

Education and Public Health

(194⁷) Department.

Ms. **SERIES.**

G.O. NO. 2221 En.,

Dated 16-10-1947.

[Despatch Abstract.]

Elementary Education Fund-Municipal Council, Negapatam-Revised scales of pay and grant of advance increments-Additional expenditure-Enhancement of education tax-Payment of an advance-Orders passed.

Back Papers.

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

Further Papers.

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

From
Sri. C. Srinivasan P.I.,
Municipal Commissioner,
Negapatam.

To
The Secretary to Government,
Education and Public Health Depart-
ment,
Fort St. George,
Madras.

Sir,

B2-7254/47 dated 6-8-47.

Elementary Education Fund - Negapatam Municipal Council -
Revision of scales of pay - additional expenditure - involved.

Ref: G.O. Education dated 10-5-47 and 1154 dated 5-6-47 and
Government Memo 52511/47 -1-c dated 26-7-47.

The immediate extra cost involved for giving effect to the revised
scales of pay to the Elementary school teachers with effect from
1-1-47 is Rs. 5570/-

The Elementary Education fund account ordinary has actually opened
with a balance of Rs. 2727-2-0 for 47-48. According to the Budget
estimate for 47-48, the Elementary Education Fund account is expected
to open with a nil balance and to close with a deficit of Rs. 14,410/-
revised with reference to the actual opening balance the closing balance
balance for 47-48 is expected to be Rs. 11683/-. If effect is given
to the revised scale of pay the deficit will increase to Rs. 17,253/-.

Education tax is now levied at 1 1/2% per annum and 1/3 of the tax
will fetch a revenue of Rs. 6590/-.

In connection with the proposal to give effect to the revised
scales of pay for the general staff, I have suggested to the Ins-
pector of Municipal Councils and Local Boards, the desirability
of enhancing the rate of tax from 23 to 26, so that the general
account might not be closed with deficit as at present. I am
not sure how far the proposal would be accepted by Government. I am
Municipality, has provided almost all the amenities, protected water
supply, Drainage and electricity and it is but reasonable that the
rate payers should meet the extra cost required in footing the
bill. If the proposal for enhancement is accepted by the Government
it is for consideration whether any further enhancement would be
desirable to meet the deficit in Elementary Education account.
There is no other possible way of enhancing the revenue under this
account as matters stand at present. Retrenchment in expenditure
by closure of schools may not be desirable, as compulsory education
is in force in this area. There is a proposal pending for taking
over three elementary schools working in the fishing area viz.,
Sementankuppam, Pattanacheril and Nambiarmagar by the Fisheries Depart-
ment and the Director of Public Instruction in his No. 11351-B2-46
dated 30-7-47, has agreed to the transfer of the schools to the
Fishery Department. If this materialises and the institutions are
taken over by Government, (Fishery Department) there would be a
saving of Rs. 45,00/- per annum, (without taking into account the
Government grant). Is it incumbent that revised scales of pay
should be given effect to as early as possible the only course to
meet the extra cost is by getting an advance from the Government as
contemplated in para 4 of G.O. 975 Education & Public Health, dated
10th May 1947. The question of enhancing receipts under this account
being explored in due course, after orders received on the general
question of enhancement suggested to the Inspector of Municipal
Councils to give effect to the revised scales of pay to the Municipal
general staff.

The information required to be given in memorandum No. 52511/47-1-C.1-
-dn., dated 26-7-47 is given below:-

1. The actual opening balance of the
Elementary Education Fund (Ordinary)
on 1.4.47 ... + Rs. 2727--2-0

2. The additional expenditure on
account of the revision of the scales
which should include expenditure on
giving retrospective effect to the
scales from 1-1-47. ... 5570--0-0

3. The anticipated closing balance
for 47-48; ... Vinus... 17253--0-0

4. Proposals for avoiding a deficit:- Vide letter ^{above} relating Education
Rate of Education tax now levied: --1 1/2 % per annum.

P.S.B.S.

Commissioner.

C.No. 65192/47

E.F. Fund - P.C. Negapatam - Revised
scales of pay and grant of advance increments.
Additional expenditure - Enhancement of education
Tax - Payment of an advance. Orders passed.

S.O. No. 975 Edu. d 10.5.47
From The Commr. Negapatam Rply. B2. 7254/W d 6.8.47
Order No. 2227 Edu d 16.8.47

Under sub-section (2) of section
35 of The Madras Elementary Education Act, 1920,
as amended, ~~by Madras Act XV of 1946~~, The
Govt. direct The P.C. Negapatam, to alter
the rate of levy of the education Tax in its
area, from one and a half percent, per annum
to three and a half percent, per annum, on the
annual rental value of properties, with effect
from 1-10-47.

2. The Commr. and Special officer,
Negapatam Rply. is informed that steps should be
taken immediately to give effect to the revised
scales of pay sanctioned in S.O. No. 1154 Edu.
d 5.6.47 for teachers in elementary schools under
local bodies. He is also informed that the
orders issued in S.O. No. 2220 Edu. d 16.10.47
~~(a copy of which is enclosed)~~ should be given
effect without delay.

3. The Govt. sanction the payment to
The P.C. Negapatam, of a subsidy of Rs. 10,000
(Rupees ^{ten} thousand only) Towards the grant of
dearness allowance to the elementary education
staff ^{in the current year}. They are also pleased to sanction ^{the payment} to the
Commr. of an advance of Rs. 1400 ^(Rupees fourteen hundred only) towards the
additional expenditure on the revision of scales of
pay and the grant of advance increments to the
E.F. staff. ~~Interest~~ ^{at 3 1/2 % p.a. (provisional)}
will be charged on the advance which should be
repaid in ¹⁹⁴⁸⁻⁴⁹ ~~annual instalments~~ ^{with interest} ~~instalments~~.

7 1/2 % p.a. if the amount is not paid before 31.3.49

2/4

Pending the provision in the budget.
 4. The Accountant-General is ^{authorized} requested to place the amounts at the disposal of the Council.
 The Council should present the necessary bills at the Treasury to obtain payments of the amounts or to have them adjusted. The expenditure will be debited to "37-8. Education - Primary - Grants to local bodies for Primary Education - I. A. local bodies - I ordinary areas - 4. Teaching." and that on the payment of advance will be debited to "XLI - Loans and advances bearing interest - Miscellaneous loans and advances - E. Advances to local bodies to cover deficits"

5. As the E.E. Account of the cl. for 1946-47 closed with a surplus of Rs. 2727, the Council should refund the amount to the Govt. at once.

28.9.47
 30.9.47

30.9.47

W
 30/9

Depd
 30/10
 The Commissioner P.S.O,
 Nagapattinam Mty.
 The Asst. L. through Fin.
 The L.A. Dept.
 The D.T.I.
 The Ex. of L.A. Dept.

(X)

C.No. 65192/47
 pp 1-2 c.f.

From the Commr. Negapatnam R.P.S. No. 7254/47 d 6.8.47
 E.E. Fund - Rd. cl.

Negapatnam. Revised scales of pay. Additional expenditure

B

page 407 (h)

11,700
 5,030
 16,730

page 1 c.f.

by 11/9/47

page 407 (h)
 page 1 c.f.

Ascentation from L.A.

14,410
 7,676
 22,086

10,100
 670
 9,430

It is not to maximum as a maximum

The E.E. Fund budget of the Rd. cl. Negapatnam for 1947-48 was expected to open with a Nil balance and to close with a deficit of Rs. 14,410. The actual opening balance on 1-4-47 was Rs. 2727. The Council was paid a grant of Rs. 16,730 towards the payment of dearness allowance to its E.E. staff last year. As the Account for 1946-47 closed with a surplus of Rs. 2727, the Council may be asked to refund the amount to the Govt.

2. The Council incurs an expenditure of Rs. 50,450 on salaries and allowances of teachers. An additional expenditure of Rs. 5570 has to be incurred if the revised scales of pay sanctioned by G.O. No. 925 E. du. d 10.5.47 and G.O. No. 1154 Edu. d 5.6.47 are given effect. And further, a provision of Rs. 2100 has also to be made for the grant of dearness allowance to the staff. The expenditure on the staff will be Rs. 58,120. If provision is made for that in addition to the expenditure of Rs. 7076, the deficit will be further increased to Rs. 22,086. The Council proposes Education tax at 1 1/2% p.a. on the full annual rental value of properties, and thereby derives a net income of Rs. 9430. If the rate of education tax is enhanced by 1% p.a. with effect from 1-10-47 it would fetch the Council an additional income of Rs. 3148 during the current year and an additional income of Rs. 6286 p.a. The Council levies property tax at 2.3% p.a. on the annual rental values, which is beyond the conventional maximum laid down by L.A.

It is necessary to enhance the rate of education tax so as to provide funds for the additional expenditure and for reducing the recurring deficit in the budget. L.A. may be requested to advise whether the rate of education tax may be increased by 2%.

4. If the rate of education tax cannot be increased, a subsidy of Rs. 14,410 to ^{avoid} the deficit in the budget and an advance of Rs. 7700 towards the additional expenditure may be paid to the Council from the Provincial funds. L.A. have already stated that it is not possible to make any further contributions from the General Account to the E.E. Account.

5. L.A. Finance may see for

Remarks.

B
11-9-47

(deficit due to the payment of d.a.)

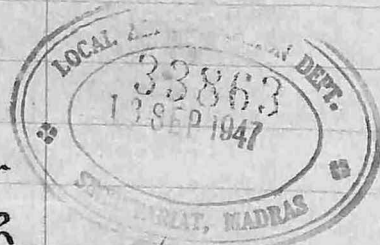
page 2 of 4

14,410
6,286
8,124

E.S.H. No. 40.
65192-1C1
12-9-47

S / L.A. ^{for} _{Fin} _{LA}

LA Sept 2



is above

The rate of tax in force in the Nagapattinam mty is already high and there is no scope for increase in the rate. It may be left to the new Council to decide whether an increase can be made. This Council has not ^{to given effect to (5/15)} ~~adopted~~ ^{revised} scales of pay to its general staff for want of funds. With these remarks the file may be passed on to Fin no

AN

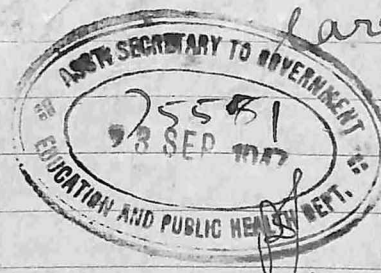
The total rate of

~~property~~ tax on property (inclusive of Edm tax) now

levied is 23% which is not the conventional maximum for this type of mty.

(X) Maximum increased to 23% by Genl. Secy. to Govt.

However in view of the unsatisfactory financial position of the Genl Fund of the Council and in view of the ~~large deficit~~ fact that the E.E. Fund is working at a large deficit of Rs 22,000. This ^{as a special case} dept may agree to the proposal of E & P.H. to increase the rate of Edm tax by 2% per annum from 1.10.47. ~~There~~ The deficit which will still remain in the E.E. Fund may be met by a grant towards d.a. and advance.



Rs 8,124
+ 7,700

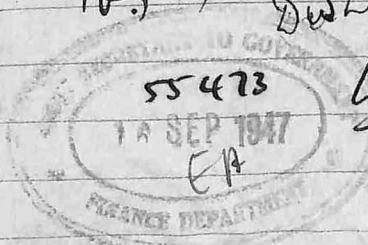
Rm 1529142 8

B 15/9/47

Fix.

W/No 33863-1C

10/9/47 DWD



FIN No 55473 2A-1
22-9-47

Fin (Exp. A)

Please see the notes on pp. 1-3 above. The proposals at A on page 1 above and B above may be accepted.

W/ 21-9-47

U.S. 22-9-47

DWD 22-9-47

E.P.H.

E.S.H. (C)

The estimated expenditure on revision of salaries is about Rs. 5580. Enhancement of taxation required for the purpose is 22% p.a. The extra-expenditure on the weightage for service will be about Rs. 2106, and the enhancement required for this purpose is about 1/3% p.a. Thus the entire additional expenditure of Rs. 7676 can be met by enhancing the rate of Tax by 1 1/3% p.a.

2. L.A. and Finance have

agreed to the enhancement of Rs. 2 p.a. with effect from 1.10.47, which may fetch an additional income Rs. 6286 during the current year and (The Council has been asked not to make demand notices for an extra income of Rs. 12,572 p.a. if the Council will, then, be able to

B on page 3 anti Finance not anti

K on page 1 anti. properly this notice orders are passed in this case.

meet the entire additional expenditure on salaries and weightage for service solely from the proceeds of the additional Taxation and may have also a surplus of Rs. 4896 p.a. No advance need be paid for the purpose from the next year.

3. With regards to the position in the current year, it is submitted that no advance need be paid towards the expenditure on salaries (Rs. 5570). If weightage for service is also permitted, a deficit of Rs. 1390 will be left unprovided for. L.A. and Finance have agreed to the payment of an advance for the purpose.

5570 + 2106 = 7676
6286
5570
716 surplus
7676
6286
1390 deficit

4. Orders have since been issued in G.O. No. 2035 Edn. d 19.9.47, directing certain local bodies to grant advance increments to the E.E. staff. The Dist. Ch. Negapatnam was not included in the list of the local bodies appended to the G.O. Reference is, in this connection, solicited to the extract of the remarks of the Secretary put up at (E) below. In view of the position explained in paras. 2 and 3 above, the Council may be directed to pay advance increments to the E.E. staff and an advance of Rs. 1400 may be paid for this purpose.

(21)

2-2824 with

25.10.47

(The Council have agreed to the payment of advance p. 3 anti)

5. The Council incurs an expenditure of Rs. 18,630 on the payment of dearness allowance to the E.E. staff. The anticipated deficit, on account of this, in the current year is Rs. 14,410 and it should be covered by the payment of a subsidy from the Prov. funds. The Council may now, therefore, be paid an advance subsidy, equal to $\frac{2}{3}$ of the anticipated deficit i.e. Rs. 10,000. roundly. The balance may, if necessary, be paid after the scrutiny of the R.R. for 1947-48. is approved.

58768
1 OCT 1947
EN
FINANCE DEPARTMENT

6. A draft order is submitted for approval. Finance may see before circulation. H. 20/10/47

9 (6)

Please see the previous Fin. note on p. 3 above and the notes following.

The draft order may be appended Subject to any addition being made to para 3 that penal interest will be charged at $7\frac{1}{2}\%$ if the amount is not paid before 31. 3. 49.

File No 58768 EA-1

10.47
ASST. SECRETARY TO GOVERNMENT
4 OCT 1947
79157
EDUCATION AND PUBLIC HEALTH DEPT.

(Note from the Division of page 3 anti may be read.)
An addition, as suggested by Finance, has been made to the draft order:

2. The Council may be directed to pay advance increments to the E.E. staff as agreed to by L.A. and Finance. A separate draft order is submitted. Necessary alterations may be made in para 2 of the draft order (II).

P.T.O

10 OCT 1947

6

3. The two drafts may issue.

1000
7.10.47
8/1

9/10/47

1000
15.10.47

10/10/47

H.M. (200)

M. (64) 15/10

enhancement
of law -
para 1 of
draft II

~~0016~~

7