



कार्यालय प्रधान निदेशक लेखा परीक्षा,  
आर्थिक एवं सेवा मंत्रालय,  
ए.जी.सी.आर. भवन, इन्द्रप्रस्थ ऐस्टेट,  
नई दिल्ली-110 002

119

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
ECONOMIC AND SERVICE MINISTRIES  
A.G.C.R. BUILDING, I.P. ESTATE  
NEW DELHI-110 002

AUDIT CERTIFICATE

The Expenditure Statements/Financial Statements relating to the "Project for Preparedness, Control and Containment of Avian Influenza" (Credit No.3952-IN/IDA) for the year 2009-10 attached hereto have been audited in accordance with the regulations and standards of audit of the Comptroller and Auditor General of India and accordingly included such tests of accounting records, internal checks and controls, and other auditing procedures necessary to confirm.

- that the resources were used for the purposes of the project; and
- that the expenditure statements/financial statements are correct.

During the course of the audit referred to above, Statements of Expenditure for ₹ 1189.43 lakh (Application No.19 ₹ 950.02 lakh) and the connected documents were examined and these can be relied upon to support reimbursement under the aforesaid loan/credit agreement.

On the basis of the information and explanations that have been obtained as required and according to the best of our information as a result of the test audit, it is certified that the Expenditure Statements/Financial Statements read with the observations set out below represent a true and fair view of the implementation (and operation) of the Project for the year 2009-10.

- An amount of ₹ 30.00 lakh was released to Indian Veterinary Research Institute, Bhopal for increased work on testing samples for Avian Influenza on 24 March 2010. As a T/C for the same is still awaited the same is disallowed awaiting audited figures/expenditure from them.
- An advance of ₹ 28.90 lakh was given to National Informatics Centre Services Incorporated (NICSI), of Department of Information Technology, New Delhi in December, 2009 for procurement of hardware and software and towards development of project for "Data Management and Networking". NICSI could furnish expenditure

(12)

statement as on 26.03.2010 for ₹ 20.64 lakh leaving a balance of ₹ 7.36 lakh, which is disallowed.

- iii) An amount of ₹ 3,25,106/- shown in the SoE towards payment to PAO, DAVP through LoA for IEC has been disallowed as the actual expenditure against the LoA during the year 2009-10 had not been furnished to Audit.



(S.S.Sengupta)

Deputy Director of Audit  
Economic & Service Ministries

Place: New Delhi  
Date:



कार्यालय प्रधान निदेशक लेखा परीक्षा,  
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No. AMG-IV/W.B/PC&C/117/R-23/2009-10/

Dated:

To

The Joint Secretary (C-1),  
Ministry of Agriculture,  
Dept. of Animal Husbandry,  
Dairying and Fisheries,  
Krishi Bhawan,  
NEW DELHI

Sub: Management Letter in respect of World Bank Assisted "Preparedness, Control & Containment of Avian Influenza" (Credit No.3952-IN), Ministry of Agriculture, New Delhi for the year 2009-10.

Sir,

I have audited the Annual Account of World Bank Assisted "Preparedness, Control & Containment of Avian Influenza" (Credit No.3952-IN), for the year 2009-10 and have issued the Audit Certificate thereon vide letter dated . . . . . During the course of audit the following deficiencies were noticed which were relatively of a minor nature and were, therefore, not included in the Audit Certificate. These are being brought to your notice for corrective and remedial action:

**d. Non-reconciliation of Expenditure with PAO**

The Expenditure booked as per ECR / SoE during the year has not been reconciled with the final expenditure booked by PAO based on actual payment, in the absence of which authenticity of SoE could not be verified in Audit.

**d. Non-maintenance of Third Party Cheque Deliver Register.**

The register of third party cheque delivery register has not been maintained in absence of which actual payment as per SoE could not be verified in audit.

**d. Excess payment of Consultancy fee - ₹ 46573/- + S.T.**

As per the contract for consultancy service concluded with Ed' CIL services of 3 consultants were provided to the project. One of the consultants viz. Sh. Praveen Rohilla resigned from the service w.e.f. 8<sup>th</sup> January 2010. However, the scrutiny of bill for the quarter ending march 2010 of M/s EDCIL revealed that full months pay of ₹ 30,000/- had been charged for the month of

12  
January, 2010 instead of ₹ 774/- admissible. Similarly, a 1% (2007-08) was also charged for the month of February 2010. Thus total amount of ₹ 46,100/- (including 25 % EdCIL surcharge plus service tax @10.36% had been paid in excess.

d. **Non getting refund of VAT paid on maintenance of vaccine Bank.**  
Rs.63.98 lakh.

M/s. Intervet International, Netherlands charged a sum of ₹ 53,96,400/- towards VAT@ 10% under a contract concluded on 5<sup>th</sup> September, 2007 for a maintenance of vaccine Bank at a contract price of ₹ 40061,700/-. The 1<sup>st</sup> and 2<sup>nd</sup> installments of ₹ 2308500/- each were paid in December, 2007 and December, 2009. The VAT paid could be got refunded as per Direct laws within six months after the calendar year in which the VAT has been paid i.e. up-to June, 2008 and June, 2010 in respect of both the installments by filing a request before Govt. of Netherlands for the refund along-with original bills, but no such efforts made. This has resulted in extra expenditure of ₹ 63.98 lakh during the year 2007-08 and 2009-10.

5. **Non-maintenance of Fixed Assets Register.**

Audit scrutiny of records of W.B. Assisted project, PC & CAI for the year 2009-10 revealed that the following items were purchased, but the same have not been entered in the Fixed Assets Register.

- a. Lap Top, desk top-21 Nos.,
- b. Photocopier Machine, Printers-21Nos.,
- c. UPS- 21 nos.
- d. BSL-III Pre-Fab. Labs.

Yours faithfully,

  
Principal Director, Audit