

# Audited Project Financial Statements

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Project Number: 33209-013  
Loan/Grant Number: 3124  
Period covered: 16 July 2017 to 16 July 2018

## **NEP: Community-Managed Irrigated Agriculture Sector Project- Additional Financing**

Prepared by Department of Local Infrastructure

For the Asian Development Bank  
Date accepted by ADB: 27 March 2019

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 Access to Information Policy and as agreed between ADB and the Department of Local Infrastructure.

# Audited Project Financial Statements

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Government of Nepal  
Ministry of Energy, Water Resources and Irrigation  
Department of Water Resources and Irrigation  
Community Managed Irrigated Agriculture Sector Project  
Additional Financing  
Jawalakhori, Nepal

Tel :5521082  
Fax :5546425

Ref. No.:-075/76-

616

07 April 2019

Mr. Mukhtor Khamudkhanov,

Country Director,

Nepal Resident Mission (NRM),

Asian Development Bank

Metropark building, Kathmandu

Subject: Submission of Audited Project Financial Statement - ADB Loan No. 3124 NEP (COL) & OFID Loan No.1627P.

Dear Sir,

Please find enclosed herewith a copy of Audited Project Financial Statement - ADB Loan No. 3124 NEP (COL) & OFID Loan No.1627P of the F/Y 2017/18(074/75) for your kind information.

Thank You.

With Best Regards.

(Noore Mohammad Khan)

Project Director

CC:

Office of the Auditor General,

Babarmahal.

Office of the Financial Comptroller General,

Anamnagar.

RECEIVED  
08 APR 2019



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Babar Mahal, Kathmandu, Nepal

Date: April 4, 2019

Ref. No. - 2075/76 / 527

AUDIT REPORT

The Secretary  
Ministry of Finance  
Singh Durbar, Kathmandu

**Report on the Financial Statements**

We have audited the accompanying Financial Statements including Advance Account of the "Community Managed Irrigated Agriculture Sector Project –Additional Financing" financed by ADB Loan No. 3124-NEP (COL) and OFID Loan No. 1627P as at 16 July 2018 (32 Ashad 2075) and for the year then ended and a summary of accounting policies and other explanatory notes.

**Management's Responsibility for Financial Statements**

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the Government of Nepal (GON) accounting policies and relevant practices. This responsibility includes: designing, implementing and maintaining internal control relevant to preparation and fair presentation of project financial statements that are free from material misstatement, whether due to fraud and error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Project Financial Statements based on our audit. We conducted our audit in accordance with the INTOSAI (International Organisation of Supreme Audit Institutions) Fundamental Auditing Principles. Those Principles require that we 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 statements. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

Management letter highlighting areas for improving financial management including compliance with financial covenant is attached herewith.

In our opinion, the Statement of Expenditures including Advance Account, in all material respects, give a true and fair view of the financial position of the "Community Managed Irrigated Agriculture Sector Project-Additional Financing" as of 16 July 2018 (32 Ashad 2075) and of the results of its operations and its cash flows for the year then ended in accordance with GON accounting policies. We also report that funds provided under ADB Loan No. 3124-NEP (COL) and OFID Loan No.1627P have been utilized for intended purposes.

In addition, with respect to SOEs, a) adequate supporting documentation has been maintained to support claims to donors for reimbursement of expenditures incurred; and b) expenditures are eligible for financing under the above mentioned Loan.

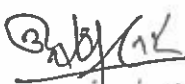
  
(Baburam Gautam)


Deputy Auditor General

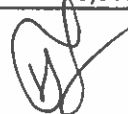
Government of Nepal  
Ministry of Energy, Water Resources & Irrigation  
Community-Managed Irrigated Agriculture Sector Project - Additional Financing  
ADB Loan No. 3124NEP (COL) and OFID Loan No.1627P

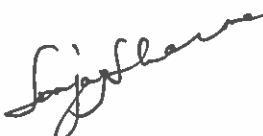
Project Financial Statement  
FY 2017/18 (NFY 2074/75)


Amount in NRs				
	Note	Previous year	Current year	Cumulative up to Current Year
<b>Sources</b>				
GON Fund	2	171,188,996.50	205,148,703.65	647,763,697.08
GON Reimbursable Fund	2	201,972,780.50	410,042,073.84	990,850,080.98
ADB Loan	3	538,480,242.98	468,820,609.62	1,530,130,805.42
OFID Loan	3.A	-	312,974,411.28	312,974,411.28
Advance A/C Replenishable	4	5,697,252.75	(1,967,567.31)	3,729,685.44
<b>Sub total</b>		<b>917,339,272.73</b>	<b>1,395,018,231.08</b>	<b>3,485,448,680.20</b>
Advance A/C Initial Advance	4	-	-	121,176,000.00
Exchange Gain/Loss	4	(4,670,906.25)	7,780,214.55	10,009,308.30
<b>Sub total</b>		<b>(4,670,906.25)</b>	<b>7,780,214.55</b>	<b>131,185,308.30</b>
<b>Total</b>		<b>912,668,366.48</b>	<b>1,402,798,445.63</b>	<b>3,616,633,988.50</b>
<b>Application</b>				
Project Management Cost	1	17,418,912.01	25,837,400.26	83,093,697.09
Vehicle & Equipments	1	18,434,744.92	7,316,821.56	104,966,406.33
Consulting Services	1	64,228,171.68	48,726,641.00	192,423,311.68
Civil Works	1	753,981,768.60	1,173,615,920.77	2,836,999,671.05
Building Construction	1	1,541,354.00	75,445,455.00	78,938,341.00
Training	1	42,902,443.52	56,662,392.49	156,387,772.71
Studies and survey	1	18,831,878.00	7,413,600.00	32,639,480.34
<b>Sub total</b>		<b>917,339,272.73</b>	<b>1,395,018,231.08</b>	<b>3,485,448,680.20</b>
Advance Account balance	4	(10,368,159.00)	9,747,781.86	127,455,622.86
Advance A/C Replenishable	4	5,697,252.75	(1,967,567.31)	3,729,685.44
<b>Sub total</b>		<b>(4,670,906.25)</b>	<b>7,780,214.55</b>	<b>131,185,308.30</b>
<b>Total</b>		<b>912,668,366.48</b>	<b>1,402,798,445.63</b>	<b>3,616,633,988.50</b>

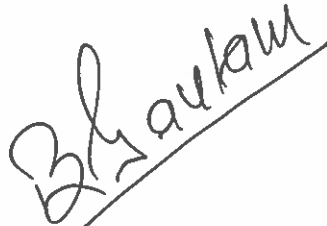
  
(Uddhav Prasad Ghimire)  
Account Officer  
CMIASP

  
(Noore Mohammad Khan)  
Project Director  
CMIASP

  
(Yam Prasad Dhungana)  
Under Secretary(Account)  
MOEWRI

  
(Dr. Sanjay Sharma)  
Secretary  
Ministry of Energy, Water  
Resources & Irrigation

  
(Surya Prasad Gautam)  
Financial Comptroller General  
Financial Comptroller General office

  
(Babaram Gautam)  
Deputy Auditor General  
Office of the Auditor General



**Community Managed Irrigated Agriculture Sector Project-AF**  
**ADB Loan 3124 NEP(COL) & OFID Loan No.1627P**  
**Fiscal Year 2017/18 (NFY 2074/75)**  
**Project financial statements – Accounting Policies and Explanatory Notes**

**1. Project Description**

ADB approved a \$30 million loan on 10 April 2014 and OFID signed \$30 million co-financing on 23 September 2014 for the Community-Managed Irrigated Agriculture Sector Project- Additional Financing (CMIASP- AF). The ADB loan became effective on 3 June 2014, and OFID loan became effective on 21 April 2016. ADB approved on 9 November 2014 the administration of the OFID loan, including extension of the project period till 31 January 2022, and signed co-financing agreement with OFID on 29 May 2015. CMIASP-AF will continue to focus on rehabilitating and extending the irrigation coverage of farmers-managed irrigation systems (FMIS) in the eastern and central development regions (EDR and CDR, respectively) through rehabilitation of 150 FMIS. It will also support the rehabilitation and management transfer of 5 selected agency-managed irrigation systems (AMIS) to the WUAs in the western (WDR) and mid-western development regions (MWDR). The expected project impact will be increased national food security.

Total project costs is USD72.7 million consisting of ADB loan USD30.0 million, OFID loan USD30.0 million, GON fund USD11.3 million and Beneficiaries contribution is USD1.4 million.

**2. Outputs:**

The expected outcome is participating farmers increase agricultural production (yields by 30% and cropping intensity in the irrigated areas by 30% in terai and 45% in hill subprojects). The Project has four expected outputs: (i) farmers in subproject areas have improved irrigation infrastructure; (ii) WUAs independently manage irrigation systems in a socially inclusive and equitable manner; (iii) farmers adopt improved agricultural practices; and (iv) national institutions are strengthened for effective service delivery

**3. Implementation Arrangement**

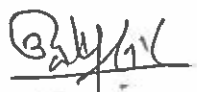
Department of Irrigation (DOI) is the Executing agency and its Central Project Management Office (CPMO) is the implementing agency. CPMO established by the Department of Irrigation is responsible for managing all aspects of project implementation. The Department of Agriculture, through its Directorate of Agriculture Extension, is the implementing agency of the agricultural development component and agricultural aspects of the integrated crop and water management component.

**4. Statement of Compliance**

Project Financial Statements have been prepared in accordance within the Government Auditing Standards Part 3, Audit Guideline – Project Financial Statements, issued by the office of the Auditor General, Nepal in October 2005.

**5. Significant Accounting Policies**

**Basic of Accounting:** The project has maintained accounts according to the Government of Nepal Accounting policies on a cash basis of accounting and double entry accounting systems.



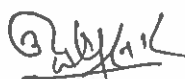


**Community Managed Irrigated Agriculture Sector Project  
Fiscal Year 2017/18(2074/75)**

Note- 2

**GON Fund and GON Reimbursable Fund**

Particulars		Previous Year	Current Year	Cumulative up to Current Year
<b>GON Fund (i)</b>		171,188,996.50	205,148,703.65	647,763,697.08
DOI-	194,613,982.01			
DOA	10,534,721.64			
<b>GON Reimbursable Fund (ii)</b>				-
<b>ADB Loan</b>		481,614,483.76	328,697,142.42	1,711,976,805.64
DOI	280,344,261.96			
DOA	48,352,880.46			
OFID Loan	861,172,385.01	252,739,042.47	861,172,385.01	1,113,911,427.48
<b>Sub- total (ii)</b>		734,353,526.23	1,189,869,527.43	2,825,888,233.12
<b>Total fund i+ii (A)</b>		905,542,522.73	1,395,018,231.08	3,473,651,930.20
<b>Less: Unspent balance</b>				
GON Fund		-	-	-
Reimbursable fund (ADB Loan)		-	-	-
Reimbursable fund (OFID Loan)		-	-	-
<b>Sub- total -unspent balance (a)</b>				
<b>Less: Reimbursement received</b>				
Advance A/C transfer		-	235,569,198.20	235,569,198.20
Reimbursement received from ADB		532,380,745.73	231,283,844.11	1,286,494,542.66
<b>ADB loan (i)</b>		532,380,745.73	466,853,042.31	1,522,063,740.86
<b>OFID Loan (ii)</b>		-	312,974,411.28	312,974,411.28
<b>Sub total Reimbursement Received (b)</b>		532,380,745.73	779,827,453.59	1,835,038,152.14
<b>Total Fund (A-B)</b>		373,161,777.00	615,190,777.49	1,638,613,778.06
<b>GON Fund</b>		171,188,996.50	205,148,703.65	647,763,697.08
<b>Sub total GON Fund (A)</b>		171,188,996.50	205,148,703.65	647,763,697.08
<b>ADB Loan</b>		(50,766,261.97)	(138,155,899.89)	189,913,064.78
<b>OFID Loan</b>		252,739,042.47	548,197,973.73	800,937,016.20
<b>GON Reimbursable Fund (B)</b>		201,972,780.50	410,042,073.84	990,850,080.98
<b>Total Fund (A+B)</b>		373,161,777.00	615,190,777.49	1,638,613,778.06



Uddhav Prasad Ghimire  
Account Officer  
CMIASP





Noore Mohammad Khan  
Project Director  
CMIASP

**Community-Managed Irrigated Agriculture Sector Project**  
**Fiscal Year 2017/18(2074/75)**  
**ADB Loan Disbursement (Loan No. 3124 COL)**

Note 3.A

Description	Previous Year		Current Year		Cumulative up to Current Year		
	NRs.	US\$	NRs.	US\$	NRs.	US\$	SDR
A. Reimbursement	532,380,745.73	5,040,050.38	231,283,844.11	2,217,942.08	1,114,906,895.09	10,550,902.09	7,587,289.21
	532,380,745.73	5,040,050.38	231,283,844.11	2,217,942.08	1,114,906,895.09	10,550,902.09	7,587,289.21
B. Replenishment	6,099,497.25	56,700.00	237,536,765.51	2,281,114.24	415,223,910.33	4,017,187.97	2,848,382.83
	6,099,497.25	56,700.00	237,536,765.51	2,281,114.24	415,223,910.33	4,017,187.97	2,848,382.83
C Direct payment	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Sub- Total	538,480,242.98	5,096,750.38	468,820,609.62	4,499,056.32	1,530,130,805.42	14,568,090.06	10,435,672.04
D Advance A/C Initial Deposit	-	-	-	-	121,176,000.00	1,200,000.00	816,426.50
	-	-	-	-	121,176,000.00	1,200,000.00	816,426.50
E. Capitalization	-	70,853.31	51,361.94	126,449.67	87,971.87	229,637.69	162,455.68
	-	70,853.31	51,361.94	126,449.67	87,971.87	229,637.69	162,455.68
Sub- Total	538,480,242.98	5,167,603.69	468,820,609.62	4,625,505.99	1,651,306,805.42	15,997,727.75	11,414,554.22
Grand total	538,480,242.98	5,167,603.69	468,820,609.62	4,625,505.99	1,651,306,805.42	15,997,727.75	11,414,554.22

  
**Uddhav Prasad Ghimire**  
 Account Officer  
 CMIASP


  
**Noore Mohammad Khan**  
 Project Director  
 CMIASP




**Community Managed Irrigated Agriculture Sector Project**  
**Fiscal Year 2017/18 (FY2074/75)**  
**OFID Loan Disbursement (Loan No.1627P)**

Note 3.A

Description	Previous Year		Current Year		Cumulative up to Current Year	
	NRs.	US\$	NRs.	US\$	NRs.	US\$
A. Reimbursement	-	-	312,974,411.28	3,028,235.44	312,974,411.28	3,028,235.44
Sub- Total			312,974,411.28	3,028,235.44	312,974,411.28	3,028,235.44
B. Replenishment						
Sub- Total					-	-
C. Direct payment						
Sub- Total						
Total (A+B+C)			312,974,411.28	3,028,235.44	312,974,411.28	3,028,235.44
Initial Deposit						
E. Capitalization						
Sub- Total						
<b>Grand total</b>			<b>312,974,411.28</b>	<b>3,028,235.44</b>	<b>312,974,411.28</b>	<b>3,028,235.44</b>

  
 Uddhav Prasad Ghimire  
 Account Officer  
 CMIASP

  
 Noore Mohammad Khan  
 Project Director  
 CMIASP

**Community Managed Irrigated Agriculture Sector Project**

Fiscal Year 2017/18(2074/75)

**Memorandum of Advance Account (ADB Loan)**

**Note-4**

Description	NRs.	US\$
<b>A. Balance in Advance Account as at 16 July 2018 - Ex.rate USD1= NRs109.34</b>	127,455,622.86	1,165,681.57
<b>B. Outstanding Replenishment of FY 2016/17</b>	<b>5,697,252.75</b>	<b>55,650.00</b>
GON Fund Transfer		
Payment made from Advance Account	5,697,252.75	55,650.00
<b>C. Disbursement During FY 2017/18</b>	<b>235,569,198.20</b>	<b>2,252,260.51</b>
GON Fund Transfer	235,569,198.20	2,252,260.51
Payment made from Advance Account		
<b>D. Replenishment During FY 2017/18</b>	<b>237,536,765.51</b>	<b>2,273,592.08</b>
GON Fund Transfer	231,839,512.76	2,217,942.08
Payment made from Advance Account	5,697,252.75	55,650.00
<b>E. Liquidation During FY 2016/17</b>	-	-
GON Fund Transfer	-	-
Payment made from Advance Account	-	-
<b>F. Outstanding Replenishment as at 15 July 2018 (B+C-D-E)</b>	<b>3,729,685.44</b>	<b>34,318.43</b>
GON Fund Transfer	3,729,685.44	34,318.43
Payment made from Advance Account	-	-
<b>G. Exchange gain/loss (A+F-H)</b>	<b>10,009,308.30</b>	-
<b>H. Advance Account Initial Deposit (as at 21 December 2014) USD 1= NRs100.98</b>	<b>121,176,000.00</b>	<b>1,200,000.00</b>

Withheld of WA No. 00037	
NRs	USD
227,654.44	2,242.62
3,502,031.00	32,075.81
<b>3,729,685.44</b>	<b>34,318.43</b>



Uddhav Prasad Ghimire  
Account Officer  
CMIASP





Noore Mohammad Khan  
Project Director  
CMIASP

**Community Managed Irrigated Agriculture Sector Project - Additional Financing**  
**Imprest Account Ledger**  
**FY 2017/2018 (NFY 2074/2075)**

S.N	Particulars	Amount Received / Replenished						Ka-7-15 Transfer			Payment from Advance A/C (		Balance in USD	Balance in Nrs		
		WA No.	Ref	Date	NRs	Amount in USD	Date	NRs	Ex.rate	USD	USD					
											NRs	USD				
	B/D from previous FY															
1	Ka-7-15 Transfer			8/15/2017							8/9/2017	91,732,288.77	101.51	903,677.36		1,144,350.00
2	Ka-7-15 Transfer			8/27/2017							8/25/2017	20,012,493.00	102.16	195,893.63		240,672.64
3	Replenishment Received	0029		9/14/2017		20,012,493.00		195,893.63			9/11/2017					44,779.01
4	Replenishment Received of DP	0028		8/15/2017		5,697,252.75		55,650.00			10/9/2017					240,672.64
5	Replenishment Received	0028		9/28/2017		91,504,640.33		901,434.74			3/12/2018					296,322.64
6	Ka-7-15 Transfer			3/12/2018							4/11/2018	40,435,055.01	103.97	388,910.79		1,197,757.38
7	Replenishment Received	0035		4/9/2018		37,578,919.86		361,440.03			5/24/2018					808,846.59
8	Ka-7-15 Transfer			5/27/2018							7/4/2018	83,389,361.42	109.18	763,778.73		1,170,286.62
9	Replenishment Received	0037		6/29/2018		82,743,459.57		759,173.68			8/13/2017					406,507.89
	<b>Sub total FY 2017/18</b>					<b>237,536,765.51</b>		<b>2,273,592.08</b>				<b>235,568,198.20</b>	<b>109.34</b>	<b>2,252,250.51</b>		<b>1,165,681.57</b>

Ka-7-15 transfer	231,839,512.76	2,217,942.08
Payment from Advance A/C	5,697,252.75	55,650.00
<b>Total</b>	<b>237,536,765.51</b>	<b>2,273,592.08</b>

  
**Uddhav Prasad Ghimire**  
 Account Officer  
 CMIASP

  
**Noore Mohammad Khan**  
 Project Director  
 CMIASP

Community Managed Irrigated Agriculture Sector Project - Additional Financing

Reconciliation Statement

GON Reimbursable Fund

FY 2017/18 (NFY2074/75)

S.N	Description	As per FCGO record	As per Project Financial statement	Remarks
1	GON Reimbursable Fund			
	ADB Loan No.3124 -NEP	189,913,064.78	189,913,064.78	
	OFID Loan No.1627 P	800,937,016.20	800,937,016.20	
	Source to be change from GON to ADB (ADB Loan No.3124 -NEP)			
	Total	990,850,080.98	990,850,080.98	



Uddhav Prasad Ghimire  
Account Officer  
CMIASP



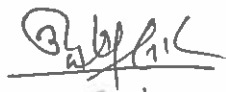
Noore Mohammad Khan  
Project Director  
CMIASP

Government of Nepal  
Ministry of Irrigation  
Department of Irrigation

**Community Managed Irrigated Agriculture Sector Project-Additional Financing  
Reimbursement Balance Reconciliation Statements**

Credit No. 3124-NEP (COL) & OFID Loan No.1627 P for F/Y 2017/18 (074/75)

S.No.	Description		Reimbursable Amount as per Financial Statement DOI/DOA	Difference
1	Reimbursable Expenditure During F/Y 2017/18			
	DOI	ADB	280,344,261.96	
		OFID	861,172,385.01	
	DOA	ADB	48,352,880.46	
<b>Total</b>			<b>1,189,869,527.43</b>	
2	Balanced Reimbursable Amount up to F/Y 2016/17		580,808,007.14	
<b>Total</b>			<b>1,770,677,534.57</b>	
3	Less : Reimbursable Received During F/Y 2016/17	ADB DOI	417,433,209.94	
		DOA	45,890,146.93	
		OFID DOI	312,974,411.28	
<b>Total</b>			<b>776,297,768.15</b>	
			994,379,766.42	
4	Balance Reimbursable Amount as on July 15, 2018	ADB DOI	159,777,994.00	
		DOA	30,135,070.78	
		OFID DOI	800,937,016.20	
<b>Total</b>			<b>990,850,080.98</b>	
	Transferred to K-7-15(Balance to replenish from ADB)		990,850,080.98	3,729,685.44
				<u>987,120,395.54</u>





1. Current Year's Audit Observations

Brief Audit Observations	Settlement Status	Settlement Details
1. <b>Progress Report</b> : The project has not been prepared and overall progress status report of the all the project implementing entities of the project to monitor whether the stipulated targets of overall activities have been achieved or not. The project should prepare overall progress status report to monitor periodic progress of the project.	unsettled	
2. <b>Value Added Tax</b> : As per the Value Added Regulation, 2053 every taxpayer should submitted the tax returned statement within the twenty five days of every month in the concerned tax office. But nineteen tax payers have not been submitted the such statement of Rs. Five hundred thousand. The project should apply for strict compliance of VAT regulation.	unsettled	
3. <b>Insurance</b> : As per the agreement with International and National consultant the consultant shall take out and maintain professional liability insurance, with a minimum coverage of contract amount, third party motor vehicle liability insurance, third party insurance, employer's liability and workers' compensation insurance and insurance against loss of or damage to equipment but the consultants have not carried such insurance. So, the consultant should take out such insurance and policy document should present to the project office.	unsettled	
4. <b>Over payment</b> : Remuneration of consultant should pay according to contract agreement. Rs. Nine hundred thousand is paid to an international consultant for the working at public holidays during the period of July 2016 to April 2017 for 16 days. So, such amount should be recovered from the consultant.	unsettled	
5. <b>Re-imbusement</b> : As per Financial procedure Regulation, 2064 expenditure incurred under Government reimbursable fund the withdrawal application should be submitted to the donor within forty five days of end of the fiscal year. Amounting Rs. 25.273 million of OFID Loan portion and Rs. 32.807 million of ADB Loan have not reimbursed so far. So, withdrawal application of reimbursable expenditure should be submitted in stipulated time for timely reimburse process.	settled	
6. <b>Equipments</b> : Project has purchased the computers, scanners, digital cameras, photo copy machines, total stations and other machinery equipments of amounting Rs.7611 millions for the logistics support of project implementing entities but these equipments have not handed over to those entities. So, equipments should hand over immediately.	settled	
7. <b>Follow-up</b> : In course of audit, action taken by the project Management on the previous year's audit observation was reviewed and the status of the settlement of Audit observation is given below:	unsettled	
8. <b>Progress</b> : The project has not prepared an overall progress status report to monitor whether stipulated targets have been achieved or not. The project should prepare overall progress status report to monitor periodic progress of the project.	settled	
9. <b>Consultancy Service</b> : As per the Value Added Regulation, 2053 public Entity should procure the consultancy service that has carried on annual transaction with turnover exceeding one hundred thousand rupess required to get registered. The project has procured consulting service through non registered five individual consultants and paid to them Rs. 15.49 million. The project should apply for strict compliance of VAT regulation.	unsettled	

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<p>10. <b>Re-imbursement</b> : As per Financial Procedure Regulation, 2064 expenditure incurred under Government reimbursable fund the withdrawal application should be submitted to the donor within forty five days of end of the fiscal year. Amounting Rs.76.68 million has to remain submit withdrawal application of reimbursable expenditure should be submitted in stipulated time.</p>	settled	
<p>11. <b>Insurance</b>: As per the agreement with international and National consultant the consultant shall take out and maintain professional liability insurance, with a minimum coverage of contract amount, third party motor vehicle liability insurance, third party insurance, employer's liability and workers' compensation insurance and insurance against loss of or damage to equipment but the consultants have not carried such insurance. So, the consultant should take our such insurance and policy document should present to the project office.</p>	unsettled	
<p>12. <b>Programme not amendment</b> : As per the Financial Procedure Regulation, 2064 the office can amend its approved programme and budget if it need in operational level prior to consent of ministry. The project office has spent more by Rs.20.388 million for the procurement of computer and consultant.</p>	settled	
<p>13. <b>Compliance with Financial Covenant</b> :The project management is responsible to comply with the financial covenants as mentioned in project agreement. In this connection, the project has made representation on the compliance with the financial covenants, which is attached with the project Account. we verified the representation my management and found correct.</p>	complied	




Government of Nepal  
Ministry of Irrigation  
Department of Irrigation  
Community Managed Irrigated Agriculture Sector Project - Additional Financing  
Jawalakhef, Lalitpur

FY	S.N	Name of Office	Annual Budget			Total	Annual/Expenditure			Total
			GON	ADB	OFID		GON	ADB	OFID	
	1	CPMO	31,671,000.00	100,648,000.00	106,070,000.00	238,389,000.00	9,692,241.97	67,572,396.54	75,445,455.00	152,710,093.51
	2	ERID Biratnagar	329,000.00	1,073,000.00	-	1,402,000.00	328,035.47	1,024,116.00	-	1,352,151.47
	3	CRID Lalitpur	329,000.00	1,073,000.00	-	1,402,000.00	328,731.00	1,069,716.00	-	1,398,447.00
	4	SMITP	759,000.00	2,471,000.00	-	3,230,000.00	734,500.00	2,232,411.00	-	2,966,911.00
	5	NVC	-	1,200,000.00	-	1,200,000.00	-	1,138,924.00	-	1,138,924.00
	6	IDD Taplejung	3,985,000.00	529,000.00	25,586,000.00	30,100,000.00	5,112,073.08	486,400.00	35,157,361.00	40,755,834.08
	7	IDD Panchthar	5,300,000.00	734,000.00	33,966,000.00	40,000,000.00	5,299,999.00	698,135.97	27,094,494.16	33,097,629.13
	8	IDD Ilam	5,822,000.00	7,977,000.00	16,203,000.00	30,000,000.00	4,791,703.97	631,114.00	22,938,711.24	28,361,529.21
	9	IDD Ihapa	7,105,000.00	2,892,000.00	41,603,000.00	51,600,000.00	6,045,000.00	2,866,925.80	33,089,798.20	42,001,724.00
	10	IDD sankhuwasabha	7,187,000.00	14,496,000.00	18,317,000.00	40,000,000.00	10,820,822.52	19,514,976.93	31,614,315.92	61,950,115.37
	11	IDD Tehrathum	4,366,000.00	3,307,000.00	22,427,000.00	30,100,000.00	5,262,468.00	3,306,969.98	28,430,000.00	36,999,437.98
	12	IDD Bhojpur	5,814,000.00	8,271,000.00	21,915,000.00	36,000,000.00	3,006,853.86	6,340,853.42	6,635,078.26	15,982,785.54
	13	IDD Dhanuta	5,781,000.00	1,392,000.00	35,827,000.00	43,000,000.00	5,392,163.00	1,333,550.00	42,233,750.00	48,959,463.00
	14	IDD Sunsari	3,397,000.00	322,000.00	22,081,000.00	25,800,000.00	3,377,000.00	142,000.00	22,081,000.00	25,600,000.00
	15	IDD Morang	7,581,000.00	14,505,000.00	20,914,000.00	43,000,000.00	4,098,144.33	13,515,149.22	11,203,765.87	28,817,059.42
	16	IDD solukhumbu	2,724,000.00	912,000.00	16,364,000.00	20,000,000.00	2,882,671.23	1,606,340.28	15,689,954.66	20,178,966.17
	17	IDD Khotang	7,212,000.00	2,824,000.00	29,964,000.00	40,000,000.00	7,912,341.03	2,664,223.51	37,885,000.00	48,461,764.54
	18	IDD Udayapur	3,780,000.00	1,501,000.00	22,219,000.00	27,500,000.00	4,019,896.25	636,855.00	29,694,327.53	34,351,078.78
	19	IDD Okhaldhunga	2,932,000.00	2,441,000.00	14,627,000.00	20,000,000.00	3,860,605.00	4,431,000.00	15,336,183.00	23,627,788.00
	20	IDD Saptari	108,000.00	322,000.00	70,000.00	500,000.00	20,000.00	130,000.00	-	150,000.00
	21	IDD Siraha	2,838,000.00	322,000.00	18,340,000.00	21,500,000.00	1,786,827.00	103,617.00	14,670,781.00	16,561,225.00
	22	IDD Dhanusha	6,854,000.00	7,905,000.00	29,641,000.00	44,400,000.00	4,209,592.00	8,410,781.00	5,199,729.00	17,820,102.00
	23	IDD Mahottari	3,459,000.00	2,106,000.00	18,835,000.00	24,400,000.00	4,058,070.34	1,952,400.00	22,466,743.99	28,477,214.33
	24	IDD sarlahi	4,527,000.00	826,000.00	29,459,000.00	34,400,000.00	4,133,502.04	243,915.00	24,250,492.00	28,627,909.04
	25	IDD Sindhuli	4,663,000.00	826,000.00	29,511,000.00	35,000,000.00	3,989,000.00	433,216.00	25,944,000.00	30,366,216.00
	26	IDD Ramechhap	4,829,000.00	2,601,000.00	26,970,000.00	34,400,000.00	3,696,829.55	713,718.00	28,968,090.30	33,378,637.85
	27	IDD Dolakha	5,340,000.00	7,322,000.00	20,138,000.00	32,800,000.00	7,485,316.00	13,594,000.00	22,156,000.00	43,235,316.00
	28	IDD Sindhupalchowk	5,217,000.00	8,432,000.00	24,087,000.00	34,400,000.00	3,855,172.00	3,893,336.00	22,371,944.00	30,120,452.00
	29	IDD Rasuwa	3,950,000.00	5,096,000.00	9,118,000.00	21,500,000.00	805,000.00	1,283,800.00	551,798.60	2,640,598.60
	30	IDD Dhading	4,294,000.00	5,29,000.00	27,677,000.00	38,700,000.00	1,762,226.00	245,250.00	26,782,234.00	28,789,710.00
	31	IDD Nuwakot	7,015,000.00	14,477,000.00	17,208,000.00	38,700,000.00	4,760,650.00	10,686,985.00	13,656,885.00	29,104,520.00
	32	IDD Kathmandu	5,414,000.00	2,818,000.00	30,468,000.00	38,700,000.00	5,255,198.91	333,710.00	34,810,090.63	40,398,999.54
	33	IDD Kavre	5,024,000.00	3,475,000.00	26,501,000.00	35,000,000.00	925,788.75	2,500,768.96	23,392,895.00	26,768,611.00
	34	IDD Makawanpur	4,683,000.00	989,000.00	29,328,000.00	35,000,000.00	3,220,375.00	155,341.00	23,392,895.00	26,768,611.00
	35	IDD Rautahat	3,410,000.00	414,000.00	21,976,000.00	25,800,000.00	1,556,325.51	5,079,536.21	8,018,115.15	14,653,976.87
	36	IDD Parsa	5,712,000.00	912,000.00	36,376,000.00	43,000,000.00	4,908,205.38	9,651,849.00	22,983,086.00	37,543,140.38
	37	IDD Bara	5,925,000.00	2,449,000.00	34,626,000.00	43,000,000.00	5,887,572.00	8,171,000.00	26,607,040.00	40,665,612.00
	38	IDD Chitwan	3,398,000.00	322,000.00	22,080,000.00	25,800,000.00	3,516,391.40	1,781,205.00	19,307,200.92	24,604,797.32
	39	IDD Rukum	5,635,000.00	337,000.00	37,028,000.00	43,000,000.00	5,635,000.00	337,000.00	36,649,023.00	42,621,023.00
	40	IDD Tanahu	13,818,000.00	44,982,000.00	-	58,800,000.00	8,987,473.00	29,257,089.00	-	38,244,562.00
	41	IDD Syangja	13,818,000.00	44,982,000.00	-	58,800,000.00	12,196,347.76	39,730,249.15	-	51,926,596.91
	42	IDD Lamjung	1,990,000.00	299,000.00	12,711,000.00	15,000,000.00	3,671,000.00	182,774.00	24,195,000.00	28,048,774.00
	43	IDD Parbat	1,978,000.00	207,000.00	12,815,000.00	15,000,000.00	1,230,000.00	189,611.00	6,163,022.00	7,582,633.00
	44	WRID Pokhara	168,000.00	547,000.00	-	715,000.00	161,578.50	219,601.50	-	381,180.00
	45	MWRID Surkhet	76,000.00	249,000.00	-	325,000.00	174,355.00	-	-	174,355.00
		Total	230,217,000.00	321,902,000.00	963,044,000.00	1,515,163,000.00	180,853,245.85	270,492,807.47	861,172,385.01	1,312,518,438.33

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Government of Nepal  
Ministry of Irrigation  
Department of Irrigation  
Community Managed Irrigated Agriculture Sector Project - Additional Financing  
Jawalakhel, Lalitpur

F/Y		074/75					
S.N	Name of Office	Annual Budget			Annual/Expenditure		
		GON	ADB	Total	GON	ADB	Total
1	CPMO	10,455,000.00	9,852,000.00	20,307,000.00	9,690,908.19	9,851,454.49	19,542,362.68
2	ERID Biratnagar	600,000.00	-	600,000.00	516,330.00	-	516,330.00
3	CRID Lalitpur	600,000.00	-	600,000.00	504,503.00	-	504,503.00
4	SMTP	80,000.00	-	80,000.00	-	-	-
5	IDD Taplejung	90,000.00	-	90,000.00	82,300.00	-	82,300.00
6	IDD Panchthar	90,000.00	-	90,000.00	88,291.00	-	88,291.00
7	IDD Ilam	90,000.00	-	90,000.00	61,500.00	-	61,500.00
8	IDD Jhapa	90,000.00	-	90,000.00	80,000.00	-	80,000.00
9	IDD sankhuwasabha	90,000.00	-	90,000.00	89,000.00	-	89,000.00
10	IDD Tehrathum	90,000.00	-	90,000.00	89,000.00	-	89,000.00
11	IDD Bhojpur	90,000.00	-	90,000.00	89,000.00	-	89,000.00
12	IDD Dhankuta	90,000.00	-	90,000.00	87,020.00	-	87,020.00
13	IDD Sunsari	90,000.00	-	90,000.00	-	-	-
14	IDD Morang	90,000.00	-	90,000.00	89,000.00	-	89,000.00
15	IDD solukhumbu	90,000.00	-	90,000.00	89,000.00	-	89,000.00
16	IDD Khotang	90,000.00	-	90,000.00	89,000.00	-	89,000.00
17	IDD Udayapur	90,000.00	-	90,000.00	86,671.00	-	86,671.00
18	IDD Okhaldhunga	90,000.00	-	90,000.00	89,000.00	-	89,000.00
19	IDD Saptari	90,000.00	-	90,000.00	89,000.00	-	89,000.00
20	IDD Siraha	90,000.00	-	90,000.00	-	-	-
21	IDD Dhanusha	90,000.00	-	90,000.00	53,725.00	-	53,725.00
22	IDD Mahottari	90,000.00	-	90,000.00	89,000.00	-	89,000.00
23	IDD sarlahi	90,000.00	-	90,000.00	87,690.00	-	87,690.00
24	IDD Sindhuli	90,000.00	-	90,000.00	86,690.00	-	86,690.00
25	IDD Ramechhap	90,000.00	-	90,000.00	74,593.00	-	74,593.00
26	IDD Dolakha	90,000.00	-	90,000.00	88,000.00	-	88,000.00
27	IDD Sindhupalchowk	90,000.00	-	90,000.00	89,000.00	-	89,000.00
28	IDD Rasuwa	90,000.00	-	90,000.00	79,920.00	-	79,920.00
29	IDD Dhading	90,000.00	-	90,000.00	89,000.00	-	89,000.00
30	IDD Nuwakot	90,000.00	-	90,000.00	89,000.00	-	89,000.00
31	IDD Kathmandu	90,000.00	-	90,000.00	86,754.00	-	86,754.00
32	IDD Kavre	90,000.00	-	90,000.00	89,000.00	-	89,000.00
33	IDD Makawanpur	90,000.00	-	90,000.00	89,000.00	-	89,000.00
34	IDD Rautahat	90,000.00	-	90,000.00	88,959.97	-	88,959.97
35	IDD Bara	90,000.00	-	90,000.00	88,784.00	-	88,784.00
36	IDD Parsa	90,000.00	-	90,000.00	88,914.00	-	88,914.00
37	IDD Chitwan	90,000.00	-	90,000.00	89,000.00	-	89,000.00
38	IDD Rukum	65,000.00	-	65,000.00	64,000.00	-	64,000.00
39	IDD Tanahu	65,000.00	-	65,000.00	50,610.00	-	50,610.00
40	IDD Syangja	65,000.00	-	65,000.00	38,000.00	-	38,000.00
41	IDD Lamjung	65,000.00	-	65,000.00	63,993.00	-	63,993.00
42	IDD Parbat	65,000.00	-	65,000.00	64,000.00	-	64,000.00
43	WRID Pokhara	120,000.00	-	120,000.00	22,580.00	-	22,580.00
44	MWRID Surkhet	120,000.00	-	120,000.00	101,000.00	-	101,000.00
TOTAL		15,270,000.00	9,852,000.00	25,122,000.00	13,760,736.16	9,851,454.49	23,612,190.65

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Government of Nepal  
Ministry of Agriculture Development  
Department of Agriculture  
Directorate of Agricultural Extension  
Community Managed Irrigated Agriculture Sector Project - Additional Financing  
Project Implementation Unit, Harihar Bhavan, Lalitpur

F/Y 074/75		Annual Budget			Annual/Expenditure		
S.N	Name of Office	GON	ADB	Total	GON	ADB	Total
1	Agri.Ext.Directorates	2854000.00	12316000.00	15170000.00	843,508.50	3,191,288.14	4,034,796.64
2	ERAD Biratnagar	466000.00	812000.00	1278000.00	344,130.00	772,951.63	1,117,081.63
3	CRAD Lalitpur	466000.00	812000.00	1278000.00	387,620.00	709,152.85	1,096,772.85
	WRIP Pokhara	183000.00	123000.00	306000.00	173,900.00	67,972.00	241,872.00
4	DADO Taplejung	329000.00	671000.00	1000000.00	329,000.00	671,000.00	1,000,000.00
5	DADO Panchthar	671000.00	1829000.00	2500000.00	668,937.60	1,826,504.40	2,495,442.00
6	DADO Ilam	268000.00	1532000.00	1800000.00	239,000.00	1,520,650.00	1,759,650.00
7	DADO Jhapa	451000.00	2549000.00	3000000.00	446,173.55	2,542,863.91	2,989,037.46
8	DADO sankhuwasabha	251000.00	1449000.00	1700000.00	209,600.00	1,443,438.00	1,653,038.00
9	DADO Tehrathum	146000.00	854000.00	1000000.00	139,000.00	766,050.00	905,050.00
10	DADO Bhojpur	421000.00	1279000.00	1700000.00	421,000.00	1,228,000.00	1,649,000.00
11	DADO Dhankuta	383000.00	2117000.00	2500000.00	382,800.00	2,113,459.00	2,496,259.00
12	DADO Morang	268000.00	1532000.00	1800000.00	255,687.35	1,461,562.55	1,717,249.90
13	DADO solukhumbu	251000.00	1449000.00	1700000.00	195,692.00	1,134,033.00	1,329,725.00
14	DADO Khotang	298000.00	1702000.00	2000000.00	294,000.00	1,676,000.00	1,970,000.00
15	DADO Udayapur	282000.00	1518000.00	1800000.00	282,000.00	1,156,675.00	1,438,675.00
16	DADO Okhaldhunga	316000.00	1384000.00	1700000.00	267,622.00	1,110,678.00	1,378,300.00
17	DADO Saptari	-	-	-	-	-	-
18	DADO Siraha	179000.00	1021000.00	1200000.00	179,000.00	1,012,000.00	1,191,000.00
19	DADO Dhanusha	332000.00	1668000.00	2000000.00	166,850.00	686,215.00	853,065.00
20	DADO Mahottari	506000.00	1494000.00	2000000.00	506,000.00	1,489,305.00	1,995,305.00
21	DADO sarlahi	223000.00	1277000.00	1500000.00	195,251.00	761,365.00	956,616.00
22	DADO Sindhuli	245000.00	1455000.00	1700000.00	231,400.00	1,328,485.00	1,559,885.00
23	DADO Ramechhap	267000.00	1533000.00	1800000.00	250,529.00	1,398,249.00	1,648,778.00
24	DADO Dolakha	339000.00	1461000.00	1800000.00	339,000.00	1,461,000.00	1,800,000.00
25	DADO Sindhupalchowk	297000.00	1703000.00	2000000.00	274,471.00	1,568,979.00	1,843,450.00
26	DADO Rasuwa	149000.00	851000.00	1000000.00	149,000.00	598,750.00	747,750.00
27	DADO Dhading	208000.00	1192000.00	1400000.00	208,000.00	1,192,000.00	1,400,000.00
28	DADO Nuwakot	362000.00	2138000.00	2500000.00	259,990.00	1,594,847.35	1,854,837.35
29	DADO Kathmandu	200000.00	800000.00	1000000.00	88,300.00	529,597.00	617,897.00
30	DADO Lalitpur	149000.00	851000.00	1000000.00	133,182.00	753,893.00	887,075.00
31	DADO Bhaktapur	119000.00	681000.00	800000.00	119,000.00	413,105.00	532,105.00
32	DADO Kavre	300000.00	1700000.00	2000000.00	200,500.00	1,479,905.00	1,680,405.00
33	DADO Makawanpur	208000.00	1192000.00	1400000.00	206,627.00	1,050,750.00	1,257,377.00
34	DADO Rautahat	268000.00	1532000.00	1800000.00	268,000.00	1,439,163.67	1,707,163.67
35	DADO Bara	206000.00	1194000.00	1400000.00	32,750.00	1,005,270.00	1,038,020.00
36	DADO Parsa	223000.00	1277000.00	1500000.00	168,225.60	1,022,000.00	1,190,225.60
37	DADO Chitwan	286000.00	1714000.00	2000000.00	216,130.00	1,506,058.00	1,722,188.00
38	DADO Tanahu	303000.00	1697000.00	2000000.00	266,525.40	1,466,974.60	1,733,500.00
39	DADO Syangja	299000.00	1701000.00	2000000.00	196,319.64	1,202,690.36	1,399,010.00
TOTAL		13,972,000.00	64,060,000.00	78,032,000.00	10,534,721.64	48,352,880.46	58,887,602.10

*Balraj*

*Hha*