

Education and Public Health

(194⁵) Department.

Ms. SERIES.

G.O. No. 252-Edr.,

Dated the 20th February 1945.

Order on pp 17-18 et

[Despatch Abstract.]

University - Annamalai - Opening of Engineering courses - Non-recurring grant - Previous orders modified.

Back Papers.

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

Further Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
MS	390	Edn	23-2-44				
Ms.	1034	En.	19.4.51				

RAJAH
SIR ANNAMALAI CHETTIAR.
OF CHETTINAD.



CHETTINAD HOUSE,
ADYAR, MADRAS.

30th December, 1944.

00502

May it please Your Excellency,

R/30-2504

I have been in receipt of a copy of the G.O. No. Ms.1892, Edn., dated 20-12-1944. Let me hasten to express my grateful thanks to Your Excellency for all your great sympathy for the Annamalai University, the fostering care you have bestowed on the Institution, and the signal services you have done to the cause of Technological education, and incidentally, to the growth of industries in the land. But for your expeditious despatch of business and the vigour with which you saw the scheme through, it could not be the success it has been. Personally I feel very much indebted to Your Excellency for the extreme indulgence with which you treated me whenever and as often as I came to you with requests in this matter. The University will ever remember Your Excellency as the students and the staff know full well how, because of your great interest in the University, the Sir Arthur Hope Laboratories and the College of Engineering and

Technology stand as symbols to your large hearted sympathy for education in South India.

I crave Your Excellency's indulgence to mention one little misgiving of mine. The G.O. as it is now worded, expects the University to find Rs.5 lakhs in addition to the Rs.5 lakhs donated by Dr. Alagappa Chettiar. It is difficult to find another equally benevolent person. It may take a long time and involve great effort on the part of the University. If the language of the G.O. is not modified, the scheme might be half complete for want of Rs.5 lakhs of University funds to claim the second instalment of Rs.5 lakhs of Government grant. May I suggest therefore a suitable modification to vouchsafe to the University the grant of Rs.10 lakhs so kindly sanctioned towards the non-recurring cost to the University? The University will endeavour its very best to find funds for the purpose.

My prayer is that it must not be made a condition precedent to the earning of the second

RAJAH
SIR ANNAMALAI CHETTIAR.
OF CHETTINAD.



CHETTINAD HOUSE,
ADYAR, MADRAS.

3.

instalment of Rs.5 lakhs of Government grant.

With profound respects,

Yours sincerely,

Chettinad House

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RAJAH
SIR ANNAMALAI CHETTIAR.
OF CHETTINAD.



5
CHETTINAD HOUSE,
ADYAR, MADRAS.

30th December, 1944.

Dear Mr. Platt,

R/23-25 cf
In gratefully acknowledging receipt with thanks of the G.O. Ms. No. 1892 Fdn. dated 20-12-1944, sanctioning the scheme of technological and engineering instruction at the University, let me express how beholden the University is to the Government for their encouragement of technological education in the southern part of this Presidency.

Already the University has cleared the site, planned the lay-out, and the work is now in good progress, so that instruction might be started in July, 1945.

ppg-110 mfr
In the G.O. of which I enclose a copy for purposes of ready reference, a modification is needed, as in its present wording the G.O. contemplates grants on the basis of the Grant-in-Aid Code, contrary to the system of grants for Universities in this Presidency till now. The Madras, Andhra and Annamalai Universities have till now been given full grants towards non-recurring expenditure. The first grant to this University towards

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non-recurring expenditure was a full grant of Rs.7 lakhs and a half without any stipulation for an equal sum from University funds. The second grant of 1942 was also a full grant of Rs.1,38,000, Rs.96,000 and Rs.2,31,000 towards expenditure for the Sir Arthur Hope Laboratories, the Tamil Research Institute and the Drainage Scheme.

Remained for the full
Rs. 70.50
12-5-42
11/39
Govt. 1746
13 (E) 7-12-42
B
I have therefore to request that the latest grant of Rs.10 lakhs be also a full grant without the stipulation that the grant will have to be earned only by equal contributions by the University, for gifts of benevolence like Dr. Alagappa Chettiar's are very rare.

The scheme has now been worked out to require an expenditure of Rs.20 lakhs. The University has Rs.5 lakhs donated by Dr. Alagappa Chettiar. According to the G.O. it will become eligible only for an equal sum of Rs.5 lakhs grant from Government; with the Rs.10 lakhs thus secured, the scheme will be only half done. It will be a great pity if at that stage the scheme were to be held up for want of Rs.5 lakhs of University money to earn another Rs.5 lakhs from Government.

With the Rs.5 lakhs from Dr. Alagappa Chettiar

RAJAH
SIR ANNAMALAI CHETTIAR.
OF CHETTINAD.



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CHETTINAD HOUSE,
ADYAR, MADRAS.

3.

and the Rs.10 lakhs of Government grant on the basis of a full grant, the scheme will be nearer completion. By the full grant of Rs.10 lakhs, the University may be enabled to go forward with less anxiety to work out the scheme, which has been so sympathetically and generously treated by Government in the fixation of Rs.10 lakhs as grant.

I pray that His Excellency's Government be pleased to modify the G.O. removing the stipulation referred to above.

I shall be thankful to you if you will kindly place this before His Excellency for his consideration.

Yours sincerely,

Alagappa Chettiar

Governor's Secretariat.

Submitted to A-2 for advice.



31/12/45
Private Secretary to
H.E. the Governor.

Note to
12/1/45
E.M.H.
Sec FIN

9
Government of Madras.
Education and Public Health Department.
G.O.No.1892-Edu., dated the 20th December 1944. 6

Abstract.

UNIVERSITY - Annamalai - Engineering courses - Scheme approved.

Read the following:-

From the Vice-Chancellor, Annamalai University, dated 12-10-1944.

ORDER:-

His Excellency the Governor is pleased to approve the scheme proposed by the Annamalai University for organizing engineering courses in a new College of Engineering in the University. The Government will be prepared to make from provincial funds a grant of one-half of the actual non-recurring cost, subject to a maximum grant of Rs.10 lakhs, and two-thirds of the actual recurring cost, subject to a minimum of Rs.1.33 lakhs a year and a maximum of Rs.2 lakhs a year. The grant will be subject to the conditions mentioned in the annexure.

2. A provision of Rs.1 lakh towards the non-recurring grant referred to above will be made in the Revised estimate of the current year. The amount will be placed at the disposal of the University as soon as the University is ready to begin the construction of buildings and the balance of the non-recurring grant will be paid in instalments with reference to the progress of expenditure. The Registrar is requested to inform the Government immediately what amount of non-recurring expenditure the University expects to incur on this object in the financial year 1945-46.

In the financial year in which the courses are begun the recurring grant for the part of the year subsequent to the opening of the courses will be placed at the disposal of the University in monthly instalments, about the 20th of each month, like the existing recurring grant, and will be based on the appropriate proportion of the minimum grant of Rs.1.33 lakhs for a year referred to above; after the first year the amount of the monthly instalments will be fixed at the beginning of each year with reference to the expenditure of the previous year and the University's budget estimate. An adjustment will be made each year, when necessary, with reference to the ascertained actual expenditure of the previous year on recurring items forming part of the scheme.

(By order of His Excellency the Governor)

M.V.Subramanian,
SECRETARY TO GOVERNMENT.

(True copy)

ANNEXURE.

Conditions.

(1) The courses to be provided in the University, the syllabuses of studies and the numbers to be trained in each course should generally fit in with the Government's post-war ~~xxxxxx~~ plans of development, which they hope to announce shortly.

(2) In making admissions to the courses, arrangements should be made generally on the lines followed in the Government Engineering College, Guindy, in regard to ~~xx~~ such matters as the representation of communities, the proportion on which students are selected from the various linguistic areas of the province etc.

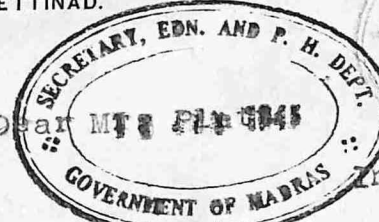
(3) Advances paid in respect of the recurring grant and the non-recurring grant for equipment will be subject to adjustment with reference to the audited figures of expenditure.

(4) The University may undertake the designing, planning and construction of the Buildings on its sole responsibility or, if it prefers, may get the lay-out, the plans and the estimates scrutinized by the Government Public Works Department and approved by them. In either case, the Executive Engineer of the Government Public Works Department, having local jurisdiction, any officer superior to him and any subordinate officer deputed by him should be given access, when desired, to inspect the buildings as the work proceeds and on completion. The final adjustment of the grants given in advance towards expenditure on buildings will be made with reference to the actual cost of the work done, as certified by the Executive Engineer.

RAJAH
SIR ANNAMALAI CHETTIAR.
OF CHETTINAD.

CHETTINAD HOUSE,
ADYAR, MADRAS.

12th January, 1945.



Added: 13.1.45
Pl. P. H. Dept.
13/1/45
Secy E. P. H. D.
FV
02271
In my letter of the 30th December, 1944, I took leave to suggest a modification in G.O.No. Ms.1892 Edn., d.20-12-1944 in respect of the non-recurring grant. In the same G.O. the portion relating to recurring grant also requires modification as I shall detail below.

Grants to Universities have always been block grants. Both in 1929 and in 1942 when a recurring grant of Rs.1.5 lakhs and Rs.40,000 was sanctioned for this University, the grant was a block one. It is the same kind of block grant that has been given to the older Universities of Madras and Andhra. As autonomous bodies, Universities have been given block grants. It is my request that the Annamalai University should be given a block grant as heretofore.

I have therefore to request that in the light of universal practice in respect of Universities, Government be pleased to sanction a grant of Rs.10 lakhs towards non-recurring expenditure and

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payment of the same in instalments from time to time as expenditure is incurred and Rs. 2 lakhs towards recurring expenditure on the block grant basis as already generously sanctioned by Government. The recurring cost for the first year may be paid in proportion to the number of months of the working of the Institute in the year.

As heretofore, the University will gladly produce certificates from the Executive Engineer of the District for building expenditure and submit, for audit by Government, all its accounts.

I have been all along pleading for a specially generous treatment to the youngest of the three Universities in this Presidency. I now plead only for the same treatment in respect of payment of block grant as to the other Universities.

With kind regards,

Yours sincerely,

C. P. K. M. Chidambaram
Governor's Secretariat.

Submitted to H2 for advice.
H.E. particularly wishes examination of the
Rajah's chief ground for this request viz that all
similar grants in the past have been outright &
not half grants & flat
13.1.45 pss

G.S.U.O.
No. 3745/1
15-1-45

EB

13

E.P.H. Dept. 8

The main file on the subject was sent to Finance for remarks with No. No. 502 C-1 d 12.1.45. This may be sent to that depto in continuation.

wa
16.1.45

16.1.45

17/1/45

Pr. (Exp B)

No. 502 C-2
17.1.45

16.1.45

The main file referred to above was returned to Gen of H with this Dept's V.O No 23 21 Exp B-1 d 17.1.45. This may also be returned to them for ^{examination} remarks in the first instance. *18.1.45* E.P.H.

17 JAN 1945
18 JAN 1945

2891 Exp B-1
18.1.45
A.S.
contd H

m
18/1/45
02604

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Finance Secretariat.
Fort St. George, Madras,
24th January 1945.

My dear Raja Sahib,

Sir Norman Strathie and Mr. Austin have suggested that you might like to discuss with me your request to His Excellency the Governor for a modification of the orders already issued regarding the Government's grants towards the expenditure on the new Engineering College for the Annamalai University. On telephoning to Chettinad House I have heard that you have left for Chettinad. Would you kindly let me know when you expect to return to Madras and whether you would like to discuss this matter with me? Any time during office hours on any working day at the Secretariat would suit me.

Yours sincerely,

Resd
24/1
Dr. Raja Sir Annamalai Chettiyar, Kt.,
D. Litt.,
Raja of Chettinad, 'The Palace'
Chettinad.

Drd
24.1.45

From

THE AGENT,

IMPERIAL BANK OF INDIA,

COIMBATORE.

To

THE SECRETARY TO THE
GOVERNMENT OF MADRAS,

Finance (Ways and Means) Dept.,

FORT ST. GEORGE,

MADRAS.

11,202-5-3-42.

Daily Statement of transactions under Reserve Bank Deposits—Provincial.

[Imperial Bank of India (Madras Local Head Office) Memos. No. 36
of 1937, dated 8th April 1937; and No. 57 of 1937,
dated 3rd June 1937; and Madras Government letter
No. P. 47-W.M-1, dated 12th March 1942.]

NAME OF THE Treasury COIMBATORE.
Sub-Treasury

Provincial transactions on

194

Reserve Bank Deposits—Provincial—

Rs.

Total Receipts

59254 -

Total Disbursements

58100 -

Net transactions Debit

1154 -

[NOTE.—The figures may be rounded to the nearest rupee.]

Date 1-8-1942

W. B. Srinivasan
Agent, Imperial Bank.

8

Prefix

Code

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

Recd at

H

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Sent at

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From

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By

Office of Origin

Date

Service Instructions

Words

Chettinad

27 9/15

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28

Dodwell Esq Finance
Secretary Fort St George
Madras

Your letter twentyfourth received
yesterday evening many thanks
meeting you your office
Monday or Tuesday

Raja Sir Arumugam

N. B.—The Name of the Sender, if telegraphed, should be written after, but separated from the text.
Eden Press, Calcutta—No. 192 (5164/B-156)—6-1-43—10 000 Bks

Chettinad

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Education and P.H. Department.

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flay R
new 20.2.45

UNIVERSITY - Annamalai - Opening of Engineering courses - Non-recurring grant - Previous orders modified.

G. O. (MS.) No. 252 Edn., dated 20.2.45.

The Government have further considered the question relating to the financial assistance provided by G.O. No. 1892-Edn., dated the 20th Decr. 1944, towards the opening of engineering courses in the Annamalai University, so far as the non-recurring grant is concerned, and direct that for the second sentence of paragraph 1 of the G.O. the following sentence shall be substituted, viz.:-

"The Government will be prepared to make from Provincial funds a non-recurring grant of Rs. 10 lakhs towards the cost of the buildings and

R/3350
R/33 CF

18 -2-

shipment and a grant of two-thirds of the actual
curring cost, subject to a minimum of Rs.1.33 lakhs a
year and a maximum of Rs.2 lakhs a year."

12-2-45
13/4/45

- To the Regr., Annamalai
- Unty.
- " D.P.I.
- " A.G.(tKro' Fin.)
- " Exr. of I.E.A.
- " Fin.Dept.
- " P.W.D.

2 copies stock file
Dy
2/2

No. 3/45-4.

Government House,
Guindy,
March 2nd, 1945.

Dear Rajah Sahab,

Grants to the Annamalai University.

Further to my letter of 3rd January, you
will by now have received a copy of G.O.No.252,
Education, dated 20th February 1945.

In passing those orders, His Excellency
felt that both the Annamalai and Madras Universities
should, as far as possible, be treated alike. The
result is that the non-recurring Government grant
of Rs 10 lakhs may be spent in full before the Univer-
sity has to draw on Dr. Alagappa Chettiar's donation
or other funds. This is the procedure adopted in
the case of the Madras University.

As regards the recurring grant, the
Annamalai University actually is treated a little
more favourably than the Madras University, as the
Annamalai University gets a 2/3 grant, while the
Madras University gets a grant of Rs 85,000/- which
is slightly less than 2/3 of the minimum expenditure
of Rs 1.35 lakhs. His Excellency felt therefore
that it would be better to leave the Annamalai
University's grant at 2/3rds.

Yours sincerely,
A.J. PLATT

Raja Sir Annamalai Chettiar,
of Chettinad,
Chettinad Palace,
Adyar, Madras.



No.

From

THE REGISTRAR,
ANNAMALAI UNIVERSITY,
ANNAMALAINAGAR.

To

The Secretary to Government,
Education and Public Health Department,
Fort St. George, Madras.

Sir,

P. Subramanian
In acknowledging receipt of G.O.Ms.No.252 Education, dated 20th February, 1945 in modification of G.O.Ms. No.1892 Education, dated 20th December, 1944, I have, by direction, to convey the cordial thanks of the University for the modification.

I beg to report that arrangements are being made to start instruction from July, 1945. A Committee of experts has arranged to find suitable places for temporarily accommodating the Engineer and Overseer classes; for instruction in Physics, Chemistry and Drawing and Surveying, such additional accommodation as could not be arranged by shifts in the existing buildings at the University has been planned and the building of the Sir Arthur Hope Laboratories, workshops by its side and additional hostel buildings have all been started and are in progress. Plans for the Engineering buildings, workshops and laboratories have been approved, estimates are being got ready and

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All communications should be addressed to the Registrar, Annamalai University, Annamalai Nagar and not by name.

ANNAMALAI UNIVERSITY

26th February, 1945.

08205

17-18-45

speedy arrangements for starting work in March have also been made.

N. S. S. S. S.
Registrar.

Exp. H. Dept. 14

C502 from Rajah Sri Annamalai Christian
d 20.12.44.

University - Annamalai - College of Engineering
Modification of G.O.

Submitted to A2 for advice.
A. J. B. 3.1.45.

Note please
T. A. 3.1.45.

p7cf

do

R/32cf

R/33cf

In G.O. No. 1892 Ed, d 20.12.44, the Govt ^{to the Annamalai Univ.} have promised to make a grant of one-half of the actual non-recurring cost, subject to a maximum grant of Rs. 10 lakhs, towards the College of Engineering to be established by it. According to para. 2 of the G.O., a sum of Rs. 1 lakh ^{out of this grant} will be placed at the disposal of the Univ. ^(in the current year) as soon as it is ready to begin the construction of buildings and the balance will be paid in instalments with reference to the progress of expre.

A provision of Rs. 1.55 lakhs is being made in the next year's budget as the Registrar reported that the Univ. expects to spend a sum of Rs. 3.10 lakhs on buildings and equipment during that year. Thus, the provision for Govt grant in any year

The ultimate non-recurring cost is estimated at Rs 20 lakhs (buildings Rs 11 lakhs; equipment Rs 9 lakhs). The Government decided that one half of the cost should be paid by them-See H.E's orders on p.11 N.F of G.O.1892 Edn dated 20-12-44.

(ii). The University was expected to meet its share of the cost

4
(Rs 10 lakhs) partly from Dr. Alagappa Chettiar's donation of Rs 5 lakhs and partly by raising Rs 5 lakhs from other sources. p 15 01 R

The order sanctioning the scheme specifies that the Govt. will pay a grant of one half of the actual non-recurring cost subject to a maximum grant of Rs 10 lakhs. p 33 9 R

2. The Raja Sahib now represents that it may not be possible to raise another Rs 5 lakhs (in addition to Dr. Alagappa Chettiar's donation of Rs 5 lakhs) so as to earn the full grant of Rs 10 lakhs promised by the Govt. He accordingly requests that the stipulation that Government's grant will be restricted to one half of the actual cost may be removed and that a full grant may be sanctioned without any condition. p 2 2 + 6 CF

For the reasons stated in his note on pp. 2-3 above, Secy, Edn and P.H., supports the request of the Rajah Sahib. p 3 9 06 2

3. The same question was considered previously and it was decided not to comply with the Rajah Sahib's present request - see Secretary's note on pp. 14-15 and orders in circulation on p. 16 N.F. of G.O. at (R). It is no doubt true that in the case of the grant sanctioned to the Madras University for opening of technological courses no specific stipulation was made that the grant would be on the half and half basis. But the amount of the grant, viz. Rs 7 lakhs, represented only one half of the estimated cost. If the stipulation is to be removed as suggested by the Rajah Sahib,

it may be open to the University to modify the building and equipment portion of the scheme so as to restrict the cost to

Rs 15 lakhs (Government's grant of Rs 10 lakhs and Dr. Alagappa Chettiar's donation of Rs 5 lakhs). Edn and P.H. Secretary however, suggests that the grant of Rs 10 lakhs should be subject to the

16
condition that the University produce plans and estimates for a total cost of Rs 20 lakhs and over and that in due course the University will itself find the funds for completing the whole scheme. Submitted that the University may now produce plans and estimates for not less than Rs 20 lakhs but may execute only a portion of the scheme costing not more than Rs 15 lakhs ^{which} ~~and it~~ may be sufficient to meet the needs for some time. The difficulty will be in the enforcement of the University's obligation to undertake further works in later years to the extent of Rs 5 lakhs.

In the circumstances, it is for orders whether this Dept. may suggest that, for the present, the works may be carried out to the extent of Rs 10 lakhs on the half and half basis, (Dr. Alagappa Chettiar's donation of Rs 5 lakhs being treated as University's contribution) that the University may try to raise as much funds as possible from other sources and that it may apply to the Govt. for aid in sufficient time ~~xx~~ before Rs 10 lakhs is spent.

16/1/45

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17.1.45

Even if the Rajah Sahib's request is granted, the University will still have to raise another Rs. 5 lakhs somehow in order to complete the full scheme at a cost of Rs. 20 lakhs. The only difference would be that it could execute work up to Rs. 15 lakhs (including the full grant of Rs. 10 lakhs from the Govt.) before feeling the immediate need for raising funds elsewhere, which would arise after the execution of work for Rs. 10 lakhs under the existing arrangement. I submit that it seems better that the Univ. should have ^{the greater} incentive to try to get ^{further} donations now during this time of war-induced prosperity that is involved in the existing arrangement, or that it does not seem desirable to make any change in the orders already issued. A1 may see. DWD. 17.1.45 E.P.H.



02606

10/1/45

2321 Express-1

17.1.45

2 Fin. had not seen it. P.12 CF p. 12 c. 7
has been added since Fin. returned the file. DWD. 22.1.45

May be circulated. (x) Fine: have not noted about the security grant

22.1.45 S
I have today seen the Rajah Sahib who presses strongly his two

reports, states that he will do his very best to raise the University's share of the non-recurring exp. (5 lakhs) & places that this intention is not dampened. & as we do, the Rajah Sahib wishes to get going as soon as possible, & we should do nothing to delay matters. Personally, I can see no real objection to either request. Will this be examined the second request quickly so that the file may be circulated for orders & both points. To be treated as Special.



Finance (Exp.B).

(Previous Finance notes on pages 3-5 above.)

Please see the Rajah Sahib's letter on pages 11-12 C.F.

It is true that the recurring grants previously given to this University were block grants. The policy underlying the payment of grants, both recurring and non-recurring, was recently reviewed and certain conditions have been laid down in regard to the payment of these grants. These conditions are applicable to all the three Universities in this Province. For example, although no condition was laid down when a non-recurring grant of Rs 7 lakhs was sanctioned to the Madras University towards the cost of buildings and equipment required for the department of Technology, the Vice Chancellor of that University was recently informed that the grant would be subject to the conditions in Appendix to the letter dated 4-1-45. Any recurring expenditure that may be sanctioned in future to any of these Universities will also be subject to the same conditions as those prescribed in the case of the Annamalai University.

Finance Secy.

UO 502C-3

22-1-45

Spl

Office may note. The second request is a new one. DSD 22-1-45

306 (B)

All the three Universities will be treated alike hereafter. The question of interference with the autonomous nature of the Universities will not arise.

(B) DSD

Submitted that Finance may advise that the policy recently laid down by the Government need not be reconsidered now.

(R) 33

See p 20 (R) marked in Red chalk.

P 11-12 C.F.

WS

DSD

22-1-45

22-1-45

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22-1-45

The original request as regards the recurring grant was for a two-thirds grant towards a recurring cost of Rs. 2 to 3 lakhs, & this is what the orders already issued provide for. Since it was stated that the actual recurring cost was expected to increase gradually from Rs. 2 lakhs to Rs. 3 lakhs p.a., it seems quite clear that what the original request contemplated was a grant of $\frac{2}{3}$ of the actual cost & not a fixed block grant of Rs. 2 lakhs p.a. It was understood that the other $\frac{1}{3}$ of the recurring expenditure would be met from the students' fees. I submit that there seems to be no reason for altering the orders already passed. It may be explained to the Raja Sahib that the procedure recently laid down in regard to grants to Universities will apply to all grants made to any of the 3 Universities in future. As regards the non-recurring exp., I venture to submit that there does not seem to be any reason to apprehend that the orders already issued will cause delay. The University can in any case go ahead with non-recurring exp. up to Rs. 10 lakhs. This is, I believe, much more than they expect to spend up to the end of 1945-6. E.P.H. may please give the figures of anticipated exp. furnished by the University before. There should be ample time to raise the other 5 lakhs required whilst they are spending up to 10 lakhs on the non-recurring items. A.I. may see. DSD 22-1-45 E.P.H.



35574/1 22-1-45

With refer: to P in previous pages, it is said:
that the only report received from the Univ: is that it ~~is~~
expects to spend Rs 3.10 lakhs next year on buildings &
equipment for the new Engineering College. To this
may be added such amount as might be spent this
year & towards which the Govt. have made a
budget provision for a grant of Rs one lakh: it
may be assumed and it is no more than an assumption
that about Rs 2 lakhs will be spent this year.

22/1/45 S/A, H.E.
On the question of
the University Fund, I accept the view of Mr. A. B. E.
in the question of the non-University Fund, however,
I adhere to the view of Mr. A. B. E. in my note
of 11/2-3 ante.
23/1/45

Specid - please
see A2: minute
of 1.6 ante.
23/1/45

This is really a matter on which
Finance Dept's views should carry
great weight, but I am averse to
doing anything that will delay
matters. The Raja Sahib pressed
his requests very strongly & I cannot
myself see that we shall be running
any risk. If possible, the requests
may be granted. 23/1/45

as for the 2. has said there is no reason
why the existing order should cause delay.

P 11 C F

13
G.O. 26 Edn
4.1.45

P 12 C F



U.O. 502 C-6
23.1.45

on. i. ind. clear wh. the Royal
Wants. al. no place in respects
block grant. This means
Rs 10 lakhs new.
giving him the recent order
This is contrary to the order
n. 20 26 B. an order
place, he asks for a grant of
Rs 10 lakhs in it is spent.
This means request. he will
grant. of Rs 10 lakhs. Then he
will use Dr. A. C. S. money. This
would mean the unless the
contributions are received, the plans
would have to be cut. From 1.
Rs 15 lakhs. Of the work in 1.
he carried on in the existing
plans, but we have to provide
Rs 11 lakhs. This is quite
new proposal.
For the 2. major - please
as certain other to really wants.
23/1/45 Mr. Secy.

The Rajah Sahib came to see me today with the Vice-Chancellor & Registrar of the Anna Malai University. I pointed out that, as the G.O. stands, there is no question of any difficulty or delay over the first Rs. 10 lakhs of non-recurring expre (towards which the University has Rs. 5 lakhs in hand), & that the University only plans to spend ~~Rs. 3~~ ^{about Rs.} 10 lakhs on buildings & equipment for the scheme by the end of 1945-6 according to the estimate sent to us by the Registrar. This was admitted, but the Rajah Sahib said that, although they have every hope of raising a further Rs. 5 lakhs from other sources & will do their utmost to do so, they wish to be sure of getting the Rs. 10 lakhs from the Govt towards the first Rs. 15 lakhs of expre, so that they may have time to raise their other Rs. 5 lakhs whilst a total expre of Rs. 15 lakhs is being incurred. The request now made by the Univ. is that, though the Govt grant towards the first Rs. 10 lakhs of non-recurring expre may be on a 50% basis as in the orders already issued, the instalments to be given by the Govt towards the next Rs. 5 lakhs of expre may be on a full expre basis. I pointed out that it would seem sufficient to raise this request, if necessary, when the total expre is approaching Rs. 10 lakhs if the Univ. has not by then been able to raise an appreciable amount of the further Rs. 5 lakhs required. The University authorities do not accept this view & press the request at A above in order that they may have from the beginning ~~no~~ no anxiety as to ~~any~~ being able to incur expre at least up to the Rs. 15 lakhs stage.

As regards recurring expre the Rajah Sahib now says that he feels that they made a mistake in asking for only a $\frac{2}{3}$ grant & would like to ask for a full grant. I pointed out that at least part of the recurring expre should be met from students' fees & that the Govt could hardly now change the $\frac{2}{3}$ basis, which was adopted in compliance with the University's original request. The University authorities object to the adjustment of the grant accord. to actual cost, as they previous recurring grants were fixed in amount & if they could save anything out of them, they were able to save it up for future expre. I pointed out that, as they estimated that the recurring expre would gradually rise from Rs. 2 lakhs to Rs. 3 lakhs p.a., it was not possible to decide on an appropriate fixed figure for the annual grant, & also that the Govt had decided as a general policy that in future any recurring grant

A

to a University for a particular purpose should be regulated according to the actual expre on that object in each year. I said that if the University wishes to make any representation against this general policy, it may be done separately & the Govt would certainly consider it. After discussion the University authorities did not press at present for any change in the orders already issued as to the recurring grant, but said that they would see how they work in practice & make a representation later if they find that the arrangements do not work satisfactorily.

04200
W0004087 App B-1
29.1.45

(Previous minutes of H.P. & G. 29.1.45 E.P.H. Secy.
25/1/45
H.A.I. HE

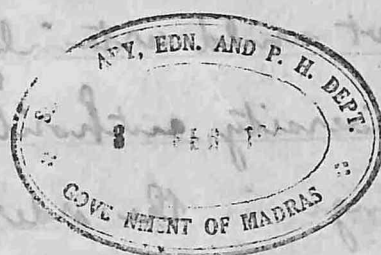


The Rajah Sahib he told As & myself clearly & categorically that he is sure of raising, in time, 5 lakhs more: there seems no need $\therefore$ to alter the existing order. Flap B lays down the procedure for giving grants to all Universities, in supersession of the previous practice of block grants: this is more correct from the financial point of view.



I agree. NY 30/1/45
H.E. Induram
that in the case of Madras University Teachers' Scheme that the non-recurring grant was an outright one and not a help grant of the kind the same should be given at the Anna Malai University. As regards the recurring grant I understand that the same fixed line has been adopted in both cases & that

There is no need for any change as in both cases each university should be treated alike. A.H. 2/2/45



P.S. will P.H. Secy please ascertain & let me know by phone if H.E.'s presumptions are correct, so that I can reply to the Maharajah.

2.2.45
P.H. Secy to the P.H. Secy. He agreed

He is a further note may be put up, the P.H. Secy. Committee, & in case his conclusion is that to no other in House.

by 3/4/45

H.E.'s presumption about the non-recurring grant, that it was outright in the case of the University of Madras, is correct on the wording of the order as it went, although, as I have pointed out in my note at pp.2-3, the intention there also was to pay only half the total estimated cost. It may be added also, since this would be a qualification of 'outright', that subsequently the actual disbursement of the grant to the Madras University has been brought under the scheme at B/5 C.F. 4 and 5 of notes to G.O.No.26-Edn., dated 4-1-1945; if the Annamalai is given its grant also outright, it would still be subject to this scheme of disbursement - "B"/5 C.F. & R/31 C.F.

I am afraid H.E.'s presumption about the recurring grant is not correct. The grant to the Madras University was a fixed block grant of Rs.85,000 per year; this was the amount requested by the University as against an estimated recurring cost of Rs.1.35 lakhs rising to Rs.1.95 lakhs later on; for the first year, 1944-45, however, only a grant of Rs.40,000 was asked for and was sanctioned - as against an estimated expenditure of Rs.56,160. As it is H.E.'s intention to treat the two Universities alike in this respect also, the amount for the Annamalai University will

P.T.O.

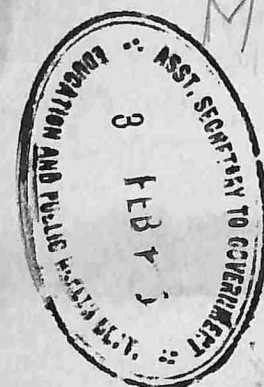
have to be sanctioned as a block grant, in which case the instructions in para (i) at p.31 C.F. of the G.O. at "R" will not apply; it is presumed, however, that as in the case of the Madras University the grant will be disbursed only on the actual inception of the scheme, and the amount for the first year of working will be similarly reduced, if necessary. The block grant may be fixed at Rs.1.33 lakhs, the minimum already accepted: it may be left to the University to make out a case for enhancement later on.

W.O. 502 CS
3.2.45

by 3/4/45
P.H. Secy

E.P.H. Secy has not given any reference for the statement at X in the previous page. It is not clear precisely how it is proposed to regulate the payment of instalments of the non-recurring grant to the Madras Univ. & what the Univ. has been told on the point. Is it intended that the Govt's Rs.7 lakhs shall be paid in instalments as the first Rs.7 lakhs of expe. on buildings & equipment is incurred, or in instalments equal to half the expe. as it is incurred, so that the Govt's Rs.7 lakhs will be fully paid only when a total expenditure of Rs.14 lakhs has been incurred? If the Madras University has not been told anything definite on the point yet, is there any objection to telling it now that the Govt's intention was to give only half the total estimated non-recurring cost & that, in view of that, disbursement of the Rs.7 lakhs will be in instalments equal to regulated ~~on the basis of~~ half the estimated expe. on buildings & equipment in each year? Will E.P.H. Secy kindly clarify this point?

D.D. 3.2.45 E.P.H. Secy



5908A
3/2/45

The original order which went out to the Madras University is "Z"/60-61 C.F. That merely said that Government would be prepared to make a non-recurring grant of Rs.7 lakhs. The subsequent communication is "B"/3, 5 & 6 C.F. That provided, inter alia, for the payment of -

(a) equipment grant in one lump sum or in instalments, subject to adjustments later with reference to audited figures of expenditure, and

(b)

(b) instalments of building grants, in advance, as payments 'on account', with reference to the progress of expenditure,

and added that the final adjustment of grants given in advance under (b) would be made with reference to the actual cost of the work done as certified by the Executive Engineer.

There is thus no reference in either of the two communications

that payment would be limited to one-half of the expenditure incurred.

It seems to follow that, on the text of the orders, Government would not be justified in enforcing the half grant

principle as regards the non-recurring grant, and the course at

"M" on previous page will have to be followed.

Finance Secretary next suggests the sending to the

Madras University now of a communication in terms of "N" in his

note. There appears to be no prima facie objection to that course.

5.2.45

As regards the recurring grant, the Madras University has been promised definitely a fixed grant of Rs. 85,000 p.a. which represents a little under $\frac{2}{3}$ of their minimum recurring expe on the new courses & does not provide for any increase in the grant as the expe rises gradually from Rs. 1.35 lakhs to Rs. 1.95 lakhs according to the University's estimates. If the two universities are to be treated alike in regard to the recurring grant, it will mean that the Annamalai Univ. will be given a fixed grant of Rs. 1.33 lakhs p.a. ($\frac{2}{3}$ of Rs. 2 lakhs) with no provision for increase in the grant as the expe rises from Rs. 2 lakhs to Rs. 3 lakhs p.a. The existing order gives $\frac{2}{3}$ of the actual ~~rec~~ cost of recurring items in order subject to a minimum of Rs. 1.33 lakhs p.a., each year. ^{venture to} I submit that it does not seem necess. to alter the existing order regarding recurring grant to the Annamalai Univ. in order to make it follow the precedent in the case of the Madras University, as this would be much less favorable to the Annamalai University than the existing order & would no doubt cause loud protests.

As regards the non-recurring grant, the Madras Univ. has been told that the Govt will give Rs. 7 lakhs towards the cost of buildings & equipment & that the disbursement will be made with reference to the general conditions laid down on pp. 5-6 of (B). It has not been told how the size of the

2/87-88

Y

instalments will be regulated in the case of this particular grant. The intention was that the Govt's grant should cover half the total expenditure on buildings & equipment, & the Madras University has Rs. 5 lakhs in hand from Dr.

Alagappa Chettiar's donation towards the other half. It

seems $\therefore$ quite unnecessary for the Govt in this case to

meet the first Rs. 7 lakhs of the expe in full. I venture to

suggest that the Madras University be now told that the

Govt's intention was to meet half the non-recurring cost,

& that, in view of that, disbursement of the Rs. 7 lakhs

will be made in instalments regulated on the basis

of half the estimated expenditure on buildings and

equipment in each year. If this is done, the position

in regard to the non-recurring grant to Madras Univ.

will then be the same as that laid down in the

existing orders for the non-recurring grant to the

Annamalai Univ. I submit that there would then

be no need to make any change in the latter in

order to give the same treatment to both universities

in regard to these non-recurring grants. D.D. 5.2.45

E. P. H.



N. 7. 11-15 may be read: may be

circulated. 5.2.45

Discussed with A. 5.2.45

There is no need to alter the go. 2

regard of grant to the Madras University:

it is a half-grant but will be given only

as expenditure is incurred: it is not an

unbudgeted grant. The difference between

Specd.
(Please see
A2's minute
of 6.2.45)
col
5/2/45

2/60cf

The two grants is that Madras can be paid the 7 lakhs before they spend their half while Annamalai will have to spend his half concurrently with one grant. The policy adopted towards Annamalai is in accordance with Flap B, & is a general policy intended for future grants. As the Raja Sahib has specifically stated that he can raise the extra 5 lakhs, there seems to be no need to depart from this policy.

The order regarding recurring grant is more favorable to Annamalai.

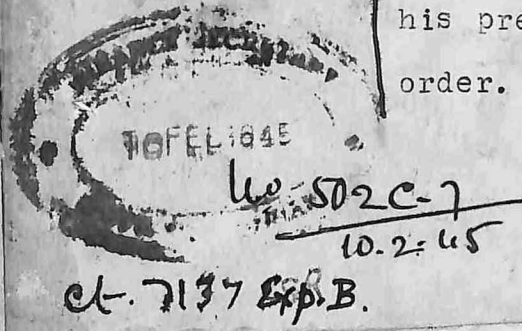


I feel that that is regards the non-recurring grant that the two universities should be treated the same. D.A. Chelliah gifts were given at about the same time; except the one to Annamalai University was the earlier and it is intended to differentiate. This may now be agreed to.

A.H. 10/2/45

Draft revised order in regards non-recurring grant. I.E. agrees that change be made in regards recurring grant.

A.2's minute, concurred in by H.E., requires that a revised order modifying the terms of the non-recurring grant should be drafted. The previous order - "R"/31-32 - was passed after getting the G.-G.'s approval. It is not clear whether, having regard to para 5 of the letter that was addressed to the G.-G. and the terms of the G.-G.'s approval, "R"/19-20 and 23, his previous assent should be obtained before varying the first order. Finance may kindly advise on the point.



10.2.45 S/ Fin. by W/MS. (Exp.BE)

[Finance last noted on pp.14-15 above]

The orders in circulation on pp. 15-16 above may be perused. The orders of H.E. are that as regards the non-recurring grant the Madras and Annamalai Universities should be treated alike. E. & P.H. accordingly propose to revise the terms of the order on pp.33-35 C.F. of G.O. at (R) relating to the non-recurring grant for the Annamalai University. No indication has been given of the exact terms of the proposed revised order. The remarks of Finance are asked for on the point at A above.

2. In the case of the Madras University, though the wording of the G.O. at (Z) does not specifically refer to the sanction of the grant as a half-grant, the intention is clear that the grant of Rs 7 lakhs represents only half the total cost of the work - vide 'N' in E. & P.H. Secy.'s note on p. 12, 'Y' in Fin. Secy.'s note on p.15 above, and A.2's minute on the same page. The position as indicated in A.2's minute on pp. 15-16 above is that while the Madras University can be paid the promised grant of Rs 7 lakhs before spending its half, the Annamalai University will have to spend its half concurrently with the Govt. grant. According to H.E.'s orders, the Annamalai University may be given (as in the case of the Madras University) the Govt. grant in advance, subject to adjustment later with ref. to the actual cost of the work done; and the Govt. grant need not be half of the expro. actually incurred at the time the Govt. grant is disbursed. If the amount spent on the work (as finally completed) from sources of the University and donations falls short

of the Govt. grant, the University will have to refund ^{to the Govt. the} ~~the difference~~ ^{grant drawn} ~~excess of half the expenditure.~~

So long as the ultimate liability of the Govt. is restricted to one-half of the actual expe. subject to ^a maximum of Rs 10 lakhs, ^{in the proposed change in the order does not seem to be} the previous sanction of the Governor-General ~~is~~ required, as ^{the manner of payment of the grant was not reported to the Governor-General.}

General.
 10/2/45.
 10.2.45.
 11.2.45
 E.P.H.
 12.2.45

A draft order is submitted.
 2. The "adjustment" referred to at "P" on previous page is already provided for in identical terms both in the case of the Annamalai University (R/35 C.F.) and in the case of the Madras University (B/5-6 C.F.). The provision for "refund" suggested at "P" above, however, does not occur in the orders issued in respect of the Madras University and has not accordingly been incorporated in the draft now put up.

3. Draft may be sent to Finance before circulation.

(Finance noted on pp. 17-18 above.)
 While the existing order on p. 33 of (R) says that "a grant of one-half of the actual non-recurring cost, subject to a maximum of grant of Rs.10 lakhs" is sanctioned, the revised draft put up by ^{The} E. & P.H. Department sanctions "a non-recurring grant of Rs.10 lakhs". This revised draft is on the lines of the orders of relating to the Madras University, the only point of difference being that, whereas in the case of Madras University, the Government's commitment is Rs. 7 lakhs, that for the Annamalai University is Rs. 10 lakhs.

2. As regards the reference to refund of excess grant made in this Department's note at E on pp. 17-18 above, E. & P.H. observe that such a provision does not exist in the orders issued in respect

vide para 5 of Dr. Alagappa Chettiar's order of 9-20-44.
 12.2.45
 13.2.45



vide 'Nab'
 13.2.45
 14.2.45

of the Madras University. The question then arises whether it is the intention that a full grant of Rs.10 lakhs should be given to the Annamalai University, even though the total actual expenditure on buildings and equipment does not exceed, say, Rs. 15 lakhs (Dr. Alagappa Chettiar's donation ^x plus Government grant). E & P.H. may be requested to take specific orders in circulation on this point.

This seems to be implied in H.C.'s orders.
 Further circulation of Rs. 5 lakhs to be necessary.
 Rs. 10 "
 Total 15 lakhs.
 13.2.45

The draft put up by E.P.H. follows the orders issued in the case of the Madras Univ. As matters stand, if this draft is approved, we shall have no hold over the Annamalai Univ. to ensure that anything more ^(non-recurring) is spent on their scheme than the Govt. Rs. 10 lakhs, just as under the order at p. 60 of ^{if it is not to be further amplified,} ~~there is no hold over the Madras University to ensure that~~ anything more ^(non-recurring) is spent on their scheme than the Govt. Rs. 7 lakhs, owing to the unfortunate failure to state explicitly that what the Govt were sanctioning was a half grant towards the estimated non-recurring cost of Rs. 14 lakhs. I understood from A2 that the intention was that, though the Govt would meet the first Rs. 10 lakhs of non-recurring expe. for the Annamalai scheme, the grant should be subject to production of plans & estimates for a total expe. of Rs. 20 lakhs & to execution of the project in full at a cost ^(non-recurring) of not less than Rs. 20 lakhs. If so, it will be necessary to state this explicitly. In that case, if both Universities are to be treated exactly alike as regards the non-recurring grant, it will be necessary to tell the Madras University that the Govt's grant of Rs. 7 lakhs non-recurring is intended as a grant of half the non-recurring cost of their scheme & is subject to production of plans & estimates for a total non-recurring expe. of Rs. 14 lakhs, at a cost ^(non-recurring) of not less than Rs. 14 lakhs, & that, though the Govt will meet the first Rs. 7 lakhs of the expe. in instalments acc. to the progress of expe., this will be subject to refund of the excess if it proves eventually to be more than half the ^{total} non-recurring cost when the project is completed. Orders may be taken in O^u as to whether this condition should be ~~not~~ applied to the non-recurring grants to both Universities or whether the position as at X above will have to be accepted.



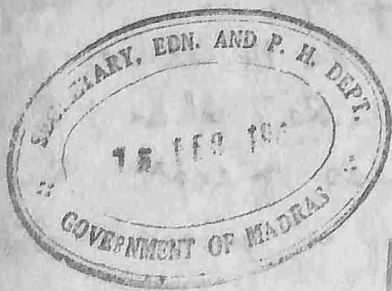
13.2.45
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 15.2.45
 16.2.45

May be circulated.
 13.2.45
 14.2.45
 15.2.45
 16.2.45

The draft under below represents, I think
 the intention. We may make it
 clear separately that this Rs 10 lakhs
 is intended to be a half grant or a
 total expenditure of 20 lakhs; for which
 plans & estimates are to be submitted. The
 Rajah Sahib understands this. MS/2/45

I don't think it is necessary
 to say anything further. In both
 cases it is clear that it is meant
 to be a half-grant for in one
 case the estimate is Rs 20 lakhs &
 in the other Rs 10 lakhs.
 In neither case will it ever be
 possible to enforce a refund, if
 the work is executed for less than
 Rs 20 lakhs or Rs 14. Such a
 contingency is not likely to arise.

Draft may now after perusal A.H.
 by Finance. [The file may now
 be circulated to A₂ for inform. &
 to P.S. for sending out personal communication
 to the Rajah Sahib, which may be appropriate
 with reference to letter in c. 2]



MS/2/45
 18/2/45
 19/2/45
 19/2/45

(Fin. (not noted on pp. 18-19 above) 21
 Fin (Exp. B). 24

The order in circulation on p. 20 above
 may be perused and the case returned to E.P.H.
 19/2/45. 19/2/45. 19/2/45

I take it that these cases will not be treated as
 precedents for any future cases of half grants towards
 non-recurring exp. on University schemes, & that in any
 such cases in future the grant will be disbursed in
 instalments regulated according to 50% of the exp. actually
 incurred from time to time, unless the Govt. for special &
 exceptional reasons should decide otherwise on the merits
 of any particular case.

Fin. no. 8613 Exp B-1
 19-2-45

EDD
 19/2/45 E.P.H.
 ED P.H.

May be draft now over please?

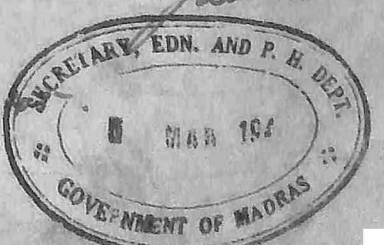
[Issued as G.O. No. 252 Edn, d. 20.2.45] 19/2/45 S D. 19/2/45

The file may be circulated to A₂ for
 information and then sent to P.S. - please
 see X on p. 20 ante.

19/2/45 19/2/45 19/2/45 19/2/45 19/2/45



Copy of the letter sent to the Rajah has been
 added to the file.



A further letter received from the Registrar, Annamalai University, has been added to the c.f. The file may be closed.

wa
10.3.45
10/3/45

11.3.45

12/8/45

1-8-45

2/3