



Rajiv Udai & Associates

Chartered Accountants

Head Office:

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AUDITORS REPORT

The Project Director,
Delhi State AIDS Control Society,
Dharamshala Block, Dr. B.S.A. Hospital,
Rohini, Sector -6,
New Delhi 110085

We have audited the Consolidated Balance Sheet of all the funds under Delhi State AIDS Control Society as at 31st March, 2016 and the Statement of Income & Expenditures for the year ending on 31st March, 2016 annexed thereto and report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and believe were necessary for the purpose of our audit.
- b) In our opinion proper Books of Accounts as required by law have been kept by the society so far as appears from our examination of such books *subject to the observations detailed in the annexure to this report.*
- c) The Balance Sheet and Income & Expenditure Account referred to in this report are in agreement with the Books of Account *subject to observations detailed in the annexure to this report.*
- d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Income & Expenditure Account read together with the auditor's observations thereon, give the information required in the manner so required under regulatory laws and give a true and fair view:
 - I) In so far as it relates to the Balance Sheet of the State of Affairs of the above mentioned funds of Society as at 31st March 2016 and,
 - II) In so far as it relates to the Statement of Income & Expenditure of the above mentioned funds of Society for the year ended on that date.
- e) The Society does not have any activities, which have any adverse effect on the functioning of the society subject to the auditor's observation annexed with this report.

For Rajiv Udai & Associates

Chartered Accountants

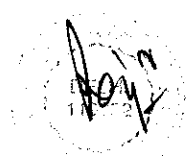
Registration No. 018764N

Rajiv Jain
Rajeev Jain (Partner)

M. No. 099767

Place: Delhi

Date: 05.09.2016





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Our observations are as follows:

1. Cash and Bank Balance:

Fund Name	Bank A/c No.	Balances as on 31.3.16
NEW DBS FOR NACPIV		
Cash Balance	-	Nil
Bank Balance (Uco Bank)	20070110018743	37,389,574.54
Global Fund RCC-II		
Cash Balance	-	Nil
Bank Balance (Uco Bank)	20070110007716	917,020.00
Global Fund RCC-IV		
Cash Balance	-	Nil
Bank Balance (Union Bank of India)	520402050000051	859,747.02
Bank Balance (Vijaya Bank)	607401061000013	584,197.00
TI Pool Fund		
Cash Balance	-	Nil
Bank Balance (Uco Bank)	20070110023693	16,554,849.96

Observations:

During the course of Audit the following discrepancies were observed in Cash & Bank Account:

➤ Payment in Cash exceeding Rs.5,000/-

It has been observed during the audit that advances are being given in cash more than Rs. 5,000/- have been considerably reduced as compared to last financial year . However it is suggested that no cash payment more than Rs. 5,000/- is to be made in any circumstances. A list of such illustrative cases observed is given in Annexure 1 enclosed.

- No insurance policy towards maintaining of cash has been taken.

Suggestions:

- Insurance policy towards keeping cash in the office should be taken.



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2. Advances:

Observations:

- i. Advances given to NGOs, autonomous bodies, district hospitals, staff and others are pending for adjustment since 2008-09 onwards.
- ii. It is suggested that the old advances where the chances of recovery are less should be reviewed /written off & the bifurcation of these advances should be properly shown in CPFMS according to their original date or the year to which they belong.
- iii. Mr. Birender Soni AD (VCTC) was given an advance of Rs. 2,96,440.00 & Rs. 3,750.00 from POOL Fund & Round II funds respectively for official visit to Chennai. He has reported to have left DSACS without settlement of advances drawn by him. It is suggested to take appropriate action either for the recovery or adjustment.
- iv. As per CPFMS in the Advance Monitoring Sheet opening balance amount is merged with the advance given during the year. It is suggested a separate column for opening balance is needed.
- v. **Recoverable balance from NGOs:**

It was observed that as on 31st March 2016, 9 NGO's have been closed since a long time. The balance from such NGO's is still to be recovered by the DSACS. The details of which are given as per the **Annexure 2** enclosed.

Suggestion:

It is suggested that DSACS should review all such advances & should make every effort of recovering the same. Proper reminder letter and legal notice (If required) should be sent at regular interval for recovering the amount given to them.

3. Grants to NGO's:

Observations:

- It is observed that following closed NGOs have not returned their assets to SACS and DSACS.

S. No.	Name of NGO	Date of Termination
1-	Sahara	30.06.07
2-	ZION - 181	30.09.10
3-	Ashadeep Foundation (FSW)	05.08.15
4-	Natural Care (MSM)	31.10.15
5-	SOSVA (FSW)	04.03.16



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4. Fixed Assets and Other Assets:

Observations:

- i. The fixed assets register maintained by DSACS is insufficient to provide all the records such as value of assets, details of all the assets existing at the peripheral units & other units of DSACS. DSACS has started maintaining a new Fixed assets register from F.Y. 2012-13 but it lacks details of most of the assets which were present in the previous register, further it does not reflect any of the brought forward assets at its book value.
- ii. No insurance has been taken for fixed assets held by DSACS.
- iii. As per operational guideline of NACO, proper codification of the Asset should be done. The management of the State Society has not done proper codification.
- iv. Asset register of closed TI/NGO/CCCs/TSU is not complete & updated.
- v. DSACS also give advances money to NGO's for the purchase/procurement of Fixed Assets. Such Assets belong to DSACS, however this record is not organized & under maintenance by DSACS.

Suggestions:

It is suggested that DSACS should maintain proper records of Fixed Assets from the beginning & should also maintain the register of fixed assets receivable from NGOs & it should be bifurcated NGO - Wise so as to keep a proper track of Fixed Assets Receivable.

5. Other issue:

Observations:

- Physical verification of fixed assets including stock at the peripheral units has not been undertaken during F.Y 2015-16.
- Inter Unit Transfer of Fund without approval of NACO
During the course of audit it was observed that DSACS has frequently making inter unit transfer of fund, for the same approval has not been taken from NACO. The details are as follows:-

S. No.	Voucher number/Date	Name of Fund from which transfer	Name of Fund to transferred	Amount (In Rs.)
1	74/11.05.2015	NDBS	RCC Round II	8000000.00
2	170/02.07.2015	NDBS	RCC Round IV	2000000.00
3	391/23.10.2015	NDBS	RCC Round II	2500000.00





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4	411/02.11.2015	NDBS	RCC Round II	4000000.00
5	525/11.01.2016	NDBS	RCC Round II	2000000.00
6	14/02.07.2015	Pool Fund TI	RCC Round II	3500000.00

➤ Non Settlement of Staff Advance

As per clause number 11.2.6 "Control to be exercised" of Operational guidelines of NACO:

"The amount outstanding standing against a staff member should be settled within the month the advance is taken unless the staff is travelling on the last days of the month".

During the course of audit it was observed that DSACS has not following the Guideline of NACO in the above said context. The details of which are given as per the **Annexure 3** enclosed.

- On the basis of information available on the website of the Income Tax (www.tdscpc.gov.in) there is demand raised by the income tax department for defaults related to deduction, deposit and other compliances related to Tax Deducted at Source. The detail of demand is given as under:

S. No.	Financial Year	Amount
1-	2007-08	2180.00
2-	2008-09	60.00
3-	2012-13	100.00

- Entries wrongly entered in CPFMS, which is to be rectified. Details are as follows:-

S. No.	Fund	Bill No.	Entry Done in CPFMS	Actual Entry to be done in CPFMS	Difference	Remarks
1-	DBS	629	4465.00	4547.00	82.00	Payment of telephone bills of DDF residence for the month of February 2016 by issuing new cheques no.577374 & 577375 for Rs.1171 & Rs.1356 respectively. Rs.2020 is paid through NEFT for the month of Feb 2016.
2-	DBS	632	9412.00	9642.00	230.00	Payment of telephone bills of DSACS (HQ) for





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						the month of February 2016 by issuing new cheque no.577373.
3-	Round-II	192	2200.00	2000.00	200.00	Reimbursement of Travelling Allowance for attending one day EQAS Workshop. It is paid through NEFT.
4	DBS	44	4000			Cash paid as advance to Sabyasachi for High tea to be served on EC meeting on 29.04.15 is shown as Miscellaneous Expense.
5	Round-IV	108	35160			Cheque in favour of Dr. RML Hospital as advance for drugs for the patient Mr. Bhaskar is shown as Transportation Expense.

For Rajiv Udai & Associates

Chartered Accountants

Registration No. 018764N

Rajeev Jain (Partner)

M. No. 99767

Place: Delhi

Date: 05.09.2016





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Annexure -1

Detail of Cash advances given exceeding Rs5,000/-

Fund Name	Date	Voucher No.	Amount (Rs.)
GLOBAL FUND RCC - II	07.08.15	CPV/T-201503000117	5700.00
R-IV	20.04.15	CPV/T-201506000007	7650.00
NDBS	18.05.15	CPV/T-201509000111	6661.00
	12.08.15	CPV/T-201509000413	5503.00
	16.02.16	CPV/T-201509000959	5500.00
	09.03.16	CPV/T-201509001045	5914.00
	14.03.16	CPV/T-201509001047	5042.00

Annexure-2

Balances outstanding to be adjusted/recovered from NGOs

S. No.	Name of NGOs	Year of discontinuation	Amount (Rs.)
1	ZION	2010-11	166,341.00
2	AIDE Action	2011-12	37,063.00
3	OSERD	2011-12	80,826.00
4	B.K.SAMITI-MSM	2013-14	26,546.00
5	Natural Care	2015-16	578,075.00
6	Shodh	2015-16	792,654.00
7	Ranky Foundation	2015-16	545,675.00
8	SOSVA	2015-16	677,722.00
9	SSMI	2015-16	603,880.00
	GRAND TOTAL		3,508,782.00



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Annexure-3

Non Settlement of Staff Advance

Outstanding Advance more than one year:-

S. No.	Name of Staff	Designation /Fund Name	Bill Number	Date of Advance	Amount of Advance	Outstanding Advance as on 31.03.2016
1	Sh Birender Soni	AD(CTC)	45	21.08.07	3750	3750
2	Sh Birender Soni	AD(CTC)		31.03.07	5610	4040
3	Sh Birender Soni	AD(CTC)	261	27.07.07	4000	4000
4	Sh Birender Soni	AD(CTC)	339	11.09.07	398400	288400
5	Sh S.N Battacharya	DD(CST)	62	29.08.08	6000	6000
6	Sh P.S Nayyer	DD(CST)	62	29.08.08	6000	6000
7	Ms Nidhi Rawat	DBS	282	28.06.12	7000	7000
8	Sh Sanjay Pandit	RII	152	10.09.12	6950	50
9	Ms Jyoti Gaur	DBS	126	31.05.13	375	375
10	Sh Sabya Sachi	DBS	378	07.08.13	4000	3550
11	Sh Sabya Sachi	DBS	645	30.12.13	20000	20000
12	Sh. Sabya Sachi	DBS	645	03.01.14	20000	20000
13	Sh. Sabya Sachi	DBS	697	15.01.14	20000	20000
14	Ms Archana	RII	32	02.07.14	1500	1500
15	Sh Parveen Kumar	RII	92	27.09.14	4540	400
16	Sh Sabya Sachi	RIV	49	14.10.14	3675	3675
17	Sh Sabya Sachi	RIV	64	05.12.14	1600	1600
18	Sh H.O Tyagi	DBS	444	15.12.14	16600	4422
19	Sh Anand Ahir	DBS	455	18.12.14	32500	32500
20	Sh Ravinder Tyagi	DBS	489	06.01.15	18400	279
21	Ms Anju	DBS	614	23.03.15	8000	5938
TOTAL						433479

Outstanding Advance more than month:-

S. No.	Name of Staff	Fund Name	Bill Number	Date of Advance	Amount of Advance	Outstanding Advance as on 31.03.2016
1	Sh.Ravinder Tyagi	RII	26	13.05.15	2250	2250
2	Ms Anju	DBS	114	03.06.15	4000	4000
3	Sh Mishra Ji	PF	12	10.06.15	3000	3000
4	Ms Nidhi Rawat	DBS	146	22.06.15	500	500
5	Sh Sabya Sachi	RIV	22	24.06.15	2350	2350
6	Ms Anju	DBS	190	14.07.15	2000	2000
7	Sh Sabya Sachi	DBS	216	24.07.15	6000	4946
8	Sh Hitesh	RIV	35	29.07.15	10000	10000
9	Ms Jyoti Gaur	DBS	217	31.07.15	5000	2046
10	Ms Jyoti Gaur	DBS	220	31.07.15	500	5
11	Sh Somesh	DBS	304	09.09.15	4000	4000



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13	Sh Somesh	DBS	415	12.11.15	5000	5000
14	Ms Nidhi Rawat	DBS	438	20.11.15	36000	170
15	Sh Sanjay Pandit	RII	157	17.12.15	37600	21520
16	Ms Sujita	DBS	521	07.01.16	47300	45450
17	Dr. Gambhir	DBS	556	09.02.16	5000	5000
18	Sh Girraj	RII	172	12.02.16	2350	2350
19	Ms Sonia	DBS	572	16.02.16	5500	5500
20	Ms Sujita	RII	177	22.02.16	4200	4200
21	Sh Amit Kumar	DBS	626	11.03.16	15000	15000
22	Sh Girraj	RII	188	14.03.16	3960	3760
23	Sh Hitesh	RII	187	14.03.16	5000	5000
24	Sh Ranjeet Jha	PF	55	22.03.16	6000	3840
TOTAL						154387

Place: Delhi

Date: 05.09.2016

For Rajiv Udai & Associates

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Rajeev Jain (Partner)

M. No. 99767

