1

Edn & P. H. (1947) Deptt.

4

Ms. Series.

G.O. No. 1079 Edn

Dated 23-5-47.

18

[Despatch Abstract]

Allowance - Dearness or cost of living - Staff in aided educational institutions - (other than elementary) Payment of a direct grant equal to one half of the amount admissible at Govt. rates - papers recorded.

1

②

[illegible]

T.M

From

The Secretary E&PH Dept

To

The DPI.

Reference your no reply in regard to the revised procedure to be followed for calculating and disbursing the govt grant towards the payment of dearness or cost of living allowance to the staff in aided educational institutions.

It will take some time for final orders to be passed on the above proposals. The teaching grant + special grant towards dearness allowance assessed according to the existing orders may be disbursed to the managements immediately

28/2/47

28.2.47

At once.
28/2/47

Issued 2-3-50
28/2/47

Received for typing (at 4-30)
DPS

PC 6/50

E&PH (B2)

A. m. Secy
3/4/47

I.M. (By post)

From
The Assistant Secretary
E&PH Dept
To
The Deputy DPI.

Ref. Director's reply to Govt no. reference no 76675 B2/46-2 Edu dt 31.3.47 regarding the plan tobe adopted in calculating + disbursing the Govts' share ~~to~~ in respect of dearness allowance to the staff in aided educational institutions

pp7-8 cf

Please say what would be the approximate extra cost to Govt if the expenditure on dearness allowance is not taken into account in assessing the teaching grant and a

4/

direct grant equal to half the amount admissible at Govt rates is paid to the managements according to the plan proposed by the Director if it is given effect to from 1945-6 or from 1946-7.

3.4.47

USK
3/4/47

DC
3/4

5

Telephonic Message.

(4)

From

The Asst. Secy to Govt.,
E & PH. Department.

To

The Dy. D. P. I., Office of the DPI,
Madras.

Ref: Government T.M. dated 3/4/47 re: the procedure to be adopted in calculating and disbursing the Govt.'s share of the d.a. to the staff in aided edl. institutions.

Please say when your reply to the TM cited above may be expected.

15-4

pp 3-4 ante

17/4

16/4

P.C. 590

15/4/47

USK
15/4/47

6

TELEPHONIC MESSAGE BY POST DATED 18--4--1947

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From the Director of Public Instruction, Madras

To the Secretary to Government, Edn & P.H. Dept.

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ASST. SECRETARY TO GOVERNMENT
22 APR 1947
EDUCATION AND PUBLIC HEALTH DEPT.
30495

Ref: T.M. from the Assistant Secretary to Government dated nil regarding payment of Dearness allowance to staff in aided Edl. institutions - Aided Secondary Schools and Second grade Colleges.

****

In respect of the expenditure incurred by the management on payment of Dearness allowance to staff in 1945-46, the entire amount admissible under the rules was taken into account in arriving at the Code grant (i.e. the teaching grant) on behalf of all the deficit schools and in addition, one half the difference between the amount of Dearness allowance admissible at Govt. rates and the amount paid by the management to the staff in 1945-46 was sanctioned to the managements in 1946-47 as special grant with reference to G.O.No. 1753 Ms Edn., dated 11-9-1946. Thus in the case of all deficit schools, except in some cases where half net cost was less than half Dearness allowance admissible, the one half of the total amount of D.A. calculated at rates admissible for Government servants may be considered to have been paid in full. If the profit schools are also to be paid one half of the expenditure incurred by the managements in 1945-46 on payment of D.A. to staff, in addition to the special grants already paid to them, extra cost to Government in the current year is estimated at Rs 150000/- inclusive of the cases of the deficit schools where half net cost was less than half D.A. admissible.

J 31-320

2. As regards the expenditure on Dearness allowance incurred by managements in 1946-47, it is not possible to work out the extra cost without knowing the basic cost. The basic cost can be determined only after the Financial statement of all schools for the year 1946-47 are received and worked i.e. only at the end of February 1948. For purposes of a rough estimate an increase of 10% over the figure for 1945-46 may be taken into account and the extra cost to Government for 1946-47 may be assumed to be Rs 165000/-

For Director of Public Instruction.

P.R.K. 21/4/47

21/4

R.C.402 K/47. B1

Office of the
Director of Public Instruction,
Madras, Dated 25-4-1947.

From

Dr. S.R.U. Savoor, M.A., D.Sc., I.E.S.,
Director of Public Instruction, Madras.

To

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

ASST. SECRETARY TO GOVERNMENT
29 APR 1947
36648
EDUCATION AND PUBLIC HEALTH DEPT.

Sir,

Sub: Payment of Government's share of Dearness Allowance to the staff employed in aided educational institutions.

Ref: Your telephone message by post dated 3.4.47

pp3-4 ante

So far as 1st Grade Arts and Professional Colleges and Special Schools are concerned the following procedure was adopted for payment of the Government share of Dearness Allowance to the staff employed therein during 1945-46. The code grant payable to the management under the rules was first fixed and to this was added half the expenditure incurred by the management on the payment of Dearness Allowance to these staff admitted by the Director for purposes of aid. The total amount thus arrived at was paid to the management as grant in aid.

2. Where, however, the management has paid Dearness Allowance at a rate higher than the Government rate the compensation payable to the management referred to in para 1 above was limited to half the Government rates. But in cases where the Dearness Allowance paid by the management was less than the Government rates a special grant equal to half the difference between the management's rate of Dearness Allowance and the Government rate was sanctioned and the management was ordered to pay the special grant direct to the members of the staff concerned.

Thus it will be seen that there will be no extra cost to Government if, as proposed in the Telephonic Message from Government the expenditure on Dearness Allowance is not taken into account in assessing the teaching grant and a direct grant equal to half the amount admissible at Government rates is paid to the managements towards Government share of Dearness Allowance payable to the staff.

I may, however, add that as the grants for 1945-46, have already been disbursed and as the staff concerned are not financially affected by allowing any procedure so long as the Government pay as grant half of the cost involved in payment of Dearness Allowance at Government rates, it does not appear necessary to give effect to the suggested proposal. The existing procedure as stated above may be followed.

I have the honour to be,
Sir,
Your most obedient servant,

R. Narasimhan

for Director of Public Instruction

m.k.28/4.

28/4.

E&PH (Pn)

The main file on the subject has been circulated to HM(E), HM (Fin) & HPM on 25/4/47. This may lie over till its receipt.

25/4

2/5/47

2/5/47

9/(7) E.& P.H.(B.1)

Allowance - Dearness or cost of living - Staff in aided educational institutions - (other than elementary) - Payment of a direct grant equal to one-half of the amount admissible at Govt.rates - Papers recorded.

82/28/5

29/5/47

C.No.76675/47 PSG

23/5

From the D.P.I.,Rc.402-K/47 dated 25-4-47.

Order/Ms.No. 1079 Edn., dated 23.5.1947.

Recorded.

22.5.47 S (approved in notes)

To

The D.P.I.

Desp'd 29/5

O.F. 32.

EDUCATION Department

From (Name) DR. S. R. U. SAVOOR,
M.A., D.Sc., I.E.S

Designation DIRECTOR OF PUBLIC
INSTRUCTION,

Station MADRAS.

Received B7 Registered

To

The SECRETARY TO GOVERNMENT,
EDUCATION & PUBLIC HEALTH
DEPARTMENT.

Enclosures:

RC No. 2782--D1/46 dated 4th June 1947.

Sir,

SUB: Dearness Allowance - Payment of - Secondary Schools - Boys and Girls -

REF: Government U.O. No. 766763-1-46-2 Education dated 31--1--1947.

76675

pp 3-5 n f o (a)

In the U.O. note referred to above, Government suggested that teaching grants might be calculated and paid to schools without taking into account the expenditure incurred by the managements on payment of Dearness allowance as was done when no allowance was paid.

pp 7-8 n f o (a)

In my U.O. reply No.Rc.2782-D1/46 dated 14--2--1947 I agreed to the suggestion and recommended that the expenditure on payment of Dearness allowance might not be taken into consideration when assessing teaching grants. It was also stated that the grant in respect of this expenditure might be worked out and paid separately.

The Financial statements of the Secondary Schools for Boys and Girls for the year 1946-47 are being received. The working of these statements is generally scheduled to begin from 1st July which is the last date for the receipt of these statements in the Director's Office ~~of~~ from inspecting officers.

As it is necessary to know whether or not the expenditure on the payment of Dearness allowance should be taken into consideration while assessing ~~th~~

p.t.o.

..2..

assessing teaching grants. I request that Government may be pleased to pass early orders on the above question.

I have the honour to be,
Sir,
Your most obedient servant,

for DIRECTOR OF PUBLIC INSTRUCTION.

10/6.

Ram.5/6/47.

E&PH (Ms) Dept.

SGP
5/6

Allowance - Dearness or Cost of living - Staff in aided Secondary Schools - Payment of a direct grant equal to one half of the amount admissible at Govt. rates.

From the D.P.I., R.C. no. 2782/46 dated 4.6.47. overleaf

Memo no. 47312 Ms/47-1 Edn dt 10/6/1947

The attention of the DPI is invited ~~The DPI is informed that the papers were recorded in~~ to G.O. no. 1079 Edn dt 23.5.1947, in which the papers were recorded ~~as~~ it was decided that the existing procedure ~~may~~ should ~~might~~ be continued.

9/6/47

7/6/47

USR
7/6/47

9.6.47

To
The DPI (with a copy of G.O. at p 97 Ⓠ.

Desp'd with encl
13/6

Note: The copy of the G.O. was ~~sent~~ communicated to the DPI ~~for information~~ vide the despatch entry on p 97 Ⓠ. ~~Perhaps it has not reached this office.~~ It is not clear why he has made this reference. A copy may now be sent to him and it may be explained now that the papers were recorded ~~The draft memo above is for approval. After issue may be filed with the papers at~~ Ⓠ because it was decided that the existing procedure should be continued

7/6/47

9.6.47

USR
7/6/47

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(9)

Routine.

1) What exactly was our intention in accepting half of the commitment in payment of d.a. to teachers in aided secondary schools up to the Govt. rates?

2) I understand ~~k~~ D.P.I's office is proceeding on the footing that the expenditure is merged in the calculations of half net cost.

3) Is this right or did we mean that this item should be dealt with separately and half of this item should in any case be paid to the management.

4) And is there any difference in the position as between grants for 45-46 payable in 46-47 and grants for 46-47 payable in 47-48?

-- --

M.V.S.
9-12-46

1. above.

P 18 N.F. and PP 31-32 C.F. Ⓙ

A

The intention of the order in G.O. 1753 Edn. dated 11-9-46 is that Government should pay the managements of the aided institutions atleast one half of Govt. rates of dearness or war allowance, (irrespective of whether the managements pay from their own funds the other half of the allowance in full or not,) so that Govt's liability in this behalf may be discharged in full.

2 & 3 above.

D.P.I.'s office, it is understood, is calculating the expenditure actually incurred by the managements on payment of Dearness or War allowance including it, as ~~an~~ one of the approved items of expenditure for assessing the teaching grants payable to them, under the provisions of the Grant-in-aid Code. This is the procedure laid down in G.O.1854 Edn. dated 10th Nov. 45. Though this procedure was not contemplated in the orders on pp. 18-19 n.f. of 'J', in paragraph ~~3~~ 2 of the G.O. it was stated that the special grant should be ~~paid as follows~~ calculated and paid as mentioned below:-

PP 61-62 C.F. Ⓠ

P 32 C.F. Ⓙ

.. " They, therefore, direct that in addition to the teaching grant for 1945-46 payable in the current year, a special grant equal to half the difference between the maximum amount of allowance admissible at Government rates and the amount of allowance actually paid by the managements to the staff in aided educational institutions in 1945-46 which will be taken into account in assessing the teaching grant, be paid to the managements in the current year."

Ⓠ

The words underlined have in effect continued the procedure laid down in the G.O. 1854 Edn. dated 10-11-45 and ~~and~~ this is the basis on which the D.P.I.'s office is proceeding. According to the procedure adopted in the Director's office, managements of certain schools which are working at a profit and who are paying

2

Dearness Allowance to teachers in part or infull, will not become eligible for one half of the amount of Dearness Allowance paid by them to the staff.

This is not however warranted as the intention of the Order is as stated at 'A' ~~above~~ on p.1 ante. Perhaps the D.P.I. may be informed of the correct position.

For Orders.

Yes – It is [illegible] accordingly [illegible] this have been [illegible] directed in the incorrect position

4. above

As at present there is no difference in the position as between grants for 45-46 payable in 46-47 and grants for 46-47 payable in 47-48. But there is a proposal ~~But there is a proposal~~:

"~~There is a proposal~~ that Govt. grant towards dearness allowance calculated at one half of the Govt. rates may be paid direct to the teachers once in a quarter leaving the managements to pay the other half from their funds and to exclude the expenditure on payment of the allowance from the calculation of teaching grant. A reference has been made to the D.P.I. in the matter and his reply is awaited. Please see memo in the linked file II

If this proposal is given effect to, the procedure now followed in the D.P.I.'s office will stand cancelled. But this will come into operation for 1947-48 only whereas the position in regard to 1946-47 will have to be settled now.

12.12.46

Deferred. Pl see memo on p 13-14 of (a)

13/12

Fin. (Exp. A)

E&PH U.O. No. 76675-B1/46-1 Edn. [illegible] 12/46.

ASST. SECRETARY TO GOVERNMENT
67953
14 DEC 1946
FINANCE DEPARTMENT

This dept. may agree with the views of E. P. H. Secretary above.

~~[illegible]~~ The orders to be issued may however make it clear that ~~when~~ in cases where the payment is made in part only one half of the difference between the maximum amount of allow: admissible at Govt. rates and the amount of allowance actually paid by the managements will be paid as grant.

A on p. 32 cf

19.12.46.

19.12.46.

233

A.S.

E.P.H.

28/12/46

EPH (B1)

Please see the Fin. Deptt's note above.

(G) 61-62 cf

2. In G.O. No. 1854 Edn. dated 10-11-45 Govt. directed that the expenditure incurred by managements of aided educational institutions on payment of dearness or war allowance to members of their staff at rates not exceeding those admissible to Govt. servants should be treated as approved expenditure and be taken into account in assessing the teaching grants payable to them under the provisions of the Grant-in-Aid-Code and Code of Regulations for European Schools. As only those institutions which work at a deficit are eligible for teaching grant, they will alone receive a grant towards the expenditure incurred on dearness allowance. The intention underlying the subsequent order G.O.No. 1753 Edn. dated 11-9-46 is that a Govt. grant calculated at one half of the amount of the allowance admissible to the members of the staff at Govt. rates should be paid to the managements irrespective of the fact whether the institutions were working at a profit or at a deficit or whether the other half of the amount of the allowance was paid by the managements from their funds in full or not so that the Govt's liability for payment ~~at the rates~~ of one half of the amount of allowance at the rates admissible to Govt. servants may be discharged in full - For this purpose it is not necessary to include the expenditure actually incurred by the management on payment of dearness or cost of living allowance (as an admissible item) in calculating the teaching grant. ~~and then fix the amount of grant to be paid separately incases where the managements have not paid the allowance in full or have not paid at all.~~ Teaching grants may be calculated and paid without taking into account the expenditure incurred by the managements on payment of dearness or cost of living allowance as was done when

(J) 31-32 cf

A

X

8

no allowance was paid. One half of the amount of dearness allowance admissible to Government servants of the grade should be paid to the management. The grant (for dearness allowance) may be calculated and fixed separately with reference to the number of teachers actually employed by the managements during the year for which the grant is to be paid according to Rule 17 of the Madras Educational Rules and the amount admissible to them at Government rates. With this payment to the management, Government's liability is over.

p10 of Rx no 93

3. But the next point is how the management is to pay the teachers and how the payment already made should be regulated. There may be cases where the management

(i) would not have paid any dearness allowance to teachers,

(ii) would have paid dearness allowance but less than one half of the admissible amount of allowance for Government servants,

(iii) would have paid dearness allowance ~~not~~ but more than one half of the admissible amount of allowance for Government servants,

(iv) would have paid dearness allowance equal to the amount admissible to Government servants of the grade.

(i) above: The management should pay the entire amount received from the Government by way of grant to the teachers; the amount to be paid to each teacher being one half of the admissible amount of dearness allowance payable to Government servants. of the same grade

(ii) above: In these cases the management should be required to pay to the teachers, the grant paid by Government equal to one half of the amount admissible at Government rates in addition to the allowance already paid by the managements.

(iii) above: In these cases the managements should pay to the teachers from the Government grant such amount as is required to make up the total allowance to the full Government rates and pocket only the amount left after making such payment.

(iv) above: The management may utilise the entire grant paid unless they

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11

they desire to pay the teachers any additional sum from their funds.

4. The above arrangement will simplify the procedure to be adopted for payment of grant. The Director of Public Instruction may be consulted U.O. before the case is sent to Finance.

Copy of this note may be sent to the D.P.I

30/1/47

31/1/47

A copy to DPI
31/1/47

This Depts note in 3.5 above

L.Edn U.O. no. 76675-B1/46-2 Edn
31/1/47.

D.P.I.

dspd
1/2

Public Instruction Departmen

ASST. SECRETARY TO GOVERNMENT
8 JAN 1947
EDUCATION AND PUBLIC HEALTH DEPT.

14026

Resubmitted.

With reference to the above, Deputy Director of Public Instruction (Finance) who had a discussion on the matter with the Secretary, Education Department states that it is the definite intention of Government that the grant paid to Aided schools in respect of Dearness allowance should be calculated on the following assumptions;--

(1) That Government should pay to the managements one half of the total amount of Dearness allowance in respect of each school calculated at rates admissible to members drawing corresponding scales of salaries in Government;

(2) that the grant should be irrespective of whether an educational institution is a profit or a deficit institution;

(3) not The amount so assessed should be paid in full irrespective of whether the management pays its share or not.

In view of the above, I suggest that the following plan may be adopted in calculating and disbursing the Governments' share: --

(a) that the item of Dearness allowance be not taken into consideration when assessing teaching grants;

(b) that a direct grant equal to half the amount admissible at Government rates be paid to the managements;

(c) that the managements which paid the allowance at the maximum rates admissible be permitted to keep these grants for the general purposes of the school;

(d) that the Managements which did not pay any Dearness allowance be required to pay the teachers admitted

XXXxxxxxx for teaching grant purposes government's share of the Dearness allowance calculated at half the maximum rates admissible;

(e) that managements which paid Dearness allowance at less than the maximum rates be required to pay to the teachers admitted for teaching grant purposes a sum equivalent to half the difference between the maximum ~~rates~~ amounts admissible to them and the amounts actually paid by the managements and treat the balance as part of the school funds.

16
14
X
A
14+1=15

This procedure should be followed in respect of teaching gran-ts for 1945-46 and 1946-47 payable in 1946-47 and in 1947-48 respectively.

I may add that in conformity with the instructions issued in G.O. No.Mis. 1753 Education dated 11.9.1946 the dearness allowance paid in 1945-46 has been admitted in assessing the teaching grants payable for that year in 1946-47. If Government approves the above proposals then the teaching grants so assessed should be revised in the light of these. This will entail much detailed work and if it is to be finished before the end of the current year to any reasonable extent, Orders may kindly be passed by Government immediately.

(J) 31-32

S. R. K. Swam
D.P.I.

E1021(50)

Please see the Director's reply on pp 7-8 ante. The plan suggested by the Director may generally be accepted. ~~The~~ The question whether the grant towards dearness allowance should be paid in respect of all the teachers actually employed by managements or only to those who are taken into account for teaching grant purposes has been raised separately for orders and pending a decision on that question the grant may be confined to teachers who are recognised as the admissible staff for purposes of teaching grant as proposed by the Director.

The recommendation of the D.P.I at 'A' on p 8 ante is not in agreement with the view taken by this Depth at X on p 4 ante. It is for consideration whether the ~~Director's~~ view taken by this Depth which is more advantageous to the teachers may stand.

I have,
22.2.47

22.2.47

after discussion, the [illegible] D.P.I's [illegible] forward [illegible] are [illegible] us a [illegible] taken up [illegible]

2. The DPI points out that the revision of the assessment of the teaching grant ~~payable~~ for 1945-46 payable in the current year, according to the plan now proposed will entail much work and requests that early orders may be issued on the proposal to enable payments being made before the close of the year to the extent possible. He may be informed that grants according to the assessment already made may be disbursed to the managements immediately and that any additional grant payable on account of the revision of the assessment may be paid separately later on. He may be requested to arrange for the payment in the current year the grant towards dearness allowance due in respect of teachers employed in schools which worked at a profit & for which no teaching grant is admissible under the Grant-in-Aid Code and also in cases where no dearness allowance has been paid at all by managements in 1945-6 as the Govt's intention is that their liability should be discharged in full even in such cases & the calculation of grant in those cases will not be different.

I consulted the D.P.I. Finance over the phone. He requires orders to this effect ~~in orders on~~ if final orders can not be issued immediately.

22.2.47

X

3. The file may be sent to Finance for remarks power to given.

21.2.47

22.2.47

ASSISTANT SECRETARY
22 FEB 1947
FINANCE DEPARTMENT

10710 Grp. A

E OPH U.O. no.
76675-B1/46.3 Edn
22/2/47

Fin. (Exp. A)

Please see the previous Fin. note on pp. 2-3 above and the notes following.

With a view to encouraging the managements of aided educational institutions to pay dearness or ~~and~~ war allowances to members of their staff at the rates admissible to Government Servants, the Govt. ordered in G.O. No. 1854 Edn. D 10. 11. 45 that the expenditure actually ~~paid~~ incurred by the managements on payment of dearness allowance at rates not exceeding those admissible to Govt. Servants might be treated as approved expenditure and be taken into account in assessing the teaching grants payable to the managements at half the net cost. The South Indian Teachers' Union represented that ~~that~~ the above orders did not help them much as ~~most~~ some of the managements did not pay the allowance at all or paid the allce. only in part on the ground that their finances did not permit them to pay the allowance in full. In that connection the D.P.I. suggested that the payment of dearness allowance might be treated as a separate unit without being mixed up with the teaching grant and that the Govt. might undertake to pay a full grant towards that item of expenditure. The suggestions were not accepted by the Govt. Instead, it was suggested that in addition to the teaching grant payable, a special grant equal to half the difference between the maximum grant admissible at Govt. rates and the amount actually paid by the managements may be paid to the managements even if they did not pay the other half from their funds and that the managements ~~may be asked~~ might pay the grant so received to their teachers. The Govt. ordered that ~~even though~~ in cases where the Managements did not pay the allowance or were not

(E) / pp. 61-62 of

see also A on p. 33 of 7 (J)

P on pp. 1-2 of 7 (J)

Z on p. 16 of 7 (J)

see M on pp 9 & 16 of 4 (J)

B on p. 17 of 7 (J)

see also A on p. 18 of 7 (J)

M on p. 32 of 7 (J)

A on p. 18 of 7 (J)

A on p. 32 of 7 (J)

able to pay their portion of the allowance in full, the Govt. should pay ~~half~~ the difference between the maximum admissible at Govt. rates and the amount actually paid by the managements so that the Govt.'s liability might be discharged in full and the amount paid to the staff.

16-6
2

2. According to those orders, if a management had paid, say, R. 6/- already to the staff against the maximum rate of R. 16/- admissible at Govt. rates, it will be eligible in addition for a special grant of R. 5/- equal to half the difference between the maximum of R. 16/- and the sum of R. 6 actually paid by the management. The sum of R. 5/- received as special grant will have to be paid to the teacher even though the management does not pay the other half viz. R. 5/- from its own funds. If the management worked at a deficit, it will receive ~~it~~ as teaching grant a sum of R. 3/- towards the one-half of the amount actually paid by the management and the total Govt. grant ~~payable to~~ receivable by the institution will be R. 5 + R. 3/- or R. 8/- in all. If the management ~~Secondly~~ worked at a surplus it will not receive anything as teaching grant according to the long accepted principle.

6
2 . 3

3. Secondly if the management had already paid the allce. in full at R. 16/-, it will receive R. 8/- as teaching grant if it worked at a deficit. If it worked at a surplus it will not receive anything as teaching grant even ~~towards~~ D.A.

A

4. Thirdly if a management did not pay the allowance at all even if it worked at a profit, it will receive a special grant of R. 8/- equal to half the maximum admissible and this special grant of R. 8/- should be paid to the staff and cannot be appropriated by the management for any other school purposes.

5. Thus the intention of the Govt. in sanctioning

a special grant equal to half the difference between the maximum admissible and the amounts actually paid by the management was to enable the managements who did not pay the allce in full to disburse the amount to the staff and not to add it to the corpus of their fund.

A See A on p. 32 of 9 ⓙ

G.S. 26.2.47.
M on p. 32 of ⓙ

b On the above lines, the suggestions of the D.P.I. ~~above~~ in (a) to (e) on pp. 7-8 above which have been generally accepted by the E.P.H. dept are examined below.

i) (a) and (b) on p. 7 above. The item of dearness allce need not be ~~not~~ taken into consideration when assessing teaching grants and a direct grant equal to half the grant admissible at Govt. rates be paid to the managements

It has already been decided that the payment of grant towards dearness allowance need not be treated as a separate unit ~~a~~ in view of the large additional expenditure involved. If a direct grant is paid to all the managements, the managements which are working at ~~a~~ surplus ~~after~~ even after paying the dearness allce and which will not be eligible for any grant will have to be paid the special grant resulting in an unnecessary extra expenditure to the Govt. The suggestion need not therefore be accepted.

cf M on pp. 9 & 11 of ⓙ

G.S. 26.2.47.

(ii) (c) on p. 7 above. The managements which paid the allce at maximum rates be permitted to keep these grants for the general purposes of the School.

As already noted at A above, the intention of the Govt. in sanctioning a special grant was to enable the managements to pay the special grant to the teachers and not to ~~add it~~ keep it for other purposes of the School. It may be argued that the managements which paid the allces already in full should not be penalised while the

~~managements which~~ managements which have not paid the allce in full are allowed a special grant equal to half the difference between the maximum admissible and the amount already paid by the managements. It is submitted that in the case of managements which have already paid the allce in full, they will be eligible for half grant as teaching grant if they worked at a deficit. If they worked at a surplus there is no reason why they should be paid the special grant on the same ground that they are not paid anything as teaching grant ordinarily while the other managements which work at a deficit are paid half the net cost as teaching grant. It may also be pointed out that in the case of local bodies too, grants are paid only to those local bodies that work at a deficit on account of the payment of dearness allowance to the teachers. Thus there is no case for the payment of a special grant separately to the managements which have already paid the allowances in full and to allow them to utilise the grant for other purposes of the School.

G.S. 26.2.47

(iii) (d) The managements which did not pay any allce may be required to pay the Govt.'s share of the dearness allce at half the maximum rate admissible

This is covered by the existing orders issued in G.O. No. 1753 Edn. 11. 9. 46 ~~and~~ see M on p. 32 of the G.O.

G.S. 26.2.47.

(iv) (e) The managements which paid dearness allce in part may be paid the full half grant and they may be required to pay to the teachers a sum equivalent to half the difference between the maximum amount admissible and ~~the~~ amount actually paid by the management and treat the balance as part of the School funds.

pp. 7-8 above

According to this suggestion, even if a managem

B/

had already paid the alla. in part, say ~~at~~ Rs. 10/-, it should be paid a special grant of Rs. 8/- instead of Rs. 3/- only equal to half the difference between the maximum admissible and the amount already paid (i.e. Rs. $\frac{16-10}{2} = 3$) and the management shall pay Rs. 3 to the teachers out of the sum of Rs. 8/- received as special grant and treat the balance of Rs. 5/- as part of the school funds. This suggestion is not acceptable as it is in contravention of the orders issued in G.O. No. 1753 Edn. dt 11.9.46. (If the management worked at a deficit after having paid Rs. 10/- as dearness allowance it will, in the natural course, receive half of the allowance ~~viz~~ Rs. 5/- as teaching grant. If it worked ~~out~~ at a surplus, there is no reason why it should be paid the special grant for simply being added to the corpus of its fund while the intention of the Govt. in sanctioning a special grant is to enable them to disburse that amount to the teachers.)

(J)

HR
25.2.47.

The intention of the orders issued in G.O. at (J) is that the teachers should be paid at least half the dearness allce. allowed to the Govt. Servants, and ~~that~~ the managements should be protected by a grant over and above the teaching grant to the extent of the extra cost involved; ~~total effect of~~ [illegible]. It does not seem that the Govt, with its depleted finances and engaged in finding out ways & means to augment its resources, can afford to reimburse the managements any expre incurred by them in this regard when they work at a surplus. E.H. It may issue instructions on the lines suggested in the office note in para 6 on pp 12-14 ante.

A.S.
26.2.47.

D.S.

C 27/2 E.P.H

A/

C/

C/

E-PH

With reference to X on p 9 ante, a draft T.M. is submitted below for approval. The case will be noted on & subd after issue.

Estt (BI)

Fin. u.o. 10710 ap. 91
27/2.

28/2/47

28.2.47

S

[Issued as T.M. to DPI dt 28/2/47]

ASSISTANT SECRETARY TO GOVERNMENT
EDUCATION DEPARTMENT
No. 16437
27 FEB 1947

Notes from page 9 ante may be read.

2. The Finance Department do not agree to the proposal to exclude the expenditure incurred on payment of dearness or cost of living allowance to the members of the staff in aided educational institutions from the assessment of teaching grants under the Grant-in-Aid Code and to pay a separate grant to the managements of aided institutions for the purpose calculated at half the amount of the allowance admissible at Government rates to the members of the staff. They do not also agree to the proposal that the special grant towards dearness allowance may be paid to the managements of schools which worked at a profit even though they are not eligible for a teaching grant under the Grant-in-Aid Code and that if they had paid the allowance in full they may be allowed to retain the special grant for school purposes and if they had paid the allowance at less than the maximum rates they may be required to pay to the teachers a sum equivalent to half the difference between the maximum amount admissible to them and the amount actually paid by the managements and treat the balance as part of the school funds. They point out that the intention is that the special grant should be disbursed to the teachers in full and that there is no justification for paying to the managements of profit schools a grant towards the expenditure incurred by them on payment of the allowance. The recommendation of the previous H.M. (Education) which was accepted in full circulation was that Government should pay that portion of the grant which they have promised to ~~x~~ pay unconditionally so that their liability may be discharged in full. Attention is in this connection invited to the remarks of the D.P.I. on point 3 on pages 2-3 nf. and to the reply given to the Secretary, Chittoor Teachers' Guild on page 4 c.f. of G.O.No.107 Education, dated 23-1-47.

para 6(i) on p 12 ante.

B

c on p 7 ante + para 6(ii) on p 12 ante

(e) on p 8 ante + para 6(iv) on p 12 ante

para 5 on p 12 ante

p 11 ante

A on p 18 n.f. of (J)

It is on the interpretation of Govt's intention (H) that we are now taking the proposals above detailed in the instructions.

A/

3. Profit schools are not entitled to any teaching grant under the Grant-in-Aid Code and if the managements of such schools are deprived of the benefit of the special grant also, the tendency will be for such managements to discontinue the payment of any dearness allowance to the staff from its funds and to leave ~~them to~~ the members of the staff to get one half of the admissible rate of allowance on receipt of the special grant from Government.

C

P.T.O.

08

4. Finance may see again before the case is circulated for orders.

USR 20/3/47

21.3.47

E&PH Uo. no. 16675-B1/46-4 21/3/47

ASST. SECRETARY TO GOVERNMENT 22 MAR 1947 FINANCE DEPARTMENT

Finance (Exp.A)

(Please see the previous Finance note on pp.10-14 above and the notes following.)

As regards A on p.15 above, it may be noted that the payment of grant to the schools working at a profit has been agreed to only in the case of institutions that have not paid the allowance at all to the teachers. - see B on p.1c.f. and p.3 n.f. of G.O.No.107 Edn. dated 23-1-47. This position has been accepted in para 4 on p.11 also.

Su B and 1cf & 3nf (H)

18116 Exp.A.

As regards C on p.15 above, the Government will have to be content with discharging their liability in full by paying one half of the ~~allow~~ maximum rate of allowance admissible at Government rates in as much as the Government do not propose to compel the institutions to pay their share of the allowance even though though they are working at a profit.

31.3.47

2. If the E.P.H. department wish to press that a separate grant should be paid to all the managements calculated at half the maximum rate of allowance admissible at Government rates as at B on p.15 above, they may be requested to take orders in circulation including H.M.(Fin)

DR 31.3.47

31.3.47

31.3.47 E.P.H.

E&PH

Edn. and P.H. Dept.(B1).

Fin No. 18116 Exp.A1 31.3.47

Notes from page 7 ante may be read.

2. The case relates to the revision of the orders relating to grants to aided educational institutions towards the payment of dearness or cost of living allowance to the members of the staff. In G.O.No.1854 Education, dated the 10th January 1945 the Government directed that the expenditure

~~[illegible]~~

ASSISTANT SECRETARY TO GOVERNMENT 1947 DEPARTMENT

Ⓠ 61-62 cf

P.T.O.

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⑫

actually incurred by managements on payment of the allowance at rates not exceeding those admissible to Government servants should be treated as an approved item of expenditure and taken into account in assessing the teaching grants payable to them under the provisions of the Grant-in-Aid Code. It was brought to the notice of Government that certain managements were not paying the allowance in full. The Government therefore ordered in G.O.No. ~~107~~ 1753 Education, dated the ~~23rd~~ 11th January 1947 that in cases where the managements had not paid the allowance in full, a special grant calculated at one half of the difference between the amount actually paid by the managements and the maximum admissible to the teachers at Government rates should be paid to the ~~managements~~ managements irrespective of whether the managements pay from their own funds their half of the allowance in full or not, so that the Government's liability to pay grants calculated at one half of the amount of allowance admissible at Government rates may be discharged in full. ~~irrespective of the fact whether the managements paid the allowance out of their own funds their half of the allowance.~~ - Vide in this Connection the minutes on p18 nf of G.O. no 1753 Edn dt 11-9.46

Note of Ⓙ

Ⓙ/31 cf

A

Ⓙ

3. Various doubts have been raised in regard to the exact intentions of Government in undertaking to discharge their liability referred to at 'A' above especially in respect of 'profit schools'. In reply to a reference from the Secretary, Chittoor Teachers' Guild, he was informed that the special grant will be paid to all aided institutions irrespective of the fact whether they are working at a profit or at a deficit, ~~that in~~ cases where no allowance has been paid by the management grants calculated at one half of the Government rates admissible to each member of the staff will be paid and that in cases where the allowance has been paid at less than the Government rates, a grant equal to one half of the difference between the amount actually paid by the management and the amount admissible to them at Government rates will be paid to the management and it will be required to disburse to the staff the amount received as Government grant for the purpose.

Ⓗ/4 cf

4. Profit schools are not eligible for teaching grant under the Grant-in-Aid Code and the Government's liability to pay grants equal to one half of the amount of allowance admissible at Government rates will not be discharged if the managements of such schools which

76675-B1
25/4/47

had paid the allowance in full or at less than Government rates are not allowed a special grant equal to one half of that expenditure. They will also sooner or later ~~be inclined to~~ stop payment of allowance from their funds and if this is done the teachers in such schools will eventually get only allowance at half the admissible rates from Government. In order to simplify the procedure for the calculation of grant towards dearness allowance and to ensure that the Government's liability to pay grants equal to one half of the Government rates is discharged even in respect of profit schools, it was proposed to exclude the expenditure on payment of the allowance from the calculation of teaching grant and assess the grant for dearness allowance ~~this purpose~~ separately as proposed by the D.P.I. on pages 7-8 ante; but Finance do not agree to the proposal. Attention is in this connection invited to the D.P.I.'s view regarding point (3) on pages 2-3 n.f. of G.O.No.107 Education, dated the 23rd January 1947. Finance point out that there is no justification for reimbursing any portion of the expenditure incurred in this direction by profit schools. This Department may press for the acceptance of the Director's proposal.

A

HM

X on p 14 ante

5. The extra expenditure on account of payment of grants according to the proposal referred to at 'A' above is estimated at 1.5 lakhs in respect of 1945-46 and 1.65 lakhs in respect of 1946-47. - Vide TM from the DPI on p 7 c.f.

6. The file may be circulated to H.M.(Education) and H.M.(Finance) and H.P.M for orders

(i) whether the expenditure on payment of dearness allowance to staff in aided secondary schools may be excluded from the calculations for teaching grant, and a separate grant may be paid to all the managements of aided schools whether working at a profit or deficit, calculated at one half of the maximum rate of dearness allowance admissible at Government rates according to the plan proposed by the Director on pages 7-8 n.f.,

(ii) whether the revised procedure may be adopted only in respect of grants for 1946-47 payable in 1947-48, or also in respect of ~~so that the~~ grants for 1945-46 already assessed and paid in the year 1946-47 a on a different footing; ~~need not be revised, and this would result in additional work + does own of Rs 1.5 lakhs ... to be provided over & above the amount required for 1946-7~~

(iii) whether in view of the extra cost involved the matter may be placed before the Standing Finance Committee and the Cabinet.

10 MAY 1947

Managements are likely to get more money now, as we have increased the teachers establishments for tuition fee. & ... [illegible] with Finance

2-4-47

S
25/4/47

SA
29-4-47

(18)

Please see the orders in circulation on page 17 ante. It is presumed that HPM has agreed with HM (Fin). The file may be recirculated to HM (Edn)

10.5.47

10.5.47 S

It may be recirculated to H.P.M. for f.o. clarification

12.5.47

I agree with H.M. Finance
G.P.R
12/5
H.P.M.

12.5.47

17 MAY 1947

p 18 ante

Pl see the minutes of HM (Fin) and H.P.M above. May be recirculated to HM (Edn)

17.5.47 S
17/5/47

20 MAY 1947

SA
19.5.47

17.5.47

Please see the minutes of HPM above. He agrees with H.M (Fin).

2. The DPI also recommends that the existing procedure may be continued - Vide the last para of his letter Rc No. 402 K/47 Dt 25.4.47.

3. A draft order regarding the papers is submitted ~~below for approval~~.

p 8 c.f.

20/5/47

20/5/47

21.5.47
22

S 21/5/47