

File No. G.25012/6/08-NACO  
Ministry of Health & Family Welfare  
National AIDS Control Organisation

9<sup>th</sup> Floor, Chandralok Buliding,  
36, Janpath, New Delhi-110001

Dated the ~~05 December 2008~~

14<sup>th</sup> Jan 2009

OFFICE MEMOREMDUM

Subject: Statutory Audit Report in respect of State AIDS Control Societies for the year 2007-08.

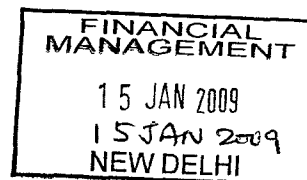
In continuation of Ministry of Health & Family Welfare National AIDS Control Organisation's O.M.of even no. dated 20<sup>th</sup> November, 2008 & dated 1<sup>st</sup> December,2008 forwarding Statutory Audit Report of 35 SACS, the undersigned is directed to forward Statutory Audit Report of remaining 3 SACS for information and necessary action.

- (i) Andaman & Nicobar Island.
- (ii) Goa
- (iii) Chattisgarh.

  
(Benoy Chaudhury)  
Under Secretary to the  
Government of India.

To,

- ✓ 1. Shri Arun Manuja  
Financial Management Specialist  
The World Bank  
70, Lodhi Estate  
New Delhi 110003
2. Ms. Ritu Chhabra  
Programme Officer  
DFID India  
British High Commission  
B-28, Tara Cresent  
Qutab Institutional Area  
New Delhi



PO 45051

PO 78539

GOVERNMENT OF BIHAR  
OFFICE OF THE PROJECT DIRECTOR  
STATE AIDS PREVENTION AND CONTROL DEPT.  
BHOJPARA HOSPITAL, PATNA-800 001  
PATNA, BIHAR

Date: 21/12/2019

*[Signature]*  
APPCO

Minister of Health and Family Welfare  
National AIDS Control Organisation  
5<sup>th</sup> Floor, Champakdas Building,  
K. Jyoti,  
Patna, Bihar

*[Signature]*  
21/12/2019

Subject: Submission of financial statement for

I am in reference to the above subject regarding the Submission of  
Expenditure Budget Sheet Form No. 101 for the year 2019-20. Income & Expenditure  
Account and Balance Sheet of the year 2018-19 for Financial Year 2017-18 for  
the above mentioned project. The same is submitted herewith for your perusal.

Thanking you

(Younis M Khan)

Project Asst Approver

(Deepak Bahari Lal)  
Assistant Director (Finance)  
21

**AUDIT REPORT**

To, Project Director,  
Andaman & Nicobar State Aids Control Society,  
Port Blair.

**Introductory Paragraph**

We have audited the accompanying financial statements of the National AIDS Control Programme - Phase III (implemented under World Bank Credit No. 8442-IN) as of March 31, 2007. Our responsibility is to express an opinion on these financial statements based on our audit.

**Scope of Audit**

We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examination, on a test basis, evidence supporting the amounts, review of internal controls and procedures in the financial statements. 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 our opinion.

**Opinion Paragraph**

In our opinion, the financial statements, read in the observation, if any, give a true and fair view of the Sources and Application of Funds and the financial position of Andaman & Nicobar State Aids Control Society for the year ended March 31, 2007, in accordance with consistency applied accounting standards.

In accordance with (a) with respect to the supporting documentation has been maintained to support the figures subject to our observations given in the Management Letter to this report; (b) which expenditures are eligible for financing under the Credit/Grant Agreement, subject to our observations given in the management letter to this report (c) procurement of goods and services has been carried out as per the procurement manual issued by NACO, GOI and NGO/CBO guidelines subject to our observations given in the management letter to this report.

Further total income shown by the society is less by Rs. 417497.62 which has been received by the society on account of the Interest on deposits with the Bank during the year.

Further to the above observations we are unable to comment upon the correctness of the bank accounts maintained by the society for the following reasons:

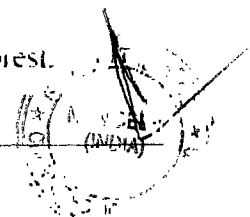
1. During the vouching of Cash Book the two Demand Drafts to be paid for salary to Palvinder Kaur and Bala Ram Dholi of Rs 6500/- each were cancelled on 21/05/2007. But as per Bank Book maintained there is no entry of DD made on 5/04/2007 as given in narration in the Bank Book.
2. The Cash Book is verified as on date and found correct as per Cash in Hand/Imprest.
3. The Bank Reconciliation Statement has not been prepared by the Society.

Corporate Office: 33, 34 House, 13, Daryaganj, New Delhi-110002.

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Offices at Ahmedabad, Jaipur, Hissar, Kolkata, Chandigarh, Raipur, Bangalore, Imphal, Dehradun



	(In Rupee)
Balance as per Final Statement As on 31-03-2017	99,37,078.00
Less: Interest received not recorded for the FY 2017-18	4,17,497.62
	<u>95,19,581.38</u>
Balance as per Bank Book	90,96,543.00
Un-reconciled Balance as on 31-03-2018	<u>4,23,038.00</u>
Opening Balance as per Bank Statement	1,83,66,919.00
Opening Balance as per Bank Book	1,83,85,761.00
Opening Balance as per Bank Book	<u>3,11,158.00</u>
Un-reconciled Balance as on 31-03-2017	4,23,038.00
Un-reconciled Balance as on 31-03-2018	<u>3,11,158.00</u>
Un-reconciled Balance for the year 2017-18	<u>1,11,870.00</u>

17. December 6, 2018

For N. C. Mittal & Co  
Chartered Accountants

  
(CA KARANESH MITTAL)  
PARTNER

Membership No. 095976

**Notes:**

1. A "Source and Application of Funds" statement is always required for each project. A balance sheet is also required where the project has assets and liabilities.
2. In case a qualified opinion or disclaimer is given by the auditor, the audit report should state in a clear and informative manner all the reasons for such an opinion.
3. Audit report has to be accompanied by
  - a) Management Letter
  - b) Listing on ineligible claims, if any.
  - c) Reconciliation of expenditure as per IFR with the actual expenditure as reported in the audited financial statements.

To  
The Director,  
Andaman & Nicobar Administration Control  
Port Blair.

**RE: MANAGEMENT LETTER RELATIVE TO THE AUDIT OF THE ANNUAL  
POOL FUND (NACP III)**

We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, review of internal controls and other matters in the financial statements. An audit also includes assessing the accounting principles used and the estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The issues which come out during the audit which raises our suspicion and form our basis for the comments in the audit report though not affecting the true and fair view of the transactions of the society and the depiction in the Statement of Expenditure are detailed below:

1. The society does not have any trained staff for maintenance of the accounts.
2. The Auditor was provided with the incomplete and incorrect accounts maintained in the CFMS and after passing the correction vouchers to the extent possible the auditor has formed the opinion based on such accounts.
3. The cooperation sought from the personnel posted was little at the start of the assignment and only in the presence of the NACO the cooperation was extended to the auditors for the audit of the accounts.
4. The Society does not have proper system for maintenance of the vouchers and accounts as per the directions of the NACO/World Bank Donor Agency.
5. There were huge cash payments to the tune of Rs. 2000 made on the spot as against the directions of NACO where the limit set there in is Rs. 500 or less.
6. The Project Director of the society is not devoting full time hence it was observed that the management of the society was suffering on account of poor and quick decision making and the society is not able to achieve any of the physical targets.
7. The society did not provide any evidence as to the adjustment/in evidence of their replies given against the observations of the Internal Auditor of the society for the year 2007-08.
8. It is observed that the initiative of the personnel posted at the Society Office is minimum and they have a attitude to put the burden of every observation on the audit team by replying that the advise is needed from the audit party and no initiative is taken by the personnel to consult the guidelines issued by the NACO and Donor Agencies.
9. The complete internal audit report was not provided by the society for our comments upon the internal audit system of the society. Though the replies submitted by the society on the internal audit report were provided and based on the above we are of the opinion that the internal audit system was not satisfactory as the personnel at the society office has not taken any concrete steps to rectify the observations and issues pointed out by the Internal Audit Team.

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Phone: 191-11-23275021 Fax: 191-11-23277044

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Office: at, G. S. Road, Jodhpur, Hissar, Kollam, Chandigarh, Rajkot, Bangalore, Imphal, Dehradun



10. The society having received and asked the statutory audit team to prepare the final accounts of the society which was refused by the statutory Audit Team. Till last financial year the statutory auditors were preparing the final accounts of the society and complying with the independence and making the audit of previous year accounts and professional.
11. The society is not complying with the law of the land regarding taxation. This has put the society to an estimated risk of the Rs. 70 lacs on account of income tax for the year 2007-08 and other penalties. The society should immediately get itself registered u/s12A of the Income Tax to avoid such risk in future.
12. The society is also not complying with the provisions of the tax deduction at source.
13. The actual expenditure in the following cases has exceeded the approved budget against the covenants of the society.

(Rs. In lacs)

Particulars	Budgeted	Actual	Variance
1. Safety - Fire Insurance	14.7	15.99	1.29
2. District Blood Bank	3.62	9.14	5.52

Date: 06-12-2006

N. C. Mittal & Co.  
Chartered Accountants

(CA KATUNESH MITTAL)  
PARTNER

Corporate Office: Behl House, 13, Darvaganj, New Delhi-110001

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Email: [ncmittalandco@yahoo.com](mailto:ncmittalandco@yahoo.com) Website: [www.auditfirm.net](http://www.auditfirm.net)

Offices at: Chennai, Jaipur, Hissar, Kolkatta, Chandigarh, Rajkot, Bangalore, Imphal, Dehradun,

Statement of Financial Position

As at 31.03.2019

Particulars	Liabilities	Amount	Change for the current Period (Rs.)	for the previous Period (Rs.)	ASSETS	Schedule Reference	Amount for the current Period (Rs.)
GENERAL FUND		1,00,00,000	1,00,00,000	1,00,00,000	FIXED ASSETS	6	8,12,700
CURRENT LIABILITIES AND PROVISIONS		1,00,00,000	1,00,00,000	1,00,00,000	CURRENT ASSETS, LOANS AND ADVANCES		1,85,213
RESERVE FUND		1,00,00,000	1,00,00,000	1,00,00,000	CURRENT ASSETS	6A	2,18,213.00
DEBT FINANCING		1,00,00,000	1,00,00,000	1,00,00,000	LONG TERM FINANCING	6B	57,038.00
<b>Total</b>		<b>1,00,00,000</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>			<b>17,88,138.00</b>

Approved by the Board of Directors on 31.03.2019

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Director

*(Handwritten signature)*  
Director

Schedule 01  
 Amounts in Rupees

As at 31-Mar-07	As at 31-Mar-07	
0.00	12,000.00	General Fund
10,000.00	10,000.00	Capital Expenditure
25,000.00	10,000.00	Food Service
1,000.00	10,000.00	Other
1,000.00	10,000.00	
1,000.00	10,000.00	
1,000.00	10,000.00	
1,000.00	10,000.00	





Fixed Asset

Schedule 02

in Rupees

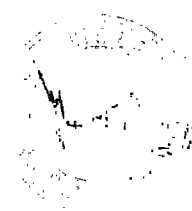
Description	Original Balance	Accumulated Depreciation	Residual Value	Net Book Value
Computer Bank Equipment (2014)	1,04,500.00	16,000.00	0.00	88,500.00
Office Chairs (2014)	1,30,000.00	0.00	0.00	1,30,000.00
Computer (2014)	1,40,000.00	1,200.00	0.00	1,38,800.00
Computer, Printer, Scanner (2014)	2,25,000.00	1,000.00	0.00	2,24,000.00
Computer (2014)	1,31,000.00	50,000.00	0.00	81,000.00
Chairs (2014)	1,25,000.00	1,000.00	0.00	1,24,000.00
<b>Total Fixed</b>	<b>7,56,500.00</b>	<b>98,200.00</b>	<b>0.00</b>	<b>6,58,300.00</b>

Other Assets

Schedule 03

in Rupees

Description	Original Balance	Accumulated Depreciation	Residual Value	Net Book Value
<b>Total Other</b>				



CURRENT ASSETS

Schedule 0301

Amounts in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Cash in hand	18,670.00	0.00
A/c. No. - indicate B/L	18,355,761.00	18,355,761.00
<b>Total</b>	<b>18,374,431.00</b>	<b>18,355,761.00</b>

DEBITORS AND ADVANCES

Amount in Rupees

Amounts in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Balance to Officers	16,500.00	16,500.00
Advance to NGOs	36,700.00	36,700.00
Advance to Staff	19,138.00	0.00
<b>Total</b>	<b>72,338.00</b>	<b>53,200.00</b>

CONTINGENT LIABILITIES

Amount in Rupees

Amounts in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Central Provident Fund	0.00	0.00
Group Insurance Scheme	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

12/04/08  
12/04/08

Figures for the previous Period (Rs.)	EXPENDITURE	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	INCOME	Schedule Reference	Figures for the current Period (Rs.)
0.00	IEC				Income	28	191,187.00
0.00	Surveillance		71,099.00	0.00	Grants utilised to the extent of revenue expenditure		7,394,932.00
0.00	Kits and Other Lab Supplies	06	1,937,565.00				
0.00	Medicines	07	408,027.00				
0.00	Training and Workshops	08	186,078.00				
0.00	Operational and Other Research	12	70,000.00				
0.00	Salary (Pay and Allowances)	13	2,351,662.00				
0.00	Maintenance Costs	14	75,269.00				
0.00	Operational Expenses	15	531,563.00				
<u>0.00</u>			<u>3,086,119.00</u>	<u>0.00</u>			<u>3,086,119.00</u>

Dr. Arun Prasad Chandra  
 Member  
 Dr. Arun Prasad Chandra

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## Other Income

Schedule

Particulars	As at 31-Mar-06 (Rs.)	As at 31-Mar (Rs.)
Other Receipts	90.00	0.00
Interest from Bank	191,097.00	0.00
Total	191,187.00	0.00

## Kits and other Lab. supplies

Schedule 06

Particulars	As at 31-Mar-06 (Rs.)	As at 31-Mar-06 (Rs.)
HIV Kits	1,335,260.00	0.00
Other Lab. Supplies	77,500.00	0.00
Blood Lab. Supplies	524,805.00	0.00
Total	1,937,565.00	0.00

12

Research & Development	As at	As at	0.00
	(Rs.)	(Rs.)	0.00

Schedule 12

Workshops	As at	As at	0.00
Training	As at	As at	0.00
	(Rs.)	(Rs.)	0.00
			49.00
			136,029.00

Schedule 08

STI Drugs	As at	As at	0.00
	(Rs.)	(Rs.)	0.00
			408,027.00

Schedule 07

Salary (Part and Allotments)

Schedule 13

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Salary	3,530,154.00	0.00
Honorarium	16,400.00	0.00
Total	3,551,662.00	0.00

Other Costs

Schedule 14

	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Telephone Expenses	18,350.00	0.00
Vehicle Maintenance	56,919.00	0.00
Total	75,269.00	0.00



## Operational Expenses

Sheet No 15

Particulars	As at 31-Mar-08 (Rs)	As at 31-Mar-07 (Rs)
Travelling Expenses	50,430.00	0.00
Rent, Rates & Taxes	-50.00	0.00
Telephone & Communication Expenses	40,549.00	0.00
Printing & Stationery Expenses	7,100.00	0.00
Printing & Stationery	177,733.00	0.00
Advertisement (Other than EOC)	12,170.00	0.00
Audit Fees	13,724.00	0.00
Legal Expenses	0.00	0.00
Professional Fees	7,997.00	0.00
Quality Assessment	30,000.00	0.00
Total	331,553.00	0.00

Andaman & Nicobar SAC - 741001

SIH - 741001 Complex, Port Blair - 741001

Department (as per Budget Code)	EXPTS	Schedule Reference	for the current Period (Rs.)	Figures for the previous Period (Rs.)	PAYMENTS	Schedule Reference	Figures for the current Period (Rs.)
	01 - Balance			0.00	01 - GRANTS AND ADVANCES	17	258,738.00
	02 - Revenue		18,35,761.00	0.00	02 - DEBIT BALANCE	18	888,838.00
	03 - CAPITAL EXPENDITURE		0.00	0.00	03 - INTEREST PAYABLE	19	128,046.00
	04 - Capital Assets		0.00	0.00	04 - Fuel and Other Fuel	01	1,037,565.00
	05 - Miscellaneous		0.00	0.00	05 - Misc. Items	01	468,027.00
<b>18,35,761.00</b>			<b>18,35,761.00</b>		06 - Printing and work charges	20	186,078.00
					07 - Depreciation and Other Expenses	04	76,000.00
					08 - Grants, Allowances etc.	27	3,51,662.00
					09 - Miscellaneous	01	73,269.00
					10 - Miscellaneous Expenses	27	231,613.00
					11 - Misc.		1,454,856.00
					12 - Contingencies		71,099.00
					Carrying Balance		
					13 - Balance		88,670.00
				1,03,024.00	14 - Change in stock	14	9,096,543.00
				<b>18,35,761.00</b>			<b>18,546,998.00</b>

Signature of the Officer in Charge  
 Date: \_\_\_\_\_  
 Place: \_\_\_\_\_





0.00		
0.00		
ASST 31-MAR-07 (RSC)		

ASST 31-MAR-07 (RSC)

0.00		
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ASST 31-MAR-07 (RSC)		

ASST 31-MAR-07 (RSC)

0.00		
0.00		
ASST 31-MAR-07 (RSC)		

ASST 31-MAR-07 (RSC)

Other Income

Schedule 56

Particular	As at 31-Mar-06 (Rs.)	As at 31-Mar-07 (Rs.)
Other Receipts	0.00	0.00
Interest from	121,197.00	0.00
<b>Total</b>	<b>121,197.00</b>	<b>0.00</b>

ADVANCES

Schedule 17

Particulars	As at 31-Mar-06 (Rs.)	As at 31-Mar-07 (Rs.)
Advance to	258,738.00	0.00
<b>Total</b>	<b>258,738.00</b>	<b>0.00</b>

ASSETS

Schedule 16

Particular	As at 31-Mar-06 (Rs.)	As at 31-Mar-07 (Rs.)
Investment, Fixed Deposit	0.00	0.00
Investment in	0.00	0.00
Investment in	0.00	0.00
Investment in	0.00	0.00
Investment in	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>



As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00

19

As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00

20

As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00
As at	1997-98	1998-99	1999-00

21

22

Training and Workshops

Schedule 20

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Workshops	19.00	0.00
Training	96,070.00	0.00
<b>Total</b>	<b>186,079.00</b>	<b>0.00</b>

Operational and Other Research

Schedule 24

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Research & Development	70,000.00	0.00
<b>Total</b>	<b>70,000.00</b>	<b>0.00</b>

Salaries (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Cost	1,01,541.00	0.00
Programme	11,000.00	0.00
Costs, Salaries & Expenses of employees	1,00,000.00	0.00
<b>Total</b>	<b>2,12,541.00</b>	<b>0.00</b>

Maintenance Costs

Schedule 26

Particulars	As at 31-Mar-08 (₹)	As at 31-Mar-07 (₹)
Vehicle Maintenance	75,269.00	0.00
<b>Total</b>	<b>75,269.00</b>	<b>0.00</b>

Maintenance Costs

Schedule 27

Particulars	As at 31-Mar-08 (₹)	As at 31-Mar-07 (₹)
Telephone Expense	2,000.00	0.00
Telephone/Communication Expense	2,000.00	0.00
Travel Expense	1,000.00	0.00
Advertisement Expense	1,000.00	0.00
Office Expenses	1,000.00	0.00
Conveyance	1,000.00	0.00
Books Expenses	1,000.00	0.00
Insurance/Lease	1,000.00	0.00
Monthly Assessment	1,000.00	0.00
<b>Total</b>	<b>11,000.00</b>	<b>0.00</b>

A handwritten signature is present over a circular official stamp. The stamp contains text that is partially illegible but appears to include 'MAY 2008' and other administrative markings.

Balance with Bank

Schedule 01

Particulars	As at 31 March (Rs.)	As at 31 March (Rs.)
Ac No. 10 Bank	1,096,543.00	18,355,761.00
Total	1,096,543.00	18,355,761.00



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Andaman & Nicobar SACS - Pool Fund

G.I. No. 110/2007-08 (P) - 71161

CERTIFICATE

Certified that no amount as grants-in-aid was received during the year 2007-2008 from the Ministry of Health and Family Welfare (National AIDS Control Organisation) and Rs. 1,75,55,761/- (Rupees One Crore eighty three lacs fifty five thousand seven hundred sixty one only) on account of grant-in-aid brought forward in the previous financial year, a sum of Rs. 91,70,545 (Rupees ninety one lacs seventy thousand five hundred forty five only) has been utilized for the purpose for which it was sanctioned and the balance of Rs. 91,77,213/- (Rupees Ninety one lacs eighty three thousand two hundred thirteen only) remains unutilised at the end of the year and will be adjusted towards the grants-in-aid payable during the next year 2008-09.

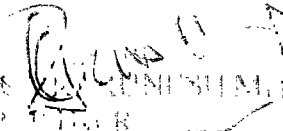
Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been fully complied with being fulfilled and that I have exercised the following checks to see that the money was actually utilised for the purpose for which it was sanctioned.


*Kinds of checks exercised*

1. Statement of Expenditures
2. Annual Financial Statements

Countersigned

In witness whereof, I have signed and affixed my hand and seal at Port Blair on this 11th day of August 2008.

  
N. C. M. S. Ch  
Joint Accounts

  
(Project Director)  
(Andaman & Nicobar SACS - Pool fund)