



No.301/SSA/Accts./ 2006-07  
UT of Puducherry Mission Authority  
SARVA SHIKSHA ABHIYAN  
State Project Office  
Perunthalaivar Kamarajar Centenary Educational Complex  
Anna Nagar  
\*\*\*

Pondicherry, the 31<sup>st</sup> January 2008.

To

Shri. K. R. Meena  
Director  
Government of India  
Ministry of Human Resource Development  
Department of Elementary Education and Literacy  
New Delhi 100 001.

Sub: SSA – Audit of Annual Accounts, Financial Statements, Financial  
Monitoring Reports and accounts records under Sarva Shiksha  
Abhiyan for the year 2006-07– Submission – Reg.

Ref: D.O.No.17/2/2007-SSA(DIS)dt.15<sup>th</sup> November 2007 of MHRD  
2. Even No. dated 7<sup>th</sup> January 2008 of MHRD

\*\*\*

I am to enclose herewith the Audit of Annual Accounts, Financial Statements, Financial  
Monitoring Reports and accounts records under Sarva Shiksha Abhiyan for the year 2006-07.

Yours Faithfully,

(R. Parthasarathy)  
State Project Director

Encl: As above (13 pages)

## AUDITORS REPORT

### SARVA SHIKSHA ABHIYAN – PUDUCHERRY

We have examined the attached Balance sheet of SARVA SHIKSHA ABHIYAN Union Territory of Puducherry Mission Authority, State Project Office, PKC Educational Complex, Puducherry as at 31.03.2007 and Income and Expenditure account for the year ended on that date in which are incorporated the audited financial statements of State Project Office, Puducherry. These financial statements are the responsibility of the management of state Project Office, SSA Puducherry. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material mis-statements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis of our opinion. We report that;

1. Advance made towards various expenses are not promptly adjusted. In particular, Refund of balance amount after conducting various training programs / meetings are not being followed up and not promptly remitted to the bank.
2. Monthly bank reconciliation is not done as required
3. There is no system of internal audit as prescribed under para 100, chapter 7
4. Payment of rs.36.00 lakhs has been made to PWD Puducherry for construction of 6 buildings. Confirmation from all schools for completion of 6 buildings not obtained.
5. No income tax has been deducted at source for payment made towards salary, car hiring charges etc., and quarterly returns have not been submitted.
6. No provision has been made in the accounts for Fringe Benefit Tax.
7. Statement of accounts have not been filled with Register of society right from inception.
8. Advance have not been made to various departments during the year which is against the Norms fixed by the granting authority.

Subject to the above, notes attached to and forming part of the accounts, we report that:

- A) The goods, works and service procured for the purpose of projects are in accordance with procurement procedures prescribed by State Project Office. SSA – Puducherry.
- B) We have obtained all the informations and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

- C) The Balance Sheet and Income and Expenditure account referred to in this report are in agreement with the books of accounts maintained at SPO.
- D) In our opinion and to the best of our information and according to the explanations given to us, Balance Sheet, Income and Expenditure account read together with the Schedules and Notes thereon give a true and fair view:
- i) In so far as it relates to balance Sheet of the State of affairs of the Sarva Shiksha Abhiyan – Puducherry as at 31.03.2007 and
  - ii) In so far as it relates to Income & Expenditure Account, the excess of Income over Expenditure for the year ended on that date

For R. HANDRASEKAR & CO.,  
CHARTERED ACCOUNTANTS

-Sd-  
(K. RAJARAM)  
Partner.

## CERTIFICATE

We have examined the attached Balance Sheet of SARVA SHIKSHA ABHIYAN – State Project Office, PKC Educational Complex, Puducherry as at 31.03.2007 and Income and Expenditure Account for the year ended on that date in which are incorporated the audited financial statements of state Project Office – Puducherry. These financial statements are the responsibility of the SSA. Our responsibility is to express an opinion of these financial statements based on our audit. Subjects to our audit report of even date and notes attached to and forming part financial statements, management report of even date, we confirm that

- ◆ Goods, works and services procured for the purpose of projects are in accordance with procurement procedures prescribed by State Project Office, SSA – Puducherry
- ◆ The resources are used for the purpose of the project and
- ◆ The Expenditure statements and financial statements are correct

During the course of Audit, we have relied up on the supporting documents and records. Subject to our audit report of even date and notes forming part of financial statement, we are of the opinion that the financial statements audited can be relied upon to support reimbursement under the aforesaid / credit agreement.

Further to the above, in our opinion and to the best of our information and according to the explanations given to us, it is certified that Income and Expenditure account and Balance Sheet represent a true and fair view of implementation ( and operation) of the project for the year ended 31<sup>st</sup> March 2007.

For R. HANDRASEKAR & CO.,  
CHARTERED ACCOUNTANTS

-Sd-  
(K. RAJARAM)  
Partner.

**Consolidated Income and Expenditure Account for the year ended 31<sup>st</sup> March 2007**

Name of the SIS: Sarva Shiksha Abhiyan, U.T of Puducherry

Expenditure	Schedule	Amount Current Year	Amount Previous Year	Income	Schedule	Amount Current Year	Amount Previous Year
<b>Expenditure at District and Sub district level</b>				Funds Recd. From Govt. of India			
Teacher Salary		0.00	0.00	(a) SSA		0.00	529.40
BRC		39.60	41.51	(b)NPEGEL			
CRC		0.00	0.00	Funds Recd. from			
Civil Work		71.50	302.80	State Govt.			
EGS/AIE		7.22	4.27	(a) SSA		100.00	100.00
Free Text Book		0.00	0.00	(b)NPEGEL			
Innovative Activities		128.75	62.75	Others (Interest)		25.22	23.05
IED		18.60	8.78	Balance at districts			
NPEGEL		0.00	0.00	(a)			
School Maintenance Grant		24.45	24.50	(b)		202.83	540.56
Management Cost		63.22	46.34	(c)			
Research and Evaluation		7.37	5.01	Excess of Exp. over Income			
School Grant		10.22	10.32				
Teacher Grant		20.62	18.32				
TLE		0.00	0.00				
Teacher Training		12.11	17.76				
Community Training		0.00	0.68				
<b>State Component</b>							
SIEMAT							
Management Cost							
Research and Evaluation							
Supervision and Monitoring							
Others							
<b>Total</b>		<b>403.66</b>	<b>543.04</b>	<b>Total</b>		<b>328.05</b>	<b>1193.01</b>

**SARVA SHIKSHA ABHIYAN  
STATE PROJECT OFFICE  
PUDUCHERRY**

Date:26/03/2007

**Consolidated Annual Financial Statement**

(Rs. In lakhs)

<b>State: UT of Puducherry</b>					
<b>Year Ending: 31<sup>st</sup> March 2007</b>					
<b>SOURCE &amp; APPLICATION</b>					
<b>Opening Balance</b>		<b>SSA</b>	<b>NPEGEL</b>	<b>TOTAL</b>	
(a)	Cash in hand	Nil	-	Nil	
(b)	Cash at Bank	540.56	-	540.56	
	<b>Total</b>	<b>540.56</b>	<b>-</b>	<b>540.56</b>	
a)	Source (Receipt)		-		
b)	Funds received form Govt. of India	0.00	-	0.00	
c)	Funds received from State Govt.	100.00	-	100.00	
d)	Interests	25.23	-	25.23	
e)	Others		-		
	<b>TOTAL Receipts</b>	<b>665.79</b>	<b>-</b>	<b>665.79</b>	
	<b>Application (Expenditure)</b>	<b>Approved AWP&amp;B including Spill over</b>	<b>Expenditure Incurred</b>	<b>Savings</b>	
a)	Teacher Salary	39.60	0.00	39.60	
b)	BRC	50.14	39.60	10.54	
c)	CRC	36.98	0.00	36.98	
d)	Civil Work	382.30	71.50	310.80	
e)	EGS/AIE	22.74	7.22	15.52	
f)	Free Text Book	0.00	0.00	0.00	
g)	Innovative Activities	200.00	128.75	71.25	
h)	IED	32.40	18.60	13.80	
i)	NPEGEL	0.00	0.00	0.00	
j)	School Maintenance Grant	25.55	24.45	1.10	
k)	Management Cost	33.13	63.22	-30.09	
l)	Research and Evaluation	6.54	7.37	-0.83	
m)	School Grant	11.56	10.22	1.34	
n)	Teacher Grant	23.71	20.62	3.09	
o)	TLE	2.80	0.00	2.80	
p)	Teacher Training	73.51	12.11	61.40	
q)	Community Training	0.97	0.00	0.97	
r)	SIEMAT	0.00	0.00	0.00	
s)	State Component	0.00	0.00	0.00	
t)	Others	0.00	0.00	0.00	
	<b>TOTAL</b>	<b>941.93</b>	<b>403.66</b>	538.27	
	<b>Closing Balance</b>			<b>202.83</b>	
(a)	Cash in hand			Nil	
(b)	Cash at Bank			202.83	
	<b>TOTAL</b>			<b>202.83</b>	

**(R. Parthasarathy)  
State Project Director**

Utilisation Certificate under SSA for the year ended 31<sup>st</sup> March 2007

Name of the State: **UT of Puducherry**

**Rs. In lakh**

S.No	Sanction Letter No. and Date	Amount (Rs.)		
		SSA	NPEGEL	Total
	NIL	NIL	NIL	NIL

Certified that out of Rs 540.56 (Last year balance) and the interest earned on unspent balance during the year 2006-07 is Rs.25.22- lakh (Rupees twenty five lakh and twenty two thousand only) A sum of Rs. 469.00/- lakh (Rupees four crore sixty nine lakh only) has been utilized for the purpose for which it was sanctioned and that the balance of Rs.202.83/- lakh (Rupees two crore two lakh and eighty three thousand only) remaining unutilized at the end of the year will be adjusted towards the grants – in – aid payable during the next year.

2. Certified that I have satisfied myself that the conditions on which the grants – in – aid was sanctioned have been fully fulfilled and that I 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. Audited Statement of Accounts (Copy enclosed)
2. Utilisation Certificate
3. Progress Report (copy enclosed)

- Sd -

Signature with rubber – Stamp  
SPD

Dated:

**AUDITORS CERTIFICATE**

We have verified the above statement with the books and records produced before us for our verification and found the same has been drawn in accordance therewith.

Dated:

Chartered Accountant Firm

Date:

**FMR - III**

Name of the State/ **U.T. PUDUCHERRY**

Activity wise Expenditure Statement of SSA for the **Year Ended 31.3.2007**  
**(1/4/2006 to 31/3/2007)**

<b>Rs. in lakhs</b>		
<b>S.No</b>	<b>Expenditure by Activity</b>	<b>01/04/2006 to 31/03/2007</b>
1.	New Primary School	00.00
2.	New upper Primary School	00.00
3.	Block Resource Centre	39.60
4.	Cluster Resource Centre	00.00
5.	Civil Works	48.00
6.	Toilets, Drinking Water	23.50
7.	Interventions for out of School Children	07.22
8.	Interventions for Girls Children	12.56
9.	Innovative Activities	93.65
10.	Interventions for Disabled Children	18.60
11.	Interventions for SC Children	22.54
12.	Maintenance Grants	24.45
13.	Management & MIS	63.22
14.	Research & Evaluation	7.37
15.	School Grants	10.22
16.	Teacher Grants	20.62
17.	TLE	0.00
18.	Teacher Training	12.11
19.	Community Mobilization	0.00
20.	SIEMAT	00.00
21.	State Component	00.00
<b>Total</b>		<b>403.66</b>

Date:

**FMR - II**

Summery Budget Analysis (Entire Program) up to 31/03/07

(Rs.in lakhs)

Name of the state	Opp. Bal of the year	Releases for the Half Year	Releases for the financial year	Expenditure for the half year	Expenditure for the Financial year till date (31.03.2007)	Estimated AWP & B for next FY
U.T. of Puducherry	540.56	0.00	100.00	138.17	469.00	941.95
<b>Total</b>	<b>540.56</b>	<b>0.00</b>	<b>100.00</b>	<b>138.17</b>	<b>469.00</b>	<b>941.95</b>

Date:

**FMR – I**

Summery Budget Analysis (Entire Program)  
 For the financial year ended on 31.03.2007

(Rs. in lakhs)

Name of State	(1)	(2)	(3)	(4)	(5)	(6)
	AWP & B	Opening balance	Releases by GOI (Incl External)	Releases by States	Reported Expenditure	Estimated AWP & B for next FY
U.T. of PUDUCHERRY	941.93	540.56	0.00	100.00	403.66	893.50
<b>Total</b>	<b>941.93</b>	<b>540.56</b>	<b>0.00</b>	<b>100.00</b>	<b>403.66</b>	<b>893.50</b>

Cum total since beginning

Total Receipts	Total Expenditure	Balance
<b>671.82</b>	<b>469.00</b>	<b>202.82</b>

AWP & B : Denotes annual Program Outlay  
 Releases : Denote all releases to the SIS

**R. CHANDRASEKAR & CO,**  
CHARTERED ACCOUNTANT

104, KAMATCHIAMMAN KOVIL STREET  
PUDUCHERRY – 605 001 Ph: 2337093

Date:

Sir,

Subject: Procurement Audit

“This is certify that we have gone through the procurement procedure used for the State for SSA and based on the audit of the records for the year 2006-07for the Sarva Shiksha Abhiyan and inputs from the district audit reports, we are satisfied that the procurement procedure prescribed in the Manual of Financial Management and Procurement under SSA has been followed / or the following deviations were observed.”

S.No	Details	Deviations	Amount involved (declared as mis-procurement)
1	NIL	NIL	NIL

**R. CHANDRASEKAR & CO,**  
 CHARTERED ACCOUNTANT

104, KAMATCHIAMMAN KOVIL STREET  
 PUDUCHERRY – 605 001 Ph: 2337093

Date:

**Sarva Shiksha Abhiyan**  
 Union Territory of Puducherry

**Receipts & Payments for the year ended 31-03-2007**

<b>RECEIPTS</b>		<b>PAYMENTS</b>	
<b>To Opening Balance</b>			
Canara bank	54056613	By Block Resource Centre	3960000
“ State Government Share	10000000	“ Civil Works	5950000
“ Advance Department	405300	“ EGS/AIE	722335
“ Advance (2005-06)	183098	“ IED	1860456
“ Interest Received	2522627	“ innovative Activities	4326715
		“ Girls Education	1255827
		“ SC/ST Education	2454180
		“ Maintenance Grant	2445500
		“ School Grant	1022000
		“ Teacher Grant	2062000
		“ Management Cost	5940989
		“ Research and Evaluation	736690
		“ Teacher Training	1196498
		“ Furniture and Equipments	381416
		“ Computers (2005-06)	6103680
		“ Computers	4838400
		“ Civil Works Advance	1200000
		“ Advance Department	427300
		“ Bank Charges	471
		<b>“ Closing Balance</b>	
		Canara Bank	<b>20283181</b>
<b>Total</b>	<b>67167638</b>	<b>Total</b>	<b>67167638</b>

Prepared from the books of accounts maintained, records and vouchers produced to me

**R. CHANDRASEKAR & CO,**  
CHARTERED ACCOUNTANT

104, KAMATCHIAMMAN KOVIL STREET  
PUDUCHERRY – 605 001 Ph: 2337093

Date:

**Sarva Shiksha Abhiyan**  
Union Territory of Puducherry

**Income & Expenditure for the year ended 31-03-2007**

<b>EXPENDITURE</b>		<b>INCOME</b>	
To Block Resource Centre	3960000	By State Government Share	10000000
“ EGS/AIE	722335	“ Interest Received	2522627
“ IED	1860456	“ Excess of Expenditure over Income	15535370
“ innovative Activities	4326715		
“ Girls Education	1255827		
“ SC/ST Education	2454180		
“ Maintenance Grant	2445500		
“ School Grant	1022000		
“ Teacher Grant	2062000		
“ Management Cost	5940989		
“ Research and Evaluation	736690		
“ Teacher Training	1270834		
“ Bank Charges	471		
<b>Total</b>	<b>28057997</b>	<b>Total</b>	<b>28057997</b>

**R. CHANDRASEKAR & CO,**  
CHARTERED ACCOUNTANT

104, KAMATCHIAMMAN KOVIL STREET  
PUDUCHERRY – 605 001 Ph:2337093

Date:

**Sarva Shiksha Abhiyan**  
Union Territory of Puducherry

**Balance Sheet as on 31-03-2007**

<b>Liabilities</b>		<b>Assets</b>	
<b>Capital Fund</b>	106210236	<b>Fixed Assets</b>	
Less– excess of Exp. over Income	15535370	Civil Works	41835000
	90674866	Computers	24047620
<b>Current Liabilities</b>		Furniture & Equipments	2351556
HCL Info system	268800	<b>Loans and Advances</b>	
Wipro Ltd.,	268800	Advance Dept.	22000
NSIC, Puducherry	26891	Advance Civil Works	2700000
		<b>Closing Balance</b>	
		Canara Bank	20283181
<b>Total</b>	<b>91239357</b>	<b>Total</b>	<b>91239357</b>