

**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 1<sup>st</sup> December 2008

**OFFICE MEMOREMDUM**

Subject: Statutory Audit Report in respect of State AIDS Control Societies for the year 2007-0

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, forwarding first batch of Statutory Audit Report in respect of the following 23 State AIDS Control Societies, the undersigned is directed to forward herewith Statutory Audit Report in respect of the following 12 State AIDS Control Societies for information and necessary action.

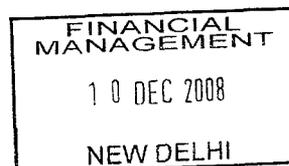
- (i) Assam
- (ii) Punjab
- (iii) Haryana
- (iv) Arunachal Pradesh
- (v) Delhi
- (vi) Andhra Pradesh
- (vii) Daman & Diu
- (viii) Mumbai
- (ix) Karnataka
- (x) Maharashtra
- (xi) Uttarakhand
- (xii) Uttar Pradesh

2. In so far as NACO is concerned audit observations of Director General of Audit, Central Revenues, along with NACO's reply to these are enclosed.

3. Next batch of Statutory Audit Reports would be sent by the end of next week.

4. It is informed that a consolidation of audit remarks and compliance report is being compiled and would be sent separately.

P078538



IRIS



Maharashtra State AIDS Control Society,  
GOVERNMENT OF MAHARASHTRA  
RA Kidwai Marg, Near Wadala OverBridge,  
Wadala (West), **Mumbai-400031**

MSACS/Fin./2008-09/Audit Report  
Date: - 13<sup>th</sup> October, 2008

To,  
Mr. A P Jain  
Technical officer (Finance),  
NACO  
New Delhi.

Sir,

Please find enclosed herewith copies of Audit report for POOL Fund,  
GFATM -- II, III, IV and VI for the year 2007-2008.

Thanking you,

Mr. J R Menon  
Finance Controller  
Maharashtra SACS

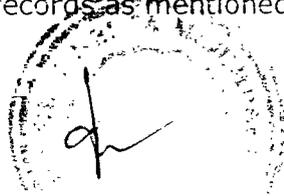
**SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS**

SMM HOUSE, 11, VASUNDHARA COLONY,  
GULBAI TEKRA, AHMEDABAD-380006. INDIA.  
PHONE: 91-79-26449512, 91-79-26565398  
F A X: 9 1 - 7 9 - 2 6 5 6 0 6 2 2  
Web : www.smmindia.com  
e-mail : contact@smmindia.com

**AUDITOR'S REPORT**

We have audited the attached Balance Sheet of the **Maharashtra State AIDS Control Society** as at 31<sup>st</sup> March, 2008 and the Income & Expenditure Account for the year ended on that date, annexed thereto.

1. We have obtained all the information and explanation which to the best of our knowledge & belief were necessary for the purpose of Audit, except non availability of the supporting evidences for expenses and capital incurred by peripheral units, NGOs and ARTs across the state, as such evidences are not sent to the central office of the society at Wadala.
2. The report relating to accounts audited by us under sub-section (2) of Section 33 of the Bombay Public Trust Act is as under.
  - a. The accounts are maintained regularly and in accordance with the provision of the Act and Rules.
  - b. The receipts and disbursements are properly and correctly shown in the books of accounts, except the fact that in case of all peripheral units, NGOs and ARTs, the break up of the balance is not available in the accounting software.
  - c. The Cash balance and Vouchers in the custody of the Accountants of the Society were in the agreement with accounts.
  - d. All Books, Deed, Accounts vouchers or other documents required by us were produced before us except a) the Income tax return filed under the Income Tax Act, 1961 for the year 2006-07, & b) annual return under the Bombay public trust act.
  - e. The register for movable & immovable properties is maintained only for properties at Mumbai, while no entry in this register is made of the immovable & movable properties at peripheral units/NGOs/ across the state. The register is not as per NACO format.
  - f. The Finance officer and Accountants of the Society appeared before us and furnished the necessary information as & when required, except the information/records as mentioned above.



ISO 9001  
BUREAU VERITAS  
Certification

**BRANCH OFFICES:**

**HMEDABAD** : 504, "Shikhar" Nr. 40/11/1, Opp. Crossword, Navrangpura, AHMEDABAD-380009. Ph. : 91-79-26441759, 32291035  
**UMBAI** : 7, La Bella Apartments, Opp. Shree Restaurant, Verma Nagar, Opp. Teli Gali, B/h. Chinai College, Andheri(E), MUMBAI-400 069. Ph.: 91-022-32578464  
**ADODARA** : B/13, Chanderan Road, Opp. Ganga Society, Near Subhecha Hospital, Dinesh Mill Road, Akota, VADODARA-390020. Phone : 91-265-2324349

**SHAH MEHTA MAJUMDAR**  
**CHARTERED ACCOUNTANTS**

AHMEDABAD • VADODARA • MUMBAI  
RAJKOT • BHAVNAGAR

- g. Funds of the Society were not applied for any object or purpose other than the object or purpose of the Society.
  - h. The advances given to Peripheral units/NGOs/ART and Staff are outstanding for more than one year, but a proper break up of such advances is not available with the society.
  - i. Society has invited the tenders for repairs & construction involving the expenditure exceeding Rs. 5,000/-.
  - j. No money of the Public Trust has been invested contrary to the provision of Section 35.
  - k. No alienations of immovable property has been done contrary to the provision of Section 36, so far it is apparent from the records.
  - l. No irregular, illegal or improper expenditure or failure or omission to recover moneys or other property belonging to the Trust and no such expenditure, failure, omission, loss or waste was caused in consequences of breach of trust or misapplication or any other misconduct on the part of the management of any other person of the trust.
3. The balance sheet and Income & Expenditure accounts required under sub-section (1) of Section 34 is prepared by us.
4. With regard to the provisions of the instrument of the trust by which the Trust is governed, we further report that:
- a. The maximum & minimum numbers of the trustees is maintained.
  - b. Meeting of the Governing Body & Executive committee is not held regularly.
  - c. Minute books for proceeding conducted in Governing Body & Executive committees are maintained properly.
  - d. No trustee has any interest in the investment or the trust.
  - e. No trustee is a debtor or creditor of the trust.
5. Two Accounting Policies suggested by National AIDS Control Organization differ from accounting standards prescribed by the Institute of Chartered Accountant of India.: 01) AS 1 – cash basis accounting being followed by society, and 02) AS 6 – depreciation not provided by society.
6. In our opinion and to the best of our knowledge and according to explanation given to us, the said accounts give all the information required by The Bombay Public Trust Act, 1950 and Rules therein in the manner so required and give a true and fair view :



**SHAH MEHTA MAJUMDAR**  
**CHARTERED ACCOUNTANTS**

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- a. In the case of Balance Sheet of the state of affairs of the MSACS as at 31<sup>st</sup> March, 2008, and
- b. In the case of the income & expenditure account, the excess of income over expenditure of the MSACS for accounting year ended on 31<sup>st</sup> March, 2008.

OFFICE: AHMEDABAD  
DATE: 3/10/2008



SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS

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SHILPEEN MAJUMDAR  
MEMBERSHIP NO: 34184

SCHEDULE III-

SCHEDULE FORMING PART OF FINAL ACCOUNTS AS AT 31.03.08

"SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS"

AS - 1 Disclosure of Accounting Policies

The Significant accounting policies are based on the guidelines issued by National AIDS Control Organization (NACO) Delhi. Society has maintain the its book of account on cash basis system therefore following the generally accepted accounting principles under such system cannot be possible.

The preparation of financial statement is in Conformity with the guidelines issued by the National AIDS Control Organization and Accounting Standards issued by the Institute of Chartered Accountant Of India

AS - 4 Contingencies and Events occurring After the Balance Sheet Date

There are no contingencies and event occurring after the Balance Sheet date which have a material effect on the financial position of the Society.

AS - 5 Changes in Accounting Policies

There are no such changes which have a material effect on the financial affairs of the Society.

AS - 6 Depreciation Accounting

Depreciation is provided according to guidelines issued by the National AIDS Control Organization (NACO) Delhi.

AS - 9 Revenue Recognition

Grant received from the National AIDS Control Organization (NACO) PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received. The expenses are accounted also on cash basis.

AS - 10 Accounting for Fixed Assets

Fixed Assets are shown at cost of acquisition. Cost comprises of cost of acquisition, cost of improvement and any attributable cost of bringing the assets to the condition for its intended use.

A handwritten signature in black ink is written over a circular official stamp. The signature is stylized and appears to be 'J. S. ...'. The stamp is partially obscured by the ink.

AS - 11 Accounting for the effects of Changes in Foreign Exchange

There are no transactions in foreign currency during the Financial Year

AS - 12 Accounting for Government Grants

Grant received from the National AIDS Control Organization (NACO), NACO, PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received

AS - 13 Accounting for Investments

No Investment made during the Financial Year

AS-15 Accounting for Retirement Benefits in the financial statements of Employees

This accounting standard is not applicable because due to the following reasons:

- i. All retirement benefits are payable to deputed employees by their original/parent department.
- ii. PF, PPF & Leave encashment, LTC, Medical expenses accounted on actual payment basis payable to deputed employees.
- iii. Contractual employees are not entitled to any retirement benefit.

AS - 22 Accounting for Taxes on Income

This Accounting Standards is not applicable because society is enjoying the tax exemption on income from the Income Tax department.

AS - 29 Provisions, Contingent Liabilities and Contingent Assets

Liabilities which can be measured only by using a substantial degree of estimation have been provided for in the books of accounts. There are no contingent liabilities as on the date of balance sheet.

## **B. NOTES FORMING PART OF ACCOUNTS**

### **1. ADVANCES:-**

- a. Advance given to Other/NGOs/Staff/District Authorities & Security Deposit are subject to confirmations.
- b. Advances given to NGOs/District Authorities are treated as advances until the final Statement of Expenditure is received. Advance outstanding is reversed by debiting expenditure component wise as per final Statement of Expenditure received.
- c. Unspent balances are carried over to the Balance Sheet as advance.

2. Expenditure has been debited to various heads as per the Action Plan/Guidelines sanctioned by National AIDS Control Society irrespective of its capital or revenue nature. Various expenses have been clubbed in the major thirteen components as detailed as below:-

- a. IEC charges
- b. Consultants and Consultancy services
- c. Monitoring & Evaluations
- d. Surveillance
- e. Non Reimbursable prior period expenses for TI,PI,LA,IS,IC.
- f. Kits and Other Lab Supplies
- g. Medicines
- h. Training and Workshops
- i. NGO Services
- j. Human Resources
- k. Maintenance Costs
- l. Operational Expenses
- m. Operational and Other Research Expenses

3. Statement of Expenditure & Budget:

Comparative Statement of Budgeted expenditure and Actual expenditure have been submitted by Maharashtra State AIDS Control Society as per guidelines.

4. We have relied upon the explanation & Information given by the management and Internal Control System of the society during the course of the audit.

AS PER OUR STATUTORY AUDIT REPORT OF EVEN DATE ATTACHED

FOR, SHAH MEHTA MAMUMDAR  
CHARTERED ACCOUNTANTS



SHILPEEN H MAJUMDAR  
MANAGING PARTNER

FOR, MAHARASTRA STATE AIDS  
CONTROL SOCIETY

PROJECT DIRECTOR

FINANCER CONTROLLER

PALCE:- AHMEDABAD

DATE:- 3/10/2008

THE BOMBAY PUBLIC TRUST ACT, 1950

SCHEDULE IXC (VIDE RULE 32)

NAME OF THE PUBLIC TRUST: MAHARASTRA STATE AIDS CONTROL SOCIETY  
STATEMENT OF INCOME LIABLE FOR CONTRIBUTION FOR THE YEAR ENDING ON 31/03/2008  
REGISTRATION NUMBER: F - 21437 (Mumbai)

SR. NO.	DETAILS	AMOUNT RS.	AMOUNT RS.
A	Gross Annual Income		NIL
B	Details of income not chargeable to contribution under Section 58 Rule 32		
i.	Donations received during the year from any source		
ii.	Grants by Government and local authorities		
iii.	Interest on Sinking or Depreciation Fund		
iv.	Amount spent for the purpose of education		
v.	Amount spent for the purpose of medical relief		
vi.	Deduction out of income from lands used for Agricultural		
	a. Land Revenue and local Fund/Cess		
	b. Rent payable to superior landlord		
	c. Cost of production, if lands are cultivated by trust		
	Deduction out of income from lands used for non Agricultural Purpose		
vii.	(a) Assessment, Cesses and other Govt. or Municipal Taxes		
	(b) Ground rent payable to the superior landlord		
	(c) Insurance Premium		
	(d) Repairs at 8-1/3 percent of gross rent of buildings let out		
viii.	Cost of collection of income or receipts from securities stocks etc. at 1 percent of such income		
ix.	Deductions on account of repairs in respect of buildings not rented and yielding no income at 10 percent of the estimated Gross Annual value		
	Total		

Income liable to contribution (A-B)

NIL

FOR SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS

SHILPEEN MAJUMDAR  
MEMBERSHIP NUMBER: 34184

PLACE: AHMEDABAD  
DATE: 03/10/2008



FOR MAHARASTRA STATE AIDS CONTROL SOCIETY

PROJECT DIRECTOR

FINANCIAL CONTROLLER

**SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS**

SMM HOUSE, 11, VASUNDHARA COLONY,  
GULBAI TEKRA, AHMEDABAD-380006. INDIA.  
PHONE: 91-79-26449512, 91-79-26565398  
F A X: 9 1 - 7 9 - 2 6 5 6 0 6 2 2  
Web : www.smmindia.com  
e-mail : contact@smmindia.com

**AUDITOR'S REPORT**

To,  
The Project Director,  
Maharashtra State AIDS Control Society,  
Acworth Leprosy Hospital Compound,  
R.A. Kidwai Marg,  
Near Wadala Overbridge,  
Wadala (W),  
Mumbai - 400 031.

We have audited the attached Balance Sheet of the Maharashtra State AIDS Control Society of the **Second National HIV/AIDS Control Project - Pool Fund (Financed under World Bank/ IDA Loan/Cr. No 3242-IN)** as at 31<sup>st</sup> March, 2008 and the Income & Expenditure Account of the Society for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Society's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the accounting standards and guidelines issued by Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about the financial statements is free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosure in the financial statements.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanation which to the best of our knowledge & belief were necessary for the purpose of Audit, except non availability of the supporting evidences for expenses and capex incurred by peripheral units, NGOs and ARTs across the state, as such evidences are not sent to the central office of the society at Wadala.
2. The accounts are maintained as required by law have been kept by the Society so far as it appears from our examination of the said books regularly and in accordance with the provisions of the Act and the Rules.
3. The receipts and disbursements are properly and correctly shown in the books of accounts, except the fact that in case of all peripheral units, NGOs and ARTs, the break up of the balance is not available in the accounting software



**BRANCH OFFICES:**

**AHMEDABAD** : 504, "Shikhar" Nr. Adalwadi, Opp. Crossword, Navrangpura, AHMEDABAD-380009. Ph. : 91-79-26441759, 32201035  
**MUMBAI** : 7, Lo Sella Apartments, Nr. Jilla Restaurant, Verma Nagar, Opp. Tel. Gali, B/h. Chinai College, Andheri(E), MUMBAI-400 069. Ph : 91-02  
**VADODARA** : B/18, Chandra Bungalow, Sanjay Society, Near Subhecha Hospital, Dinesh Mill Road, Akota, VADODARA-390020. Phone : 91-265-232

4. Two Accounting Policies suggested by National AIDS Control Organization differ from accounting standards prescribed by the Institute of Chartered Accountant of India.: 01) AS 1 – cash basis accounting being followed by society, and 02) AS 6 – depreciation not provided by society.
5. The Balance Sheet and Income & Expenditure account dealt with by this report are in agreement with the books of accounts.
6. In addition,
  - i. With respect to statement of expenditure, adequate supporting documentation has been maintained to support claims to the Pool Fund and
  - ii. The liability is eligible for recovery under the Fund.
7. In our opinion and to the best of our information and according to the explanation given to us the said accounts gives the information required, in the manner so required and give a true & fair view.
  - i. In case of Balance Sheet, of the state of affairs of the Pool Fund project as at 31st March 2008 and
  - ii. In case of Income & Expenditure Accounts, of the excess of Income over the expenditure of the Pool Fund project for the year ended 31st March 2008.

PLACE: - AHMEDABAD  
DATE: - 3/10/2008

FOR, SHAH METHA MAJUMDAR  
CHARTERED ACCOUNTANTS



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SHILPEEN H MAJUMDAR  
MANAGING PARTNER  
MEMBERSHIP NO. 34184

## Maharashtra SACS - POOL FUND

Ackworth Complex R.A.Kidwai Marg Wadala (West), Mumbai - 400021

National AIDS Control Project - Phase III (Credit No. 3242-IN)

### Balance Sheet

For The Period From : 01-Apr-2007 To :31-Mar-2008

Figures for the previous Period (Rs.)	LIABILITIES	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	ASSETS	Schedule Reference	Figures for the current Period (Rs.)
35,897,643.41	<b>GENERAL FUND</b>	01	132,892,425.96	21,978,010.00	<b>FIXED ASSETS</b>	02	36,296,610.00
	<b>CURRENT LIABILITIES AND PROVISIONS</b>				<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
3,475,248.60	CURRENT LIABILITIES	0501	6,140,185.60	14,853,825.95	CURRENT ASSETS	0301	72,261,987.00
21,978,010.00	FIXED ASSET FUND		26,206,610.00	130,885,096.81	LOANS AND ADVANCES	0401	67,564,156.31
6,366,030.75	Funds from Other Sources	03	793,531.75				
<u>67,716,932.76</u>			<u>166,032,753.31</u>	<u>167,716,932.76</u>			<u>166,032,753.31</u>

ACCOUNTING POLICIES AND NOTES 12  
FORMING PART OF ACCOUNTS

Auditor

**P. SHAH MEHTA MAJUMDAR**  
Chartered Accountants

Authorised Signatory

3-12-2008



FC/FM/FO  
Financial Controller  
Maharashtra State AIDS;  
Control Society, Mumbai.



Project Director  
Project Director  
Maharashtra State AIDS;  
Control Society, Mumbai.

General Fund

Schedule 01

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
<b>Opening grant in aid</b>	135,897,643.41	0.00
<b>Add: Received during the year</b>		
Pool Fund - World Bank	0.00	157,875,653.41
Grant From SACS to MACS	60,000,000.00	0.00
Grant from NACO to SACS	253,636,000.00	0.00
<b>Less: Utilised during the year</b>		
Grants utilised to the extent of revenue expenditure	192,412,617.45	0.00
Grants utilised to the extent of fixed asset expenditure	4,228,600.00	21,978,010.00
<b>Closing grant in aid</b>	132,892,425.96	135,897,643.41



## Fixed Asset

## Schedule 02

Figures in Rupees

Particulars	Opening Balance	Addition	Deletion	Closing Balance
Blood Bank Equipments (2203)	16,147,735.00	0.00	0.00	16,147,735.00
Civil Works (2201)	0.00	480,695.00	0.00	480,695.00
Equipment (Other) (2204)	9,975.00	1,637,348.00	0.00	1,647,323.00
Furniture , Fixtures & Supplies (2202)	4,669,896.00	2,089,207.00	0.00	6,759,103.00
Office Equipment (2206)	0.00	21,350.00	0.00	21,350.00
Vehicles (2205)	1,150,404.00	0.00	0.00	1,150,404.00
<b>Grand Total</b>	<b>21,978,010.00</b>	<b>4,228,600.00</b>	<b>0.00</b>	<b>26,206,610.00</b>

Funds from Other Sources

Schedule 03

Figures in Rupees

Particulars	Opening Balance	Grant Received	Grant Utilised/ Refunded	Closing Balance
A.R.T Funds From NACO (07)	4,747,785.00	0.00	4,747,785.00	0.00
AVERT (03)	59,349.00	0.00	0.00	59,349.00
Pathfinder (06)	-197,411.00	565,472.00	537,466.00	-169,405.00
UNDP (02)	-56,008.00	0.00	0.00	-56,008.00
UNICEF (01)	1,843,901.75	2,086,948.00	2,939,668.00	991,181.75
WHO (04)	-31,586.00	0.00	0.00	-31,586.00
<b>Grand Total</b>	<b>6,366,030.75</b>	<b>2,652,420.00</b>	<b>3,224,919.00</b>	<b>793,531.75</b>



**CURRENT ASSETS**

Schedule 0301

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Cash in hand	228,783.00	118,456.00
Bank 3	8,441,532.00	14,729,686.45
Imprest Account	32,672.00	5,683.50
Cheque in Transit	63,559,000.00	0.00
<b>Total</b>	<b>72,261,987.00</b>	<b>14,853,825.95</b>

**LOANS AND ADVANCES**

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Advance to Others	9,099,857.00	16,004,478.00
Advance to NGOs	8,440,107.50	33,027,894.00
Advance to Staff	1,749,053.00	942,870.00
Advance to Autonomous Bodies	18,004,009.30	35,997,001.30
Advance to District Authorities	27,023,636.00	43,551,260.00
Security Deposit (Paid)	3,247,493.51	1,361,593.51
<b>Total</b>	<b>67,564,156.31</b>	<b>130,885,096.81</b>

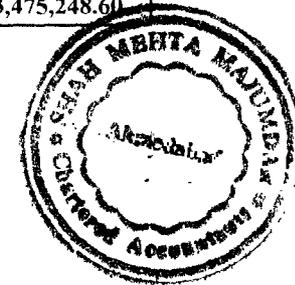


**CURRENT LIABILITIES**

Schedule 0501

Figures in Rupees

<b>Particulars</b>	<b>As at 31-Mar-08 (Rs.)</b>	<b>As at 31-Mar-07 (Rs.)</b>
Other Recoveries	20,405.00	20,405.00
Security / Earnest Deposit (Received)	6,031,297.60	3,335,628.60
TDS (Others)	88,483.00	119,215.00
<b>Total</b>	<b>6,140,185.60</b>	<b>3,475,248.60</b>



**MAHARASTRA STATE AIDS CONTROL SOCIETY - POOL FUND**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR 2007-08**

Figures for the previous Period (Rs.)	EXPENDITURE	SCHEDULE	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	INCOME	SCHEDULE	Figures for the current Period (Rs.)
64,600,406.30	IEC Charges		33,899,757.00	933,184.00	Other Income	8	1,219,659.00
	Consultants and Consultancy Services		410,151.00				
	Monitoring & Evaluation (SIMS)		8,000.00	184,087,059.30	Grants utilised to the extent of revenue expenditure		192,412,617.45
3,645,541.25	Surveillance		2,643,675.00				
	Non Reimbursable prior period expensable (TI)		23,736,566.50				
	Non Reimbursable prior period expensable (PI)		53,012,465.50				
	Non Reimbursable prior period expensable (LA)		4,896,417.00				
	Non Reimbursable prior period expensable (IS)		6,954,295.00				
	Non Reimbursable prior period expensable (IC)		499,290.00				
27,573,403.55	Kits and Other Lab Supplies	1	14,317,742.00				
1,012,951.00	Medicines	2	45,288.00				
8,829,589.50	Training and Workshops	3	2,094,984.00				
51,648,900.70	NGO Services	4	24,325,508.45				
16,261,283.00	Salary (Pay and Allowances)	5	13,500,847.50				
663,264.00	Maintenance Costs	6	1,494,408.00				
10,784,904.00	Operational Expenses	7	11,792,881.50				
185,020,243.30	TOTAL		193,632,276.45	185,020,243.30	TOTAL		193,632,276.45

ACCOUNTING POLICIES &  
NOTES

12

FORMING PART OF ACCOUNTS

As per our Audit Report of even date

FOR SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS

SHILPEEN H. MAJUMDAR  
MEMBERSHIP NUMBER : 34184

PLACE: AHMEDABAD

DATE : 03/10/08



FOR MAHARASTRA STATE AIDS CONTROL SOCIETY

  
PROJECT DIRECTOR

  
FINANCIAL CONTROLLER

**MAHARASHTRA STATE AIDS CONTROL SOCIETY - POOL FUND**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31.03.2008**

**SCHEDULE-1 Kits and Other Lab**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	HIV Kits	5,350,391.00	2,841,276.00
2	Other Lab. Supplies	3,199,710.55	4,232,868.00
3	Blood Lab. Supplies	19,023,302.00	7,243,598.00
	<b>TOTAL</b>	<b>27,573,403.55</b>	<b>14,317,742.00</b>

**SCHEDULE-2 Medicines**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	STI Drugs	(22,959.00)	45,288.00
2	OI Drugs	1,035,910.00	
	<b>TOTAL</b>	<b>1,012,951.00</b>	<b>45,288.00</b>

**SCHEDULE-3 Training and**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Workshops	606,948.50	239,305.00
2	Training	8,222,641.00	1,855,679.00
	<b>TOTAL</b>	<b>8,829,589.50</b>	<b>2,094,984.00</b>

**SCHEDULE-4 NGO Services**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	NGO Services	1,431,917.00	1,442,725.00
2	NGO Services for Priority Inter	50,216,983.70	22,882,783.45
	<b>TOTAL</b>	<b>51,648,900.70</b>	<b>24,325,508.45</b>



**MAHARASTRA STATE AIDS CONTROL SOCIETY - POOI**  
**SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31.03.2008**

**SCHEDULE-5 Salary (Particular)**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Salary	15,595,734.00	12,654,056.50
2	Honorarium	-	8,600.00
3	Leave Salary & Pension Contributions	616,921.00	619,085.00
4	Medical Expenses	48,628.00	219,106.00
	<b>TOTAL</b>	<b>16,261,283.00</b>	<b>13,500,847.50</b>

**SCHEDULE-6 Maintenance Costs**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Equipment Maintenance	-	103,393.00
2	Building Maintenance	115,662.00	792,154.00
3	Vehicle Maintenance	547,602.00	598,861.00
	<b>TOTAL</b>	<b>663,264.00</b>	<b>1,494,408.00</b>

**SCHEDULE-7 Operational Expenses**

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Travelling Expenses	2,528,922.50	2,689,179.00
2	Rent, Rates & Taxes	449,774.00	449,774.00
3	Telephone/ Communication Expenses	512,608.00	636,276.00
4	Bank Charges	9,016.00	6,451.00
5	Miscellaneous Expenses	2,475,315.50	3,028,745.50
6	Printing & Stationery	1,240,753.00	2,247,582.00
7	Advertisement (Other than IEC)	2,623,157.00	341,198.00
8	Water and Electricity Charges	723,926.00	1,213,516.00
9	Audit Fees	28,060.00	35,394.00
10	Postage/ Courier	193,372.00	872,260.00
11	Quality Assessment	-	272,506.00
	<b>TOTAL</b>	<b>10,784,904.00</b>	<b>11,792,881.50</b>



SCHEDULE-8 Other Income

Sr. No.	Particular	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Sale of Bif/ Tender Documents	62,250.00	24,100.00
2	Other Receipts	44,528.00	497,842.00
3	Interest from Bank	826,406.00	697,717.00
	TOTAL	933,184.00	1,219,659.00



**MAHARASTRA STATE AIDS CONTROL SOCIETY - POOL FUND**

RECEIPT AND PAYMENT ACCOUNT FOR THE YEAR 2007-08

Figures for the previous Period (Rs.)	RECEIPTS	SCHEDULE	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	PAYMENTS	SCHEDULE	Figures for the current Period (Rs.)
	Opening Balance			84,857,880.95	Loans And Advances	13	62,490,715.75
6,533.00	Cash In Hand		118,456.00	-	Gen. Fund (Sacs to Macs)	10a	60,000,000.00
4,504.00	Imprest Account		5,683.50	403,463.00	Funds from Other Sources	14	5,572,499.00
7,138,443.85	Balance with Bank	9	14,729,686.45	24,444,979.55	Fixed Assets	15	4,164,716.00
167,780,000.00	General Fund	10	253,636,000.00	4,919,028.00	Kits and other Lab Supplies	16	13,205,426.00
2,080,119.50	Current Liabilities	11	2,664,937.00	136,716.00	Training and Workshops	17	695,351.00
1,533,706.00	Funds From Other Sources		-	5,526,728.00	NGO Services	18	7,239.70
933,184.00	Other Income	12	1,219,659.00	456,964.00	Salary (Pay and Allowances)	19	9,952,449.50
				10,432,717.00	Maintennaces Costs	20	1,192,904.00
				31,336,210.00	Opetaional Expenses	21	10,912,193.50
					IEC Charges		17,293,994.00
				723,811.00	Medicines	22	0.00
					Consultants and		
				1,384,167.00	Consultancy Services		410,151.00
					Surveillance		1,755,526.00
					Non reimbursable prioe		
					period expenses (TI)		5,000.00
					Non reimbursable prioe		
					period expenses (PI)		8,840,397.50
					Non reimbursable prioe		
					period expenses (LA)		8,798.00
					Non reimbursable prioe		
					period expenses (IS)		3,605,074.00
				118,456.00	Closing Balance		
				5,683.50	Cash In Hand		228,783.00
				14,729,686.45	Imprest Account		32,672.00
					Balance with Bank	23	72,000,532.00
179,476,490.45	<b>TOTAL</b>		272,374,421.95	179,476,490.45	<b>TOTAL</b>		272,374,421.95

ACCOUNTING POLICIES & NOTES

24

FORMING PART OF ACCOUNTS

As per our Audit Report of even date

FOR SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS

SHILPEEN H. MAJUMDAR  
MEMBERSHIP NUMBER : 34184



PLACE: AHMEDABAD  
DATE : 02/10/08

FOR MAHARASTRA STATE AIDS CONTROL SOCIETY

PROJECT DIRECTOR

FINANCIAL CONTROLLER

**MAHARASHTRA STATE AIDS CONTROL SOCIETY**  
 SCHEDULE FORMING PART OF RECEIPT AND PAYMENT ACCOUNT AS AT 31.03.2019

SCHEDULE-9 Balance With Bank

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Bank of Baroda	14,729,686.45	72,000,532.00
		14,729,686.45	72,000,532.00

SCHEDULE-10 GENERAL FUND

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Grant from National AIDS Control Society	167,780,000.00	253,636,000.00
		167,780,000.00	253,636,000.00

SCHEDULE-10a GRANTS FROM SACS TO MACS

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	GRANTS FROM SACS TO MACS		60,000,000.00
		-	60,000,000.00

SCHEDULE-11 CURRENT LIABILITIES

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Security/Earnest Deposit (Received)	2,085,443.60	2,695,669.00
	Less:- TDS Paid	(5,324.00)	-30,732.00
		2,080,119.60	2,664,937.00

SCHEDULE-12 OTHER INCOME

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Sale of Bid/Tender Documents	62,250.00	24,100.00
2	Other Receipts	44,528.00	497,842.00
3	Interest from Bank	826,406.00	697,717.00
		933,184.00	1,219,659.00

**MAHARASTRA STATE AIDS CONTROL SOCIETY**  
 SCHEDULE FORMING PART OF RECEIPT AND PAYMENT ACCOUNT AS AT 31.03.2008

SCHEDULE-17 Training and Workshops

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Workshops	36,661.00	124,641.00
2	Training	4,882,367.00	570,710.00
		4,919,028.00	695,351.00

SCHEDULE-18 NGO Services

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	NGO Services provided, Interventions	136,716.00	7,239.70
		136,716.00	7,239.70

SCHEDULE-19 Salary (Pay and Allowances)

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Salary	4,861,179.00	9,105,658.50
2	Honorarium	-	8,600.00
3	Leave Salary & Pension Contributions	616,921.00	619,085.00
4	Medical Expenses	48,628.00	219,106.00
		5,526,728.00	9,952,449.50

SCHEDULE-20 Maintenance Costs

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Equipment Maintenance	-	103,393.00
2	Building Maintenance	115,662.00	792,154.00
3	Vehicles Maintenance	341,302.00	297,357.00
		456,964.00	1,192,904.00

**MAHARASTRA STATE AIDS CONTROL SOCIETY**  
 SCHEDULE FORMING PART OF RECEIPT AND PAYMENT ACCOUNT AS AT 31.03.2008

SCHEDULE-21 Operational Expenses

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Travelling Expenses	2,471,894.50	2,594,237.00
2	Rent, Rates & Taxes	449,774.00	449,774.00
3	Telephone/Communication Expenses	512,608.00	636,276.00
4	Bank Charges	9,016.00	6,451.00
5	Miscellaneous Expenses	2,309,411.50	2,578,394.50
6	Printing & Stationery	1,239,343.00	2,247,582.00
7	Advertisement (Other than IEC)	2,623,157.00	341,198.00
8	Water and Electricity	723,926.00	1,213,516.00
9	Audit Fess	28,060.00	35,394.00
10	Postage/Courier	65,527.00	20,371.00
		<b>10,432,717.00</b>	<b>10,912,193.50</b>

SCHEDULE-22 Medicines

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	STI Drugs	(291,537.00)	0.00
2	OI Drugs	1,015,348.00	0.00
		<b>723,811.00</b>	<b>0.00</b>

SCHEDULE-23 Balance With Bank (closing)

SR. NO.	PARTICULARS	Figures for the previous Period (Rs.)	Figures for the current Period (Rs.)
1	Bank Of Baroda	14,729,686.45	8,441,532.00
2	Cheque in Transit		63,559,000.00
		<b>14,729,686.45</b>	<b>72,000,532.00</b>

SCHEDULE - 12

SCHEDULE FORMING PART OF FINAL ACCOUNTS AS AT 31.03.08

"SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS"

AS - 1 Disclosure of Accounting Polices

The Significant accounting policies are based on the guidelines issued by National AIDS Control Organization (NACO) Delhi. Society has maintain the its book of account on cash basis system therefore following the generally accepted accounting principles under such system cannot be possible.

The preparation of financial statement is in Conformity with the guidelines issued by the National AIDS Control Organization and Accounting Standards issued by the Institute of Chartered Accountant Of India.

AS - 4 Contingencies and Events occurring after the Balance Sheet Date

There are no contingencies and event occurring after the Balance Sheet date which have a material effect on the financial position of the Society.

AS - 5 Changes in Accounting Policies

There are no such changes which have a material effect on the financial affairs of the Society.

AS - 6 Depreciation Accounting

Depreciation is provided according to guidelines issued by the National AIDS Control Organization (NACO) Delhi.

AS - 9 Revenue Recognition

Grant received from the National AIDS Control Organization (NACO) PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received. The expenses are accounted also on cash basis.

AS - 10 Accounting for Fixed Assets

Fixed Assets are shown at cost of acquisition. Cost comprises of cost of acquisition, cost of improvement and any attributable cost of bringing the assets to the condition for its intended use.

AS - 11 Accounting for the Effects of Changes in Foreign Exchange Rates

There are no transactions in foreign currency during the Financial Year

As - 12 Accounting for Government Grants

Grant received from the National AIDS Control Organization (NACO), NACO, PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received

AS - 13 Accounting for Investments

No Investment made during the Financial Year

AS-15 Accounting for Retirement Benefits in the financial statements of Employees

This accounting standard is not applicable because due to following reasons:

- i. All retirement benefits are payable to deputed employees by their original/parent department.
- ii. PF, PPF & Leave encashment, LTC, Medical expenses accounted on actual payment basis payable to deputed employees.
- iii. Contractual employees are not entitled to any retirement benefit.

AS - 22 Accounting for Taxes on Income

This Accounting Standards is not applicable because society is enjoying the tax exemption on income from the Income Tax department.

AS - 29 Provisions, Contingent Liabilities and Contingent Assets

Liabilities which can be measured only by using a substantial degree of estimation have been provided for in the books of accounts. There are no contingent liabilities as on the date of balance sheet.

## **B. NOTES FORMING PART OF ACCOUNTS**

### **1. ADVANCES:-**

- a. Advance given to Other/NGOs/Staff/District Authorities & Security Deposit are subject to confirmations.
- b. Advances given to NGOs/District Authorities are treated as advances until the final Statement of Expenditure is received. Advance outstanding is reversed by debiting expenditure component wise as per final Statement of Expenditure received.

- c. Unspent balances are carried over to the Balance Sheet as advance.
2. expenditure has been debited to various heads as per the Action Plan/Guidelines sanctioned by National AIDS Control Society irrespective of its capital or revenue nature. Various expenses have been clubbed in the major thirteen components as detailed as below:
  - a. IEC charges
  - b. Consultants and Consultancy services
  - c. Monitoring & Evaluations
  - d. Surveillance
  - e. Non Reimbursable prior period expenses for MPT, LA IS JC
  - f. Kits and Other Lab Supplies
  - g. Medicines
  - h. Training and Workshop Expenses
  - i. NGO Services
  - j. Human Resources
  - k. Maintenance Costs
  - l. Operational Expenses
  - m. Operational and Financial Research Expenses

3. Statement of Expenditure & Budget:

Comparative Statement of Budgeted expenditure and Actual expenditure have been submitted by Maharashtra State AIDS Control Society as per guidelines.

4. We have relied upon the explanation & Information given by the management and Internal Control System of the society during the course of the audit.

AS PER OUR STATUTORY AUDIT REPORT OF EVEN DATE ATTACHED

FOR, SHAH MEHTA MAMUMDAR  
CHARTERED ACCOUNTANTS

FOR, MAHARASTRA STATE AIDS  
CONTROL SOCIETY

SHILPEEN H MAJUMDAR  
MANAGING PARTNER

PROJECT DIRECTOR

FINANCER CONTROLLER

PALCE:- AHMEDABAD  
DATE:- 3/10/2008

**POOL FUND**

**Utilisation Certificate**

Certified that an amount of Rs. 25,36,36,000.00 was received as grant during the year 2007-08 from the Ministry of Health and Family Welfare (Pool Fund) vide letters mentioned hereunder, and Rs. 1,48,53,825.95 unspent balance brought forward from the previous financial year which includes only Rs. 84,87,795.20 of grant-in-aid (WB), Rs. 47,47,785.00 from NACO ART Fund & Rs. 16,18,245.75 other funds i.e. UNICEF, UNDP etc. & Rs. 13,08,85,107.26 being unsettled advances. Rs. 6,97,717.00 as Bank Interest, Rs. 5,21,942.00 as a other income. Therefore the total amount available under Pool Fund during the year 2007-08 Rs. 6,00,00,000.00 has been transfer to the Mumbai District AIDS Control Society & Rs. 10,87,60,000.45 utilized for the purpose for which it was sanctioned.

The balance of Rs. 7,12,39,999.55 remaining unutilized at the end of the year will be adjusted towards pool fund during the next year which includes only Rs. 7,14,68,495.20 of grant-in-aid, Rs. 7,93,531.75 of other fund i.e. UNICEF, UNDP etc will be adjusted towards the grant-in-aid payable. In addition total advances of Rs. 67,56,41,563.00 which includes Rs. 6,43,16,662.80 on account of outstanding advances and Rs. 32,47,493.51 as security deposit (paid) are carried forward to 2008-09.

67,56,41,563.00

Sr.No	Sanction Letter Number & Date	Amount
1	T- 11017/03/07-NACO (PFMU) dated 05.06.2007	8,73,35,000.00
2	Grant received through RTGS Dated 07.11.2007	8,88,17,000.00
3	Grant received through RTGS Dated 02.01.2008	1,39,25,000.00
4	Grant received through RTGS Dated 04.04.2008	6,35,59,000.00
	Total Grant received from National AIDS Control Society	25,36,36,000.00

Certified that we have satisfied that the conditions on which the grants-in-aid were sanctioned have been duly fulfilled/are being fulfilled and that we have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements

DATE:- 3/10/2008

PALCE: - AHMEDABAD

FOR, SHAH MEHTA MAJUMDAR  
CHARTERED ACCOUNTANTS

FOR, MAHARASTRA STATE AIDS  
CONTROL SOCIOETY

SHILPEEN H MAJUMDAR  
MANAGING PARTNER  
MEMBERSHIP NO. 34184

PROJECT DIRECTOR

SCHEDULE FORMING PART OF FINANCIAL ACCOUNTS AS AT 31.03.16

"SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS"

AS - 1 Disclosure of Accounting Policies

The Significant accounting policies are based on the guidelines issued by National AIDS Control Organization (NACO) Delhi. Society has maintain the its book of account on cash basis system therefore following the generally accepted accounting principles under such system cannot be possible.

Preparation of financial statement is in Conformity with the guidelines issued by the National AIDS Control Organization and Accounting Standards issued by the Institute of Chartered Accountant Of India.

AS - 4 Contingencies and Events occurring after the Balance Sheet Date

There are no contingencies and event occurring after the Balance Sheet date which have a material effect on the financial position of the Society.

AS - 5 Changes in Accounting Policies

There are no such changes which have a material effect on the financial affairs of the Society.

AS - 6 Depreciation Accounting

Depreciation is provided according to guidelines issued by the National AIDS Control Organization (NACO) Delhi.

AS - 9 Revenue Recognition

Grant received from the National AIDS Control Organization (NACO) PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received. The expenses are accounted also on cash basis.

AS - 10 Accounting for Fixed Assets

Fixed Assets are shown at cost of acquisition. Cost comprises of cost of acquisition, cost of improvement and any attributable cost of bringing the assets to the condition for its intended use.

AS - 11 Accounting for the Effects of Changes in Foreign Exchange Rates

There are no transactions in foreign currency during the Financial Year

As - 12 Accounting for Government Grants

Grant received from the National AIDS Control Organization (NACO), NACO, PATHFINDER, UNDP, AVERT, GLOBAL FUND, ART FUND and other project have been credited to Income & Expenditure Account as and when they are received

AS - 13 Accounting for Investments

No Investment made during the Financial Year

AS-15 Accounting for Retirement Benefits in the financial statements of Employers

This accounting standard is not applicable because due to following reasons:

- i. All retirement benefits are payable to deputed employees by their original/parent department.
- ii. PF, PPF & Leave encashment, LTC, Medical expenses accounted on actual payment basis payable to deputed employees.
- iii. Contractual employees are not entitled to any retirement benefit.

AS - 22 Accounting for Taxes on Income

This Accounting Standards is not applicable because society is enjoying the tax exemption on income from the Income Tax department.

AS - 29 Provisions, Contingent Liabilities and Contingent Assets

Liabilities which can be measured only by using a substantial degree of estimation have been provided for in the books of accounts. There are no contingent liabilities as on the date of balance sheet.

## **B. NOTES FORMING PART OF ACCOUNTS**

### **1. ADVANCES:-**

- a. Advance given to Other/NGOs/Staff/District Authorities & Security Deposit are subject to confirmations.
- b. Advances given to NGOs/District Authorities are treated as advances until the final Statement of Expenditure is received. Advance outstanding is reversed by debiting expenditure component wise as per final Statement of Expenditure received.

c. Unspent balances are carried over to the Balance Sheet as advance.

2. Expenditure has been debited to various heads as per the Action Plan/Guidelines sanctioned by National AIDS Control Society irrespective of its capital or revenue nature. Various expenses have been clubbed in the major thirteen components as detailed as below:-

- a. IEC charges
- b. Consultants and Consultancy services
- c. Monitoring & Evaluations
- d. Surveillance
- e. Non Reimbursable prior period expenses for T, PT, FA T, etc.
- f. Kits and Other Lab Supplies
- g. Medicines
- h. Training and Meetings
- i. NGO Services
- j. Human Resources
- k. Maintenance Costs
- l. Operational Expenses
- m. Operational and Other Research Expenses.

3. Statement of Expenditure & Budget:

Comparative Statement of Budgeted expenditure and Actual expenditure have been submitted by Maharashtra State AIDS Control Society as per guidelines.

4. We have relied upon the explanation & Information given by the management and Internal Control System of the society during the course of the audit.

AS PER OUR STATUTORY AUDIT REPORT OF EVEN DATE ATTACHED

FOR, SHAH MEHTA MAMUMDAR  
CHARTERED ACCOUNTANTS

SHILPEEN H MAJUMDAR  
MANAGING PARTNER

FOR, MAHARASTRA STATE AIDS  
CONTROL SOCIETY

PROJECT DIRECTOR

FINANCER CONTROLLER

PALCE:- AHMEDABAD  
DATE:- 3/10/2008