दिनांक: 20.01.2017

सं.ए.म.जी.के/आई.आर./NACO (WB)/1-27/2016-17/12.69

सेवा में,

Director (Finance),
National AIDS Control Organisation,
Chanderlok Building,
36, Janpath, New Delhi-110001

विषय: World Bank से सहायता प्राप्त, NACO के वर्ष 2014-15 अवधि के लिए के लेखे पर
लेखापरीक्षा निरीक्षण प्रतिवेदन

महोदय,

उपर्युक्त उल्लिखित लेखापरीक्षा/निरीक्षण प्रतिवेदन एतद द्वारा आवश्यक कार्यवाही हेतु
इस अनुरोध के साथ भेजा जाता है कि इस संदर्भ में आपका उत्तर निरीक्षण प्रतिवेदन की
प्राप्ति के एक माह के भीतर भेजा जाए।

प्रतिवेदन में भाग II(ख) के पैराग्राफ सं. (1-2) में उल्लिखित की गई अनियमितताओं की
और आपका ध्यान दिशा रूप से आकृष्ट किया जाता है।

यह पत्र उप-निदेशक (ए.म.जी-II) के अनुमोदन से जारी किया जा रहा है।

अनुलग्नक: निरीक्षण प्रतिवेदन

भवदीय,

व. लेखा परीक्षा अधिकारी (एम.जी-II)

2 3 JAN 2017

सं.ए.म.जी.के/आई.आर./NACO (WB)/1-27/2016-17/12.70
dिनांक: 20.01.2017

इस प्रतिवेदन की एक प्रति अतिरिक्त सचिव, राष्ट्रीय एडस नियंत्रण संगठन, स्वास्थ्य
एवं परिवार कल्याण मंत्रालय, चंद्रलोक विलिंग, 36 जनपथ, नई दिल्ली-01 को सूचना तथा
आवश्यक कार्यवाही हेतु अग्रेषित की जाती है।

अनुलग्नक: निरीक्षण प्रतिवेदन

व. लेखा परीक्षा अधिकारी (एम.जी-II)

0/6
Inspection report on certification Audit of World Bank Assisted National AIDS Control Programme (IDA Credit No. 5236-IN) for the year 2014-15.

Part-I-A

(i) Introduction

The Certification Audit of the World Bank assisted National AIDS Control Project (NACP-IV) for the year 2014-15 was conducted by an audit party from the Office of the Director General of Audit, Central Expenditure, New Delhi comprising Smt. Purba Paul, Audit Officer, Shri Pradeep Kumar Duhan, Assistant Audit Officer and Sh. John Khujur, Sr. Auditor, from 01.12.2016 to 22.12.2016 (15 working days).

(ii) General Set up and activities

National AIDS Control Organization (NACO) is functioning through 38 States/Municipal Corporation AIDS Control Societies all over India. The key objectives of NACP are:-

(i) To reduce spread of HIV infection in India and
(j) To strengthen capacity to respond to HIV/AIDS on a long-term basis.

In 1992, the Government of India secured an IDA credit of US$ 84 million from the World Bank to support a full fledged National AIDS Control Project (NACP-I) for a period of 5 years started from September 1992 to September 1997. An assistance of US $1.5 million was also obtained in the form of Technical Assistance from the World Health Organisation (WHO). Due to slow pace of utilization of funds in the first two years, the project was extended up to March 1999. The NACP-II was launched in 1999 and second IDA credit of US$191 million was received to encourage and enable the States themselves to take the responsibility of responding to the epidemic on long term basis and reducing the spread of HIV infection. This project was expected to be completed by July 2004 but it was extended up to March 2006. NACP-III had been launched in 2007-08 with a total IDA credit of US$ 250 million for 2007-12 but it was extended
up to September 2012. NACP IV was launched in 2012-13 over a period of 5 years with a total credit of US$ 255 million for 2012-2017.

Current Audit
Part-II-A
-NIL-
Part-II-B

Para 1: Claim of STRC of ₹ 197.81 lakh

Scrutiny of SOE of NACO relating to State Resource Training Centre (STRC) during the period 2014-15 revealed that payment of SACS of ₹ 19780695/- could not be verified due to lack of primary documentary evidence. Hence, this amount of ₹ 197.81 lakh is not considered for reimbursement from the World Bank.

Para 2: Claim of TSU of ₹ 620.06 lakh

Scrutiny of SOE of NACO relating to Technical Support Unit (TSU) during the period 2014-15 revealed that payment of SACS of ₹ 62006211/- could not be verified due to lack of primary documentary evidence. Hence, this amount of ₹ 620.06 lakh is not considered for reimbursement from the World Bank.
Calculation Sheet of the amount which is not admissible for reimbursement for the year 2014-15 under World Bank Assisted Project- Credit No. 5236-IN

<table>
<thead>
<tr>
<th>Para No.</th>
<th>Name of Project</th>
<th>Year</th>
<th>Total amount claimed (₹)</th>
<th>Amount disallowed (₹)</th>
<th>Amount admissible for reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>STRC</td>
<td>2014-15</td>
<td>19780695</td>
<td>19780695</td>
<td>Nil</td>
</tr>
<tr>
<td>3</td>
<td>TSU</td>
<td>2014-15</td>
<td>62006211</td>
<td>62006211</td>
<td>Nil</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>81786906</strong></td>
<td><strong>81786906</strong></td>
<td><strong>Nil</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Claimable Amount i.e.- 50% of total</strong></td>
<td></td>
<td><strong>40893453</strong></td>
<td><strong>40893453</strong></td>
<td><strong>Nil</strong></td>
</tr>
</tbody>
</table>

General

The General conditions of the accounts of National AIDS Control Organization, New Delhi, for the period 2014-15 was found to be satisfactory subject to the observations brought out in the report.

The Inspection Report has been prepared on the basis of information furnished and records made available by the NACO. The Office of the DGACE disclaims any responsibility for any misinformation/non-information on the part of the auditee.

(Sumedha Amar)
Dy. Director (AMG-II)
Report of the Comptroller and Auditor General of India

To,
Sh. Arun Kumar Panda,
Additional Secretary,
NACO, M/o Health Family Welfare,
6th Floor, Chanderlok Building, 36 Janpath,
New Delhi-110001

Report on the Project Financial Statements

We have audited the accompanying financial statements of the National AIDS Control Organization Project Financed under World Bank IDA Credit No. 5236-IN, which comprise the Statement of Sources and Applications of Funds and the Reconciliation of Claims to Total Applications of Funds for the year ended 31.03.2015. These statements are the responsibility of the Project’s management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respect, the sources and applications of funds of National Aids Control Organization Project for the year ended 31.03.2015 in accordance with Government of India accounting standards.

In addition, in our opinion (a) with respect of SOEs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and (b) ineligible expenditures of ₹ 40893453/- as detailed in the audit observation, appended to this audit report, Nil expenditure is eligible for financing under the Loan/Credit Agreement. During the course of the audit, SOEs/FMRs and the connected documents were examined and these can be relied upon to support reimbursements under Loan/Credit Agreement

This report is issued without prejudice to CAG’s right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament/State or UT Legislature.

(Sumedha Amar)
Dy. Director (AMG-II)