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**THIRTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2014-2016)**

**SIXTY THIRD REPORT**

(Presented on 9th July, 2014)



SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2014

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2014-2016)**

**SIXTY THIRD REPORT**

**on**

**Action Taken by Government on the Recommendations contained in the  
Sixty Second Report of the Committee on Public Accounts (1998-2000)**

1031/2014.

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Shri G. P. Unnikrishnan, Under Secretary.

## INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Sixty third Report on Action Taken by Government on the Recommendations contained in the Sixty Second Report of the Committee on Public Accounts (1998-2000).

The Committee considered and finalised this Report at the meeting held on 30th June, 2014.

Thiruvananthapuram,  
9th July, 2014.

DR. T. M. THOMAS ISAAC,  
*Chairman,*  
*Committee on Public Accounts.*

## **REPORT**

This Report deals with the Action Taken by Government on the recommendations contained in the 62nd Report of the Committee on Public Accounts (1998-2000).

The Sixty Second Report of the Committee on Public Accounts (1998-2000) was presented to the House on 1st March, 1999. The Report contained 7 recommendations relating to General Education Department. Government were addressed on 8th March, 1999 to furnish the Statement of Action Taken on the recommendations contained in the Report and the final replies were received on 21st January, 2014.

The Committee examined the Statements of Action Taken at its meetings held on 29-12-2000, 27-3-2001, 2-1-2008, 18-11-2009 and 30-4-2014. The Committee decided not to pursue further action on the recommendations in the light of the replies furnished by Government and such recommendations and Government replies are incorporated in this Report.

### **GENERAL EDUCATION DEPARTMENT**

#### **Recommendation**

*(Sl. No.1, Para No. 4)*

The Committee find no justification for delaying staff fixation in departmental schools till October in the academic years 1988-89 and 1989-90 which should have been done not later than 15th of July every year, as stipulated in the Kerala Education Rules. The reply that this provision is mainly intended for Aided Schools, and that physical verification in Government Schools has to be clubbed with staff fixation of aided schools is not tenable as there is no such stipulation in the Rules.

#### **Action Taken**

Government have enquired the issue and have taken suitable follow-up actions. In compliance with the recommendation of the Committee, Government have issued strict directions to the educational officers to finalise staff fixation in Government Schools not later than 15th July every year and to fill up the vacancies after adjusting the teachers rendered surplus against the open vacancies. A copy of the Circular is attached (Appendix I).

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**Recommendation**

*(Sl. No. 2, Para No. 5)*

The Committee recommend to intimate whether any action was taken in the light of the enquiry as directed in letter dated 17-11-1996 against the person found responsible for the lapse. A copy of the enquiry report may also be furnished to the Committee.

**Action Taken**

The Deputy Director of Education, Ernakulam made the excess appointments of 181 P.D. Teachers in August 1988 (for 1988-89) and 166 P.D. Teachers in July 1989 (for 1989-2000) through Employment Exchange before determining the admissible staff strength as provided in the rules in KERs which resulted in an avoidable expenditure of ₹ 2.46 lakh by way of pay and allowances. The Accountant General brought the irregular appointments to the notice of the Government. Government directed the DPI to conduct an enquiry in this regard.

The DPI had conducted an enquiry and submitted report to Government on 12-12-1996. In the enquiry report certain officers have been found responsible for the lapses put forth by the audit. In report the DPI has pointed out that the DDE, Ernakulam made the excess appointments of 181 P.D. Teachers in 1988-89 and 166 P.D. Teachers in 1989-90 through Employment Exchange before determining the admissible staff strength as per the rules in KERs. Since no ranked list of P.D. Teachers was available during the year with the PSC, regular appointments were not possible.

However, as there was a grave necessity for providing teachers for rendering uninterrupted teaching to students, especially in Primary Wing, the DPI recommended to ratify the action of the DDE, Ernakulam in having appointed teachers in excess of the sanctioned posts. Government examined the enquiry report of DPI and got explanation from the officers, consulted the Finance Department and the Law Department. The Law Department opined that if the action of the Deputy Director of Education, Ernakulam was in good faith and without any malicious intention, there was reason to ratify the action even though there was lapse in determining the staff strength according to rules and since this is a matter involving the policy of the Government, a decision in this respect may be taken at the appropriate administrative level.

It was explained that the DDE made the appointments through the Employment Exchanges, since there were instructions to fill up all vacancies of teachers at the time of re-opening of the schools. It is true that the admissible staff strength was not assessed and surplus teachers were not adjusted before



making these appointments. Even though this is objectionable, Government found that he had made the appointments in question with bona fide intention. Therefore, taking a lenient view, Government ratified the action of the DDE, Ernakulam in having appointed 181 P.D. teachers in August 1988 (for 1988-89) and 166 P.D. Teachers in July 1989 (for 1989-90) through Employment Exchanges before determining the admissible staff strength as provided in the KERs, as per G.O. (Ms.) 27/2001/G.Edn. dated 27-1-2001.

With a view to avoid such lapses in future Government have issued Circular No. 41497/J2/96/G.Edn. dated 25-1-2001 that the fixation of staff strength in Government Schools shall be finalised by the Educational Officers not later than 15th July every year. The vacancies shall be filled up after adjusting the teachers rendered surplus against the open vacancies. Government have further directed in the Circular that any lapse on the part of Educational Officers in this regard will be viewed seriously.

A copy each of the report of the enquiry conducted by the DPI on 12-12-1996 explanation dated 22-8-1996 submitted by the DDE, Ernakulam, G.O. (Ms.) No. 27/2001/G.Edn. dated 27-1-2001 and Government Circular No. 41497/J2/96/G.Edn. dated 25-1-2001 are also enclosed for reference (Appendix I & II).

#### **Recommendation**

*(Sl. No. 3, Para No. 13)*

The Committee notices that huge sum of money is involved in the defalcation cases detected in test audit conducted by Accountant General. During the examination of the audit para the Committee were made to know that there existed no separate audit system to monitor financial aspects in the Education Department. Considering the fact that the Department being so vast and 40% of our exchequer is utilised for the disbursement of salary, the probability of getting such cases detected is very remote. The Committee therefore recommends that a separate internal audit wing should be constituted for the purpose.

#### **Action Taken**

A State level audit wing is now functioning in the General Education Department under the control of the Director of Public Instruction and Revenue Districts level Audit Wing is functioning under the control of each Deputy Director of Education. Government feels that no new separate internal audit wing is necessary.

### Recommendation

(Sl. No. 4, Para No. 14)

The Committee also recommends that the details of recovery in all the cases mentioned in audit para and present position of appeal filed by the Department should be furnished to the Committee.

### Action Taken

1. *Government H. S., Perumpazhuthur.*—The defalcation of Public money in Government H.S., Perumpazhuthur was pointed out by the Accountant General on 25-12-1991. The Deputy Director of Education, Thiruvananthapuram conducted an enquiry into this and found that an amount of July ` 86,436\* was embezzled by fabricating the school records by Shri S. I. Vijayadas, P.D. Teacher. He was suspended from service on 16-12-1991. After that Shri Vijayadas has remitted ` 11,113 and the amount objected by the Accountant General. He was reinstated on 1-2-1994 and he retired from service on 31-3-1994. The disciplinary action against him has been finalised as per Order No. V4-15520/2000/DPI dated 1-3-2000 and quantified the liability against him as ` 16,282. The Assistant Educational Officer, Kattakkada has been directed to recover the amount in full from his DCRG admissible to him as per letter No. I2-48207/91 dated 6-3-2000 from the Deputy Director of Education, Thiruvananthapuram.

2. *Government H. S., Anchal East.*—When misappropriation of Government money in Government H. S., Anchal East was noticed the Deputy Director (Education), Kollam and the Director of Public Instruction have conducted detailed audit in the school and found that Government money was defalcated by fabricating the school records. The main culprit in this case, Shri Vidhyadharan, Clerk was suspended from service on 4-2-1992 and he retired from service on superannuation while under suspension. The Deputy Director of Education, Kollam has fixed a liability of ` 87,038 against Shri Vidhyadharan. He filed an OP against this and the High Court ordered to release DCRG to him after recovering ` 21,900. The Deputy Director of Education, Kollam has filed an appeal against the Court verdict. The Hon'ble High Court in the Judgment dated 30-3-2000 has ordered to release all pensionary benefits to Shri G. Vidhyadharan within two months from the date of receipt of a copy of Judgment.

Shri Vidhyadharan submitted a representation along with a copy of the Judgment before Government on 24-4-2000. In the Judgment it was ordered to release the pensionary benefits. The liability has been quantified as ` 87,038.

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\* as per the direction of the Committee, in the meeting held on 27-3-2001.

In the discussion has with the Accounts Officer, Office of the Director of Public Instruction he has promised to initiate action to recover the amount, invoking the provisions under Public Accountants Act. In Government letter No. 22253/C1/2000/GEdn. dated 19-10-2000, the Deputy Director of Education, Kollam has been directed to pursue further action in the matter.

3. *Government H. S., Anchal West.*—In the case of Anchal West a detailed audit was conducted by the Audit Wing of Director of Public Instruction and misappropriation of Government money was detected. The Clerk in the School and his entire family committed suicide on the same day of the audit. Hence the Deputy Director of Education has fixed the liability against the Headmaster concerned. An amount of ₹ 19,887 has been realised from the DCRG of Smt. Thankamony, Headmistress. An amount of ₹ 30,390 has been fixed as the liability of Smt. P. K. Padmavathy, Headmistress. Action has been initiated against Smt. P. K. Padmavathy, Headmistress to realise the amount invoking the provisions under the Public Accountants Act.

#### **Recommendation**

*(Sl. No. 5, Para No. 21)*

It may be informed to the Committee whether the amendment to the KER proposed to be effected to prevent manipulation of these types have been incorporated.

#### **Action Taken**

In order to prevent the manipulation as done by the Manager, RVHS, Valakom necessary amendments have been made to Rule 5A(3) of Chapter III and Rule 51 of Chapter XIV A KER as per G.O.(P) 226/98/GEdn. dated 22-6-1998 (Copy enclosed as Appendix III).

#### **Recommendation**

*(Sl. No. 6, Para No. 23)*

Non-observance of promotion policy had resulted in sanction of additional division and staff incurring avoidable extra expenditure of ₹ 2.02 lakh during the period 1988-89 to 1990-91.

The officers found guilty and the action taken against them should be intimated to the Committee.

**Action Taken**

In the case of approval of appointment at Marthandamkara UPS, a liability of ₹ 1,92,269.50 was fixed against Shri K. Somasekharan Nair, Personal Assistant to the Educational Officer, Kottarakkara who was in-charge of District Educational Officer, Kottarakkara and the DCRG was not disbursed to him.

**Recommendation**

*(Sl. No. 7, Para No. 24)*

The Committee may also be informed of the present policy for promotion of pupils.

**Action Taken**

Promotion policy has been strictly followed by Educational Officers while preparing promotion list. No Additional post will be allowed due to detention of pupil violating promotion policy. Now, all promotion of student from Standard 1 to 8 has been ordered as part of Right to Education Act, 2009.

Thiruvananthapuram,  
9th July, 2014.

DR. T. M. THOMAS ISAAC,  
*Chairman,*  
*Committee on Public Accounts.*

## APPENDIX I

## GOVERNMENT OF KERALA

No. 41497/J2/96/G.Edn.

General Education (J) Department,  
Thiruvananthapuram,  
dated 25-1-2001.

## CIRCULAR

*Sub:*—General Education—Excess appointment of staff beyond admissible staff strength—Instructions issued.

As per Rule 12 of Chapter XXIII KERs, the fixation of staff shall be neither finalised by the Educational Officer nor later than 15th July every year or such other date as may be fixed by the director from time to time for the purpose. Now, it has been brought to the notice of Government that many a Educational Officer make excess appointment through Employment Exchange without determining the admissible staff strength. To cite an example, the Deputy Director of Education, Ernakulam appointed 181 P. D. Teachers in 1988 (for 1988-89) and 166 P.D. Teachers in 1989 (for 1989-90) through Employment Exchange before determining the admissible staff strength, which resulted in an avoidable expenditure of Rs. 2.46 lakh by way of pay and allowances. This has resulted in adverse remarks by the Public Accounts Committee.

In order to check these practices, Government are pleased to order that the fixation of staff in Government Schools shall be finalised by the Educational Officers not later than 15th July every year. The vacancies shall be filled up after adjusting the teachers rendered surplus against the open vacancies. Any lapse in this regard will be viewed seriously in future.

K. NALINI,

*Additional Secretary to Government.*

To

The Director of Public Instruction, Thiruvananthapuram.

All Deputy Directors of Education.

All District Educational Officers/Assistant Educational Officers  
(Through DDE).

The Accountant General (A&E), Kerala, Thiruvananthapuram.

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.

The Registrar, High Court of Kerala, Ernakulam (with C.L).

The Advocate General, Ernakulam.

All Officers/Sections in the General Education Department.

S.F/O.C.

APPENDIX II  
GOVERNMENT OF KERALA

**Abstract**

GENERAL EDUCATION—EXCESS APPOINTMENT OF P.D. TEACHERS IN 1988 AND 1989  
THROUGH EMPLOYMENT EXCHANGE—THE ACTION OF DEPUTY  
DIRECTOR OF EDUCATION, ERNAKULAM—RATIFIED—  
ORDERS ISSUED

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GENERAL EDUCATION (J) DEPARTMENT

G. O. (Ms.) No. 27/2001/GEdn. *Dated Thiruvananthapuram, 27th January, 2001.*

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*Read:—*Letter No. V4-2079/97/DPI dated 2-6-1997 from the Director of Public Instruction, Thiruvananthapuram.

ORDER

As per Rule 12 of Chapter XXIII KERs, the fixation of staff shall be finalised by the Education Officer not later than 15th of July every year. It has been observed in para 3.5 contained in the report of Comptroller and Auditor General of India for the year ended 31st March, 1992 No. 3 (Civil) that the Deputy Director of Education, Ernakulam appointed 181 Primary School Assistants in August 1988 (for 1988-89) and 166 Primary School Assistants in July 1989 (for 1989-90) through Employment Exchange before determining the admissible staff strength as provided in the Rules in the KERs, which resulted in an avoidable expenditure of Rs. 2.46 lakh by way of pay and allowances. Subsequently, as per directions of the Government, the Director of Public Instruction conducted an enquiry in this regard and recommended Government to ratify the action of the Deputy Director of Education, Ernakulam in having appointed excess hands in 1988 and 1989 since no P.S.C. ranked list of P.D. teachers was available during the period in question in Ernakulam District.

Government have examined the matter in detail with reference to the explanation submitted by the Deputy Director of Education, Ernakulam and in consultation with the Director of Public Instruction. It is seen that the Deputy Director of Education has made the appointments through Employment Exchange, since there were instructions to fill up all vacancies of teachers at the time of re-opening of the schools. It is true that the admissible staff strength was not assessed and surplus teachers were not adjusted, before making these appointments. Even though this is objectionable, Government find that he has

made the appointments in question with bona fide intention. Therefore, taking a lenient view, Government are pleased to ratify the action of the Deputy Director of Education, Ernakulam in having appointed 181 Primary School Assistants in August 1988 (for 1988-89) and 166 Primary School Assistants in July 1989 (for 1989-90) through employment exchange before determining the admissible staff strength as provided in the Rules in the KERs.

By order of the Governor,  
K. NALINI,  
*Additional Secretary to Government.*

To

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.

The Accountant General (A&E), Kerala, Thiruvananthapuram.

The Director of Public Instruction, Thiruvananthapuram.

The Deputy Director of Education, Ernakulam.

Stock File/Office Copy.



## APPENDIX III

Kerala Gazette No. 30 dated 28th July, 1998

PART I

Section iv

GOVERNMENT OF KERALA

**General Education (J) Department**

NOTIFICATION

G.O. (P) No. 226/98/G.Edn.

*Thriuvananthapuram, 3rd June, 1998.*

**S.R.O. No. 626/98.**—In exercise of the powers conferred by section 36 of the Kerala Education Act, 1958 (6 of 1959), the Government of Kerala hereby made the following rules further to amend the Kerala Education Rules, 1959, namely:—

## RULES

1. *Short title and commencement.*—(1) These rules may be called the Kerala Education (Amendment) Rules, 1998.

(2) The amendment under rule 2(1) shall come into force at once.

(3) The amendment under rule 2(2) shall be deemed to have come into force with effect from the 1st January, 1985.

2. *Amendment of the Rules.*—(1) In the Kerala Education Rules, 1959, in Chapter III after sub-rule (2) of Rule 5A the following shall be added as sub-rule (3), namely:—

“(3) In the case of change of management of a school involving change of ownership the new Manager of a corporate or an individual Educational Agency, shall be bound to absorb any member who is a claimant under rule 51A of Chapter XIV A or is eligible for protection belonging to teaching and non-teaching staff of any school of the transferor manager, against the vacancies that may arise in the school”.

(2) In Chapter XIV A, in rule 51 A, after the words, “same Educational Agency” the following shall be added, namely:—

“or an Educational Agency to which the school may be subsequently transferred”.

By order of the Governor,

K. JAYAKUMAR,

*Secretary to Government.*

**Explanatory Note**

(This does not form part of the Notification, but is intended to indicate its general purport.)

At present, in the event of transfer of management of a school, there is no provision in the Kerala Education Rules, to direct the transferee Manager to absorb the protected teachers and claimants under rule 51A of Chapter XIV A of any school belonging to the transferor Manager.

Similarly, at present, in the event of transfer of management of a school there is no provision in the Kerala Education Rules to treat any member who is eligible for protection or a claimant under rule 51A of Chapter XIV A belonging to the teaching and non-teaching staff of any school of the transferor manager as such a claimant in the vacancies arising in transferred school under the transferee manager. Government have decided to incorporate provisions for the above purpose in the rules. This notification is intended to achieve the above objects.

To

The Director of Public Instruction.

All Deputy Directors of Education.

All District Educational Officers }  
All Assistant Educational Officers } through D.D.E. concerned.

The Principal Accountant General, (Audit) Kerala, Thiruvananthapuram.

The Accountant General, (A&E), Kerala, Thiruvananthapuram.

The Advocate General, Ernakulam.

The Law Department (vide u.o. No.12775/Leg. Uni.3/96/Law dated 20-9-1996)

The Finance Department.

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