

OF
E.P.H (1945) Department.

M8 SERIES. ①

G.O. No. 476 Edin

Dated 27-3-45

C. S. 723 - subing, [Despatch Abstract.]

Grant - Seamen's allowance - Certain
M. ds and - Recovery of amount sanctioned
to the F. E fund in 44-45 - Papers recorded

Back Papers.

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

Further Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
			24-10-1916				

L.A. Department.

GRANT - Dearness allowance - Certain Municipal Councils - Recovery of amount sanctioned to the Elementary Education Fund in 1944-45.

• •

The E. & P.H. Department sanctioned grants to several Municipal Councils early in the current year towards payment of dearness allowance to the Elementary Education staff, ~~not~~ not exceeding the estimated deficits in the Elementary Education Funds of the respective Councils at the end of the current year. In the case of 12 Municipal Councils mentioned in the statement at (N) below, E. & P.H. now propose to recover ^{the grants} from the Municipal Councils ^{to the extent} ~~amounts~~ shown against them in column (2) of the statement, on the ground that according to the Revised Estimates for the current year, the Elementary Education Funds ^{respective} of the ~~Municipal Councils~~ will close with balances equivalent to the amounts now proposed for recovery. Besides the cases of the 12 Municipal Councils referred to above, there will be other similar cases in which also E. & P.H. will propose such recoveries.

2. If the proposed recoveries are made from the twelve Municipal Councils referred to above and if the contribution from the General to the Elementary Education Fund of the Councils for 1945-46 is limited to the usual or standard contribution, the Elementary Education Budgets of the Councils for 1945-46 will close with the deficits shown against them in column (3) of the statement at (N). E.& P.H. propose that these deficits should be wiped off by additional contributions from the General Funds of the Councils or by Government grants in 1945-46 to the extent to which the deficits cannot be wiped off by enhanced contributions from the General Funds of the respective Councils.

3. This Department may recommend for the following reasons that the proposed recoveries need not be made ~~tax~~ in these and similar cases in which the amount proposed for recovery does not exceed, say, Rs.5,000 in each case:-

(1) In the first place, the grants were made as free grants for payment of dearness allowance and no condition

was attached to the sanction that if the Councils had surplus balance in their fund at the end of the year, grants to the extent of such surpluses will be recovered.

(2) It has been proposed to make the recoveries on the basis of the closing balances of the Councils for the current year according to the Revised Estimates for the year. The Revised Estimate is after all only an estimate and the actuals for the year will be different from the estimate and the estimated small surpluses in the E.E. Fund may not be actually realised. So, recoveries based on such small ^{estimated} ~~not~~ surpluses will be justified.

(3) In all these twelve cases, the Elementary Education Budgets of the Municipal Councils for 1945-46 will close with the deficits shown against them in column (3) of the statement at (N) if the recoveries are made and if the contribution from the General to the Elementary Education Funds of the Councils for 1945-46 is limited to the standard or usual contribution. The estimated deficit of each of the Municipal Councils in 1945-46 is greater than the amount now proposed for recovery in each case, and the most appropriate course will be to set off the estimated small surpluses at the end of the current year against the estimated deficit for 1945-46.

(4) In some of these cases, grants will have to be sanctioned from the Provincial Funds in 1945-46 towards the deficit caused by the payment of dearness allowance. There is therefore no point in recovering the ^{small} amounts now.

(5) The recovery of these small amounts will look like taking away with one hand what was given with the other and seem ungenerous, especially in view of the estimated deficits in 1945-46 which are greater than the amounts now proposed for recovery.

4. In cases like those of the South Arcot and South Kanara District Boards in which the local bodies are found to have large surpluses to the extent of several thousands of rupees this Department may agree to the recovery of

grants paid for dearness allowance, to the extent possible. The twelve cases dealt with in this file are quite different.

5. The E. & P.H. Department may be requested to take orders

in circulation on the recommendations of this Department in paragraph 3 on page 2 above before ordering recoveries in the twelve cases under reference. That Department will no doubt let the Finance Department see the case before circulation.

RM Secy 9.9.45
6-3-45
EXPH EXPH

Education and P.H. Department. (A)

The principle of G.O.No. 1593-L.A., dated

18-7-1944, is that Govt. subsidies to local bodies towards the payment of dearness allowance to their employees should be limited to the extent to which the local body concerned is unable to meet the expenditure involved from its own resources. With refce. to this G.O., dearness allowance was sanctioned to local bodies in 1944-45 in G.O.No. 692-Edn., dated 3-5-1944 and G.O.No. 1502-Edn., dated 10-10-1944. As the R.E.s framed by individual local bodies show a closing balance over and above what was anticipated at the time of sanction, the view has been taken that the excess opening balance should be refunded to Provl. funds as and when they come to notice. The deficit in the E.E. Fund budget for 1945-46 consequent on this recovery should either be made good by an additional contribution from the general revenues with refce. to sec. 32(i)(b) of the M.E.E. Act or by a grant from Provl. revenues after taking into account the 'final' closing balance of 1944-45. L.A., however, suggest for reasons mentioned by it that the recovery need not be insisted on in cases where it does not exceed Rs.5,000. The remarks of Finance may be invited.

With refce. to cases taken in

con - p.5 of order to L.A. 18.5.45,

of 9.12.44, these recoveries are being

suggested and officers have directing members have also actually found in the case of some municipal ds. as well as P.H. Bd.

may be forwarded to Finance. of for

LA. u.o. 5779-1-Prud
7.3.45



pp 24 q (V)

pp 5-6 q (V)

This only implements the principle of A above
Amp 4.8.45
9.0.1855

In the order 12.4.45 the order for 18.5.45. Thus he examined independently of the Govt. Sec. has been given under 'dearness allowance' in 1944-45. and is not a recovery. It is a grant. The recovery under this has been made in cases where there is a deficit in the 1944-45 budget. Later than the Govt. of.

+86.1855EM
9.12.44

L.A. has modified

all the mtd. budgets at

to amount to

on this question

advise on the points raised by L.A.

recovered from the concerned local body. (4) The L.A. Department are not in favour of such recoveries being made in cases where the amounts involved are less than Rs 5,000 for the reasons stated in para 3 on pages 1-2 above. Those reasons are dealt with in detail in E.P.H. Secretary's note on pages 3-4 above. He considers that there is no reason to depart from the decision at p. 5 N.F. of G.O. 1855 Edn. dated 9-12-1944. According to that decision, which was of a general nature and not confined to the particular District Board dealt with in the G.O. at (K), recovery has to be made of the difference between the subsidy sanctioned to a local body towards payment of dearness allowance to cover the deficit anticipated at the time of sanction and the lower amount of subsidy admissible on the basis of the actual closing balance (of the year for which the subsidy is given).

2. The decision referred to above need not necessarily be extended to the type of cases under consideration in this file. The one difference between these cases and that dealt with in the G.O. at (K), is that the recovery here is based on the anticipated closing balance, while the recovery ordered in the above G.O. was based on the actual opening balance. It seems sufficient if the question of recovery of any excess subsidy drawn in this year is considered in May or June 1945 when the actual closing balance will be known and when the Government have to issue orders sanctioning subsidies for payment of dearness allowance (to the extent of deficit) for the year 1945-6. Please see in this connection para 3 of this Department note in the E.E. Fund Budget file of the Cannanore Municipal Council - extracted at flag (E).

3. After orders are passed on para 2 above, the case may be returned to E.P.H.

The subsidies referred to are intended just to cover the deficits in the Budgets of local bodies due to the grant of dearness allowance to their employees at rates applicable to Government servants. The amounts of subsidies sanctioned for the current year were fixed with reference

4
K' at p. 2 ante is the principle of
A' at p. 3 ante.

With reference to J, I must
say that after all we have to act on estimates
from the local body, and we may make
further re-adjustments if the figures justify
it, but there is no ground for not
making the recovery in the present
estimates.

E' at p. 2 ante: This is
a matter of 'accounting' and cannot, I think,
affect the principle of recovery.

F' at p. 2 ante: It
is explained that A' at p. 3 ante is
the main principle of the recovery shown
in implementing it. The main point is any
sum for such an item, and I do
not think we must have such 'appearances'.

G' at p. 3 ante: I do not
think any distinction is justified as between
cases of below 5000 and above 5000; I think
that the decision at (K) may remain.

E.P.H. W.O.
9461A/45-16th
8/3/45

Please see notes on pp. 1-4 above. (Encl. Exp. B).
The point raised is whether, in cases
where the closing balance of the Ely. Edn. budget
of local bodies for 1944-45 according to the R.E.
is more than the anticipated closing balance
at the time of sanction of subsidies in the R.Os, on
pp. 3 & 6 of flag (V), the difference should be



of the current year. On a review of the Revised Estimates for 1944-5 of the Elementary Education Funds of local bodies, it is now found that in some cases the amount of subsidies sanctioned by the Government in the current year are in excess of actual requirements. The question for consideration is whether the local bodies concerned should be asked to refund immediately the excess amounts drawn by them.

2 On principle, Finance may agree with E.P.H. that the local bodies should be asked to refund the amounts. But there may be some practical difficulty in giving effect to it. The amounts proposed for recovery are based on the anticipated closing balance. The actual closing balance may be more or less. The local bodies concerned may not refund the amounts immediately. They may begin to argue and ask for special considerations etc. In all the 12 cases referred to in flag (N), subsidies may have to be given next year in excess of the amounts proposed to be recovered now. Instead of effecting recoveries now and sanctioning fresh subsidies next year, the simpler course will be to review these cases in May or June 1945 with reference to the actual closing balance of the current year, ~~the receipts and expenditure of next year (as fixed in the B.E.)~~ and to order recoveries in cases in which the amounts paid this year are found to be in excess of actual requirements. Finance may suggest the adoption of this course.

3 There may be other cases in which no subsidy will be required next year. In such cases the entire excess amounts drawn in the current year may be recovered next year.

4 Similar action may be taken by L.A. in regard to subsidies given to cover the deficits in the General Accounts of local bodies.

10.3.45.

10.3.45

E.P.H.

E & P. H.

11844240
10.3.45

A & B involves a modification of the decision at K | m & s which has been acted upon in the case of most Dist. Boards and some sub. councils. L | R is presumably not necessary to be taken.

Scopus
AAS (P. H. S.)
1-4 in 1950
10/3



Maybe done by

for order whether pending cases shd be handled on the basis of the new suggestions Ad B - b. 6 ante

10.3.45 S/A A

May be approved. 19/3/45

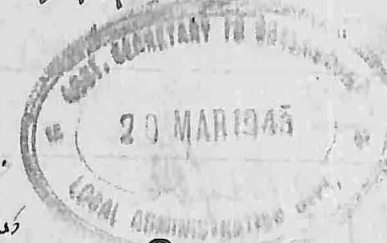


Specified in this: a number of budgetary items

12/4/45

15/3/45

9461A-2
20/3/45



A.C.D. Sections to note para 4 on b. 6 above

20/3/45



7169

8A 40 7169-1 Prod I
22.3.45



May be sent to L.A. for perusal with reference to para 4 in page 6 ante.

20.3.45

L. A. Dept

May be perused and returned to E & P H.

20.3.45
Secy
E & P. H.

May be "Recorded" for review.

22.3.45

Go 476 Edn. d. 27.3.45

[Handwritten notes in Telugu script, including dates like 12/1/51 and various administrative remarks.]

(1)
Name of WICl.

(2)
Amount of grant
for dearness allowa-
nce sanctioned in
1944-45 to the E.P.
Fund which the E.P.H.
Dept. propose to
recover.

(3)
Amount of deficit
in 1945-46 in
E.P.Fund if the
recovery referred
to in col.2 is
made and if the
contribution from
the general funds
is limited to the
usual contribution

	Rs	Rs.
1. Anakapalle	1,499	3,100
2. Ongole	482	656
3. Nandyal	246	1,794
4. Hospet	1,359	5,117
5. Chicacole	307	2,117
6. Palacole	1,171	6,400
7. Ellore	430	12,000
8. Walajepet	80	3,280
9. Villupuram	357	1,729
10. Palni	703	3,106
11. Chidambaram	580	2,950
12. Tellicherry	4,170	10,482

[Handwritten signature and date: 6/3/51]

10

29

25/12/45

⑦ Finance (Exp.B).
E.E.Fund - Cannanore Municipal Council

L.A and E. and P.H. Deptts. have stated that there may be a deficit of Rs 5,164 in the Elementary Education Budget for 1945-6, which is due to the payment of dearness allowance to the Elementary Education staff. In the circumstances stated in L.A. Dept's notes on pp.4-7 above this Dept. may agree to credit being taken in the E.E. Fund Budget for 1945-6 for a Govt. subsidy of Rs 5,164 towards the payment of dearness allowance.

2. The amount of grant to be sanctioned may be decided in June 45 when the actual opening balance for 1945-6 will be known and when it will be possible to decide whether, in view of the improvement in the Council's financial position as a result of all the measures now under consideration to augment the resources of local nodies, the general fund can make to the E.E Fund a larger contribution than a sum of Rs 7,000 (cf. L.A.'s proposal at B. on p.7 N.F. in linked file above)

*contribution for 1942-3, taken as the standard contribution.

x see para 1 above.

3. With reference to E.P.H. Asst. Secretary's note on p.8 above, it is submitted that no recovery need be made now of any portion of the subsidy sanctioned to the Council in the current year towards the grant of dearness allowance. The sum of Rs 314 mentioned by E.P.H. is only the estimated closing balance ~~for the current year~~ for the current year, and the actual closing balance may be more or less than this amount. In deciding the amount of grant to be sanctioned next year account will be taken of the actual closing balance for the current year, which will be the opening balance for 1945-6.

4. The case may be returned to E.P.H.

P.S.
28-2-45

V.G. V.V.S.
28-2-45 2-3-45

GRANT XV—EDUCATION

37. P.—EDUCATION—GENERAL—INSPECTION—cont.

SUB-HEADS of appropriation. (1)	Strength.		Details. (4)	Figures by detailed account heads.			
	1944-5. (2)	1945-6. (3)		Accounts, 1943-4. (5)	Budget Estimate, 1944-5. (6)	Revised Estimate, 1944-5. (7)	Budget Estimate, 1945-6. (8)
P. E. 2. WOMEN'S BRANCH— PAY OF OFFICERS, ESTABLISH- MENTS AND OTHER CHARGES.			P. E. PHYSICAL EDUCATION —cont.	RS.	RS.	RS.	RS.
	1		AUTHORISED— PAY OF OFFICERS		4,600		
			Woman Specialist in Physical Edu- cation 1 (200—30/2—500) ..				
			Leave allowances.				
	1		PAY OF ESTABLISHMENTS ..		3,100		
	1		Clerk 1 (40—65).				
			Peon 1 (12—17).				
			Leave allowances.				
	2		Temporary—Assistant to the Woman Specialist in Physical Education 1 (100—190); Typist 1 (40—65)				
	1		Peon 1 (12—17)				
			OTHER CHARGES—				
			Travelling allowances (including other compensatory allowances)		2,900		
			Dearness allowance		600		
			Contingencies		700		
			TOTAL - P. E. 2—WOMEN'S BRANCH—AUTHORISED ..		11,900		