Stott. II-27—15,004—22-3-46.

Education and Public Health (1946) Department.

Ms. SERIES. (1)

G.O. NO. 2354 Edn., 2354.

Dated 10-12-1946.

08Con p43cf.

[Despatch Abstract.]

Audit Report-1944-45-Elementary Education fund-Corporation of Madras-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.

Same as p.19 infra

(2)

AUDIT REPORT ON THE ELEMENTARY EDUCATION FUND ACCOUNTS OF THE CORPORATION OF MADRAS FOR THE YEAR 1944-45.

Name of auditors: Sri V. Srinivasan and
R. Sama Rao,
Superintendents.

Time taken for annual audit: From the 17th September 1945 to the 18th November 1945.

The Office of Mayor was held by Khan Bahadur Dr. Syed Niyamathullah from the 1st April 1944 to the 22nd November 1944 and by Sri M. Radhakrishna Pillai from the 23rd November 1944 to the 31st March 1945.

2. The Office of Commissioner was held by O. Pulla Reddi, Esq., I.C.S., from the 1st April 1944 to the 2nd July 1944 and by J.P.L. Shenoy, Esq., I.C.S., from the 3rd July 1944 to the 31st March 1945.

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. The closing balance namely, Rs.3,87,918-1-4 agrees with the balance in the final account for March 1945 and is in agreement with the balance in the Madras Provincial Co-operative Bank Pass Book after allowing for outstanding cheques and unremitted revenue on hand at the close of the year subject to the adjustments made after 1st April 1945 as per final accounts.

3. The more important irregularities are detailed below. Irregularities of a minor nature are detailed in the annual objection statement which should be read as forming part of this report.

4. EXPENDITURE - BUDGET - REAPPROPRIATION OF FUNDS - SANCTION WANTING.

Expenditure was incurred in excess of the provision made in the budget estimate as approved in G.O.No.200 Edn., dated 10th February 1944 in the following cases. The sanction of the Council was not obtained for the reappropriation of funds necessary to meet the excess expenditure before the close of the year.

Head of account.	Actuals. Rs.			Budget provision. Rs.
1.Staff - Salaries & allowances - Masters.	9,53,824	3	4	9,03,300
Clerks & Servants.	77,850	5	8	66,450
Pensions & Gratuities.	28,683	8	6	24,000
Education Tax collection charges.	30,919	0	0	25,000
Total Staff etc.	10,91,277	1	6	10,18,750
2.Contingencies other items.	89,592	6	8	80,400
Total expenditure (ordinary)	13,92,202	14	5	13,16,110

The Council in its resolution No.628, dated 9th October 1945 resolved to ratify the excess expenditure shown against the following heads of account only and in doing so, the provision made in the revised estimate for 1944-45 was taken into account, though such provision in the revised estimate is no authority ratifying or sanctioning the incurring of expenditure in excess of the budget provision.

Head of account.	Allotment in the revised estimate. Rs.	Expenditure. Rs.	Excess. Rs.	Original Budget provision. Rs.
Salaries - Clerks & servants.	72,000	77,850	5,850	66,450
Contingencies - Other items.	80,000	89,498	9,498	80,400
,, House Rent.	76,000	80,982	4,982	83,500

The total provision in the approved budget under expenditure-ordinary was Rs.13,16,110/- while the total expenditure incurred was Rs.13,92,202-14-5. The specific sanction of Government necessary for the excess expenditure under the rules issued with G.C.No.139, Edn., dated 29th January 1942, was not obtained.

5. OBJECTIONS PENDING FOR OVER TWO YEARS. The number of objections with the amounts involved, which have been pending settlement for more than two years is given below. The objections would need to be settled expeditiously and the result reported along with the replies to the Audit Report.

YEAR.	NO.OF ITEMS.	AMOUNT. Rs.	A.	P.
1939-1940.	4	34	2	0
1940-41.	35	...		
1941-42.	27	118	2	0
1942-43.	54	2,199	10	4
	120	2,351	14	4

6. PENDING PARAGRAPHS OF THE PREVIOUS YEARS' AUDIT REPORTS.

(1) Paragraph 7(b) of the audit report for 1943-44. The further remarks for July 1940, March 1941, June 1941, November 1941, June 1943, and July 1943 have not yet been received back with replies.

(2) Paragraph 9(a)(4) of the audit report for 1943-44. The approval of the Government Educational authorities for the additional building for Corporation Boys' School, Vyasarpadi, was not pointed out.

(3) Paragraph 9(a)(5) of the audit report for 1943-44. The sanction of the Government Educational authorities for Rs.650/- paid to the Honorary Treasurer, Madras Corporation Boy Scouts and Girls Guides Association, was not pointed out.

(4) Paragraph 10(a) of the audit report for 1943-44. The recovery of the balance of Rs.55/- is awaited.

(5) Paragraph 10(b) of the audit report for 1943-44. In the absence of the specific sanction of Government, the Educational Officer is not eligible for arrears of pay. The arrears paid would need recovery - vide further remarks on this paragraph issued with L.F.4038 dated 11th September 1945.

(6) Paragraph 11(b) of the audit report for 1943-44. The detailed reply promised is awaited.

(7) Paragraph 12 of the audit report for 1943-44. The adjustment promised may be expedited. It has not been stated whether the diversion of loan fund had been sanctioned by Government.

(8) Paragraph 14 of the audit report for 1943-44. The final decision of the Standing Committee is awaited.

(9) Paragraph 20 of the audit report for 1943-44. The fixation of strength of each school is necessary! This may be done and the distribution statement furnished to audit at the commencement of each year.

(10) Paragraph 23 of the audit report for 1943-44. The acknowledgment of the permanent advance of Rs.2/- held by the Headmistress, Corporation Mohammadan Girls School, Hussain Maistri Street, has not been produced.

Furnished to audit on 22-1-46

(11) Paragraph 24 of the audit report for 1943-44. The adjustment of the advance of Rs.4-11-0 made in October 1943 is awaited.

(12) Paragraph 25(a) of the audit report for 1943-44. No reply has been furnished in the Audit Report to this sub paragraph. Reply may be expedited.

(13) Paragraph 25(e) of the audit report for 1943-44. Since the register maintained in the Works Department does not show separately the buildings or lands purchased out of the Elementary Education Fund, a register of immovable property belonging to the Elementary Education Fund would need to be maintained in the Education section separately.

7. DELAY IN THE RETURN OF OBJECTION STATEMENTS AND FURTHER REMARKS WITH REPLIES.

There were long delays in the return of objection statements or further remarks on the replies to the objection statements. The following further remarks issued on the dates noted against each have not been received back with replies, though they were due to be returned within a fortnight from the date of receipt.

Months to which further remarks relate.		Date of issue.
December	1939.	14--6--1945.
January	1940.	31--5--1945
March	1940.	14--6--1945
July	1940.	5--8--1944
October	1940	14--6--1945
February	1941	14--6--1945
March	1941	21--7--1944
April	1941	14--6--1945
May	1941	9-12--1944
June	1941	11--9--1944
August	1941	14--6--1945
October	1941	25--6--1945
November	1941	5-10--1943
January	1942	25--6--1945
February	1942	14--6--1945
March	1942	25--6--1945
May	1942	11--6--1945
June	1943	25--6--1945
August	1942	23--6--1945
October	1942	25--6--1945
November	1942	25--6--1945
December	1942	27--6--1945
January	1943	2--7--1945
February	1943	27--6--1945

Months to which the further remarks relate.		Date of Issue.
March	1943.	28--7--1945
Annual Objection Statement for 1942-43.		27--6--1945
April	1943	27--6--1945
May	1943	5--7--1945
June	1943	23--5--1944
July	1943	23--5--1944
September	1943	27--6--1945
October	1943	31--5--1945
November	1943	31--5--1945
December	1943	14--6--1945
February	1944	2--7--1945
March	1944	30--7--1945
Annual Objection Statement for 1943-44.		31--5--1945.

8. EQUIVALENT GOVERNMENT GRANT DRAWN IN EXCESS AWAITING REFUND.

The actual realisations of education tax under current and arrears during the year amounted to Rs.6,47,653-1-4 according to the D.C.B. excluding advance collections. Since the rate of education tax was raised from 8 per cent to 12 % of the Property tax from 1st April 1943 and the proceeds at this rate are credited to the Elementary Education Fund, equivalent grant due from Government is admissible only on the proceeds of the tax realisable at 8%, the rate in force in July 1941 before the amended Act came into force. The total gross collections on which equivalent grant can be drawn work upto Rs.4,43,275-13-6. Deducting from Rs.4,43,275-13-6 the proportionate share of education tax included in the property tax refunded during the year under report amounting to Rs.2,191-14-9 (only a sum of Rs.1,667-1-4 was actually debited to the Elementary Education Fund account in 1944-45), the excess collection of Rs.185-0-4 due to the enhancement on the rate of education tax, for 1937-38 and 1938-39 and excess collection of Rs.28-6-10 in the Mambalam area on properties exempt from the Water and Drainage tax, the net amount on which equivalent grant from Government can be drawn works out to Rs.4,40,870-7-7* against which, a sum of Rs.4,54,537/- was actually drawn and credited to the Elementary Education Fund with reference to G.O.No.Ms.1222, Edn., dated 11th August 1945, resulting in an excess drawal of Rs.13,667/- which should be refunded to Provincial funds.

Current.	Rs.	5,64,850	5	9
Arrears.		82,802	11	7
	Rs.	6,47,653	1	4

	Rs.	4,43,275	13	6
Deduct.		2,191	14	9
		185	0	4
		28	6	10
		4,40,870	7	7*

9. SANCTION WANTING. The sanction of Government was not pointed out to the debit to the Elementary Education Fund of the expenditure of Rs.140-7-0 being the advertisement charges for the supply of bullock carts for Muslim Girls incurred in the year. Similar expenditure incurred in 1943-44 was sanctioned in Memorandum No.11956-A-3 E. & P.H., dated 28th July 1945.

10. UNAUTHORISED DEBIT TO ELEMENTARY EDUCATION FUND. An expenditure of Rs.100/- was incurred in connection with "go to school campaign" conducted in June 1943. The expenditure was proposed to be met from the general budget for 1943-44. Still, the expenditure was debited to the Elementary Education Fund on Voucher No.151, dated 31st March 1945 while the advance of Rs.100/- made on this account from the General Fund in 1943-44 was adjusted. The debit would need to be reversed.

11. RETENTION OF UNQUALIFIED TEACHERS. The two pre-Vocational Instructresses in Muslim Girls Schools are reported to be not qualified for the posts, since they do not possess the required technical qualification - vide Director of Public Instruction's remarks on the budget for 1944-45. The Inspecting authorities of the Government Educational Department ~~in xxxx xxxxxxxxx~~ insist that they should pass the Technical Teachers' Certificate Examination in that subject. The matter was stated to be under correspondence with the Inspectress of Girls' Schools. It would need to be stated how the expenditure incurred till now is proposed to be regularised.

12. CONTRIBUTION FROM THE GENERAL FUND. Menial staff comprising of peons, conductors and conductresses are employed in elementary schools in excess of the scale prescribed by Government and the cost of such excess staff is being met from the Elementary Education Fund in the first instance subject to the subsequent recoupment from the general fund. An adjustment voucher showing the cost of such excess staff during the year was not prepared at the end of 1944-45 for recoupment as was done till 1941-42. There is no information as to the total cost of such excess staff. This has resulted in an unauthorised debit to the Elementary Education Fund to the extent of the wages paid to the staff of menials employed in excess of the prescribed scale.

It was contended that the contribution of Rs.3,20,000/- fixed for adjustment from the general account includes the above amount also as noted in the budget. Since the excess cost ~~x~~ varies from year to year and since the full extra cost is to be met from a contribution from general funds - in addition to the usual contributions - the amount due to be adjusted on this account should not be clubbed with the usual contribution from the general fund. This additional contributions from the general fund should properly be shown in the account of Elementary Education Fund as abatement of expenditure under "clerks and servants" (for peons' pay) and "other items" (for wages of conductors). In the alternative the amount due on account of usual contribution from the general fund to the Elementary Education Fund as fixed in the budget estimate should alone be shown against receipt head 11(a) and the extra contribution actually incurred on account of contingencies (Pay of peons, conductors etc., employed in excess of the prescribed scale) separately exhibited against head 11(b) in the form of account adopted by the Corporation (Page 91 of the administration report for 1944-45). The excess if any for the year 1944-45 may now be worked out and adjusted from the General Fund to the credit of the Elementary Education Fund.

13. PROPORTIONATE COST OF EDUCATION TAX COLLECTIONS. A sum of Rs.33,510/- was due to be adjusted for the year under report as proportionate cost of collection of education tax. But only a sum of Rs.25,000/- was adjusted to the General Fund on this account during the year resulting in a short adjustment of Rs.8,510/-. It is necessary that the proportionate amount of the actual collection charges should be credited to the general fund within the year.

14. SERVICE REGISTERS. (a) Delays in sanctioning increments were noticed even during the year under report. In one case, the increment due in August 1942 and August 1943 were together sanctioned in April 1944. The suggestion made in paragraph 17 of the Audit Report for 1942-43 and reiterated in paragraph 19 of the Audit Report for 1943-44 to frame suitable rules on the lines of Articles 53, 54 and 55 of the Madras Financial Code, Volume I, regarding

regarding the investigation, admission and sanction of arrear claims remained yet to be considered.

(b) Cases were noticed even during the year under audit wherein elementary school teachers were granted leave on half average pay, though they had leave on average pay at their credit. A reference is invited to audit Instruction 1 under Rule 67 of the Fundamental Rules on pages 61 and 62 of the Audit Manual.

(c) It was also noticed in several cases that services were not verified and certificates of verification were not recorded for the year.

(d) It was noticed that several teachers had been deputed to other departments from the Corporation ~~ex~~ for work in connection with war. There was no information in the service registers as to how the period of absence from the Corporation service, was treated. If the absence is treated as deputation on foreign service terms, contributions towards leave salary and pension will have to be recovered.

15. ADVANCES RECOVERABLE REGISTER - ELEMENTARY EDUCATION FUND.

(a) The total of the advances pending at the end of the year according to the Central Accounts Department Register was Rs.23,845-3-9 while according to the audited figures, the amount should be Rs.23,845-4-3, the difference of 6 pies (representing the refund of excess amount over the sanctioned permanent advance in Chalan No.1 dated 12th December 1944) was due to this amount having been shown erroneously under advance instead of having been treated as abatement of expenditure under contingencies.

(b) A balance of Rs.29/- out of the advance made in October 43 in connection with the Floods was still pending clearance.

(c) A sum of Rs.100/- was advanced to the Education Officer from the General Funds in November 1943 to meet expenses in connection with the hiring of carts for conveyance of Muslim Girls Pupils. A sum of Rs.48-8-0 recovered during 1943-44 from the contractor's bills was wrongly credited in that year to the Elementary Education Fund as advances recovered and this amount was refunded to the general fund in November 1944. Out of the balance of Rs.51-8-0 to be accounted for, a sum of Rs.21-8-0 was refunded in

in cash on 29th March 1945. The balance of Rs.30/- was adjusted in June 1945. While no expenditure was incurred after 1st April 1944 it is not clear why the unspent balance was retained on hand till 29th March 1945 when it was refunded. Again, the delay in adjusting the expenditure of Rs.30/- incurred in April 1944 only in June 1945 was not explained.

(d) An advance of Rs.1,000/- was made to the Educational Officer from the Elementary Education Fund in April 1944 for expenses in connection with the hiring of carts for conveyance of Muslim girl pupils, consequent on the successful tenderer not entering upon the contract to fulfil it. A sum of Rs.400/- was adjusted in May 1944 while another sum of Rs.200/- was adjusted in June 1944 leaving a balance of Rs.400/- to be still accounted for. From Vr.250/May 1944 it was seen that instead of Rs.1073-12-0 being debited to contingencies and Rs.400/- credited to Advances ~~and~~ a sum of only Rs.673-12-0 was booked in the account. The balance of Rs.400/- was adjusted in November 1945.

(e) Similarly the delay in the adjustment of advance of Rs.200/- made in August 1944 for the annual educational camp to date is not apparent as the expenditure should been incurred long ago.

16. REGISTERS NOT MAINTAINED OR NOT WELL MAINTAINED.

(a) ACQUITTANCE REGISTERS - ELEMENTARY SCHOOLS IN GENERAL.

(i) In cases where full pay is claimed in the pay bill of a ~~xxxxx~~ School for an Assistant who becomes subsequently not eligible to be paid the full salary claimed, due to his absence on leave which was not sanctioned or to his being transferred to some other school, after ~~x~~ the submission of the pay bill, the amounts not due are withheld at the time of disbursement and remitted into the Corporation treasury. Instead of showing the gross amount claimed for each with a remark as to the amount not due but remitted into the Treasury, only the net salary after allowing for the amount recovered was shown in the acquittance registers of several schools. This procedure will not indicate when and how much was recovered and refunded and may result at times in omission to refund the amount recovered. There were delays in disbursement, delays

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in refund the amounts recovered and delays in recovering the amounts not due but which were paid in full at the time of disbursement. Instances are not noted below. It is suggested that the date of encashment of each bill is noted in the acquittance register.

School.	Particulars.	Amount.	Date of drawal.	Date of disbursement.	Date on which amount could have been recovered and refunded.	Date of refund.
C.G.S.Thousand Lights.	G.Rajammal pay.	7-4-0.	5-6-44.	5-7-44.		
C.G.S.Vellala Teynampet.	Gnanambal pay.	16-5-0.	5-9-44	10-11-44.		
C.M.G.S.Peter's Road.	Ansar Unnisa.	2-12-0.	5-9-45			2-10-45
C.M.G.S.Thousand Lights.	Fine from Conductress Excess recovered from Sajida.	1-0-0	5-5-45.			14-6-45
		3-0-0	5-4-45.			24-4-4 5.
	Nurzehan Pay.	4-9-0. 4-10			5-6-44. 5-5-45	6-9-44. 17-7-45
C.M.G.S.Mylapore.	Pay and dearness allowance for 1 day.	1-14-0.			5-1-45.	9-2-45.
	Excess.	0-10-0.	5-2-44.			12-4-44.

(ii) ACQUITTANCE REGISTER - CORPORATION GIRLS SCHOOL - KORUKKUPET.

From the transactions relating to the drawal and disbursement of wages of scavenger Janaki from August 1944 as recorded in this register up to the end of September 1945, it was seen that the amounts due to Janaki in all months except September and October 1944, November 1944, December 1944 and January 1945 had been paid to and acknowledged by one C.P.Madhava Krishnan (Signed in English) reported to be the son of Janaki without a letter of authorisation from the rightful payee in support of the disbursment. For the wages for August 1944 paid in September 1944 both the thumb impression (presumably of Janaki's) and the signature of this C.P.Madhava Krishnan had been obtained and in respect of the wages for September 1944 to December 1944 payable in October 1944 to January 1945, a thumb impression of Janaki had been

affixed. From the IV account Chalan No.4 dated the 8th September 1944 relating to the Corporation Boys School Korukkupet where the same scavenger was working, it was seen that the wages for August 1944 were refunded to the Corporation Treasury as the party died on 22nd August 1944. It is not, therefore, clear how the thumb impression of Janaki could be affixed in September 1944 to January 1945, and how her name was shown in the acquittance register of the Corporation Girls School, Korukkupet right upto the end of August 1945. A petition from C.P. Madhavakrishnan regarding non-receipt by him of the wages for September to December 1944, when he was working in the absence of his mother Janaki, received in this department on 4th September 1945 was forwarded to the Commissioner for disposal. The result of the enquiry, if any, made on this petition is awaited.

(b) PERMANENT ADVANCE REGISTERS - ELEMENTARY SCHOOLS. Delays in recouping expenditure and cases in which expenditure was incurred in excess of the sanctioned permanent advance were also noticed. The cash balance of Rs.1-10-0 with the headmaster of the Corporation Boys School, Pudumanikuppam was not produced on the ground that it was not handed over to him by his predecessor.

(c) REGISTER OF IMMOVABLE PROPERTY. Only a list of buildings pertaining to the Elementary Education fund in which Corporation schools are located was contained in this register. Information regarding the location of the building, description, date of purchase or construction, capital cost, amount of depreciation etc. was not given. Lands acquired for construction of school buildings, were not entered with extent in cases where buildings have not been put up so far.

(d) The register of Service Books stated to have been maintained was not produced though called for.

(e) The register of estimates and allotments was not fully posted. Expenditure incurred was not posted upto the end of the year in many cases and in the absence of these postings it

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is not clear how the progress of expenditure was watched against budget provision.

(f) A register of works in respect of the Elementary Education Fund was not maintained.

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

18. RECEIPTS AND CHARGES. The receipts and charges during the year were Rs.14,89,854--4--9 and Rs.14,18,959--12--8 respectively.

19. PENDING OBJECTIONS. Four hundred and twenty seven items of objections involving a sum of Rs. 21500-12-7 were pending settlement at the close of audit as detailed in the annual objection statement.

Year.	No. of items.	Amount. Rs.	A.	P.
Upto 1942-43	120	2,351	14	4
1943-44.	124	4,988	3	3
1944-45.	183	14160.	11	0
Total.	427	Rs. 21,500.	12	7

Deputy Examiner of Local Fund Accounts.

(8)

Annual Account of Receipts and Charges of the Elementary Education Fund of the Corporation of Madras for the year 1944---1945.

Heads.	Actuals 1944-45. Rs.	Total Rs.	Final Budget Appropriation. Rs.
Opening balance. Rs. Rs.6,64,372 12 6 Gross deduct 23,995 14 7 excess adjusted during the previous year		3,17,023 9 3	1,72,298 0 0
RECEIPTS ORDINARY.			
(1) Education Tax	6,40,376 13 11		5,11,000 0 0
(2) Fees and penalties under the Elementary Education Act	13 0 0		
(3) Income from investments etc.	1,444 4 0		1,000 0 0
(4) School fees			
(5) Endowments			
(6) Contributions			
(7) Other receipts	3,127 10 11		500 0 0
(8) Government grant--			
(i) Under section 37 of the Elementary Education Act.	3,86,391 4 0		3,49,000 0 0
(ii) Under proviso to section 37 of the Elementary Education Act.	31,380 0 0		30,900 0 0
(9) Contribution from the General Account--			
(a) For payment of temporary allowance of Rs.4/-	4,17,382 0 0		3,20,000 0 0
(b) For other purposes			90,520 0 0*
			*for covering the extra cost of dearness allowance. vide Memo.41301 A.4 E & P.H. dated 22-9-44)
(10) Investments realized			
(11) Advances recovered	19,495 6 3		10,020 0 0
Deduct--Refunds of Excess equivalent grant in previous years	-8,089 1 0		
Deduct - Refunds of Education Tax	-1,667 1 4		
	14,89,854 4 9		13,12,940 0 0
Receipts - Capital.			
1. Government Grants.			
2. Endowments and contributions.			
3. Loans			
4. Contribution from General Account - Ordinary.			
5. Investments realized.			
Add - Amount transferred from ordinary			
Total			
Total, Ordinary and Capital		14,89,954 4 9	13,12,940 0 0
Grand Total, including opening balance		18,06,877 14 0	14,85,238 0 0

Heads.	Actuals. 1944-45.	Total	Final Budget Appropriation.
	Rs.	Rs.	Rs.
Expenditure Ordinary.			
1. Staff--			
Salaries and allowances			
Masters	9,53,824 3 4		9,03,300 0 0
Clerks and servants	77,850 5 8		66,450 0 0
Education tax - Collection charges	30,919 0 0		25,000 0 0
Pensions & Gratuities	28,683 8 6		24,000 0 0
Travelling allowances			
Stipend of teachers sent for training			
	~~10,91,277 1 6~~		~~10,18,750 0 0~~
2. Contingencies and equipment--			
Contingencies	80,982 3 8		83,500 0 0
House rent	89,592 6 8		80,400 0 0
Other items			
Equipment--			
Furniture and Apparatus	5,153 2 7		22,600
Library Books and maps	2,450 12 6		5000
Other items.	3 9 5		
	~~1,78,198 2 10~~		~~1,91,500 0 0~~
3. Prizes and scholarships	13,382 5 10		20,000 0 0
4. Repairs to buildings			
5. Contribution to Panchayats			
6. Interest on and repayment of debt	72,812 0 0		75,840 0 0
7 Refund of unauthorised credits of previous years	353 9 0		
~~7. Investments made~~	~~22 0 0~~		
8. Advances recoverable			
Permanent	22 0 0		10,020 0 0
others	36,173 11 3		
Total	13,92,202 14 5		13,16,110 0 0
Expenditure - Capital.			
1. Lands and buildings	26,756 14 3		40,000 0 0
2. Equipment--			
(1) Furniture and apparatus			
(2) Library books and maps			
(3) Investments made			
(4) Other items			
Total	26,756 14 3		40,000 0 0
Total, Expenditure (Ordinary and Capital)		14,18,959 12 8	13,56,110 0 0
Total closing balance		3,87,918 1 4	1,29,128 0 0
Grand Total, including closing balance		18,06,877 14 0	14,85,238 0 0

[signature]
Superintendent,
Corporation audit Sect

Government of Madras
Education & Public Health Department
G.O.Ms.No.453, Education Dated 10th March 1948.

Abstract.

Audit Report 1945-46 - Elementary Education Fund Corporation of Madras Recorded.

-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-V-

Read:

From the Examiner of Local Fund Accounts L.F.4733 dated 9-10-47.

ORDER:

Recorded.

(By Order of His Excellency the Governor)

M.V. Subramanian,
Secretary to Government.

p.t.o.

To
The Commissioner Corporation of Madras through the Mayor.
The Director of Public Instruction, Madras.
The Examiner of Local Fund Accounts.

True copy/Forwarded/By Order

Superintendent.

Msd. 11/3.

G.Dc-B- 356/45 8 28/11/45 (19) A/13/1305/45 15

22534

AUDIT REPORT - ELEMENTARY EDUCATION FUND ACCOUNTS - CORPORATION OF MADRAS - 1944-45.

L.F 6466 27-11-45 C.A.D for necessary action 4/12

Forwarded to the Chairman, Standing Committee (Accounts), Corporation of Madras, as required by Rule 19(d) of Schedule V to the City Municipal Act, 1919, with the request that with reference to sub rule (2) of Rule 20 of the same schedule, the above report may be returned (in original) within 6 months, with replies in duplicate duly approved by the Council for being forwarded to Government.

COUNCIL SECTION 28 NOV 1945 CORPORATION OF MADRAS

CHIEF ACCOUNTS OFFICER 4 DEC 1945

OFFICE OF THE CHIEF ACCOUNTS OFFICER No. DEC 1945 CORPORATION OF MADRAS

Deputy Examiner of Local Fund Accounts.

P.A 2/4/12

Forwarded to the Commissioner, C.M. for necessary action.
M Ramachandran Naidu
Chairman S.C. (A)

G. D. III—369.
1,000—Jan. 1946.

Registered (11) 12 194 .

To T. C. 844 18-10-46

THE SECRETARY
To The Government of Madras,
Education & Public Health Department,
FORT ST. GEORGE, MADRAS.
Through the Examiner of Local Fund Accounts, Kilpauk, Madras.
Through the Mayor of Madras.

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J. P. L. SHENOY, Esq., I.C.S.,
Commissioner,
Corporation of Madras.

C.A.D.C. No. A-12-1305 of 194 6, Dated 1st October 1946.

Enclosures : No.

Sir,

4087
9 OCT

Subject — Audit - Audit Report - Elementary Education Fund Accounts - Corporation of Madras - 1944-45 - Replies - Submitted.

I submit herewith the replies to the several paragraphs of the Audit Report on the Elementary Education Fund Accounts for 1944-45 together with the resolutions of the Standing Committee (Accounts) and the Council thereon.

The original Audit Report received from the Examiner of Local Fund Accounts is also returned herewith.

Forwarded
D. Venkatadri
Dy. MAYOR.

N.H.2-10-46.

For Commissioner.

EXAMINER OF LOCAL FUND ACCOUNTS
7. OCT. 1946
4072
MADRAS

19

(12)

NOTE FOR THE STANDING COMMITTEE (EDUCATION) AND COUNCIL.

The replies to the several paragraphs of the **Audit Report** on the accounts of the Elementary Education Fund of the Corporation of Madras for the year 1944-45 are put up below for consideration.

Corporation of Madras
3rd May, 1946.

J. P. L. SHENOY,
Commissioner.

Audit Report on the Elementary Education Fund Accounts of the Corporation of Madras for the year 1944-45.

Names of auditors : **Sri V. Srinivasan and R. Sama Rao Superintendents.**

Time taken for annual audit : From the 17th September 1945 to the 18th November 1945.

The Office of Mayor was held by Khan Bahadur Dr. Syed Niyamathullah from the 1st April 1944 to the 22nd November 1944 and by Sri M. Radhakrishna Pillai from the 23rd November 1944 to the 31st March 1945.

1. The Office of Commissioner was held by O. Pulla Reddi, Esq., I. C. S., from the 1st April 1944 to the 2nd July 1944 and by J. P. L. Shenoy, Esq., I. C. S., from the 3rd July 1944 to the 31st March 1945.

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. The closing balance, namely, Rs. 3,87,918-1-4 agrees with the balance in the final account for March 1945 and is in agreement with the

balance in the Madras Provincial Co-operative Bank Pass Book after allowing for outstanding cheques and unremitted revenue on hand at the close of the year, subject to the adjustments made after 1st April 1945 as per final accounts.

Reply:—No remarks.

3. The more important irregularities are detailed below. Irregularities of a minor nature are detailed in the annual objection statement which should be read as forming part of this report.

Reply:—Noted.

4. *Expenditure—Budget—Reappropriation of funds—Sanction wanting*:—Expenditure was incurred in excess of the provision made in the budget estimate as approved in G. O. No. 200 Edn., dated 10th February 1944 in the following cases. The sanction of the Council was not obtained for the reappropriation of funds necessary to meet the excess expenditure before the close of the year.

Head of account.	Actuals. Rs.	Budget provision. Rs.
1. Staff—Salaries & allowances—Masters.	9,53,824 3 4	9,03,300
Clerks & Servants	77,850 5 8	66,450
Pensions & Gratuities.	28,683 8 6	24,000
Education Tax collection charges.	30,919 0 0	25,000
Total Staff etc.	10,91,277 1 6	10,18,750
2. Contingencies other items.	89,592 6 8	80,400
Total expenditure (ordinary)	13,92,202 14 5	13,16,110

The Council in its resolution No. 628, dated 9th October 1945 resolved to ratify the excess expenditure shown against the following heads of account only and in doing so, the provision made in the revised estimate for 1944-45 was taken into account, though such provision in the revised estimate is no authority ratifying or sanctioning the incurring of expenditure in excess of the budget provision.

Head of account.	Allotment in the revised estimate. Rs.	Expenditure. Rs.	Excess. Rs.	Orginal Budget provision. Rs.
Salaries—Clerks & servants.	72,000	77,850	5,850	66,450
Contingencies—				
Other items.	80,000	89,498	9,498	80,400
,, House Rent.	76,000	80,982	4,982	83,500

The total provision in the approved budget under expenditure-ordinary was Rs. 13,16,110 while the total expenditure incurred was Rs. 13,92,202-14-5. The specific sanction of Government necessary for the excess expenditure under the rules issued with G. O. No 139, Edn., dated 29th January 1942 was not obtained.

Reply:—This has since been ratified by Government in their memorandum No. 13807-C/46-1- dated 19-3-46.

5. *Objections Pending for over two Years*:—The number of objections with the amounts involved, which have been pending settlement for more than two years is given below. The objections would need to be settled expeditiously and the result reported along with the replies to the Audit Report.

Year.	*No. of Items.*	*Amount.* Rs. A. P.
1939-1940	4	34 2 0
1940-1941	35	...
1941-1942	27	118 2 0
1942-1943	54	2,199 10 4
	120	2,351 14 4

Reply:—Out of 120 objections shown as pending 21 objections have since been disposed of. Speedy action is being taken to dispose of the remaining 99 objections.

6. *Pending paragraphs of the previous years' audit reports.*

(*1*) *Paragraph 7 (b) of the audit report for 1943-44.*—The further remarks for July 1940, March 1941, June 1941, November 1941, June 1943, and July 1943 have not yet been received back with replies.

Reply:—The Engineer has been instructed to return the further remarks with roplies without delay.

(2) *Paragraph 9 (a) (4) of the audit report for 1943-44.*—The approval of the Government Educational authorities for the additional building for Corporation Boys' School, Vyasarpady, was not pointed ont.

Reply:—This has since been dropped in audit.

(3) *Paragraph 9 (a) (5) of the audit report for 1943-44.*—The sanction of the Government Educational authorities for Rs. 650 paid to the Honorary Treasurer, Madras Corporation Boy Scouts and Girl Guides Association, was not pointed out.

Reply:—Sanction of the Government Educational authorities was since pointed out the auditors – vide reply to Para 9 (a) (5) of the Audit Report for 1943-44.

(4) *Paragraph 10 (a) of the audit report for* 1943-44.—The recovery of the balance of Rs. 55 is awaited.

Reply:—Fully recovered and since dropped in audit.

(5) *Paragraph 10 (b) of the audit report for* 1943-44.—In the absence of the specific sanction of Government, the Educational Officer, is not eligible for arrears of pay. The arrears paid would need recovery—vide further remarks on this paragraph issued with L. F. 4033 dated 11th September 1945.

Reply:—Vide reply to Paragraph 10 (b) of the Audit Report for 1943-44.

(6) *Paragraph 11 (b) of the audit report for* 1943-44.—The detailed reply promised is awaited.

Reply:—A detailed reply was furnished to the Examiner with reference to Paragraph 11 (b) of the Audit Report for 1943-44. The objection was dropped in audit.

(7) *Paragraph 12 of the audit report for* 1943-44.—The adjustment promised may be expedited. It has not been stated whether the diversion of loan fund had been sanctioned by Government.

Reply:—Wrong debit of Rs. 127-15-3 was rectified in IV account voucher No. 183J of March 1945. The voucher was produced to the auditors and the objection was dropped.

(8) *Paragraph 14 of the audit report for* 1943-44.—The final decision of the Standing Committee is awaited.

Reply:—The decision of the S. C. (A) is awaited.

(9) *Paragraph 20 of the audit report for* 1943-44.—The fixation of strength of each school is necessary. This may be done and the distribution statement furnished to audit at the commencement of each year.

Reply:—In view of the strength of schools fluctuating from time to time, consequent upon the enforcement of the scheme of compulsory Elementary Education it has not been found practicable to fix a definite strength of staff for each school. Care is, however, taken to see that the total number of teachers sanctioned in the budget does not exceed the budget limit. The reply was admitted and the objection was dropped.

(10) *Paragraph 23 of the audit report for* 1943-44.—The acknowledgment of the permanent advance of Rs. 2 held by the Headmistress, Corporation Mohammadan Girls' School, Hussain Maistri Street, has not been produced.

Reply:—Certificate from the Head Mistress, Corporation Muslim Girls School, Arathoon Road was since produced for audit and the objection dropped.

(11) *Paragraph 24 of the audit report for* 1943-44.—The adjustment of the advance of Rs. 4-11-0 made in October 1943 is awaited.

Reply:—Adjusted in Voucher No. 152J/30-11-45 and objection dropped.

(12) *Paragraph 25 (a) of the audit report for* 1943-44.—No reply has been furnished in the Audit Report to this sub paragraph. Reply may be expedited.

Reply:—A register of Service books was since opened and objection dropped.

(13) *Paragraph 25 (e) of the audit report for* 1943-44.—Since the register maintained in the Works Department does not show separately the buildings or lands purchased out of the Elementary Education Fund a register of immove property belonging to the Elementary Education Fund would need to be maintained in the Education section separately.

Reply:—A register of immovable properties belonging to the Elementary Education Fund is now maintained as suggested in audit and the objection was dropped.

7. *Delay in the return of objection statements and further remarks with replies.*—There were long delays in the return of objection statement or further remarks on the replies to the objection statements. The following further remarks issued on the dates noted against each have not been received back with replies, though they were due to be returned within a fortnight from the date of receipt.

Months to which further remarks relate.			*Date of issue.*		
December	1939	...	14	6	1945
January	1940	...	31	5	1945
March	1940	...	14	6	1945
July	1940	...	5	8	1944
October	1940	...	14	6	1945
February	1941	...	14	6	1945
March	1941	...	21	7	1944
April	1941	...	14	6	1945
May	1941	...	9	12	1944
June	1941	...	11	9	1944
August	1941	...	14	6	1945
October	1941	...	25	6	1945
November	1941	...	5	10	1943
January	1942	...	23	6	1945
February	1942	...	14	6	1945
March	1942	...	23	6	1945
May	1942	...	11	6	1945
June	1942	...	25	6	1945
August	1942	...	23	6	1945
October	1942	...	25	6	1945
November	1942	...	25	6	1945
December	1942	...	27	6	1945
January	1943	...	2	7	1945
February	1943	...	27	6	1945
March	1943		28	7	1945
Annual Objection Statement for 1942–43			27	6	1945
April	1943		27	6	1945
May	1943		5	7	1945
June	1943		23	5	1944
July	1943		23	5	1944
September	1943		27	6	1945
October	1943		31	5	1945
November	1943		31	5	1945
December	1943		14	6	1945
February	1944		2	7	1945
March	1944		30	7	1945
Annual Objection Statement for 1943–44			31	5	1945

Reply:—Out of 37 statements, 20 have been returned to auditors. Of the remaining 17 statements 16 are pending in Works Department and 1 in Special Works Department. The Engineer has been instructed to expedite return

8. Equivalent Government grant drawn in excess awaiting refund.—The actual realisations of education tax under current and arrears during the year amounted to Rs. 6,47,653-1-4 according to the D. C. B. excluding advance collections. Since the rate of education tax was raised from 8 per cent to 12 per cent of the Property tax from 1st April 1943 and the proceeds at this rate are credited to the Elementary Education Fund, equivalent grant due from Government is admissible only on the proceeds of the tax realisable at 8%, the rate in force in July 1941 before the amended Act came into force. The total gross collections on which equivalent grant can be drawn work upto Rs. 4,43,275-13-6. Deducting from Rs. 4,43,275-13-6 the proportionate share of education tax included in the property tax refunded during the year under report amounting to Rs. 2,191-14-9 (only a sum of Rs. 1,667-1-4 was actually debited to the Elementary Education Fund account in 1944-45), the excess collection of Rs. 185-0-4 due to the enhancement on the rate of education tax, for 1937-38 and 1938-39 and excess collection of Rs. 28-6-10 in the Mambalam area on properties exempt from the Water and Drainage tax, the net amount on which equivalent grant from Government can be drawn works out to Rs. 4,40,870-7-7 against which, a sum of Rs. 4,54,537 was actually drawn and credited to the Elementary Education Fund with reference to G.O.No. Ms. 1222, Edn., dated 11th August 1945, resulting in an excess drawal of Rs. 13,667 which should be refunded to Provincial funds.

Current.	Rs.	5,64,850	5	9
Arrears.	Rs.	82,802	11	7
	Rs.	6,47,653	1	4

	Rs.	4,43,275	13	6
Deduct.		2,191	14	9
		185	0	4
		28	6	10
		4,40,870	7	7

Reply:—The excess was refunded in Yr. No. 185 dated 27-2-46.

9. Sanction Wanting.—The sanction of Government was not pointed out to the debit to the Elementary Education Fund of the expenditure of Rs. 140-7-0 being the advertisement charges for the supply of bullock carts for Muslim Girls incurred in the year. Similar expenditure incurred in 1943-44 was sanctioned in Memorandum No. 11956-A-3 E. & P. H., dated 28th July 1945.

Reply:—Government in their Memorandum No. 40 Edn. dated 13-3-46 have accorded sanction for the debit of the expenditure of Rs. 140-7-0 incurred towards the advertisement charges for supply of bullock carts. The Government have further authorised the Corporation to incur similar expenditure in future without obtaining sanction of Government.

10. Unauthorised debit to Elementary Education Fund.—An expenditure of Rs. 100 was incurred in connection with "go to school campaign" conducted in June 1943. The expenditure was proposed to be met from the general budget for 1943-44. Still, the expenditure was debited to the Elementary Education Fund on Voucher No. 151, dated 31st March 1945 while the advance of Rs. 100 made on this account from the General Fund in 1943-44 was adjusted. The debit would need to be reversed.

Reply:—Since rectified in I account voucher No. 225 dated 4-1-46.

11. Retention of unqualified teachers.—The two pre-Vocational Instructresses in Muslim Girls' Schools are reported to be not qualified for the posts, since they do not possess the required technical qualification—vide Director of Public Instruction's remarks on the budget for 1944-45. The Inspecting authorities of the Government Educational Department insist that they should pass the Technical Teachers' Certificate Examination in that subject. The matter was stated to be under correspondence with the Inspectress of Girls' Schools. It would need to be stated how the expenditure incurred till now is proposed to be regularised.

Reply:—The two pre-vocational instructresses referred to are Chand Begum and Shazadi Begum employed in the Higher Elementary Muslim Girls' School Broadway and Thayar Sahib Street. Of the two, Chand Begum resigned her post consequent on her appointment as a sewing instructress in the Mohammadan Girls School, George Town and she was relieved on the fore-noon of 9th March 1944. The other Instructress Shazadi Begum has qualified herself for the post after passing the Technical Teachers' Certificate Examination, Higher, in 'Needle work and Dress making and 'Embroidery' in the year 1945.

12. Contribution from the general fund.—Menial staff comprising of peons, conductors and conductresses are employed in elementary schools in excess of the scale prescribed by Government and the cost of such excess staff is being met from the Elementary Education Fund in the first instance subject to the subsequent recoupment from the general fund. An adjustment voucher showing the cost of such excess staff during the year was not prepared at the end of 1944-45 for recoupment as was done till 1941-42. There is no information as to the total cost of such excess staff. This has resulted in an unauthorised debit to the Elementary Education Fund to the extent of the wages paid to the staff of menials employed in excess of the prescribed scale.

It was contended that the contribution of Rs. 320,000 fixed for adjustment from the general account includes the above amount also as noted in the budget. Since the excess cost varies from year to year and since the full extra cost is to be met from a contribution from general funds —in addition to the usual contributions—the amount due to be adjusted on this account should not be clubbed with the usual contribution from the general fund. This additional contribution from the general fund should properly be shown in the account of Elementary Education Fund as abatement of expenditure under "clerks and servants" (for peons' pay) and "other items" (for wages of conductors). In the alternative the amount due on account of usual contribution from the general fund to the Elementary Education Fund as fixed in the budget estimate should alone be shown against receipt head 11 (a) and the extra contribution actually incurred on account of contingencies (Pay of peons, conductors etc., employed in excess of the prescribed scale) separately exhibited against head 11 (b) in the from of account adopted by the Corporation (Page 91 of the administration report for 1944-45). The excess if any for the year 1944-45 may now be worked out and adjusted from the General Fund to the credit of the Elementary Education Fund.

Reply:—Government have been addressed in the matter. The orders of the Government are awaited.

13. *Proportionate cost of Education tax Collections:*— A sum of Rs. 33,510 was due to be adjusted for the year under report as proportionate cost of collection of education tax. But only a sum of Rs. 25,000 was adjusted to the General Fund on this account during the year resulting in a short adjustment of Rs. 8,510. It is necessary that the proportionate amount of the actual collection charges should be credited to the general fund within the year.

Reply:—This has since been adjusted in voucher No. 75/14-2-46.

14. *Service Registers*:—(a) Delays in sanctioning increments were noticed even during the year under report. In one case, the increment due in August 1942 and August 1943 were together sanctioned in April 1944. The suggestion made in paragraph 17 of the Audit Report for 1942-43 and reiterated in paragraph 19 of the Audit Report for 1943-44 to frame suitable rules on the lines of Articles 53, 54 and 55 of the Madras Financial Code, Volume I, regarding the investigation, admission and sanction of arrear claims remained yet to be considered.

Reply:—(a) The Educational Officer has been instructed to avoid such delays. Please see reply to paragraph 19 of the audit Report for 1943-44

(b) Cases were noticed even during the year under audit wherein elementary school teachers were granted leave on half average pay, though they had leave on average pay at their credit. A reference is invited to audit Instruction 1 under Rule 67 of the Fundamental Rules on pages 61 and 62 of the Audit Manual.

Reply:—In certain cases such grant of leave on half pay is ordered for administrative reasons on the recommendation of the Educational Officer. Otherwise the rules will be observed.

(c) It was also noticed in several cases that services were not verified and certificates of verification were not recorded for the year.

Reply (c) In all cases verification certificate is being insisted upon, while eligibility for leave or increment is certified in Central Accounts Department

(d) It was noticed that several teachers had been deputed to other departments from the Corporation for work in connection with war. There was no information in the service registers as to how the period of absence from the Corporation service was treated. If the absence is treated as deputation on foreign service terms, contributions towards leave salary and pension will have to be recovered.

Reply:—(d) The recovery of contribution for pension for those who went to war service is under correspondence with the Miltary Department. It is only after recovery is made that entry can be made in service register. It is not as if the entire question of deputation was settled before hand. People who voluntered for war work were relieved from the Corporation The question as to how such period should be treated was decided only much later. No contribution is recoverable for leave salary. The register of recovery was shown to audit.

15. *Advances Recoverable Register—Elementary Education Fund*:—(a) The total of the advances pending at the end of the year according to the Central Accounts Department Register was Rs. 23,845-3-9 while according to the audited figures, the amount should be Rs. 23,845-4-3, the difference of 6 pies (representing the refund of excess amount over the sanctioned permanent advance in Chalan No. 1 dated 12th December 1944) was due to this amount having been shown erroneously under advance recovered instead of having been treated as abatement of expenditure under contingencies.

Reply:—(a) Since been rectified in IV account voucher No. 168 J 31-1-1946

(b) A balance of Rs. 29 out of the advance made in October '43 in connection with the Floods was still pending clearance.

Reply:—(b) The Education Officer has been instructed to examine the balance of Rs. 29/- pending recovery towards flood relief advance and to obtain necessary sanction to write off the balance if necesary.

(c) A sum of Rs. 100 was advanced to the Educational Officer from the General Funds in November 1943 to meet expenses in connection with the hiring of carts for conveyance of Muslim Girl Pupils. A sum of Rs. 48-8-0 recovered during 1943-44 from the contractor's bills was wrongly credited in that year to the Elementary Education Fund as advances recovered and this amount was refunded to the general fund in November 1944. Out of the balance of Rs. 51-8-0 to be accounted for, a sum of Rs. 21-8-0 was refunded in cash on 29th March 1945. The balance of Rs. 30 was adjusted in June 1945. While no expenditure was incurred after 1st April 1944 it is not clear why the unspent balance was retained on hand till 29th March 1945 when it was refunded. Again, the delay in adjusting the expenditure of Rs. 30 incurred in April 1944 only in June 1945 was not explained.

Reply:—(c) The Muslim Lady Supervisor kept the money under the impression that it was of the nature of a permanent advance to be utilised whenever emergency arose. On her being asked to account for the sum she refunded the amount

(d) An advance of Rs. 1,000 was made to the Educational Officer from the Elementary Education Fund in April 1944 for expenses in connection with the hiring of carts for conveyance of Muslim Girl pupils, consequent on the successful tenderer not entering upon the contract to fulfil it. A sum of Rs. 400 was adjusted in May 1944 while another sum of Rs. 200 was adjusted

in June 1944 leaving a balance of Rs. 400 to be still accounted for. From Vr. 250 May 1944 it was seen that instead of Rs. 1073-12-0 being debited to contingencies and Rs. 400 credited to Advances, a sum of only Rs. 673-12-0 was booked in the account. The balance of Rs. 400 was adjusted in November 1945.

Reply:— (d) The Educational Officer has been instructed to avoid such delays

(e) Similarly the delay in the adjustment of advance of Rs. 200 made in August 1944 for the annual educational camp to date is not apparent as the expenditure should have been incurred long ago.

Reply:—(e) Since adjusted in IV account voucher No. 106 dated 19-8-46

16. *Registers not maintained or not well maintained.*

(a) *Acquittance Registers—Elementary Schools in General.*—(i) In cases where full pay is claimed in the pay bill of a School for an Assistant who becomes subsequently not eligible to be paid the full salary claimed, due to his absence on leave which was not sanctioned or to his being transferred to some other school, after the submission of the pay bill, the amounts not due are withheld at the time of disbursement and remitted into the Corporation treasury. Instead of showing the gross amount claimed for each with a remark as to the amount not due but remitted into the Treasury, only the net salary after allowing for the amount recovered was shown in the acquittance registers of several schools. This procedure will not indicate when and how much was recovered and refunded and may result at times in omission to refund the amount recovered. There were delays in disbursement, delays in refunding the amounts recovered and delays in recovering the amounts not due but which were paid in full at the time of disbursement. Instances are noted below. It is suggested that the date of encashment of each bill is noted in the acquittance register.

School.	Particulars.	Amount. Rs. A. P.	Date of drawal.	Date of disbursement.	Date on which amount could have been recovered and refunded.	Date of refund.
C. G. S. Thousand Lights.	G. Rajamal pay.	7 -4-0	5-6-44	5-7-44		
C.G..S Vellala Teynampet.	Gnanambal.	16 -5-0	5-9-44	10-11-44		
C. M. G. S. Peter's Road.	Ansar Unnisa.	2-12-0	5-9-45			2-10-45
C. M. G. S. Thousand Lights.	Fine from Conductress recovered from Sajida.	1- 0-0	5-5-45			14- 6-45
	Nurjehan Pay ...	3 -0-0	5-4-45			24-4-45
		4 -9-0			5-6-44	6- 9-44
		4 -1-0			5-5-45	17 -7-45
C.M.G.S. Mylapore.	Pay and dearness allowance for 1 day	1-14-0			5-1-45	9- 2-45
	Excess.	0-10-0	5-2-44			12- 4-44

Reply:—The suggestion will be attended to.

(ii) *Acquittance Register—Corporation Girls School—Korukkupet.*—From the transactions relating to the drawal and disbursement of wages of scavenger Janaki from August 1944 as recorded in this register up to the end of September 1945, it was

seen that the amounts due to Janaki in all months except September and October 1944, November 1944, December 1944 & January 1945 had been paid to and acknowledged by one C. P. Madhava Krishnan (Signed in English) reported to be the son of Janaki without a letter of authorisation from the rightful payee in support of the disbursement. For the wages for August 1944 paid in September 1944 both the thumb impression (presumably of Janaki's) and the signature of this C. P. Madhava Krishnan had been obtained and in respect of the wages for September 1944 to December 1944 payable in October 1944 to January 1945 a thumb impression of Janaki had been affixed. From the IV account Chalan No. 4 dated the 8th September 1944 relating to the Corporation Boys School Korukkupet where the same scavenger was working, it was seen that the wages for August 1944 were refunded to the Corporation Treasury as the party died on 2nd August 1945. It is not, therefore, clear how the thumb impression of Janaki could be affixed in September 1944 to January 1945 and how her name was shown in the acquittance register of the Corporation Girls School. Korukkupet right upto the end of August 1945. A petition from C. P. Madhavakrishnan regarding non-receipt by him of the wages for September 1944, when he was working in the absence of his mother Janaki, received in this department on 4th September 1945 was forwarded to the Commissioner for disposal. The result of the enquiry, if any, made on this petition is awaited.

Reply:—Action was taken in the matter. The Head Teacher concerned was punished and fined Rs. 25. vide proceedings E. D. C. No. A-2-529[illegible]/45 dated 20-12-45, a copy of which was communicated to the audit section. The connected file of papers was also seen by auditors.

(b) *Permament Advance Registers—Elementary Scools.*—Delays in recouping expenditure and cases in which expenditure was incurred in excess of the sanctioned permanent advance were also noticed. The cash balance of Rs. 1-10-0 with the headmaster of the Corporation Boys School, Pudumanikuppam was not produced on the ground that it was not handed over to him by his predeceessor.

(c) *Register of Immovable Property.*—Only a list of buildings pertaining to the Elementary Education fund in which Corporation schools are located was contained in this register. Information regarding the location of the building, description, date of

purchase or construction, capital cost, amount of depreciation etc. was not given. Lands acquired for construction of school buildings, were not entered with extent in cases where buildings have not been put up so far.

(d) The register of Service Books stated to have been maintained was not produced though called for.

(e) The register of estimates and allotments was not fully posted: Expenditure incurred was not posted upto the end of the year in many cases and in the absence of these postings it is not clear how the progress of expenditure was watched against budget provision.

(f) A register of works in respect of the Elementary Education Fund was not maintained.

Reply:—(c) Improvements suggested in audit with regard to the maintanace of the register of immovable properties will be given effect to.

Reply:—(d) The register of service books maintained in the department has been produced for audit.

17. *Result of Audit.*—The general result of audit may be considered satisfactory.

18. *Receipts and Charges.*—The receipts and charges during the year were Rs. 14,89,584-4-9 and Rs. 14,18,959-12-8 respectively.

Reply:—No remarks.

19. *Pending Objections.*—Four hundred and twenty seven items of objections involving a sum of Rs. 21,500-12-7 were pending settlement at the close of audit as detailed in the annual objection statement.

Year.	No. of items.	Amount.
Upto 1942-43	120	2,351 14 4
1943-44	124	4,988 3 3
1944-45	183	14,160 11 0
	427	Total Rs. 21,500 12 7

Reply:—Out of 427 objections reported as pending, 238 objections have since been disposed of and action is being taken to dispose of the remaining 189 objections.

Annual Account of Receipts and Charges of the Elementary Education Fund of the Corporation of Madras for the year 1944—1945.

Heads.	Actuals 1944-45.			Total			Final Budget Appropriation.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
Opening balance ...				3,17,023	9	3	1,72,298	0	0
Rs. 6,64,372 12 6 Gross deduct 23,995 14 7 excess adjusted during the previous year.									
RECEIPTS ORDINARY.									
(1) Education Tax ...	*6,40,376	13	11				5,11,000	0	0
(2) Fees and penalties under the Elementary Education Act ...	13	0	0						
(3) Income from investments etc. ...	1,444	4	0				1,000	0	0
(4) School fees ...									
(5) Endowments ...									
(6) Contributions ...									
(7) Other receipts ...	3,127	10	11				500	0	0
(8) Government grant—									
(i) Under section 37 of the Elementary Education Act...	3,86,391	4	0				3,49,000	0	0
(ii) *Under proviso to section 37 of the Elementary Education Act* ...	31,380	0	0				30,900	0	0

* for covering the extra cost of dearness allowance vide Memo. 41301 A 4 E & P. H. dated 22-9-44.

(9) Contribution from the General Account—									
(a) For payment of temporary allowance of Rs. 4. ...	4,17,382	0	0				3,20,000	0	0
(b) For other purposes ...							90,520	0	0
(10) Investments realized ...									
(11) Advance recovered ...	19,495	6	3				10,020	0	0
Deduct—Refunds of Excess equivalent grant in previous years...	-8,089	1	0						
Deduct—Refunds of Education Tax ...	-1,667	1	4						
	14,89,854	4	9				13,12,940	0	0
RECEIPTS—CAPITAL.									
1. Government Grants.									
2. Endowments and contributions.									
3. Loans.									
4. Contribution from General Account—Ordinary.									
5. Investments realized.									
Add—Amount transferred from ordinary.									
Total ...									
Total, Ordinary and Capital ...				14,89,954	4	9	13,12,940	0	0
Grand Total, including opening balance. ...				18,06,877	14	0	14,85,238	0	0

Heads.	Actuals 1944-45.			Total.			Final Budget Appropriation.		
EXPENDITURE ORDINARX.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
1. Staff—									
Salaries and allowances ...									
Masters ...	9,53,824	3	4				9,03,300	0	0
Clerks and servants ...	77,850	5	8				66,450	0	0
Education tax—Collection charges ...	30,919	0	0				25,000	0	0
Pensions & Gratuities ...	28,683	8	6				24,000	0	0
Travelling allowances ...									
Stipend of teachers sent for training ...									
2. Contingencies and equipment—									
Contingencies ...									
House rent ...	80,982	3	8				83,500	0	0
Other items ...	89,592	6	8				80,400	0	0
Equipment—									
Furniture and Apparatus ...	5,153	2	7				22,600	0	0
Library Books and maps ...	2,450	12	6				5,000	0	0
Other items ...	3	9	5						
3. Prizes and scholarships ...									
4. Repairs to buildings ...	13,382	5	10				20,000	0	0
5. Contribution to Panchayats									
6. Interest on and repayment of debt	72,812	0	0				75,840	0	0
7. Refund of unauthorised credits of previous years ...	353	9	0						
8. Advances recoverable									
Permanent ...	22	0	0						
Others ...	36,173	11	3				10,020	0	0
Total ...	13,92,202	14	5				13,16,110	0	0
EXPENDITURE—CAPITAL.									
1. Lands and buildings ...	26,756	14	3				40,000	0	0
2. Equipment—									
(1) Furniture and apparatus									
(2) Library books and maps									
(3) Investments made									
(4) Other items									
Total ...	26,756	14	3				40,000	0	0
Total, Expenditure (Ordinary and Capital) ...				14,18,959	12	8	13,56,110	0	0
Total closing balance ...				3,87,918	1	4	1,29,128	0	0
Grand Total, including closing balance ...				18,06,877	14	0	14,85,238	0	0

The Model Press, G. T., Madars.

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(22) 39

EXTRACT FROM THE PROCEEDINGS OF A MEETING OF THE STANDING COMMITTEE (EDN.) HELD ON 17-7-1946.

No.65/46. AUDIT REPORT.

Read Commissioner's note dated 3-5-46, placing before the S.C. (Education) and Council the replies to the several paragraphs of the Audit Report on the accounts of the Elementary Education Fund of the Corporation of Madras for the year 1944-45.

"Recorded."

(True Extract)

(Sd.) C.V.Rama Reddy,
Secretary to Council.

(True Copy)

Reg. no. Ins. 4069

EXTRACT FROM THE MINUTES OF THE PROCEEDINGS OF AN ORDINARY MEETING OF THE COUNCIL HELD ON 17-9-1946.

Resolution No.556/46.

Audit Report - E.E.Fund - 1944-45.

Read the Commissioner's note dated 3-5-46 placing the replies

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-2-

to the several paragraphs of the Audit Report on the accounts of the E.E.Fund of the Corporation of Madras for the year 1944-45 for consideration.

p39 ante Read also the following resolution of the Standing Committee (Education) dated 17-7-1946.

"Recorded."

This was recorded.

(True Extract)

(Sd.) C.V.Rama Reddy,
Secy. to Council.

(True Copy)

Chief Accounts Officer,
Corporation of Madras.

41

(23)

LFS 516/17-10-46.

Examiner's Office.

Subject:- Audit Report - Elementary Education Fund Accounts - Corporation of Madras - 1944-45 - Replies.

pp39&40 ante

Forwarded to the Secretary to Government, Education and Public Health Department with copies of the Commissioner's replies and the resolution of the Standing Committee (Education and the Council.)

p21ante

2. Paragraph 5 of the audit report. Further remarks on the replies to the objection statement for the months of July and October 1940 February, March, April, May, June, August and October 1941, January February, March, August and October 1942, January and July 1943 and March 1944 are still pending return with further replies.

M.M. Shamboda.

Deputy Examiner of Local Fund Accounts.

ASST. SECRETARY TO GOVERNMENT
62523
18 OCT 1946
EDUCATION AND PUBLIC HEALTH DEPT.

15/10

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

Ledgr
on p42
infra

38/16/m

Audit Report - 1944-45 - E.E. Fund - Corporation of Madras - Recorded. (24) 43 E&PH(C-1)

C.No. 62523C-1/46 From the Exr of L.F.A., L.F.5516, dy 17.10.46

p41 of 11/m

G.O. (Ms) 2354 Edn, dy 10.12.46.

Recorded

2. A copy of the remarks of the Exr of L.F.A., contained in his endorsement read above, is communicated to the C.C.M., for necessary action.

p41 of

p28 of

3. Para 14 (b) of the audit report. Grant of leave to elementary teachers. The C.C.M. is informed that the grant of leave on half pay when leave on full pay is otherwise admissible is not in order. The orders sanctioning leave in such cases should be revised.

To the C.C.M.
(through the Dy.)
(with copy of p.41 ante)
" " D.P.I. (for
copy & audit report)
" " Exr of L.F.A.

8/12/46

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Statement showing the progress in the receipt of Audit Reports for 19 - in the Northern Circle as on .

Name of district.	No. of audits to be completed for	No. of audits completed so far as information is available.	No. of A.Rs. received in H.O.	No. of A.Rs. given for issue.	No. of A.Rs. returned for information.	No. of A.Rs. yet to be received from D.Is.	No. of audits completed.	No. of audits not completed.	Total.
Anantapur.									
Bellary.									
Chittoor.									
Cuddapah.									
Godavari East.									

Certain records necessary for the disposal of this current are being collected. This may be over till 1-11-46.

EtPH(C-1)

28/11/46

9/12/46

G. D. III—870
2,000—Feb. 1948

From

Sri Rao Sahib C. NARASIMHAM, M.A.,B.L.,
Commissioner,
Corporation of Madras.

Registered 194

To

THE SECRETARY TO GOVERNMENT,
Edn. and Public Health Department,
FORT ST. GEORGE, MADRAS.

E.D. C. No. A.2- 2428 of 1947, Dated 20-7-1948. Through the Mayor of Madras.

Enclosures: No.

Sir,

Subject:— AUDIT REPORT - 1944-45 - Elementary Education Fund - Corporation of Madras - Grant of leave to Elementary School teachers.

Ref:- Government Order Ms.No.2354 Edn. dated 10th December 1946.

School teachers being entitled to vacation, earn leave on full pay only to the extent of 1/11th of the period of duty less 1/12th of the year. For administrative convenience the Corporation was granting them leave on half pay even when they had some full pay leave to their credit except when they were about to retire when they were allowed to avail themselves of the full amount of leave on full pay to their credit. This procedure was in vogue for a number of years and was not questioned until the objection was raised in the Audit Report 1944-45. After the receipt of the objection, leave applications from teachers are considered strictly on their eligibility for leave either on full pay or otherwise. The question now under issue is whether all the closed leave files should be reopened and the leave granted on half average salary should be converted into leave on full average salary to the extent of credit in the leave account on each occasion. If the leave granted is to be modified according to the instructions contained in the G.O. leave granted to almost all the teachers will have to be revised from the time the teachers were granted leave for the first time in their service. This will entail laborious work. Revision of the orders granting leave in past years will necessitate also revision of the leave subsequently taken on full pay, involving recoveries. This will start a cycle of corrections and revisions.

It is, therefore, considered sufficient if future leave is granted strictly in accordance with the rule and the credit in the leave accounts. Those who were not granted leave on full pay in

p.t.o.

EXAMINER OF LOCAL FUND ACCOUNTS
20 JUL 1948
2157.
MADRAS

previous years can take such leave hereafter. There is no point in revising the leave on half pay granted from 1944-45 only. Naturally there will be petitions from persons who took leave prior to 1944-45. Nor will it be practicable to go back now for a decade or more and revise all the leave accounts and pay the difference in pay for all those who were granted leave on half pay.

In the above circumstances Government are requested not to insist upon the revision of leave already granted to the teachers.

N. Sankara
20.7.48.
For Commissioner.

Forwarded.
K. Krishnamachari
20/7/48
Mayor.

M.K.20-7.

62911

Edn & P. H. Deptt

Endt No. 54264-B2/48-1 Edn dt 27.7.48

Referred to the Examiner of Local Fund Accounts for remarks

To
The Examiner of Local Fund Accounts,
Madras.

I. S. M. Rao
Assistant Secretary to Govt

L.F. 4094/20.8.48

EXAMINER'S OFFICE.

In the circumstances stated by the Commissioner, the orders in G.O. No. 2354, Edn., & I.H., dated 10th December 1946 may be relaxed as a special case. The Commissioner may, however, be informed that all leave that might be granted to the teachers in the future should be in terms of full average pay only whenever such leave is at their credit.

2. The enclosure received with the Government endorsement cited above, is returned herewith.

B.B. Shanker Rao
(B.B. Shanker Rao,)
Examiner of Local Fund accounts.

To: The Secretary to Government,
Education and Public Health Department, Madras.

18/8/48

58/mp/48

p.1 cf
p.2 cf

(26)

Edn + P.H. Dept Bz

Memo No. 54264. B2/48 Edu dt. 25/8/48

Subj: Ele Edu - Establishment - Corporation of Madras - Grant of leave to Elementary School teachers

Ref: From the commissioner Corporation of Madras No. A.2 - 2428 of 47 dt 20.7.48
the Exr of L.F. M/s LF.4094 dt 20.8.48

In the circumstances explained by the commissioner Corporation of Madras, the Govt in partial modification of the orders issued in GO No. 2354 Edn dt 10.12.46 will not insist on the revision of leave already granted to the teachers. The commissioner should however ensure that all leave that may be granted to the teachers in future should be in terms of full average pay only

whenever such leave is at their credit.

DSM
25/8/48

2/
24/8
or
24/8/48

To
the Commissioner of
Madras Thro' the Mayor
the Exr of L.F.A's.

DSM
2/9/48

C.No. 62523C-1/48
p41e

To the C.C.M
(Thro the Mayor of Madras)
Encls: Two D.P. (p41e)
" D.P. with copy of audit report
" " Exr of L.F.A.

p41e

p41e

(27) Exp. H (C-1)

Audit Report - 1944-45 - E.E. fund - Corporation of Madras - Recorded.

From the Exr of L.F.A., L.F.5516, dy 17.10.48
Lgo (MS) Edn. dy

Recorded.

2. A copy of the further remarks of the Exr of L.F.A. contained in his endorsement read above is communicated to the C.C.M. for necessary action.

7/11/48

DSM
17/11/48

1/11/48.

Note. Para 14 (b) of the audit report and the reply on p.28 e/f. The Examiner has not pressed the objections in his further remarks. The reply of the Corporation is that for

administrative reasons grant of leave on half average pay is ordered even though the teachers and are eligible for full pay and that otherwise the rules will be observed. For orders whether the matter may be left at that. Please see the Secy's orders on p51 of G.O. 1830 Edn. dy 6.12.44. The standing committee has suggested that the Council remarks - p39 cf Para 16 (ii) and the reply on pp 31-32 c/f may be referred to.

p22 c/f

A

(Y)

The circumstances stated and as the Edn has not made any further remarks, the matter need not perhaps be pursued

p41 cf

by

2/11/46

15/11/46.

osd
17/11/46

A - Dr 7. We think in this local bodies observing the rule strictly. If the case of exception in the Corporation.

B.

by
3/11/46

(28)

Secretary's remarks on p. 2 ante.

It is usual to insist on other local bodies observing the rules strictly. Please see Memo: No. 4935-4A/45-1 edn. dy 12.11.45.

~~Advised accordingly and submitted.~~

'B' on p. 2 ante. This question was considered in connection with the Audit Report of the Corporation for 1942-43. It was then decided not to pursue the matter.

If it is now decided not to make an exception the revised draft order submitted below may issue.

pp 15-16 c/f (R)

p 5 p/f (Y)

Secy's orders dy 6/12/46 in file

Vide Secy's orders on p 8 c/f

(Y) Letter under

by

6/12/46

dy
6/12/46.

osd
8/12/46 ✓ by

8/12/46

(29)