

**GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:253
ANSWERED ON:24.02.2010
DIVERSION OF FUNDS
Singh Shri Rakesh

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

- (a) whether instances of diversion of funds meant for Central Schemes by State Governments have come to the notice of the Union Government;
- (b) if so, the details thereof; and
- (c) the steps taken/proposed to be taken by the Union Government to check the diversion of funds by the State Governments?

Answer

MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT(SMT. D PURANDESWARI)

(a) & (b): Yes, Sir. The Performance Audit report on Sarva Shiksha Abhiyan (SSA) for the period 2001-02 to 2004- 05,submitted by the Comptroller and Auditor General of India in August 2006, indicates that an amount of Rs 53 crores can be classified as expenditure not covered under the SSA guidelines.

The CAG in its Report No. PA 13 of 2008 for the year ended March,2007 has pointed out diversion of funds and foodgrains in 11 States under Mid Day Meal Scheme(MDM) during the period 2004-07.The details are given as under:

S.NO. State Extent of diversion

1. Kerala Diversion of 40% food grains worth Rs.42.51 crore for upper primary classes during 2002-07

2. Jharkhand Food grains worth Rs.2.24 crore diverted towards BPL under TPDS during 2004-07

3. Uttar Pradesh 440 MT food grains lifted from FCI Bulunshahar seized in Delhi

4. Andhra Pradesh Cooking cost worth Rs.3.26 crore diverted towards construction of kitchen sheds

5. Nagaland Food grains worth Rs.6.86 crore lifted from FCI was sold and proceeds deposited with Directorate of School Education during 2002-04

6. Assam Cooking cost was diverted for purchase of utensils and LPG

7. Andaman & Nicobar Islands Rs.2.03 crore worth food grains diverted to other centrally sponsored scheme

8. Meghalaya In one district the cooking cost of Rs.5.06 lakh was diverted for payment of salaries to teachers of non-government primary schools

9. Bihar 782.21 quintals of rice diverted for relief work at Buxar and not recouped

10. West Bengal Rs.92.69 crore worth cooking cost diverted for kitchen sheds,cooking devices and MME

11. Madhya Pradesh Rs.17.78 lakh diverted for printing of cards,stationery,audit fee etc.

(c): The Manual on Financial Management and Procurement in SSA prescribes,inter alia, systems for accounting, internal and external auditing and procurement. Government of India also monitors the use of SSA funds through annual State/UT audits,independent concurrent financial reviews and field monitoring through social science institutions. The Central Government consistently reiterates through the release orders to States/ UTs that the fund released under various Centrally Sponsored Schemes should not be diverted to any purpose other than for which it is sanctioned.The Government has also issued strict instructions to States/UTs to avoid recurrence of such instances in future. Complaints received on financial irregularities are investigated by States and corrective action taken on a regular basis.