Close
2

Sectt. II-27—58,004—27-10-47.

E-214 (1948) Department.

12. SERIES.

G.O. NO.	1141 Edn.
Dated	6 – 5 – 48

47

[Despatch ract.]

M. & C. Walajapet.

B. E for 1948-49 E.E. ...

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.

C1/1

Local Administration Department.

From
Sri.T.S.Sitaram Nayudu, B.A.,
Commissioner, Municipal Council,
WALAJAPET.

To
The Secretary to Government,
Education & Public Health Department
Fort St.George, M A D R A S.

RECEIVED TO GOVERNMENT
22 FEB 1948
EDUCATION AND PUBLIC HEALTH DEPARTMENT

Through: The Inspector of Municipal Councils and Local Boards,
M a d r a s.

" The Chairman, Municipal Council, Walajapet&

Roc.No.5203/47 dated 13th February 1948.

Sir,

SUB: TAX - Property - 1947-48 IInd half - Enhancement of Education tax - Municipal Council's Resolution - Submitted.

REF: Government Memo.No.5180/48-1-C1 Edn. dated 2-2-48.

I enclose herein for the information of Government and necessary orders a copy of the Municipal Council's Resolution No.338 dated 11-2-48 - passed by the council with reference to the Government Memorandum referred to above.

Forwarded
Chairman. 21.2.48

T. S. Sitaram Nayudu
COMMISSIONER. 13-2-48

Copy submitted to the Secretary to Government,
Local Administration Department, Madras.

Copy submitted to direct to the Secretary to Government,
Education and Public Health Department.

ATM/13.2.

Extract from the Minutes of Proceedings of the Special Meeting of the Walajapet Municipal Council held on 11-2-48 at the Municipal Office, Walajapet.

Present: Sri.w.V.Veeraraghava Mudaliar - Chairman and 7 other Councillors.

Subject No.338 Read the following subjects noted in Government Memorandum No.5130/48-1-G1 Edn. dated 2-2-1948 and C.R.No.286 dated 19-1-48 with regard to the increase of Education tax from 1-10-47.

(1) That the Government decline to reconsider the order issued in Para 1 of G.O.No.2690 Edn., dated 16-12-47.

(2) that it is the responsibility of the Municipal Council to provide funds for meeting the additional expenditure on the grant revised scales of pay to the elementary education staff and that no grant will be paid to the council for the purpose.

(3) The collecting tax for 1947-48/II should be proceeded with, without any further delay.

Resolution This council regrets that Government have not bestowed that amount of reasonable and due consideration necessary for the leaping enhancement and compulsory levy of tax, over the difficulties and causes expressed in resolution dated 19-1-48 No.286, and further feels that only the time factor for the issue of demand notices, seemed to have swayed this quick decision and disposal of the matter. Without embarrassing the Government the council suggests that the Commissioner may be asked to issue the II half demand notices with the addition of 1% education tax as agreed upon; and any further increase of it to the level of imposed 6% or otherwise may be decided upon by Government after careful

and sympathetic consideration, to take effect from April 1948.

A deputation of the following four members with Chairman and Commissioner may wait upon the Ministers of education and Local — Self Government and explain matters fully to them. Members:- Sri.G. Loganatha Nayagar, Sri.K.Venkatachalapathy, Sri.W.Venkataswamy Nayagar and Janab. K.Abdul Wahid Sahib

(Sd) V.V.Veeraraghavan,
Chairman, 11-2-48

(True Extract)

T. S. Sivaram Nayagar
Commissioner. 13.2.48

2

OFFICE OF THE DIRECTOR OF PUBLIC INSTRUCTION, M A D R A S.
R.O.P.No.6/B3/47-48 dated 17..2..1948.

Sub: Elementary Education Fund - Budget Estimate for 1948-49 - Municipal Council, Walajapet.

£ @ £ @ £

Submitted.

2. Revised Estimate for 1947.48:- The credit taken for Government grant under section 37 of the Madras Elementary Education Act is liable to revision with reference to the actual amount of subsidy that will be sanctioned by the Government during the current year.

3. The expenditure under "Ordinary" is in excess of the sanctioned estimate. Sanction of the Government is necessary for the increased expenditure.

4. Budget Estimate for 1948.49:- The credit taken for Government grant under section 37 of the Madras Elementary Education Act is liable to revision with reference to the actual amount of education tax realised and adjusted to the fund during 1947.48.

5. The Municipality should attend to the repairs of the non-muslim girls school at an early date.

6. Additional equipment should be supplied to both the girls' schools under the Municipality.

7. Leave salary and Dearness allowance are paid. Time scale of pay is adopted.

Ramachandra Rao
for DIRECTOR OF PUBLIC INSTRUCTION.

B232

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

Ram.19/2/48.

LOCAL ADMINISTRATION DEPARTMENT. (S Roh 6/B3/47 c

From
Sri.T.S.Sitaram Nayudu B.A.,
Commissioner, Municipal Council,
WALAJAPET.

To
The Secretary to Government,
Education and Public Health Department,
Fort St. George, MADRAS.

THROUGH: THE DIRECTOR OF PUBLIC INSTRUCTION, MADRAS.

" THE CHAIRMAN, MUNICIPAL COUNCIL, WALAJAPET.

Roc.6446-B1/47 dated 27th January 1948.

Please see p. 9 infra

Sir,

SUB: BUDGET ESTIMATE - Walajapet Municipality - Elementary Education Funds - 1948-49 - Submitted for kind approval.

--

The Budget Estimate of the Walajapet Municipality for the year 1948-49 in respect of the Elementary Education Funds is submitted herewith, in duplicate, with the prescribed statements and summary for favour of kind approval. -

2. I submit that after the consolidated budget of the General and Elementary Education Funds as framed and passed by the council in its resolution No.244 dated 29-11-1947 was submitted to Government, G.O.No.MS.2690 Education dated 16th December 1947 was received in this office directing the council to enhance the rate of education tax from one percent to six percent with effect from 1-10-1947. An urgent meeting was convened on 5th January 1948 to consider the subject. As the meeting was not held on that date for want of quorum, another urgent meeting was held on 19th January 1948. The council, after long discussion, resolved to enhance the rate of education tax from one percent to two percent for reasons stated in the resolution (Copy enclosed) as against the direction of Government to enhance the rate from one percent to six percent. In accordance with the council's resolution and with reference to the subsidy and advance sanctioned to this council, necessary alterations are made both in the revised estimate for 1947-48 and in the Budget Estimate for 1948-49. The Revised Estimate for 1947-48 and the Budget Estimate for 1948-49 are now expected to close with a deficit balance of Rs.2500/- and 10790 respectively. In this connection, I further submit that a sum of Rs.3600/- has been sanctioned by Government as subsidy towards the grant of dearness allowance to the Elementary Education staff for the current year in their G.O. referred to above and if this subsidy is paid for the year 1948-49 the Budget Estimate of 1948-49 will close with a deficit of Rs.7190/- only.

3. The Government have been sanctioning additional subsidy every year to meet deficit in view of the poor resources and unsatisfactory financial condition of this council. The Government may be pleased to sanction necessary additional grant to meet the deficit as the council may not be able to meet the deficit amount in any other direction.

4. Under expenditure - salaries of masters [illegible] made for appointment of two additional high [illegible] trained teachers, one in the Bavarnachetty Street [illegible] School and the other in the Sowrashtra Boys' School, in view of the increased strength in the two schools [illegible] 7 schools maintained by the council, vide schedule of establishment submitted herewith. Increased provision of Rs.1500/- is made under repairs to buildings in the Budget Estimate for 1948-49 for effecting necessary repairs in respect of seven school buildings all of which are owned by the Council.

5. Extract of the minutes of the proceedings of the ordi-

nary meeting of the council dated 29-11-47 and that of the urgent meeting dated 19th January 1948 are submitted herewith.

Forwarded
Ramanaghavaru
2.2.48
Chairman

In J. S. Sitaram Nayudu 29.1.48.
29/1/48. COMMISSIONER.

LOCAL ADMINISTRATION DEPARTMENT.

From
Sri.T.S.Sitaram Nayudu, B.A.,
Commissioner, Municipal Council,
WALAJAPET.

To
The Secretary to Government,
Education & Public Health Department
(Education)
Fort St.George, MADRAS.

Through: The Director of Public Instruction, Madras.
" The Chairman, Municipal Council, Walajapet.

Roc.6129-B1/47 dated 27th January 1948

Sir,

SUB: BUDGET ESTIMATE - Walajapet Municipality - Elementary Education Funds - 1948-49 - Submitted for kind approval.

The Budget Estimate of the Walajapet Municipality for the year 1948-49 in respect of the Elementary Education Funds is submitted herewith, in duplicate, with the prescribed statements and summary for favour of kind approval.

2 I submit that after the consolidated budget of the General and Elementary Education Funds as framed and passed by the Council in its resolution No.244 dated 29-11-47 was submitted to Government, G.O.No.MS.2690 Edn. dated 16th December 1947 was received in this office directing the Council to enhance the rate of education tax from one percent to six per cent with effect from 1-10-47. An urgent meeting was convened on 5-1-48 to consider the subject. As the meeting was not held on that date for want of quorum, another urgent meeting was held on 19-1-48. The Council, after long discussion, resolved to enhance the rate of education tax from one per cent to two per cent for reasons stated in the resolution (copy enclosed) as against the direction of Government to enhance the rate from one per cent to six per cent. In accordance with the Council's resolution and with reference to the subsidy and advance sanctioned to this council, necessary alterations are made both in the Revised Estimate for 1947-48 and in the Budget Estimate for 1948-49. The Revised Estimate for 1947-48 and the Budget Estimate for 1948-49 are now expected to close with a deficit balance of Rs.2,500/- and Rs.10,790/- respectively. The Government have been sanctioning additional subsidy every year to meet deficit in view of the poor resources and unsatisfactory financial condition of this council. The Government may be pleased to sanction necessary additional grant to meet the deficit as the council may not be able to meet the deficit amount in any other direction.

3 Under expenditure - salaries of masters - provision is made for appointment of two additional Higher Grade trained teachers, one in the Bavarna Chetty Street Mixed School and the another in the Sowrashtra Boys school, in view of the increased strength in the two schools as against 7 schools maintained by the Council, vide schedule of establishment submitted herewith. Increased provision of Rs.1,500/- is made under repairs to buildings in the Budget Estimate for 1948-49 for effecting necessary repairs in respect of the seven school buildings all of which are owned by the council.

4 Extract of the minutes of the proceedings of the Ordinary Meeting of the council dated 29-11-47 and that of the urgent meeting dated 19-1-48 are submitted herewith.

Forwarded
Ramanaghavaru
5.2.48

In J. S. Sitaram Nayudu 29.1.48
29/1/48 COMMISSIONER.

Enclosure No. 1.

Walajapet

PROCEEDINGS OF THE URGENT MEETING OF THE MUNICIPAL COUNCIL HELD ON 29-11-47

-ooo-

Present: Sri.W.Veeraraghava Mudaliar - Chairman
and 11 other councillors.

-ooo-

Meeting commenced at 4.30 P.M.

SUBJECT NO.244

Revised estimate for 1947-48 and Budget Estimate for 1948-49 in respect of General and Elementary Education Fund accounts of Walajapet Municipality with the notes of the Chairman and Commissioner thereon.

RESOLUTION:

Read the Budget and resolved unanimously to submit to Government.

(Sd) W. Veeraraghavan,
Chairman, 29-11-47

(TRUE EXTRACT)

V. S. Sivaram Nayudu
COMMISSIONER. 29.1-48

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29/1/48

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Enclosure No. 2

EXTRACT FROM THE MINUTES OF PROCEEDINGS OF THE SPECIAL MEETING OF THE MUNICIPAL COUNCIL, WALAJAPET DATED 19-1-1948

-ooo-

PRESENT: SRI.W.VEERARAGHAVA MUDALIAR - CHAIRMAN
and 11 other Councillors.

-ooo-

SUBJECT NO.286

G.O.No.Ms.2690 Edn. dated 16th December 1947 directing the Municipal Council, Walajapet to alter the rate of levy of Education Tax in its area from one per cent per annum to six per cent per annum on the annual rental value of properties, with effect from 1-10-47, and sanctioning a subsidy of Rs.3600/- towards the grant of dearness allowance and Rs.1700/- as advance towards additional expenditure for meeting the revision of scales of pay of the teaching staff for current year with Commissioner's note thereon.

Resolution:

This advice has cast a gloom. For things have not settled down. Cost of living is increasing means are in despair possession worhh yesterday become worthless to-day. In such an occasion of difficulties more presure cannot be applied. Therefore this council requests Government to keep back this proposed heavy levy till better times return.

Being alive to the increasing expenditure of civil administration, it has proposed to increase the levy of licence fees and levy of increased taxes on building sites and has already taken full advantage of high rental values of properties in the quinquennial revision in 1947-48. The present total rate of 22 percent inclusive of 1 percent education tax is not insignificient. Any further increase of tax now, so soon after the general revision will create glamour. Time has to be given for the people to consider to bear such heavy additional burden. It is not reasonable to thrust on them. However in deference to the Government direction the ~~council~~ Council has reluctantly resolve to increase the existing rate of Education tax from 1% to 2% and resolved to request the Government to sanction the payment of equilant contribution on the enhanced tax realised.

We suggest that a Provincial Elementary Education Fund be created from the levy of a reasonable purcentage of tax from all Municipalities according to the berable and sizeable capacity of each when the richer can pay more to help the weaker and the nucleus formed to meet the increasing demand of Education.

(Sd) W.V.Veeraraghavan,
Chairman, 19-1-48.

(True Extract)

V. S. Sivaram Nayar
Commissioner. 29.1.48.

Enclosure No 3

BUDGET ESTIMATE FOR 1948-49 - ELEMENTARY EDUCATION FUNDS WALAJAPET MUNICIPALITY.
SUMMARY.

	Ordinary				Capital.				Closing balance ordinary and Capital
	Opening balance.	Receipts.	Expenditure.	Closing balance.	Opening balance.	Receipts.	Expenture.	Closing balance.	
Elementary Education Account.	-2500	14450	22740	-10790	-	-	-	-	-10790. ~~01)10790~~

J. S. Sitaram Nayudu
COMMISSIONER. 29.1.48.

29/1/48

Enclosure No. 4

Head of Account.	Budget Estimate for 1947-48.	Revised Estimate for 1947-48.	Budget Estimate for 1948-49.	Actuals for 1946-47.
1	2	3	4	5
ELEMENTARY EDUCATION ACCOUNT				
Receipts - Ordinary.				
Opening balance.	114	114	-2500	550
1. Education tax at one percent	800	1090 ✓	1140	889
2. Additional income for enhancement of Education Tax from one per cent to two per cent with effect from 1-10-47 as resolved by the council in its resolution No.286 dated 19-1-48 as against the tax resour ordered to be enhanced to six per cent.	-	545	1140	-
3. Other receipts. ..	6	31 ✓	31 ✓	62
4. Government grant under section 37 of the Elementary Education Act.	820	880 ✓	1090 + 545 + 182 = 1272 ✓	850
5. Government grant under proviso to section 37 of the Elementary Education Act.				
(1) for schools opened prior to 1921 as per G.O.No.925 Edn. dated 5-5-1947.	2188	2188 ✓	2188 ✓	2188
(2) -do- schools opened after 1921 as per G.O.No. 1046 Edn. dated 20-5-47.	3786	3786 ✓	3786 ✓	3786
6. Advance sanctioned in G.O.No. MS.2690 Edn. dated 16-12-47 to meet additional cost in giving effect to revised scales of pay	-	1700 ✓ ~~10700~~	-	-
7. Subsidy sanctioned in G.O.No. MS.2690 Edn., dated 16-12-47 for meet ~~additional cost in giving~~ dearness allowance to the elemmtary education staff	-	3600 ✓	-	2530
8. Contribution from the General Account as per instructions in G.O.No.MS.473 Edn. dated 12-3-47 for reducing the contribution from Rs.7700/- to Rs.4530/-	4530	4530 ✓	4530 ✓	8680 ~~8680~~
	12130	18350 (20530 ✓)	14450 (17507 ✓)	18985
Deduct refunds of opening balance to Government	-	114	-	550
	12130	18236	14450	18435
Opening balance ..	114	114	2500 ✓	550
Grant total including opening balance	12244	18350 ✓	11950	

for 29/1/48

Enclosure No. 5

Head of Account.	Budget Estimate for 1947-48.	Revised Estimate for 1947-48.	Budget Estimate for 1948-49.	Actuals for 1946-47
1	2	3	4	5
ELEMENTARY EDUCATION ACCOUNT				
Expenditure - Ordinary.				
Staff:				
Salaries and allowance ..	~~9,350~~			18760
Masters pay	9,350	11,150 ✓	12,220 ✓ 600	9,165
-do- with weightage of service with effect from 1-1-47	-	1,200	-	-
Dearness allowance ..	5,400	4950 ✓ ~~4,600~~	5,940 ✓	6,511
Clerks and servants. ..	110	300 { 110 ✓	190 ✓	108
Dearness allowance ..	190	190 ✓	190 ✓	~~208~~ 228
Contribution to provident fund	~~440~~ 400	550 ✓	650 ✓	438
Education tax collection charges	~~220~~ 180	200 ✓	250 ✓	171
Contingencies - other items ..	300	1460 { 350	300 ✓	~~240~~ 243
Conductress pay ..	320	320 ✓	1390 320 ✓	310
Dearness allowance ..	770	770	770 ✓	912
Difference for giving effect to revised scales at market rates to conductress ..	-	-	Advance to be repaid - 850 150 ✓	-
Furniture and apparatus. ..	220	200 ✓	200 ✓	11
Library books and maps. ..	50	50 ✓	50 ✓	19
Other items. ..	10	10 ✓	10 ✓	27
Repairs to buildings. ..	800	~~800~~ 800 ✓	1,500 E	728
Total expenditure - ordinary ..	18100	20,850 ✓ 19650 ✓	22,740 ✓ 24,190 ✓	18,871
Total receipts.	12244	18,350	11,950 ✓	18,985
		+880 ✓	-10103 ✓ -5803	
Closing balance.	-5856	-2,500 ✓	-10,790 ✓	+ 114

J. S. Sitaram Narasu
COMMISSIONER. 29.1.48

29/1/48

Enclosure No. 2

ELEMENTARY EDUCATION - SCHEDULE OF ESTABLISHMENT.
1948-49.

	Name of incumbent.	Designation	Scales of pay revised 1-1-1947.	Pay per month.	Dearness allowance or war allowance.	Fixed contingencies and sweepers wages.	Clerks & Servants.	Remarks
	1	2	3	4	5	6	7	
	ADI DRAVIDA BOYS' SCHOOL.							
1	S. Loganatha Naidu.	Headmaster	30-1-45	32	16		1	
2	V. Dhanapaul.	Assistant.	,,	31 1 31	16	2	9	
	MOHAMADAN BOYS' SCHOOL.							
3	Abdul Rasheed Sahib.	Headmaster.	,,	31	16		10	
4	Md. Ibrahim Sahib.	Assistant.	,,	31 1 31	16	3½	10	
	MUSLIM GIRLS' SCHOOL.							
5	Shazadi Bi Bi.	Headmistress.	,,	31	16		11	
6	Ghouse Unnisa Begam.	Assistant.	23-1-35.	26 1 27	16	1½	3	
	SOWRASHTRA BOYS' SCHOOL.							
7	K. M. Williams.	Headmaster.	30-1-45.	31 1 32	16		9	
8	I. Subramania Iyer.	Assistant.	,,	32	16		2	
9	K. Munia Pillai.	,,	,,	30	16	4½	10	
10/11	To be appointed.	,,	,,	30	16			
	BAVARNA CHETTY STREET MIXED SCHOOL.							
11	P. M. Soundararajan.	Headmaster.	40-1½-55-2-75	40 2 42	18		10	
12	S. Sargunam.	Assistant.	30-1-45.	31	16		5	
13	D. Alice Inbavathi.	,,	28x,,	35	16	2	2	
14	P. Rajammal.	,,	,,	31	16		7	
5/11	to be appointed.	,,	,,	30	16			
	CENTRAL SCHOOL.							
16	S. V. Ramakrishnan.	Headmaster.	40-1½-55-2-75.	41½ 2 43½	18		15½	
17	W. K. Janiraman.	Assistant.	30-1-45.	32	16		2	
18	M. Loganatha Gounder.	,,	,,	32	16		2	
19	M.Krishnaswamy Mudaliar on leave. Kannappa Mudaliar. Acting.	,,	,,	30	16		10	
	Margabandu Mudaliar.	,,	,,	30	16			

645½ 324

Enclosure No 7.

Name of incumbent.	Designation.	Scales of pay (revised) 1-1-47.	Pay per month.	Dearness allowance or war allowance.	Fixed contingencies & sweepers wages.	Clerks & servants.	Remarks.
			645½	324	13½		
1	2	3	4	5	6	7	
Vijayalingam Nayagar.	Assistant.	30-1-45.	31	16			
P. Vadivelu Nayagar.	,,	,,	31	16			
Syed Kasim.	Peon.	9 fixed.			6	9 - 6	
MUNICIPAL HINDU HIGHER ELEMENTARY SCHOOL.							
M. Rangaswamy Mudaliar. S. Lalithambal Ammal	Headmaster.	40-1½-55-2-75.	40 2	18			
Catharine Thomas.	Assistant.	30-1-45	35	16			
D. Athisayamal Javed.	,,	,,	35	16			
K. Marthammal.	,,	,,	35	16			
J. Audi Ammal.	,,	,,	31	16	5		
P. Muni Ammal.	,,	,,	31	16			
C. Sangunam.	,,	,,	35	16			
S. Vv Parvathi.	,,	,,	31	16			
S. R. Veeraiah.	Part Time Instructor.	10 Fixed.	10	-		9 16	
			992½ 12	486 12	24½ 12	9 12	16 12
			119110	5832	294	108	192
Add leave allowances at 2½% and increment etc.			310	108 or		82 or	
			12220	5940	300	190	190

Four conductress at Rs.6-8-0 each Rs.26 x 12 .. 312 or 320.

Add for Dearness allowance for 4 conductress at each 16 x 4 .. 64 x 12 768 or 770

Relates to difference for giving effect to revised scale.

26 16 — 156 — 470 12 — 5640

190 12 — 2280

J. S. Sivaram Nayagar 29-1-48
COMMISSIONER.

29/1/48.

	Number of schools having as the highest class.							
	8th standard.	7th standard	6th Stan.	5th Stan.	4th Stan.	3rd Stan.	2nd Stan.	1st Stan
Number of schools in the date of submission of the Budjet.	1	-	-	6	-	-	-	-
No. of schools proposed to be opened inthe ensuing year.			Nil					

		Scale pay		Number
Total number of teachers employed in all the schools under the management of the Municipal Council, Walajapet in the date of submission of the Budget, the scale of pay in force and the No. of teachers in each scale of pay.	1. Lower elementary grade teacher ..	23-1-33	..	1
	2. Higher Elementary grade teachers ..	30-1-45	..	24
	3. Secondary Grade teacher ..	40-1½-55-2-75	..	3
		Total ..		28

Remarks: Revised scales of pay sanctioned to the teaching staff in G.O.No.1154 Edn. dated 5-6-47 have been introduced in municipality with effect from 1-1-47.

1. No. of additional teachers proposed to be employed in the existing schools.	2 Higher Elementary Grade teachers (one for the Bavarna Chetty street Mixed School and the other for the Sowrashtra school (provision has been made in the Budget Estimate of 1948-49 for the two ~~xx~~ teachers proposed to be appointed.
2. In the schools to be opened during the ensuing year and their scales of pay. If the pay of the existing schools is proposed to be raised the total No. of teachers whose pay will be affected, the present and proposed scales of pay for extra revision made for the purpose.	-n i l-

1098 / 1450

J. S. Sivaram Nayagar
COMMISSIONER.

29/1/48.

C-No. 13205/48

Very Urgent

¶ 3g (A)

¶ 21g (H)

¶ 1 of

Issue Order the 24.2.48

Tax - Edn. Rd-Cl., Walajapet, - (14) 25 E-Rf.H Cc

Revised scales of pay - Addl. expenditure - Enhancement of.

G.O. No. 2690 Edn.d 16.12.47

Memo No. 5180/48-1 C1 Edn.d 2.2.48.

From the Comm^r Walajapet Rc/ps No. 5203/47 d 13.2.48

Memo No. 13205/48 - 1 C1 Edn.d 24.2.48

The Comm^r Walajapet Rc/ps is requested to state whether pay and notices for property Tax, for the current half-year, have already been issued and whether the enhancement of the rate of education Tax from 1 ¾ p.a. to 6 ¾ p.a. with effect from 1.10.47 has been given effect to. sent

2. A reply should be submitted by return of post.

Sd/ Zeiller

To
The Comm^r
Walajapet Rc/ps
Thro. The C.R.C.

Sent 24.2.48

Ur 24.2.48

Extracts from the Note of the L.A.Deptt. re. Budget Estimate 1948-49, Wallajapet Municipal Council.

***.

xxx xxx xxx

7. (b):- Elementary Education account:- The contribution agreed to in 1942-43 was Rs.4,530. The same amount has been provided in the estimates. In the E.E. budget for 1947-48 the same amount was accepted. The rate of Edn. tax was increased from 1 to,6% from 1-10-47, the Council was given an advance of Rs.1,700 and a grant of Rs.3,600 for payment of D.A. to wipe off the deficit in 1947-48. In the E.E. budget the Council has not given effect to these orders. If this is done the E.E. budget for 1948-49 will close with a deficit. As the general account also is not satisfactory the contribution provided in the estimates may be allowed to stand pending orders on the E.E. buedget for 1948-49.

16. Closing balance:- Revised with reference to the foregoing paragraphs and without taking credit for arrear toll compensation grant sanctioned in the current year , the R.E. for 1947-48 closes with a deficit of Rs.16,920 against the requisite minimum balance of Rs.3,930. The Council may therefore be permitted to adjust the entire arrear toll compensation grant sanctioned in the current year and secure a working balance of Rs.3,666.

R.D.P.
15-1-48

The B.E. for 1948-49 when revised with reference to the foregoing paragraphs will close with a deficit of Rs.14,570 against the requisite minimum balance of Rs.4,330. The Council may be permitted to adjust a sum of Rs.18,900 from the arrear toll compensation of Rs.20,586 likely to be sanctioned in 1948-49 in order that it may avoid the deficit and secure the minimum working balance of Rs.4,330. There will then remain a small balance of

28

of Rs.1,686 in the arrear toll compensation grant.

xxx xxx xxx

This small municipality whose annual revenue is only round about a lakh, is struggling ~~through~~ through its existence. It has been asked to give effect to the revised scales of pay for Ely. School staff and in order to enable it to meet the addl. expre., the Education tax has been raised at one stretch from 1% to 6% per annum from 1910-47. (In the ely. Edn. portion of the general budget below, however, increased credits for Edn. tax at the enhanced rate, have not been taken.) Revised scales of pay for the general establishment have also been ordered to be given effect to from 1-4-48. The financila position of the Council is bad and in order to avoid a deficit in the general acct. in 1948-49 as well as in the current year, and to secure a working balance it will have to appropriate either the whole or almost the whole of the arrear toll compensation grant, which will not be available after 1948-49.

The extension of the municipal limits so as to include Ranipet may probably benefit the municipality. That question is separately under consideration.

13-1-48. R.D.P.15-1-48.

C1

Municipal office, Walajapet
Dated 22nd Feb. 1948.

29

From

Sri. W.V. Veeraraghava Mudaliar,
Chairman Municipal Council, Walajapet.

To

The Secretary to the Govermmt
Education and Public Health Department
Madras.

ASST. SECRETARY TO GOVERNMENT
24 FEB 1948
13282
EDUCATION AND PUBLIC HEALTH

Sir,

Education - Elementary - Walajapet Municipality - increase of Education tax from 1 % to 6 % with effect from 1947-48 ll half-Deputation of Chairman and other Municipal Councillors - suitable date - requested.

Reference: G.O. Ms. 5180/48-101 Edn. dated 2nd Feb. 1948.

The Municipal Council Walajapet in its special meeting held on 11.2.1948 resolved to wait on duputation on the Hon'ble Minister for the Education Department Madras to express its views and present a memorandum with regard to the above.

I shall be thankful if you will fix a date which will be convenient to the Hon'ble Minister to hear the deputation.

P.T.O

30

-2-

As the issue of demand notices for the second half year depends on the result of the deputation, I request an early date may be fixed.

Varadaraja Nayudu
22.2.48

Chairman Municipal Council
Walajapet.

Very urgent please

Local Administration Department.

From
Sri.T.S.Sitaram Nayudu, B.A.,
Commissioner, Municipal Council,
WALAJAPET.

To
The Secretary to Government,
Education & Public Health Department
Fort St.George, M A D R A S.

Through: The Inspector of Municipal Councils and Local Boards, M a d r a s.

The Chairman, Municipal Council, Walajapet.

Roc.5233/47 dated 26th February 1948

Sir,

TAX - Education - Municipal Council, Walajapet - Revised scales of pay - Additional expenditure - Enhancement of

---

Ref: Government Memorandum No.13205/48-1 Cl, Edn., dated 24-2-48.

The demand notices for property tax for the IInd half of the year 1947-48 with the enhanced rate of education tax at 6% have been got ready for issue, but they have not yet been issued.

I request the favour of further orders by telegram.

Varadaraja Nayudu
26.2.48
Chairman.

T. S. Sitaram Nayudu
26.2.48
COMMISSIONER.

Copy submitted direct to save delay.

ATM/26.2

Th. & Co., Ld., Madras—12-47—10,000 Bks.

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DV (18) 33

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

C. Class Prefix } D Code 13/50 No.

Recd. from WT 141 Sent at ____ H. ____ M. Office Stamp.

By Mu 3 To ____

By ____

MADRAS 10 MAR 48

Handed in at (Office of Origin)	Date	Hour	Minute	Service Instructions	Words
Walajapet	10				20

To Dd Health Madras

Recd. here at H. M.

= Reference walajapet municipality 5283 dated twenty sixth february pray urgent orders postponing enhancement education tax

N.B.—The name of the sender, if telegraphed, should be written after, but separated from the text.

= Chairman walajapet municipality

Local Administration Department.

From
Sri.T.S.Sitaram Nayudu, B.A.,
Commissioner, Municipal Council,
Walajapet.

To
The Secretary to Government,
Education & Public Health Depart.,
Fort St.George, MADRAS.

THROUGH: THE INSPECTOR OF MUNICIPAL COUNCILS AND LOCAL BOARDS, MADRAS.

" THE CHAIRMAN, MUNICIPAL COUNCIL, WALAJAPET.

ASST. SECRETARY TO GOVERNMENT EDUCATION AND PUBLIC HEALTH DEPT. 10 MAR 1948

17771 Roc.5283/47 dated 9th March 1948.

Sir,

SUB: TAX - Education - Municipal Council, Walajapet - Revised scales of pay - Additional expenditure - Enhancement of

REF: My letter Roc.No.5283/47 dated 26-2-48

In continuation of my letter under reference, I beg to report that I have since issued the demand notices for property tax for the IInd half-year of the year 1947-48, incorporating the increase in the rate of education tax from 1% per year to 6% with effect from 1-10-1947 as ordered by Government, since the end of the half year is fast approaching and the issue of the demand notices could not be delayed any longer.

Forwarded
9.3.48

T. S. Sitaram Nayudu
COMMISSIONER. 9.3.48

Copy submitted direct to save delay.

ATM/9.3.

9.3.48

W 36

The main file on the subject has been sent in circulation on 6-3-48. This may be added to that and dealt with together.

Ur
12-3-48

MINISTER FOR LOCAL ADMINISTRATION
15 MAR 1948

SECRETARIAT, PANCHAYAT DEPT.
GOVERNMENT OF MADRAS
15 MAR 1948

To

The Hon'ble Minister for Local Administration,
FORT ST. GEORGE,
MADRAS

MEMORANDUM OF THE DEPUTATION OF THE MUNICIPAL COUNCIL, WALAJAHPET.

RESPECTED SIR,

This humble Memorandum of the Municipal Council, Walajahpet, begs to submit the following reasons for requesting Government to postpone the levy of an additional five per cent. education-tax.

19652

2. It is submitted that this Council had only recently made the quinquennial revision of property-tax in the year 1946--47 and assessed on the general increased value of properties occurring due to inflated conditions and also on the increased rental value obtained by property owners by the incoming of the refugees. Thus, an increased income under property-tax had been taken credit in the Budget to an extent of Rs.4,000/- out of which a sum of Rs.250/- goes to the Elementary Education Fund.

3. It is further submitted that the Council has also provided for increased taxation on house sites, considering the rise in the value of such vacant sites. Thus it is sought to obtain a portion of the increased value to the Council for the benefit of common weal instead of the whole going to individuals. The incidence of taxation on property which was Rs.4-10-2 in 1946-47 has since increased to Rs. 7-2-10 in 1947-48.

4. It is submitted that the present rate of tax all told works out to 22%. This percentage is none too small for any Municipality, and it is significant for this tiny, ancient and static town. As observed by the Collector of North Arcot, in his review on the Administration report of this Municipality, the percentage of property-tax in 1945-46 itself, that is, 20% was already very high. If the enhancement in the rate of education-tax is insisted upon, the total percentage of taxation would be 27%, which is unprecedented and does not appear to be levied in any other Municipality

(21)

5. It is humbly submitted that inspite of all efforts of the Council, by providing electric lights and protected water-supply scheme (newly introduced with a levy of high percentage of taxation) and maintaining the other small amenities bequeathed as a legacy of former ancestry, it is regretted that neither new people, nor industry would be attracted to this town.

6. It is submitted that this static condition of the population for decades which will ordinarily be taken as a pointer to decaying and backward conditions must, in this case, be taken for some inherent good remaining indelibly ingrained in the structure of the town, even good administration and happy contentment of the people who seek not to fly away, having received important facilities of education, sanitation and modern facilities of electricity and protected water-supply. As observed by the Collector of North Arcot on the Administration Report of this Municipality, the Municipality is doing its best within the limited means available.

7. It is submitted that it is too much to expect commercial and industrialimprovement, when the railway runs at a distance and carries away the trade to Ranipet and Vellore, which are near placed to Railway stations. Besides, the existence of Panchayat Boards of a major nature in close proximity with their low levy of taxation and effortless bounties of income accruing to them under the licencing provisions, prevented this town from growing in importance and raising its level according to the times.

8. It is submitted that this town remains as a monument of havoc played by the transfer of trade from the old trade routes by road to the modern change over to Railway routes. Situated on the junction of great ~~North~~ Northwestern and South-western Trunk Roads, this town once flourished as an emporium for all kinds of commerce. There are still signs left showing the facilities offered to trades in the different commercial products collected and sold here in the different pettahs, or squares forming the beautiful

structure of this town,

9. It is submitted that this Council, in due consideration of improvement of this town and also extension of the influence of the Municipal administration and its attendant benefits over those adjacent areas now covered by the Panchayat and left uncovered, have resolved for the amalgamation of the Ranipet Panchayat Board and the inclusion of villages of Mottur and Vannivedu. The Council visualised the formation of a big town, so that all branches of the Municipal administration can be fully brought in and many more amenities necessary for the present-day town life can be provided.

10. It is also submitted that the civic consciousness of this town had been provoked nearly a century ago by the first introduction of the Municipal administration in this town, the first of its kind in the Presidency. Since then, the Council can take pride of keeping it alive by a peaceful administration and without laying down the responsibility due to bankruptcy of far-sighted men or resources.

11. It is submitted that the straitening circumstances of the finances of the Council arose recently due to increased cost of administration in the giving of revised scales of pay and dearness allowance and due to the enhanced cost of road and other materials. The responsibility for this special circumstance cannot be wholly laid as a burden on the Council. World conditions brought them in, amd it would be too much for a corporate body to bear when its resources are limited to a few items of taxation. This gulf between increasing expenditure and limited sources of income cannot be bridged over by an unlimited perdentage of taxation on ratepayers. Means other than direct taxation have to be provided which, in this case, is sought to be attained by the amalgamation and extension of the town limits.

12. It is submitted that, while the above amalgamation and extension

(23)

scheme is pending early realisation, it is rather an inopportune time to levy a leaping increase in taxation. It is submitted that the whole question of levying additional taxation may be ~~xxixxxx~~ reviewed after the proposed amalgamation and the greater Walajahpet shall have been formed. This deputation has been formed in pursuance of the Resolution No.338, dated 11th February, 1948, of the Municipal Council, Walajahpet.

Sec. E & R H
Please put up
Note 14/3

MINISTER FOR LOCAL ADMINISTRATION
15 MAR 1948
GOVT. OF MADRAS

C 24

To

The Hon'ble Minister for Education Department,

FORT ST. GEORGE,

MADRAS.

SECRETARY, EDN. AND P. H. DEPT.
15 MAR 1948
GOVERNMENT OF MADRAS

MEMORANDUM OF THE DEPUTATION OF THE MUNICIPAL COUNCIL, WALAJAPET.

Copy given
37-43 and 6

HONOURED SIR,

We, the deputationists, beg to place before the Hon'ble Minister the following facts for kind and sympathetic consideration and favourable orders:

19653

1. That the Orders of Government (G.O., Ms.2690, Edn., dated 16th December, 1947) directing the Council to levy an Education tax of 6% on the annual rental value of properties was received by the Chairman on 19th December, 1947, and it was considered by the Council at its Special Meeting held on 19th January, 1948. The Council, after long and heated discussions, unanimously resolved;

"This advice has cast a gloom. For, things have not settled down. Cost of living is increasing; means are in despair. Possession worth yesterday becomes worthless to-day. In such an ocean of difficulties more pressure cannot be applied. Therefore, this Council requests the Government to keep back this proposed heavy levy till better times return.

Being alive to the increasing expenditure of civic administration, it has proposed to increase the levy of licence fees and levy of increased taxes on buildings sites, and has already taken full advantage of high rental values of properties in the quinquennial revision in 1947-48. The present total rate of 22% inclusive of 1% education-tax is not insignificant. Any further increase of tax now, so soon after the general revision, will create clamour. Time has to be given for the people to consider to bear such heavy additional burden. It is not reasonable to thrust on them. However, in deference to the Government direction, the Council has reluctantly resolved to increase the existing rate of Education-tax from 1% to 2% and resolved to request the Government to sanction the payment of

KBL
6/3/48

(25)

equivalent contribution as to the enhanced tax realised.

We suggest that a Provincial Elementary Education Fund created from the levy of a reasonable per cent. of tax from all Municipalities according to the bearable and sizeable capacity of each, when richer can pay more to help the weaker, and the nucleus formed to meet the increasing demand of education."

II. That the rate of taxation was 19% till the year 1942-43. In the year 1943-44, the Government imposed Education-tax at 1% for the first time, and this was given effect to from 1st April, 1944 (Vide G.O.Ms.No.416, Edn., dated 15th March, 1944). There was furth increase in the rate of taxation with effect from 1st April, 1947. That is, the scavenging-tax was increased from 1½% to 2½% and fresh lighting-tax was also levied at 1% in the same year. Thus, the total rate of taxation became 22% per annum since the year 1947-48, composed of--

12% for general purpose, 5½% for Water & Drainage-tax,
2½% for scavenging-tax, 1% for education-tax and
1% for lighting-tax

The Collector of North Arcot, Vellore, while reviewing the Administration Report for 1945-46, has pointed out in his reference (L.Dis.12307/46, dated 10th September, 1946) that "the percentage of property-tax is already very high, and there is not much scope for increasing the revenue. There is not much business in the town except for a few factories weaving carpets. Within the limited means available, the Municipality is doing its best."

III. That it is presumed that the Government have raised the Education-tax from one to six per cent. with a view to augment the resources under Elementary Education Fund by about Rs.5,000/- and to cover up deficit to avoid the necessity of paying a Government grant.

IV. That the Council has been incurring an expenditure of about Rs.10,500/- since the year 1941-42, and the expenditure

rose up to Rs.14,077/- in the year 1944-45, to Rs.16,810/- in 1945-46, and Rs.18,700/- in 1946-47; and the Council have been meeting this expenditure: (1) by contribution from general funds to Elementary Education Funds ranging from about Rs.7,000/- to Rs.8,700/-, and (2) by supplementing the balance from Government grant. In G.O.No.473, Edn., dated 12th March, 1947, the Government restricted the Council limiting payment of contribution from general funds to Rs.4,530/-, and at the same time Government do not seem to sanction necessary additional grant to cover up the deficit, and as such, the Council is held between the two horns of a dilemma.

V. That it is submitted that the increase in the expenditure has been due to the payment of dearness allowance to the education staff and adoption of the revised scales of pay, for both of which the responsibility cannot wholly be laid on the Council. World conditions brought them in, and it would be too much for a corporate body to bear the burden from its all limited resources. The gulf between the increasing expenditure and limited sources of income cannot be bridged over by an unlimited percentage of taxation on the poverty-stricken rate-payers.

VI. That there has been an increase in the total amount of property-tax levied in this Municipality owing to the quinquennial revision of property-tax which took effect from 1st April, 1947 with a corresponding increase in the amount of education-tax also, that the percentage of property-tax levied in this Municipality was only 19% in the year 1942-43, that it was raised to 20% from 1943-44 when the Government imposed an Education-tax of 1% for the first time that the rate of taxation was again raised by 2% to 22% only as recently as 1st April 1947, and that the present further increase of five per cent. with retrospective effect from 1st October 1947 is very likely to be the last straw on the camel's back for the

already heavily taxed rate-payers of this rather unfortunate town, and that the rate of 27% of taxation on the annual rental value of properties is unprecedented, and does not appear to be levied in any other Municipality.

VII. This deputation, therefore, prays that the Government may be pleased to consider all the above facts and to cancel the belated levy of enhanced taxation with retrospective effect from 1st October, 1947. This deputation has been formed in pursuance of the Resolution No.338, dated 11th February 1948 of the Municipal Council, Walajapet.

Very urgent please.

Local Administration Department.

From
Sri.T.S.Sitaram Nayudu, B.A.,
Commissioner, Municipal Council,
WALAJAPET.

To The Secretary to Government
Education and Public Health Dept
Fort-St. George. Madras

THROUGH: THE INSPECTOR OF MUNICIPAL COUNCILS AND LOCAL BOARDS, M A D R A S.

" THE CHAIRMAN, MUNICIPAL COUNCIL, WALAJAPET.

Roc. 20-B1/48 dated 18th March 1948.

20823

Sir,

ASST. SECRETARY TO GOVT. EDUCATION AND PUBLIC HEALTH DEPT.
19 MAR 1948

SUB: ESTABLISHMENT - Walajapet Municipality - Advance increments in the Revised Scales of pay to the employees of Secondary School and Elementary School and General Office establishment.

In G.O.No.975 Edn., dated the 10th May 1947 and No.1154-Edn., dated the 5th June 1947, the Government sanctioned the introduction of revised scales of pay for teachers in Secondary Schools and in Elementary Schools as from 1st January 1947. The revised scales of pay were accordingly adopted by the Council and given effect to. In G.O.No.MS.2756 Edn., dated 27-12-47 the Government were pleased to order that the benefit of weightage of service should be given to teachers in the Secondary Schools if the local bodies concerned can afford to meet the entire cost involved from their general funds without any expectation of grant from the Government and if other employees under their control had been given such weightage. In their resolution No.290 dated 26-1-1948, the Council after deeply considering the above orders of Government and especially the proviso underlined resolved to give the benefit of weightage not only to the employees of Secondary School with effect from 1st January 1947 butt also resolved that similar benefit of weightage should be given with effect from 1st January 1947 to the employees in Elementary Schools and to all the other establishments under the Municipal Council. The Council have passed the above resolution to keep uniformity and considering the miserable condition of all the other employees of the Council and also after well considering the financial aspects which will be involved in the matter.

It may bes seen from the resolution that the council have further resolved to meet the required amount from the savings under the several heads of expenditure and also from the closing balance without expecting any extra Government grant, vide copy of resolution enclosed - Enclosure (A)

I may submit that an amount of about Rs.2,130/- will be realised in excess over the provision made in the Revised Estimate for 1947-48 under receipts as detailed in the enclosure (B) and that savings of about Rs. 6,100/- will be effected under the several heads of expenditure as detailed in the enclosure (C) The aggregate amount that will be saved as pointed ax above will be Rs. 8230/- whereas the amount required for giving the benefit of weightage of service to the employees in the Secondary School and Elementary Schools and adoption of the revised Scales of pay to the office and all the other establishments with effect from 1st January 1947 will be about Rs.5200/- only as detailed below.

For Secondary School employees about	..	Rs.1,950/-
For Elementary School "		800/-
For General Office and all the other employees	..	2,450/-
(Rs.3,400/- less bonus already paid Rs.950/-)		
		5,200

I request that in as much as the Council have resolved to give the benefit of weightage of service to all the employees of the Municipal Council with effect from 1st January 1947 to maintain uniformity and without any distinction, and in as much as the extra expenditure could be met from the savings under general funds without expecting any extra grant from Government, the Government may be pleased to sanction the adoption of the revised scales of pay for all the establishments paid from general funds also with effect from 1-1-1947 as in the case of the Secondary and Elementary Education staff and also to sanction the grant of weightage for service with effect from 1-1-1947 to all the establishments including the Secondary and Elementary Education establishments. In this connection I wish to submit that I consider that a contented staff is highly essential especially in such a small Municipality with a limited establishment, and I request that Government may kindly be pleased to pass very early orders permitting me to allow the weightage for service and to disburse the difference to all the members of the staff before 31-3-1948. I may also be permitted to add no special grant to cover deficit is drawn by this Municipality in this year.

Forwarded
Veeraraghavan
18.3.48

J. S. Sitaram Naydu
18.3.48
COMMISSIONER.

Copy submitted direct to save delay.

Secretary letter copy submitted to the Secretary to Government, Local Administration Department, Fort St. George, Madras.

Annexure – A

EXTRACT FROM THE MINUTES OF PROCEEDINGS OF THE ORDINARY MEETING OF THE MUNICIPAL COUNCIL, WALAJAPET DATED 26-1-1948

Present: Sri.W.V.Veeraraghava Mudaliar - Chairman
and 13 other Councillors.

x x x

Subject No.290

Application dated 23-12-47 from the Secretary, Municipal High School Teacher's Association, Walajapet requesting to sanction the increments in the Revised Scales of pay to the teaching staff of the school according to the weightage of service of the teachers with Commissioner's note and G.O.No.MS.2756 Edn., dated 27-12-1947 thereon.

Commissioner's note Weightage of service may be given for the teachers as per G.O.No.MS.2756 Edn., dated 27-12-47. The extra amount required for the purpose may be met from the savings under other heads of expenditure and from the closing balance.

Resolution: Sanctioned the payment of weightage increments to High School teachers with effect from 1-1-1947.

2) Sanctioned the payment of weightage increments to Elementary School teachers also with effect from 1-1-1947.

3) Sanctioned to adopt the revised scales of pay with weightage for the other office employees with effect from 1-1-1947. Further resolved to address Government for according sanction for that and for accepting refund of the Bonus already paid to the other employees.

z x x

(Sd) W.V.Veeraraghavan,
Chairman,26-1-48.

(TRUE EXTRACT)

J. S. Sitaram Naydu
18.3.48.
COMMISSIONER.

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ENCLOSURE B

(30)

Details of amount realised in excess over the provision made in the Revised Estimate for 1947-48.

Entertainment tax		220	0	0
Surcharge duty on transfer of property	..	Rs.160	0	0
Secondary Education School fees	..	1000	0	0
Public Health sale proceeds of stocks and Stores	..	50	0	0
Tree Planting Avenue clippings	..	500	0	0
Remundrative Enterprises Miscellaneous license fees	..	200	0	0
		2130	0	0

J. S. Sitaram Naya
Commissioner 18.3.48

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ENCLOSURE (C) Details of savings that will be effected under several heads of expenditure

Management - Election expenses	..	150
Travelling allowance of establishment		50
Travelling allowance of Chairman	..	100
Communication		
Engineering establishment	..	100
Roads maintenance (9000-7000)	..	2000
Education other than Elementary		
Secondary School establishment	..	1800
Special School establishment - Equipment, other items and repairs to buildings.	..	100
Public Health - Epidemic and Endemic deseases	..	1000
Maternity and Child Welfare Centre contingences	..	200
Lighting - Lighting charges and contingencies	..	500
		6100

M. S. Sitaram Naya
Commissioner 18.3

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(32)

To

The Hon'ble Minister for Education Department,

F O R T S T. G E O R G E,

M A D R A S.

MEMORANDUM OF THE DEPUTATION OF THE MUNICIPAL COUNCIL WALAJAPET.

HONOURED SIR,

We, the deputationists, beg to place before the Hon'ble Minister the following facts for kind and sympathetic consideration and favourable orders:

page 3g (A)

1. That the Orders of Government (G.O.Ms.No.2690, Edn., dated 16th December, 1947) directing the Council to levy an Education-tax of 6% on the annual rental value of properties was received by the Chairman on 19th December 1947, and it was considered by the Council at its special Meeting held on 19th January, 1948. The Council, after long and heated discussions, unanimously resolved:

"This advice has cast a gloom. For, things have not settled down. Cost of living is increasing; means are in despair. Possession worth yesterday becomes worthless to-day. In such an ocean of difficulties more pressure cannot be applied. Therefore, this Council requests the Government to keep back this proposed heavy levy till better times return.

P1

Being alive to the increasing expenditure of civic administration, it has proposed to increase the levy of licence fees and levy of increased taxes on building sites, and has already taken full advantage of high rental values of properties in the quinquennial revision in 1947--48. The present total rate of 22% inclusive of 1% education-tax is not insignificant. Any further increase of tax now, so soon after the general revision, will create clamour. Time

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has to be given for the people to consider to bear such heavy additional burden. It is not reasonable to thrust on them. However, in deference to the Government direction the Council has reluctantly resolved to increase the existing rate of Education-tax from 1% to 2% and resolved to request the Government to sanction the payment of equivalent contribution as to the enhanced tax realised.

X

We suggest that a Provincial Elementary Education Fund be created from the levy of a reasonable per cent. of tax from all Municipalities according to the bearable and sizeable capacity of each, when richer can pay more to help the weaker, and the nucleus formed to meet the increasing demand of education."

Y

II. That the rate of taxation was 19% till the year 1942-43. In the year 1943-44, the Government imposed Education-tax at 1% for the first time, and this was given effect to from 1st April, 1944 (Vide G.O.Ms.No.416, Edn., dated 15th March 1944). There was further increase in the rate of taxation with effect from 1st April, 1947. That is, the scavenging-tax was increased from 1½% to 2½% and fresh lighting-tax was also levied at 1% inthe same year. Thus, the total rate of taxation became 22% per annum since the year 1947-48, composed of--

12% for general purpose, 5½% for Water & Drainage-tax,
2½% for scavenging-tax, 1% for education-tax and
1% for lighting-tax.

The Collector of North Arcot, Vellore, while reviewing the Administration Report for 1945-46, has pointed out in his reference (L.Dis.12307/46, dated 10th September, 1946) that "the percentage of property-tax is already very High, and there is not much scope for increasing the revenue There is not much business in the town except for a few

factories weaving carpets. Within the limited means available, the Municipality is doing its best".

III. That it is presumed that the Government have raised the Education-tax from one to six per cent, with a view to augment the resources under Elementary Education Fund by about Rs.5,000/- and to cover up deficit to avoid the necessity of paying a Government grant.

IV. That the Council has been incurring an expenditure of about Rs.10,500/- since the year 1941-42, and the expenditure rose up to Rs.14,007/- in the year 1944-45, to Rs.16,810/- in 1945-46, and to Rs.18,700/- in 1946-47; and the Council have been meeting this expenditure: (1) by contribution from general funds to Elementary Education Funds ranging from about Rs.7,000/- to Rs.8,700/-, and ~~Education~~ (2) by supplementing the balance from Government grant. In G.O.No.473, Edn., dated 12th March, 1947, the Government restricted the Council limiting payment of contribution from general funds to Rs.4,530/-, and at the same time Government do not seem to sanction necessary additional grant to cover up the deficit, and as such, the Council is held between the two horns of a dilemma.

V. That it is submitted that the increase in the expenditure has been due to the payment of dearness allowance to the education staff and adoption of the revised scales of pay, for both of which the responsibility cannot wholly be laid on the Council. world conditions brought them in, and it would be too much for a corporate body to bear the burden from its all limited reasen resources. The gulf between the increasing expenditure and limited sources of income cannot be bridged over by an unlimited percentage of taxation on the poverty-stricken rate-payers.

VI. That there has been an increase in the total amount

(35)

of property-tax levied in this Municipality owing to the quinquennial revision of property-tax which took effect from 1st April, 1947 with a corresponding increase inthe amount of education-tax also, that the percentage of property-tax levied in this Municipality was only 19% in the year 1942-43, that it was raised to 20% from 1943-44 when the Government imposed an Education-tax of 1% for the first time, that the rate of taxation was again raised by 2% to 22% only as recently as 1st April, 1947, and that the present further increase of five per cent, with retrospective effect from 1st October 1947 is very likely to be the last straw on the camel's back for the already haavily taxed rate-payers of this rather unfortunate town; and that the rate of 27% of taxation on the annual rental value of properties is unprecedented, and does not appear to be levied in any other municipality.

VII. This deputation, therefore, prays that the Government may be pleased to consider all the above facts and to cancel the belated levy of enhanced taxation with retrospective effect from 1st October, 1947. This deputation has been formed in pursuance of the Resolution No.338, dated 11th February, 1948 of the Municipal Council, Walajapet.

Chairman Walajapet Municipality.

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E 8P4. (C1)

C.No. 13205/48

B.E. 1948-49 - E.E. Fund - Rd.cl. Walajapet.

Orders passed.

page 1c/f — From the Comm^r Walajapet Rplj. No. 5203/47 d 13.2.47
page 5c/f — " D.P.I. No. 61/47-48 d 17.2.48
page 29c/f — " C.R.C. Walajapet No. Nil d 22.2.48
page 35c/f — " Comm^r Walajapet Rplj. No. 5283/47 d 9.3.48
pp 53-54c/f — " " " No. 20.M/48 d 17.3.48
page 45c/f — " C.R.C. Walajapet, Memorandum dated Nil.

Dp 6/5/48

Order No. 1141 Edn. dated, 6-5-48.
Ms.

The Govt. pass the following orders on the R.E. for 1947-48 and the B.E. for 1948-49 of the E.E. Fund of the Rd.cl., Walajapet.

2. R.E. for 1947-48. (i) Education Tax

The credit Taken should be increased from Rs. 1635 to Rs. 3815 with reference to the enhancement of the rate of education tax from 1% p.a. to 6% with effect from 1-10-47.

page 39 (A)

(ii) In view of the unsatisfactory financial position of the Rd.cl, The Govt. decline to approve the proposal of the Cl. to grant advance increments to its E.E. staff with effect from 1.1.47. The provision made for a sum of Rs. 1200 for the purpose should be deleted.

(Σ) on p. 12 c/f

para 2(iv) on p. 12 c/f

(iii) The Council is permitted to increase the provision made under the head "Expenditure - Ordinary" from Rs. 18,100 to Rs. 19,650.

(iv) Revised with reference to the orders above the R.E. for 1947-48 will close with a balance of Rs. 880.

3. B.E. for 1948-49. (i) Education Tax.

page 172 c/f

Under sub-section 2 of section 35 of the Madras Elementary Education Act, 1920, as amended, the Govt. direct the Rd.cl., Walajapet, to alter the rate of levy of education tax, in its area, from 6% p.a. to 5% p.a on the annual rental value of properties, with effect from 1.4.48. The credit Taken for receipts under "Education Tax" should be increased from Rs. 2280 to Rs. 5700.

para 3(ii) on p. 22 c/f

Act.

(ii) Govt. grant under section 37 of the E.E. The Council will be eligible for a grant

in respect of the amount of education Tax collected in 1947-48 at the rate of 1 1/3 % p.a. only. The credit taken should be reduced from Rs. 1635 to Rs. 1272.

(iii) The provision made under the head "Staff - Salaries and allowances - Masters" should be increased by a sum of Rs. 600 towards the grant of advance increments, sanctioned to the E.E. staff in G.O.No. 1140 Edn. dated, 6-5-48 (No. 2 draft I)

(iv) Provision should be made for a sum of Rs. 850 for the repayment of the first instalment of the advance sanctioned in G.O.No. 2690 Edn. d 16-12-47

(v) Revised with reference to the orders above the B.E. for 1948-49 is expected to close with a deficit of Rs. 5803. Orders as to how this deficit should be avoided will be issued in due course.

(vi) The Commissioner is requested to report, at an early date, the actual balance in the E.E. Fund at the end of the year 1947-48.

4. The sanctioned budget for 1948-49 will be as shown in the annexure below.

5. An extract of the remarks of the Director of Public Instruction in paragraphs 4 & 6 of his endorsement read above is communicated to the Commr. for information and necessary action.

22-4-48

22/4/48

To

The Commr. Vellore
Reply. Rc. the C.R.C.
(with a copy of paras 4 & 6 on p. 52-f)
" D-B-9.
" E-6 and 12 E.E. Accts
" L.A. Deptt

Annexure.

P.T.O

(37)

ANNEXURE

	Rs.		Rs.
Opening balance (as revised)	880		
RECEIPTS:		**EXPENDITURE.**	
1. Education tax ...	5,700	1. STAFF:	
2. Other receipts ...	31	Salaries & allowances	
3. Govt. grant ...		Masters	18,760
(i) under section 37 of the E.E.Act. ...	1,272	Clerks & servants	380
(ii) under the proviso to sec. 37 of the Act ...	5,974	Contribution to P.F.	650
(iii) Compensation for the loss of education tax levived as surcharged on profession tax ...		Edn. tax collection charges	250
(iv) Adjustment from the A.T.C. grant		2. CONTINGENCIES & EQUIPMENT	
4. (xx) Contribution from the General funds	4,530	Contingencies	1,540
DEDUCT Refunds.		House rent	
Amount transferred to capital		Other items	
		Equipment	
Total ordinary	17,507	Furniture & apparatus	200
		Library books & maps	50
		Other items	10
		~~3. Prizes and scholarships~~	
		3. Repairs to buildings	1,500
		4. Repayment of advance & grant.	850
		Total	24,190
Capital:		**Capital:**	
Amount transferred from Ordinary		Lands & buildings	
Total Ordinary & Capital		Total (ordinary and capital)	
Total including opening balance	18,387	Closing balance (Deficit)	- 5803

22-4-48

22/4/48

72

B. E. - 1948-49 - E. E. Fund. Notes (23) E&P.4.(Cc)

C.No. 13205/48 f 1c-f f 5c-f

Mcl.cl. Walajapet-

~~From the Comm: Walajapet~~ Mpl. No. 5203/47d 13.2.48
From the D.P.I. R.O.P.No. 61B3/47-48 d 17.2.48.
From

The R.E. for 1947-48 and the B.E. for 1948-49, of the E.E. Fund of the Mcl.cl., Walajapet, call for the following remarks.

2. R.E. for 1947-48. (i) In G.O.No. 2690 Edn. d 16.12.47 The Council was directed to enhance the rate of education Tax from 1% p.a. to 6% p.a. with effect from 1-10-47. ~~Inspite of repeated instructions~~, The Council has decided to enhance the Tax by 1% p.a. only with effect from 1-10-47 and credit has been taken accordingly.

para 1a-p.3g (A)

A'on p.3c-f page 17c-f -ditto- page 3g (A)

(ii) Credit has been taken for the Subsidy of Rs. 3600 and the advance of Rs. 1700 sanctioned in G.O.No. 2690 Edn. d 16.12.47.

M'on page 23c-f

(iii) Provision has been made for the grant of revised scales of pay to the E.E. staff. Provision has also been made for the payment of advance increments to the E.E. staff with effect from 1-1-47. In view of the unsatisfactory position of the Council's finances it cannot afford to pay advance increments from 1-1-47. The provision made for the purpose may be deleted.

K on page 19c-f

Z by

page 19c-f

(iv) The provision made under the head "Expenditure - Ordinary" is in excess of that made in the Sanctioned budget. The increase is mainly due to the grant of revised scales of pay to the E.E. staff and it may be approved.

page 19g (d)

(v) Revised with reference to the suggestion made in sub-para (iii) above, The R.E. is expected to close with a deficit of Rs. 1300.

page 19c-f

3. B.E. for 1948-49. (i) Credit has been Taken for increased receipts under the head "Education Tax" with reference to the enhancement of the rate of education Tax by 1% p.a. only.

page 17c-f

(ii) (ii) Govt. grant under section 87 of the

R.E. Act. The Council has taken credit for a grant in respect of the entire amount of the education Tax to be realised in 1947-48, while it is eligible for a grant in respect of the Tax collected at the rate of 1⅓ of. p.a. only. The credit taken under this head may be reduced from Rs. 1635 to Rs. 1272.

(ii) The credit taken for a contribution from the general funds is Rs. 4530, the amount provided in the budget for 1942-43. D.A. have agreed to this.

(iii) Provision has been made for the grant of revised scales of pay and interim payment of advance increments to the E.E. staff. As the Council has already been permitted to pay advance increments to the general staff in its employ with effect from 1-4-48, it may also be allowed to extend the concession to the E.E. staff also with effect from 1-4-48. A provision of Rs. 500 may be made in the R.E. for 1948-49 for this purpose.

(iv) Provision has been made for the appointment of two additional teachers in two schools. In view of the remarks of the Comm: on page 9 c.f. the provision made may be allowed to stand.

(v) The provision made for an expenditure of Rs. 1500 under the head "Repairs to buildings may be allowed to stand for the reasons explained by the Comm: in para 3 of his letter on page 9 c.f.

(vi) Provision has not been made for the refund of the first instalment of the advance sanctioned in G.O. No. 2690 Edn. d 16.12.47. The Council may be asked to make necessary provision for the purpose.

(vii) Revised with reference to the suggestions made in sub-paras (i) and (vi) above, the R.E. for 1948-49 is expected to close with a deficit of Rs. 10103.

4. The Council was paid a subsidy of Rs. 2530 towards the payment of dearness allowance to the E.E. staff in 1946-47. It has also been paid a subsidy of Rs. 3600 in the current year. The excess subsidy drawn last year has been ordered to be refunded.

5. The financial position of the Rd.Cl. under the E.E. Act. is far from satisfactory. The R.E. for 1947-48 and the R.E. for 1948-49 are expected to close with deficits of Rs. 1300 and Rs. 10,103 respectively. The maximum amounts of subsidy for which the Council will be eligible on account of the payment of d.a. to the E.E. staff, in these years, are Rs. 4950 and Rs. 5940. as shown below.

	1947-48. (1) Rs.	1948-49. (2) Rs.
1. Normal receipts (excluding the advance and subsidy paid by the Govt. and the additional receipts due to the increase of Tax.	12,500	12,770
2. Total normal expenditure (excluding the additional expenditure on the grant of revised scales of pay)	17,600	19,700
Normal deficit	5,100	6,930
Expenditure on dearness allowance.	4950.	5940

The Council has already been paid a subsidy of Rs. 3600 in the current year. A further subsidy of Rs. 1300 may be paid to it so as to avoid the anticipated deficit in the R.E. As regards the deficit in the B.E. for 1948-49 it is submitted that the Council may be paid a subsidy of Rs. 5940 after the actual opening balance on 1-4-48 is known. Even after the payment of a subsidy, there will still be a deficit of Rs. 4163 left uncovered. No subsidy is admissible to the Council towards the balance of the deficit. It should be avoided only by enhancing the rate of education Tax levied, at least up to 5% p.a. with effect from 1-4-48. The Council was already advised in G.O. No. 2690 Edn. dt. 16.12.47. The General Account cannot spare any amount to meet the deficit in question.

6. Reference is in this connection solicited to the letters of the Comm: Commissioner and the Chairman Rd.Cl., Walajapet, at pp. 1-4 c.f. and 29-30 c.f. In spite of the specific instructions issued in

Memo.No. 5180/48-2 C1 Edn.d 2.2.48, The Commissioner has not yet taken steps to issue demand notices for property tax for the current half-year. For orders whether a deputation will be received as requested by the Chairman, Md.el. Walajapet.

7. L.A. may see prior to circulation.

28.2.48

28/2/48 S

28 Feb 48 L.A.

E&P.H. No. 13205-1C1 28.2.48

L.A.D (Bud I)

Please see the E&P.H. deptl note above. As the general account closes with a large deficit the entire arrear toll compensation is required for avoiding a deficit in the general account. The Council cannot afford to contribute more than the usual contribution from its General funds. The proposal of the E&P.H. deptt in para 5 of their note on page 2 ante may be agreed to in this deptt and the file returned to E&P.H. deptt.

1.3.48

1.3.48.

E. & P. H.

E&P.H.(C1)

The file may now be circulated to H.M. (Edn) for orders whether a deputation will be received as requested by the Chairman, Md.el. Walajapet, and whether 'P' on page 3 ante may be done.

1.3.48

2/3/48 S

28 Feb 48 H.M. (Edn.)

L.A. No 8391-48 Bud-I 1.3.48.

ASST. SECRETARY TO GOVERNMENT 1 MAR 1948 EDUCATION AND PUBLIC HEALTH DEPT.

8391

P 2 (1)

P 3 (1)

K

P 2 taken up

P 30 C.F.

5.

(40)

The Commissioner of the Walajapet Municipality met me to-day. He says that they will be prepared to enhance it from the next year. They want only time for one year. The matter may be examined and put up.

I have asked them to submit a separate memorandum if they want to see me. The matter of interview may be decided later on.

P1

SECRETARY TO GOVT. EDN. AND R & H DEPT. 8 MAR 1948 GOVERNMENT OF MADRAS

ISA 3.3.48

With reference to the minutes of H.M.(Edn.) at 'P' above it is submitted that the Council will be able to balance the R.E. for 1947-48, with the enhancement of the rate of education tax from 1% p.a. to 2% p.a. with effect from 1.10.47. It is proposed to pay a total subsidy of Rs. 4900 towards the deficit on account of the payment of dearness allowance to the E.E. staff in the current year. It is also proposed to allow the Council to grant advance increments to the E.E. staff in the current year. In view of this the Council need not be compelled to enhance the rate of education tax from 1% to 6%-p.a. as ordered in G.O.No. 2690 Edn. dated 16.12.47, with effect from 1.10.47.

'B' on p. 3 ante (Rs. 3600 already paid)

'Z' on page 1 ante

K

* para 1 on page 3 of (A)

2. The B.E. for 1948-49, as framed by the Council, is expected to close with a deficit of Rs. 10790, Revised with reference to the notes on page 2 ante the deficit will be reduced to Rs. 10,103. The Council has not submitted any practicable proposal to avoid the deficit. The Md. Commissioner requests that Govt. may grant a subsidy for the purpose.

page 19 C.F.

* paras 3(i), (iii), (vi) on page 2 ante

'X' on page 9 C.F.

3. In this connection it is submitted that the policy so far adopted by the Govt. in regard to the revision of salaries for teachers

in elementary schools under local bodies is that the rate of education Tax levied by these authorities should be enhanced wherever necessary and to the extent necessary to enable them to meet the additional expenditure involved in granting revised scales of pay and advance increments to teachers. Subsidies are paid to local bodies only to enable them to avoid deficits in their budgets only where such deficits are caused by the payment of dearness allowance to the E.E. staff and not due the grant of revised scales of pay and advance increments to them. In accordance with this policy, it is proposed to pay to the Mdy. council in 1948-49 a subsidy of Rs. 5940 towards the deficit on account of the payment of dearness allowance. No subsidy is payable towards the balance of the deficit, i.e. Rs. 4163, which is due to the grant of revised scales of pay. ~~It is not for consideration whether the policy adhered to till now may be relaxed as a special case, in view of the poor resources of the Council and a subsidy from the Prov. funds paid towards the entire deficit in the B.E. for 1948-49 or whether the Council must be compelled to enhance the rate of education Tax to be in accord with the general policy.~~ To enable the Council to grant the advance increments also to the E.E. staff with effect from 1-4-48 and to balance the budget an increase in the rate of education Tax at least upto 5 o/o. p.a. with effect from 1-4-48 must be insisted upon. The increase agreed to by the Council from 1-o/o. p.a. to 2 o/o. p.a. with effect from 1-10-47 will enable it to meet only one fifth of the additional expenditure.

4. Finance may see prior to circulation

Ex A

y/s page 3 ante

N

SECRETARY TO GOVERNMENT 1441/6 4 MAR 1948 FINANCE DEPARTMENT

Ex
4.3.48

BM 4/3/48 Finance

[Secretariat Circular Letter]
Ex. H. H. D. No. 13205-2E1
4.3.48

(41)

Finance (Exp. A)

Please see the notes in pp 1-6 above.

The proposals of E&H. are:-

1) A further subsidy of Rs 1,300/- may be sanctioned to the Ml.cl. in the current year to wipe off the deficit in its E.E. fund account;

2) the Ml.cl. need not be compelled to levy the increased rate of edn. tax from 1% to 6% ordered in G.O. 2650 Edn dt 16-12-47 from 1-10-47;

3) A subsidy of Rs. 5,940/- may be paid to cover the deficit in 1948-9 after the opening balance on 1-4-48 is known; and

4) To balance the budget in 1948-9 and to enable the Council to grant advance increments to the E.E. staff, the rate of edn. tax may be increased at least upto 5% p.a. with effect from 1-4-48.

2. Items (1) and (2) above. A subsidy of Rs. 3,600/- was sanctioned to cure the deficit in the current year. It is proposed to sanction a further sum of Rs 1,300/- to wipe off the deficit. Although the cl. was asked to increase its rate of edn tax from 1% to 6% p.a. with effect from 1-10-47 the cl. has not done so. It has increased the rate only by 1% p.a. The cl. has realised an addl. income of Rs. 545/- in the current year by this increased tax. It is stated that the Ml.cl. has asked for time till next year to enhance the tax and E.A. propose that the increase already ordered (viz. from 1% to 6% p.a) need not be insisted upon from 1-10-47.

It is held that the Govt. are liable to pay a subsidy towards the deficit caused by the payment of d.a. in the accounts of local bodies/ only to the extent that the local body is unable to meet it from its own funds. The local body concerned should explore all its resources and only if it is found impossible for it to meet the expn. from its funds that the Govt. go to their rescue. The Govt. are not therefore bound to pay any addl. sum as subsidy when the Ml.cl. is not willing to increase the tax and augment its

B on p 3 above

K on p 3 above

y on p 3 above

IV on p 6 above

4 3-4 cf in G.O. 2650 Edn 16-12-47 (A)

α M on p 17 cf

Minutes of HH(Edn) on p 5 above

income. He Cl. can expect to get an addl. income of Rs. 2,725/- if it had enhanced the rate to 6% as already ordered. It could thus have avoided a deficit in the current year and there would have no need for a further subsidy from the Govt. In the circumstance, Fin: may advise that the Cl. may be instructed to increase the rate of edn. tax by 5% from 1-10-47, as already ordered.

x in 1947-8 (505 x 5 = 2525)

B

Govt
DWD

3. Items (3) & (4) on p. 2 above:— The question of paying a subsidy to the Mul. Cl. towards the deficit in 1948-9, if any, will be considered after the opening balance on 1-4-48 is known, taking also into account the receipts on account of increased edn. tax both in the years 1947-8 and 1948-9.

Govt
DWD

4. Exec. H. may be requested to circulate the case to H.M. (Fin) also if they do wish to press their proposal for the grant of a further subsidy in the current year and to allow the Mul. Cl. to increase the edn. tax by 5% with effect from 1-4-48 only.

This will become a bad & uncommon precedent

Govt
DWD

WB
4-3-48

Govt
6.3.48

As.

50 H

It will be seen from the note of the SSPA Dept. note on pages 3 and 5 above that the finances of the municipality is expected to close with a deficit of Rs. 10,103 in 1948-9. (4950 in 1947-8 and of)

In the face of this, the attitude of the Mul. Council in trying to defer enhancing the rate of edn. tax is not understood. The Council did not make provision in the B.E. 1948-9 for repayment of the advance of Rs 1750 sanctioned in Govt. Dis. dt. 16-12-47 — See SSPH note at 'x' on p. 2 above. It had not issued demand notices for the II half year in 1947-8 till 26-2-48 and seems to propose to issue notices after the result of the deficit is known — See pages 29-30 C/F and 'K' on pages 4-5 above. Evidently, the municipality wishes the Govt. to grant subsidies indefinitely. Postponement of the enhancement of edn. tax by 5% to 1-4-48 will only increase the deficit in 1947-8. Finance must strongly oppose the proposal to pay a further subsidy of Rs 1,750 to the municipality in the current year, as it will only encourage it in its attempt to evade

M

DWD

(42)

enhancement of taxation and to get increased subsidies from the Govt. Of the Govt. yield to the Kollegal municipality on this case, it is certain to lead to similar attempts on the part of the municipalities where increase of tax has been ordered by the Govt.

DWD

Even with the increase of edn. tax by 5%, the municipality will get only an additional income of Rs 4,000 p.a., while the deficit in 1948-9 is estimated at Rs 10,103. The municipality must be told that it should take steps to cover the deficit as far as possible and that it cannot hope to get subsidies from the Govt. except to the extent of the deficit caused by the grant of decrease allowance.

DWD

For
5/3/48

I agree with A.D.S. Fin. can see no reason why the Govt. should give a special subsidy to this Municip. merely to enable it to postpone the date of introduc. of the proposed increase in taxation, & considers that it would be extremely undesirable to do so & would be certain to lead to other similar claims.

P

DWD
5-3-48

E.P.H.

Finance 1446 Exp A-1
5-3-48.

[Minutes and notes from p 5 ante] E.P.H. (Ca)

Finance hold that the deficit of Rs. 1300 in the current year is due to the fact that the Council did not give effect to the increase of education Tax from 1% p.a. to 6% p.a. with effect from 1-10-47 and advise that no subsidy need be sanctioned to avoid the deficit. In view of the remarks of the Finance Secretary at 'P' above it is for orders whether the Council may be compelled to enhance the rate of education Tax from 1% p.a. to 5% p.a. with effect from 1-10-47.

B' on page 8 ante

M' on page 8 ante

Maybe done by

5/3/48

5-3-48

5/3/48

6/3/48

Govt.
H.A.
H.M. (Fin.)

10

Chairman

The Commissioner of the Walajapet Municipality met me a few days back and he said that it was possible for them to meet this deficit for the current year and so, orders may be that they may raise it up to 3% till 31-3-1948 and 5% from 1-4-1948.

'Z'

TSA
9.3.48

HM(LA)

B.V.A
11.3

4107/B HM(Fin)

SECRETARY, EDN. AND P.H. DEPT. 10709 15 MAR 1948 GOVERNMENT OF MADRAS

SM 16/3

Please see the orders in circulation above. The Comm.r, Walajapet Municipality, has since reported that demand notices for property tax for the current half-year have been issued by him taking into account the enhancement of the rate of education tax from 1 pfo. to 6 pfo p.a. with effect from 1.10.47. If the rate of education tax is now reduced to 3 pfo p.a. with effect from 1.10.47, all the bills for property tax have to be revised and there will not be enough time for the Comm.r to do this. The Comm.r may, perhaps, be allowed to proceed with the collection work already taken up, with specific instructions for the effect that the excess amount of tax collected for the second half of 1947-48 should be refunded to the assessees by adjustment in the accounts for 1948-49. L.A. may be requested to advise whether the course suggested above may be adopted in this case.

'Z' above

X 5.15 pm 16/3

Ue
15.3.48

BM
16/3/48 Ur JA

L.A. Sept (A)

E.&P.H. No. 13205-B c1 15.3.48

1867/1 A.

There seems to be no objection to the course suggested at "X" above being followed in this case. E&P.H may consult Legal also

16.3.48

Sefy 16.3.48

E&P.H. 16/3 L.A. No. 10

E.&P.H. No. 18671 A-1 c1 17-3-48

3232

ASSISTANT SECRETARY 17 MAR 1948 LEGAL DEPARTMENT

ASST. SECRETARY TO GOVERNMENT 18 MAR 1948 EDUCATION AND PUBLIC HEALTH DEPT.

Legal 18.3.48.

pages 37 & 43 c.f.

page 39 (A)

paras 7 and 8 a page 39 c.f.

para 11 on p 41 c.f.

para 6 at p 37 c.f. para 11 on p. 41 c.f.

page 43 c.f.

para 2 and 3a page 27 c.f.

C

(43)

11

The file may be sent to Legal as suggested

Ue
16.3.48

BM
16/3/48 Legal

LEGAL DEPARTMENT.

There seems to be no objection to the course suggested by E. & P.H. at X on page 10 ante.

17348/S

There is an apparent discrepancy in the note at page 9. Finance speaks of an increase by 5%; E. & P.H. refers to this and recommends an increase to 5%. It looks like an accidental slip. Attention is drawn to this for ~~any~~ such further action as may be considered necessary.

16/3/48

[Notes from page 9 ante and the minutes on p.10 ante] E&PH

Please see the Memorandum submitted by the Mcl. cl., Walajapet, requesting the Govt. to postpone the enhancement of the rate of education tax, ordered in G.O.No. 2690 Edn. d 16-12-47. The main reasons given for the postponement of the enhancement are :—

E&P.H (C1)

(1) Walajapet is a tiny municipality with limited scope for direct taxation,

(2) The revenues of the council are inelastic, while there is an abnormal increase in its liabilities.

(3) The present level of taxation in the municipality i.e. 22 pfo p.a. has already reached the maximum, and any attempt to increase it at this juncture, will be extremely burdensome to the rate payers,

(4) The new Council has been taking every possible step to explore ~~more~~ the ways and means to improve the financial position,

12 (5) The Council will be able to stabilise its finances, even without the present enhancement of Taxation, if the proposal to extend the limits, ~~is approved~~. which is now under the consideration of the Govt. is approved.

2. Submitted that the reasons given by the Council, no doubt, deserve consideration by the Govt; but in view of the fact that it has already been decided not to deviate in this case from the policy so far ~~followed~~ followed by the Govt. in regard to the revision of Salaries of teachers, There seems to be no case for the postponement of the enhancement of the rate of education Tax, till the proposal to extend the limits of the municipality is approved.

3. With reference to the remarks of the Legal Deptt at 'A' on page 11 ante, it is submitted that this Deptt suggested an increase in the rate of education Tax up to 5% p.a. only, as this would enable the Council to meet the entire addl. expenditure on the revision of scales of pay and grant of advance increments to teachers. and the orders in circulation are also to this effect. Orders may, therefore, be issued accordingly, with the modifications suggested at 'X' on page 10 ante.

4. The case may be re-circulated to H.M. (Edn) and H.M.(L.A.) H.M.(Fin.) with reference to the minute of H.M. (L.A.) at page 37 c.f.

19.3.48

Please see herewith the representation from the Chairman, of the Wallajapet Municipal Council. That representation also must be considered and put up before final orders are issued. They say they are able to make up the money from the savings with the enhancement of education tax by 1%. If they are able to make it up, we need not press for

(44)

further taxation. The matter may be examined and put up.

ISA
23.3.48

Sri Arokiam interviewed
with reference to the minute
of H.M. (Edn.)
dt
23/3/48.

SECRETARY, DEPT. AND P. H. DEPT.
23 MAR 1948
GOVERNMENT OF MADRAS

Minutes of H.M. (Edn.) above, the letter of the Commissioner, Wallajapet Mpty, and the representation from the Chairman, Mel-cl., at pages 53 to 67 c.f. may be perused.

2. It is submitted that no new grounds have been put forward by the chairman, to justify the postponement of enhancing the rate of education Tax now levied by the council. The presumption at 'A' on page 65 c.f. is not correct. The policy so far followed by the Govt. in regard to the grant of revised scales of pay and advance increments to the E.E. staff is that the local body concerned should be enabled to meet, from its own funds, the entire additional expenditure involved, even by resorting to the additional taxation, if necessary. No subsidy will be paid by the Govt. towards the deficit caused by the grant of revised scales of pay. Subsidies are, however, paid, towards the deficits caused by the payment of dearness allowance to the E.E. staff. In accordance with this policy it is proposed to pay to the Council a subsidy of Rs. 5940, towards the anticipated deficit in the B.E. for 1948-49. Even then there will still be a deficit of Rs. 4163 left uncovered. The question for consideration is how this deficit should be met. No subsidy is admissible to the council towards this portion of the deficit. The enhancement of the rate of education Tax from 2% p.a. to 5% p.a. with effect from 1.4.48 is absolutely necessary to balance the E.E. Fund, unless it is shown that the Contribution from the General funds can be increased to the extent necessary to avoid the deficit.

Bundle I

3 The additional receipts, and the savings in expenditure, anticipated in the current year (referred to by the Comm^r at pp. 57-59 c.f. and by the chairman at 'P' at page 61 c.f.) do not materially affect the position of the E.E. Fund; It is also doubtful whether the position of the General Funds will improve very much. The exact position can, however, be assessed only after the actuals for 1947-48 are available.

4. The suggestions made at 'X' and 'Y' on page 63 c.f. are of general nature. The request of the Council for the payment of a contribution under section 37 of the E.E. Act, equivalent to the amount of education tax collected by the Council, cannot be complied with, unless the general policy of the Govt. in this regard is revised.

(At present, subsidy is paid only in respect of tax collected at 1½ c/c rate)

5. As regards the proposal of the Council to grant advance increments to its employees with effect from 1-1-47, it is submitted that a similar proposal of the Council has already been negatived. In view of the unsatisfactory financial position of the Council, both under the E.E. and General Accts. advance increments to the E.E. staff may be allowed only with effect from 1-4-48, as in the case of general staff.

'Z' on page 55 c.f.

(Addressed to LA)

6. L.A. may see prior to circulation, first remarks with reference to paras 3 to 5 above.

24-3-48

25/3/48 S

LA.

LAD

The financial position of the General Fund of this municipality is very bad. The Council is working at a large deficit. This dept may agree with E&PH that the enhancement of the rate of Edn tax to 5% w.e.f. 1-4-48 is essential.

26/3/48

Secy E&PH

E-PP.H n.o.NO. 18205-5 c/48
25-3-48

LOCAL ADMINISTRATION DEPT. 26 MAR 1948 SECRETARIAT, MADRAS

LAD 2568/1 Pdt 26-3-48/48

(45)

E&P.H.

The minute on pages 12-13 ante and the notes following may be read. The file may be circulated for orders whether the Council may be asked to raise the rate of education Cess to 5% from 1-4-48.

27/3/48 S

TSA
31-3-48

Mr. (Edn.)
Mr. (LA)
Mr. (Fin.)

The education tax has already been enhanced by 1% and the Council says that they are able to meet the expenditure with this enhancement. I therefore fail to see why Government should insist on further enhancement and not give the Council a chance to work out with 2% education tax.

4/4

SECRETARY, EDN. AND P. H. DEPT. 12 APR 1948 GOVERNMENT OF MADRAS

The point raised by H.M.(Fin. A.) is more or less the same as the one which was raised by H.M.(Edn.) at page 12 ante and answered by this Deptt. at pages 13-14 ante. In those and the foregoing notes, it has been clearly shown that the Cl. cannot work out a balanced budget unless either it was prepared to raise the education tax to 5% or Govt., in the alternative, were prepared to grant the Cl. a special subsidy, revising the general policy so far followed in such cases. The question of granting a special subsidy to the Cl. was also considered but was negatived by Finance — vide the notes at pages 5-9 ante (an additional yet a third alternative, namely, contribution from general funds not also for this was also not possible, as the position of the general funds was also not satisfactory — vide note of L.A. at page 14 ante).

It is, in the above circumstances, the increase of educ

of education tax to 5% is proposed to be insisted upon. If this is not considered advisable, then the proposal to grant a special subsidy to the Council may have to be pressed. P. 7 for orders.

L.A. and Finance may see again before re-circulation.

Sd/- 12/4/48 S.

Sd/- 14/4/48 LA

Fin.

14/4/48

LA Deptt
Disc.

[Previous note of this Deptt is on 14-15 above]

Please see the minute of H.M.(L.A.) on p 15 above and the further note of H & S.P.H on pp 15-16 above. This Deptt may agree with the view of H & S.P.H that the enhancement by of the rate of education tax to 5 per cent per annum is essential if the Edn. Budget is to be balanced without aid of further subsidy. With these remarks the file may be passed on to Finance Deptt

SN 14/4/48

16. 16/4 This dept may agree with the views expressed by Exp H on pages 15-16 above.

Sd/- 16/4/48 Secy

Fin.

Fin (Exp A) Deptt.

(Previous Fin. notes on pp 7-9 above.)

Please see the orders in Circulation on p 10 above and the further notes from pages 11-16 above.

Finance have already pointed out that there is no reason to give a special subsidy to this municipality merely to enable it to postpone the levy of the enhanced edn. tax from 1.10.47 as per Endorsement in G.O. 2690 Edn dt 16.12.47. Both Edn & H.

Fin. Secy's views necessary. Sd/- 16/-

Local Admn Dept. 14957-16

16/4/48.

Secretariat, Edn. and L.A. Dept. 30143 EA 20 APR 1948 Finance Department

Edn. 4-240 No. 13205-6 CI 14.4.48

Local Admn. Dept. 14 APR 1948 14957 Secretariat, Madras

Assistant Private Secretary to Governor 14506 14 APR 1948 Education and Public Health Dept.

Fin. W. 30143 EA/48-1 18.4.48.

and L.A. are of the view that the enhancement of the education tax (as ordered in Circulation on p 10 above) to 5% p.a from 1-4-48 is quite essential if the E.S. Budget is to be balanced without the aid of a subsidy from the Govt. Finance also may concur in this view. The Memorandum dated 17.4.48 Fin. does not call for reconsideration in this respect.

Sd/- 17.4.48 Sd/- 17.4.48 Sd/- 18/4/48

E. & P.H. (C) Deptt.

Minute of H.M.(L.A.) on page 15 ante and the notes of this Deptt., L.A. and Finance on pages 15-17 above.

May be re-circulated for orders.

Sd/- 19/4/48 S. Sd/- 19/4/48

H. (Sec.)

H. (L.A.) 20/4

Sd/- 19/4

Sd/- 20.4.48

Reference is solicited in the letter of the Commr., Walajapet Taluk, on page 3 c.f. and the note of this Deptt at page 10 ante. The Council may be asked to take credit for increased receipts under education Tax, with reference to the enhancement of education tax upto 6 pies p.a. from 1-10-47 to 31.3.48. Even with this enhancement, the R.E. for 1947-48, as revised finally is expected to close with a small balance of Rs. 880 only. The Council need not, therefore, be asked to refund to the assessees, by adjustment in the Accounts for 1948-49, the excess Tax collected in 1947-48, as suggested at 'x' on page 10 ante. If the excess amount collected is to be refunded, the R.E. for 1947-48 will close with a deficit of Rs. 755 and a subsidy will have to be paid to the Cl. to avoid the deficit. In view of this, the excess amount collected in 1947-48 need not be refunded and the Council may be allowed to have the benefit of the entire amount collected.

page 19 c.f.

2. The question as to whether the Council

will have to be asked to refund the Govt. the excess subsidy paid to it in 1947-48 and whether it should be paid any subsidy to avoid the deficit in E.E Acct. for 1948-49, may be considered after the actual balance as 1-4-48 is known.

2. Two drafts are submitted for approval. L.A. and Finance may see before issue Circulars

Ell
22-4-48

DPH
-22/4/48 S

W
26/4/48

L.A.

Fin.

L. A. Dept
Finance notes of L.A. at p. 16 & 17 and further notes of Fin. & Exp. Dept. & the orders proposed in Fin. notes & the further notes may be perused.

The draft orders accepted
below may be approved & the file passed on to Fin.

Ell
27.4.48

27.4.48

Fin

Dpn

LA 16836-1

27/4/48

Fin(Exp-1)

(Last Fin. note on pp 16-17 above)

The further notes from p. 17/18 above may be perused. This dept may agree to the proposals Exp. Dept's mein at M on p 17 above. The draft order below may be accepted and the Case returned to Exp. Dept.

W
27.4.48

Fin

28/4/48

Fin. 32830 Exp A/48-1

28.4.48

E-Exp. H. (C1)

May be circulated to H.M. (Edn.), H.M. (L.A.) and H. Pr. for approval of the suggestion at 'M' on page 17 ante and para 2(i) of draft II.

Ell
28.4.48

W
Agreed

H.M. (Edn.)
H.M. (L.A.)
H. Pr.

C.P.R
5/5

ISA
29-4-48

PBL
agreed

3 Orders agreed to
issue Issue these drafts
6/5/48

LOCAL AUDIT DEPT. 27 APR 1948 16836 SECRETARIAT, MADRAS

ASST. SECRETARY TO GOVERNMENT 32830 EA 27 APR 1948 FD LNCE DEPARTMENT

SECRETARY, EDN. AND P. H. DEPT. 6 MAY 1948 GOVERNMENT OF MADRAS