

Ministry of Human Resource Development

Department of Elementary Education and Literacy Performance audit report on 'Sarva Shiksha Abhiyan'

1. Introduction

Sarva Shiksha Abhiyan (SSA) has evolved from the recommendation of the state education ministers' conference held in October 1998 that universal elementary education should be pursued in mission mode. A national committee of state education ministers under the chairmanship of the minister for HRD was set up on the recommendation of the conference to work out the approach. It submitted its report in October 1999. The scheme was approved by the Union Cabinet in its meeting held on 16 November 2000 and became functional from January 2001.

1.1 SSA is a programme to provide useful and relevant elementary education for all children in the age group of 6 to 14 years by 2010, with the active participation of the community by effectively involving the panchayat institutions, school management committees, village and urban slum level education committees, parent-teacher associations, mother-teacher associations, tribal autonomous councils and other grassroot level structures in the management of schools to bridge social, regional and gender gaps. The programme realised the importance of early childhood care and education and looked at the 0-14 age as a continuum and had the following important objectives:-

- to have all children in school, education guarantee centre(EGC), alternate school(ASC), and back to school (BSC) camp by 2003.¹
- to ensure that all children complete five years of primary schooling by 2007.
- to ensure that all children complete eight years of elementary schooling by 2010.
- focus on elementary education of satisfactory quality with emphasis on education for life.
- bridge all gender and social category gaps at the primary stage by 2007 and at the elementary education level by 2010 and
- achieve universal retention by 2010.

1.2 Scope of the programme

The initiatives under SSA have broadly been grouped under the following heads: -

- Preparatory activities for micro-planning, household surveys, studies, community mobilisation, school-based activities, training and orientation at all levels,
- Appointment of teachers,

¹ Since revised to 2005, in March 2005

- Opening new primary and alternative schooling facilities like Education Guarantee Scheme (EGS)/Alternative and Innovative Education centres (AIE),
- Opening of upper primary schools,
- Construction of additional classrooms, schools and other facilities,
- Provision of free textbooks to all girls and SC/ST children,
- Maintenance and repair of school buildings,
- Provision of teaching/learning equipment for primary schools on upgradation of EGS to regular schools or setting up of a new primary school,
- TLE for upper primary school,
- School grant,
- Teacher grant,
- Teacher training,
- Opening of State Institute of Educational Management and Training (SIEMAT),
- Training of community leaders,
- Provision for disabled children,
- Research, Evaluation, Supervision and Monitoring,
- Management cost,
- Innovative activity for girls' education, early childhood care and education, interventions for children belonging to SC/ST community, computer education specially for upper primary level,
- Setting up Block Resource Centre (BRC)/Cluster Resource Centre (CRC), and
- Interventions for out of school children.

1.3 Organisational set -up

1.3.1 The Prime Minister is the Chairman of the General Council of Sarva Shiksha Abhiyan National Mission². The Minister for Human Resource Development is the Chairman and the Secretary, Department of Elementary Education, the Vice Chairman of the Executive Committee. A Bureau of Elementary Education³ has been constituted for overseeing implementation of the scheme.

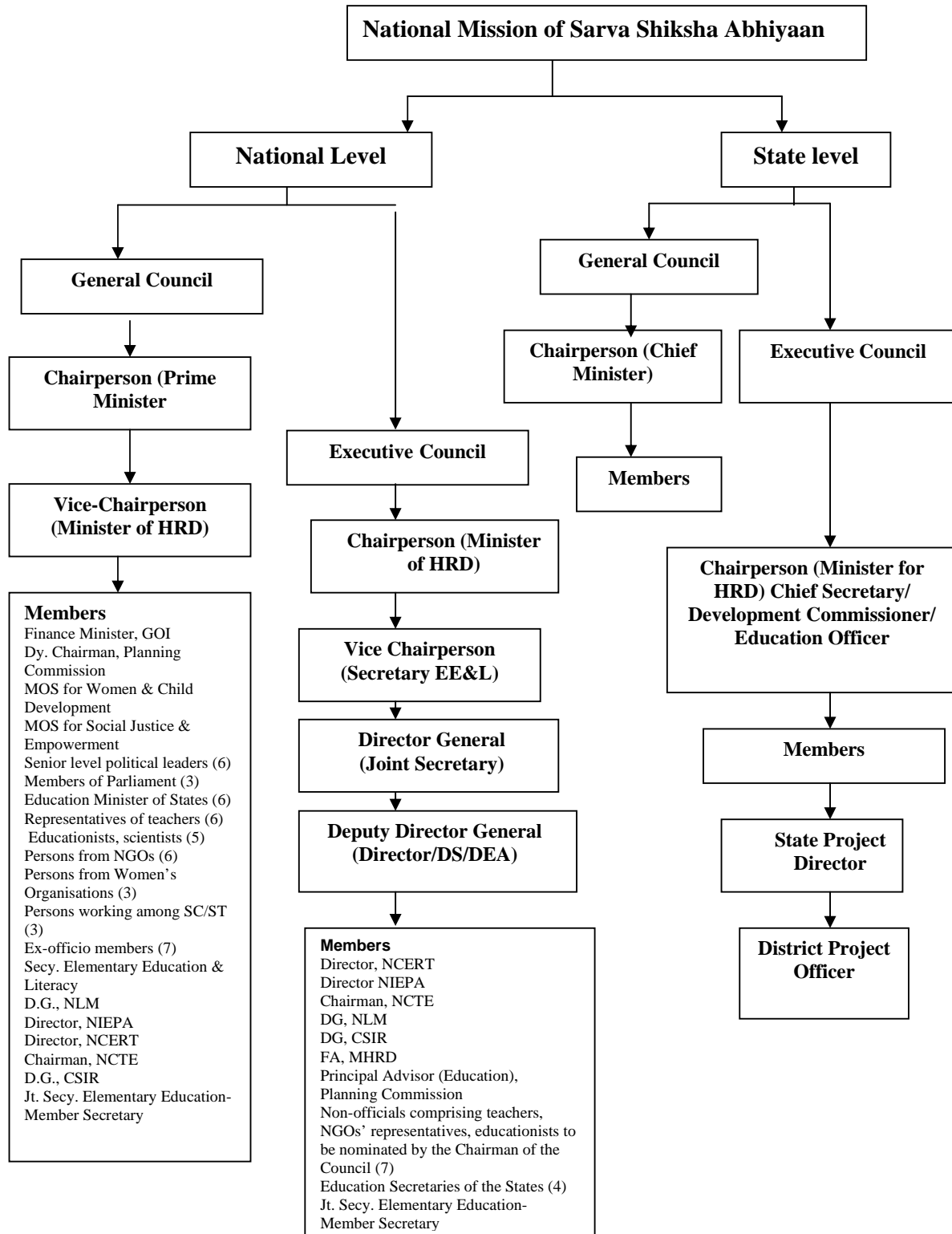
1.3.2 An Implementation Society (SIS) has been established in every State under the chairmanship of the Chief Minister/Education Minister of the State/UT. The district level implementation is overseen by the District Collector/Magistrate/Chief Executive Officer of the Zila Parishad. The District Elementary Education Officer oversees the implementation of the programme at the district level.

² National Mission comprises the General Council which is headed by the Prime Minister and the Executive Committee is headed by the Minister of Human Resource Development as shown in the Organogram.

³ The Bureau is headed by a Joint Secretary who is assisted by five Deputy Secretaries/Directors as Divisional Heads.

1.3.3 The organogram depicting the organisational set-up of SSA is given below:-

Organogram of Sarva Shiksha Abhiyan



2. Audit objectives

A performance audit of SSA was taken up with a view to verifying and assessing:

- whether planning for implementation of various components and identified agencies of the programme was efficient and result oriented besides being economical and effective,
- whether the funds required for the programme were assessed carefully and adequately provided/released,
- whether all targetted children were enrolled in schools, education guarantee centres, alternate schools, back to school camps by 2003,
- whether the major interventions under SSA were carried out as per the norms fixed,
- whether the outreach of education for girls, scheduled caste and tribal children had expanded and the infrastructure provided was optimum, and
- whether the elementary education provided was relevant and useful.

3. Audit methodology

3.1 Before taking up the performance audit of the scheme, an entry conference was organised with the Secretary, Department of Elementary Education and Literacy, Ministry of Human Resource Development, alongwith other officers of the Department and representatives of the Technical Support Group of the Ministry. Audit objectives, audit criteria and scope of audit were explained and the suggestions as well as perceptions of the Department relating to the strengths and weaknesses in the implementation of the programme were discussed. Similar conferences were held in the States between the representatives of the State governments/SIS and Principal Accountants General/Accountants General (Audit) of the concerned State.

3.1.1 The procedures of the implementing department, state implementing societies (SIS), district implementing agencies, block resource centres (BRC), cluster resource centres and schools were examined using the data made available by these agencies, in the audit.

3.1.2 The Social and Rural Research Institute (SRI), a specialist unit of Indian Market Research Bureau International (IMRB), was commissioned by Audit for assessing the impact of SSA from the perspective of the beneficiaries and their parents. SRI conducted the survey in all the districts of 26 States and 6 Union Territories from 19 December 2005 to 3 March 2006. Themes/sub-themes and the sampling methodology/design for the beneficiary assessment are given in **Annex I** and **Annex II** respectively.

3.1.3 The audit findings were discussed with the senior officers of the Ministry in an exit conference held on 12 June 2006. The Ministry was in broad agreement with the recommendations included in the report. Their views as expressed in the meeting and additional replies given after the meeting have been appropriately reflected in the report.

4. Audit criteria

The audit criteria used for assessing the performance of various components of the scheme under SSA were:

- the extent of involvement of communities in the preparation of habitation/district level plans and whether the district and representation from education department/CRCs/NGOs etc. were there in the district and block core teams,
- standards of output and benchmarks of performance fixed for each programme and the prescribed norms for appointment of teachers and the extent of facilities available in the schools,
- standards of education comprising curricula, requirement of school teaching learning material, teachers' training and teaching-learning process,
- outcome of research activities undertaken and their effectiveness in implementation of the scheme,
- enrolment of girls/SC/ST children and children with special needs to determine if the outreach for education of these children had expanded, and
- outcome of the monitoring mechanism and evaluation/follow up at various levels for implementation.

5. Scope of audit

The performance audit covered the period 2001-02 to 2004-05. Audit was conducted through sample check of the records in the Department of Elementary Education and Literacy, Ministry of Human Resource Development and the implementing agencies in 26 (twenty six) states (excluding Jammu and Kashmir and Goa) and 6 (six) union territories (except Andaman and Nicobar Islands). One capital district and 20 *per cent* districts in each state (minimum 4, subject to availability of districts in that state) were selected on the basis of (PPSWR)⁴ method (**Annex III**). One urban block (selected at random) and two rural blocks (selected on the basis of SRSWOR)⁵ were selected. Two primary schools, two middle schools and two high schools having middle level were selected in each block on the basis of SRSWOR.

5.1 The beneficiary survey was conducted by SRI in 4410 villages and 2865 wards. Children from close to 143000 households in the country spread over 7275 sample villages/blocks were covered. NSSO blocks were selected in the urban areas for the survey. The survey covered all districts of 26 States and 6 Union Territories except Jammu & Kashmir, Goa and Andaman & Nicobar Islands. The sample size or the number of villages/blocks/persons surveyed is given at **Annex IV**.

⁴ Probability Proportion to Size With Replacement. This sampling method assigns higher inclusion probability for population units with higher size. In this case the chances of selection are more.

⁵ Simple Random Sampling Without Replacement. This sampling method ensures equal probability of selection of every unit in the population. In this case the chances of selection are equal.

5.2 The survey findings have been referred to in this report wherever appropriate. The summary of the findings of the survey is given in **Annex V**. A copy of the National Report on Household Survey and School Survey on the assessment of SSA conducted by the SRI at the instance of audit was also forwarded to the Department of Elementary Education and Literacy on 19 June 2006 for their comments.

5.3 The Ministry stated (June 2006) that the survey covered children in the age group of 6-14 years instead of 6-13 years and thus the total years of education was 9 instead of 8 years. The Ministry's statement is to be viewed in the context that the objective of the SSA was to provide useful and relevant elementary education for all children in the 6-14 age group. The survey, therefore, included all the children in the age group of 6-14 years. Other observations of the Ministry on the survey report of SRI have also been included in the performance audit report at appropriate places.

5.4 The Ministry further stated (June 2006) that although sample size of households was large (143076 households), selection procedure was such that the entire state was not represented adequately in the sample. Only 20 *per cent* of the districts subject to the minimum of 4 districts in each state had been covered and the survey carried out by SRI for the purpose of assessment of SSA and included in the audit report was not as scientific as the survey conducted by the same agency for the Ministry. In the survey done by SRI-IMRB for the Ministry, all the districts of all the states were covered. Hence it had a more representative sample of households. The Ministry's contention was not tenable as the coverage of 20 *per cent* of the total districts in a state related to the scope of audit and not to the survey conducted by the SRI, which covered all the districts in 26 states and 6 union territories except Goa, Jammu and Kashmir and Andaman and Nicobar Islands. The survey conducted at the instance of Audit provided beneficiary perception of the services and adequacy of the infrastructure, support services and covered children, parents and schools, whereas the survey conducted for the Ministry was limited only to estimating the status of the out of school children.

5.5 Results of the survey conducted by the Ministry through SRI have also been referred to at appropriate places in this report.

6. Acknowledgment

Indian Audit and Accounts Department acknowledges the cooperation of the Department of Elementary Education and Literacy, Ministry of Human Resource Development in providing willing assistance to the performance audit on Sarva Shiksha Abhiyan. The inputs received from the senior officers of the Department at various stages of the audit helped in enhancing the understanding of the working of this important programme.

7. Audit findings

Audit findings have been arranged such as to cover the following areas :

- Planning process for various interventions in different functional areas

- Financial management, allocations, shortfalls, diversion of funds and miscellaneous financial irregularities
- Efforts of the Government to enroll the identified/target group children back to school (out of school children)
- Implementation of the major interventions of SSA
- Infrastructure facilities
- Outreach of education to the special focus group of children (girls, Scheduled Castes and Scheduled Tribes), and
- Involvement of NGOs in SSA and other deficiencies/irregularities

7.1 Planning

7.1.1 The planning process for various interventions in different functional areas and the state support to the districts was to have started at the habitation level and moved upwards to the block, district, state levels, and then to the national level. At the national level, the Project Approval Board (PAB) was the empowered body assigned with full financial powers to approve the plan and sanction the budget. Planning at the national level started with the appraisal of the plans prepared by the state implementing societies (SIS) by an Appraisal Mission consisting of experts in the field of education, civil works, management, budget and costing.

7.1.2 As per the Budget Calendar,⁶ appraisal of the plans at the national level was to be done by the 1 April by the Appraisal Mission and the plans were to be approved by PAB by the 15 April.

7.1.3 Audit noticed that the Budget Calendar was seldom adhered to. PAB meetings were never held in April. The delay ranged from two to ten months during 2002-03 to 2004-05 (**Annex VI**). The delayed meetings of PAB had the potential of adversely affecting the implementation of the scheme leading, in turn, to delayed release of funds by the Ministry/states and further delayed the flow of funds to the districts, blocks and villages.

7.1.4 The Ministry stated (May 2006) that the manual of FM&P was effective only from 1 April 2004 and, therefore, the budget calendar prescribed in the manual could not be applied for the appraisal of plans till 2004-05. The Ministry further stated (June 2006) that there was improvement as PAB meetings were held on 17 May 2005 in 2005-06 and 18 May 2006 in 2006-07.

7.1.5 The reply indicated that the system of appraisal of plans was prescribed rather belatedly in 2004 while SSA was introduced in 2001. This deprived the Ministry of a valuable tool to appraise the plans and ensure their implementation. This was not a good management practice.

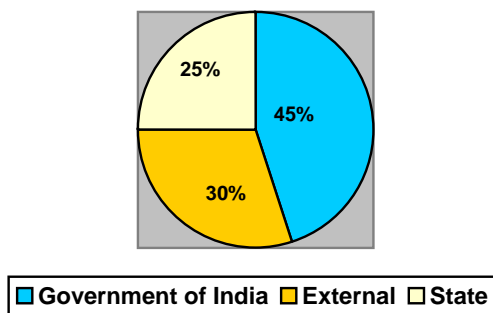
⁶ Paragraph 48 of Manual on Financial Management and Procurement (FM&P)

7.2 Financial arrangement

7.2.1 Funding pattern

7.2.1.1 The expenditure under SSA was financed during the IX Five Year Plan on 85:15 basis by Union and State Governments. The ratio was changed to 75:25 during X Plan and 50:50 thereafter. Union Government's share was partly (30 per cent) financed by the external agencies in the shape of soft loan and grant. The following chart would show financing pattern for the period 2003-2007:

Chart 1: Financing of SSA expenditure



External financing comprised funds received from:

- (i) World Bank's International Development Association (IDA)
- (ii) Department for International Development (UK)
- (iii) European Commission (EC)

7.2.1.2 The external agencies had agreed to fund SSA as an ongoing programme, accepting the existing framework, guidelines and implementation mechanism of the programme. The total funding was around USD one billion (approximately equivalent to Rs. 4700 crore) and was to cover the period 2003-04 to 2007. The external funds received were to be merged with the domestic funds of the Ministry and the State Governments leaving no dedicated external fund for any particular activity or any geographical area. The external funding was to be based on reimbursement of actual expenditure incurred over and above the threshold level of domestic resources.

7.2.1.3 Audit noticed that during 2003-04, external assistance to the tune of Rs. 286.65 crore was received from DFID (Rs. 164.90 crore) and EC (Rs. 121.75 crore). Against the reimbursement claims amounting to Rs. 580.50 crore lodged during 2004-05 with IDA (Rs. 278.64 crore), DFID (Rs. 191.56 crore) and EC (Rs. 110.30 crore), the claim of Rs. 110.30 crore was outstanding as of December 2005. More effective monitoring and follow up would have enabled the Ministry to avail of the reimbursement of Rs. 110.30 crore much before December 2005 which would have helped in enhancing the coverage of SSA.

7.2.1.4 The Ministry was to provide financial assistance to the State Implementation Society (SIS) based on the approved Annual Work Plan and Budget

(AWP&B) each year. The details of approved AWP&B, budget allocations and expenditure as indicated in Table 1 and Chart 2.

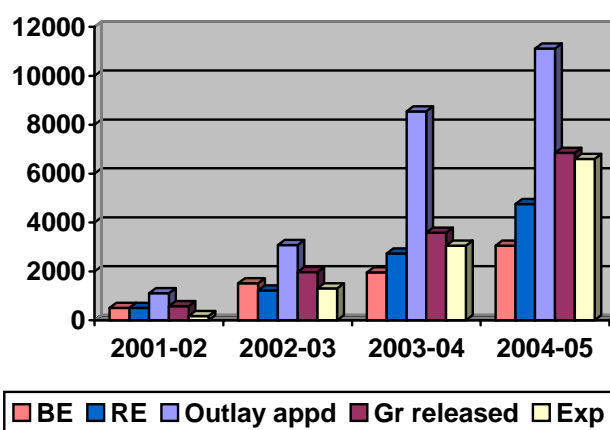
Table 1: Budget estimates, Revised estimates, Approved outlays, Grants released and Actual expenditure

Year	Budget estimates*	Revised estimates*	Outlays approved		Grants released by GOI	Grants released by States	Actual expenditure
			GOI share	State Govt. share			
2001-02	500.00	500.00	940.42	165.96	498.68	85.81	172.04
2002-03	1512.00	1220.03	2310.08	770.02	1559.23	414.70	1305.66
2003-04	1951.25	2732.32	6410.65	2136.89	2703.98	874.77	3057.48
2004-05	3057.08	4753.63	8337.66	2779.20	5118.81	1727.58	6598.39
Total			17998.81	5852.07	9880.70	3102.86	11133.57

(Rs. in crore)

* Note: Source - Budget expenditure Vol II (notes on Demands for Grants)

Chart 2: Budget estimates, revised estimates, approved outlays, grants released and expenditure



7.2.1.5 The outlay was to be approved by PAB of the Department of Elementary Education and Literacy on the basis of plans submitted by SIS. Details in Table 1 would reveal that the approved budget estimates/revised estimates were far less than the outlay approved by PAB. The revised estimates ranged between 43 *per cent* and 57 *per cent* of the approved outlay during the period 2001-02 to 2004-05. Funds released (Rs. 12983.56 crore) by the Ministry and respective State Governments were far less than the outlay approved (Rs. 23850.88 crore) by PAB. The release of funds ranged between 4.02 *per cent* in **Daman and Diu** and 85 *per cent* in **Tripura** of the outlays approved by PAB during the period 2001-02 to 2004-05.

7.2.1.6 Audit examination thus, revealed that though the programme was planned to be taken up earnestly and seriously by the Ministry, it was expected to achieve rather ambitious targets which required enormous funding and serious commitment on the part of the implementing agencies including state governments. Funding requirements approved by PAB which also consisted of representatives from the Ministry, were on the higher side but the funding was slashed at the time of final

allotment which had the potential of adversely affecting the overall implementation of SSA.

7.2.1.7 Audit noticed that the budget allocation and release of grants to SIS were much below the amounts required as per AWP&B. This indicated that the work plans were not fully funded by Government. On the contrary, Audit also noticed that the three states **Mizoram** and **Tripura** (as on March 2005) and **Madhya Pradesh** (as on March 2004) could not even spend the funds allotted and had unspent balance amounting to Rs. 35.54 crore. The Ministry had, however, successfully obtained an increase of allocation in revised estimates of 40 *per cent* in 2003-04 and 55 *per cent* in 2004-05, compared to respective BEs though this increased amount was still short of respective approved outlays by 57 *per cent* and 43 *per cent* in the two years.

7.2.1.8 The Ministry stated (June 2006) that PAB approved higher outlays than the budget allocation approved by Parliament, taking into account the likely low performance of some interventions due to unforeseen constraints such as floods, elections and court interventions.

7.2.1.9 Statewise position of the approved outlay, funds released and expenditure incurred as furnished by the Ministry during the period 2001-02 to 2004-05 is given in **Annex VII**.

7.2.1.10 The state-wise position of funds released (Government of India and state share) and expenditure there against during the year 2001-02 to 2004-05 was at variance with the position of releases/expenditure forwarded by the States as detailed in **Annex VIII**. This indicated that the Ministry and the States did not maintain the data properly and in a uniform manner.

7.2.1.11 Though the States/UTs together were able to spend around 86 *per cent* of the funds released, in some states, the percentage utilisation of funds was very poor. The achievement of the objectives of the scheme was also not commensurate with the expenditure incurred as discussed in the ensuing paragraphs. The Ministry replied (May 2006) that there was a shortfall in expenditure in the initial years 2001-02 and 2002-03 as the states had neither adequate experience nor the required staff to run the projects properly. The Ministry further stated (June 2006) that the unutilised funds did not lapse at the end of the year and the funds were allowed to be carried forward to the next year's plan.

7.2.2 Delay in release of grants

7.2.2.1 The manual of 'Financial Management and Procurement' (FMP) stipulated that the Ministry would release funds directly to the state implementing society (SIS) in two instalments, namely, in April and September every year. The financial norms of the programme further envisaged that the participating state would contribute the agreed ratio of the programme cost within 30 days of the receipt of the contribution of the Union Government as per the approved sharing arrangement.

7.2.2.2 Audit, however, noticed that the Ministry did not release its share as per the prescribed norms as indicated in Table 2.

Table 2: Summarised position of delay in release of funds

Year	First instalment released in the month of September and onwards (No. of states)	Second instalment released in the month of March (No. of states)
2001-02	19	5
2002-03	22	10
2003-04	13	5
2004-05	12	11
Total	66	31

7.2.2.3 Thus, during the period 2001-02 to 2004-05, in 66 cases the first instalment of the grant was released in the month of September when the second instalment should have been released. Similarly, in 31 cases second instalment of grant was released in the month of March i.e. at the fag end of the year to avoid the lapse of funds, which did not allow expenditure to be incurred in the same financial year.

7.2.2.4 The Ministry stated (May 2006) that delay in release of first instalment was due to the backlog in release of state share. Further, as the funds (Revised Estimate) were made available at the fag end in March between 2001-02 and 2004-05, second instalments could only be released in March. It further stated (June 2006) that from the second year onwards the release of funds to SIS was based on fulfillment of the conditions of release of matching state share, incurring expenditure of at least 50 *per cent* of the available funds and submission of utilisation certificates for the year due.

7.2.2.5 The first Joint Review Mission⁷ had also commented that for a variety of reasons such as short release/delayed release of its share by state governments and non availability of electronic transfer system, funds had not flowed as per the prescribed calendar causing slippage in the achievement of programme targets.

Recommendations

- **Unless the assessed funding requirements are met substantially and in time and implementation is monitored more effectively, the targets are unlikely to be achieved even with the extension of the deadline. The Ministry may ensure the release of required funds for SSA through special efforts.**
- **The Ministry should release the first instalment to the state in April on the basis of their performance in the previous year. Suitable adjustments could be made after PAB's approval. It should avoid release of funds at the fag end of the financial year.**

⁷ The Mission comprised 20 members drawn from various sources (10 from Government of India, 5 from World Bank, 3 from DFID and 2 from European Commission)

7.2.3. Utilisation certificates

7.2.3.1 Utilisation certificates (UCs) from districts to the national mission through the states in respect of the first instalment of a particular year were required to be furnished at the time of release of the first instalment of the subsequent year. There was to be no further release if utilisation certificates were not submitted as per the schedule.

7.2.3.2 Test check in audit revealed that in **Bihar**, Shiksha Pariyojana Parishad furnished UCs for Rs. 421.43 crore to the Ministry that represented 69 per cent of the funds released without having received the UCs in turn from the districts. In **Madhya Pradesh, Meghalaya and Orissa**, UCs for Rs. 137.24 crore were not furnished between 2000-05 as of December 2005. The maximum delay in forwarding UCs was three years in the case of **Kerala** whereas the minimum delay was five months in the case of **Tamil Nadu**.

7.2.4 Financial irregularities

7.2.4.1 Diversion of funds and other financial irregularities

Audit examination revealed that funds amounting to Rs. 99.88 crore were diverted from SSA for meeting expenditure not covered under the scheme in eleven states as indicated in Table 3.

Table 3: Diversion of funds

(Rs. in crore)

S.No.	Name of State/UT	Period	Amount	Reasons for diversion of funds	Ministry's comments
1	Assam	2002-05	6.81	To meet the expenditure on other activities/schemes (UNICEF: Rs. 50.47 lakh, XI Finance Commission Award: 75.50 lakh, PMGY: 5.55 crore) not approved by PAB.	The Ministry stated that the expenditure incurred by diversion of SSA funds on UNICEF activities was taken up with UNICEF for reimbursement. For Pradhan Mantri Gramodaya Yojana (PMGY) and SSA a single bank account was maintained. SSA funds were temporarily utilised for PMGY which were recouped on 15 September 2003.
2	Bihar	2003-05	15.80	To meet the expenditure on salary to teachers, mid day meal scheme and purchase of utensils	No comments
3	Himachal Pradesh	2004-05	0.24	To meet the expenditure on liquified petroleum gas (LPG) connections for running centrally sponsored mid-day meal scheme.	No comments

S.No.	Name of State/UT	Period	Amount	Reasons for diversion of funds	Ministry's comments
4	Gujarat	2002-03	22.88 0.04	To meet the expenditure on other activities not covered under SSA. To meet the expenditure of Bhoomipujan of Gujarat Council of Education Research and Training Centre, Gandhinagar	No comments No comments
5	Karnataka	2001-04	8.08	To meet the expenditure on research and education, salary of teachers, sports fee, sports funds, library fee etc.	The Ministry stated that the practice was discontinued in 2004-05.
6	Madhya Pradesh	2001-04	15.52	To meet the expenditure under Mahila Padhana Badhana Andolan (MPBA), printing of examination papers and calendar, honorarium to Shiksha Karmis, Raja Ram Mohan Roy foundations, village libraries etc.	The Ministry stated that MPBA was a strategy of mobilisation of parents. It was further added that students' evaluation was an important component under SSA and examination an important activity for evaluation. There was a provision of printing of examination paper under SSA. The Ministry added that honorarium of Rs. 16.60 lakh was taken from SSA funds as temporary advance which was to be refunded on receiving funds from the State Government. The reimbursement was awaited. The Ministry also stated that library books were provided to schools with the aim of making teaching learning process interesting and to provide reference material to the teachers. The Ministry's reply is not tenable, as SSA was meant for children in the age group of 6-14 year and the Mahila Padhna Badhna Andolan scheme was not covered under SSA. Printing of examination papers was a continuous process and the expenditure was being met from the state budget earlier also. The funds provided to Raja Ram Mohan Roy Foundation were given for the village libraries, which were established under Adult Education Programme of the State Government and, therefore, the payments were

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S.No.	Name of State/UT	Period	Amount	Reasons for diversion of funds	Ministry's comments
					required to be made from the state budget.
7	Maharashtra	2003-05	3.27	To meet the expenditure on other purposes/schemes not envisaged in SSA.	No comments
8	Meghalaya	2004-05	4.31	To meet the expenditure on salary to teachers not engaged under SSA.	The Ministry stated that the salaries of the teachers appointed to fill up vacancies were paid from SSA funds under BRC head. The reply is not tenable as the teachers appointed were adhoc/officiating and in the unapproved schools.
9	Tamil Nadu	2004-05	4.28	To meet the expenditure on designing of material for activity based learning (ABL), printing of ABL cards, preparation of textbooks, revision of education rules, purchase of computers etc.	The Ministry stated that the Manual on FMP permitted the use of funds under REMS for undertaking contingent expenditure like charts, posters, sketch pen and OHP pen without any ceiling. Printing of ABL card was under REMS. Every proposed work was not required to be sanctioned by the PAB. Further, the payment towards the revision of Educational Rules was just and fair. The Ministry's reply is not tenable as the expenditure incurred on ABL cards, preparation of textbooks and revision of education rules was to be met from the state budget. Diversion of funds from one intervention to another was also not permissible under SSA.
10	Uttar Pradesh	2004-05	0.52	Purchase of utensils for 2576 primary schools.	The Ministry stated that the purchase of utensils for mid day meal scheme from the school grant was not a diversion of funds. Districts were instructed to use the funds of school grant for purchase of utensils required for cooking meals under the scheme. The reply is not tenable as the mid day meal scheme was a different scheme for which the budget was separately provided.

S.No.	Name of State/UT	Period	Amount	Reasons for diversion of funds	Ministry's comments
11	West Bengal	2001-05	18.13	Uniforms to girl students of primary schools, purchase of crockery and utensils for mid day meal scheme, purchase of computers, air conditioners, typewriters, Xerox, fax machine, mobile phones, repair of bungalow etc.	The Ministry stated that funds were utilised for SSA activities with the aim of universalisation of elementary education in the state. The reply is not tenable, as all the reported expenditure could not be covered under SSA.
Total			99.88		

7.2.4.2 Apart from the above diversion of funds, other irregularities like unspent amounts and incurring expenditure beyond delegated powers involving Rs. 472.51 crore in 14 states/union territories were noticed in audit as per details given in **Annexure IX**.

Recommendations

- **The Ministry may carefully assess by introducing a specific check list both the requirement and funds utilisation by SIS.**
- **The Ministry may insist on refund of unutilised balances retained by SIS for over a year. This would help avoid blocking of resources when competing sectors faced resource crunch. Cases of non-refund may be monitored at least quarterly, by the Ministry.**

7.3 Results of the Government's efforts to enroll identified/target group children back to school (Out of school children)

7.3.1 The primary objective of SSA was to enroll all children in the age group of 6-14 years in schools, education guarantee centres (EGC), alternative schools and back to school camps (BSC) by 2003. The target for achieving this goal was modified (23 March 2005) by the National Commission from 2003 to 2005.

7.3.2 Audit examination revealed that the number of out of school children in the age group of 6-14 years at the commencement of the scheme on 1 April 2001 was 3.40 crore children. On 31 March 2005, after four years of implementation of the scheme and after having incurred an expenditure of Rs. 11133.57 crore by the Ministry/State Governments, 1.36 crore (40 *per cent*) children still remained out of school. Thus, neither was the original goal of all children in school by 2003 nor the revised target of bringing all children in school by 2005 was achieved. This deprived a large number of the targeted children of the intended benefit under SSA. This would imply that either the deadlines set initially were over ambitious or the funding was inadequate or the implementation needed to be strengthened as discussed later in the report.

7.3.3 The position of out of school children in the states revealed during the course of audit is indicated in Table 4.

Table 4: Audit findings at the State level

S.No.	Name of the state	Coverage of target group	Ministry's comments
1	Assam	Out of 1.43 lakh, 0.71 lakh covered (50 per cent)	Majority of the children comprised domestic child labour, street children, nomadic tribals and indigent families.
2	Andhra Pradesh	4.23 lakh children were out of school	Efforts to enroll such children were carried out from October 2005 to January 2006, which have yielded promising results.
3	Arunachal Pradesh	Out of 2.87 lakh, 0.57 lakh (20 per cent) children were out of school	Some children were already covered. Balance were to be covered in 2006-07. Some children could not be covered being less than 10 children in a habitation.
4	Chhattisgarh	From 4.33 lakh in 2002-03, number of out of school children increased to 4.45 lakh in 2004-05	Ministry's reply was awaited
5	Gujarat	36.62 lakh dropped out from regular classes during 2001-05	-do-
6	Haryana	53 per cent girls in the age group of 11-14 years and 48 per cent girls in the age group of 6-11 years were out of school	The higher percentage of girls dropping out at the upper primary level was mainly on account of shortage of upper primary schools.
7	Jharkhand	Out of 1.07 crore, 19.18 lakh were out of school children	Ministry's reply was awaited.
8	Kerala	10 to 15 per cent children in EGS centres were overaged.	There were about 8 per cent of children overaged in AIE centres and the dropped out children and never enrolled children were provided education only at primary level
9	Meghalaya, Punjab and Pondichery	Shortfall ranged 25 to 86 per cent	All districts in Meghalaya have geared up to put in efforts to bring back all children to school
10	Rajasthan	In three test checked district, out of 39659 children enrolled, 37063 children were not mainstreamed after completion of camps.	Action was being taken to mainstream the remaining children
11	Uttaranchal	Out of 891 EGS/AIE centres, 692 centres (66.22 per cent) were set up	Ministry's reply was awaited.

7.3.4. With a view to assessing the outreach of benefits to the target group, a beneficiary survey was got conducted through SRI, a unit of IMRB, both at the instance of Audit and the Ministry. The survey at the instance of audit was conducted from 19 December 2005 to 3 March 2006 while in the case of survey by the Ministry the period was July 2005 to October 2005. Comparative findings of the survey are as shown in Table 5. As indicated in the Table 5, the survey at the instance of audit covered additional areas of performance of SSA that were not covered in the survey undertaken by the Ministry.

Table 5: Comparative essential findings of the survey conducted by SRI at the instance of Audit and the Ministry

S.No.	Parameters	Findings of survey conducted by SRI at the instance of audit (as on March 2006)	Findings of Survey conducted by SRI at the instance of the Ministry (as on October 2005)
1	Age group covered	6-14 years	6-13 years
2	Period during the survey was conducted	19 th December 2005 to 3 rd March 2006	July 2005 to October 2005
3	Components covered in the survey	Out of school children, infrastructure facilities, deployment of teachers, teacher student ratio, community leaders training, grants to school, provision of free textbooks to focus group children.	Out of school children
4	<i>Age-wise</i> number of out of school children	Out of 21.68 crore children in the age group of 6-14 years, 1.54 crore were out of school. Over all 71 children per thousand (79 girls and 64 boys-per thousand).	Out of 19.40 crore children in the age group of 6-13, number of out of school children was 1.35 crore (1.14 crore in rural and 21 lakh in urban areas)
5	Children with special needs (CWSN)	There were 9.01 lakh disabled children in the age group of 6-14 years and of these 2.84 lakh children were out of school. Thus the number of CWSN per thousand worked out to 315 out of school children.	Physically or mentally challenged children: 5.83 lakh (38.13 <i>per cent</i>) out of school. 68.26 <i>per cent</i> never went to school and 31.74 <i>per cent</i> dropped out from school after one or more years of schooling
6	<i>Social Group-wise</i> proportion of out of school children (SC/ST/OBC)	89 SC children, 119 ST children, 70 OBC and 47 general category children (all per thousand)	9.54 <i>per cent</i> STs and 8.17 <i>per cent</i> SCs, 6.9 <i>per cent</i> OBC and others 3.73 <i>per cent</i>
7	<i>Location-wise</i> proportion of out of school children (rural and urban) areas	81 children per thousand in the rural areas and 41 children per thousand in the urban area in the age group of 6-14 years	7.8 <i>per cent</i> in the rural areas and 4.34 <i>per cent</i> in the urban areas
8	<i>Gender-wise</i> proportion of out of school children	64 boys and 79 girls (per thousand)	6.18 <i>per cent</i> male and 7.9 <i>per cent</i> female children

7.3.5 The top five reasons that came across in the survey conducted by SRI at the instance of audit for the children not being enrolled in the schools are detailed in the Table 6.

Table 6: Reasons for non-enrolment**(figures in per cent)**

Sl.No	Reasons	Males	Females	Total
(i)	Cannot afford school	32.7	39.0	36.1
(ii)	Child does not like to go to school	19.0	15.1	16.9
(iii)	Too young to go to school	14.3	13.9	14.1
(iv)	Have to go to work	3.4	3.7	2.9
(v)	Other reasons*	30.5	28.3	30.0

* 'Parents did not allow', 'looks after household chores', 'child is disabled', etc.

Recommendation

- **The Ministry may like to examine principal reasons for non-enrolment in coordination with State governments/SIS so that enrolment could be made more attractive by devising specific/more focused sub interventions.**

7.3.6 Absenteeism/dropping out of school

The survey conducted by SRI at the instance of audit revealed that the average attendance in primary schools among boys was 74.2 *per cent* and 75.3 *per cent* among girls. The average attendance of boys in primary (57.2 *per cent*) and upper primary (54.8 *per cent*) was the lowest in **Delhi**. In high schools with upper primary, the lowest attendance among boys was found in **Chhattisgarh** (50.4 *per cent*). The average attendance of girls in primary (63.5 *per cent*) was the lowest in **Madhya Pradesh**. The average attendance of girls in upper primary (68.3 *per cent*) and high schools with upper primary (49.3 *per cent*) was the lowest in **Jharkhand**.

7.3.7 The reasons for children not attending/dropping out of schools as ascertained from the survey are given in Table 7.

Table 7: Reason for not attending school/dropping out
(figures in per cent)

Reasons	Male	Female	Total
(i) don't like to go to school	27.8	20.9	24.4
(ii) Cannot afford school	23.8	24.1	23.9
(iii) have to go to work	7.5	5.5	6.5
(iv) Not good at studies	3.1	-	3.1
(v) Household chores and related works	3.1	7.4	5.2
(vi) Other reasons**	34.7	42.1	38.4

7.3.8 The percentage of out of school children on account of their having dropped out was higher (54.9 *per cent*) as compared to those who had never attended the school (45.1 *per cent*). The main reasons attributed to children not liking to go to school were the teacher beating up students, activities in the school being very boring and not being able to cope with the happenings in school.

7.3.9 The Ministry stated (May 2006) that the goal of 2003 was quite ambitious and the National Mission had revised the goal to 2005 vide its decision dated 23 March 2005. As per the reports received from the states/UTs, the number of out of school children had declined since 2001-02 when SSA was initiated. From 3.20 crore out of school children in 2002, the number had come down to 96 lakh in October 2005 (from 28.50 *per cent* to 6.94 *per cent* in 2004-05). It further stated (June 2006) that the goal of bringing all children in school by 2005 was partially achieved.

7.3.10 The reply of the Ministry would need to be viewed also against the findings of the survey conducted by SRI on behalf of the Ministry which indicated that the number of out of school children as in October 2005 stood at 1.35 crore. The Ministry attributed (July 2006) the difference in figures of out of school children

** 'Failed in last class', 'school is not good', 'no use of going to school', 'school is very far away' etc.

reported by the States and the figures reported in the SRI survey to the facts that while SRI figure was based on a sample study, the states conducted regular house to house survey or updated the Village Education Registers (VERs) based on which the figures were reported by the States. Also, while the October 2005 report of the Ministry was post enrolment, the SRI study was conducted when enrolment in some states was going on. Since the figures reported by the SRI were based on scientific statistical sampling methods, the large difference in the figures from two sources (SRI and States) points to the need for the Ministry to satisfy itself about the integrity and reliability of the house to house survey conducted by the States as well as the process of updating the VERs.

7.4 Implementation of major interventions under SSA

As already mentioned in paragraph 1.2 of the report, SSA conceived various initiatives/interventions, which started from preparatory activities for micro-planning, household surveys, training and orientation and deployment of teachers and so on. Intervention-wise discrepancies noticed in audit have been described in succeeding paragraphs.

7.4.1 Preparatory activities for microplanning, household surveys, community mobilisation, school based activities, office equipment, training and orientation at all levels

7.4.1.1 Expenditure upto Rs. 50 lakh could be incurred in a district for preparatory activities and up to Rs. 1000 could be provided to a school for activities like balmelas, cultural jathas, sports, maa-beti sammelan etc. Audit noticed deficiencies in 13 states/UTs in implementation of preparatory activities as indicated in Table 8

Table 8: Deficiencies noticed in the preparatory activities

S.No	Name of the State	Remarks
1.	Assam	Out of Rs.1.24 crore sanctioned by the Ministry during 2001-02 and 2002-03 for pre-project preparatory activities, only Rs. 25.70 lakh was spent on the purchase of office equipment and technical survey instead of household survey. The Ministry agreed (May 2006) and stated that the amount was spent for creation of infrastructure/technical facilities, as at the initial stage, these were inadequate.
2.	Bihar	Habitation level plans were never prepared. No household survey was conducted till September 2005.
3.	Chhattisgarh	Household survey to identify the children in the age group of 6-14 years was conducted in June 2004. The survey report was not finalised till July 2005.
4.	Gujarat	Out of Rs. 3.32 crore sanctioned by the Ministry during 2002-04 for pre-project activities, Rs.1.97 crore was refunded
5.	Himachal Pradesh	The entire planning for implementation of the programme for 2000-05 had been done at district level without involvement of grass root level functionaries.
6.	Jharkhand	No survey had been carried out during 2001-05 in the selected districts. PAB had directed the State Government to prepare plans for meeting the educational needs of the minorities (Tribes). No such programme was prepared by the State.

S.No	Name of the State	Remarks
7.	Manipur	No perspective plan was prepared either for the district or for the State. Annual Plan for 2002-03 was prepared without conducting household survey.
8.	Orissa	In test-checked districts, there was no community participation at cluster, block and district level planning till 2004-05. No core committees had been constituted at block levels till August 2005.
9.	Rajasthan	No activities under SSA could be taken up during the first year. The progress during the second year was also slow.
10.	Dadra and Nagar Haveli	Out of Rs.18 lakh available for pre-project activities, Rs.11.66 lakh remained unutilised with the Implementing authority (September 2005).
11.	Delhi	No perspective plan had been prepared till August 2005. Mission had not done any ground work on securing the participation of the community and other local bodies in planning and implementation.
12.	Daman and Diu	SIS failed to conduct the baseline and household surveys even though funds were available. No district plan was prepared upto 2004-05.
13.	Pondicherry	Due to delay in formation of the implementing authority in February 2002, no pre-project activities could be carried out during 2001-02.

Proper planning, proper survey and involvement of community resource persons would have helped in proper identification of the targeted children, prevent wasteful expenditure and blocking of funds.

Recommendations

- **Authenticity of the data collected should be carefully checked prior to preparation of Annual plans/perspective plans.**
- **The number and needs of the targeted children should be correctly assessed for preparing a realistic annual plan/perspective plan.**
- **Vigorous community mobilisation campaign may be undertaken highlighting the benefits of the scheme and urging the poor households to send their children to schools.**

7.4.2 Deployment of teachers in schools

7.4.2.1 In order to have an optimum teacher-student ratio, SSA norms provided for one teacher for every 40 students in primary and upper primary school and at least two teachers in a primary school and one teacher for every class in the upper primary school. Examination of records in the states revealed discrepancies which are indicated in Table 9.

Table 9: Discrepancies relating to deployment of teachers as noticed in audit

S.No.	Name of the state	Discrepancy noticed	Ministry's comments
1	Assam, Chhattisgarh, Himachal Pradesh, Gujarat, Jharkhand, Karnataka, Maharashtra, Manipur, Orissa, Punjab, Rajasthan, Tripura, Uttar Pradesh, West Bengal and Dadra and Nagar Haveli	75884 schools with only one teacher	The Ministry replied (June 2006) that some states had a policy for providing a single teacher in schools, with an enrolment of less than 20 or 15 children in sparsely populated regions and hilly areas

S.No.	Name of the state	Discrepancy noticed	Ministry's comments
2	Chhattisgarh, Himachal Pradesh, Gujarat, Madhya Pradesh, Punjab, Uttar Pradesh and West Bengal	6647 schools did not have any teacher	In Punjab, the ban imposed on recruitment of teachers had since been lifted. In U.P. efforts were being made to have minimum 4 teachers in each school by March 2006. In West Bengal, the process of engaging para teachers had started on the basis of High Court orders
3	Jharkhand and West Bengal	96 schools with 264 teachers but not even a single student was enrolled	No comments
4	Andhra Pradesh, Chattisgarh, Gujarat, Jharkhand, Madhya Pradesh, Orissa (17 districts), Punjab, Tripura and West Bengal	Shortage of 2.23 lakh teachers	No Comments
5	Assam, Meghalaya and Orissa (13 districts)	74256 excess teachers	-do-
6	Bihar	Ratio of teacher student ratio alarmingly high (Primary: 1:60, Upper Primary 1:130)	-do-
7	Jharkhand and Uttaranchal	Teacher student ratio was 1:57	-do-
8	Rajasthan	Teacher student ratio was 1:45 to 1:79	-do-
9	Uttar Pradesh	Teacher student ratio was 1:76	-do-

7.4.2.2 The Ministry further stated (June 2006) that 5.96 lakh posts of teachers under SSA were sanctioned to the states out of which 3.29 lakh teachers had been recruited by the states/UTs upto 2004-05.

7.4.2.3 The survey by SRI at the instance of audit revealed that there were 49 students to one teacher in primary schools, 42 students to a teacher in upper primary schools and 33 students to a teacher in high schools. However, in **Bihar** the ratio was much higher with 93 students to a teacher in primary schools, 72 and 80 students to a teacher in upper primary and high schools respectively. In **Jharkhand** the ratio was 84 students to a teacher in high schools.

7.4.2.4 As the shortages were not insignificant these would have adversely affected the imparting of useful and relevant education to the targeted children. Excess teachers in some states/districts indicated lack of monitoring/administrative control.

Recommendations

- **Ministry may like to ascertain the reasons for the shortages in consultation with the SIS/state governments in special meetings or through special assessments so as to find a solution quickly.**

- **Requirement of teachers in the schools needed to be reassessed and deployment of teachers made rationally with a view to minimising the possibility of shortage/excess of teachers, as the provision of relevant and useful education to children depended to a great extent on the availability of teachers.**

7.4.3 Opening of schools/alternative schooling facility

7.4.3.1 As per the norms, new primary schools were to be opened only in those areas, which did not have any school within one km of a habitation. EGS centres at primary level were to be opened in unserved habitations where no school existed within a radius of one km and there were at least 15 children in the age group of 6-14 years who were not going to school. Audit scrutiny revealed that in 14 states/UTs, there were 31,648 (9 per cent) habitations without schools as indicated in Table 10.

Table 10: Habitations without schools

Sl. No.	Name of State/UT	Total no of habitations	Habitations without schools	Percentage of habitations without schools
1.	Andhra Pradesh	72372	1559	2.66
2.	Arunachal Pradesh	4261	1484	34.83
3.	Assam	7124	2354	33.04
4.	Bihar	5488	833	15.18
5.	Chhattisgarh	39683	3364	8.48
6.	Manipur	4834	1812	37.48
7.	Mizoram	910	62	6.81
8.	Nagaland	1429	192	13.44
9.	Orissa	73148	12829	17.54
10.	Tamil Nadu	64846	380	0.59
11.	Tripura	7556	1114	14.74
12.	Uttaranchal	25206	4013	15.92
13.	West Bengal	3794	1617	42.62
14.	Pondicherry	379	35	9.23
Total		311030	31648	9.23

7.4.3.2 The survey by SRI at the instance of audit disclosed that 11 per cent of the habitations were without any school. 10.2 per cent and 12.2 per cent of the habitations respectively in the rural and urban areas were without schools. In the urban slum areas, 1.61 per cent of the habitations were without a schooling/alternative school facility within one kilometer radius. A list of urban blocks and villages where SSA had not been implemented as noticed in the survey is given at **Annex X and XI**.

7.4.3.3 The Ministry replied (May 2006) that primary schools or EGS centres had been opened subsequently in 2005-06 resulting in downward trend in school less habitation. The Ministry further replied (June 2006) that SSA provided for coverage of 0.69 lakh primary schools and 1.07 lakh EGS centres in the period 2001-02 to 2004-05 to reach out to these habitations

7.4.3.4 Existence of large number of habitations without schools indicated lack of proper planning and survey by SIS/state governments, which not only deprived the

children of the benefit of the scheme in the habitations but also adversely affected attainment of the objectives of SSA in the above mentioned 14 states/UTs. It also underlined the need for the Ministry to decide a specific strategy to monitor the progress closely. Audit findings had also been corroborated by the survey.

7.4.4 Opening of upper primary schools

7.4.4.1 As per the norms, new upper primary schools were to be opened based on the number of children completing primary education, upto a ceiling of one upper primary school/section for every two primary schools. Test check of records revealed on an average shortage of (23 per cent) upper primary schools in almost all the states as indicated in Table 11.

Table 11: Shortage of upper primary schools

S.No	State	Number of schools required	Number of schools in position	Shortage
1.	Andhra Pradesh	28462	22153	6309
2.	Assam	15034	10791	4243
3.	Bihar	5779	4690	1089
4.	Chhattisgarh	12308	8128	4180
5.	Haryana	753	501	252
6.	Himachal Pradesh	6083	3847	2236
7.	Jharkhand	9030	6908	2122
8.	Madhya Pradesh	34424	33600	824
9.	Maharashtra	*92	**66	26
10.	Manipur	1888	1403	485
11.	Orissa	16377	15737	640
12.	Punjab	6486	5437	1049
13.	Rajasthan	16623	16514	109
14.	Sikkim	250	151	99
15.	Tamil Nadu	18836	13001	5835
16.	Uttranchal	7283	3855	3428
17.	West Bengal	25127	11440	13687
18.	Daman & Diu	4	0	4
19.	Lakshadweep	11	6	5
Total		204850	158228 (77.24 per cent)	46622 (22.76 per cent)

* Sanctioned by Government of India

** Opened against sanction

7.4.4.2 Audit noticed that in **Daman and Diu** funds were not released till March 2005 despite PAB's recommendation for opening eight new primary schools and upgradation of four primary to upper primary schools during 2004-05. As such there was no progress in this regard in the UT.

7.4.4.3 In respect of **Andhra Pradesh**, the Ministry replied (May 2006) that during 2005-06, 253 primary schools were upgraded to upper primary schools. The Ministry further stated (June 2006) that during 2001-02 to 2004-05, 0.71 lakh of upper primary schools were provided under SSA. The upper primary to primary ratio improved to 1:2.4 in 2004-05 from 1:3.02 in 2001-02. The Ministry's reply only confirms that even after four years of the implementation of SSA, the required ratio of primary schools vis-à-vis upper primary schools had not been achieved.

7.4.5 Norms for classrooms

7.4.5.1 As per the norms, every primary school should have two classrooms with verandah. In addition, a room for the Headmaster in upper primary school was also required. The Headmaster was to be counted as a teacher for the purpose of computing the requirement of additional classrooms.

7.4.5.2 Test check in audit revealed that in **Assam** (in six selected districts), 19 primary schools did not have the minimum of two rooms required with verandah and 29 schools did not have a separate room for Headmaster. In **Bihar**, 1732 schools had only one room and 4398 upper primary schools had no rooms for the Headmasters. 1275 schools did not have buildings to house them. In **Gujarat**, 185 schools (2002-03) and 281 schools (in each of the years 2003-04 and 2004-05) had no classroom while 2158 (2002-03), 1496 (2003-04) and 1269 (2004-05) schools had only single classroom. In **Sikkim**, no room for the headmaster was provided even after incurring an expenditure of Rs.1.27 crore during 2002-05 on upgradation of 37 primary to upper primary schools.

7.4.5.3 The Ministry replied (May 2006) that in respect of **Assam**, steps had already been taken for providing the required number of classrooms and the shortage of classrooms was expected to be made good by March 2008. The Ministry further replied (June 2006) that 1.78 lakh additional classrooms were provided upto 2004-05. SSA had a graduated approach to fulfill requirements of civil works with the norm of 33 *per cent* ceiling for expenditure on infrastructure per district per year laid down in the Manual of Financial Management and Procurement.

7.4.5.4 The survey undertaken by SRI at the instance of audit disclosed that construction of additional classrooms was undertaken only by 18.5 *per cent* primary schools, 21 *per cent* upper primary schools and 19.9 *per cent* high schools with upper primary sections. Only 8.2 *per cent* primary schools, 4.7 *per cent* upper primary schools and 1.2 *per cent* high schools with upper primary sections had constructed separate rooms for headmasters. Thus, non-completion of civil works within the stipulated period resulted in blocking of funds which could have otherwise been utilised for other purposes under SSA.

7.4.6 Supply of free textbooks to focus group children

7.4.6.1 The scheme envisaged that free text books within an upper ceiling of Rs. 150 per child would be provided to all children in the focus group namely girl child and SC/ST children. States were to continue to fund free textbooks being currently provided from the State Plans. In such cases, free textbooks under SSA should not be provided to the focus group children. In case subsidy was partially provided, assistance under SSA was to be restricted to that portion of the cost of books, which was being borne by the children. Instances of erroneous supply of books were noticed by audit as detailed below:

Non-supply of text books Audit examination revealed that in **Jharkhand, Karnataka** and **Mizoram** 7.46 lakh children were not provided with free text books while in **Uttar Pradesh**, no free text books were

provided to focus group children in upper primary schools during 2001-02. In **West Bengal**, focus group children in five test checked districts were not provided with text books. In **Bihar**, complete sets of books were never made available to any school thus depriving the benefit of the scheme to a large number of children. In **Nagaland**, students of 29 schools were given cash at the rate of Rs.150 per student in lieu of free text books. The Ministry stated (May 2006) that cash payment in lieu of textbooks was made in the form of reimbursement where the children themselves had procured the textbooks. The Ministry's reply would appear to support contravention of the norms of the scheme, which was not a good practice.

The survey conducted by SRI at the instance of audit revealed that free text books were not supplied in 22.8 *per cent* primary schools, 21.2 *per cent* upper primary schools and 32.5 *per cent* of high schools with upper primary. A significantly higher proportion (61.29 *per cent*) of children, in the rural areas reported receiving free text books. The proportion of such children in the urban localities was just 38.32 *per cent*.

The survey further revealed that a high proportion of students in urban areas of **Arunachal Pradesh** (61.44 *per cent*), **Bihar** (43.57 *per cent*), **Dadra and Nagar Haveli** (42.54 *per cent*), **Meghalaya** (45.18 *per cent*), **Nagaland** (34.68 *per cent*) and **Sikkim** (34.62 *per cent*) reported having received only a part of the books meant for them.

**Text books
supplied to
ineligible children**

In **Assam, Chhattisgarh and Tripura**, text books worth Rs. 21.20 crore were distributed against the norms among the general category and OBC category children. 47.69 lakh children of non-focus group in **Assam, Haryana and Tripura** were provided free text books.

In **Madhya Pradesh**, free text books valued Rs. 64.82 crore were distributed to all students of class I to V which should actually have been met from the state budget. In **Tripura**, an amount of Rs. 6.17 crore was utilised for making cash payment in lieu of free text books to the eligible students. The Ministry stated (May 2006) that in **Assam and Haryana**, free text books were provided to general category students considering the economic and educational backwardness in the states. The Ministry's reply is not tenable as this was not provided under SSA and diversion of funds would have adversely affected the other components of the scheme.

**Late supply of
books**

In **Andhra Pradesh, Bihar, Karnataka, Kerala, Maharashtra, Punjab and Uttaranchal**, books were supplied late with delays ranging from one to nine months. In

Haryana, books were supplied at the fag end of the academic session or just before the annual examination.

The survey conducted by SRI at the instance of audit revealed that in the rural areas of **Manipur**, an overwhelming majority (79.09 *per cent*) of the school going children reported having not received the free text books in time. The other states where the school going children in the rural areas did not receive the text books in time were **Arunachal Pradesh** (12.11 *per cent*), **Bihar** (33.18 *per cent*), **Daman & Diu** (23.68 *per cent*), **Jharkhand** (17.31 *per cent*), **Mizoram** (26.29 *per cent*) and **Uttaranchal** (15.21 *per cent*).

In the urban areas, the states where a sizeable proportion of the school going children did not receive the text books in time were **Arunachal Pradesh** (59.31 *per cent*), **Bihar** (27.08 *per cent*), **Daman & Diu** (11.41 *per cent*), **Jharkhand** (17.89 *per cent*), **Manipur** (65.6 *per cent*), **Meghalaya** (30.56 *per cent*), **Mizoram** (35.04 *per cent*), **Nagaland** (24.19 *per cent*) and **Sikkim** (26.92).

Lack of supervision and monitoring not only resulted in distribution of free text books worth Rs. 21.20 crore to ineligible children but also deprived the focus group children of the benefit of the scheme. Besides, non supply or late supply of books had the potential of adversely affecting the education level of the poor children.

Recommendation

- **Ministry may introduce a quarterly review of the status of supply and distribution of free text books especially to the focus group children to enable them to take advantage of the scheme as without text books, attempt to provide useful and relevant education to children cannot succeed.**

7.4.7 Infrastructure facilities

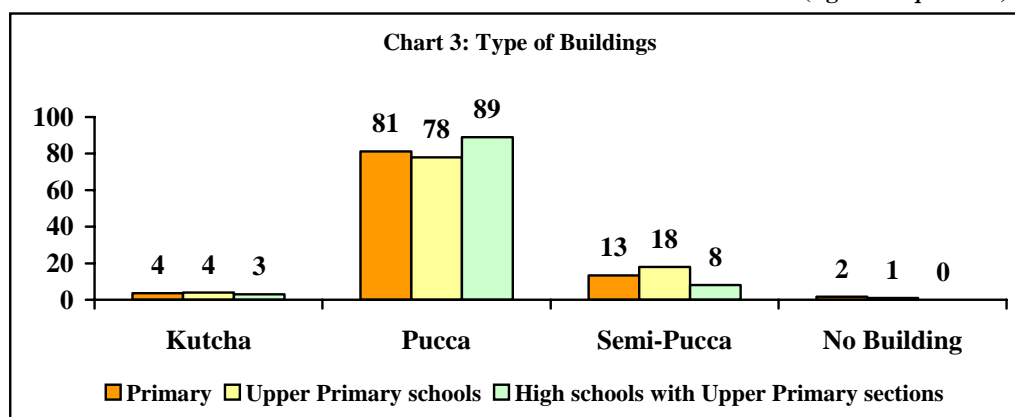
7.4.7.1 As per the norms, programme funds on civil works were not to exceed the ceiling of 33 *per cent* of the entire project cost approved by PAB on the basis of the perspective plan prepared for the period till 2010. Civil works inter-alia included: new school buildings, school buildings for building-less schools, additional classrooms, room for headmaster, toilets, drinking water facilities, boundary walls in extreme cases like hilly terrain, forest areas or urban areas subject to justification, separation wall, electrification, child friendly elements (which would be mandatory in all new construction). Besides, Block Resource Centre (BRC) with a unit cost of Rs. 6 lakh, Cluster Resource Centre (CRC) with a unit cost of Rs. 2 lakh, State Institute of Educational Management and Training (SIEMAT) were also included in the plan. Civil works on office building, playgrounds, Education Guarantee Scheme/Alternative Innovative Education (EGS/AIE) centres, ECCE facilities or hostels were not allowed under the scheme.

7.4.7.2 Audit noticed that almost all the states were plagued by severe lack of infrastructure and the schools were running without proper buildings, toilets, and drinking water facilities as detailed in **Annex XII**.

7.4.7.3 The Ministry stated (June 2006) that SSA had provided for 0.78 lakh schools, 1.78 lakh additional classrooms, 1.57 lakh toilets, 1.11 lakh drinking water facilities, 0.02 lakh BRCs and 0.12 lakh CRCs under the programme till 2004-05. SSA has estimated a gap of around 10 lakh classrooms, 3.52 lakh toilets and 0.78 lakh drinking water facilities (DISE educational statistics 2004-05). The school infrastructure was required to be completed by 2010 under SSA.

7.4.7.4 The survey conducted by SRI at the instance of audit disclosed that 3.7 per cent primary schools, 3.5 per cent upper primary schools and 3.1 per cent high schools with upper primary were running in 'kutcha' structures. Further, 1.6 per cent primary schools, 0.8 per cent upper primary schools and 0.2 high schools with upper primary had no building for the schools. Chart 3 indicates the position of school infrastructure.

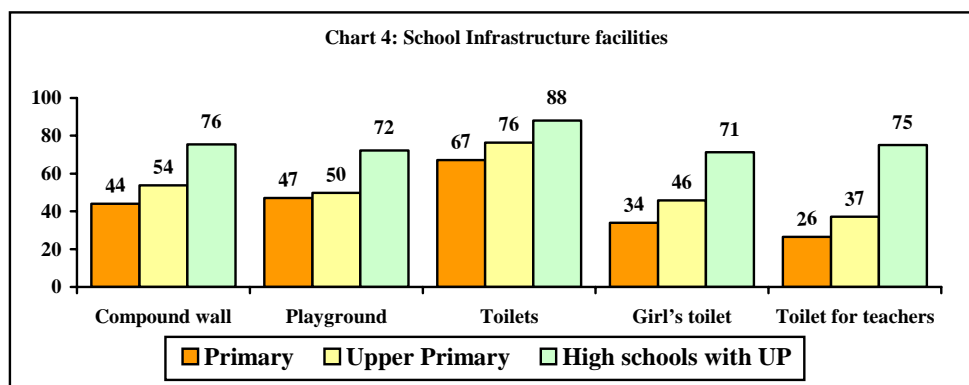
(figures in per cent)



7.4.7.5 Only 44 per cent primary, 54 per cent upper primary and 76 per cent high schools with upper primary schools had compound wall. Forty seven per cent primary schools, 50 per cent upper primary schools and 72 per cent high schools with upper primary schools had playgrounds. No playgrounds were available in the upper primary schools in **Lakshadweep** and the high schools with upper primary in **Mizoram, Nagaland and Uttaranchal**.

7.4.7.6 Sixty seven per cent primary schools, 76 per cent upper primary schools and 88 per cent high schools with upper primary had toilets. 34 per cent primary schools, 46 per cent upper primary schools and 71 per cent higher schools with upper primary had separate toilets for girls. Chart 4 indicates the availability of infrastructure facilities in schools.

(figures in per cent)



7.4.7.7 Seventy six per cent primary schools, 78 per cent upper primary schools and 88 per cent high schools with upper primary had drinking water facilities while 27 per cent primary schools, 48 per cent upper primary schools and 84 per cent high schools with upper primary had electricity connection. A separate room for the headmaster was available in only 22 per cent of the primary schools, 49 per cent of the upper primary schools and 80 per cent of the high schools with upper primary section. The position is reflected in the Chart 5.

(figures in per cent)

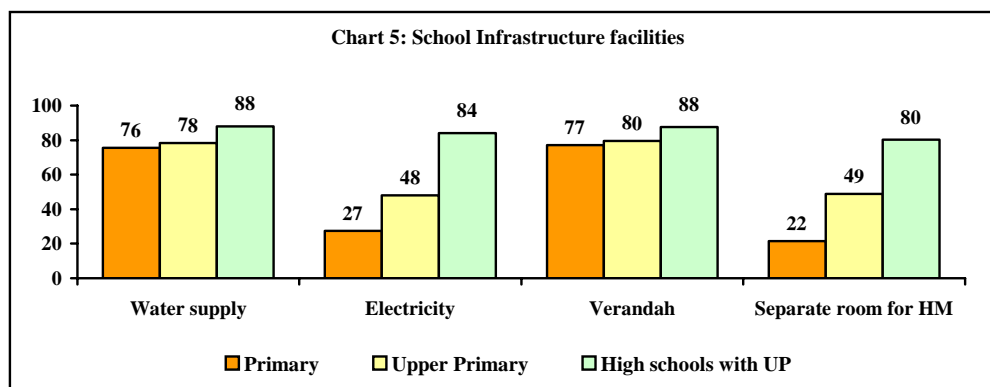
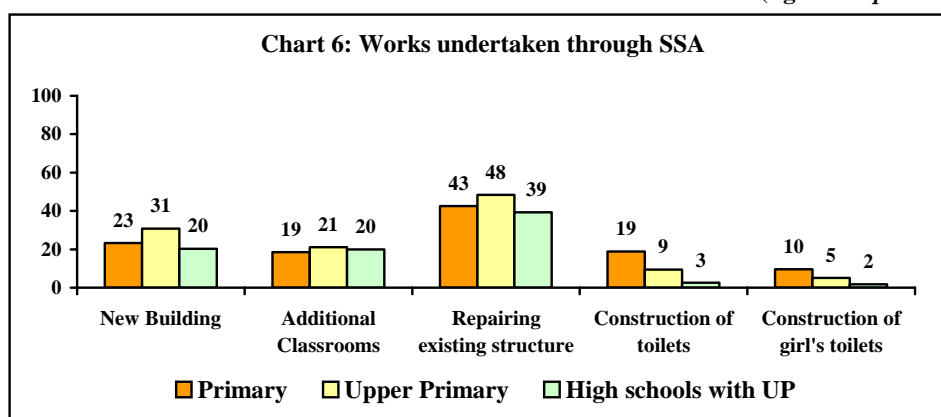


Chart Nos. 6 to 9 depict the status of works undertaken through SSA.

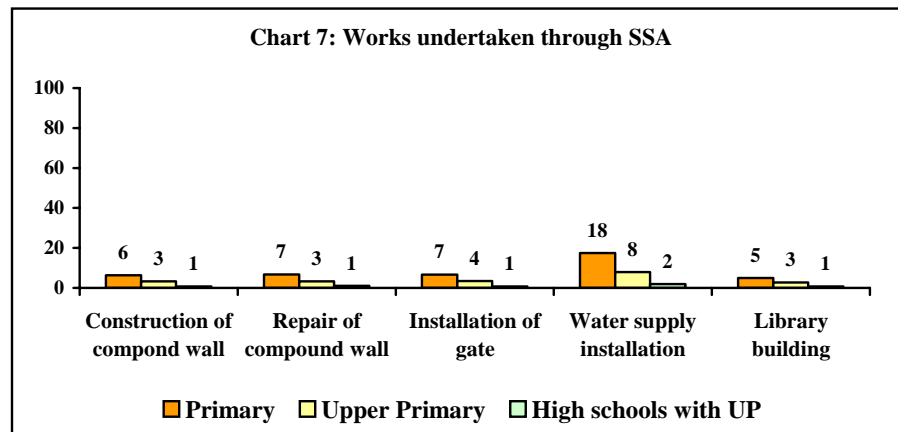
(figures in per cent)



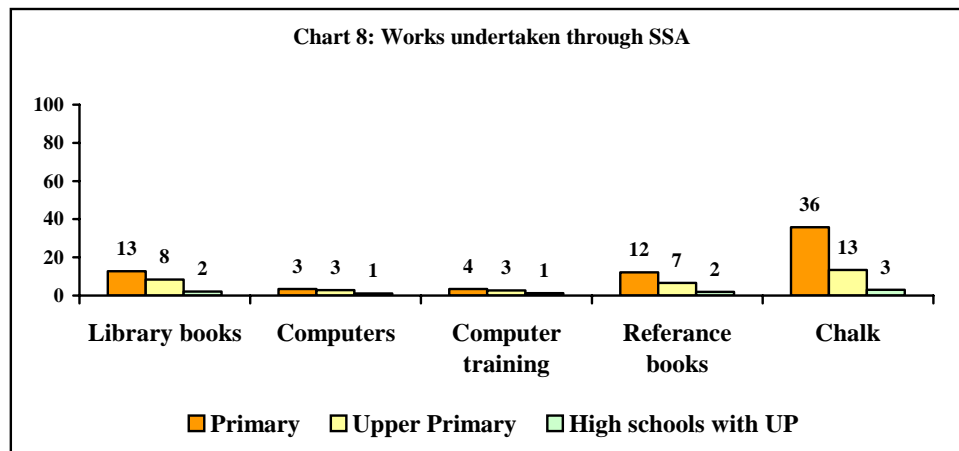
7.4.7.8 The trend that emerged from the list of works undertaken through SSA further revealed that the funds had been primarily used for repairing existing structures. This was undertaken by 43 *per cent* of the primary schools, 48 *per cent* of the upper primary schools and 39 *per cent* of the High Schools with Upper Primary sections. The next major activity undertaken by schools was construction of new buildings. This was primarily done by the upper primary schools. Schools had also used the funds to build additional classrooms with about one-fifth of schools across all categories adding classrooms to their schools.

7.4.7.9 The funds had also been used to set up toilet facilities and water installations. This was mainly done in primary schools (19 *per cent* for toilets and 18 *per cent* for water installation). Construction of toilets for girls had also been mainly done by primary schools. Only a small proportion of upper primary schools and high schools with upper primary sections used the funds for construction of toilets and water facilities, probably due to the fact that the facilities were already available in those schools. SSA funds were sparsely used for infrastructure activities like construction/repair of compound wall, installation of gate and library buildings.

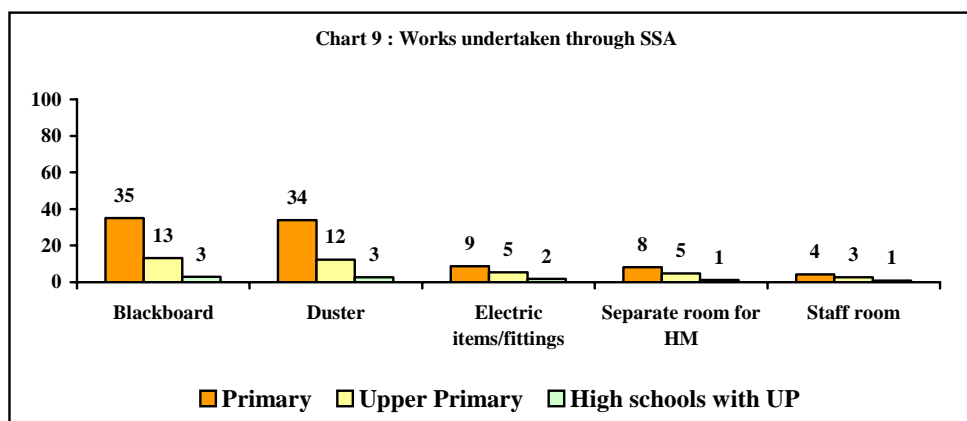
(figures in *per cent*)



(figures in *per cent*)



(figures in per cent)



7.4.7.10 Apart from infrastructure facilities, SSA funds were also used in procuring teaching and learning materials for schools such as black boards, chalk and dusters, library books, reference books, computers and electric fittings.

7.4.7.11 The Ministry stated (June 2006) that the percentage of schools (as brought by SRI in the survey conducted at the instance of audit) where new buildings or additional classroom or toilets had been constructed were with reference to the total number of schools. It should have been with respect to the approved targets of SSA or the total gap that existed in such facilities. The Ministry further stated that until the source of funding for library books, computers and even civil works was ascertained to be from SSA or contribution from other sources, the picture given in the survey was meaningless. The verification of assets should have been indicated not as a percentage of the total number of schools but on the basis of works sanctioned under SSA. The Ministry's contention is not tenable as the findings of the survey presented the estimated percentage of schools that had received funds for each of the activities and the verification status of infrastructure created using SSA funds.

Recommendation

- **A comprehensive and time bound infrastructure development plan with targets/milestones should be prepared for converting all the temporary structures and buildingless schools into permanent structures and providing basic amenities like electricity, water and toilet facilities in these and in the existing school buildings. The plan should indicate the supporting records to be maintained regularly right upto the Ministry level.**

7.4.8 Maintenance and repairs of school buildings

7.4.8.1 Grant under this component of SSA was available only to those schools, which had existing buildings of their own. Specific proposal by the school committee had to be submitted and community contribution was to be ensured. Schools with three classrooms and more than three classrooms were eligible for maintenance grant of Rs. 4000 and Rs. 7500 respectively per school per year keeping the overall limit for the district at Rs. 5000 per school. Government aided schools or other private schools

were outside the scope of these provisions. Audit scrutiny revealed that in **Assam, Bihar, Himachal Pradesh, Orissa, Rajasthan, Tamil Nadu** and **West Bengal**, Rs. 128.13 crore was disbursed without specific proposals from VECs.

7.4.8.2 The Ministry stated (May 2006) that based on the AWP&B prepared at the school level by SDMC/VEC, maintenance grant was being released to the school management committee/VEC. This itself was a specific proposal. The Ministry's reply is not tenable as paragraph 27.1 of Manual of FM&P clearly stipulated that the specific proposal by the school committee and community contribution should be received first.

Apart from the above, following violations were noticed as indicated in Table 12.

Table12: Maintenance and repairs

Sl no.	Name of State/UT	Violations noticed
1.	Assam	There was nothing on record to show that community contribution was prescribed as a condition for giving the grant.
2.	Bihar	Rs. 20 lakh was given to 397 building-less schools in violation of norms of SSA.
3.	Chhattisgarh	The ceiling of Rs. 5000 per school per year was not adhered to resulting in excess release of grant of Rs. 96.86 lakh.
4.	Himachal Pradesh	Grant of Rs. 36.75 lakh was given to 735 schools having no building of their own.
5.	Gujarat	Rs. 49.67 crore was given to schools without any specific demand or proposals from the school management. Irregular grant to in-eligible schools resulted in avoidable expenditure of Rs. 67.87 lakh.
6.	Kerala	Rs. 2.30 lakh was allowed to 46 schools running in rented buildings. Sanction of funds for construction of compound wall of 74 schools was given for a second time for which Rs. 30.80 lakh had already been disbursed.
7.	Manipur	Rs. 35.55 lakh was given as maintenance grant to 711 ineligible schools.
8.	Orissa	School improvement grant of Rs. 4.48 crore paid for replacement of non-functional school equipment, was actually used for white washing and painting.
9.	West Bengal	Rs. 1.17 crore was paid to 771 to 801 schools during 2002-05, which were not housed in their in own buildings.
10.	Chandigarh	Grant at the rate of Rs. 10000 per school instead of Rs. 5000 per school was released to 80 schools, which resulted in excess release of Rs. 4 lakh. Rs. 3.06 lakh was also released for purchase of fire fighting equipment, which was not covered under the provisions.
11.	Delhi	There was underutilisation of grant to the extent of 8 per cent in 2003-04 and by 27 per cent in 2004-05.

A proper monitoring system would have prevented grants from being released to ineligible schools, excess release of grants, and utilisation of funds for unintended purposes.

7.4.9 Upgradation of Education Guarantee School (EGS) to regular school or setting up of a New Primary School as per state norms

7.4.9.1 While considering the upgradation of EGS centres to regular school, SIS were required to ensure that upgradation was on the basis of successful running of

EGS centres for two years. Teaching Learning Equipment (TLE) at the rate of Rs.10000 per school was to be provided. Besides, involvement of teachers and parents was necessary in TLE selection and procurement. Audit noticed that no EGS centre was opened/upgraded to regular primary school in any of the test-checked districts in **Bihar** and **Gujarat**. The Ministry stated (June 2006) that SSA upgraded 0.38 lakh EGS to primary schools upto 2004-05.

7.4.9.2 In **Punjab** (Ferozpur district), 669 EGS centres were opened during June 2003 to May 2004, of which 401 centres were closed upto December 2004. In Hoshiarpur, Nawanshahar and Gurdaspur districts, no student had been admitted in the regular school from EGS centres during 2002-03 to 2004-05. In Gurdaspur district, out of 50 schools, no teacher was posted in 17 schools. Out of these 17 schools, 10 had been converted into EGS centres. Conversion of teacher less schools into EGS centres by DPD was not covered under the scheme. In **Madhya Pradesh**, 3223 EGS were upgraded to primary schools but TLE was not released. In **Sikkim**, against the approval of 87 EGS centres, only 22 centres were opened till March 2005 at an expenditure of Rs.42.52 lakh incurred during 2002-03 to 2004-05. The Ministry stated (May 2006) that in respect of **Sikkim**, the responsibility of running 87 EGS centres was entrusted to 5 NGOs. However, it took them some time to gain experience to run the proposed EGS centres. The state was trying to cover maximum number of children by opening required number of such centres.

7.4.10 Provision of teaching learning equipment (TLE)/Material for upper primary schools

7.4.10.1 TLE could be provided as per local specific requirement to be determined by the teachers/school committee. A maximum of Rs. 50,000 per school was to be provided for upper primary schools not covered under Operation Black Board (OBB) scheme. Audit noticed that in **Assam** and **Madhya Pradesh**, TLE grant was not given to some schools while in **Rajasthan**, in 97 upgraded primary schools, it was not given at all. In **Haryana and Sikkim**, the TLE grant was utilised against the norms on purchase of dustbins (Rs. 25.31 lakh), laboratory equipment and chemicals (Rs. 5.95 lakh). The Ministry stated (May 2006) that some states had utilised the TLE grant depending upon local needs and especially dustbins in **Haryana** were purchased for inculcating the habit of cleanliness amongst the children. The Ministry's reply is not tenable as the substantial expenditure of Rs. 25.31 lakh in **Haryana** on purchase of dustbins was not in any way directly related to TLE.

Other irregularities noticed in audit in two more states were as under:

Andhra Pradesh	7531 colour TV sets were procured at a cost of Rs. 11.21 crore for upper primary schools and high schools that had upper primary sections. In 36 schools, the TV sets were lying idle. TV sets had been supplied even to those schools that had no electricity supply. The Ministry stated (May 2006) that all the CTVs were supplied to the schools that had electric supply. However, in some schools power supply was disconnected for not paying the electricity bills.
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Tamil Nadu Rs. 0.34 lakh was misappropriated by one panchayat middle school in Madurai district. The Ministry stated (May 2006) that the Headmaster of the school had been placed under suspension and further action was being pursued for recovery of the amount through departmental action.

7.4.11 School grant

7.4.11.1 As per the norms, the grant was to be given to government schools, government aided schools, cantonment/municipal corporation schools, aided madarasas provided the admission policy in these schools was similar to that of government schools in the state, these schools were not collecting any fee from the students, government sanction was being obtained for appointment of teachers, salary of teachers and their service conditions were similar to that of government school teachers, syllabi followed were the same as that of government schools (in the case of madarasas, they should be following the curriculum prescribed by the madarasa board). High/secondary schools with upper primary up to Class VII in states where classes started from VIII standard onwards were not covered.

7.4.11.2 School grant was to be given at the rate of Rs.2000 per year per primary/upper primary school for replacement of non-functional school equipment, which could be spent only by village education committee/school management committee.

7.4.11.3 Audit scrutiny revealed that school grants amounting to Rs. 1.13 crore in **Jharkhand, Meghalaya and Manipur** were utilised for purposes not covered under school grants. In **Punjab**, Rs. 0.38 lakh was utilised for construction of toilets in closed schools. In **Chhattisgarh**, 43 per cent schools were not provided school grant during 2003-04. In **Jharkhand**, an amount of Rs. 47.88 lakh was released in 2002-03 to 2369 non-existent schools. In **Maharashtra**, school grant of Rs. 2.56 lakh was not paid to 102 schools during 2002-05. In **Punjab**, Rs. 0.49 lakh was released to closed schools in Gurdaspur district during 2003-04 and 2004-05. In **Delhi**, school grant was utilised by the school authorities without the involvement of VKS.

7.4.11.4 This indicated that the mechanism for monitoring utilisation of grants needed to be strengthened which would prevent further misutilisation/diversion of grants.

7.4.12 Teacher grant

7.4.12.1 The scheme provided for teacher grant at the rate of Rs. 500 per teacher per year in primary and upper primary schools, covering teachers actually in position subject to certain conditions stipulated in the scheme. Audit noticed that teacher grant amounting to Rs. 1.80 crore was paid in excess of the norms in **Assam, Chhattisgarh, Gujarat and Punjab** while on the other hand, in **Maharashtra**, teacher grant of Rs. 0.17 crore to 3425 teachers was not paid during 2002-05 due to short receipt of grant, oversight and non-receipt of orders for payment. In **Haryana**,

there was a double payment of teacher grant amounting to Rs. 2.57 lakh to 214 teachers.

7.4.12.2 The Ministry stated (May 2006) that in respect of **Assam**, teacher grant was not paid during 2001-02 and 2002-03 due to non-availability of sufficient funds. In 2003-04, teacher grant for four years was paid which included an advance payment for 2004-05. The Ministry's reply is not tenable as the Manual of FM&P laid down that teacher grant was to be paid only to teachers actually in position. As such, the grant for 2004-05 could not have been decided and paid during 2003-04. In respect of **Haryana**, the Ministry replied that the double payment aggregating Rs. 2.57 lakh was being recovered from the concerned parties.

Recommendation

- **The Ministry should put in place a suitable mechanism for proper assessment of requirement of funds and utilisation thereof by standardising the requirement from the experience gained so that situations of misutilisation/diversion of funds and excess/shortage of grants are avoided.**

7.4.13 Training for upgrading teachers' skills

7.4.13.1 To upgrade the skills of teachers, the SSA provides for in-service course for 20 days for all teachers each year, refresher course for untrained teachers already employed as teachers for 60 days and orientation for 30 days for freshly trained recruits. Audit scrutiny revealed that 10.45 lakh teacher (53 per cent) in 18 states/UTs were not imparted any training as indicated in Table 13.

Table 13: Shortfall in teachers' training under SSA as on 31 March 2005

S.No	Name of State/UT	Total No of teachers	No. of Teachers not provided training	Percentage of teachers not provided training
1	Andhra Pradesh	220891	70016	31.70
2	Arunachal Pradesh	6967	4076	58.50
3	Assam	57308	32205	56.20
4	Gujarat	40000	27000	67.50
5	Jharkhand	112685	91000	80.76
6	Kerala	413958	84582	20.43
7	Maharashtra	78921	27824	35.26
8	Manipur	8053	4667	57.95
9	Mizoram	9302	5275	56.71
10	Sikkim	5185	4430	85.44
11	Tripura	24956	15032	60.23
12	Uttar Pradesh	402273	226282	56.25
13	West Bengal	535956	406150	75.78
14	Dadra & Nagar Haveli	1254	1254	100.00
15	Daman and Diu	348	90	25.86
16	Delhi	45359	43861	96.70
17	Lakshadweep	1327	1327	100.00
18	Pondicherry	5193	802	15.44
	Total	1969936	1045873	53.09

7.4.13.2 Scrutiny of records of the Ministry revealed that against the target of 34.66 lakh teachers, only 20 lakh teachers were trained upto 31 March 2005 in 34 states and UTs as shown in **Annex XIII**. In **Andhra Pradesh, Chhattisgarh, Haryana, Mizoram, Meghalaya, Tripura, Kerala, Orissa, Tamil Nadu, Himachal Pradesh, Uttar Pradesh, Daman and Diu** and **Pondicherry**, either training was not organised at all during a particular year or it was not imparted for the full duration.

7.4.13.3 The Ministry stated (May 2006) that in principle, 20 days' teacher training was being approved for the states for the existing teachers every year. However, the states provided training to teachers taking into account the fact that there should be minimum disturbance in classroom transaction and they should not be away from the classrooms for many days. Thus, the target of upgrading professional skills of teachers was not achieved.

7.4.13.4 However, differences were noticed in the data as reported by some states and those reported by the Ministry. This showed that data regarding trained/untrained teachers was not properly maintained at the state and national levels which hampered upgradation of professional skills of around 42 *per cent* teachers (**Annex XIII**)

7.4.13.5 No performance evaluation of the teachers, after the training was made in **Jharkhand** and **Delhi**. In **Haryana**, the results of schools had declined after the introduction of SSA and imparting training to teachers. In some government middle schools, the pass percentage was even zero. The Ministry stated (May 2006) that during 2001-02, no training programme could be organised being the first year of SSA implementation. The school results depended upon a number of factors many of which were out of control of the implementing agencies. It was also observed that in **Mizoram** and **Nagaland**, a large number of teachers were underqualified. The teachers appointed were below the required minimum education level. The Ministry stated (June 2006) that distance education training programme for a duration of six months through IGNOU was being imparted to untrained teachers in North Eastern States under SSA.

7.4.13.6 Training of teachers and evaluation thereof would have upgraded their professional skills and helped in providing useful and relevant education to children.

Recommendation

- **The Ministry may ensure that only teachers who possess the prescribed minimum qualifications are appointed and suitable steps are taken to train the underqualified staff so that the quality of education is not adversely affected.**

7.4.14 Non establishment of State Institute of Educational Management and Training (SIEMAT)

7.4.14.1 SSA provided for one time assistance of Rs. 3 crore to the states for setting up SIEMAT provided that the latter gave an assurance to open and sustain SIEMAT. Audit scrutiny revealed that in **Andhra Pradesh, Chhattisgarh, Jharkhand, Karnataka and Kerala**, funds amounting to **Rs. 11.17 crore** released for construction of the building for **SIEMAT** remained largely unutilised as either the site

for the building was not identified or the building remained incomplete. The Ministry replied that efforts were being made to establish SIEMAT, identify the site for the building and in some states the work was in progress.

7.4.14.2 This indicated lack of adequate efforts on the part of the implementing agencies and overall lack of monitoring of the intervention which led to blocking of funds which could have been utilised for other purposes of SSA.

7.4.15 Training of community leaders

7.4.15.1 At least four community leaders per village plus two persons per school in a year were to be provided two days' training per year at the rate of Rs. 30 per day per person. In urban areas where no village existed and in states where revenue village covered a vast area, training to three community leaders per school was envisaged.

7.4.15.2 Audit noticed that against the target of 36.94 lakh, only 18.54 lakh community leaders were trained as per details given in **Annex XIV**. In **Arunachal Pradesh, Maharashtra, Nagaland, Tripura, West Bengal, Dadra and Nagar Haveli, Daman and Diu, Delhi and Lakshadweep**, outlay was approved for community leaders' training but no training was imparted. In **Maharashtra, Nagaland, Tripura and West Bengal**, Rs. 3.01 crore was spent but no training was imparted. The survey conducted by SRI at the instance of audit disclosed that only 59.3 *per cent* primary schools, 24.4 *per cent* upper primary schools and 7.7 *per cent* of high schools with upper primary schools had education committees and in only 64.3 *per cent* of schools, the community members had been trained.

7.4.15.3 The Ministry stated (June 2006) that in most states there were Village Education Committees (VEC), which might cover more than one school. Hence, it was not appropriate to relate it to number of schools. Only some states had school based committees. The Ministry's contention is not tenable as the survey findings presented the estimated percentage of schools that had any kind of committee including VEC or school based committees.

Recommendations

- **The Ministry needs to develop a mechanism where proposals for grants are examined scrupulously and excess release of grants/misutilisation of funds are avoided.**
- **Community participation needs to be encouraged and the Ministry may monitor the status of such participation through specific and regular reports.**

7.4.16 Research, evaluation, supervision and monitoring

7.4.16.1 An assistance of Rs. 1500 per school per year could be provided for research, evaluation, supervision and monitoring under SSA. Out of Rs. 1500, Rs. 100 at the national level and Rs. 1400 at the state level per school per year was to be unutilised. Research grant was not applicable to EGS/AIE/Bridge course.

7.4.16.2 The funds were to be used for creating a pool of resource persons at national, state, district, sub district level for effective field-based monitoring, providing travel grant. A very modest honorarium to resource persons for monitoring, providing regular generation of community based data, conducting achievement tests and evaluation studies, undertaking research activities, setting-up special task force for low female literacy districts and for special monitoring of girls, SCs/STs were also provided in the scheme. Besides, Education Management Information System, undertaking contingent expenditure like charts, posters, sketch pen, OHP pens etc. for visual monitoring systems, assessment and appraisal teams and their field activities, analysing data at sub district/district/state and national level, curriculum renewal, development of training modules with resource teams and institutional monitoring of the progress of implementation were also provided in the scheme. Audit examination revealed the following deficiencies.

7.4.16.3 At the National level, two supervision visits of at least three days each were required to be undertaken by the National/State level missions each year to each of the states. Theme specific supervision was also required to be undertaken. Each supervision team was to consist of four members, two from the National mission and two from the State mission. It was, however, noticed that no supervision visit was undertaken to the states during the period of implementation of SSA covered in audit.

7.4.16.4 The Ministry stated (May 2006) that Elementary Education Bureau was a part of the National Mission. The Ministry further stated (June 2006) that national level arrangements for monitoring had been improving over the years. In 2003-04 monthly and quarterly formats for financial and physical monitoring had been operationalised. In 2004-05, arrangements for concurrent financial review of states by independent auditors, six monthly Joint Review Missions with independent experts and external funding agencies and national surveys on out of school children and student learning achievements were commissioned

7.4.16.5 The Ministry's reply is not tenable as the National Mission consisted of the Governing Council and the Executive Committee. The Elementary Education Bureau is not a part of the National Mission in terms of the notification issued by the Ministry in this regard. Therefore, visits of individual officer could not be considered as visits by the National Mission. Thus, supervision, which was one of the most important aspects for the successful implementation of SSA, was not adequate. Further, the first meeting of the Governing Council under the chairmanship of the Prime Minister was held in February 2005 and that of the Executive Committee under the chairmanship of the HRD Minister in March 2005 i.e. almost four years after the commencement of the scheme. This showed that the scheme needed more attention at the highest level in Government.

7.4.16.6 At the state level audit noticed that no research activities were undertaken in **Assam, Andhra Pradesh, Bihar, Chandigarh Chhattisgarh, Karnataka, Rajasthan, Meghalaya, Tripura, and Uttaranchal**. In **Karnataka**, the findings of 100 research projects completed (2003-05) at a cost of Rs. 3.67 lakh were not disseminated through publications. The Ministry stated (May 2006) that limited dissemination of research was made to suit contextual relevance. However, no

widespread dissemination was planned.

7.4.16.7 In **Kerala**, out of Rs. 1.16 crore, an amount of Rs. 1.50 lakh only had been incurred during 2002-03. In **Maharashtra**, against the provision of Rs. 33 crore during 2002-05, only Rs. 10.72 crore (32 *per cent*) was spent as of March 2005 towards organisation of seminars, workshops, and exhibitions. In **Manipur**, Rs. 20.28 lakh had been shown as spent by the State Mission Authority on research and evaluation during 2004-05 although no such expenditure had been incurred by the district offices. In **Meghalaya**, Rs. 1.19 crore was released to 7 districts during 2002-03 to 2004-05 but there was no record of the implementation of the said intervention. The Ministry stated (May 2006) that a coordinator had since been appointed to accelerate research and evaluation activity in the State.

7.4.16.8 In **Tripura**, the amount of Rs. five lakh meant for research and evaluation was spent on purchase of computers for day-to-day official use of SCERT. The Ministry stated (May 2006) that since Director, SCERT was the nodal officer for teacher training under SSA, the fund was utilised for strengthening SCERT by way of installation of computer hardware and software for maintaining all records of teacher training. The reply is not tenable as the funds given for a specific purpose were diverted for an unapproved purpose. Consequently, no research and evaluation work was conducted. In **Uttar Pradesh**, out of the provision of Rs.15.62 crore in AWP&B in 2004-05, an expenditure of only Rs. 3.20 crore (20 *per cent*) had been incurred on research, evaluation, monitoring and survey as of March 2005. In **Delhi**, out of Rs. 51.47 lakh earmarked for research during 2004-05, only Rs 0.11 lakh was spent and no research report was available with the Mission.

7.4.16.9 Thus, due to absence of a proper monitoring mechanism, substantial funds remained either unutilised or were diverted for other purposes which did not help in the achievement of the objectives of the interventions.

7.4.16.10 Audit noticed that in **Andhra Pradesh, Arunachal Pradesh, Gujarat, Haryana, Himachal Pradesh, Madhya Pradesh, Meghalaya, Rajasthan, Uttaranchal, West Bengal, Daman & Diu, Dadra and Nagar Haveli and Delhi**, there was no mechanism for internal audit. In **Bihar, Jharkhand, Gujarat, Karnataka, Kerala, Maharashtra, Punjab and Sikkim**, though internal audit had been taken up, no value additions have been reported in any of these states.

7.4.16.11 The Ministry replied that in **Andhra Pradesh**, measures had been taken for placing additional manpower for internal audit while in **Madhya Pradesh**, work was assigned to a cell, which included chartered accountants and in **Rajasthan**, internal audit had been started.

Recommendations

- **The Ministry needs to develop a suitable mechanism preferably through a designated coordinator in each of a cluster of contiguous states for monitoring research activities, devise suitable formats for quarterly, six monthly reporting/feed back and for conducting periodic reviews.**

- **The Ministry needs to critically examine the proposals before sanction/release of funds so as to avoid blocking of funds.**

7.4.17 Management cost

7.4.17.1 As per the norms of SSA, the total management cost should be less than 6 *per cent* of the total cost, separately for each district and also in totality for the entire state. No new permanent post was to be created. The vacancies should be filled up only through contract or through deputation. No permanent liability should accrue on the society or the state government due to filling up of these posts. Deputation allowance was also not allowed for posts filled on deputation basis.

7.4.17.2 Audit scrutiny of the records in the states revealed that the management cost exceeded the six *per cent* norm in **Assam** (7.36 *per cent*), **Delhi** (8.96 *per cent*) and **Sikkim** (18.24 *per cent*) during 2003-04 to 2005-06. This resulted in excess expenditure of Rs. 1.38 crore in **Delhi and Sikkim**.

7.4.17.3 The Ministry stated (May 2006) that management cost was not to be calculated on the ceiling of 6 per cent based on actual expenditure. It was to be computed on the outlay approved. The Ministry's reply is not tenable as the management cost computed with reference to the outlay was the ceiling upto which it could be incurred. The actual cost had to be worked out with reference to the actual expenditure incurred which was often much less than the outlay. Even the funds released by the Ministry in almost all the cases were less than the outlay.

7.4.18 Block Resources Centres (BRC)/Cluster Resource Centres (CRC)

7.4.18.1 SSA envisaged establishment of BRCs/CRCs as resource centres catering to a group of schools subject to specific norms for professional upgradation of primary school teachers by conducting various in-service training programmes at the block level. These BRCs/CRCs were to be located in the school campus as far as possible with 20 Block Resource Persons (BRP) for blocks with more than 100 schools and 10 BRPs for smaller blocks. Audit scrutiny revealed that hardly any work had been done under this intervention in many states. There were many deficiencies in setting up of BRCs/CRCs as detailed below:

7.4.18.2 In **Bihar**, against an advance of Rs. 3.91 crore allotted for construction of 83 BRC buildings, only four were completed at a cost of Rs. 56 lakh. Similarly, against an advance of Rs. 4.95 crore allotted for 438 CRC buildings, only two were completed at a cost of Rs. 6 lakh. In **Chhattisgarh**, 560 posts at BRC level and 280 posts at CRC level were lying vacant. In **Gujarat**, excess expenditure of Rs. 12.15 lakh was incurred on construction of 4 BRC buildings. In Kheda district, an amount of Rs. 18.08 lakh was utilised for construction of 10 BRCs but none of them had been completed. In **Jharkhand**, out of Rs. 3.72 crore earmarked for BRC/CRC during 2002-05, only Rs. 75 lakh was utilised. In **Orissa**, against the requirement of 201 BRCs and 721 CRCs, only 143 BRCs and 614 CRCs were established as of August 2005. In **Punjab**, against 15 BRCs and 9 CRCs, only one BRC and five CRCs were established as of May 2005. In **West Bengal**, against 5636 Resource Teachers, only

1915 were deployed as of March 2005. In **Delhi**, although there was provision of Rs. 3.02 crore for 224 CRCs, yet not a single CRC was established.

7.4.18.3 The Ministry stated (June 2006) that efforts were being made to bridge the gap and to engage more resource teachers. The Ministry further added that it was decided to utilise the unspent amount of salaries of BRCs and CRCs for providing necessary infrastructure to schools. Construction of BRCs/CRCs had to be abandoned as the ceiling of Rs. 2 lakh per unit was stated to be a constraint and there was escalation in the cost of construction in **NCT Delhi**. In **Tripura**, an amount of Rs. 1.59 crore was allowed to be reported as expenditure towards salaries of BRCs and CRCs and utilised for infrastructure. Thus, the Ministry itself admitted diversion of funds, incorrect accounting and reporting.

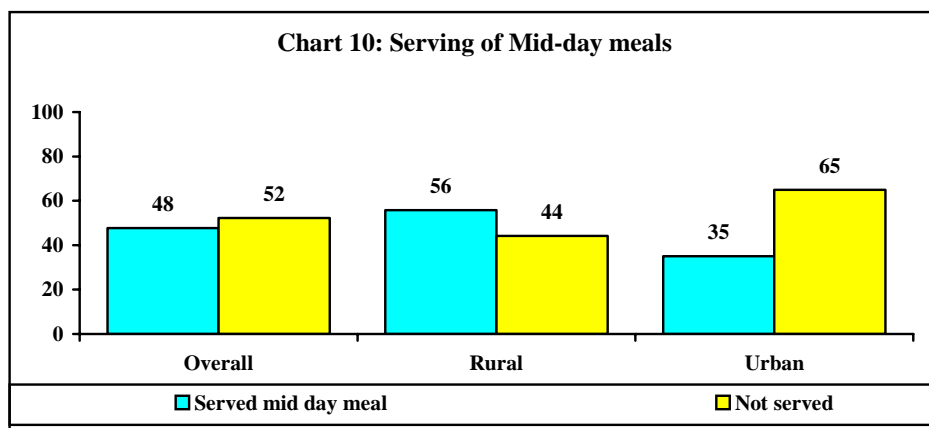
7.4.19 National programme of nutritional support to primary education and its integration with SSA

7.4.19.1 The national programme of nutritional support to primary education scheme (popularly known as the mid-day meal scheme) was launched on 15 August 1995, with the objective of giving a boost to the universalisation of primary education through improvements in the nutritional status of students in primary classes of government, local body and government-aided schools. The programme was extended to children studying in EGS and other alternative learning centres in October 2002. Central support was to be provided by way of supply of free food grains through Food Corporation of India, cost of movement of food grains and subsidy for transportation in the hilly areas. From September 2004, the Union Government had been providing assistance to the state governments to meet the cost of cooking meals also. Budget grants for this scheme were provided separately and not under SSA.

7.4.19.2 The survey of schools conducted by SRI at the instance of audit disclosed that the mid day meal scheme was implemented in 88.3 *per cent* primary schools, and primary section of 75.3 *per cent* upper primary schools and 37.5 *per cent* high schools. There were no major differences between rural and urban areas in the implementation of this scheme.

7.4.19.3 The position of service of mid-day meals in schools as emerged from the household survey conducted by SRI at the instance of audit is indicated in Chart 10:

(figures in *per cent*)



7.4.19.4 In the rural areas of **Chandigarh** (84.23 *per cent*) and **Mizoram** (80.85 *per cent*), an overwhelming majority of the children reported not receiving the mid-day meals. On the contrary, a very high proportion of the children in the rural areas of **Tamil Nadu** (89.42 *per cent*) and **Dadra & Nagar Haveli** (81.03 *per cent*) had reported receiving the mid-day meals.

7.4.19.5 A substantially higher proportion of the children in the urban areas of **Arunachal Pradesh** (86.92 *per cent*), **Chandigarh** (94.79 *per cent*), **Mizoram** (84.37 *per cent*) and **Punjab** (88.33 *per cent*) reported not receiving the mid-day meals.

7.4.19.6 The findings of the survey conducted at the instance of audit indicated that there were large difference in the figures of schools serving mid-day meals and those emerging from the survey of schools and households. This pointed to the possibility of false reporting by schools and misappropriation or diversion of funds allotted to schools for mid-day meals.

7.4.20 Quality of education

7.4.20.1 Despite the training imparted to teachers and other activities under SSA, Audit noticed that the quality of education deteriorated in **Bihar** where drop-out percentage ranged between 20 and 63 *per cent* in the test checked districts. In **Haryana**, the pass rate in Class VIII during 2002-05 in test checked schools was between 15 and 46 *per cent* in three districts. In two schools it was even zero.

7.4.20.2 The survey conducted by SRI at the instance of audit disclosed that on an overall basis, parents expressed either being extremely satisfied (46.98 *per cent*) or moderately satisfied (47.25 *per cent*) with the quality of education.

7.4.20.3 The Ministry stated (May 2006) that the school results depended upon a number of factors, many of which were beyond the control of the implementing agencies. Similarly, there was also improvement in the number of children passing with marks above 60 *per cent* from 41.6 *per cent* in 2001-02 to 42.8 *per cent* in 2003-04 at primary level and 31.3 *per cent* in 2001-02 to 31.7 *per cent* in 2003-04 at upper primary level. The Ministry felt that a very different approach was needed to assess the quality of education, which required testing of students and evaluating the classroom process. Although the caution sounded by the Ministry was valid, the perception of the beneficiaries about the quality of education as obtained through the survey, was an indication of their satisfaction level of the services provided.

7.5 Outreach of education for special focus groups

7.5.1 Innovative activity for girls' education, early childhood care and education, interventions for children belonging to SC/ST community, computer education especially for upper primary level

7.5.1.1 Innovative activity for girls' education, early childhood care and education, interventions for children belonging to SC/ST community and computer education for upper primary level including training of students as well as teachers were to be covered under the grant of Rs. 15 lakh for each innovative activity subject to a maximum ceiling of Rs. 50 lakh per year per district. Specific innovative

activities proposed to be undertaken each year were to be incorporated in the district plan as well as in AWP&B. Deficiencies noticed in various states are detailed below:

- Assam** An amount of Rs. 37 lakh was released for providing support to girl child's education out of which Rs. 32 lakh remained unutilised for periods varying between one and two years in five districts (except Karbi Anglong) as no activity was undertaken under this component.
- Bihar** Model schools for girls were neither proposed nor opened in the test checked districts. Retention drive was not undertaken in any of the districts. 247 computers in four districts purchased at a cost of Rs. 1.68 crore were lying unutilised due to non-existence of building and non-availability of computer trained teachers.
- Gujarat** During 2002-05, against the budget provision of Rs. 41.25 crore, only an amount of Rs. 20.70 crore was utilized. Of this, Rs. 13.96 crore was spent on purchase of computers. It was further noticed that no expenditure was incurred during 2001-02 and 2002-03 while Rs. 10.21 crore was spent in 2003-04 and Rs. 3.75 crore in 2004-05.
- Jharkhand** Out of Rs. nine crore, only Rs. 68 lakh was utilised as the detailed activity wise plan was not prepared and there was delay in finalisation of tenders for the supply of computers. The Computers worth Rs. 49.96 lakh were lying idle for want of trained computer teachers and electricity supply.
- Karnataka** Out of 19410 upper primary schools in the State, only 540 (February 2006) constituting less than three *per cent*, had access to computer education, even though SSA had earmarked assistance of Rs. 15 lakh per annum per district for this purpose. The Ministry stated that as per the norms, the cost of one Computer Aided Learning Centre (CALC) was around Rs. 1.5 lakh and with this amount only 10 centres per district could be opened. The Ministry's reply was not tenable as with the investment of Rs. 15 lakh per district per annum, 40 CALC should have been opened in four years in each district at the rate of 10 CALCs annually. Therefore, as per the present level of investment, at least 1080 CALCs should have been opened in the all the 27 districts in the state.
- Maharashtra** 2700 computers were procured for 540 computer laboratories at a cost of Rs. 9.04 crore. However, 1255 computers could not be used for want of educational software. The Ministry replied (May 2006) that the procurement of educational software was being made through open tender.
- Meghalaya** Although Rs. 83 lakh was available, neither was any ECCE centre set up nor was any training imparted till March 2005. Similarly, Rs. 98 lakh for IED, Rs. 76 lakh for back to school training, and

Rs. 4.13 crore for education guarantee scheme (EGS) centres' training were released to seven districts during 2003-04 and 2004-05. However, these interventions had not been implemented. The Ministry stated (May 2006) that 1789 EGS centres had been opened in 2004-05 with an expenditure of Rs. 5.13 crore as on 31 December 2005. Similarly, expenditure of Rs. 31.67 lakh and Rs. 28.96 lakh under ECCE and IED respectively were incurred as on 31 December 2005. However, the Ministry agreed that certain interventions might not have been implemented in some districts.

**Uttar
Pradesh**

Mainstreaming of 20600 children belonging to SC/ST community was to be done during 2002-04 by organising non-residential bridge course through 519 camps. An amount of Rs. 3.41 crore was released to the districts. The Ministry stated (May 2006) that the expenditure of Rs. 2.65 crore was incurred and 397 camps had been organised in which 15892 children had participated. The number of children mainstreamed in the education system was being collected from the districts.

Out of 105 computers purchased in seven test-checked districts, 51 were lying uninstalled for want of electricity connection and 15 had been attached to tehsils in Sidharth Nagar district. District Project Officer (DPO), Balia, had retained six computers in his office instead of making them available to the concerned schools. The Ministry stated (May 2006) that though the computers had been made available in selected upper primary schools, these could not be used optimally because of power interruption. Solar Panels had been provided in Kheri district in association with Non-Conventional Energy Development Agency (NEDA) on pilot basis. This system had worked well and was being replicated in all the districts. A proposal in this regard had recently been finalised by the Executive Committee (EC). This fact did not detract from the situation that the computers were yet to be put to their intended use in schools.

West Bengal

Out of the budget provision of Rs.10.27 crore during 2002-05 for increasing enrolment and retention of girl students in school, only an amount of Rs. 1.38 crore (13 *per cent*) was utilised towards girl's education campaign and capacity building. Against the requirement of 5752 pre-school education centres for 14.21 lakh children in 57 blocks not covered under ICDS, 31 school readiness programme (SRP) centres were established in 2004-05 for providing pre-school education facilities to only 1115 children enrolled in these centres.

**Dadra and
Nagar Haveli**

Against the budget provision of Rs.1.01 crore during 2002-05, no significant work for girls/SC/ST students was taken up.

Delhi

The enrolment of SC children in the primary schools decreased by 8.09 *per cent* in 2004-05 while that for ST girl children also

showed a decreasing trend in 2004-05. No special efforts were made to improve enrolment of children from the special focus group. Despite having identified 5400 urban deprived children, no provision for these children were made by the Mission in the AWP&B during 2003-04 and 2004-05. The Ministry stated (May 2006) that the innovative activities could not be proposed for want of trained staff. However, a fresh road map had been drawn to open ECCE centres during 2005-06.

7.5.1.2 The survey conducted by SRI at the instance of audit revealed that computers had been bought in only 3.4 *per cent* primary schools, 2.9 *per cent* in upper primary school and 1.1 *per cent* high schools with upper primary section. These were used for teaching by only 4.2 *per cent* primary schools, 14.4 *per cent* upper primary schools and 46.3 *per cent* high schools with upper primary section.

7.5.1.3 Thus, audit examination revealed that funds to the tune of Rs. 39.80 crore remained unutilised as no innovative activities for girls, SC/ST education and computer training were undertaken. Besides, an amount of Rs. 6.38 crore spent on purchase of computers turned out to be unfruitful as the computers could not be put to use as electricity was not supplied.

7.5.2 Provision for disabled children

7.5.2.1 Identification of children with a special need was an integral part of the micro planning and household survey under SSA. Every child with special needs (CWSN), irrespective of the kind, category and degree of disability was to be provided education in an appropriate environment. SSA was also required to adopt '**zero rejection**' policy so that no child was left out of the education system and all such children were integrated into the existing main stream of education. SSA authorities were required to spend Rs. 1200 per annum per child for providing special services to children with special needs in schools, EGS schools and AIE centres.

7.5.2.2 Audit scrutiny revealed that against 8.87 lakh identified children with special needs (CWSN) in 14 states, only 5.55 lakh CWSN (63 *per cent*) were enrolled in the school as detailed in Table 14. It was also noticed in audit that against 83185 CWSN identified in **Karnataka, Maharashtra, Manipur** and **Orissa**, only 21440 (26 *per cent*) CWSN were provided with assistive devices while in **Tripura** an amount of Rs. 0.31 crore was given in cash to CWSN.

Table 14: Enrollment of CWSN children

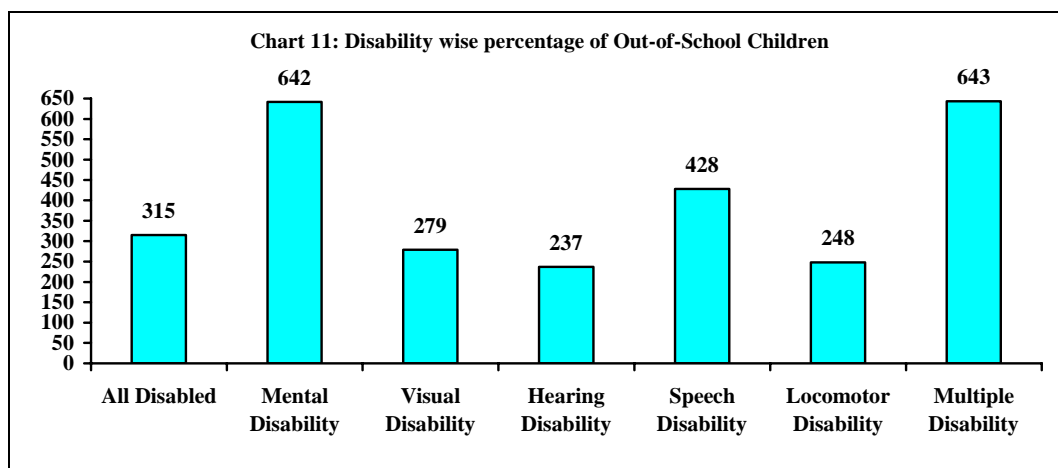
S.No	Name of State/UT	Identified	Enrolled
1.	Andhra Pradesh	156213	120407
2.	Arunachal Pradesh	6257	186
3.	Assam	72279	33539
4.	Chhattisgarh	75274	6040
5.	Gujarat	77526	65564
6.	Jharkhand	39797	14155
7.	Maharashtra	107032	51738
8.	Manipur	2899	1552
9.	Orissa	133748	117528

S.No	Name of State/UT	Identified	Enrolled
10.	Rajasthan	93542	77390
11.	Tripura	11777	5068
12.	West Bengal	109000	62000
13.	Dadra and Nagar Haveli	350	176
14.	Chandigarh	1632	102
	Total	887326	555445

7.5.2.3 The Ministry replied (May 2006) that in **Andhra Pradesh, Arunachal Pradesh, Assam, Maharashtra and Rajasthan** adequate steps were being taken to cover CWSN while in the case of **Karnataka** the Ministry stated that aids and appliances would be provided to CWSN during 2005-06.

7.5.2.4 The survey conducted by SRI at the instance of audit disclosed that there were 315 per thousand disabled children (covering all types of disabilities) who were out of school children. Chart 11 indicates the position of out of school children with different types of disabilities:

(in thousands)



7.5.2.5 The position of state wise out of school disabled children in the age group of 6-14 years is given in **Annex XV**.

7.5.2.6 Audit examination therefore revealed that 3.32 lakh (37 per cent) CWSN were deprived of the benefit of the scheme.

Recommendation

- Ministry may investigate the specific reasons for not providing the support aid and appliances to each identified CWSN and draw up an action plan to ensure that the environment is made conducive for their education.

7.6 Implementation of programmes through NGOs

7.6.1 Role of NGOs

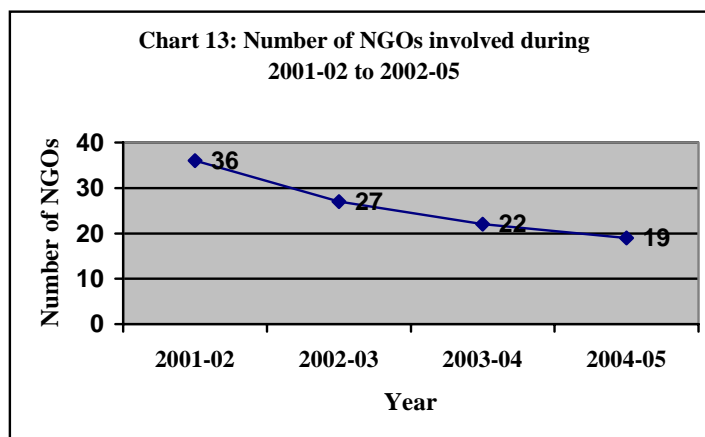
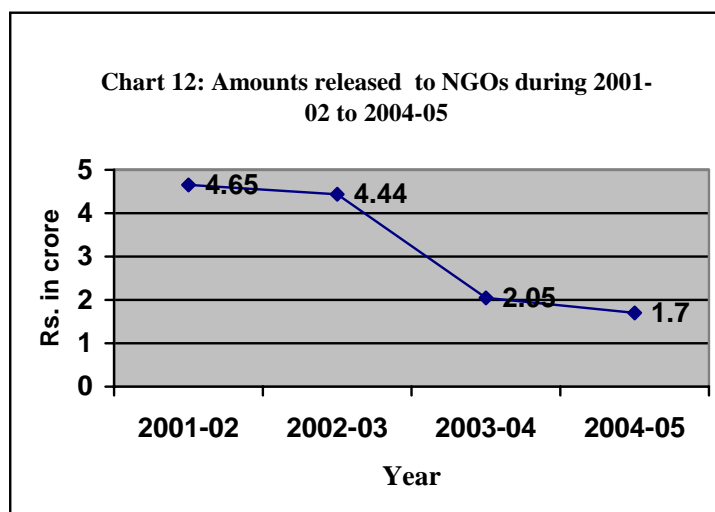
7.6.1.1 SSA conceived a vibrant partnership with non-governmental organisations (NGOs) in the area of capacity building, both in communities and in resource institutions.

7.6.1.2 During the period 2001-02 to 2004-05, funds amounting to Rs. 12.84 crore were released to NGOs as detailed in Table 15 and Charts 12 and 13:

Table 15: Release of grants to NGO

(Rs. in crore)

Year	No. of NGOs	Amount
2001-02	36	4.65
2002-03	27	4.44
2003-04	22	2.05
2004-05	19	1.70
Total	104	12.84



7.6.1.3 During 2001-02, 36 NGOs were released grants totaling Rs. 4.65 crore. However, during 2004-05, only 19 NGOs were released grants totaling Rs. 1.70 crore. The first Joint Review Mission had also stressed that wider participation based on a shared vision and commitment to mission goals was perhaps the most crucial factor that could ensure sustainability of the national endeavour. The above charts indicated not only a declining trend in funding to NGOs but also a sharp decline in their participation.

7.6.1.4 The Ministry stated (May 2006) that since the States had gained sufficient experience, SSA had decentralised the process of engaging NGOs to the State level Grants-in-aid Committees. Though the participation of NGOs had increased in SSA in the States, the Ministry's direct funding had declined and was restricted to only select innovative initiatives, which was a desirable trend. It further intimated (June 2006) that about 4000 NGOs were engaged at the state level. The reply did not detract from the fact that utilisation of the assistance of NGOs in the programme was not satisfactory till 2005.

Recommendation

- **The Ministry may closely monitor the value addition and contribution from NGOs to the programme that should flow from their increased involvement stated to be under way.**

7.6.2 Non-submission/late submission of utilisation certificates by NGOs

7.6.2.1 Rule 212(1) of General Financial Rules, 2005 stipulated that a certificate of actual utilisation of the non-recurring grants shall be submitted within 12 months of the closure of the financial year by the institution concerned.

7.6.2.2 It was, however, observed that utilisation certificates from 21 NGOs involving Rs. 2.11 crore had not been received as of August 2005 as indicated in Table 16.

Table 16: Non-receipt of UCs from NGOs

(Rs. in crore)		
Year	No of NGOs	Amount
2001-02	9	0.61
2002-03	6	0.88
2003-04	6	0.62
Total	21	2.11

7.6.2.3 Despite non-submission of UCs, 6 out of the 21 NGOs were again released grants-in-aid by the Ministry during subsequent years. The Ministry stated (May 2006) that starting from 2005-06, no grant was being released to NGOs without settlement of earlier UCs and a special drive had been launched for the settlement of all pending UCs.

7.6.2.4 In addition, the Ministry released grants in aid of Rs. 12.84 crore to 104 NGOs. However, the Ministry could not furnish the dates of release of the grants-in-aid as well as their utilisation certificates to Audit in respect of the organisations

mentioned in Table 17 on the ground that the records were not readily available, which was not indicative of the existence of a good management practice.

Table 17: NGOs whom the Ministry could not furnish the date of release of grant and the position of UCs

(Rs. in lakh)		
S.No	Name of the NGO	Amount
2001-02		
1.	Indian Institute of Education, Pune, Maharashtra	12.59
2.	Satya Sodhak Mahila Vikas Mandal, Maharashtra	0.81
3.	Rafi Ahmed Kidwai Education Society, Madhya Pradesh	1.75
4.	Lokadrusti, Orissa	1.45
5.	Majhihira National Basic Education Institute, West Bengal	13.10
2002-03		
6.	Samanvay Ashram, Bihar	9.52
7.	Pratham Mumabi Edn. Instt, Mumbai, Maharashtra	54.00
8.	Rafi Ahmed Kidwai Edu. Society, Bhopal	0.86
9.	Agarnee, Orissa	1.86
10.	Society for Welfare of Weaker Section, Orissa	3.99
11.	Digantar Shiksha Evam Khel Kud Samiti, Jaipur, Rajasthan	18.00
2003-04		
12.	Islamic Educational Development Society, Manipur	3.50

7.6.3 NGOs at state level

7.6.3.1. Audit examination also revealed non-involvement of NGOs in the Annual Work Plan and Budget (AWP&B) and instances of improper maintenance of records, lack of proper training and irregular purchase of equipment in the following states.

Andhra Pradesh An amount of Rs. 33.95 lakh was paid to M.V Foundation, Secunderabad for mainstreaming of 18739 children to regular schools in East Godavari District. Audit noticed that out of 141 children stated to have been mainstreamed in six schools, only 15 children were actually found to have been mainstreamed. The remaining 126 children did not exist on the rolls of the schools mentioned by the NGO. In another case, it was observed that none of the 100 children stated to have been mainstreamed by an NGO (Garthapuri Consumer Council, in Guntur District), were actually found on the school records. The Ministry accepted (May 2006) the audit observations and stated that the amounts were being recovered from the NGOs.

Assam During 2003-05, a total payment of Rs. 98.68 lakh was made to 15 NGOs for Integrated Education of Disabled (IED) activities. However, details of support service provided by these NGOs were not available. Similarly, one NGO (Friends Tribal Society for Assam) received Rs. 19.08 lakh during 2003-04 from the Ministry under innovative and experimental education (IEE) project but no

performance/utilisation certificate was produced to audit. The Ministry stated (May 2006) that against the payment of Rs. 98.68 lakh during 2003-05 to voluntary organisations for IED activities, UCs alongwith performance reports for Rs. 87.37 lakh had been received and those for the balance amount of Rs. 11.31 lakh were being collected. The payment of Rs. 19.08 lakh made by the Ministry to the NGO could not be traced in the records of SIS which could not produce UC and performance reports for verification.

- Chhatisgarh** In Raipur district, a grant of Rs. 5.39 lakh was paid (2002-04) to an NGO for two days' training involving 15926 members of 2247 Village Education Committees (VECs). Audit noticed that training for only one day was provided to the members.
- Himachal Pradesh** In four districts, no NGOs were involved in the preparation of AWP&B.
- Jharkhand** An NGO was provided Rs. 49.64 lakh during 2003-04 for the state resource centre. However, it had only spent Rs. 11.82 lakh and that too on purchase of inadmissible items like computer hardware/software, laser printers, UPS, furniture, a Bolero-utility vehicle, a motorcycle, communication equipment etc. No action was taken against the NGO for misutilisation of funds.
- Orissa** An NGO was paid Rs. 4.21 lakh by the Ministry during 2000-02 for running 20 Alternative and Innovative Education (AIE) centres. However, these centres, which had only 384 students, were closed on 31 Jan 2003 due to non-release of further instalment of funds. No information was available with the NGO as to the whereabouts of these 384 students who were forced to discontinue their studies due to the closure of AIE centres in the middle of the academic session.
- Sikkim** Out of 87 EGS Centres approved in the State, only 22 were opened with the involvement of five NGOs. However, no financial assistance had so far been released to these NGOs for running the EGS centres. It was, therefore, highly unlikely that the NGOs would either have been able or willing to carry out any worthwhile work. The Ministry stated (May 2006) that the District Project Officers (DPOs) had been releasing funds to the concerned NGOs after closely monitoring their performance. Due to the slow performance of NGOs, the DPOs themselves were taking initiatives to run the centres.

7.6.3.2 Besides the above, audit noticed that no NGO was associated in the implementation of SSA in **Bihar, Chhattisgarh, Delhi, Karnataka, Kerala, Madhya Pradesh, Manipur, Punjab, Uttar Pradesh, Uttaranchal** and **UTs of Chandigarh and Lakshadweep**. The Ministry stated (May 2006) that in **Kerala**, the NGOs were associated with planning and monitoring SSA activities but no financial assistance was provided to them. In **Madhya Pradesh**, NGOs had been engaged in 2005-06 for implementation of SSA and in **Punjab**, efforts were being

made for capacity building of existing NGOs and involving them in bringing out children to school and rehabilitating CWSN. The State was also looking at the possibility of engaging a mother NGO who could oversee the functioning of small local NGOs.

7.7 Other deficiencies

7.7.1 Irregular award of contract to M/s Ed CIL for providing technical support to the Ministry

The Ministry had entered into an agreement through Ed CIL with the Institute of Public Auditors of India (IPAI), New Delhi for reviewing the implementation process of SSA and with the National Institute of Administrative Research (NIAR), Mussoorie for conducting a study of capacity building in the non-DPEP states. A total amount of Rs. 82.87 lakh was paid to both the IPAI and NIAR during 2003-04. In terms of the agreement between Ed CIL and the Ministry, Ed CIL was to be paid 16 *per cent* of the expenditure as service charges. As per the provisions of General Financial Rules (GFR), open bids should have been invited as the value of the contract had exceeded the prescribed limit of Rs. 20 lakh. Moreover, there was no mention in the contract about Ed CIL subcontracting the work to these institutes. The Ministry also paid Rs. 13.26 lakh to Ed CIL towards overheads and margin. Had the Ministry entered into an agreement directly with these two institutions, it could have saved Rs. 13.26 lakh.

The Ministry stated (May 2006) that as Ed CIL had already been engaged for providing technical support, the service contract for SSA was also entrusted to the firm. It was also stated that Ed CIL was empowered to engage specialised organisations to carry out the tasks for SSA and it had accordingly entered into subcontracts with IPAI and NIAR.

The Ministry's reply is not tenable as the course of action adopted by them in engaging Ed CIL was in contravention of the provisions of the GFR, which required invitation of competitive bids through a tendering process. The work should also not have been commenced without prior execution of contract documents. Further, direct engagement of the organisations would have saved the Ministry an amount of Rs. 13.26 lakh.

8. Conclusion

The programme planned to be taken up earnestly and seriously by the Ministry for achieving the rather ambitious targets required enormous funding and serious commitment on the part of implementing agencies including state governments. There was substantial under funding as the funds made available were short of the requirement approved by the Project Approval Board. Under provisioning ranged from 43 to 57 *per cent* during 2001-02 to 2004-05. Even after four years of the implementation of the scheme and utilisation of almost 86 *per cent* of the funds available with the implementing agencies, the revised target of SSA to enroll all children in schools, education guarantee scheme, alternative schools, back to school camps by 2005 was not achieved as there were still 1.36

crore children (40 *per cent* of the total 3.40 crore children) out of school in the 6-14 age group. Interventions by the project implementing agencies were deficient to a large extent leading to substantial gaps between planned and actual achievements in key areas such as classrooms, text books distribution, provision of teachers, their training and other infrastructure, affecting the quality of education and coverage. There were diversions and misutilisation of funds meant for SSA.

Outreach of education to focus groups and disabled children was inadequate. Meetings of the general council and executive committee to watch the progress of activities of the programme were not held at prescribed intervals resulting in ineffective monitoring of the programme. SSA, which is a significant initiative to bring back all the children in the targeted age group to schools has achieved the targets only partially so far.

New Delhi
Dated:

(Dr. A.K. BANERJEE)
Director General of Audit,
Central Revenues

Countersigned

New Delhi
Dated:

(VIJAYENDRA N.KAUL)
Comptroller and Auditor General of India