

Government of Madras.

EDUCATIONAL DEPARTMENT.

Bus

G.O., No. 404, 23rd May 1908.

pp-6

Building grant.

Passing orders on the application for a — towards the cost of improving the accommodation of the school department of the Madras Christian College.

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Government of Madras.

EDUCATIONAL DEPARTMENT.

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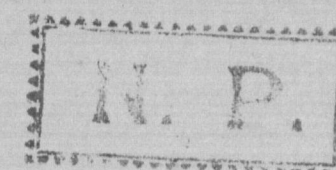
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G.O., No. 404, 23rd May 1908.



Building grant.

Passing orders on the application for a — towards the cost of improving the accommodation of the school department of the Madras Christian College.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—the following papers :—

I

Letter—from the Hon'ble Mr. A. G. BOURNE, D.Sc., F.R.S., Director of Public Instruction.

To—the Secretary to Government, Educational Department.

Dated—Madras, the 31st January 1908.

No.—Ref. on Cur. 9228-A/07.

I have the honour to submit, for the orders of Government, a letter from the Bursar of Christian College No. 152, dated 20th December 1907, regarding the question of sanction of a grant-in-aid towards the cost of improvements to be effected in the accommodation of the school department of Christian College. The improvements, which are necessary in the opinion of the Inspecting officer, involve the acquisition of certain "Godowns" in the immediate proximity of the school buildings, and the site on which they stand which are at present held "in Trust" by the College Association, having been purchased as investment of "Trust money"; and are rented out for commercial purposes. I have ascertained that the Trust money thus invested belongs to the "Professors' Retiring Fund"—but that it is not held under a formal trust-deed, since this was considered unnecessary as the College Association is itself a registered body. It is proposed to purchase these godowns for the improvement of the school at the cost price, *i.e.*, Rs. 17,261 and to effect certain structural alterations in the present building at the cost of about Rs. 800.

2. The point at issue at the present stage is whether the proposed acquisition of these godowns constitutes a *bonâ fide* purchase—for which a grant is sanctionable under the Code. I am of opinion that the intended purchase is *bonâ fide*—since the property required is at present an investment of money belonging properly to the Professors' Retiring Fund—and the acquisition of it for school purpose would involve loss of interest on the capital, *i.e.*, the rent at present paid—as well as loss of some of the capital itself—since the godowns are to be demolished. I enclose the Rules and Regulations of the Professors' Retiring Fund and a copy of the latest annual report on the college—from which the status and position of the fund towards the college can be seen. It may be noted that though the college contributes to the fund, the bulk of the assets is made up of the Professors' contributions.

3. If Government consider that there are *primâ facie* reasons for considering such an application, the college authorities may be asked to submit a formal application under article 51 of the Grant-in-Aid Code with detailed estimates. In submitting that application, I shall discuss the amount of grant that may reasonably be given. It has been represented to me that the improvements are urgently required and that early orders on the question of grant would be welcome.

ENCLOSURE.

Letter—from Revd. J. M. S. RUSSELL, Bursar, Madras Christian College.

To—the Director of Public Instruction, Madras.

Dated—Madras, the 20th December 1907.

No.—152.

With reference to the following remarks of the Inspector of Schools in his report on the inspection of the school department of the Madras Christian College, dated 18th May 1907 :—

"The accommodation is not altogether satisfactory, some of the rooms being ill-lighted and ill-ventilated and proved very trying both to pupils and to the Inspector on a hot day in May. But the accommodation is shortly to be improved and the sooner it is done the better."

I have the honour to apply for a building grant of one-third of a proposed expenditure of Rs. 18,500 (approximately) for the improvement of the school accommodation. If a grant is sanctioned at an early date, it will be possible to effect the improvement which is urgently required before the end of March 1908.

2. The improvement which it is proposed to make is as follows :—

The least satisfactory class rooms are those marked on the plan, sent herewith, as occupied by 1st standard, 4th standard A Division and 4th standard B Division. It is proposed to find accommodation for the classes using these rooms within the space marked "Science store-room" and "General Godown." This latter space is at present utilized as indicated, but if the area to the north of it were opened up, it would afford excellent accommodation for classes. To open up the area to the north it will be necessary to acquire the "Godowns" (marked in red) standing there. This property is at present held by the "Madras Christian College" (Association) as an investment of certain Trust funds, the "Godowns" being let to a mercantile firm for a rental of Rs. 100 per mensem. It is proposed to take over the property at the price paid for it and to demolish the "Godowns". This will cost Rs. 17,695.

3. It will also be necessary to make certain structural alterations within the present buildings which with the cost of demolition, it is estimated, will cost, say, Rs. 805.

4. It is proposed to utilize the accommodation thus abandoned as class-rooms, in part as store-rooms, but the portion to the south marked (1st standard) will be converted into a common room for teachers, a convenience urgently needed, the teachers of the "classes" and lower forms having at present no room where they may sit when not engaged in teaching or where they may meet together to consult with reference to arrangements.

5. If it be thought that the sum which it is proposed to expend is out of proportion to the amount of good accommodation that will be secured by the outlay, I have the honour to propose that one-third or two-thirds (as may be determined upon) of the property in question be acquired and demolished. This would reduce the cost by a proportionate amount. This reduced scheme, while affording ample light for the accommodation which it is proposed to bring into use for class purposes, giving as it will a clear angle of 45° from the sills of the windows, will of course secure a much more limited clear area to the north.

6. Should funds not be available for the purpose before the close of the current financial year, I have the honour to request that you may be so good as favourably to entertain the application as a charge upon the funds that may be made available in 1908-1909: but in the latter case I desire to express the hope that I may be permitted to submit additional proposals for further improvement of the accommodation used by the school. The improvement now proposed is, as I have said, urgently required.

II

Official Memorandum No. 251-1, Educational, dated 28th February 1908.

With reference to his letter, dated the 31st January 1908, forwarding for the orders of Government a letter from the Bursar of the Christian College regarding the question of sanctioning a grant-in-aid towards the cost of improvements to the school department of the college, the Director of Public Instruction will be requested to ask the Bursar to have a deed drawn up setting out clearly the terms on which the purchase of the godowns is to be made. Information should also be furnished as to how the full amount of purchase money is to be invested on behalf of the Professors' Retiring Fund and what guarantee exists that the investment will be utilised solely for the purposes of that fund. The Government cannot on the present information pass orders on the admissibility of a grant-in-aid.

(By order.)

C. A. SOUTER,
Asst. Secretary to Government.

To the Director of Public Instruction.

III

Letter—from Revd. J. M. S. RUSSELL, Bursar, Madras Christian College.

To—the Director of Public Instruction.

Dated—Madras, the 8th April 1908.

No.—211.

With reference to Official Memorandum No. 9228-A/07 of 6th March 1908, I have the honour to reply that I much regret if through any want of clearness or explicitness on my part a misapprehension has arisen with regard to the exact way in which the Association holds the godowns in question.

2. The simplest way to remove the misapprehension will, I venture to think, be for me as Secretary of the Association to submit a copy of the Association's certified balance sheet which accordingly I now do. Upon it I have called attention to the property in question, and it will be seen that it ranks as a property of the Professors' Retiring Fund for which the Association is liable.

3. Should Government be pleased to make the grant asked for, the price of the property will be handed over to the Committee that manages the Professors' Retiring Fund and the property itself will be demolished for the improvement of the accommodation of the school. It will of course then cease to yield the income of Rs. 100 per mensem which at present is drawn from it by the Professors' Retiring Fund. The Executive Engineer of the division may be required to certify to the fact of demolition. It will not be necessary to execute a new sale-deed.

In the circumstances the receipt for the price which the officer in charge of the Professors' Retiring Fund will supply me with on payment of the money, and which I shall submit to you when required, will be the evidence that the transaction has taken place.

4. I may state that the Professors' Retiring Fund does not with regard to the investment of its monies come within the purview of the Educational Department. The investments are governed by the Indian Trusts Act, and the Association under the Indian Companies Act is bound to publish and register annually a balance sheet. I presume that these statutes will be regarded as sufficiently stringent in their requirements so that any further guarantee seems scarcely necessary.

Ref. on Cur. No. 9228-A of 1907, dated 21st April 1908.

Submitted to the Secretary to Government, Educational Department, with reference to Memorandum No. 251-1, dated 28th February 1908.

2. In the circumstances explained by the Bursar, the deed of sale need not at present be insisted on. If the Government are prepared to consider the question of a grant, a receipt from the Retiring Fund Committee for the amount received as purchase money for the buildings will be insisted on as a condition of payment of the grant.

A. G. BOURNE,
Director of Public Instruction.

Order—No. 404, Educational, dated 23rd May 1908.

The Director of Public Instruction will be informed that the Government will be prepared to consider the question of a grant-in-aid towards the cost of the proposed improvements to the accommodation of the school department of the Madras Christian College on the understanding that the management submit a receipt from the Committee of the Professors' Retiring Fund for the amount received as compensation for the "Godowns" which it is proposed to purchase.

(True Extract.)

C. A. SOUTER,
Ag. Secretary to Government.

To the Director of Public Instruction.

EDUCATIONAL DEPARTMENT.

NOTES CONNECTED WITH G.O., No. 404, EDUCATIONAL, DATED 23RD MAY 1908.

[SUBJECT.—Application for a grant-in-aid of the cost of improvements to be effected in the accommodation of the Madras Christian College (School department).]

From the Director of Public Instruction, dated 31st January 1908, No. 9228-A.

The Bursar of the Madras Christian College applies for a building grant of one-third of the proposed expenditure of about Rs. 18,500 for the improvement of the accommodation of the School department of the college, which the Inspector of Schools has considered to be not satisfactory. The college authorities propose to provide additional accommodation by acquiring the godowns in the immediate proximity of the school buildings and the site on which they stand, which are at present held "in trust" by the College Association, having been purchased as investment of "Trust money", and are rented out for commercial purposes. The Director of Public Instruction has ascertained that the Trust money thus invested belongs to the Professors' Retiring Fund, but that it is not held under a formal trust deed, since this was considered unnecessary as the College Association is itself a registered body.

2. Dr. Bourne in submitting the letter of the Bursar for the orders of Government states that the point at issue is whether the proposed acquisition of the godowns referred to constitutes a *bona fide* purchase for which a grant is sanctionable under the Grant-in-Aid Code. He is of opinion that the purchase is a *bona fide* one "since the property is at present an investment of money belonging properly to the Professors' Retiring Fund and the acquisition of it for school purposes would involve loss of interest on the capital, i.e., the rent at present paid, as well as loss of some of the capital itself since the godowns are to be demolished". He also adds that though the College contributes to the fund, the bulk of the assets is made of the Professors' contributions.

3. Dr. Bourne further says that, if Government consider that there are *prima facie* reasons for considering the application, the college authorities may be asked to submit a formal application under article 51 of the Grant-in-Aid Code with the detailed estimates, and that in submitting that application he will discuss the amount of grant that may reasonably be given.

4. It will be seen from the articles of constitution of the Professors' Retiring Fund that the income of the fund is drawn from the following sources:—

- (1) The interest on an endowment.
- (2) A monthly payment from each Professor on the staff of 5 per cent. of his salary.
- (3) A monthly donation from the college funds of Rs. 185.

5. Article IV of the Rules says:—

"The endowment of the fund shall consist of college house, valued at Rs. 45,000, and such other sums as may be added to the endowment from time to time. It shall be invested in accordance with section 20 of the Indian Trusts Act (1882) and no portion of it shall ever be used for the payment of any sum that may be due from the fund.

6. It is for consideration whether there is a *bona fide* case for a grant and whether the college authorities may be asked to submit a formal application.

C.S.—17-2-08.

T.K.—19-2-08.

The point for consideration is whether the proposed purchase of the site and buildings for increasing the accommodation of the School department of the College is a *bona fide* transaction. Dr. Bourne is of opinion that it is, as "the property required is at present an investment of money belonging properly to the Professors' Retiring Fund—and the acquisition of it for school purposes would involve loss of interest on capital, as well as loss of some of the capital itself." The Professors' Retiring Fund is composed partly of the subscriptions of the Professors and partly of contributions (Rs. 185 per mensem) from the college funds. This fund is administered

Vide rule II of the articles of constitution of the fund. by a Committee consisting of the Bursar of the college and two elected members; and the Committee renders an annual

report to the Council, and the action of the Committee is subject to revision by the Council. This fund seems to be of the nature of a Provident fund, and the position of the College Council in relation to this fund seems to be only that of a trustee. If this view is concurred in, the College Council, as such, does not appear to have any title to the property in question, which represents an asset of the Professors' Retiring Fund. Attention is in this connection invited to the notes and orders with G.O., No. 766, Educational, dated 26th December 1904, in which the Government declined to sanction a building grant towards the acquisition by the College Council of the Fenn Hostel buildings, which were the private property of the Rev. Dr. Miller. Subsequently, however, the Government sanctioned a grant of Rs. 15,000 for this purpose—*vide* the notes and orders with G.O., No. 22, Educational, dated 16th January 1906.

2. It may be noted that the Government have in G.O., No. 810, Educational, dated 3rd December 1907, sanctioned a grant of Rs. 50,000, out of the special grant

for University education, towards the cost of improving the accommodation and equipment of the college in order to enable it to comply with the new University Regulations. The college authorities asked for a grant of Rs. 1,73,000 for the following purposes:—

	RS.
For building	85,500
Cost of site	60,000
Furniture and equipment	20,000
Structural alterations on present buildings	7,500
Total	1,73,000

K. RANGASWAMI AIYANGAR—22-2-08.

It is presumed that the purchase money will be actually *spent and credited to the fund*. This is the main test of the *bona fide* of the purchase. I think Government should first have definite information on this point.

H. D. TAYLOR.

C. A. SOUTER—24-2-08.

One never quite knows where one is in dealing with the Christian College authorities whose ways are Jesuitical and peculiar when there is any chance of getting money. They apply for grants for the purchase of what is to all practical purposes their own property and already in use for College purposes.

If, however, it be the fact that the godowns are rented out for commercial purposes at present, and are the property of the Professors' Retiring Fund, and if it is intended, and there is adequate guarantee, that they should be used for the *School department* of the college only, then there is no objection to the one-third grant. The Government must however before it pays over the money see—as in the case of the Fenn Hostel—that there is a proper deed of sale or transfer to the college authorities of these godowns for value received, and the total amount—say Rs. 18,500—on which the grant is paid must be invested for the credit of the Professors' fund in cash in Government or other

securities on behalf of that fund, and not utilised for other buildings for general college purposes. Before any grant can be promised Government must have assurances to that effect.

There are confidential papers connected with the Fenn Hostel and grants to the Christian College which I think it unnecessary to put up for reference at this stage.

H. D. TAYLOR—25-2-08.

We may ask them to have a deed drawn up and sent to us. Then we can have it examined by the Government Solicitor. We may also ask for assurance about the investment of the purchase money.

H. B[RADLEY]—25-2-08.

Please draft.

H. D. TAYLOR—26-2-08.

Please see draft official memorandum below.

C. A. SOUTER—26-2-08.

H. D. TAYLOR—26-2-08.

Approved.

H. B[RADLEY]—27-2-08.

Issue.

H. D. TAYLOR—28-2-08.

[Memorandum No. 251-1, Educational, dated 28th February 1908.]

From the Director of Public Instruction, dated 21st April 1908, No. 9228/A.

In Memorandum No. 251-1, dated 28th February 1908, the Director of Public Instruction was requested,

(1) to ask the Bursar of the Madras Christian College to have a deed drawn up setting out clearly the terms on which the proposed purchase of the godowns was to be made; and

(2) to furnish information as to how the full amount of purchase money was to be invested on behalf of the Professors' Retiring Fund and what guarantee existed that the investment would be utilized solely for the purposes of that fund.

2. The Bursar of the Christian College, who is the Secretary of the College Association, submits a copy of the Association's certified balance sheet from which it is observed that the three godowns in Angappa Naick Street which it is proposed to purchase for improving the accommodation of the School department are the property of the Professors' Retiring Fund for which the Association is liable.

3. The Bursar adds that should the Government make the grant asked for the price of the property will be handed over to the Committee that manages the Professors' Retiring Fund and that the receipt for that amount which the officer in charge of the fund will give him (the Bursar) will be produced when required. This, the Bursar says, will be the evidence that the transaction has taken place. It is also suggested that the Executive Engineer of the division may be required to certify to the fact of demolition of the godowns which at present yield a monthly income of Rs. 100.

4. The Director of Public Instruction observes that, in the circumstances explained by the Bursar, the deed of sale need not at present be insisted on. "If the Government are prepared to consider the question of a grant, a receipt from the Retiring Fund Committee for the amount received as purchase money for the buildings will be insisted on as a condition of payment of the grant."

5. It is for consideration whether the grant applied for, that is one-third of Rs. 18,500, may be sanctioned, subject to the production of the receipt for the money, as suggested by the Director of Public Instruction or whether any further conditions should be imposed.

C. A. SOUTER—18-5-08.

K. RANGASWAMI AIYANGAR—5-5-08.

Perhaps a trust deed need not be insisted upon. In paragraph 4 of the Bursar's letter No. 211, dated 8th April 1908, it will be found stated that the Professors' Fund is governed by the Trusts Act and that a balance sheet is registered and published annually. This seems enough. A grant may therefore be given on the condition stated by the Director of Public Instruction.

C. A. SOUTER—5-5-08.

Yes. I agree.

M. H[AMMICK]—20-5-08.

Draft please.

C. A. SOUTER—21-5-08.

The draft order placed below is for approval.

K. RANGASWAMI AIYANGAR—22-5-08.

Issue.

C. A. SOUTER—23-5-08.

[G.O., No. 404, Educational, dated 23rd May 1908.]



Received.....190 , Registered.....

3/2 1908

Subject.

Submitting for orders of Government a letter from the Bursar, Madras Christian College regarding the question of sanction of a grant-in-aid towards the cost of improvements to be effected in the accommodation of the school department of the college.

ENCLOSURES.

No. 3.

Spare copies.....

Ref on Cur No. 9 2 2 8 A/07

Station Madras, Dated the 31st January 1908.

From (Name) The Hon'ble Mr. A.C. Bourne, D.Sc., F.R.S.,
(Designation) Director of Public Instruction,

Madras.

To the Secretary to the Government of Madras,
Educational Department.

I have the honour to submit for the orders of Government a letter from the Bursar of Christian College No. 152 dated 20th December 1907 regarding the question of sanction of a grant-in-aid towards the cost of improvements to be effected in the accommodation of the school department of Christian College. The improvements, which are necessary in the opinion of the inspecting officer, involve the acquisition of certain "Godowns" in the immediate proximity of the school buildings, and the site on which they stand which are at present held "in Trust" by the College Association, having been purchased as investment of "Trust Money", and are rented out for commercial purposes. I have ascertained that the Trust Money thus invested belongs to the "Professor's Retiring Fund" but that it is not held under this was considered unnecessary as the College

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C. No. 251, From the S. P. I., No. 9228, dated 31 1 1908

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No. 404 dated 23-5-1908

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The D. P. I. will be in-
formed that the Govt will
be prepared to consider the
question of a grant-in-aid
towards the cost of the
proposed improvements to the
accommodation of the School
department of the Madras
Christian College, on the under-
standing that the manage-
ment submit a receipt from
the Committee of the Professor
Reservy Fund, for the amount
received

138P / 1 (2)
 received as compensation
 for the 'godowns' which it
 is proposed to ~~to keep~~ ^{purchase} for
 the purpose

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 22.5.08

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 23.5.8.

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 25 MAY 1908
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