expenditure during the year	1				
31,718.00	Less : Project Capital Expenditure during the year	3	56,274.00			
1,06,18,00,858.24	Unutilized Grant at the close of the Year		1,72,77,16,798.51	Cheque in hand/Funds in transit		
3,39,802.00	Capital Fund		3,96,076.00	Advances & other Current Assets	5	2,75,02,163.44
1,25,60,79,818.72	Current Liabilities	2	38,56,11,613.72			
2,31,82,20,478.96	Total		2,31,82,20,478.96	Total		2,11,37,24,488.23

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 Significant Accounting Policies & Notes to Account
 The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date

For and on behalf of
For KRA & CO

Chartered Accountants



Place : Patna

Date : 29/09/22

U01N : 22-519727 Awwwwj2461

For and on behalf of

Bihar Aapda Purnawas Evam Punarnirman Society

(Signature)
 25.09.22
 (Deputy Director Project)
 उप निदेशक (परिपालना)
 वि० आ० पु० पु० सो०
 विहार, पटना

(Signature)
 29/9/22
 (Deputy Director Finance)
 उप निदेशक (वित्त)
 वि० आ० पु० पु० सो०, विहार, पटना



Bihar Aapda Punaarwas Evam Punarnirman Society

Bihar Kosi Basin Development Project (Credit No. 5696)

Income & Expenditure Account for the Financial Year ended 31st March 2022

(Amount in Rs.)

For the Year ended 31st March, 2021	Expenditure	Schedule No	For the Year ended 31st March, 2022	Income	Schedule No	For the Year ended 31st March, 2022
	Main Project Expenditure -	1				
88,38,24,724.00	Improving Flood Risk Management		1,16,25,96,975.00	Fund Received to the extent utilised during the year		1,53,40,84,059.73
15,54,16,111.56	Enhancing Agricultural Productivity & Competitiveness		24,17,90,721.00	AFRD Beneficiary Contribution (incurred by beneficiaries on their own account not received)		12,23,11,992.00
22,72,86,706.00	Reconstruction of Road		8,57,94,915.00			
35,32,95,590.00	Reconstruction of Bridges		12,39,58,748.00			
	Contingent Emergency Response					
	Improving Emergency Response Capacity					
6,23,24,978.00	Project Management and Technical Assistance	7		Less: Expenditure in Fixed Assets transferred to Capital Fund Account	3	56,274.00
1,68,21,48,109.56	Total	10	1,68,21,48,109.56	Total		1,65,63,99,777.73

Significant Accounting Policies & Notes to Account
The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date

For and on behalf of
KRA & Co
Chartered Accountants
CA. Manvinder Kaur
Partner

For and on behalf of
Bihar Aapda Punaarwas Evam Punarnirman Society

(Signature)
25.03.22

(Deputy Director Project)

उप निदेशक (परियोजना)
वि० आ० पु० पु० सो०
बिहार, पटना

(Signature)
25/3/22

(Deputy Director Finance)

उप निदेशक (वित्त)
वि० आ० पु० पु० सो०, बिहार, पटना

Place : Patna
Date : 29/09/22

UDM : 22573727 A400 W35 2461



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)
Schedules forming part of the Balance Sheet as at 31st March'2022

Schedule 1 - Project Revenue Expenditure during the year

(Amount in Rs.)

Particulars	As at 31st March 2022	As at 31st March, 2021
Improving Flood Risk Management	1,16,25,96,975.00	88,38,24,724.00
Reinforcement of Flood Control Infrastructure	1,12,95,03,514.00	82,68,07,027.00
Strengthening of Institutional Capacity to manage flood risk	3,30,93,461.00	5,70,17,697.00
Enhancing Agriculture Productivity & Competitiveness	24,17,90,721.00	15,54,16,111.56
Intensification & Diversification of Production System	20,84,35,712.00	12,43,36,436.00
Strengthening of Agriculture Value Chain	-	-
Institutional Development & Market Led Extension	3,33,55,009.00	3,10,79,675.56
Augmenting Connectivity	20,97,53,663.00	58,05,82,296.00
Strengthening of Roads	8,57,94,915.00	22,72,86,706.00
Institutional Strengthening activities at RWD	-	-
Construction of bridges	12,39,58,748.00	35,32,95,590.00
Contingent Emergency Response	-	-
Implementation Support	4,21,98,418.73	6,23,24,978.00
Incremental Operating Costs (SPMU)	1,75,90,105.73	4,29,50,043.00
Incremental Operating Costs (IA'S & their sub-Implementating Units	8,32,720.00	9,75,029.00
Consultancies & Technical Services at SPMU level	2,31,40,598.00	1,83,99,906.00
Training and Exposure Visits	6,34,995.00	-
Sub Total	1,65,63,39,777.73	1,68,21,48,109.56
Contribution AFRD-incurred by beneficiaries on their own account not received)	12,23,11,992.00	9,21,80,064.00
Total	1,53,40,27,785.73	1,58,99,68,045.56



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)
Schedules forming part of the Balance Sheet as at 31st March'2022

Schedule 2 - Current Liabilities

(Amount in Rs.)

Particulars	As at 31st March 2022	As at 31st March, 2021
Labour Cess	21,752.21	19.21
Royalty (BRPNL)	-	-
Royalty (MD) (RWD & WRD)	2,68,94,055.00	2,92,74,409.00
Royalty (RWD & WRD)	3,95,112.00	9,82,792.00
Royalty (Seigniorage fee) RWD	1,63,632.00	-
M D (QT) WRD	15,76,676.00	78,65,790.00
GST (TDS)	4,59,584.00	-
With Held Variation (BRPNL)	15,00,000.00	28,23,057.00
Penalty for Royalty	-	-
Labour Cess Collection Charges	4,53,314.79	4,40,908.79
Bank Interest	6,18,23,156.72	87,42,00,152.72
Retainment Money (Credit)	26,24,57,208.00	31,21,71,211.00
GST (RWD)	-	1,53,950.00
Performance Security Deposit	1,57,86,226.00	1,64,47,187.00
TDS	43,403.00	(100.00)
Time Extension & LD	69,27,035.00	76,60,123.00
With Held (BRPNL)	57,65,562.00	36,16,162.00
Miscellaneous Receipt	5,14,944.00	4,00,467.00
EMD	43,690.00	43,690.00
Deduction for GST (Withheld)	7,86,263.00	-
Total	38,56,11,613.72	1,25,60,79,818.72



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)
Schedules forming part of the Balance Sheet as at 31st March'2022

Schedule 3 - Fixed Assets

(Amount in Rs.)

<i>Particulars</i>	As at 31st March 2021	Purchased during the Year	Adjustments/ <i>disposal during the</i> Year	As at 31st March, 2022
a. Project Management				
Computer & Printers (SPMU)	1,32,500.00	-	-	1,32,500.00
Furniture & Fixture	1,75,584.00	34,674.00	-	2,10,258.00
Electric Equipment	31,718.00	21,600.00	-	53,318.00
b. Emergency Response				
Total	3,39,802.00	56,274.00	-	3,96,076.00

Schedule 4 - Balance with Banks

(Amount in Rs.)

Particulars	As at 31st March,2022	As at 31st March,2021
Balance with bank (SPMU)		
CBI Imprest A/c no. 3187807543	-	-
State Bank of India A/c no. 35623198288	2,92,33,349.00	2,84,57,305.00
Canara Bank (Animal & Fisheries) A/c no.0352101044682	4,51,45,012.51	6,94,49,793.00
Canara Bank (BRPNL) A/c no.0352101044728	4,27,16,375.00	25,33,25,358.00
CBI (BRPNL) A/c no. 3533456353	32,961.00	1,92,88,637.00
Canara Bank (WRD) A/c no.0352101045110	30,38,32,035.80	38,00,28,856.00
Canara Bank (RWD) A/c no.0352101044078	12,41,01,530.00	31,67,76,391.00
Canara Bank A/c no.0352101044059	1,29,22,37,673.48	-3,09,302.20
Canara Bank A/c no.0352101044059 (Sweep Account)	24,85,25,635.00	1,22,86,91,814.72
Total	2,08,58,24,571.79	2,29,57,08,852.52



Bihar Aapda Punarwas Evam Punarnirman Society**Bihar Kosi Basin Development Project (Credit No. 5696)****Schedules forming part of the Balance Sheet as at 31st March'2022****Schedule 5 - Advances & Other Current Assets****(Amount in Rs.)**

Particulars	As at 31st March,2022	As at 31st March,2021
Advance to contractors		
1st Secured Advance (BRPNNL)	72,37,235.00	-
2nd Secured Advance (BRPNNL)	35,81,835.00	72,69,700.00
Equipment Advance (BRPNNL)	-	9,50,000.00
Mobilization Advance (BRPNNL)	80,00,000.00	-
Other Advance		
Imprest Advance (SPMU)	28,852.00	31,482.00
Imprest Advance (AFRD)	-	-
Advance Office Rent (AFRD)	1,78,500.00	1,78,500.00
Advance to District (AFRD)	16,10,480.44	13,18,511.44
Advance to FIG (AFRD)	-	5,00,000.00
Advance for Training (AFRD)	16,37,475.00	35,99,270.00
Staff advance (AFRD)	24,250.00	773.00
Advance Security Money	-	5,000.00
Income Tax (TDS)	52,03,536.00	83,10,170.00
Total	2,75,02,163.44	2,21,63,406.44

Schedule 6 - Cash in hand**(Amount in Rs.)**

Particulars	As at 31st March,2022	As at 31st March, 2021
Cash in Hand		
AFRD	1,677.00	8,418.00
Total	1,677.00	8,418.00



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)
Schedules of Income & Expenditure Account

Schedule 7

(Amount in Rs.)

Project Management and Technical Assistance	For the period Year 31st March, 2022		For the Year ended 31st March, 2021
Administrative & Salaries (SPMU)	1,37,25,636.00		
Consultancies & Technical Services (SPMU)	2,31,40,598.00		
Legal Expenses (SPMU)	-		
Advertisement Expenses (SPMU)	-		
Travelling Expenses (SPMU)	35,827.00	3,99,33,560.00	6,06,26,829.00
Rent (SPMU)	23,96,504.00		
Training & Exposure (SPMU)	5,91,968.00		
Training & Exposure (I A's)	43,027.00		
Contingency Expenses (SPMU)	6,85,212.72	15,17,932.72	15,39,389.00
Contingency Expenses (I A's)	8,32,720.00		
Vehicle & Mobility Cost (SPMU)	7,37,045.00	7,37,045.00	1,46,739.00
Vehicle & Mobility Cost (I A's)	-		
Bank Charges	9,881.01	9,881.01	12,021.00
Total		4,21,98,418.73	6,23,24,978.00



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)

Schedules forming part of the Receipt & Payment as at 31st March 2022

Schedule 8 - Receipt During the Year

(Amount in Rs.)

Particulars		As at 31st March, 2022	As at 31st March, 2021
GST	-	2,97,30,030.00	3,23,70,836.00
Labour Cess	-	1,33,94,040.00	1,33,78,112.00
Labour Cess collection Charges	-	12,406.00	28,805.00
Royalty (BRPNL)	-	19,55,360.00	74,21,848.00
Royalty (MD) (RWD &WRD)	-	91,00,053.00	86,98,838.00
Royalty (RWD &WRD)	-	60,22,223.00	1,55,02,085.00
TDS	-	3,13,34,403.00	3,35,00,633.00
Income Tax Fee	-	-	1,020.00
Royalty (Seigniorage fee)	-	44,49,824.00	77,22,989.00
Miscellaneous Deposit (BRPNL)	-	-	-
With Held for variation (BRPNL)	-	-	28,23,057.00
Royalty Withheld (BRPNL)	-	-	25,24,838.00
Royalty Withheld Variation (BRPNL)	-	-	18,23,057.00
Bank Interest	-	5,34,99,717.00	8,50,69,955.17
Retention Money	-	7,96,51,566.00	7,46,71,106.00
Performance Security Deposit	-	74,158.00	47,65,194.00
Time Extention	-	-	98,47,181.00
Liquidity Damages	-	74,05,000.00	10,77,120.00
With Held for variation (BRPNL)	-	5,00,000.00	-
With Held (BRPNL)	-	49,68,295.00	36,16,162.00
Deductionfor GST (With Held)	-	7,86,263.00	-
EMD	-	-	43,690.00
MD QT	-	93,66,552.00	1,05,25,187.00
GIS	-	3,000.00	2,040.00
GPF	-	1,20,000.00	1,20,000.00
NPS	-	2,44,394.00	38,140.00
Professional Tax	-	2,17,500.00	24,000.00
Miscellaneous Deposit (WRD)	-	1,20,00,000.00	-
Miscellaneous Receipt (SPMU)	-	-	20.00
Interest on I.T.	-	5,09,924.00	-
Advance Security Money	-	5,000.00	-
Secured Advance (BRPNL)	-	40,87,865.00	1,57,35,098.00
TDS F.Y.2019-20	-	53,67,666.00	-
Equipment Advance (BRPNL)	-	9,50,000.00	10,50,000.00
Mobilization advance (BRPNL)	-	-	27,00,000.00
AFRD Advances	-	82,95,471.00	23,78,066.56
Advance to employee (Imprest)	-	2,39,710.00	2,12,031.00
Total	-	28,42,90,420.00	33,76,71,108.73



Bihar Aapda Punarwas Evam Punarnirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)

Schedule 9 - Payment during the Year

(Amount in Rs.)

Particulars		As at 31st March,2022	As at 31st March,2021
GST	-	2,94,24,396.00	3,26,98,312.00
Labour Cess	-	1,33,72,307.00	1,36,37,408.00
Royalty (BRPNNL)	-	19,55,360.00	74,21,848.00
Royalty (MD) (RWD &WRD)	-	1,14,80,407.00	2,51,97,041.00
Royalty (RWD &WRD)	-	66,09,903.00	1,78,88,855.00
TDS	-	3,12,90,900.00	3,40,02,093.00
Income Tax Fee	-	-	1,020.00
Royalty (Seigniorage fee)	-	42,86,192.00	79,84,315.00
Penalty for Royalty (BRPNNL)	-	-	1,26,588.00
Royalty Withheld (BRPNNL)	-	-	25,24,838.00
Royalty Withheld Variation (BRPNNL)	-	-	43,23,057.00
With Held for Variation (BRPNNL)	-	18,23,057.00	-
With Held (BRPNNL)	-	28,18,895.00	-
Bank Interest	-	86,58,76,713.00	12,68,199.97
Miscellaneous Deposit (BRPNNL)	-	-	6,05,040.00
Performance Security Deposit	-	7,35,119.00	55,89,693.00
Time Extension	-	-	98,47,180.00
Retention Money	-	12,93,65,569.00	7,46,81,193.00
Liquidity Damages	-	81,38,088.00	-
MD QT	-	1,56,55,666.00	72,61,602.00
GIS	-	3,000.00	2,040.00
GPF	-	1,20,000.00	1,20,000.00
NPS	-	2,44,394.00	38,140.00
Professional Tax	-	2,17,500.00	24,000.00
Micellenieous Receipt (WRD)	-	3,95,447.00	-
Micellenieous Deposit (WRD)	-	1,20,00,000.00	-
TDS F.Y.2020-21	-	-	29,42,504.00
TDS F.Y.2021-22	-	22,61,032.00	-
Secured Advance (BRPNNL)	-	76,37,235.00	12,46,048.00
Equipment Advance (BRPNNL)	-	-	2,56,019.00
Mobilization advance (BRPNNL)	-	80,00,000.00	-
AFRD Advance	-	61,49,122.00	67,41,787.00
BKFRP	-	-	9,662.20
Advance to employee (Imprest)	-	2,37,080.00	2,10,800.00
Total	-	1,16,00,97,382.00	25,66,49,283.17



PROJECT: BIHAR KOSI BASIN DEVELOPMENT PROJECT (KOSI-II)

IMPLEMENTATED BY: - BIHAR AAPDA PUNARWAS EVAM PUNARNIRMAN SOCIETY (BAPEPS)

SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH' 2022

SCHEDULE-10

PART A- SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted in the presentation of accounts are as under:

- A. **Basis of Accounting:** - Project Accounts have been kept on a cash basis with a double entry system of bookkeeping based on historical cost convention and in accordance with Accounting Standards generally accepted in India.
- B. **Recognition and treatment of Grant in Aid:** - The fund received from the Government of Bihar has been recognised as income to the extent of the revenue expenditure made during the year and the unutilized balance is carried forward in the balance sheet.
- C. **Treatment of Interest Earned and Other Income:** - Interest earned on balances in project bank accounts arising from the project is recognised as a liability on the balance sheet and dealt with as decided by the governing body.
- D. **Fixed Assets:** - Fixed assets are stated at their cost of acquisition, including taxes, duties, freight and other incidental expenses relating to their acquisition and substantial expenditure on subsequent improvements thereto. Fixed assets received in kind are stated at a nominal value of Re. 1 only.
- In the case of fixed assets acquired through project grants and owned by BAPEPS, an amount equivalent to the cost of acquisition is credited to a Capital Fund and shown on the Balance Sheet. On the disposal of such a fixed asset, the equivalent amount is reduced from the Capital Fund.
- Fixed assets acquired through project grants but are owned by or vested in other line departments/agencies should not be accounted for as fixed assets and are shown as Project Expenditure.
- Depreciation is not provided on fixed assets.
- E. **Treatment of Advances:** - All sorts of advances under the contract paid to the contractor are treated as current assets and, as when a regular bill is put up for payment, actual payment is to be booked in the cash book after adjusting the advance in installment.
- F. **Bank Accounts:** - A Balance at Bank has been shown for dedicated bank accounts opened in the name of BAPEPS.



PART-B NOTES TO ACCOUNTS: -

The Bihar Aapda Punarwas Evam Punarnirman Society (BAPEPS) is a society registered under the Societies Registration Act 1860 with the objective of rehabilitation and reconstruction of disaster affected areas and bringing convergence between all agencies working in this field. BAPEPS is under the Planning and Development Department, GoB, and has a General Body and an Executive Committee, whose powers and functions are detailed in the memorandum and by-laws of the society. BAPEPS headquarter is in Patna and is presently implementing the Bihar Kosi Basin Development Project (KOSI-II) (BKBDP) supported by the World Bank.

1. **Grant from Government of Bihar:** - BKBDP received the following grants from the Govt. of Bihar till 31.03.2022, Letter wise details of the grants are as follows:

S.N.	PARTICULARS	AMOUNT(Rs.)
1.	1-16/2015-65 Allotment, Dated; 08.09.2015 Code: P4070000510114	2,40,61,00,000.00
2.	1-06/2017-29 Allotment Dated; 30.03.2017 Code: P- 2235012020105	6,67,47,77,000.00
3.	1-06/2017-29 Allotment Dated; 30.03.2017 Code: P-2235017890101	1,28,67,04,000.00
4.	1-06/2017-29 Allotment Dated; 30.03.2017 Code: P-2235017960101	8,04,19,000.00
5.	05-02/2016 -332 Allotment Dated; 04.08.2020 Code:35-2235017960501	2,26,05,000.00
6.	05-02/2016 -332 Allotment Dated; 04.08.2020 Code:35-2235017890501	32,10,24,000.00
7.	05-02/2016 -332 Allotment Dated; 04.08.2020 Code:35-2235012020505	39,55,71,000.00
8.	05-02/2016 -156 Allotment Dated; 09.03.2021 Code:35-2235012020505	38,35,84,000.00
9.	05-02/2016 -156 Allotment Dated; 09.03.2021 Code:35-2235017890501	31,12,96,000.00
10.	05-02/2016 -156 Allotment Dated; 09.03.2021 Code:35-2235017960501	2,19,20,000.00
11.	05-02/2016 -374 Allotment Dated; 22.07.2021 Code:35-2235012020505	59,41,32,000.00
12.	05-02/2016 -374 Allotment Dated; 22.07.2021 Code:35-2235017890501	29,22,81,000.00
13.	05-02/2016 -374 Allotment Dated; 22.07.2021 Code:35-2235017960501	2,10,87,000.00
14.	05-02/2016 -220 Allotment Dated; 24.03.2022 Code:35-2235012020505	84,61,88,000.00
15.	05-02/2016 -220 Allotment Dated; 24.03.2022 Code:35-2235017890501	41,62,79,000.00
16.	05-02/2016 -220 Allotment Dated; 24.03.2022 Code:35-2235017960501	3,00,33,000.00
Total Grant up to 31.03.2022		14,10,40,00,000.00



2. **Interest earned** on balances in project bank accounts arising from the project is recognised as a liability on the balance sheet and dealt with as decided by the General Body. During the year 2021-22, the project received Rs. 534.99 Lakh as interest and details of Interest shown under current liabilities are as under: -

PARTICULARS	AMOUNT(Rs.)
A. Opening balance as on 01.04.2021	87,42,00,152.72
B. Received during the year	5,34,99,717.00
C. Returned to Govt. during the year	86,58,76,713.00
D. Closing Balance as on 31.03.2022 (A+B-C)	6,18,23,156.72

3. **Project Expenditure:** - This Bihar Apda Punarwas Evam Punarnirman Society (BAPEPS) acts as the SPMU for all components and is responsible for the overall implementation of BKBDP. The project expenditure for the financial year 2021-22 is outlined here below.

A. **Details of Project expenditure during 2021-22 are as follows: -**

S. No.	Particulars	Amount (Rs.)
1.	AFRD	24,17,90,721
	Institutional Development for Market	3,33,55,009
	Intensification and Diversification of Agriculture	20,84,35,712
2.	Reconstruction of Bridges (BRPNL)	12,39,58,748
	Araria	1,46,31,981
	Madhepura	30,14,576
	Purnia	50,72,257
	Saharsa	7,66,00,885
	Supaul	2,46,39,049
3.	Reconstruction of Roads (RWD)	8,57,94,915
	Birpur	3,70,562
	Saharsa	72,05,648
	Simri Bakhtiyarpur	3,87,66,469
	Triveniganj	3,03,85,587
	Supaul	90,66,649
4.	WRD	116,25,96,975
	Non-Structural	3,30,93,461
	Structural	112,95,03,514
	Total	161,41,41,359
5.	Less: -AFRD Beneficiary Contribution (Incurred by beneficiaries on their own not received)	12,23,11,992
	Total (A)= (1+2+3+4-5)	149,18,29,367



B. Details of Project Management & Tech Asst. Expenditure during FY 2021-22 are as follows:

S.N.	Particulars	Amount (Rs.)
1.	BRPNNL	8,32,720
2.	Fixed Assets	56,274
3.	SPMU	4,07,30,704
4.	Training & Exposure	6,34,995
	Total(B)	4,22,54,693
	Grand Total(A+B)	153,40,84,060

4. **PROJECT BANK ACCOUNT:** - Funds have been deposited in a separate dedicated project bank account at the state level. Project specific dedicated 'child accounts' have been opened by each subordinate office i.e., BRPNNL, WRD, RWD, ANIMAL and FISHERIES RESOURCES DEPARTMENT with a bank with whom BAPEPS has such a banking relationship. BAPEPS has maintained a parent account and limits are transferred to dual signatory child accounts of the accounting center as per procedures of the parent-child accounting mechanism.



Annexure -1

Bihar Apapada Pumarwas Evam Punamirman Society
Bihar Kosi Basin Development Project (Credit No. 5696)

Reconciliation of audited expenditure with IUFR expenditure for the year ended 31st March 2022
(Amount in Rs.)

Particulars	Component A – Improving Flood Risk Management	Component B – Enhancing Agricultural Productivity & Competitiveness	Component C – Augmenting Connectivity, Reconstruction of Roads & Bridges	Component D – Contingent Emergency Response	Component E – Implementation Support- Project Management & Technical Assistance etc.	Total
Total Expenditure as per Audited Project Financial Statements	1,16,25,96,975	24,17,90,721	20,97,53,663	-	4,22,54,693	1,65,63,96,052
Revenue Expenditure (as per income and expenditure account)	1,16,25,96,975	24,17,90,721	20,97,53,663	-	4,21,98,419	1,65,63,39,778
Capital Expenditure (Schedule 2)	-	-	-	-	56,274	56,274
Less: AFRD Beneficiary Contribution (incurred by beneficiaries on their own account not received) Note:-1	-	12,23,11,992	-	-	-	12,23,11,992
Add: Other eligible amounts (Liquidated Damages, Time Extension etc) Note:-2	74,05,000	-	35,51,983	-	-	1,09,56,983
Less: Ineligible Expenditure (Liquidated Damages, Time Extension etc) Note:-3	74,05,000	-	63,08,146	-	-	1,37,13,146
1. Eligible Expenditure as per audited PFS	1,16,25,96,975	11,94,78,729	20,69,97,500	-	4,22,54,693	1,53,13,27,897
2. Eligible Expenditure as per IUFR	1,16,25,96,975	11,94,78,729	20,69,97,500	-	4,22,54,692	1,53,13,27,896
3. (Excess)/Short Expenditure reported (1-2) Note-4	-	-	-	-	0	0
4. Reimbursable %age	0.67	0.67	0.67	0.67	0.67	-
5. World Bank share (1*4) (as per audited Expenditure)	77,89,39,973	8,00,50,749	13,86,88,324	-	2,83,10,644	1,02,59,89,690
6. Reimbursement claimed for the year (as per IUFR submitted)	77,89,39,973	8,00,50,749	13,86,88,324	-	2,83,10,644	1,02,59,89,690
7. Adjustment of Short/ Excess Reimbursements as per filed claims to the World Bank	-	-	-	-	-	-
8. Actual claim reimbursed from WB after adjustment	77,89,39,973	8,00,50,749	13,86,88,324	-	2,83,10,644	1,02,59,89,690
9. Excess/Short Claim (5-8)	-	-	-	-	-	-

Note:-1. Beneficiary contribution amounting to Rs.12,23,11,992/- incurred by beneficiaries on their own account is included in the expenditure on Enhancing Agricultural Productivity & Competitiveness.

Note:-2. Other eligible amounts include Rs.81,38,088/- as liquidated damages, Rs.28,18,895/- as withheld respectively.

Note:-3. Other ineligible amounts include Rs. 74,05,000/- as liquidated damages, Rs.49,68,295/- as withheld, Rs. 3,88,533/- as maintenance cost and Rs.9,51,318/- as 38A the 17th RA bill, respectively.

