

✓ P. H. (1945) Department.

MS. SERIES.

G.O. No.

6. Edu.

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Dated

2-1-1945

[Despatch Abstract.]

Audit Report -1943-44 - Elementary Education Fund - Municipal
Council - Chingleput - Recorded.

Back papers.

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

Further papers.

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

For audit: 1943-44

The Office of Commissioner has held by the periods noted against each.

1. Sri S. V. Venkatesh Reddy. 1-4-43 to 15-12-43
2. Sri S. V. Venkatesh Reddy. 15-12-43 to 31-12-43
3. Sri S. V. Venkatesh Reddy. 31-12-43 to 1-1-44

4. The receipts and payments during the year and annual account as appended together with the opening and closing balances. The opening balance in the cash book is in agreement with the closing balance of the previous year. A single cash book was maintained for both the General and Elementary Education Funds. The closing balance according to this cash book viz. Rs. 24,574-5-2 agrees with the consolidated closing balance of the various funds according to the abstract attached to the account for March 1944 and is in agreement with the balance in the treasury book after allowing for outstanding cheques and unremitted revenue in hand and unremitted revenue in hand at the close of the year. The amount closed with a deficit balance of Rs. 359-1-7.

5. FINANCIAL REVIEW. The financial position of the Elementary Education Fund was far from satisfactory. The account closed with deficit balances throughout the year in spite of increase in contribution from the General fund - from Rs. 4200 in the year 1942-43 to Rs. 66007- in the year under report.

Month.	Closing balance.
April - 1943.	- Rs. 1347 15 4
May 1943	- 2626 9 2
June 1943	- 2604 13 1
July 1943	- 2580 7 5
August 1943	- 2661 1 7
September 1943	- 1821 2 3
October 1943	- 2714 0 0
November 1943	- 3056 0 0
December 1943	- 3204 0 0
January 1944	- 4779 0 0
February 1944	- 5424 0 0
March 1944	- 359 1 7

The deficit was mainly due to the increase in salaries and allowances to teachers.

EXPENDITURE OF PREVIOUS YEARS.

Para 4 of the audit report for 1942-43. Excess expenditure for loss in education tax.

G.O. No. 1265 L.A., dated 7th June 1944 the Government ordered as the compensation for loss of income in Education tax for each of the years 1942-43 to 1944-45. The excess compensation of Rs. 28-13-0, drawn in each of the years 1942-43 and 1943-44 was ordered to be refunded to Provincial Funds. The refund remained to be made.

(2) Para 5 of the audit report for 1942-43. Illegal levy of Education tax as surcharge on profession tax.

With reference to para 3 of G.O. No. 1443 Wn., dated 26th October 1943 passing orders on the replies to the audit report for 1942-43, the Education tax collected as a surcharge on profession tax remained to be refunded.

5. EXCESS EXPENDITURE IN EXCESS OF BUDGET ALLOTMENT.

The expenditure exceeded the budget allotment under the following heads of account. The sanction of the Council, the Director of Public Instruction, or the Government, as the case may be, was not obtained for the excess expenditure as required by G.O. No. 126 L.A.P.H., dated 29th January 1942. In G.O. No. 284 E. & P.H., dated 24th February 1943 and No. 294 E. & P.H., dated 24th February 1943 passing orders respectively on the original budget and re-budget for 1943-44, the Government ordered that their prior sanction should be obtained before incurring excess expenditure. This was not obtained.

Expenditure.	Budget allotment as revised.	Authority whose sanction is necessary.
14,357	12,964	Director of Public Instruction and Government.

Clerks and Servants.	170	150	Director of Public Instruction.
Contribution to Provident Fund.	704	700	Council.
2. Contingencies.			
Other items.	792	720	Do.
3. Repairs to Buildings.	48	nil.	Director of Public Instruction.
Total expenditure under ordinary.	18,973	15,494	Government.

6. ILLEGAL LEVY OF EDUCATION TAX ON PROFESSION TAX.

The Municipal Council continued to levy Education tax as a surcharge on Profession tax at 15% of the tax for the 1st half of the year 1943-44. The demand thus raised on account of education tax for 1943-44 - 1st half was Rs. 24-3-5. The demand raised was illegal and the collection of tax made would need refund to parties (vide also para 4(2) above).

In the second half of the year 1943-44 Education tax as a surcharge on profession tax was levied in the following manner. The new maximum scales of rates of profession tax prescribed in G.Os. No. 620 and 624 dated 18th February 1942 were apportioned between profession tax and Education tax as a surcharge on profession tax in the ratio of 7:1 respectively. The apportionment was sanctioned by the Council, in its resolution No. 83 dated 19th August 1943 and necessary notification was published in the District Gazette in September 1943. The sanction of Government was not obtained for the reduction in the rate of Profession tax under Sec. 78 of the District Municipalities Act for 1943-44. Under Education tax as a compensation for loss in profession tax and its equivalent Government subsidy was fixed in G.O. No. 1265 L.A., dated 7th June 1944 taking into account, the average receipts which the Municipality was getting before profession tax limitation act came into force, the amount of equivalent subsidy under Sec. 78 of the District Municipalities Act and the average Education tax paid in the Municipality.

education tax as a surcharge on profession tax collected in 1943-44 against the demand of Rs.165-5-5 for the year 1943-44. Subsidy, if drawn, would need refund to Government.

7. DRAWAL OF SUBSIDY ON ARREARS OF EDUCATION TAX. In Para 5 of G.O.No.1265 D.A., dated 7th June 1944, the Government stated that Local bodies are entitled to equivalent Government grant under Sec.37 of the Elementary Education Act on Arrears of Education Tax collected on or after 1st April 1942. But the amount so drawn will have to be refunded to Government. The following amount of Education Tax relating to the years prior to 1st April 1942 were collected in 1942-43 and 1943-44 respectively.

Year of account.	Arrears collected.		
	Rs.	A.	P.
1942-43.	27	8	1
1943-44	13	2	3

The equivalent Government grant already drawn on the arrears of Rs.27-8-1 collected in 1942-43 would need refund. The equivalent Government grant on the arrears of Rs.13-2-3 collected in 1943-44 as and when drawn would also need refund to Government.

8. SHORT DRAWAL OF GRANT. Against a grant of Rs.5315/- due under the proviso to Sec.37 of the Elementary Education Act, a grant of Rs.4423/- only was drawn in 1943-44. The balance of Rs.896/- was pending realisation till the close of audit.

9. Grant of leave on Medical Certificate on full pay to persons governed by Madras leave rules.

Sri Ranjitham Sango and Sri P.K.Kannappa Nayagar, teachers were granted leave on medical certificate from 1st November 1943 to 4th December 1943 and from 30th November 1943 to 5th December 1943 respectively on full pay. As they were governed by the Madras leave rules, objection was raised in audit to the grant of leave on full pay to them. Excess leave salary paid to Sri Ranjitham was recovered on Vr.224/July 1944. The recovery of the excess paid viz. Rs.2-11-0 to Sri Kannappa Nayagar was pending.

10. SLATES AND PENCILS - PURCHASE OF. Slates and pencils to 15-12-43 were purchased on Vr.453/October 1943 for

account were not pointed out.

11. RESULT OF AUDIT. The general result of audit may be considered fairly satisfactory.

12. The gross receipts and charges for the year were Rs. 16,849-15-6 and Rs.16,878-10-8 respectively.

13. Eight items of objections involving Rs.375-12-11 were pending settlement at the close of audit.

T.K. Srinivasan,
Assistant Examiner of Local Fund Accounts,
Western Circle, Salem.

Forwarded to Executive Authority of Chingleput Municipal Council in duplicate with the request that the report may kindly be returned within 2 months to the District Inspector of Local Fund Accounts Chingleput

Chingleput with your reply in triplicate duly approved by the Municipal Council for submission to Government.

Duplicate copy of the final statement of audit of Elementary Education Fund accounts of Chingleput Municipal Council for the year ended 31st March 1944 is herewith forwarded to the Secretary to Government, Education and Public Health Department with reference to 35(d) of Schedule IV of the Madras District Municipalities Act 1920. The original was forwarded to the Executive Authority in L.P.No. 112/44
Dated: 5/9/44

Office of the Examiner of Local Fund Accounts, Nilgaul P.O., Madras.

Education Tax on Property, 2734-6-2.

do Profession Tax (Current) 159-10-0

do do Extension Collection 0-1-0

do do do 13-2-3

Annual Account of Receipts and Charges of the Elementary Education Fund of the Chingleput Municipal Council for the year 1943-1944: 2907-4-1

R.F. XXXVIII.9-31 19-11 40.

Heads.	Actuals, 194 -4 .		Total.	Final Budget Appropriation.	
	RS.	A. P.	RS.	A. P.	RS. A. P.
Opening Balance ..	36	65			562 . .
Receipts—Ordinary.					
(1) Education tax ..	2907	41			2493 . .
Compensation for loss of ..	718	-			718 . .
(2) Fees and penalties under the Elementary Education Act ..					
(3) Income from investments, etc. ..					
(4) School fees ..					
(5) Endowments ..					
(6) Contributions ..					
(7) Other receipts ..	2	16			40 . .
(8) Government grant—					
(i) Under section 37 of the Elementary Education Act.	2714	-			2300 . .
(ii) Under proviso to section 37 of the Elementary Education Act.	4429	-			5315 . .
(9) Contribution from the General Account—	5800	-			5800 . .
(a) For payment of temporary allowance of Rs. 4.					
(b) For other purposes ..					
(10) Investments realized ..					
(11) Advances recovered ..					
Deduct—Refunds ..	20	61			15 . .
Deduct—Amount transferred to Capital.	2	-			
Total ..	16549	156			16651 . .
Receipts—Capital.					
1. Government grants ..					
2. Endowments and contributions ..					
3. Loans ..					
Contribution from General Account—Ordinary ..					
Investments realized ..					
Amount transferred from Ordinary ..					
Total ..					
Total, Ordinary and Capital ..	16549	156			16651 . .
Total, including opening balance ..	16513	91			17213 . .

AUDIT REPORT ON THE ELEMENTARY EDUCATION FUND ACCOUNTS OF THE CHINGLEPUT MUNICIPAL COUNCIL (CHINGLEPUT DISTRICT) FOR THE YEAR 1943-44.

Name of auditor: N. Narayanan, District Inspector of Local Funds Accounts.
Time taken for audit: 21st July 1944 to 30th July 1944.

The Office of Commissioner was held by the following persons for the periods noted against each.

- | | |
|-------------------------------|----------------------------------|
| 1. Sri. S. Veeraraghava Raju. | 1-4-43 to 14-12-43. |
| 2. " S. Sivaraman. | 15-12-43 to 30-12-43. |
| 3. " M. P. Krishnan Nair. | 31-12-43 to the end of the year. |

2. The receipts and payments during the year are shown in the annual account appended together with the opening and closing balances. The opening balance in the cash book is in agreement with the closing balance of the previous year. A single cash book was maintained for both the general and elementary Education Funds. The closing balance according to this cash book viz. Rs. 34,534-6-2 agrees with the consolidated closing balance of the various funds according to the abstract attached to the accounts for March 1944 and is in agreement with the balance in the treasury pass book after allowing for outstanding cheques and unremitted revenue in hand at the close of the year. The account closed with a deficit balance of Rs. 359-1-7.

Noted.

3. FINANCIAL REVIEW. The financial position of the elementary Education Fund was far from satisfactory. The account closed with deficit balances throughout the year in spite of increase in contribution from the General Fund - from Rs. 4200/- in the year 1942-43 to Rs. 5800/- in the year under report.

Month.	Closing balance.
April 1943.	Rs. 1347 15 4
May 1943.	2626 9 2
June 1943.	2604 13 1
July 1943.	3839 7 5
August 1943.	961 1 7
September 1943.	1621 2 11
October 1943.	2714 0 10
November 1943.	3956 0 6
December 1943.	5204 0 0
January 1944.	4779 8 0
February 1944.	5424 11 7
March 1944.	359 1 7

Noted.

The deficit was mainly due to the increase in expenditure under "Salaries and allowances to Masters". The expenditure under this account exceeded the budget allotment by about Rs. 1500/-. Steps would, therefore, need to be taken either to retrench the expenditure or to increase the revenues by raising the rate of Education tax on property tax.

4. PENDING OBLIGATIONS OF PREVIOUS YEARS.

(1) Para 4 of the audit report for 1942-43. Excess drawal of compensation for loss in Education tax. In G.O. No. 1266 L.A., dated 7th June 1944 the Government fixed Rs. 652-3-0 as the compensation for loss of income in Education tax for each of the years 1942-43 to 1944-45. The excess compensation of Rs. 65-13-0, drawn in each of the years 1942-43 and 1943-44 was also ordered to be refunded to Provincial Funds. The refund remained to be made. (2) Para 5 of the audit report for 1942-43. Excess levy of Education tax as surcharge on profession tax. With reference to G.O. No. 1442 dn. dated 26th July 1944.

Refunded on while claiming the amount of grant due as in G.O. No. 1266 dated 7-6-44.

The major items of Education Tax claimed by the Council have been noted.

Heads.	Actuals, 1943-44.		Total.		Final Budget Appropriation.	
	RS.	A. P.	RS.	A. P.	RS.	A. P.
Expenditure—Ordinary.						
1. Staff—						
Salaries and allowances ..					12764	
Masters ..	54357	5				
Clerks and servants ..						
Education Tax—Collection Charges	170				150	
Contribution to Provident Fund ..	135				150	
Travelling allowances ..	701				700	
Stipend of teachers sent for training ..						
2. Contingencies and equipment—						
Contingencies ..						
House-rent ..	660				720	
Other items ..	791	128			720	
Equipment—						
Furniture and apparatus ..	10				25	
Library books and maps ..					15	
Other items ..					50	
3. Prizes and scholarships ..						
4. Repairs to buildings ..	479					
5. Contribution to panchayats ..						
6. Interest on and repayment of debt ..						
7. Investments made ..						
8. Advances recoverable ..						
Total ..			16872	108	15494	
Expenditure—Capital.						
1. Lands and buildings ..						
2. Equipment—						
(1) Furniture and apparatus ..						
(2) Library books and maps ..						
(3) Investments made ..						
(4) Other items ..						
Total ..						
Total, Expenditure (Ordinary and Capital) ..			16872	108	15494	
Total, closing balance ..			359	17	1719	
Grand total, including closing balance ..			16513	91	17213	

N. Narayanan

District Inspector of Local Fund Accounts

to the audit report for 1942-43, the education tax collected as a surcharge on profession tax remained to be refunded.

Due to practical difficulty the refund will need not be insisted upon.

The excess is due to the Government sanctioning increased dearness allowance not contemplated at the time of Budget. No further sanction of government is necessary.

5. EXPENDITURE IN EXCESS OF BUDGET ALLOTMENT. The expenditure exceeded the budget allotment under the following heads of account. - The sanction of the council, the Director of Public Instruction, or the Government, as the case may be, was not obtained for the excess expenditure as required by G.O.No. 1266 L.A., dated 29th January 1942. In G.Os.No. Ms. 284 T.&P.H., dated 22nd February 1943 and No. Ms. 294 T.&P.H. dated 24th February 1944 passing orders respectively on the original budget and revised budget for 1943-44, the Government ordered that their prior sanction should be obtained before incurring excess expenditure under "ordinary". This was not obtained.

Head of account.	Expenditure.	Budget allotment as revised.	Authority whose sanction is necessary.	Necessary sanction has been applied for.
1. Staff masters.	14,357	12,964	Director of Public Instruction and Government.	
Clerks and servants	170	150	Director of Public Instruction.	
Contribution to provident Fund.	701	700	Council.	
2. Contingencies.				
Other items.	792	720	-do-	
3. Repairs to Buildings.	48	nil	Director of Public Instruction.	
Total expenditure under ordinary.	16,873	15,494	Government.	

6. ILLEGAL LEVY OF EDUCATION TAX ON PROFESSION TAX. The Municipal Council continued to levy Education tax as a surcharge on profession tax at 15% of the tax for the 1st half of the year 1943-44. The demand thus raised on account of education tax for 1943-44-1st half was Rs.94-3-5. The demand raised was illegal and the collection of tax made would need refund to parties (vide also para 4(2) above).

The amount involved in the refund is very meagre in each case. So no refunds practicable and this may be dropped for the reasons given for item No.4(2) Sanction of Government is not necessary as reduction was made to effect to the orders of government in G.O. No. 2114 L.A. dated 11-6-40. The excess will be refunded after final adjustment is made.

In the second half of the year 1943-44 Education tax as a surcharge on profession tax was levied in the following manner. The new maximum scales of rates of profession tax prescribed in G.Os.No. 620 and 624 dated 18th February 1942 were apportioned between profession tax and Education tax as a surcharge on profession tax in the ratio of 7:1 respectively. The apportionment was sanctioned by the Council, in this its resolution No.88 dated 19th August 1943 and necessary notification was published in the District Gazette in September 1943. The sanction of Government was not obtained for the reduction in the rate of Profession Tax under Sec.78 of the District Municipalities Act though there were outstanding loans. As a surcharge on profession tax and its equivalent Government subsidy was fixed in G.O.No.1266 L.A., dated 7th June 1944 taking into account, the average receipts which the Municipality was getting before profession tax limitation Act came in to force, the drawal of equivalent subsidy under Sec.37 of the Elementary Education Act on the Education tax collected in the aforesaid manner would amount to double drawal of subsidy. No Government tax could therefore appear to be admissible on Rs.159-11-8 as a surcharge on profession tax.

to Government.

7. DRAWAL OF SUBSIDY ON ARREARS OF EDUCATION TAX. In para 3 of G.O.No.1266 L.A., dated 7th June 1944, the Government stated that Local bodies are entitled to equivalent Government grant under Sec-37 of the Elementary Education Act on arrears of Education Tax collected on or after 1st April 1942. But the amount so drawn will have to be refunded to Government. The following amount of Education Tax relating to the years prior to 1st April 1942 were collected in 1942-43 and 1943-44 respectively

Year of account.	Arrears collected.
1942-43.	Rs.27-8-1
1943-44.	13-2-3

The equivalent Government grant already drawn on the arrears of Rs.27-8-1 collected in 1942-43, would need refund. The equivalent Government grant on the arrears of Rs.13-2-3 collected in 1943-44 as and when drawn would also need refund to Government.

8. Short Drawal Of Grant. Against a grant of Rs.5315/- due under the proviso to Sec.37 of the Elementary Education Act, a grant of Rs.4429/- only was drawn in 1943-44. The balance of Rs.886/- was pending realisation till the close of audit.

9. Grant of leave on Medical Certificate on full pay to persons governed by Madras leave rules. Sri. Ranjitham Sango and Sri. P.K. Kannappa Nayagar, teachers were granted leave on medical certificate from 29th November 1943 to 4th December 1943 and from 30th November 1943 to 9th December 1943 respectively on full pay. As they were governed by the Madras leave rules, objection was raised in audit to the grant of leave on full pay to them. Excess leave salary paid to Sri. Ranjitham was recovered on Vr.294 July 1944. The recovery of the excess paid viz. Rs.3-11 to Sri. Kannappa Nayagar was pending.

The matter is still under correspondence.

10. SLATES AND PENCILS - PURCHASE OF. Slates and pencils to the value of Rs.13-4-2 were purchased on Vr.459/October 1943 for the use of poor boys of Gundur Chery School. Entries in the stock account were not pointed out.

Will be shown at the next audit.

11. RESULT OF AUDIT. The general result of audit may be considered fairly satisfactory.

12. The gross receipts and charges for the year were Rs.16,549-15-6 and Rs.16,872-10-8 respectively.

Noted.

T.K.Srinivasan,
Assistant Examiner of Local Fund Accounts,
Western Circle, Salem.

Commissioner.

S. Sitaranayagam
Commissioner
Chingleput Municipality

Meeting No.7 of 1944-45. 13

Extract from the minutes of proceedings of the ordinary meeting
of the Municipal Council, Chingleput held on Thursday the 28th Sept: '44.

Resolution No.130. Read audit report on the Elementary Education
Fund of this Council for 1943-44 with draft replies thereto.

"The draft replies of the Commissioner are approved."

Sd. T.S. Sitaram Naidu,
Commissioner.

Sd/- C. Thirumalai Naidu,
Vice Chairman in Chair.

(True copy)

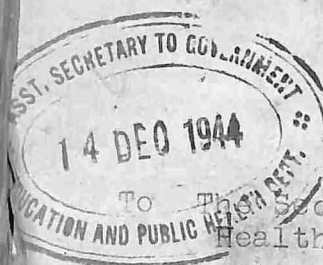
2/10/44

LF. 7309
12.12.44.

Examiner's Office.

Sub: Audit Report - Elementary Education Funds - Chingleput Municipality - 1943-44.

Forwarded to the Secretary to Government, Education and Public Health Department, with copies of replies and the resolution of the Municipal council.



J. R. S. S. S.
Assistant Examiner.

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Handwritten text in Tamil script.

16 1025 Sp. H. & M. (A)

Audit Report - 1943-44 - Ely. Edu. Ins. -
M. cl. Chingleput - Recorded -
2.1.1945.
O.S. Ms. Edu. depts. -

Recorded

what is para 8?

24.12.44

Spd with copy
4.1.45

To the Command
Chingleput - M. C.
This is the copy
To the S. P. S. (with
copy of report)
... S. P. S. F. A.

18/12/44
23.1.45

Subs that no action seems necessary with
reference to para 8 on p 11 ante as the matter is reported

She under correspondence. Done 30.12.44