NO. PDA (CENTRAL)/CAB/2017-18/B-140

Dated: 20/09/2017

To,

Director,
Foreman Training Institute,
Directorate General of Employment & Training,
Government of India, Ministry of Labour & Employment,
Outer Ring Road off Tumkur Road, Yeshwanthpur,
BANGALORE – 560 022.

Sir,

Sub: Issue of Audit Certificate for the year 2016-17 in respect of World Bank Assisted Vocational Training Improvement Project (VTIP) implemented by Foremen Training Institute, Bangalore.

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I am to enclose the Audit Certificate together with Statement of Expenditure/Financial Statement for the year 2016-17 in respect of World Bank Assisted Vocational Training Improvement Project (VTIP) implemented by FOREMEN TRAINING INSTITUTE, Bangalore.

Yours faithfully,

Dy.Director/CAB

Address: O/o PDA (Central), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.
Ph: 080 22640379 Fax No. 080 22380014/22353737 email: aaoeab@gmail.com
AUDIT CERTIFICATE

We have audited the accompanying Financial Statements relating to the World Bank Assisted Vocational Training Improvement Project implemented by the FOREMEN TRAINING INSTITUTE, BENGALURU for the year 2016-17.

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

In our opinion, the Financial Statements give a true and fair view of the Source & Application of funds and the financial position of Vocational Training Improvement Project for the year 2016-17 in accordance with consistently applied Government Accounting Standards.

In addition with respect to FMRs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursement of expenditure incurred. During the course of the audit referred to above, Statement of Expenditure and the connected documents were examined and these can be relied upon for reimbursement under the credit agreements.
A. Release of funds from the Funding Agency (World Bank):

No funds were released from the World Bank (Funding Agency) during 2016-17

B. Statement of Expenditure:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of the Component</th>
<th>Expenditure as per SOE</th>
<th>Expenditure admissible</th>
<th>Expenditure Inadmissible</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>SC</td>
<td>ST</td>
<td>General</td>
</tr>
<tr>
<td>1.</td>
<td>Minor Works</td>
<td>932772/-</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

*The expenditure of Rs.173772/- incurred in excess of the amount of Rs.759000/- administratively approved has been disallowed.

C. Abstract.

<table>
<thead>
<tr>
<th>Expenditure as per SOE (upto 31-3-2017)</th>
<th>Amount disallowed</th>
<th>Amount Allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>932772/-</td>
<td>173772/-</td>
<td>759000</td>
</tr>
</tbody>
</table>

1. Details of Amount Disallowed-Component Minor Works

The release and allocation of funds has been made under the Head 2230-EAP-VTIP-Minor Works-General. An amount of Rs.760000/- has been allocated towards Minor Works-General during 2016-17. Scrutiny of the vouchers of the expenditure revealed that an amount of Rs. 932772/- was incurred on two works for which Administrative Approval and Expenditure Sanction was accorded for Rs.759000/-. Hence an amount of Rs. 173772/- was incurred in excess of the expenditure sanctioned which is inadmissible and disallowed.

This certificate is issued without prejudice to CAG’s right to incorporate any further detailed observations if and when, including comments in the report of the CAG of India for being laid before Parliament/State Legislature.

S. Sarfraz
Dy. Director/CAB