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Secdt. II-27—60,004—17-11-48.

Education (1950) Department.

Rs. SERIES.

G.O. NO. 792-Edn

Dated 10.3.50.

23

[Despatch Abstract.]

Audit report — 1947-48 - Edl. Edn. Fund

Dt. 30, values — Recorded.

Back Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Further Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

L.F. 1764 18.6.49

AUDIT REPORT ON THE ELEMENTARY EDUCATION FUND ACCOUNTS OF THE SALEM DISTRICT BOARD FOR THE YEAR 1947-48.

22 JUN 1949 8.8981

--:o:--

Name of Auditor:- Sri S. Vedam Ayyar,
District Inspector of Local Fund
Accounts, S a l e m.

Time taken for audit:- From 17th December 1948 to
16th February 1949.

The Office of Special Officer was held by Sri V.V. Subramaniyam, M.A., O.B.E., I.C.S., Collector of Salem from 1st April 1947 to 7th July 1947, and by Khan Sahib G. Abdul Sattar Sahib Bahadur, B.A., from 8th July 1947 to 31st March 1948.

2. The receipts and payments during the year are shown in the annual account appended together with the opening and closing balances.

The opening balance in the cash book is in agreement with the closing balance of the previous year. The deficit closing balance in the cash book, viz., Rs. 1,81,099-1-11, agrees with the balance in the account for March 1948. The sum total of the closing balance according to the cash book relating to the general fund and that relating to the Elementary Education Fund is in agreement with the balance in the Treasury Pass Book after allowing for outstanding cheques and unremitted revenue in hand at the close of the year.

3. The more important irregularities are detailed below. Irregularities of a minor nature are detailed in the objection statements which should be read as forming parts of this report.

4. PENDING ITEMS OF PREVIOUS AUDIT REPORTS:

(a) Paragraph 4(a)(i) of Audit Report for 1946-47
(Item 2 of Annual Objection Statement 1944-45)

The missing articles of Tools and Plant in several cases still remained to be accounted for. Early steps would need to be taken to settle the objection.

(b) Paragraph 4(a)(ii) of Audit Report for 1946-47.
(Item 3 of Annual Objection Statement 1944-45):

The articles mentioned in sub-item (b) of item 3 in the Annual Objection Statement for 1944-45 remained to be accounted for.

(c)

(c) Paragraph 4(a)(iii) of Audit Report 1946-47:

(Item 4 of Annual objection statement 1944-45):

The sanction of the District Board for deleting the articles of tools and plant (mentioned in the objection) from the stock list, remained to be pointed out.

(d) Paragraph 4(a)(iv) of Audit Report 1946-47:

(Item 5 of Annual objection statement 1944-45):

The annual returns from Head Masters of the schools in Harur and Hosur taluks remained to be produced.

(e) Paragraph 4(b)(i) of Audit Report 1946-47:

(" 8 " 1945-46)

RECOVERY OF RENT FOR THE SCHOOL BUILDING USED AS A GRAIN SHOP:

The report from the section officer in reply to the reference made by the Divisional Engineer in R.O.C. No. 638/48 dated 8-12-1948 is awaited.

(f) Paragraph 4 (b) (ii) of A/R 46-47:

(" 9 Audit Report 45-46):

ACQUISITION OF SCHOOL BUILDING GIFTED PROPERTY:

The Supervisor (Highways) Omalur was asked on 7-2-49 to furnish a plan with estimate for the construction of a building at a cost of Rs.3,000/- in the sites already registered in favour of the District Board. Further action taken in the matter may be reported.

(g) Paragraph 7 of Audit Report 1946-47:

(i) Paragraph 7 (a) (i) Excess withdrawal of Provincial grant towards supply of books and slates: The unspent balance of Rs.12,956-0-9 remained to be refunded to Government

(ii) Paragraph 7 (b): The balance of Rs.1,38,164-4-2 out of the amount sanctioned by Government for the supply of midday meals to poor children in compulsory area for the year 1946-47 still remained to be refunded to Provincial Funds.

(h) Paragraph 8 of Audit Report 1946-47

(i) Paragraph 8 (a): Action remained to be taken to ascertain the cost of time pieces at the controlled rate.

(ii) Paragraph 8 (b): The articles purchased had not been distributed to the concerned schools and the acknowledgements from the headmasters were not therefore produced.

(i) Paragraph 9 of Audit Report 1946-47:

(1) Paragraph 9 (b) (v): Action taken was not pointed out in the matter of recovery of the expenditure incurred towards supply of midday meals to students of above the V class.

(2) Paragraph 9 (b) (vi): The balance of Rs.602/- stated to have been deposited into Post Office Savings Bank by the Chairman, Midday meals centre, Konganapuram, would need to be recovered and credited to Provincial Funds.

(3) Paragraph 9 (b) (vii): The cost of utensils of the Nadeeppatti centre amounting to Rs.17-10-0 was recovered on 17-6-48 and credited to the District Board Funds. This amount will have to be credited to the Provincial Funds. The cost of utensils purchased for Sankari centre was Rs.118-5-0 but articles to the value of Rs.110-12-0 only would appear to have been handed over to the District Educational Officer. The balance of articles to the value of Rs.7-9-0 remained to be accounted for.

(4) Paragraph 9 (b) (xi): The refund of Rs.210-4-9 being the unspent balance in the midday meals account of Attur centre, still remained to be credited to the Provincial Funds.

(j) Paragraph 12 (a) of Audit Report of 1946-47:

The adjustment of the leave salary contribution still remained to be made.

(k) Paragraph 15 of Audit Report 1946-47:

RECOGNITION WANTING:

The necessary recognition in respect of the remaining 7 schools may also be pointed out and the objections settled early.

(l) Paragraph 16 of Audit report 1946-47

ACKNOWLEDGEMENTS WANTING:

The acknowledgements in respect of the remaining 4 items amounting to Rs.918-12-0 remained to be produced.

(m) Paragraph 17 of Audit Report 1946-47:

Vouchers relating to the supply of midday meals were not produced during the local audit. Early steps would need to be taken to trace out the vouchers and produce them for audit. Attention is also

~~insisted~~ to paragraph (2) of G. O. No.289, Edn 17-11-48 passing orders on the Audit Report for 46-47.

(n) Paragraph 18 of Audit Report 1946-47 - (a) and (b) SERVICE REGISTERS

The Service Registers and leave accounts in respect of the remaining items were not produced to verify the reply given.

(o) Paragraph 20 of Audit Report 1946.47

It may be stated whether there were any articles missing and whether action was taken to recover the cost in all such cases.

5. FINANCIAL POSITION.

In spite of the adjustment of the entire ~~account~~ amount of toll compensation grant amounting to Rs.3,04,450-15-0 to the credit of the fund, the financial position did not improve. When Government were requested to grant an additional subsidy from provincial Funds to meet the extra cost involved in the ~~version~~ revision of salaries and grant of advance increments to elementary school teachers, it was ordered in G. O. No.366, Education ~~Department~~ dated 25-2-48 that the proposal could not be entertained and the rate of levy of education tax was increased from 17 to 37 pies with effect from Fasli 1357 ~~1357~~ and an advance of Rs.1,60,000/- ~~and an~~ repayable in six instalments with interest was also sanctioned to meet the extra cost in 1947-48. The additional income by the increased rate of levy of education cess was adjusted only in 1948-49. The Fund closed with a deficit balance of Rs.1,81,099-1-11 on 31-3-48. The orders of Government in paragraph 6 of G.O. No.1661, Education dated 23-7-47 that the expenditure on the ~~expandi~~- expansion scheme should be curtailed so as to bring the cost within the subsidy payable would need to be implemented so as to ~~avoid~~ avoid deficit blanace in future years.

6. EXPENDITURE IN EXCESS OF ALLOTMENTS.

The total expenditure incurred in the year under ' Ordinary' amounted to Rs.18,03,197-6-4 against Rs.16,53,250/- provided in the budget approved by Government in G.O. No.1661, Education dated 23-7-47. The sanction of Government was not obtained for the excess expenditure as aquired by Rule 5 of the ruled under section 38 (2) of the E. E. Act as amended in G.O. No.139, Education, dated 29-1-42. The approval of the Director of Public Instruction was also not obtained to the reappropriation of funds from one main head to

to another as required by rule 2 ibid in respect of the expenditure in excess noted below:

HEAD OF ACCOUNT.	EXPENDITURE.	ALLOTMENT.
2. CAPITAL ACCOUNT.		
2. Equipment (1) Furniture and apparatus.	Rs.as.ps. 68,285-9-0	Rs. as.ps. 60,300-0-0
Library books and maps.	479-0-0	-

7. EDUCATION CESS AND EQUIVALENT CONTRIBUTION DUE:

In G.O.No. 666, Education, dated 24th March 1948, a sum of Rs. 86,500/- was sanctioned as Government contribution in respect of education cess realised in 1947-48 on the report of the Special Officer that the above amount was taken as demand according to the registers. The final figures worked out during audit showed a large variation. Education cess amounting to Rs.45,192/- adjusted in excess for Fasli 1356 according to the final adjustment report of the Collector of Salem was deducted from the amount due for Fasli 1357 without being separately exhibited under refunds. The gross amount of cess adjusted in the year at 14 pies in the rupee of land cess up to November 1947 and at 17 pies from December 1947 to March 1948 amounted to Rs.3,58,560/- The contribution due to the Board at 4½ pies in the rupee which was the rate in force prior to July 1941 amounts to Rs. 94,579/- as shown below. The balance of ~~xxxx~~ contribution may now be got adjusted.

Education cess that could have been realised at 4½ pies in the rupee.	Rs.	1,09,105-0-0
Deduct proportionate refunds.	"	14,526-0-0
Contribution due."		94,579-0-0

8. ~~XXXXX~~ RECOGNITION WANTING:

In the case of schools opened during the year 1947-48 and in the case of those opened previously but for which temporary recognition alone was accorded year after year, the necessary orders of recognition for the current year either remained to be obtained or pointed out as ~~xxx~~ detailed in items 12 and 56 of the objection statement for 1947-48/I half year and in item 33 of Annual objection statement

statement for the year 1947-48.

9. INTRODUCTION OF REVISED SCALES OF PAY OF TEACHERS - IRREGULARITIES:

The pay of the teachers in the revised scales of pay was not correctly fixed with reference to the instructions issued by Government as pointed out in items 34 to 50 of the Annual Objection Statement. Important irregularities are noted below:

(a) Tabular statements were produced showing the names of the teachers and the pay fixed for them in the revised scales. These statements did not exhibit sufficient details to see whether the pay of the teachers was corfectly fixed. The pay of the teachers in the old scales on 31-12-1946 and the periods of leave on loss of pay, suspension and reduction which have not been counted or may not be counted for increments were not noted in the statements. It was also noticed that there were many alterations and over-writings in the statements which were not attested. The entries in the service registers showing the pay fixed in the revised scales were not also attested. Even such defective statements were not produced in respect of two taluks, Omalur and Hosur. In the absence of the statements and attested entries in the service registers the pay fixed for the teachers in those taluks on 1-1-1947 could not be scrutinised in audit. Fresh statements may be prepared and produced for audit if the original statements are not traceable as stated during audit.

(b) In four cases detailed in item 36 of the Annual objection statement the initial pay of the teachers was not fixed in the revised scale at the stage next above the aggregate of their pay in the existing scale and in two other cases the pay of the teachers which was less than the minimum in the revised scale was fixed at one stage above the minimum in the new scale besides weightage in respect of previous service. Pay may be re-fixed suitably.

(c)

(c) In seven cases service not counted for increment in the old scale of pay was taken into account for allowing weightage. This was not correct. The pay of the teachers may be refixed and excess paid recovered.

(d) In 8 cases, service of the teachers from the date of appointment in the lower scale was counted for advance increments though they qualified themselves to the higher scales of pay later. Their pay may also be refixed and action taken for the recovery of the excess payments.

(e) In six cases, service of the teachers from the date of appointment was counted for advance increments, though they had breaks of service in their officiating tenure and were thus eligible to count service from their dates of reappointment uninterrupted by breaks otherwise than by the grant of leave.

Similarly it was noticed in audit that periods of leave on loss of pay and periods for which increments were postponed with cumulative effect and periods of reduction of pay and suspension were not excluded for purpose of granting advance increments. The pay of the teachers concerned may be revised keeping in view the instructions issued in Government Memorandum No. 25501-2-Spl. L.A., dated 13th August 1947 as regards fixation of subordinates whose pay had been reduced prior to 1-1-1947 and excess payments made recovered.

(f) According to paragraph 3(e) of the instructions issued in G.O.No. 2035 Education, dated 19-9-1947, teachers who were not eligible for advance increments ~~where~~ are eligible to count their service in the existing scales of pay for increments in the revised scales of pay upto a maximum of one year. In many cases, the benefit was not extended and service from 1-1-1947 in the revised scale of pay was alone counted.

In many cases where teachers had put in less than four years service on 1-1-1947 their service from the

date

date of appointment instead of from the date of last increment was counted for the purpose of grant of increment. This is not correct. The pay of the teachers may be revised and the excess payments made recovered.

(g) In a number of cases detailed in item 51 of the Annual Objection Statement, service registers for scrutinising the pay fixed.

10. GRANT OF LEAVE TO APPROVED PROBATIONERS - INADMISSIBLE:

In the cases mentioned in item 23 of the objection statement for 1947-48/I Half year and in item 29 of the Annual objection statement, earned leave was calculated at 1/11th of duty minus 1/12th deducted for vacation. The teachers being only approved probationers in these instances are not eligible for any leave during the period of other probation. Such a concession will be admissible to them only when they are confirmed. Leave account of the teachers in these cases and in other similar cases would need to be revised and leave salary regulated accordingly. In a few cases, leave accounts were not worked out to verify the leave granted. The leave accounts may be brought up to date.

11. ACKNOWLEDGMENTS WANTING:

The acknowledgments of the concerned payees were not produced for an aggregate sum of Rs. 3,073-9-0 as detailedin items 27, 31 (32(i)), 34, 40, 41, 46 and 62 of the objection statement for 1947-48 Ist Half year and in items 22, 23, 26 of the Annual objection statement for the year.

12. VOUCHERS NOT PRODUCED:

The following vouchers were not produced for audit. They have to be produced.

Vr.No.	Particulars	Amount. Rs.as.ps.
(i) 322/9-47	Salaries of Teachers, Dharmapuri Taluk.	252 0 0
(ii)323/9-47	-do- Harur Taluk.	22 10 0
(iii)718/3-48	-do- Ramanaickenpalayam.	50 8 0
(iv) 737/3-48	Cost of Midday meals - Dharmapuri. Centre.	160 6 0

A similar defect was pointed out in paragraph 17 of the Audit Report for 1946-47 and some of these 1946-47 vouchers are still to be produced. The defects in system which gives rise to this serious defect of inability to produce vouchers even for the first and initial audit should be investigated and steps taken to see that the irregularity does not recur.

13. TOOLS AND PLANT - VERIFICATION:

(i) With reference to the entries in the Stock Accounts of Tools and Plant maintained in the District Board office, it was noticed that several articles, as listed out in item 32(c) of the Annual Objection Statement were found to have been omitted to be accounted for in the annual lists furnished by the head teachers after the close of the year.

(ii) In respect of the several schools mentioned in item 32 (g) of the Annual objection statement, the annual returns of Tools and Plant for the year 1947-48 with the certificate of the existence of all the furniture etc., were not called for from the head teachers and filed after check in the office.

14. ESTABLISHMENT AUDIT REGISTER - DEFECTS IN:

In the Establishment Audit Registers maintained for the several schools under the District Board, the sanctioned strength for each school was not entered at the top of the fly-leaf with the orders of sanction noted. The voucher numbers were not also noted under each month in the appropriate column against the postings of payments made.

The

The sanctioned scale as on 1st April was not noted in most of the cases; and in respect of the Salem and Dharmapuri Taluks, the pay of the teachers as revised and ~~fixed~~ fixed after granting the advanced increments in the revised scales, was also not noted ~~against~~ against the names of the teachers on the fly-leaf. The registers may be brought up to date and entries therein attested at least in 1948-49.

15. DELAY IN THE RETURN OF FURTHER REMARKS WITH REPLIES AND INCOMPLETE REPLIES:

The further remarks on the rplies to the audit report for 1946-47 and on the objection statements issued from the audit office were not returned with replies till the date of audit - Vide details below: In several cases, the replies furnished to the original objections were not definite; and no attempt was made for the production of records promised in reply to the objection statement in many cases.

PARTICULARS OF FURTHER REMARKS.	NO.& DATE OF ISSUE FROM AUDIT OFFICE.
FURTHER REMARKS ON:-	
Replies to Audit Report 46-47.	L.F.No.970/22-12-48.
" Annual objection statement 44-45.	" 636/20-9-48.
" Objection statement 46-47/I Half year."	243/19-5-48.
" -do- for the year 1946-47.	" 554/24-8-48.

16. The general result of audit may be considered as fairly satisfactory.

17. The gross receipts and charges for the year were Rs.16,80,989-5-3 and Rs.18,03,197-6-4 respectively.

18. One hundred and sixty nine objections involving Rs.6,208-15-0 were pending settlement at the close of audit as abstracted below and detailed in the Annual Objection Statement.

Year.	NO. OF ITEMS.	AMOUNT. Rs.as.ps.
1944-45	4	-
1945-46	2	-
1946-47	42	1,493 14 0
1947-48	121	4,715 1 0
	169	6,208 15 0

R. GOPALA AYYANGAR,
Assistant Examiner of Local Fund Accounts, Western Circle, Salem.

Forwarded to the President, District Board, Salem in duplicate with the request that the report may kindly be returned within 3 months to the District Inspector of Local Fund Accounts, Salem, with reply in triplicate duly approved by the District Board for submission to Government.

(True copy)

SUPERINTENDENT,
Office of the Examiner of Local Fund Accounts, Mount Road, Madras-2.

13

ANNUAL ACCOUNT OF RECEIPTS AND CHARGES OF THE ELEMENTARY EDUCATION FUND BUDGETOF THE SALEM DISTRICT BOARD FOR 1947-48

8

(1)	Actuals 1947-48. Rs.As.Ps. (2)	Final Reappropriation. Rs.As.Ps. (3)
RECEIPTS.		
Ordinary		
Opening balance	— 58891- 0-10	-
Current	358560- 0- 0	315520- 0- 0
Arrears		
(2) Fees and penalties under the Elementary Education Account		
(3) Income from investments.		
(4) School fees.		
(5) ~~Other receipts~~ Contributions	252- 0- 0	-
(6) Other receipts	847-10- 3	2290- 0- 0
(7) Government Grant.		
(i) Under Sec.37 of the Ely. Edn.Account.		
Current	86500- 0- 0	91500- 0- 0
(2) Under proviso to sec.37 of the E.E.Account.	262467- 0- 0	277030- 0- 0
Expansion scheme	225260- 0- 0	225260- 0- 0
Compulsory scheme	221529- 0- 0	437850- 0- 0
Advance for meeting the expenditure on revised scales of pay.	160000- 0- 0	-
Toll compensation grant.	304450-15- 0	323670- 0- 0
(8) Contribution from the General Account.		
(a) For payment of temporary allowances of Rs.4 (b) For other purposes.	105730- 0- 0	105730- 0- 0
(9) Permanent advance.		
(10) Advances recovered.		400- 0- 0
Deduct refunds	45195- 2- 0	
Dedeuct : Amount transferred to capital.	80805- 7- 0	81000- 0- 0
	1599596- 0- 3	1698250- 0- 0

1	2	3
Add amount relating to endowments as shown under F.Endowments Account.	41- 6- 0	9
Grand total	1599637- 6- 3	1698250- 0- 0
RECEIPTS CAPITAL.		
1.Government grants.	223- 0- 0	67300- 0- 0
4.Contribution from general Account for school buildings.	323- 8- 0	--
Add amount transferred from ordinary	80805- 7- 0	81000- 0- 0
Total	81351-15- 3	148300- 0- 0
Total ordinary and capital	1680989- 5- 3	1846530- 0- 0
Grand total including O.B.	1622098- 4- 5	-
EXPENDITURE ORDINARY.		
Salaries and allowances of D.B.E.O.	1364- 8- 0	3680- 0- 0
D,A.	302- 2- 0	
Contribution for pension.	364- 0- 0	
Travelling allowance.	116-15- 0	
Masters Salaries	983759- 3- 9	1413420- 0- 0
D.A	505872- 4- 9	
Clerks and servants	34608-12- 0	25720- 0- 0
D.A	19150- 9- 0	
Contribution to P.F.	26984-11- 0	25000- 0- 0
Travelling allowance	1130 -15- 0	3000- 0- 0
Gratuity	179- 0- 0	1000- 0- 0
House rent	30489- 8- 0	59100- 0- 0
Other items	75958- 3-10	104430- 0- 0
D.A.	38403- 2- 0	
Furniture and apparatus	245- 9- 0	500- 0- 0
Prizes and scholarships	2433- 0- 0	2000- 0- 0
Repairs to buildings.	11800- 6- 0	15000- 0- 0
Permanent advance Advances recoverable.		400- 0- 0
	1733162-13- 4	1653250- 0- 0

1	2	3
Expenditure capital		
1.Lands and buildings.	1270- 0- 0	
(1) Compulsory areas		27,000- 0- 0
(2) Other areas.		61,000- 0- 0
2.Equipment		
(1) Furniture and apparatus.	68285- 9- 0	40,300- 0- 0
(2) In the areas to be selected for C.E.		
~~(2)~~ Other areas		20,000-0- 0
(2) Library books and maps.	479- 0- 0	
	70034- 9- 0	148300- 0- 0
Total Expenditure -ordinary and capital.	1803197 - 6- 4	1801550- 0- 0
Total closing balance	—181099- 1- 11	45000- 0- 0
Grand total including closing balance.	1622098- 4- 5	1846530- 0- 0

Salem.
Date : 17.2.69

S Vedanayagam
District Inspector of Local Fund Accts, Salem
17.2.69

L.F. Accts

AUDIT REPORT ON THE ELEMENTARY EDUCATION FUND ACCOUNTS OF THE SALEM DISTRICT BOARD FOR THE YEAR 1947--48.

Name of Auditor:- Sri S. Vedam Ayyar, District Inspector of Local Fund Accounts, Salem.

Time taken for audit:- From 17th December 1948 to 16th February 1949.

Enclosure to subject No. 187(455).

AUDIT REPORT.	REPLIES.
The Office of Special Officer was held by Sri V.V. Subramaniyam, M.A., O.B.E., I.C.S., Collector of Salem from 1st April 1947 to 7th July 1947 and by Khan Sahib G. Abdul Sattar Sahib Bahadur, B.A., from 8th July 1947 to 31st March 1948.	para 1 to 3. Calls Class for no remarks.
2. The receipts and payments during the year are shown in the annual account appended together with the opening and closing balances.	Calls for no remarks.

The opening balance in the cash book is in agreement with the closing balance of the previous year. The deficit closing balance in the cash book viz. Rs. 1,81,099-1-11, agrees with the balance in the account for March 1948. The sum total of the closing balance according to the cash book relating to the general funds and that relating to the elementary Education Fund is in agreement with the balance in the Treasury pass book after allowing for outstanding cheques and unremitted revenue in hand at the close of the year.

3. The more important irregularities are detailed below. Irregularities of a minor nature are detailed in the objection statements which should be read as forming parts of this report.

4. Pending items of previous audit reports. (a) Paragraph 4(a)(i) of Audit report for 1946-47 (Item 2 of Annual Objection Statement for 1944-45). The missing articles of Tools and plant in several cases still remained to be accounted for. Early steps would need to be taken to settle the objection.	Necessary action is being taken to rectify the defects pointed out. Action taken in this connection will be shown in the local audit.
(b) Paragraph 4(a)(ii) of Audit report for 1946-47. (Item 3 of the Annual Objection statement 1944-45). The articles mentioned in sub item (b) of item 3 in the Annual Objection Statement for 1944-45 remained to be accounted for.	-do-
(c) Paragraph 4(a)(iii) of Audit Report 1946-47. (Item 4 of Annual Objection statement 1944-45). The sanction of the District Board for deleting the articles of tools and plant (mentioned in the objection) from the stock list, remained to be pointed out.	-do-

(p.t.o.)

(d) Paragraph 4(a)(iv) of Audit report 1946-47. (Item 5 of Annual Objection statement 1944-45). The annual returns from the head-masters of the schools in Harur and Hosur taluks remained to be produced.	Necessary action is being taken to rectify the defects pointed out. Action taken in this connection will be shown in the local audit.
(e). Paragraph 4(b)(i) of Audit Report 1946-47) -do- 8 -do-1945-46). Recovery of Rent for the school building used as a Grain Shop. The report from the Section Officer in reply to the reference made by the Divisional Engineer in Roc. No.638-48 dated 8-12-1948 is awaited.	The reply of the Divisional Engineer has been received and shown in the local audit. This item is also deleted from the objection statement.
(f). Paragraph 4(b)(ii) of A/R. of 1945-46 and Paragraph 9 of Audit report of 1945-46). The Supervisor (Highways), Omalur was asked on 7-2-49 to furnish a plan with estimate for the construction of a building at a cost of Rs. 3000/-in the sites already registered in favour of the Dt. Board. Further action taken in the matter may be reported.	On the advice of the Standing Counsel of this Board, action is taken in file No.E11.27387-47 to get first the possession of the gifted property and to realise the sum of Rs. 3000/- from Arumporulammal who illegally purchased the property. The subject is being placed before the Board.
(g). Paragraph 7 of Audit Report 1946-47. (i) Paragraph 7(a)(i). Excess drawal of Provincial grant towards supply of books and slates The unspent balance of Rs.12956-0-9 remained to be refunded to Government.	The recoveries mentioned in these two paras viz. Rs. 12956-0-9 and Rs. 1,38,164-4-2 are included in the total recovery of Rs.1,56,233 ordered by Government in Govt. Memo. No.16603-B2-48-1 Edn., dated 19-3-48.(received in this office on 2-4-48. As this is a big recovery from the Board and as the financial position of the Elementary Education Fund at present is very poor and as the amount of the excess grant has only been spent on Ely.Edn. the Government are being addressed to waive the recovery. Orders of the Government in the matter will be communicated in due course.
(ii) Paragraph 9(b).The balance of Rs.1,38,164-4-2 out of the amount sanctioned by Govt. for the supply of midday meals to poor children in compulsory area for the year 1946-47 still remained to be refunded to Provincial funds.	
(h) Paragraph 8 of the Audit Report 1946-47. (i) Paragraph 8(a): Action remains to be taken to ascertain the cost of time pieces at the controlled rate.	The reply received from the Controller shown in the local audit and the item deleted.
(ii). Paragraph 8(b).The articles purchased had not been distributed to the concerned schools and the acknowledgments from the head-masters were not therefore produced.	The articles are being distributed and the final list with the acknowledgments from the headmasters will be shown in the local audit.

(contd)

(i).Paragraph 9 of Audit Report 1946-47. (1) Paragraph 9(b) (v) Action taken was not pointed out in the matter of recovery of the expenditure incurred towards supply of midday meals to students of above the V Class.	The G.O.No.814, Edn.,dated 15-4-46 was received only in May 1946 and a circular instructions to the several centres discontinuing supply of midday meals to pupils of class VI to VIII with effect from 1-7-46 was issued in this office E13. 10322-46 dt. 25-6-46. Hence the supply of midday meals to the pupils of class VI to VIII in April 1946 as mentioned in the Audit Report for 1946-47 could not be discontinued in these circumstances. The objection may therefore be dropped.
(2) Paragraph 9(b)(vi) The balance of Rs.602/-stated to have been deposited into Post office Savings Bank by the Chairman, Midday meals centre Konganapuram, would need to be recovered and credited to Provincial Funds.	The Chairman of the Committee at Konganapuram has been addressed in this office letter E3.5567-49 dated 8-10-49 to remit the balance amount deposited in the Postal Savings Bank. The same is awaited.
(3) Paragraph 9(b)(vii). The cost of utensils of the Nadupatti centre amounting to Rs. 17-10-0 was recovered on 17-6-48 and credited to the District Board funds. This amount will have to be credited to the Provincial funds. The cost of utensils purchased for Sankari centre was Rs.118-5-0 but articles to the value of Rs.110-12-0 only would appear to have been handed over to the District Educational Officer. The balance of articles to the value of Rs. 7-9-0 remained to be accounted for.	Arrangements are being made to refund the sum of Rs. 17-10-0 credited to the Dt. Board by the Nadupatti centre to Provincial Funds. As regards utensils of Sankari centre all the 19 articles mentioned in para 9(b) VII of Audit report for 1946-47 were handed over to the District Educational Officer, Salem intact. Hence the question of difference in costs noted in this office letters E13.8749-47 dated 17-9-48 and 10-11-48 which are only clerical errors do not affect the issue. Hence the objection may be dropped.
(4) Paragraph 9(b)(xi).The refund of Rs.210-4-9 being the unspent balance in the midday meals account of Attur centre, still remained to be credited to the Provincial funds.	The unspent balance of Rs.210-14-2 of the Attur centre has been credited to the District Board funds in C.B.No.10 dated 29-8-47. Arrangements are made to credit it to Provincial funds.
(j) Paragraph 12(a) of Audit Report 1946-47. The adjustment of the leave salary contribution still remained to be made.	As this is only a book adjustment from Ely.Education Fund to General Fund of the Dt.Board & as the claim relates to 1946-47 the question of adjustment may be dropped as the Elementary Education Budget is in deficit.

(p.t.o)

(k)Paragraph 15 of Audit Report 1946-47. Recognition Wanting. The necessary recognition in respect of the remaining 7 schools may also be pointed out and the objections settled early.	Necessary recognition orders shown in the local audit and the items deleted since.
(l) Paragraph 16 of Audit Report 1946-47. Acknowledgement wanting. The acknowledgments in respect of the remaining 4 items amounting to Rs. 918-2-0 remained to be produced.	Out of 4 items the acknowledgements were shown for 3 items in the local audit and for the remaining items viz. Bairanaickampatti school. The Headmaster has since sent the school acquittance. The same will be shown at the local audit.
(m)Paragraph 17 of Audit Report 1946-47. Vouchers relating to the supply of midday meals were not produced during the local audit. Early steps would need to be taken to trace out the vouchers and produce them for audit. Attention is also invited to paragraph (2) of G.O. No.289,Edn. dt.17-11-48 passing orders on the Audit Report for 46-47	Since the paid vouchers are not traceable, necessary entry in the cash book and also duplicate copy to payees' receipts which were since received as suggested in the local audit will be produced to the auditors.
(n) Paragraph 18 of Audit Report 1946-47 -(a) and (b) Service Registers. The service registers and leave accounts in respect of the remaining items were not produced to verify the reply given.	All the service registers were produced to the auditors at the time of audit. But these items were escaped notice. However the service registers will be produced again at the local audit.
(o) Paragraph 20 of Audit Report 1946-47. It may be stated whether any articles missing and whether action was taken to recover the cost in all such cases.	Action is taken to find out the missing articles if any, and the records will be shown in the local audit.

5. FINANCIAL POSITION.

In spite of the adjustment of the entire amount of toll compensation grant amounting to Rs. 3,04,450-15-0 to the credit of the fund, the financial position did not improve. When Government were requested to grant an additional subsidy from provincial funds to meet the extra cost involved in the revision of salaries and grant of advance increments to elementary school teachers, it was ordered in G.O.No.366, Education dated 25-2-48 that the proposal could not be entertained and the rate of levy of education tax was increased from 17 to 37 pies with effect from Fasli 1357 and an advance of Rs. 1,60,000/- repayable in six instalments with interest was also sanctioned to meet the extra cost in 1947-48. The additional income by the increased rate of ~~levy~~ levy of education cess was adjusted only in 1948-49. The Fund closed with a deficit balance of Rs. 1,81,099-1-11 on 31-3-48. The orders of Government in paragraph 6 of G.O.No.1661, Education dated 23-7-47 that the expenditure on the expansion scheme should be curtailed so as to bring the cost within the subsidy payable would need to be implemented so as to avoid deficit balance in future year.

REPLIES:- The matter has been dealt with separately and the Educational authorities addressed in file No. E4. 15224-49 and a final reply will be furnished soon.

(contd)

6. EXPENDITURE IN EXCESS OF ALLOTMENTS.

The total expenditure incurred in the year under 'Ordinary' amounted to Rs. 18,03,197-6-4 against Rs. 16,53,250/- provided in the budget approved by Government in G.O.No.1661, Edn., dated 23-7-47. The sanction of Government was not obtained for the excess expenditure as acquired by Rule 5 of the rules under Section 38(2) of the E.E.Act as amended in G.O.No.139, Edn., dated 29-1-42. The approval of the Director of Public Instruction was also not obtained to the reappropriation of funds from one main head to another as required by rule 2 ibid in respect of the expenditure in excess noted below:-

Head of Account.	Expenditure. Rs.	As.	Ps.	Allotment. Rs.	As.	Ps.
2. Equipment (1) Furniture and apparatus.	66,285	9	0	60,300	0	0
Library books and maps.	479	0	0			

REPLIES:- " In G.O.Ms.No.1239, Education, dated 17-5-48 the Government approved the revised budget for 1947-48 and passed orders directing the Board to take additional income of Rs. 3 lakhs by levying additional cess to overcome the deficit. Hence no fresh sanction of Government is necessary."

7. EDUCATION CESS AND EQUIVALENT CONTRIBUTION DUE.

In G.O.No.666, Education, dated 24th March 1948, a sum of Rs. 86,500/- was sanctioned as Government contribution in respect of education cess realised in 1947-48 on the report of Special Officer that the above amount was taken as demand according to the registers. The final figures worked out during audit showed a large variation. Education cess amounting to Rs. 45,192/- adjusted in excess for Fasli 1356 according to the final adjustment report of the Collector of Salem was deducted from the amount due for Fasli 1357, without being separately exhibited under refunds. The gross amount of cess adjusted in the year at 14 pies in the rupee of land cess up to November 1947 and at 17 pies in the rupee from December 1947 to March 1948 amounted to Rs. 3,58,560/-. The contribution due to the Board at 4½ pies in the rupee which was the rate in force prior to July 1941 amounts to Rs. 94,579/- as shown below. The balance of contribution may now be got adjusted.

Education cess that could have been realised at 4½ pies in the rupee.	Rs.	1,09,105	0	0
Deduct proportionate refunds.		14,526	0	0
Contribution Due.		94,579	0	0

REPLIES:- "The contribution of Rs. 94,579/- for the year 1947-48 is got adjusted in C.B.No.22/3-49 (vide G.O.No.Mis. 775, Education dated 18-3-49).

8. RECOGNITION WANTING.

In the case of schools opened during the year 1947-48 and in the case of those opened previously but for which temporary recognition alone was accorded year after year, the necessary orders of recognition for the current year either remained to be obtained or pointed out as detailed in items 12 and 56 of the objection statement for 1947-48/I half year and in item 33 of Annual objection statement for the year 1947-48.

REPLIES:-"Temporary recognition has been granted up to 31-12-1950 in only one case. In other cases necessary recognition orders were received and they were already produced in the local audit."

9. INTRODUCTION OF REVISED SCALES OF PAY OF TEACHERS. IRREGULARITIES.

The pay of the teachers in the revised scales of pay was not correctly fixed with reference to the instructions issued by Government as pointed out in items 34 to 50 of the Annual objection statement. Important irregularities are noted below.

(a). Tabular statements were produced showing the names of the teachers and the pay fixed for them in the revised scales. These statements did not exhibit sufficient details to see whether the pay of the teachers was correctly fixed. The pay of the teachers in the old scales on 31-12-1946 and the periods of leave on loss of pay, suspension and reduction which have not been counted or may not be counted for increments were not noted in the statements. It was also noticed that there were many alterations and overwritings in the statements which were not attested. The entries in the service registers showing the pay fixed in the revised scales were not also attested. Even such defective statements were not produced in respect of two taluks, Omalur and Hosur. In the absence of the statements and attested entries in the service registers the pay fixed for the teachers in those taluks on 1-1-1947 could not be scrutinised in audit. Fresh statements may be prepared and produced for audit if the original statement are not traceable as stated during audit.

REPLIES:-"The question of the revision of the scales of pay of the individuals has been taken up separately and files will be shown at the local audit."

(b). In four cases detailed in item 36 of the Annual objection statement the initial pay of the teachers was not fixed in the revised scale at stage next above the aggregate of their pay in the existing scale and in two other cases the pay of the teachers ~~in the existing scale~~ which was less than the minimum in the revised scale was fixed at one stage above the minimum in the new scale besides weightage in respect of previous service. Pay may be re-fixed suitably.	The question of the revision of the scales of pay of the individuals has been taken up separately and files will be shown at the local audit.
(c) In seven cases service not counted for increment in the old scale of pay was taken into account for allowing weightage. This was not correct. The pay of the teachers may be refixed and excess paid recovered.	-do-

(contd)

(d) In 8 cases, service of the teachers from the date of appointment in the lower scale was counted for advance increments though they qualified themselves to the higher scales of pay later. Their pay may also be refixed and action taken for the recovery of the excess payments.	The question of the revision of the scales of pay of the individuals has been taken up separately and files will be shown at the local audit.
(e) In six cases, service of the teachers from the date of appointment was counted for advance increments, though they had breaks of service in their officiating tenure and were thus eligible to count service from their dates of reappointment uninterrupted by breaks otherwise than by the grant of leave.	-do-

Similarly it was noticed in audit that periods of leave on loss of pay and service for which increments were postponed with cumulative effect and periods of reduction of pay and suspension were not excluded for purposes of granting advance increments. The pay of the teachers concerned may be revised keeping in view the instructions issued in Government Memorandum No.25501-2-Spl. L.A., dated 13th August 1947 as regards fixation of subordinates whose pay had been reduced prior to 1-1-1947 and excess payments made recovered.

(f). According to paragraph 3(3) of the instructions issued in G.O.No. 2035, Edn., dated 19-9-1947, teachers who were not eligible for advance increments were eligible to count their service in the existing scale of pay for increments in the revised scales of pay up to a maximum of one year. In many cases, the benefit was not extended and service from 1-1-47 in the revised scale of pay was alone counted.	The question of the revision of the scales of pay of the individuals has been taken up separately and files will be shown at the local audit.

In many cases where teachers had put in less than four years service on 1-1-1947 their service from the date of appointment instead of from the date of last increment was counted for the purpose of grant of increment. This is not correct. The pay of the teachers may be revised and excess payments made recovered.

(g). In a number of cases detailed in item 51 of the Annual Objection Statement, service registers for scrutinising the pay fixed.	All the service registers were placed to the Auditors at the out set. As the audit was continuously going on for 2 months some of the service registers have to be taken from audit and submitted along with the files relating to grant of leave, increments, etc. However these service registers required will be shown in the local audit.

(P.T.O)

10. GRANT OF LEAVE TO APPROVED PROBATIONERS -INADMISSIBLE.

In the cases mentioned in item 23 of the objection statement for 1947-48/I half year and in item 29 of the Annual Objection Statement, earned leave was calculated at 1/11th of duty minus 1/12th deducted for vacation. The teachers being only approved probationers in these instances are not eligible for any leave during the period of other probation. Such a concession will be admissible to them only when they are confirmed. Leave account of the teachers in these cases and in other similar cases would need to be revised and leave regulated accordingly. In a few cases, leave accounts were not worked out to verify the leave granted. The leave accounts may be brought up to date.

The question of revising the leave orders has been taken up separately on Annual Objection statement and the leave accounts are being revised in each case.

11. ACKNOWLEDGEMENTS WANTING.

The acknowledgements of the concerned payees were not produced for an aggregate sum of Rs.3,073-9-0 as detailed in items 27,31,32(ii), 34,40,41,46 and 62 of the objection statement for 1947-48 Ist half year and in items 22,23,26 of the Annual Objection statement for the year.

Separate action is taken to trace out the payees' acknowledgements and necessary reply will be given in the Annual Objection statement.

12. VOUCHERS NOT PRODUCED.

The following couchers were not produced for audit. They have to be produced.

Vr.No.	Particulars.	Amount. Rs.	As.	Ps.
(1)322/9-47.	Salaries of teachers, Dharmapuri tk.	252	0	0
(ii)323/9-47.	-do- Harur taluk.	22	10	0
(iii)718/3-48.	-do- Ramanaickenpalayam.	50	8	0
(iv) 737/3-48.	Cost of Midday Meals - Dharmapuri Centre.	160	6	0

A similar defect was pointed out in paragraph 17 of the Audit Report for 1946-47 and some of these 1946-47 vouchers are still to be produced. The defects in system which give rise to this serious defect of inability to produce vouchers even for the first and initial audit should be investigated and steps taken to see that irregularity does not recur.

REPLIES:- "Action is taken to trace out the vouchers. They will be produced at the local audit. The instructions contained in the concluding para are noted for future guidance."

(contd)

13. TOOLS AND PLANT - VERIFICATION.

(i) With reference to the entries in the stock accounts of Tools and Plant maintained in the District Board Office, it was noticed that several articles, as listed but in item 32(c) of the Annual Objection Statement were found to have been omitted to be accounted for in the annual lists furnished by the Head teachers after the close of the year.

Adequate arrangements are made and distribution of work ordered to bring the tools and plant registers and other connected accounts up to date. The returns received from the head-teachers will be shown in the local audit.

(ii) In respect of the several schools mentioned in item 32(g) of the Annual Objection Statement the annual returns of Tools and Plant for the year 1947-48 with the certificate of the existence of all the furniture etc., were not called for from the Head-teachers and filed after check in the Office.

-do-

14. ESTABLISHMENT AUDIT REGISTER- DEFECTS IN.

In the Establishment Audit Registers maintained for the several schools under the District Board, the sanctioned strength for each school was not entered at the top of the fly-leaf with the orders of sanctions noted. The voucher numbers were not also noted under each month in the appropriate column against the postings of payments made.

The sanctioned scale as on 1st April was not noted in most of the cases; and in respect of the Salem and Dharmapuri taluks, the pay of the teachers as revised and fixed after granting the advanced increments in the revised scale, was also not noted against the names of the teachers on the fly-leaf. The registers may be brought up to date and entries therein attested at least in 1948-49.

The defects pointed out will be rectified and the registers shown during the local audit.

15. DELAY IN THE RETURN OF FURTHER REMARKS WITH REPLIES AND INCOMPLETE REPLIES.

The further remarks on the replies to the audit report for 1946-47 and on the objection statements issued from the audit office were not returned with replies till the date of audit - Vide details below: In several cases, the replies furnished to the Original Objections were not definite; and no attempt was made for the production of records promised in reply to the objection statement in many cases.

(p.t.o)

PARTICULARS OF FURTHER REMARKS.	NO. & DATE OF ISSUE FROM AUDIT OFFICE.
Further Remarks on Replies to Audit Report 46-47.	L.F.No.970/22-12-48.
Annual objection statement. 44-45.	" 636/20-9-48.
Objection statement 46-47/I Half year.	" 243/19-5-48.
-do- for the year 1946-47.	" 554/24-8-48.

REPLIES:- " Such delays will be avoided."

16. The general result of audit may be considered as fairly satisfactory.

17. The gross receipts and charges for the year were Rs.16,80,989-5-3 and Rs.18,03,197-6-4 respectively. No reply is required.

18. One hundred and sixty nine objections involving Rs. 6,208-15-0 were pending settlement at the close of the audit as abstracted below and detailed in the Annual Objection Statement.

YEAR.	NO. OF ITEMS.	AMOUNT. Rs.	As.	Ps.
1944-45.	4	-		
1945-1946.	2	-		
1946-47.	42	1,493	14	0
1947-1948.	121	4,715	1	0
	169	6,208	15	0

REPLIES:- " Replies are being gathered in this connection and they will be produced at the local audit."

(Sd) R. GOPALA IYENGAR,
Assistant Examiner of Local Fund Accounts, Western Circle,
SALEM.

Forwarded to the President, District Board, Salem, in duplicate with the request that the report may kindly be returned within 3 months to the District Inspector of Local Fund Accounts, Salem, with reply in triplicate duly approved by the District Board, for submission to Government.

Sd. . . . . .
SUPERINTENDENR, OFFICE OF THE EXAMINER OF LOCAL FUND ACCOUNTS, MOUNT ROAD, MADRAS.2.

KVG. (True copy)

Extract from the proceedings of the meeting of the Salem District Board held on 16-12-49 and 17-12-49 at Salem.

187-(455) Audit report on the Elementary Education Fund Account of the Salem District Board for the year 1947—48 and replies thereto for approval.

D.B.R. The replies are approved and the remarks mentioned in Paras 4(i) and (iii) sanctioned.

sd/K.S.Subramaniam.
President.

(True copy) Extract

District Board Office, Salem
dated 22. 12--1949.

(By Order) sd/K.M.Palaniswami
For President.

PVR/23-12-49

Accountant. 24.12.49

L.F. NO. 9260 Dated 20/2/50

Office of the Examiner of Local Fund Accounts, Mount Road, MADRAS. 2.

Sub: Audit Report - 1947-48 - Elementary Education funds - Salem District Board - replies forwarded.

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22 FEB 1950

Forwarded to the Secretary to Government Education and Public Health Department with copies of President's replies and the resolution of the District Board.

13363 pp4-5 and 6

Paragraph 6 of the Audit Report:

The orders on the budget for 48-49 have been referred to in the reply. As these orders do not contain specific sanction for re-appropriation of funds and as a mere sanction to revised estimate is no authority for expenditure in excess of budget provision, the sanction of Government is necessary for the excess expenditure in ordinary section and of the Director of Public Instruction for the re-appropriation in capital section.

Asst. Examiner of L.F. Accts.

To
The Secretary to Government,
Education & Public Health Department,
MADRAS. 1(with enclosure)

Edn. Dept. (C)

Audit Report - 1947-48 - Elementary Education Fund - District Board, Salem - Recorded.

From the Examiner of Local Fund Accounts, No.9260, dated 20-2-1950.

No. 792

2. Para 4(g) of the report:- The attention of the President, District Board, Salem, is invited to the orders passed in Govt. Memorandum No.97083-B2/49-1-Edn. dated 16-12-1949 and Govt. Memorandum No.7266-B2/50-1-Edn. dated 8-2-1950.

3. Para 6 of the report:- A copy of the remarks of the Examiner of L.F.Accts. is forwarded to the President, District Board, Salem and he is informed that the sanction of the D.P.I. should be obtained to the reappropriation of funds from one head to another under capital. The expenditure incurred under ordinary in excess of the allotment in the sanctioned budget is ratified.

4. Para 13 of the report:- The President, Dt. Bd., should take early steps to bring the tools and plant register up-to-date, as otherwise, it will not be possible to account for the missing articles. The Head-teachers of all the Board elementary schools should be instructed to submit promptly the annual returns of Tools and Plant in their schools with the necessary certificates.

To

The President, Dt. Bd., Salem (with a copy of remarks at 2 on p.41 c.f.)

The D.P.I. (with a copy of the report, replies, and remarks of the Examiner at 3)

The Exr. of L.F.Accts.