

GOVERNMENT OF MANIPUR
DIRECTORATE OF EDUCATION(S)

No. 05/01/2018-CFO/DE(S)

Dated : 13/01/2020

To,

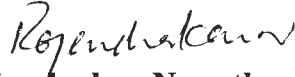
The Zonal Education Officer, Zone- I
Imphal West, Manipur - 795004

Subject : - Inspection Report on accounts of the Zonal Education Officer
(ZEO), Zone- I, Imphal West, Manipur for the period from 01-
04-2016 to 31-03-2018

Sir,

With reference to letter No. AG(Au)/GS-SS/ZEO, Imphal West/18-19/435 dated 26-12/2019 of Office of the Principal Accountant General (Audit) Manipur addressed to you, I am to request you to confirm whether your office has furnished parawise reply to the inspection report with the schedule fixed by the AG and if the reply has been furnished then a copy may be submitted to this office . If not, the para wise reply should be furnished to Accountant General (Audit) Manipur without delay further and copy of the same should be submitted to this Directorate.

Yours faithfully,


(Rojendrakar Nongthomba)
Chief Finance Officer
Directorate of Education (S)
Manipur

Copy to :-

1. The Director, Edn(S), Manipur
2. Guard File



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
MANIPUR, IMPHAL-795 001

Phone: 0385-2228523 Fax: 0385-2228525 email: agaumanipur@cag.gov.in

No. AG (Au)/GS-SS/ZEO, Imphal West/18-19/ 435

Dated: 26.12.2019

To

Zonal Education Officer, Imphal West,
Khoyathong Pukhri Maning,
Imphal West, Manipur 795004

2963
4/11/20

Sub: Inspection Report on the accounts of the Zonal Education Officer (ZEO), Imphal West, Manipur for the period from 01-04-2016 to 31-03-2018.

Sir,

Kindly find enclosed herewith a copy of the Inspection Report as mentioned in the subject above. The Inspection Report contains nil para under Part-II (A) and six paras under Part-II (B).

You are requested to kindly furnish para-wise reply to the Inspection Report within four weeks from the date of receipt of the same.

Yours faithfully,

Encl: as stated above.

Sd/-

Sr. Audit Officer (GS/SS/LB)

Memo No. AG (Au)/GS-SS/ZEO, Imphal West/18-19/436-439

Dated: 26.12.2019

Copy to:

1. State Project Director, Sarva Shiksha Abhiyan, Babupara, Imphal-West, Manipur-795001.
- ✓ 2. Director, Education (S), Lamphelpat, Imphal West, Manipur-795004.
3. Commissioner, Education (S), Govt. of Manipur, Imphal Secretariat, Imphal.
4. Inspection Report file

P. Jeyendran
Sr. Audit Officer (GS/SS/LB)

6/11/2020
P. Jeyendran
audit para
immediately



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) MANIPUR, IMPHAL-795 001

Phone: 0385-2458523 Fax: 0385-2458525 e-mail: agaumanipur@cag.gov.in

**Inspection Report on the accounts of the Zonal Education Officer, Imphal West,
Manipur for the period from 01-04-2016 to 31-03-2018.**

PART - I

1. Introductory:

The accounts of the Zonal Education Officer (ZEO), Imphal West, Manipur for the period from 01-04-2016 to 31-03-2018 were test during the period from 14-08-2018 to 21-08-2018.

The office of the ZEO, Imphal West, Manipur is located at Khoyathong Pukhri Maning, Imphal West, Manipur 795004. The main functions of the ZEO are monitoring educational administrative & legal activities for schools and implementation of SSA scheme in the District of Imphal West. The hierarchy of administration in the Department is that the ZEO (DDO) reports to the State Project Director, SSA and Director, Education (S) who in turn reports to the Commissioner, Education (S), Government of Manipur.

2. Incumbency: The following officers held the charge of Drawing and Disbursing Officer during the period covered by audit.

Sl. NO	Name of Zonal Education Officer/DDO	Period	
		From	To
1	Gopimohan Maibam	19.12.2011	24.05.2017
2	Sucheta Khumukcham	24.05.2017	Till date of audit

3. Budget Allotment and Expenditure:

(R in lakh)

Year	Allotted Budget			Expenditure		
	Plan	Non Plan	Total	Plan	Non Plan	Total
2016-17	7004.87	-	7004.87	7004.87	-	7004.87
2017-18	8422.90	-	8422.90	8176.82	-	8176.82

4. Internal Control System:

No separate Internal Control wing existed in the Office. The deficiencies noticed in the internal control system were discussed in the following paragraphs.

5. Information Technology System:

No Information Technology System is implemented in the Office.

PART – II A

Nil

PART II-B

Para 1: Loss of money due to lack of timely reconciliation with Bank.

A bank reconciliation statement should be drawn up every month explaining the difference between total payments made as per the Bank's scroll and the total payments during the month as per the Register of Cheques, indicating the details of the cheques issued during the month but not en-cashed and cheque issued in earlier months cashed during the month. Discrepancies, if any, noticed in the scrolls should be taken up with the Bank immediately.

Also, Central Treasury Rule no. 77: states that every Officer receiving money on behalf of the Government should maintain a cash book in Form T.R.-4 and all monetary transactions should be entered in the cash book as soon as they occur and attested by the Head of the Office in token of check.

During test check of the records of the ZEO (Zone I), Imphal West, as per the Bank statement (SBI A/C no. 32894006369) & Cash Book maintained by the Residential School, Imphal West it was observed that at the closing of March 2017 there was a balance of Rs. 30,457/- and there was no transaction/withdrawals from the said bank account since September 2016, as the Residential School began operating savings bank account with IDBI bank (A/C no. 1219104000097918) since September 2016.

Audit further observed from the cash book that the closing balance of Rs. 30,457/- with SBI was kept separately and no further entry was made in the cash book, while in the same cash book; separate entry of the funds deposited and transactions with the IDBI bank has been made without incorporating the remaining fund balance with the SBI. Further, on receiving a letter from SBI to convert the said savings account to current account, the Deputy Commissioner/Chairman (Residential School Adhoc management Committee) has initiated to close the SBI savings account and requested to transfer the remaining balance at credit to IDBI account vide letter no. 10/2-Resi/2013-SSA(IWD): dated 5th Dec 2017. On due closing of the bank account; the bank has issued bankers cheque of Rs. 6,897/- as residual balance instead of Rs. 30,457/- as mentioned above and without enquiring about receiving lesser amount an entry on the receipt side was made in the cash book for Rs. 6,897/-. On further scrutiny of the latest bank statement of the closed account it was observed that the bank has deducted Rs. 24,214/- on 22.09.2017 as "income interest reco". Reason for such deduction was not known to the office. As such there has been a loss of fund due to lack of timely reconciliation with the bank.

Deduction made by the bank may please be incorporated in the cash book and reason for deduction of Rs. 24,214/- by the bank from a savings account may be sought from the bank under intimation to audit.

During exit meeting, the ZEO stated that the same was noted for necessary action.

Para 2: Computation of Income Tax and filing of Tax Deducted at Source – observation thereon.

As per the circular no. 29/2017 issued by the Income Tax Department regarding deduction of tax at source- income-tax deduction should be made from salaries under section 192 of the income-tax act, 1961.

Para 4.9.1 of the statement of deduction of tax under section 200(3) [Quarterly Statement of TDS] stipulates that the person deducting the tax (employer in case of salary income), is required to file duly verified Quarterly Statements of TDS in Form 24Q for the periods [details in Table below] of each financial year, to the TIN Facilitation Centres authorized by DGIT (System's) which is currently managed by M/s National Securities Depository Ltd (NSDL) or at www.incometaxindiaefiling.gov.in after registering as Deductor. Particulars of e-TDS Intermediary at any of the TIN Facilitation Centres are available at <http://www.incometaxindia.gov.in> and <http://tin-nsdl.com> portals. The requirement of filing an annual return of TDS has been done away with *w.e.f.* 1.4.2006. The quarterly statement for the last quarter filed in Form 24Q (as amended by Notification No. S.O.704(E) dated 12.5.2006) shall be treated as the annual return of TDS.

TABLE: Due dates of filing Quarterly Statements in Form 24Q

Sl. No.	Date of ending of quarter of financial year	Due date
1	30 th June	31 st July of the financial year
2	30 th September	31 st October of the financial year
3	31 st December	31 st January of the financial year
4	31 st March	31 st May of the financial year immediately following the financial year in which the deduction is made

Further as per Para 5.1 of the circular *ibid* the following income shall be chargeable to income-tax under the head "Salaries" :

- a) any salary due from an employer or a former employer to an assessee in the previous year, whether paid or not;
- b) any salary paid or allowed to him in the previous year by or on behalf of an employer or a former employer though not due or before it became due to him.
- c) any arrears of salary paid or allowed to him in the previous year by or on behalf of an employer or a former employer, if not charged to income-tax for any earlier previous year.

During test check of the records of the Zonal Education Officer (Zone I), Imphal West it was observed that the income tax calculation and filing of TDS in respect of Teachers under Sarva Shiksha Abhiyan (SSA) for the whole financial year 2017-18 was done during the month of July 2018 and also the TDS was submitted through challan to Treasury on 30.07.2018. Since the TDS are deposited after the last date issued by income tax department; the amount would not be uploaded on time.

Further, the last date of filing income tax return by the individual is on 31.08.2018 and since the TDS are not uploaded; the tax payers would not be able to file the actual income tax return in time, and also late fine for delay in filing of income tax will be charged leading to loss of funds to the employee, if any.

As mentioned in the above rule computation of income tax for any salary due from an employer or a former employer to an assessee in the previous year, whether paid or not should be made. As such, the office may henceforth calculate the income tax within the stipulated time and the same may be filed in time so that such inconvenience could be avoided in future.

Para 3: Delay in release of fund and food grains under MDM

During test check of records, it is noticed that funds under MDM were sanctioned from the Directorate/State Nodal Office to the district level for further release to the respective School Management Committees (SMCs) for implementation of MDM scheme with the direction that the released amount must be disbursed within one week from the date of receipt of the funds by the concerned districts. In case of failure to do so, the appropriate reasons are to be intimated to the Director of Education (S) for further necessary action and also for onward submission to the Ministry of Human Resource Development, Government of India. But it is found that there had been delay in periodical release of the said funds beyond one week as shown below:

Sl. No.	Particulars	Directorate's e-transfer date	Date of forwarding letter to DC for release of fund	Period of delay
1.	Honorarium of Cook-cum-Helper for 1 st & 2 nd Quarter 2016-17 (Rs. 19,10,000)	29/06/2016	18/08/2016	6 weeks
2.	Cooking cost for 2 nd Quarter 2016-17 (Rs. 24,57,265)	12/07/2016	26/09/2016	9 weeks

Also, it is noticed that there had been instances of delay in sanctioning and release of scheme funds under MDM from the Directorate to the district level vis-à-vis the corresponding quarter as shown below:

Sl. No.	Particulars	Directorate's sanction order no. & date	Corresponding quarter	Amount (Rs.)
1.	Cooking cost & honorarium for Cook-cum-Helper	8/9/2-2/15-DE(S) dated 02/02/2017	3 rd quarter 2016-17 (October to December 2016)	33,96,657
2.	Cooking cost	8/9/2-2/15-DE(S) dated 09/02/2018	4 th quarter 2016-17 & 1 st quarter 2017-18 (January to June 2017)	14,76,011

Further it is also noticed that food grains (rice) were lifted on quarterly basis from FCI with delay of about one to three months regularly from the first feeding months of the corresponding quarter. Also there had been instances of subsequent delay in further release of food grains to the respective schools/School Management Committees (SMCs) as shown below:

Sl. No.	Quantity of rice (Quintal)	Date of lifting from FCI	Corresponding quarter	Date of release to schools/SMCs	Period of delay from first feeding month
1.	407.5795	24/05/2016	1 st quarter 2016-17 (April to June 2016)	16/06/2016 to 21/06/2016	About 2.5 months
2.	658.1517	22/08/2016	2 nd quarter 2016-17 (July to September 2016)	Date not recorded	At least about 1.5 months
3.	546.2547	22/11/2016	3 rd quarter 2016-17 (October to December 2016)	Date not recorded	At least about 1.5 months
4.	543.9069	06/02/2017	4 th quarter 2016-17 (January to March 2017)	Date not recorded	At least about 1 month
5.	515.1024	22/05/2017	1 st quarter 2017-18 (April to June 2017)	25/05/2017	About 2 months
6.	782.8241	27/07/17 to 29/07/17	2 nd quarter 2017-18 (July to September 2017)	Date not recorded	At least about 1 month
7.	189.5961	22/12/2017	3 rd quarter 2017-18 (October to December 2017)	05/02/2018	4 months
8.	307.0014	23/01/2018	4 th quarter 2017-18 (January to March 2018)	05/02/2018	1 month

Audit had asked for clarification on how mid-day meals had been provided effectively and successfully during the first to third feeding months of the quarter with such delay in release

of funds and food grains. During exit meeting, the ZEO stated that delay was mainly from the Directorate level in release of scheme fund and cooking cost was borne by school authorities in advance i.e., the school authorities were implementing the MDM scheme by managing themselves and the amount was reimbursed when the fund was released.

Para 4: Shortage in construction of kitchen-cum-store rooms under MDM Scheme

Para 4.2 of Guidelines of Mid-day Meal provides for paying special attention to kitchen-cum-store which is a vital part of mid-day meal scheme. Absence of kitchen-cum-store or inadequate facilities would expose children to food poisoning and other health hazards as well as fire accidents. Kitchen-cum-stores should be separate from classrooms, preferably located at a safe, but accessible distance. It should be well ventilated and designed so that there is a separate storage facility with locks to check pilferage.

During test-check of records and information furnished by the office, it was noticed that 13 Primary schools out of 117 Primary schools and 11 Upper Primary schools out of 104 Upper Primary schools still did not have kitchen-cum-store rooms thereby affecting adversely in the proper implementation of the scheme. As such, steps in this regard may be taken up to adhere to the guidelines of Mid-Day Meal scheme with respect to providing functional kitchen-cum-store to schools for effective implementation of the scheme under intimation to audit.

Para 5: Maintenance of multiple bank accounts under MDM – Observation thereon

During test check of records including available bank account statements pertaining to Mid-Day Meal scheme of the office of the ZEO (Zone-I), audit noticed that three bank accounts for MDM at the district level are being operated during the period of audit, namely

- (a) A/c No.1016020000303, Bank of Baroda, Thangal Bazar – Deputy Commissioner, Imphal West
- (b) A/c No.1219104000098519, IDBI Bank Ltd. Imphal – Acquisition of Land for widening of Airport Expansion; and
- (c) A/c No.10160100020848, Bank of Baroda, Imphal – DC Imphal West Mid Day Meal.

During scrutiny of the records pertaining to MDM, the followings were noticed:

- The Nodal Officer/MDM, Directorate of Education (S), Manipur vide letter no. 8(9)/2-2/15-DE (S) dated 20th March 2017 requested the Manager, Axis Bank, Thangal Bazar, Imphal to e-transfer an amount of Rs. 56,68,751 being Cooking cost and Honorarium for Cook-cum Helper for the 3rd Quarter 2016-17 to the Bank account No. 1016020000303, Bank of Baroda, Thangal Bazar of DC, Imphal for further disbursement to concerned School Management Committee (SMC) accounts. The amount of Rs. 56,68,751 comprised of Rs. 33,96,657 for the office of ZEO,

Imphal West and Rs. 22,72,094 for the office of ZEO, Wangoi for 3rd Quarter, 2016-17. However, instead of e-transferring the amount into A/c no. 1016020000303, Bank of Baroda, Thangal Bazar, the amount was credited/transferred into A/c no. 1219104000098519, IDBI Bank Ltd. Imphal on 19.04.2017, which is meant for Acquisition of Land for widening of Airport Expansion. As such, audit concluded that though the amount was subsequently disbursed/e-transferred to concerned SMC accounts, there was a diversion of MDM scheme fund into another bank account not meant for the scheme.

- Further, the DC, Imphal West vide letter no. C(IW)/1/CON/755/CCH(MDM)/15/304 dated 12th March 2018 requested the Manager of IDBI Bank (A/c no. 1219104000098519), Imphal to e-transfer an amount of Rs. 19,72,367 being Honorarium for Cook-cum Helper & Cooking cost under MDM Scheme to A/c no. 10160100020848, Bank of Baroda, Imphal. However, as per the bank statement of A/c No. 10160100020848, Bank of Baroda, Imphal for the period from 23.03.2018 to 28.03.2018, the amount was not credited into the account.

As such, audit concluded that maintenance of multiple bank accounts instead of only one dedicated bank account for transacting all business related to MDM tantamount to lack of transparency in the transactions of MDM funds. Audit further recommended that transactions pertaining to MDM Scheme may be done through a dedicated account only.

Para 6: Tardy Aadhaar enrolment of students under MDM

As per the direction of the Directorate of Education (S), the actual utilization of funds released on cooking cost for the 4th Quarter 2016-17 & 1st Quarter 2017-18 (January to June 2017) under MDM must be strictly in accordance with the number of children recorded in the Aadhaar enrolment exercise wherever applicable/completed. But during test check of records and as per information furnished by the office, it was noticed that Aadhaar enrolment had been completed for 87.46 *per cent* of the students whereas 14.33 *per cent* of total students (872 out of 6955 students) were yet to be completed as on March 2018. As such, necessary steps may kindly be taken up for complete Aadhaar enrolment of all students under intimation to audit.

PART -III

Follow up on findings outstanding from previous reports:

Period of Account	No. of paras		No. of paras settled		Outstanding paras		Total
	II-A	II-B	II-A	II-B	II-A	II-B	
11/2000 – 11/2004	-	8	-	-	-	8	8
12/2004 – 02/2007	-	3	-	-	-	3	3
02/2007 – 03/2012	-	4	-	-	-	4	4
04/2012 – 12/2014	-	6	-	-	-	6	6
01/2015 – 04/2016	-	8	-	-	-	8	8
Total							29

Part-IV

Best Practices: No particular good practice or innovation was noticed during the course of audit.

Part-V

Acknowledgment: Audit acknowledges the co-operation extended by the office.

Sd/-


Deputy Accountant General (GS/SS/LB)

Memo No. AG (Au)/GS-SS/ZEO, Imphal West/18-19/436-439

Dated: 26.12.2019

Copy forwarded for information and necessary action to:

1. State Project Director, Sarva Shiksha Abhiyan, Babupara, Imphal-West, Manipur-795001.
2. Director, Education (S), Lamphelpat, Imphal West, Manipur-795004.
3. Commissioner, Education (S), Govt. of Manipur, Imphal Secretariat, Imphal.
4. Inspection Report file.


Sr. Audit Officer (GS/SS/LB)

Disclaimer under the Right to Information Act:

The Inspection Report has been prepared on the basis of information furnished and made available by the Auditee. The Office of the Principal Accountant General (Audit), Manipur disclaims any responsibility for mis-information and non-information on the part of the auditee.