

ACKNOWLEDGEMENT

We are grateful to the following senior officers and executives for their kind co-operation, valuable suggestions and support in this study.

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Profile of the Institute of Public Auditors of India

The Institute of Public Auditors of India (IPAI) is a registered society of professionals. Its main aim and objectives are to:-

- ❖ Promote education in the disciplines of auditing, finance, accounting in public bodies.
- ❖ Suggest ways for effective accounting and auditing in the Central and State Governments, Public Enterprises, Public Institutions, Government aided voluntary organizations, local bodies and authorities.
- ❖ Undertake and conduct studies, workshops, consultancy and research in these disciplines.
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- ❖ Promote highest standards of professional competence and practices in disciplines of auditing, accounting and public finance.

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Terms of Reference for Study

The Ministry of Human Resource Development (Department of Elementary Education and Literacy), New Delhi, vide Ministry's letter No. 1-1/2003-EE-11 dated 18th November 2003, engaged the Institute of Public Auditors of India, New Delhi, to carry out study on "Monitoring the Financial Aspects" relating to Sarva Shiksha Abhiyan (SSA) particularly the utilization of funds released to State Societies and the financing of various activities at the State, District and School levels during 2002-03 and 2003-04. The study also covers the procurement system in the SSA, Punjab.

Scope and Methodology of Study

The study was conducted at Secretariat level, Mission (Project) level, Two Districts viz. Amritsar & Ropar and related field offices. The study was based on detailed discussions with the concerned authorities in the Secretariat and field formations, interviews (on the basis of structured questionnaire) with Parents, Teachers, Village Education Committee (VEC) members, Sarpanches, School teachers and Children. The study involved looking into primary records and other relevant data/record at School (50 schools), Block, Cluster, District & Project level. Additionally, through a sponsored survey from a reputed organization, we gathered data on some important aspects of SSA functioning like drop out rate, retention mid-day meal scheme etc. in the villages visited by our team.

CHAPTER 1

SSA MISSION IN PUNJAB

1.1 Introduction

The Sarva Shiksha Abhiyan (SSA) Mission, Punjab was established by the State Government in June, 2000 as a registered society under the Societies Registration Act, 1860 but SSA was formally launched in the State on 24 July 2002. Additional Project Director (SSA) informed us that during the intervening period (June 2000 to July 2002), data collection and family survey work was carried out for preparing the Annual Plan for 2002-03.

The main aim of this centrally sponsored scheme is universalisation of elementary education through involvement of community owned school system. SSA is designed to subsume all other major Governmental educational interventions and existing scheme of elementary education to converge after IX Five year Plan. The scheme has the objective of bringing all children to schools/alternate schools by 2003, so that they complete 5 years of quality primary education by 2007, and complete 8 years of quality elementary education by 2010, besides universal retention by 2010 while bridging all gender and social category gaps at primary stage by 2007 and at elementary stage by 2010.

The present system of school education in the State is divided into four levels viz; Primary, consisting of first-to-fifth classes; Middle, consisting of sixth-to-eighth classes; High, consisting of ninth-tenth classes and Senior Secondary, consisting of eleventh-twelfth classes. The type of schools correspond to these i.e. Primary, Middle, High and Senior Secondary schools. Out of these four, Primary schools and Middle Schools are stand alone units and admit students of their respective levels only. But High and Senior Secondary schools have overlapping levels, where High schools have also Middle and High levels and Senior

Secondary schools have three levels simultaneously i.e. Middle, High and Senior Secondary.

Primary and Upper Primary schools are also being run by private management as aided schools, non-aided recognized schools and even non-recognized schools. The State Government has 18882 Primary and Upper Primary schools and number of teachers in these schools is 84443. A large number of Primary/Upper Primary private schools have been set-up in the State as the Government of Punjab¹ is encouraging participation of private sector for providing good quality education by giving a package of incentives in the form of land at cheaper rates alongwith other facilities.

Punjab, being a non-DPEP State, did not have the benefit of an existing good infrastructure for the scheme; as a result, the implementation of the SSA programme was very tardy so far. There was no centrally sponsored scheme that aimed at providing infrastructure in the Government Primary schools in the State of Punjab. Some infrastructure got created under "Operation Blackboard" scheme, which was operational from 1986 to 1993 and covered all the schools in Punjab in three phases. The material and equipment supplied under this scheme has already been utilized or condemned due to passage of time and has not been replaced due to lack of funds. The SSA, therefore, holds a great promise and relief to the elementary education set up in Punjab as it will qualitatively improve and expand the existing educational activities.

2.2 Organizational set up/Management Structure

The State SSA Mission is headed by State Project Director who is also Special Secretary (Education). He is assisted by Additional State Project Director who is also Director, State Council of Education, Research and Training, Punjab. In addition, there are one Deputy State Project Director and four Assistant State Project Directors, besides other

¹ Source: website [www. Punjab Education Organization](http://www.Punjab Education Organization)

supporting staff. Although organisational structure, embodies the provision for appointment of a Chartered Accountant as Deputy Controller, Finance and Accounts but no appointments there against have been made. The Accountant who is a retired cashier from Education Department has been entrusted with funds management and cash handling. There is no other superior officer to supervise his work although his work involves handling of huge funds released by Central/State Government. The Assistant State Project Directors are teachers of Education Department and their services have been placed at the disposal of State Mission. The payment of their salaries and allowances etc. is made by State Government Education Department. The organization chart is annexed as per **Annexure A**.

The Mission consists of Governing Body headed by the Chief Minister empowered to create administrative mechanism through participation of various departments and autonomous agencies of State/Central Government for achievement of the objects of the Mission. The affairs of the Mission, subject to rules and regulations of the Mission, are to be administered by an Executive Committee, which further constituted (October 2003) three sub-Committees viz. Finance Committee, Appointment Committee and Programme Implementation Committee to carry on the business of the Mission. The composition of each Committee is as under:-

Executive Committee	Appointment Committee	Finance Committee	Programme Implementation Committee
Chairman-Chief Secretary	Chairman:- Principal Secretary, School Education	Chairman:- Principal Secretary, School Education	Chairman:- Special Secretary-cum-DGSE
Vice-Chairman-Senior Most Secretary Incharge of SC/ST/BC Welfare and School Education.	Member Secretary State Project Director	Member Secretary State Project Director	DPI (Sec. Education) DPI (E.E.) Director SCERT
17 members which would inter-alia include 5 senior most Secretaries of	Members DPI (Sec. Education) DPI (E.E.) Representative of Personnel Department	Members-DPI (Sec. Education), DPI (E.E.) Representative of State Finance Dept. not less than Joint Secretary	Representative from Social Security, Woman and Child Development Department, two non official members, two distinguished teachers (serving or

different Deptts., DPI (School), Director SCERT and three representatives of the Central Government (Dept. of HRD) etc.		Representative of Controller of stores wherever procurement is under consideration	retired)
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1.3 District Project Set up

District Education Officer (E.E.) is the Principal Executive to implement the elementary education in the District including SSA, which is an integral part of the school education system. To assist the DEO (E.E.) one Deputy Education Officer has been posted at Ropar.

At the Block level, to look after the Primary education there is Block Primary Education Officer (BPEO) posted in each block. The services of 98 teachers are being utilized as Block Resource Person by posting 7 teachers in the DEO's office and 7 teachers in each block as per State Project Director's letter No. SSA/2004 ASPB 3/2864 -2914 dated 28th January 2004. Due to deployment of Block Resource Persons, 98 teachers are short in Ropar district alone. Since this practice prevails in all the blocks it affects vitally the teaching resource personnel and the shortages are endemic in some cases.

None of the Block Resource Person has been imparted training for capacity development and community mobilization. No training has so far been imparted to VEC members at Ropar and Amritsar. It may further be added that there is no accountant in the office of the District Education Office (E.E.) Ropar.

The system of Village Education Committee (VEC) in Punjab has been introduced under SSA. The concerned headmaster of the village school is the Secretary of the Committee and other members of the Committee are:-

Two persons from Panchayat (One of whom must be female).

Two persons from parent teachers Association (one of whom must be female)

One Ex-serviceman
One Retired Headmaster
One donor or N.R.I.

The Chairman of the Village Education Committee is elected by the members excluding the Headmaster. In practice, the Chairman is village Sarpanch.

Similar organization set up exists at Amritsar, where the number of BPEOs is 26.

1.4 Meetings

After the formation of the Mission in June 2000, there has been only one meeting of the Governing Council held on 17 April 2003. No meeting of the Governing Body was held in the year 2000-01 to 2002-03.

The first meeting of the Executive Committee was held on 17 October 2003. Organisation of the State Mission was re-structured in this meeting where the entire staff requirement was re-assessed. Additional staff required was recently recruited for gearing up the activities of the Mission. Details of additional staff recruited are given in the **Annexure B**.

The main functions of the Executive Committee include all administrative, financial and academic powers including powers to rationalize posts of all description in the Mission, to frame regulations in consultation with State Government including bye-laws for the conduct of activities of the Mission in furthering its object. In addition to the above, the annual report on the working of the Mission and the work undertaken by it during the year together with the audited accounts are required to be approved by the Executive Committee for placing the

same before the Annual General Meeting of the Mission each year together with Auditors' Report. Though the Receipts and Payments Accounts for the years 2000-01, 2001-02 & 2002-03 were prepared, these were not got approved from the Executive Committee. In fact the Executive Committee has met only once so far but approval of accounts was not on agenda.

1.5 Re-organization of School Education System in Punjab

The State Government carried out some reforms in the School Education System in line with the intent of the SSA programme. The Government Notification of October 2003 basically related to reorganization of the Elementary Education; it had following important elements, the basic idea being to restructure the school education at two levels viz. Elementary and Secondary Schools from 1st November 2002:

- ❖ Elementary level will consist of 1st to 8th Classes.
- ❖ Secondary level will consist of 9th to 12th Classes. The system of common syllabi for 9th to 10th and for 11th to 12th classes will continue with special emphasis on vacation's stream.
- ❖ The existing Primary and Middle schools operating from the same campus or within one Km. will merge into single Elementary school. The staff in both the schools will merge and a common time table will be framed.
- ❖ All Primary and Middle schools operating in village but having a distance of more than one Km. will evolve as two independent elementary schools. A Primary school will start Upper Primary classes when it has more than 20 Primary students available to move into 6th class.
- ❖ In villages which have only a Primary school but do not have Middle, High or Senior Secondary School, the Primary school will start Upper Primary classes when it has more than 20 students available for admission to 6th class.

- ❖ In villages where Primary schools are operating in the premises of High or Secondary schools, Upper Primary section will be separated from High/Secondary schools and will merge with Primary school to form Elementary school.
- ❖ All Master Cadre and other teachers posts sanctioned for the Elementary classes (6th to 8th) for High/Senior Secondary schools will presently remain under DPI (Secondary Education) but will ultimately be shifted to DPI (E.E.).

An examination of the progress made towards these reforms revealed that even though the State Government informed the Government of India that re-organization of school education into two levels –Elementary and Secondary has been implemented, our discussions with the Deputy Director, DPI(E.E.) indicated that administrative control of the teachers teaching elementary classes (6th to 8th) in Middle, High and Senior Secondary classes has not yet been transferred to DPI (E.E.) with the result he has virtually no control on the teachers teaching the elementary classes (6th to 8th). During our meeting with the Principal Secretary, Education (7th May 2004) we were informed that the implementation is being done in stages and it will take some time before it is fully implemented.

1.6 Educational Profile of Punjab

(a) The educational profile of the State is as under:-

i).	Total Population of the State	2.43 crores (2001)		
ii).	Area of the State	50362 Sq. Kms.		
iii).	Literacy Rate	Year 2001	Male 75.63% (85,15,310)	Female 63.55% (63,38,500)
iv).	Number of Divisions	04		
v).	Number of Districts	17		
vi).	Number of Community Blocks	140		
vii).	Number of Gram Sabhas	Not Available		
viii).	Number of Villages	12,729		
ix).	Number of Primary & Upper Primary Schools in the State (as per details below)	19,082		

(b) Number of Primary Schools in the State are as given below

Year	Government	Aided and Recognized by Government	Unaided but recognized by Government	Private/Non recognized
2002-03	13357	113	456	3760
2003-04	13357	113	456	3760

(c) Number of Upper Primary Schools in the State are as follows:

Year	Government	Aided and Recognized by Government	Unaided but recognized by Government	Private/Non recognized
2002-03	5625	439	1363	3608
2003-04	5625	439	1363	3608

(d) Population of Children between the age group 6 –14 years is given below:

2002-03	40,48,327		Gender-wise & Caste-wise figures are not available	
2003-04	41,00,910		SC/ST	
	Boys 2262495	Girls 1838415	Boys 693802	Girls 599107

(e) The Enrolment pattern of Children in various schools is as given below:

Year	Primary Education (Government Schools)		Private Schools	Upper Primary Education (Government Schools)	Upper Primary Private Schools
2002-03	Total	1499460	859178	776692	390678
	Boys	776041	N.A.	410801	N.A.
	Girls	723419	N.A.	365891	N.A.
	Total (SC)	810234	N.A.	309248	N.A.
	Boys (SC)	428530	N.A.	165978	N.A.
	Girls (SC)	381704	N.A.	143270	N.A.
	Grand Total	2276152	859178	1249856	390678

Source: - Annual Work Plan of the State 2002-03.

It would be seen that against the total population of children in the age group 6-14 years, 22,76,152 are studying in Government schools and 12,49,856 are in private schools. Besides we were informed that there are 1,92,314 students in Army schools/Navodaya Vidyalayas/Police and PSEB schools and 3,30,005 children were out of schools. The percentage of enrolment of children in the private Primary and Upper Primary schools works out to 36.43 and 33.47 respectively.

The number of primary teachers as per norms and in position during 2002-03 was as follows:

No. of teachers as per SSA norms	37,486
No. of teachers in position	49,061

As per SSA norms there should be one teacher in Primary school after forty students. It would be seen that in a straight application of norms the existing no. of teachers are more than what is required under SSA. Information about teachers as per norms or in position for 2003-04 and in respect of Upper Primary schools were not available from SSA Mission. The Mission has not worked out their requirement of teachers as per SSA norms. During discussions the Addl. State Project Director intimated that under SSA norms minimum two teachers (one male, one female) are required for each of the Primary school whereas minimum five teachers for each Primary school are required under State norms. Similarly in respect of Upper Primary schools three teachers are required to be posted in each school under SSA norms whereas six teachers of different subjects have been provided in each school under State norms. Apparently State norms are more liberal yet there are vacancies in the teachers' cadre, due to distributional issues.

CHAPTER 2

FINANCE, ACCOUNTS AND INTERNAL AUDIT

2.1 Fund Flow

The SSA envisages contribution from Government of India vis-à-vis Government of Punjab in the ratio of 85:15 for the IX Five Year Plan period and 75:25 during the X Five year Plan period (from 2002-03); thereafter the sharing of expenditure is in the ratio of 50:50. The Ministry was to release these funds in two instalments every year i.e. April and September, subject to certain conditions being fulfilled. One of the essential conditions is that State Government will maintain its investment on Elementary Education at a level not less than that in the year 1999-2000; further the State share to the Mission was to be given within a month of release of Central share.

The level of investment by the State Government during 1999-2000 on the Elementary Education (Primary schools) during 2002-03 and in 2003-04 as provided to us by the Project office and as per Finance Account is given below:

(Rs. in Crores)

Year	As per SSA Office	As per finance A/c	Expenditure
1999-2000	560.66	554.93	511.51
2000-2001	625.66	592.61	488.15
2001-2002	---	649.48	446.71
2002-2003	502.84	706.26	570.86
2003-2004	528.55	568.82	493.78

It may be seen that the investment level of 1999-2000 was not reached in 2002-03 and 2003-04. However, in terms of Finance account figures there was no shortfall in so far as budgeted amount are concerned except in 2003-04 after adjusting the releases under SSA (Rs. 64.76 crores + Rs. 25.83 crores). A look at the expenditure figures however would reveal that in actual terms, the investment on primary education has gone down even in earlier years, for example in 2000-01, (Rs. 488.15 crores) 2001-02 (Rs. 446.71 crores) and in 2003-04 (Rs. 493.78 crores)

In the first year of SSA viz. 2001-02 Rs. 5517.08 lakhs were received in three instalments by the Government of Punjab. (on

11.10.2001, 27.12.2001 & 22.01.2002) yet these funds remained with the Punjab Government and were not released to the SSA Mission during that year. In addition, Rs. 1839.03 lakhs being the share of State Government was also not released to them. In effect, therefore, year 2001-02 was 'Wash Out Year' in terms of funds. The State Government released these funds only next year i.e. 2002-03 as below:

(Rs. in lakhs)

S. No.	Year	As per AWP and budget	Funds received from GOI (date)	Share released by State Government	Punjab Government share @ 25%	Short release by Punjab Government	Released to Districts offices
1.	2002-03	14213.99	5517.08 (17.06.2002) 4868.00 (19.12.2002)	973.17 (17.06.2002) -----	1839.03 1622.67	865.86 1622.67	July 02 March 03
	Total		10385.08	973.17	3461.70	2488.53	
2.	2003-04	20057.83	6476.00 (25.09.2003)	2583.00 (25.08.2003) 500.00 (26.03.2004)	2158.67	* 424.33 * 500.00	Dec. 03
	Grand Total		16861.08	4056.17	5620.37	1564.20	

* Excess release.

The State Government defaulted in two ways – it did not pass on the Government of India funds to the State Mission in 2001-02 and did not release their share also. Even after these funds in respect of 2002-03 were released in June 03, the State Government did not fulfill their part of the obligation and deposited only Rs. 973.17 lakhs. Yet, the State received an instalment of Rs. 4868.00 lakhs in December 2002 even though it had defaulted in providing matching funds to the Society. This time too State Government share against the instalment received from Government of India was not deposited during 2002-03. Overall short deposit of State Government share was Rs. 2488.53 lakhs during 2002-03. The SSA, Mission transferred funds of Rs. 6321.50 lakhs (out of the 1st instalment) to the various District Education Officers on 18.07.2002 and Rs. 5036.60 lakhs on 21.03.2003 out of instalment including previous balance). However, the entire funds released was depicted as expenditure on the basis of UC's from the DEO's. As pointed out elsewhere in this report, these UCs were incorrect and significant

amounts were lying unutilized in the field offices. The expenditure figures, therefore, do not depict true and correct picture of the progress of the scheme. On the basis of our test-study of two Districts, following amounts were lying unutilized:

(Rupees in lakhs)

Integrated Education for disabled Children	Ropar District	15.47
	Amritsar District	42.41
Repair & Maintenance Grant	Ropar District	91.86
	Amritsar District	192.70

The delay in release of 2nd instalment of funds to the districts had an adverse impact on the progress of the scheme and achievement of targets as is reflected in our findings in the study of Ropar & Amritsar Districts.

During the year 2003-04, Government of India released funds of Rs. 6476.00 lakhs on 25.09.2003 whereas the State Government had released their share of Rs. 2583.00 lakhs on 25.08.2003. The State Government further released Rs. 500.00 lakhs on 26.03.2004. Though the State Government share against the funds of Rs. 6476.00 lakhs was in excess by Rs. 924.33 lakhs for the year but overall there was still a net shortfall of State Government share to the extent of Rs. 1564.20 lakhs in respect of the funds received from Government of India during 2002-03 and 2003-04.

Against the total fund of Rs. 9559.00 lakhs (State & Government of India) received, the Mission transferred Rs. 8024.62 lakhs on 29.10.2003 to DEO's out of total funds of 2003-04 received and spent Rs. 45.84 lakhs at Head Quarters, the balance of Rs. 1489.00 lakhs was lying with the State Project Director as on 31.03.2004.

The funding aspects of the Project apparently need much closer attention both in terms of timely and full release of funds by the State

Government and its further releases to District/Block/Village levels as pointed out below.

2.2 Delay in disbursement of grants to Districts

(i) Amritsar District

The table below indicates the position of grant received from SSA by the District and that disbursed in 2002-03 and 2003-04.

Date of receipt	Amount (Rs. in lakhs)	Date of disbursement	Amount (Rs. in lakhs)	Balance (Rs. in lakhs)	Delay in months
08.06.2002 31.01.2003	666.53 526.43	7.10.2002 to 29.03.2003	909.89	298.90 (x)	3-8
06.11.2003	779.49	5.04.2003 to 31.12.2003	229.34	849.05	4-12

(x) includes previous balance of Rs. 15.83 lakhs.

From the table it is evident that grants which were required to be disbursed immediately on receipt were released late (delay ranging from 3-8 months in 2002-03 and 4-12 months in 2003-04). The study team during its visit to Amritsar discussed the delay with officials of DEO (EE). We gathered from the DEO that grants were released in consultation with local MLA's who are members of district implementation committee, and the delay was caused as they were generally not available. During our study of other States we did not come across this kind of problem in the release of funds downwards by the District. The system perhaps needs some streamlining to minimize any such delays.

(ii) Ropar District

During the year 2002-03, Ropar district received Rs. 544.15 lakhs in two instalments (Rs. 307.00 lakhs on 24.10.2002 and Rs. 237.15 lakhs on 24.01.2003). The district released Rs. 529.30 lakhs during 2002-03 to the blocks/villages of the schools/DIET as in 5 instalments detailed below:-

Rs. 130.27 lakhs to Blocks on 24.02.2003

Rs. 13.67 lakhs to Blocks on 07.03.2003

Rs. 246.13 lakhs to Blocks on 29.03.2003

Rs. 34.90 lakhs to schools on 30.03.2003

Rs. 104.33 lakhs to DIET on 31.03.2003

It would be seen here also that the school grants and teacher grant were released to the schools practically at the end of the year 2002-03, so could not be used for stated purposes during that year. However, the amount was taken as expended.

2.3 Funds for Pre-Project Activities

Rs. 283.25 lakhs (Rs, 91.00 lakhs + Rs. 49.00 lakhs + Rs. 143.25 lakhs) were received by the Mission from the Government of India during the period from 30.03.2001 to 30.01.2002 for pre-project activities.

The Government of India's sanction stipulated that funds were to be utilized on five components as detailed below:-

1. Capacity Building
2. Community related Activities
3. School Based Activities
4. Survey and participating Activities
5. Cost of strengthening of District Education Offices

One of the components was strengthening of District Offices and for that purpose Rs. 34 lakhs @ Rs. 2.00 lakhs for each of 17 districts in the State was included in these sanctions. The entire amount of Rs. 283.25 lakhs thus received from Government of India was to be transferred to the districts for conducting survey/creation of assets etc. A study of records, however, revealed that Mission released Rs. 262.40 lakhs to the 17 districts and kept the balance amount of Rs. 20.85 lakhs with them and utilized the same on various items like, purchase of stationery, crockery, taxi charges etc. instead of on the five components laid down in the sanctions. The Mission obviously was to return the unspent balance to Government of India as per the sanction condition.

Funds amounting to Rs. 15.98 lakhs were transferred by the State Project Director, SSA to DEO Ropar on 06.02.2002. On verification of the record, our team noticed that no cash book and supporting vouchers

were maintained by the DEO, Ropar. The bank statement, however, revealed that payment of Rs. 11.53 lakhs was made to PSIEC,* Chandigarh vide Draft No. 34603 dated 18.02.2002 and Rs. 2.64 lakhs to Ambala Central Cooperative Consumer Stores Ltd. Chandigarh vide Draft No. 235073 dated 18.03.2002 on account of supply of forms for the pre-project survey conducted in the State. The printing of forms was ordered by the State Project Director. The basis of selection of the supplier, determination of rates etc. in the absence of open tenders/quotations is not on record in the office of DEO, Ropar. The payment of Rs. 14.17 lakhs was released on receipt of the direction from State Project Directors' office.

Similarly, funds amounting to Rs. 16.45 lakhs were transferred by the State Project Director to DEO, Amritsar on 29.12.2001 against which payment of Rs. 11.80 lakhs was made by the DEO, Amritsar in January, 2002 to PSIEC for supply of survey books and other printed material. In addition payment of Rs. 13.21 lakhs and Rs. 17.01 lakhs were made to the PSIEC and Ambala Central Cooperative Consumers stores respectively, on the direction of the State Project Director for the supply of the forms and books out of the first instalment of Rs. 666.53 lakhs received on 18.07.2002.

On enquiry, the Addl. Project Director, SSA informed the Study team that the purchases of the forms were made from the Government Company (PSIEC) and Cooperative stores after obtaining the approval of the then Principal Secretary (School Education). But the relevant files containing supply orders placed on these firms were not made available to the Study team despite repeated requests, both verbally and in writing.

* PSIEC (Punjab State Industrial Export Corporation)

As per Rule 34 (vii) of SSA Mission only the Executive Committee was empowered to acquire stores and services required for the discharge of the functions of the SSA Mission and as such the order of the Principal Secretary was not in consonance with the spirit of rules.

More important is the fact that the PSIEC/Ambala Central Cooperative Consumer Stores Ltd. are neither approved source for these items nor they are dealing in printing/supply of forms/books. The District Education Officer, Ropar informed us that no requirement of forms/books was ever obtained from him. However, all the forms/brochures so obtained have since been issued to the Block Elementary Education Officers posted in the districts. Principal Secretary (School Education) with whom the Study team had discussions on 07.05.2004 agreed that there were serious financial irregularities committed in these purchases as no procurement procedure in these purchases were followed and both these firms were neither approved sources for these items nor they were dealing with printing of forms.

The matter needs investigations to ascertain if in reality the supply of these forms was made by a private firm through these organizations under back to back agreement with a view to side track the observance of laid down purchase procedure in Punjab Financial Rules (PFR).

It is pertinent to mention that payment of Rs. 56.19 lakhs for printing/purchase of the forms pertain to two districts only. The total payment made on this account in the State could not be worked out due to non production of the relevant purchase file.

2.4 Funds Utilization

The table below indicates the major component-wise Receipt and Expenditure for the year 2002-03:

Rupees in Lakhs			
S. No.	Category of Expenditure	Receipt	Expenditure
1.	Civil works	5325.272	4787.750
2.	School Grants	386.580	361.700
3.	Teachers Grants	422.385	342.100
4.	Education of Disabled (I.E.D.)	360.600	6.810
5.	Block Resource Centres	30.245	26.077
6.	Cluster Resource Centres	50.342	38.008
7.	Research & Evaluation Programme	270.606	194.124
8.	Maintenance & Repairing	1714.200	1197.00
9.	Management Costs	300.360	20.240
10.	20 days teachers training	118.678	931.665
11.	Training to VEC members	92.779	68.193
12.	Innovation activity, Computer, Education, Education for Girls/SC/ST	419.988	30.999
13.	Free Text Books for non SC Girls	780.836	487.657
14.	TLE Grant	21.300	--
	Total	11358.171	8492.323

Note: Expenditure figures for 2003-04 were not available with State SSA Mission. However, the Ministry of HRD, informed that the expenditure was Rs. 8260.00 lakhs.

The macro picture that emerges from the table shows that there was significant shortfall in financial achievement in many components; most notably in Education of Disabled Children, Innovative programme, Distribution of free text books to Non-SC girls etc. If one recognizes the fact that the expenditure figure itself is inflated the achievement of SSA in 2002-03 will further take a beating.

The study team could not get a macro view of the utilization of 2003-04 grants since the data was not given to the party. However, during field visits, the findings on the use of funds allocated to village schools, BRC/CRC and districts are contained in the relevant paragraphs of the report.

2.5 Financial Monitoring and Control

Finance function is one of the weakest features of SSA, Punjab. There is chronic shortage of finance staff, persons holding the key positions in finance are not adequately qualified in terms of SSA Punjab's own rules & regulations. The organizational structure embodies the provision for appointment of a Deputy Controller (Finance & Accounts), but no appointment thereagainst has been made. The Accountant who is a retired cashier from Education Department has been entrusted with funds management and cash handling. There is no other superior officer to supervise his work although the work involves handling of huge funds released by the Central/State Government. The qualifications laid down for these posts in the Rules is Chartered Accountants or Master of Business Administration.

There was no system of submitting monthly expenditure statement by the District Project Office to the State Project Office. The figures of the expenditures were, however, collected on phone or through fax messages every quarter. The State Project Officer has now forwarded a format to the DEOs for submitting the monthly expenditure from April 2004.

Lump-sum funds were released by the State Project Officer to the District Project Coordinators and no component-wise distribution was given. Since, there was no monthly or periodic review of expenditure, there was no control and mechanism to ensure whether the expenditure has actually been incurred on the specified items as per norms and conditions laid down by the Central/State Government. Mid- course corrections were thus not possible.

2.6 Compilation of Annual Accounts

As per Rule 47(1) of Rules and Regulations of the State SSA Mission, it is required to prepare Receipt and Payment Accounts annually. The accounts so prepared, has to be audited by the Chartered Accountants appointed by the State Mission.

Further Rule 48 ibid requires that Annual Report on the working of State Mission and works undertaken by it during the year together with Annual Receipt and Payment accounts and Balance Sheet duly audited shall be prepared by Executive Committee and placed before the Annual General Meeting each year. After approval by the General Body, these shall be submitted to the State Government, which will furnish one set thereof to the Central Government not later than 6 months from the close of the financial year (i.e. by September 30 each year).

The State Mission and District Officers have so far prepared annual accounts of Receipt and Payments for the year 2000-01, 2001-02 and 2002-03, which have however not been got approved so far from the Executive Committee/General Body.

The State Mission and District Offices have not maintained ledger, Journal, Fixed Assets Register, Register of Works, Register of Investments etc. as required. The accounts were not got approved from the Executive Committee nor the appointment of Chartered Accountants done/approved by Executive Committee as required vide Rule 47(2) ibid. There is no system of internal audit for ensuring accuracy of accounting transactions. In the absence of internal audit possibilities of financial irregularities and misappropriation cannot be ruled out. In short, accounting is one of the weakest areas in SSA, Punjab and needs thorough revamping both as regards systems and procedures and adequate staffing.

2.7 Irregularities in Cash Management by District Education Officer (E.E.), Ropar

Rule 4.6 of the rules and regulations of the Society requires that bankers of the State Mission shall be decided by the Executive Committee and all payments shall be made into Mission's account and will not be withdrawn except through cheques issued by the officers empowered by

the Executive Committee. The Executive Committee had not so far issued any guidelines regarding selection of bankers and the cash management related matters for bringing improvements in the matter of accounts maintenance and to guard against mismanagement of funds.

A review of the accounts revealed serious irregularities in cash management and purchases as detailed below.

- a) From 6th February 2002 to 23rd February 2003, Rs. 322.983 lakhs were received but no cashbook and supporting record of receipts/payments was maintained by the DEO (E.E.), Ropar. In the absence of cashbook and other supporting records/vouchers pertaining to receipts/payments, the genuineness of the payment could not be ascertained.
- b) The SBP bank account CC A/c No. 50035 revealed that an amount of Rs. 35.59 lakhs was paid to BPEO, Anandpur Sahib through cheques without justification as money was neither demanded nor required for disbursement by the BPEO. The amount was drawn by the BPEO, Anandpur Sahib on the dates given below and deposited in Saving Account:-

<u>Date of Drawal</u>	<u>Amount (Rs. in lakhs)</u>
15.11.2002	26.49
26.11.2002	<u>9.10</u>
	<u>35.59</u>

The payment was, however, refunded by the BPEO, Anandpur Sahib after transfer of the then DEO (E.E.) Ropar as under:-

<u>Date of Refund</u>	<u>Amount (Rs. in lakh)</u>
19.02.2003	23.80
20.02.2003	<u>11.79</u>
	<u>35.59</u>

Interest accrued of Rs. 15799.37 was also transferred by the BPEO, Anandpur Sahib. There is clearly no monitoring of the working of the field offices and system of supervision and control mechanism was missing which facilitated these financial irregularities. The accuracy of the Accounts could also not be verified.

- c) The DEO, Ropar has opened the following current accounts with different banks on the dates noted against each:-

Date	Account No.	Name of Bank
08.01.2002	CC A/c No. 50121	State Bank of India, Ropar
01.05.2002	CC A/c No. 15336	HDFC, Ropar
18.10.2002	CC A/c No. 50035	State Bank of Patiala, Ropar

However, without any justification DEO (E.E.) Ropar opened another current account No. 100136 in Oriental Bank of Commerce, Ropar and deposited Rs. 2 lakhs on 18.12.2002 by withdrawing from HDFC Bank account Number 15336. The account remained dormant upto 1.1.2004 when it was closed. An amount of Rs. 1,99,900 less commission of Rs. 100/- deducted by the bank was taken out from the OBC account.

A perusal of the bank statement of revealed that two cheques bearing No. 050537355 and 05067854 dated 27.08.2002 for Rs. 60,000 and 15,000 respectively were issued in favour of one of the clerks of DEO's office. On inquiry it was stated that the amount of Rs. 75,000 so encashed was handed over to the then DEO (P) but no account thereof has so far been submitted by her. This needs prompt investigation. The cashbook has not yet been completed and internally checked with the receipt/payment records/vouchers.

The above instances indicate mismanagement of the Government funds, due to lack of proper accounting procedure, guidelines and absence of proper control and monitoring mechanism. The possibility of misappropriation, misuse of public funds under such conditions cannot be ruled out as there is a complete mess in the maintenance of accounts.

2.8 Bank accounts and Non-reconciliation of bank balances

2.8.1 State Project Director who is the sole drawing and disbursing officer is maintaining current account with SBI/CANARA Bank and there were large balances from time to time in these Accounts. Keeping in view the heavy balances, the Mission should have been more prudent and opted for short-term deposits to earn interest or by simply opening Savings Bank account instead of the current accounts. This would have fetched the Mission interest income of Rs. 30.70 lakhs calculated at the Saving Bank rate of 3% in respect of balances of more than Rs. one crore from time to time.

2.8.2 The funds received from State Project Office were kept in different banks. In the absence of clear guidelines regarding opening of bank accounts and selection of bankers as required, the DEO (E.E.), Ropar opened several current and saving bank accounts as detailed below:

- i). Current A/c No. 50035 with State Bank of Patiala at Ropar and all receipts and payments were routed through this account.
- ii). A Savings Bank A/c No. 50035 was also opened in State Bank of Patiala at Ropar in which Rs. One crore was transferred from Current A/c No. 50035 on 05.03.2003.
- iii). DEO (E.E.), Ropar also had a Savings Bank A/c No. 50121 with State Bank of India, Ropar.

- iv). In addition, without justification another Bank Account No. 15336 was opened with HDFC Bank Ltd. with effect from 1.5.2002 by transfer of funds from Current Account No. 50035 held with State Bank of Patiala.
- v). On 18.12.2002, the DOE opened a (Current Account No. 10136) with the Oriental Bank of Commerce, Ropar and deposited Rs. 2 lakhs in the same by withdrawing the money from the HDFC Bank Account. (the account was closed on 1.1.2004).

No cashbook was maintained from 06.02.2002 to 24.03.2003 in the absence of which no control on the cash transactions could be exercised. However, maintenance of cashbook started from 25.03.2003.

It would be advisable to normally have one or two designated accounts in sound banks. The practice of at random opening and closing of Bank accounts is clearly not a good practice. This needs to be addressed by Project Director.

It was seen that as against balance of Rs. 173.62 lakhs in various banks, the cashbook disclosed balance of Rs. 8,24,226, the difference of Rs. 165.38 lakhs was not reconciled as no bank reconciliation was conducted.

Bank reconciliation is required to be conducted regularly to guard against the possibility of frauds and embezzlements and proper guidelines for selection of bank and opening of bank accounts and regular bank reconciliation should be issued at the earliest. The DEO informed that bank reconciliation could not be done as cashbook for the period from 06.02.2002 to 23.03.2003 was not written. The needful would be done only after vigilance enquiry regarding purchases made in above period is completed.

CHAPTER 3

CIVIL WORKS & INFRASTRUCTURE

3.1 Execution of Works

Under the SSA programme execution of Civil Works apart from construction of school buildings includes inter-alia construction of Block Resource Centres (BRC) and Cluster Resource Centres (CRC), additional rooms for Primary (1st to 5th classes) and Upper Primary Schools (6th to 8th Classes) and sanitary blocks and drinking water facilities. The investment on civil works was to be limited to 33 percent of project cost. The SSA framework has also laid down certain norms for execution of civil works and all proposals should conform to these norms and other conditions. While preparing the Annual Work Plan & Budget (AWP&B) school-wise plan should be prepared describing existing infra-structure, required and proposed for inclusion in Annual Work Plan. Majority of works were to be executed by Village Education Development Committees popularly known in Punjabi Language as (PASWAK). State Project Director, SSA has issued guidelines in the form of "booklets" to facilitate planning, execution, inspection, accountal and audit of works at four tier level, at State Head Office, District, Block and Village levels. The PASWAK is authorized to undertake works upto Rs. 15 lakhs. The design/drawing and estimates for construction of various items of work were supplied by the State Project Director, SSA. Engagement of contractors was completely debarred. The guidelines suggested that PASWAK members would purchase the construction and other materials of good quality for which at least three quotations would be invited to determine the reasonability and competitiveness of the rates. Punjab, being non-DPEP State, had not inherited any infrastructure such as in-house Engineering Cell essential for designing, monitoring and technical guidance. On the basis of pre-survey conducted by SSA State Mission in 2001-02, Annual Work Plan and Budget for 2002-03 was framed and

submitted to Government of India. The Government of India after appraisal of the Plan for 2002-03 approved budget provision of Rs. 14213.99 lakhs against which funds released were Rs. 11358.17 lakhs (including State share Rs. 973.17 lakhs). Against provision of Rs. 8423.60 lakhs for Civil Works, Rs. 7039.47 lakhs were released by the State Project Director on 18.07.2002 and 21.03.2003 to the District Offices for further disbursement to Block Education Committees and Village level Committees. During the year 2003-04, third instalment of Rs. 3748.90 lakhs was also released on 27.10.2003 for execution of various items of works.

The table below indicates the target of construction, funds released and physical achievements and expenditure incurred as on 30.03.2003:

(Amount in lakh of Rupees)

S. No.	Particulars of Works	Unit cost	Target as per AWP&B 2002-03	Financial outlay as per AWP&B 2002-03	Funds released to VEC/ BEC etc. 2002-03	Physical achievements as on 30.09.2003			Expenditure
						Works completed	Works-in-Progress	Total	
1.	Construction of BRC	6.00	121	726.00	633.00	--	14	14	84.00
2.	Construction of CRC	2.00	121	242.00	194.00	11	21	32	64.00
3. i).	Construction of additional rooms for Primary schools	1.20	973	1167.00	973.00	521	508	1029	1234.80
ii).	Upper Primary Schools								
4. i).	Buildingless schools	3.00	108	324.00	324.00	73	28	101	303.00
ii).	Buildingless Branch schools	3.00	174	522.00	489.00				
5.	Sanitary Blocks and drinking water for Primary & Upper Primary schools	0.35	8004	2801.40	1953.87	4839	1286	6125	2143.75

6.	Construction of Verandah	1.00	42	42.00	42.00	16	11	27	27.00
7.	Repairs & Maintenance of schools	0.05	34284	1714.20	1714.20	18806	5984	24790	1239.50
Total				8423.60	7039.47				5096.05

Based upon the targets of various items of works reported by the District Officers the total requirement of funds amounted to Rs. 6040.80 lakhs against which funds of Rs. 7039.47 lakhs were released for works in the year 2002-03. The expenditure incurred on the works completed/in progress computed at Unit cost rate worked out to Rs. 5096.05 lakhs as on 30.09.2003, thus funds released had not much correlation with progress of works, which resulted in locking up huge funds of Rs. 1943.42 lakhs, which were still with Village/Block Committees though a period of more than a year has elapsed. The payments made to BEC/VECS have been shown as final expenditure instead of showing as advance payments pending adjustment against actual expenditure and as such it does not reflect true picture of the accounts.

The Study team visited 25 schools, each in Ropar and Amritsar districts, and noted following shortcoming/weaknesses in the maintenance of accounts records:-

- i) The grants deposited in the joint account of VEC Chairman and head teachers were mostly withdrawn in lump sum for meeting the expenses connected with construction activities. In this regard, Government Primary schools, Kanjla (Morinda), Chak Dhera and Lohgarh Fiddey (Ropar-I) deserve mention. The books were not properly maintained, as the entries of receipts/payments were not made date-wise in chronological order. The payment vouchers were posted against respective grants. The cash books were not totalled and closed nor cash balances tallied with bank with the result that the entries in the cash book could not be traced in Bank pass books. The contribution from the village Panchayat/donors etc. were also not found recorded in the

cashbook. It was also observed that the cash book was never checked by BPEO or any officer from DEO office. The teachers in-charge stated that they were not imparted training in writing cash book and other allied records. The training of teachers in accounts at the level of DIET should be done periodically and the spot-checking of the accounts records should also be done periodically by supervisory officers.

- ii) The stock registers (both consumable and non-consumables) were not properly maintained. "Material at Site" Account, as required were not kept at all. The entries in the stock registers in case of construction materials etc. were not found recorded in most cases (GPS Bhaini, Lohgarh Fiddey, Chak Dhera, Asspur (in Ropar I Block). No assets, register has been maintained as required. The receipt and consumption of materials could not be verified.
- iii) No technical guidance/supervision regarding depth of foundations, concrete mixing, steel used, mortar mixing, quality of bricks etc. was provided. The PASWAK mostly depended on the expertise and technical skill of the masons engaged locally.
- iv) Paid vouchers were not defaced by stamping "paid and cancelled". The details of expenditure incurred on works were not got approved from the PASWAK.
- v) The Payments exceeding Rs. 500 were to be made by cheque. Instead, the payments were made in cash. In case of Lady Head Teachers the payments were mostly drawn in lump sum by the Chairman PASWAK for making purchases with the result the quality assurance and rates paid could not be verified.
- vi) The grants for additional room at the rate of Rs. 1.20 lakhs were paid to such schools, which never required/asked for such grants

as sufficient rooms as per norm were already available with schools. The school teachers informed that despite their refusal, the grants were paid which resulted in wasteful expenditure. In this connection, GPS Lohgarh Fiddey, GPS Bharatgarh (Ropar I Block) deserves mention. At Bamnara school (Morinda) the construction was held up after incurring an expenditure of Rs. 0.10 lakh as the proposed site was under illegal occupation and Rs. 1.10 lakhs was lying in bank.

In Amritsar district grant for construction of additional rooms @ Rs. 3.60 lakhs was given to seven schools and @ Rs. 2.40 lakhs to 30 schools during 2002-03 without any such proposal from those schools/VEDC's. The Study team visited three schools, GPS, Dhulka, GPS, Ramana Chak and GPS, Bule Nangal to whom grants of Rs. 2.40 lakhs each were given for construction of two additional rooms. The Study team noticed that in all these three schools the number of existing rooms were 6, 6 and 4 which were adequate as per norms for the total strength of children viz. 174, 211 and 38, respectively. The grant thus paid was mostly wasteful expenditure since these rooms have not been used as classes. In the process, other schools where these were required were denied funds.

- vii) The Notice Boards as required were found fixed on the school walls but the figures/data was not found filled in/up-dated.

3.2 Funds for construction of BRC/CRC and additional rooms

Amritsar District

- (a) In terms of Implementation Manual of Government of India, the total expenditure on the construction of BRC and CRC in any district should not exceed 5 percent of the overall projected expenditure under the programme in any year.

- (b) As per annual work plan of Amritsar District for the year 2002-03, projected expenditure was Rs. 1192.97 lakhs whereas Rs. 90 lakhs were sanctioned/released for construction of 12 BRCs @ Rs. 6.00 lakhs and 9 CRCs @ Rs. 2.00 lakhs in the year 2002-03. The expenditure on BRC/CRC thus worked out to 7.5 percent of the projected expenditure as against laid down norm of 5 percent.

It was also observed at Patti and Bhikhiwind (Amritsar District) that the grants for construction of BRC/CRC, Rs. 8 lakhs were released in 2002-03 in both these cases. The BRC/CRC were to be constructed in the same premises of school, which was irregular as according to Government of India instructions the BRC/CRC should be constructed wherever necessary. As the building of BRC was quite commodious and could be used for holding meeting convened by cluster head teachers, obviously the expenditure on CRC was avoidable.

1.3 Construction of Toilets

The Annual Plan for the year 2002-03 included provision of Rs. 122.50 lakhs for sanitary blocks and drinking water facilities @ Rs. 0.35 lakh per school. Provision of Rs. 23.80 lakhs was also made for the year 2003-04. The grants for providing toilets both for boys and girls was one time grant payable to those schools which were not having such facilities. The DEO (Primary), Ropar released grants aggregating Rs. 122.50 lakhs to 350 schools in the year 2002-03.

The Study team during their visit to 25 schools noted the following.

1. As a pre-condition the grant was to be released only to those schools which were not having such facilities. It was observed that out of the schools visited, five Primary schools (viz. at Bothgarh, Bangian, Shaherhi, Rorki Hira and Sandhuan) were already having toilets, both for boys and girls, but still grants were disbursed to these schools, which was utilized for

constructing additional toilets. The disbursement of grants to these schools was contrary to Government of India instructions.

2. We also noticed that most of the toilets were non-functional due to non-provision of water and electricity. If water was available, electric motors were required for lifting the water to overhead tank, which required constant supply of power and for this, additional funds, were required to meet the charges for power, whereas no provision in this respect was made in the Annual Plan. The teacher mostly kept toilets closed due to fear of theft.

3.4. Branch Schools Buildings

As per Annual Work Plan and Budget of the DEO, Amritsar for the year 2002-03, a sum of Rs. 57 lakhs was sanctioned/released (received on 23.07.2003) for construction of 19 branch school buildings at the rate of Rs. 3 lakhs per unit.

On verification it was noticed that there were only 4 branch schools in Amritsar district as detailed below as against 19 shown in the Annual Work Plan.

Name of School Branch	Block	Main School	No. of Students	Distance from main school	No. of existing rooms
Masternagar	Tarn Taran 1	Bhojjan	22	3 Km	1
Khehra	Gandiwind	Ladhowal	--	2 Km	1
Hans	Majitha 2	Bhullar Hans	24	1 Km	2
Wara Sher Singh	Bhikhiwind	Algo Kothi	26	2 Km	1

It would be seen that inflated figures depicted in Annual Work Plan resulted in excess claim/release of funds to the extent of Rs. 45.0 lakhs. However, since the DEO (E.E.) has not yet released any amount to the schools, the entire amount of Rs. 57.00 lakhs received from Government of India during 2002-03 is refundable.

CHAPTER 4

UTILIZATION OF VARIOUS GRANTS

4.1 Teachers Grant

SSA envisaged procurement and development of teaching learning materials such as text books, work books, teachers guide, teaching aids, learning aids, education kits, supplementary reading materials, black-board etc., which were helpful in delivering the curriculum to all the students in class room. The State Government was required to assess the type availability, suitability and usability of existing materials. Under SSA, annual grant of Rs. 500 per teacher was released during March 2003 by the District Project Officers, Ropar and Amritsar to all schools falling under their jurisdiction. The Study team visited 50 schools (25 schools each in Amritsar and Ropar District) and observed that in most cases the grant was not utilized due to one reason or the other by the teacher and was lying unspent. In some schools, slates, wooden *fattis* etc. were purchased and issued to the students. In many schools identical material was purchased by all the teachers. It was also noticed that material purchased was used for preparing charts and models in the workshops being organized by the DIET.

In some cases, TLM purchased was not relevant to the curriculum. In most of the cases TLM was not displayed/shown to the students by the teachers though these were available in the schools. Some of the teachers had kept the TLM at their residence instead of at schools for fear of being spoiled by the students.

Amritsar District

On checking the records of Amritsar it was noticed that teacher grant amounting to Rs. 50.03 lakhs @ 500 per teacher for 10,006 teachers (6196 Primary and 3810 Upper Primary teachers) was claimed/obtained during 2002-03. On further probe it transpired that against total posts of 10,006 teachers, 2479 posts (1724 Primary and 755 Upper Primary teachers) were lying vacant as on 31.03.2003. By ignoring the vacant posts of teachers, the State SSA Mission claimed/obtained excess funds of Rs. 12.40 lakhs during the year 2002-03.

4.2 Repair and Maintenance grant

As per SSA norms grant of Rs. 5000/- per school per year having their own buildings is given to the VEC's (PASWAK) on specific proposal received from the VEC. It was also enjoined that these grant must have element of community contribution. Further, there would be no distinction between major and minor repairs and were to be carried out within Rs. 5000 per year. During checking of the records of Ropar and Amritsar districts, the following points were noticed.

(a) Ropar district

In the Annual Work Plan for the year 2002-03, Rs. 91.30 lakhs were claimed/obtained for 1826 schools (as against 1119 schools in the district) by the State SSA Mission without receiving any proposals from the VECs. Funds to the extent of Rs. 35.35 lakhs were received in excess. In order to utilize the grant fully, 7 schools were given grant of Rs. 10,000 each twice over, whereas the same was required to be refunded to Government of India. In 2003-04 the State SSA Mission, however, claimed grant for 1119 schools only which was the correct number. Grant was also given to 7 schools during 2002-03 which were not having their own buildings but were functioning in dharmashalas or in private buildings.

(b) Amritsar district

In the Annual Work Plan for 2002-03 the State SSA Mission claimed/obtained Rs. 192.700 lakhs for 3854 schools against 1870 functional schools as detailed below:-

Number of Primary Schools	=	1391
Upper Primary school including Sr. Secondary having elementary classes	=	578
Total no. of schools	=	1969
Less number of schools not functioning due to non posting of any teacher	=	99
Actual number of schools	=	1870

The State SSA Mission thus obtained excess grant of Rs. 99.20 lakhs for the year 2002-03.

During 2003-04 funds amounting to Rs. 102.55 lakhs were received for 2051 schools. Thus funds amounting to Rs. 9.05 lakhs were received in excess.

The excess funds of Rs. 108.25 lakhs pertaining to these two years were actually required to be refunded.

Funds for both these districts for 2002-03 amounting to Rs. 284.00 lakhs (Rs. 91.30 + Rs. 192.70) were received at the fag end of the year and were utilized during 2003-04. In the event, these funds were actually required to be refunded to the Government of India or adjusted against the grant for the year 2003-04.

State SSA Mission claimed grant for 34284 schools during 2002-03 @ Rs. 5000 per school whereas 18882 schools were in existence in the State. The State Mission thus claimed excess grant of Rs. 770.10 lakhs in respect of 15402 schools during 2002-03.

4.3 School Grant

As per financial norms under SSA, school grant of Rs. 2000 per year was to be spent by VEDC (PASWAK) for replacement of non-functional school equipment.

There were discrepancies in the number of schools here also. While, the State SSA Mission received Rs. 386.58 lakhs as school grant for 19329 schools, the expenditure statement for 2002-03 showed utilization of Rs. 361.70 lakhs during the year for 18085 schools. The State claimed Rs. 377.64 lakhs for 18882 schools for the year 2003-04.

During our visit to 25 schools, each in Amritsar and Ropar districts, we noticed that the schools had spent the school grants mostly on purchase of mattresses, chairs, tables etc. Besides it was utilized towards white washing and repair of windows and doors etc. treating it as a part of maintenance grant. No grant register showing the grant received, date of receipt of cheque, name of the authority from whom the cheques were received and purpose/objective for which received was maintained by the schools.

The State Project Director/District Project/Block Resource Centre/Cluster Resource Centre did not monitor the utilization of the funds released to the schools but only insisted on the expenditure accounts, duly approved by the VEDC.

CHAPTER 5

SCHOOL EDUCATION – SOME KEY FACTORS

5.1 Drop out and Enrolment

The main objective of the SSA programme is to ensure that all children complete 5 years of Primary schooling by 2007 and 8 years of Elementary schooling by 2010 with emphasis on achieving universal retention by 2010.

The Project Approval Board (Ministry of Human Resources Development), Government of India, conducted appraisal of the Prospective Plans of 2003-07 and AWP for 2002-03 of Punjab. According to appraisal report the average drop out rate at Primary stage is 20 percent while at elementary stage it was about 35 percent. We reviewed the school plans prepared for the year 2001-02 on the basis of survey conducted in January 2002. The school wise data was consolidated at block level. The report of 22 blocks of Amritsar district revealed that the drop out rate in 5th class ranged between nil to 43 percent.

In our sponsored Survey, in 23 villages in Ropar district, we found that out of a total of 2317 children in the age group of 6-14 years, only 14 had dropped out and 6 had never got enrolled with any formal or informal school. 12 out of 14 dropped out and 4 out of 6 never enrolled children belonged to Schedule Caste and were mostly in Below Poverty Line (BPL) category (income below Rs. 24000 p.a.). Occupationally these children were from the families engaged as farm labour (mostly migrant labour from outside the State).

As regards the reasons for the drop out, our sponsored survey findings in this regard were that 25% of the children had dropped out or never got enrolled in the schools, as they did not find the school interesting. Other reasons given for not attending the schools were:

- ❖ Schools were usually located in different villages.
- ❖ Parents couldn't afford to send their children to school.
- ❖ Parents feel that education is not necessary for girl child.
- ❖ Children were found to be either engaged in domestic activities or had to take care of their younger brothers/sisters or old members of the household.
- ❖ Child has to supplement household income.

The high point is that with all these adverse factors the limited data in Ropar shows that the total number of drop out and never enrolled students was just 20 out of 2317. Apparently the value of educating children has been realized even by the poorer sections of the society. The peculiar problems of farm labourer's children no doubt needs to be addressed suitably even though as the survey data shows they have shown great interest in educating their children.

5.2 Planning

The SSA programme envisaged bottom up approach of planning for assessing and creating infrastructure for imparting quality education based on the felt needs of the people at the grass root level. This involved micro planning exercise to include:-

1. mobilizing local community to make plans more participatory and local specific.
2. providing a support system for the schools and teachers by developing better linkage and interaction between schools and community.
3. ensuring that all the children in the relevant age group attend schools or its alternatives.

4. ensuring that schools function regularly.

The process of planning of community ownership which was sought to be a prerequisite intended to create a sense for formulation of action plan and its subsequent implementation. The SSA programme further contemplated that the need based plans be formulated at village and school level after close interaction among community and the school.

A study of the process of formulation of Annual Plan for the year 2002-03, revealed that during the year basic statistical data in respect of each school in the prescribed format was collected and the same was consolidated block-wise. The consolidated block wise data was sent to the State SSA Mission. Family survey, 2002 of Punjab in respect of each village/habitation as per laid down format was also done. The State Plan for the year 2002-03 and 2003-04 were prepared at State level on the basis of the data collected but without community participation since we did not find any evidence in the villages we visited of any plan or even suggestions etc. formally communicated to the BRC/Dist. by the VEC. The grass root in fact was not involved in that kind of exercise and the Annual Plan eventually emanated from Dist. Level only. One could therefore conclude that participatory planning approach was not adopted as the proposals were not initiated at the village level with the involvement of community.

During discussions we were informed that this deficiency in planning will now be rectified since block resource persons in each block to oversee the implementation of SSA Programme have since been positioned.

5.3 Non-Functional Schools

There were 99 non-functional Primary schools in Amritsar District, where no teachers are teaching though the posts of teachers had been

sanctioned. Out of these 99 schools the Study Team visited 3 schools at Kalia, Sankhatra and Manava (Bhikhiwind block). An interaction with the villagers revealed that in one school (at Kalia), no teacher has been posted since 1965 and in case any teacher was posted, he shifted out within a month or so. The second non functional school visited by us was Sankhatra. The villagers told that the school building was constructed 4-5 years back and since then it has not been made functional due to non posting of any teacher from the date of its construction. The third school at Manava had no teacher after the retirement of previous teacher in 1999. In all these villages there are sufficient number of children between the age of 6-14 years and villagers were inclined to get their kids admitted in case teachers are posted in these schools.

In addition, the Upper Primary School at Kalia was also almost non-functional as the management of the school was being looked after by one teacher, (who is of Art and Craft trade) for the last about 7 years, though there were 6 sanctioned posts of teachers. The State SSA Mission claimed funds in respect of these 99 schools for all the elements under SSA norms during 2002-03 and 2003-04 and the same was approved by the Government of India.

During discussions with DEO (E.E.), we were informed that all these schools are located in the border area and no teacher was willing to be posted there. This situation was avoidable since SSA Mission could make fresh recruitment in terms of SSA norms. By not making fresh recruitment of teachers since the start of SSA programme, hundreds of school going children have been deprived of primary education.

5.4 Mid-Day Meal Programme

Our study including cohort exercise in 23 Government schools followed by the household survey done by us revealed that in all the schools (except one) Mid-day meal programme is on. However, the

scheme is being implemented in most schools not in the form of giving cooked meals but the students are given wheat @ 3 Kilogram per child per month for 10 months (excluding holidays of 2 months) in a year, subject to the condition of 80% attendance of the child in the previous month. Since the basic aim of the scheme was to provide wholesome cooked/processed food, one can conclude that the scheme is not being satisfactorily implemented in Punjab.

It will, however, be relevant to observe here that in the survey conducted by us in 25 villages of Ropar district on being asked to give most important reasons for sending their children to school, nearly 63 percent respondents gave Mid-day meal the highest ranking reason for this.

A study of relevant records of Ropar and Amritsar districts also revealed the following.

- a) In Ropar district, the supply of food grains was discontinued from 01.04.2003 to 31.12.2003 owing to non-availability of funds as stated by DEO. The supply re-started in January 2004 and continued till February 2004. It may be mentioned that students studying in Government, Government-aided schools, local body and EG's Centres etc. were not supplied cooked meal/wheat-grain, which was against the Government of India instructions dated 15.8.1995.
- b) In Amritsar district, an allocation of 58584.75 Qtls. and 41699.13 Qtls. wheat was received from FCI during 2002-03 and 2003-04 respectively which was distributed. However, cooked meals were discontinued from 23rd January 2003 onwards for want of funds from the State Government

When we discussed the matter regarding erratic supply of Mid-day meal with emphasis on supply of cooked meals with the Principal Secretary (School Education) she attributed it to shortage of funds.

5.5 Innovation Activity

SSA framework envisages below noted norms for innovative activity for girls education "early child care and education", (ECCE) intervention for children belonging to SC/ST community, computer education specially for Upper Primary level:-

- i) Upto Rs. 15 lakhs for each innovation project and Rs. 50 lakhs for a district per year.
- ii) ECCE and girls education (costs as per other existing schemes).

As per Annual Work Plan and Budget for the year 2002-03, sum of Rs. 25.04 lakhs and Rs. 25.00 lakhs were sanctioned/released for computer education and education of girls for Ropar and Amritsar districts, respectively.

It was found that District Education Officer, Ropar released Rs. 25.04 lakhs (Rs. 15.00 + Rs. 10.04 lakhs) to DIET, Ropar for carrying out the necessary activities, whereas the amount of Rs. 25.00 lakhs remained with the DEO, Amritsar. During the course of visit to DIET, Ropar, it was revealed that no activity/action has been taken up so far and the entire amount of Rs. 25.04 lakhs was lying unspent with the DIET, Ropar, which the State Mission had shown as spent.

5.6 Inspections

The purpose of monitoring, inspection and evaluation is to improve the quality and content of school education delivery. A process has been set up to constantly monitor school working and development work of school on a continuing basis, where different levels of officers have been assigned the work of visiting schools and submitting their reports, as per schedule given below:-

Name of the Officer

Periodicity of visit

- | | | |
|-----|----------------------------------|------------------------|
| (a) | Central Resource Person (CRP) | Once in a month |
| (b) | Block Education Officer (BEO) | once in 3 months |
| (c) | District Education Officer (DEO) | Once in 6 months |
| (d) | Circle Education Officer (CEO) | 5% schools in 3 months |
| (e) | State Officials | 3% schools in 6 months |

During our visit to 50 schools, in Amritsar and Ropar districts, we found no inspection notes indicating that inspection was carried out by any officer. Registers circulated by the State mission in this respect were found blank in all the 50 schools. During our interaction with the school-teachers and a BPEO we were informed that in some cases the BPEO's visited the schools but did not issue any written instructions, suggestions etc. There was no inspection note or even initials in the Register. Quite clearly, the inspection were mostly not done and even if done in a few cases, as claimed, were of no consequence at all.

5.7 Teacher – Pupil Ratio

“Framework for Implementation of SSA” envisaged providing of one teacher for every 40 children in Primary school (at least two teachers in a Primary school) and one teacher for every class in the Upper Primary schools. The pupil-teacher ratio in the 50 schools of Amritsar and Ropar districts visited by the Study team revealed that there was imbalance in the deployment of teachers in the schools. In Upper Primary School, Kalia (Distt. Amritsar) only one teacher (Arts and Craft) had been posted for the last about 7 years for teaching classes 6th to 8th. There are 99 Primary schools in the Amritsar district, where no teaching is done since there are no teachers. On the other hand, we also came across cases in each block of Amritsar and Ropar districts where teachers had been withdrawn from various schools, and were engaged in Block offices as Coordinator for compilation of the field data etc. as already stated elsewhere in the Report. Besides, the drawbacks this system produces, one can also say that the services of these teachers are being misutilized.

However, it seems some solution is on the way since we were informed by the Director of Public Instructions (Primary) and Additional

State Project Director, SSA, during discussions that they have already selected 1846 ETT teacher but appointment letters to them were held up due to Election and that they are also going to make more recruitment very shortly.

CHAPTER 6

TRAINING AND QUALITY IMPROVEMENT

6.1 Role of District Institute of Education and Training (DIET)

District Institute of Education and Training's (DIET) role is to serve as a nodal Institution at District level to undertake the responsibility of improving the quality of Elementary Education. DIET is basically to provide academic guidance and performance support for teachers training programme, development of curriculum related teaching learning materials, undertake evaluation studies, conduct innovative interventions and academic supervision through BRC's and CRC's as well training of village community leaders, DIET is assigned a very important role in upgrading skills, training and evaluation at the District level members. Block resource coordinators visit schools and prepare reports for DIET, DIET faculty are appointed "Mentors" of the blocks allotted to them to conduct school visit, directly supervise and guide the academic health of the class room in the District. On the basis of performance indicators the school are graded on a 100 point scale as A(81-100 points) and B(31-50 points) and C(0-30 points).

Staffing

DIET, Ropar and Amritsar were grossly under staffed during 2002-03 and 2003-04. During these two years there was no senior Lecturer against the 6 sanctioned posts in each of these institutes. The work of Senior Lecturer was being looked after by 5 Junior Lecturers at Ropar and 4 Junior Lecturers at Amritsar.

Preparation of Annual Work Plan and Budget for DIET

The Planning and Management unit of DIET has large role in the preparation of District Annual Plan and its systematic development is a priority in the programme implementation. To be effective, the Planning and Management unit has to be fully operational.

The Annual Work Plan and Budget (AWP&B) for 2002-03 was prepared but no training programme was implemented during that year as necessary funds for the same were transferred by the State SSA Mission at the fag end of 2002-03.

During discussion with the Principal of DIET, Ropar and Amritsar, we were informed that no help/assistance was taken from them for the preparation of District Plan for the year 2002-03 and 2003-04.

Release of funds to DIET

For imparting training to the in-service teachers, VEC members etc. the State Project Director formulated Annual Plan for the years 2002-03 and 2003-04 for Ropar and Amritsar Districts of total provision of funds amounting to Rs. 344.59 lakhs and submitted the same to Government of India for approval.

The table below indicates component-wise allotment of fund for the two years 2002-03 and 2003-04.

(Rs. in lakhs)

S. No.	Component	Allotment in 2002-03		Allotment in 2003-04	
		Ropar	Amritsar	Ropar	Amritsar
1.	Integrated education for disabled children	15.468	44.736	15.468	42.408
2.	Teacher Training (in service) 20 days.	59.388	140.084	59.948	140.084
3.	VEC members training	5.453	9.845	5.371	9.845
4.	Computer Education	15.000	-----	15.000	15.000
5.	Computer Education (for girls)	10.000	-----	10.00	9.984
6.	Research and Evaluation Programme	15.904	28.714	14.547	26.663
	Total	121.213	223.379	120.334	243.984

Against the above allotment of funds by the Government of India, the following amount of funds were released by the DEO's, Ropar and Amritsar (during 2003-04 only) to their respective DIET resulting in non-release or retention of the major portion of the allotted funds by the DEOs:

(Rupees in lakhs)

Date	DIET (Ropar)	DIET (Amritsar)
02.04.2003	104.33	-----
16.04.2003	-----	125.83
22.01.2004	-----	166.75
29.03.2004	80.87	-----
07.04.2004	-----	1.08
Total	185.20	293.66

From the records of DIET Ropar it was seen that the training of 1559 teachers in batches of 5 days (7795 units) was conducted as against of training provision of 4242 teachers for 20 days (84840 units) against provision of 20012 (40024 units) teachers for 20 days training. The achievement of targets at Ropar/Amritsar was thus to the extent of only 9.2 percent and 8.1 percent. No training to VEC members was imparted at both these training centres.

Likewise both the DIET's had neither formulated any action plan nor the State SSA Mission had initiated any action in regard to research and evaluation. Since neither any training was imparted and nor any other expenditure incurred on these items, the unspent balance of Rs. 344.59 lakhs (Rs. 121.21 lakhs Ropar and Rs. 223.38 lakhs Amritsar) was either to be refunded or adjusted against the next year 2003-04 allotment. The State SSA Mission, however, claimed the funds for next year by wrongly showing the unspent balance of 2002-03 as fully utilized. Similarly, no action has been taken during these two years in imparting computer education.

To conclude, due to poor planning on the part of the State SSA Mission, only Rs. 9.41 lakhs and Rs. 10.51 lakhs were spent by the

DIET's Ropar and Amritsar respectively and the unspent balances lying with the DIET at Ropar and Amritsar amount to Rs. 178.52 lakhs and Rs. 278.11 lakhs including interest.

Both these DIET's have, however, conducted training of some EGS volunteers.

CHAPTER 7

PROCUREMENT PROCEDURE

7.1 Review of Purchase Records

The SSA State Mission, Punjab has not framed any specific procurement procedure for affecting purchases of store items and acquisition of assets. In the absence any such laid down system for procurement of stores, the State Mission follow the purchase procedure contained in Punjab Financial Rules. The State Project Director however informed us that they had received recently a manual on Financial Management & Procurement from the Ministry of HRD, which they were studying and would shortly implement the procedure outlined in the Manual. A scrutiny of purchase records made available has revealed the following irregularities in Purchases:

- a) During checking of purchases at State Project Director's office, it was noticed that the following payments were made to certain firms/corporate bodies on account of purchase of items noted against each without obtaining/calling quotations/tenders from the suppliers/manufacturers.

S. No.	Month	Name of Firms	Amount (Rs. in lakhs)	Name of items purchase
1.	Oct-Nov. 2003	M/s Savittar Press, Chandigarh	2.72	Printing of forms, PMIS Module, Printing of Survey Report.
2.	July – Oct. 2001	M/s Phulkari Punjab Emporium	4.42	Construction cabins, Furniture, Sanitary material, Paint etc.
3.	June 2003	M/s Ambala Central	1.10	3 Fax Machines and Printing work.

		Consumers Cooperative Stores, Chandigarh		
4.	November 2003	M/s Punjab Computer Information Service, Chandigarh	2.35	Preparation of Annual Work Plan reports and other printing work.

Rule 34 (VII) of the By-laws of the Mission provide that only Executive Committee has the power to acquire stores and services for discharge of the function of the Mission. The approval of the Executive Committee which was mandatory in the absence of delegation of powers was not obtained. The Additional State Project Director, however, maintained that purchases from Punjab Government Emporia (Phulkari) and cooperative store has been made as these are approved sources. The contention of the State Project Director is incorrect as these are neither declared approved sources for these items nor they are manufacturing/dealing in these items. These supplies are made from the private sources under back to back contract and the supply bills are rooted through these sources so as to show that the purchases are regular and unquestionable.

- b) Director, State Council of Education Research and Training, Punjab, Chandigarh who was also holding charge of State Project Director, SSA, Punjab, placed supply order vide number SCERT/TRG module/2003/555 dated 07.10.2003 with Punjab State Small Industries and Export Cooperation Limited (a Punjab Government Undertaking) for supply of the following training module in Punjab at the rates noted there-against:-

	Rate per unit (Rs.)
1. Tannau Se Kimein Bacheye	26.50
2. Anusashin Ki Samaseya	18.90
3. Chaunatie Gaste Bachey	18.90
4. Counselling	17.50
5. Mudli Sahayta	<u>40.50</u>
	122.30 per set
	=====

As per order, these sets of books were to be supplied to the Principles Dist. Institute of Education and Training Centres (DIET) located at each Dist. in Punjab. The quantity was 0.50 lakh sets of books. These sets of books were to be supplied by the marketing division of PSIEC under back-to-back agreement with M/s Punjab Computers Information Services Chandigarh and print material was supplied by the SCERT.

The supply of 61551 sets of books (307755 books) valuing Rs. 75.17 lakhs was made in October/November 2003 by the PSIEC who charged services commission of 5% on the value of supply. The reasonability and competitiveness was not ensured before placing the supply order. The State Mission has not worked out the costing data independently on the basis of design/specifications after surveying the market for verification of competitiveness of rates. The payment was made by various DIETs out of the training funds of SSA programme placed in lump sum at their disposal. Though there was no specific provision for purchase of books, purchase of huge quantity of books was ordered without proper assessment of requirement. Neither the permission of competent authorities i.e. Executive Committee was obtained nor requirement was asked from the DIETs. There is nothing on record to show the assessment of quantity and utility of books in the context of SSA programme was done. Reasons for approval of the purchases through PSIEC when the said company was neither approved source nor manufacturer of these items was not on record. The reasonability and competitiveness of rates paid vis-à-vis quality could not be examined as the purchase files/records were not made available despite several requests. Obviously, the purchase bills were routed through the Government Company ostensibly to bypass purchase procedure. The supply bills were issued in favour of Director, SCERT who managed to route the funds of SSA through DIETs improperly. The record of DIET, Amritsar to whom 5600 sets of books valuing Rs. 6.85 lakhs were supplied revealed that 5118 sets were issued leaving 482 sets in stock. The DIET informed that no supplier bills were received despite requests

yet payment of Rs. 6.85 lakhs as desired was made vide draft Number 363296 dated 7.1.2004. The team was further informed that these books were never required/indented by them.

- c) A scrutiny of record of DEO, Ropar revealed that payment of Rs. 16.88 lakhs for printing of manuals and data books was made vide cheque No. 894142 dated 29.03.2003 out of funds of Rs. 121.21 lakhs sanctioned for training of teachers and VEC members. The payment was made on the basis of photocopies of bills from Ambala Central Cooperative Consumers Stores, Chandigarh. These bills were approved by the State Project Director himself who placed the order for printing instead of DEO concerned. The bills did not contain page number of the stock register with date regarding receipt of the books.
- d) Likewise the DEO, Amritsar also remitted Rs. 26.33 lakhs during October 2003 to April 2004 on account of huge number of books supplied by the above said Cooperative stores. The publication of books were made without calling requirement/indent from the district offices. The team noticed that these supplies were made by a private supplier and routed through the Cooperative Stores under back to back contract. The Additional State Project Director informed the team that:
 - i). Approval of the Principal Secretary (SE) was obtained.
 - ii). Printing of books was ordered from these sources as these are declared Government approved sources and as such the supplies are regular and unquestionable.

The contention of the Additional State Project Director is untenable as power to award contract for procurement of stores and services vested with Executive Committee in terms of Rules 34(VII) of By-laws of Mission and approval of the Principal Secretary was not in conformity of spirit of rules. Further, the Cooperative Stores and PSIEC are not approved sources for printing and supply of books. While placing the

order the State Project Director office failed to verify the competitiveness of rates as the system of open tendering was not adopted nor the State Mission had otherwise ensured the correctness of the rates vis-à-vis quality by forming a Committee of experts. The Principal Secretary, School Education informed the team during discussions on 07.05.2004 that printing of the books and other material through these sources was quite irregular and objectionable as these sources are not approved sources for the supply of these items. The total financial implication involved for the State as a whole could not be worked out as relevant record/files containing print order, total quantity supplied consignee wise, details of payment made were not made available to the Study Team despite several request.

The Study team observed that financial irregularities were facilitated due to lack of control mechanism and monitoring system which is attributable to:-

- i). Absence of an accounting procedure regulating financial transactions, purchases of stores/books etc. suited to the requirement of SSA; provisions of Punjab Financial rules were also adhered to.
 - ii). no regular meetings of Executive Committee, where a review in monitoring of the programme could be done and necessary directions issued.
- e) DEO, Amritsar purchased (March 2003) one computer Pentium III and Fax Machine and furniture items from Government Emporium, Ludhiana under back to back contract for Rs. 1.49 lakhs on the ground that the Emporium is an approved source and purchases routed through it are regular and unquestionable. The quality and rate paid were not verified with reference to market rates. The contention of the DEO was incorrect as Emporium is neither approved source nor manufacturing these items. The Study team learnt that similar purchases have been made in other

districts also. The Principal Secretary mentioned during discussions that purchases of computers through Emporium which is not approved source is quite irregular and questionable. The Detailed purchase procedure governing the purchases of the Mission may be formulated and Committee of experts be also constituted to examine purchases made in other 15 districts also.

7.2 Irregularities in the purchase of FAX Machines, Computers etc

The District Education Officer (E.E.), Ropar without any sanction or delegation of power and without following the proper procedures of inviting tenders/quotation purchased the following office machines:-

S. No.	Date of Payments	Brief particular of item	Value (in Rs.)	Source of Purchase
1.	22.12.2002	3 FAX Machines	47,700	M/s Broadways Marketing, Chandigarh
2.	31.12.2002	Photostat Machine	82,500	M/s Broadways Marketing, Chandigarh
3.	31.12.2002	4 Computers	3,20,000	M/s Maa Durga Computers, Chandigarh
4.	21.01.2003	Purchase of Coffee Machine	24,697	M/s Meenakshi Foods, Chandigarh
		Total	4,74,897	

The DEO had neither invited quotations nor otherwise surveyed the market to determine the competitive rates. He did not follow the purchase procedure contained in the PFR.

The bill in support of these purchases were not available in the records. It is also not clear as to how the specifications and quality of these machines were determined.

The Study team was informed that on the basis of a complaint alleging irregularities in the purchase of these machines, the State Vigilance Bureau has impounded these machines and taken these to their Ludhiana office. A FIR was registered against the DEO (E.E.) who is under suspension. These irregularities are attributable to lack of control and monitoring systems at various levels.

CHAPTER 8

MISCELLANEOUS

9.1 Integrated Education for disabled Children

A review of the record of Ropar and Amritsar districts revealed the following:-

(a) Ropar District

A provision of Rs. 15.47 lakhs for 1268 disabled children of 6-14 years as per laid down norms of Rs. 1200 per child per year under the "integrated education of disabled Children" programme was made in the AWP 2002-03. The provision of education of the disabled children was made on the basis of identification of children detected in "family survey" conducted in January 2002. The data compiled, however, revealed that 1268 children for whom provision was made related to age group of 3-18 years, whereas the grant was admissible to 674 school going children of 6-14 years age. The rest of the children, who were ineligible under the scheme were to be excluded from its preview. This mistake was repeated in the year 2003-04 also when provision of Rs. 15.47 lakhs for 1268 students was approved. The DEO, however, instead of making use of the funds for the disabled children, passed on the same to DIET. The entire amount of Rs. 30.94 lakhs is lying with DIET unused. Government of India may also need to adjust the excess funds released.

(b) Amritsar District

On the basis of family survey in 2002, 3728 disabled children of 6-14 years of age were identified in Amritsar district, and funds for them @ Rs. 1200 per child amounting to Rs. Rs. 44.74 lakhs were obtained from the Government of India for 2002-03. For the year 2003-04 funds for 3534 children amounting to Rs. 42.41 lakhs were claimed/obtained. Here again no scheme was formulated and implemented.

Thus the entire fund of Rs. 118.08 lakhs pertaining to 2002-03 and 2003-04 in respect of Ropar and Amritsar Districts remained unutilized.

As no expenditure was incurred in both these districts during 2002-03, funds amounting to Rs. 60.204 lakhs received during that year were either to be refunded or adjusted against the grant for 2003-04. The SSA Mission, however, claimed/obtained funds for 2003-04 by showing the unutilized amount of 2002-03 as fully utilized.

9.2 Working of E.G.S. Centres in Ropar and Amritsar Districts

Under the SSA programme, provision of Rs. 15.928 lakhs and Rs. 130.475 lakhs for opening of E.G.S. centres was sanctioned by the Government of India for Ropar and Amritsar Districts, respectively during the year 2003-04. The scheme was to be implemented where there was no Primary school within a radius of 1 Km. E.G.S. centres were to be opened for 20 to 40 children of 6-14 years of age. The E.G.S. volunteer teacher was to be paid Rs. 1000 p.m. The table below indicates number of centres (Urban and Rural), gender ratio of students enrolled and expenditure incurred during 2003-04:-

S. No.	Name of the District	No. of Centres			No. of Students enrolled						Expenditure (Rs. in lakhs)
		Urban	Rural	Total	Boys			Girls			
					SC	Non-SC	Total	SC	Non-SC	Total	
1.	Ropar	24	83	107	868	1196	2064	811	1082	1893	2.91
2.	Amritsar	13	215	228	1563	1438	3001	1433	1261	2694	9.45

As per appraisal report for the year 2003-04, there were 34177 such children in the districts against which, as would be seen from the table above, only 5956 children were enrolled which is just 16.66 percent of the total eligible children.

During discussions, the volunteers voiced out following problems in running the centres:-

- a). They were running the schools in open or under the shades of trees in the vicinity of brick kilns and slums and due to the poor environment of these places it was not possible to teach them properly. It was further told that the villagers were not interested to provide any space as almost all the students belong to migrate labourers. They thus desired that funds should be provided for taking the space on rent.
- b). Other amenities such as chair, table, black-board and jute-mats should also be provided.
- c). Free textbooks be provided as the children belong to economically weaker sections of society.
- d). Mid-day meal be provided to serve as incentive for motivating the children.

9.3 Supply of Text Books to non-SC Girls

Under the Sarva Shiksha Abhiyan free textbooks are supplied to non-SC girl students for I-VIII classes. For SC boys and girls free textbooks are, however, supplied by the Social Welfare Department of the Punjab Government.

It was observed that free books were not supplied to non-SC girls in 2002-03 for want of funds as the first instalment of Rs. 690.17 lakhs including Punjab Government share Rs. 973.17 lakhs was released very late by Punjab Government (in June 2002) although Government of India paid its share of 85% of Rs. 5517.08 lakhs during October 2001 to

January 2002. However, for the academic year 1st April 2003 to 31st March 2004, the SSA Authorities assessed the requirement of 640666 sets of book for non-SC girl students in 1st – 8th classes. For purchase of 640666 sets of books, the SSA Authorities placed supply orders with Punjab State Education Board (PSEB) and paid advance of Rs. 5.93 crores on 14.03.2003. While placing the supply order, the SSA Authorities failed to ensure delivery of books before start of academic year of 2003-04. The books were, however, supplied/lifted from the depots of PSEB between 29th April 2003 to September 2003 which indicates that full set of books could not distributed to the students before the start of the academic session. The SSA office was asked to confirm whether entire stock of books was lifted as per supply order and that the books were further duly distributed amongst the non-SC girls. No confirmation/reconciliation statement was furnished. Keeping in view belated supply of textbooks as well as sub-standard quality of paper and printing in case of books supplied by PSEB, the State SSA Mission, with the approval of State Education Minister floated the tenders on 27th February, 2004 and after evaluation/negotiation of the tenders, the work order of printing of textbooks was placed on three firms on 5.4.2004 with condition to complete the supply by 29th May 2004 at the district offices who in turn would supply the books to non-SC girls. The State SSA Mission would pay 1% royalty to PSEB on account of copyrights. The State Project Director, however, maintained that cost of books would be far less than rates charged by PSEB.

The Project Approval Board in its meeting held on 21.07.2003 concluded that curriculum renewal in the State was required. For this it was emphasized to revise the textbooks on priority basis and to develop new teacher training module in order to meet the training needs of Primary and Upper Primary teachers. No effort has been made by the State SSA Mission so far to revise the textbooks.

Our probe further revealed that in Ropar district, 23,779 books pertaining to 1st to 8th classes (valuing Rs. 20.45 lakhs) were still lying un-utilized with DEO (E.E.) office for which, no reasons were assigned. Besides, an amount of Rs. 2.81 lakhs was still lying with PSEB unrecovered. In view of the above it is clear that proper assessment of the requirement was not made before placement of print order.

Similarly, in the case of Amritsar district, 10755 set of books (valuing Rs. 10.03 lakhs) pertaining to classes 1st to 8th were still lying with the DEO's office for which no reason was assigned. In the Upper Primary school at Duholkona (Amritsar district) free textbooks were not supplied to class 6th (all entitled categories) students during the session 2003-04. On being enquired, the Headmaster informed that the books were not available with BPEO. The position stated was not correct as quite a large number of books were still lying with the District Education Officer. The Study team further noticed that the said school also did not supply free textbooks to non-SC girls students under SSA norms. In reply, we were informed that instructions in this regard were not received in the school. This statement was factually wrong as it was clearly mentioned in the "Framework for implementation of SSA" circulated by the State SSA Mission/ Government of India that free textbooks were to be supplied to non-SC girls students.

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