(B1).

Sectt. II-27—53,004—2[illegible]-10-47.

Edn & P.H **(1948) Department.**

Ms. **SERIES.**

49

closed
Supdt.

G.O. NO.	1388 Edn.
Dated	29.5.48

O.F. 18.3

N 29-30 4
N 37-38 4
N 39-45 4

[Despatch Abstract.]

Allowance - Dearness - Staff in aided educational Institutions - Payment at the revised rates from 1-1-48 - Expenditure to be admitted for grant - 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.
G.O.	1025	Edn.	7-4-49.				

2

D/ [illegible] in Sec
6/2/48

Special

1854 Edn. (A) 61-62 cf
10-11-45

57 Edn (P) 11-12 cf
[illegible]-1.46

53 Edn (X) 31-32 cf
[illegible].9.46

[illegible]07 Edn (2) 6-7 cf
23.1.47

57 Edn (P) 11-12 cf
1.46

ALLOWANCE - Dearness - Staff in aided educational institutions (other than elementary) - Payment at the revised rates allowed to Government servants from 1-1-48 - Extra cost on payment of grants.

MEMO NO. 6159 B1/48-2 Edn dt 6.2.48.

The attention of the Director of Public Instruction is invited to the orders noted in the margin under which

(a) a grant is paid to the managements of aided educational institutions (other than elementary schools) which work at a deficit equal to one half of the expenditure incurred by them on payment of dearness allowance to the members of their staff at rates not exceeding those admissible to Government servants (calculated separately and added to the teaching grant) and

(b) a special grant equal to half the difference between the maximum amount of dearness allowance admissible at Government rates and the amount of allowance actually paid by the managements to the staff subject to the condition that the managements should disburse to the staff the amount of allowance due out of the special grant.

While the ordinary grant for dearness allowance under item (a) will remain in operation so long as the scheme of dearness allowance for Government servants is in operation, the special grant is allowed from year to year.

2. In G.O.No.99 Finance, dated the 29th January 1948, the rates of dearness allowance to Government servants have been revised as from 1--1--1948 and the qestion of extending these rates to the staff in aided educational institutions has to be considered. The Director of Public Instruction is requested to furnish immediately an estimate of the expenditure now incurred on payment of grants towards dearness allowance to the

PTO

staff in aided educational institutions on the basis of the previous Government rates (rates which were in force prior to 1--1--1948) and the additional expenditure that will have to be incurred by way of grant if the revised rates are adopted by managements, assuming that the special grant will have to be extended for 1947-48 also. The immediate as well as the ultimate cost should be reported under the budget heads relating to teaching grants for the institutions specified below:

(1) Arts colleges (Men and Women).
(2) Professional colleges (Men and Women).
(3) Secondary Schools (Boys and Girls).
(4) Special schools.
(5) Schools for Defectives.

The Director is also requested to report whether it is necessary to extend the special grant for 1947-48 as all the managements are not paying dearness allowance at Govt rates.

3. The Director is also requested to furnish a similar estimate of cost in respect of Anglo-Indian and European Schools governed by the Code of Regulations for European Schools as dearness allowance at the revised rates will have extended to the staff in those schools also.

Para 3 on p 12

USK
6.2.48

6/2/48

6/-48.

To
The D.P.I.

Despatched
6-2-48

P.T.O

E+P.H (A1)

3

D.O. No 6159 A1/48-3 Edn dt 24.2.48

Dear Reddi

Allowance - Dearness - Staff in aided educational institutions - Payment at the revised rates allowed to Govt servants - Estimate of extra cost on payment of grants

Reference Govt memo No 6159 A1/48-2 Edn dated 6.2.48.

I am to request that the reply to the above reference may be expedited as it is necessary that orders should be issued in the matter before there is any agitation over it. The reference may be treated as specially urgent.

Yours sincerely

24/2/48

24/2/48

To
Sri D.S. Reddi MA (Oxon)
DPI
Madras

24.2.48

AS III

5

SECRETARY, EDN. AND P.H. DEPT.
27 FEB 1948
GOVERNMENT OF MADRAS

D.O. Office of the Director of Public Instruction,
Cathedral P.O., Madras, 25th February 1948.

Dear Mr. Subramanian,

Sub: Allowance - Dearness - Staff in aided educational institutions - Payment at the revised rates allowed to Government servants - Estimate of extra cost on payment of grants -

Ref: Your D.O. No. 6159 B1/48-3, Edn., dated 24-2-48.

GD/14360

I wish to state that the figures will be submitted shortly. In this connection, I wish to submit that their collection involves a scrutiny of the financial statements of all the institutions concerned and will take time, even if the normal work is suspended. As this is also not possible owing to the fact that the grants have to be disbursed before the end of March, the concerned Sections have been working overtime to collect the figures. I am writing this in order that you may show some consideration and sympathy if some delays are inevitable when such references have to be answered.

Yours sincerely,

To

M. V. Subramanian, Esq., I.C.S.,
Secretary to Government,
Education & P.H. Department,
Fort St. George, Madras.

6

E&P. H. (B1)

Please see the D.O. from the D.P.I.
His reply may be awaited till 10.3.48.

27.2.48

27.2.48

28.2.48

S (for information)

11 Mar

7

5

C.F. 33.

In reply, please quote number, date and short title.*

EDUCATIONAL DEPARTMENT.

Received ________ Registered ________

From (Name) Sri D.S. Reddi, M.A., (Oxon),
(Designation) Director of Public Instruction,
Post Box ________, (Station) MADRAS.,
Telegraphic Address ________

To

The Secretary to Government,
Education and Public Health Department

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

R.O.C. No 118 D.1/48. dated 28--2--1948 19

Sir,

ENCLOSURES ________

SPARE COPIES ________

* Sub: Allowance - Dearness - Staff in aided ~~[illegible]~~ Educational Institutions (other than Elementary) Payment at the revised rates allowed to Government servants from 1-1-48 Extra cost on payment of grants

----

Ref: Govt. Memo 6159 B1/48-2 Edn., dated 6-2-1948

15184

CP/

In submitting herewith the estimates called for in the Government Memo referred to above in respect of the various classes of aided educational institutions (other than Elementary) I may stage that as the expenditure on payment of dearness allowance to staff in aided educational institutions upto the rates laid down by Government has been ordered to be treated as an admissible item of -- expenditure under the Grant-in-Aid Code, it is not possible to furnish the estimates of expenditure as payment of grants towards dearness allowance alone with any degree of accuracy The sigures furnished may be safely taken to be the Upper limit beyond which it may not be necessary for Government to give grant on account of dearness allowance.

The system of payment of special grant towards dearness allowance may have to be continued for 1947-48 also or till such time when all the institutions pay dearness allowance at Government rates.-

Secondary schools: (Half net cost basis)
"37(g) Education- Secondary - Direct Grants to Non-Govt Secondary schools (A) General (g) A-1-Teaching-Voted"

Expenditure to Govt. at present		920000
do on account of Spl.grant		
on account of Dearness allowance		162000
		1082000
Additional expenditure to Govt.on account ofrevised rates of dearness Allowance		
(Half net cost basis) Immediate	Rs	120000
(2/3 net cost basis) Ultimate	,,	644000
Immediate cost to Government(48-49)	,,	10.4 lakhs.

Ultimate cost to Government (assuming that all schools would have adopted by that at least the L.B. scales of pay) Rs 18.6 lakhs.

P.T.O.

1082000
644000
1726000

Budget Head	Expenditure on D.A at the existing rate Rs	Expenditure on D.A at the enhanced rate (1947-48) from (3 mths) Rs	Ultimate Expenditure on D.A at the enhance rate Rs
37(g) Education. Secondary. Direct grants to non-Govt Secondary Schools A-General. I Teaching Voted.	1082000	1222000	1726000
37.C.Edn.University-Grants to Non-Govt.Arts College (1) A-Teaching-Voted.	183682	199882	248482
37.e. Edn.University -Grants to Non-Govt.Professional Colleges - Voted-Teaching	6407	6907	8407
37.n.Edn.Spl.Direct grants to Non-Govt. Spl.Schools-A-General.n.A(1) 4-Other grants Voted-Grants for the education of defective children	7384	8074	10144
37.n. Edn. Spl. direct grants to Non-Govt. Spl.schools-A-General(i) Excluding Postwar Reconstruction.n.(A)(i)1 Teaching- Voted	221003	230703	259803
	1500476	1645566	2252836

In regard to the Anglo Indian and European schools the additional cost to state will as shown below:-

Budget Head	Expenditure on D.A at the existing rate	Expenditure on D.A at the enhanced rate (1947-48)	Ultimate Expenditure on D.A at the enhance rate
37(g) Edn.Secy.Direct grants to Non-Govt.Secy. Schools - B.European-(g) B.1. Teaching- Voted	161797	205429	336324
37(k) Edn.Primary-Direct grants to Non-Govt.Primary schools B-European(k). B-1 Teaching- Voted	12075	15440	25536
37(n) Edn. Spl. Direct grants to non-Govt. Special schools B.European (n) B-1-Teaching and other grants-Voted-Teaching.	1068	1917	4464
	174940	222786	366324

For Director of Public Instruction.

P.R.K. 28/2/48

1645566
1500476
145090

T.M (by post) 6 E&H (M)

From,

The Assistant Secretary E&H Dept

To

The Deputy DPI

Reference Director's letter R.O.C No 118 D.I dated 28.2.1948. Extra cost on payment of grants to aided educational institutions (other than elementary) towards dearness allowance at the revised rates allowed to Govt servants

Under item (iv) in G.O. No 1154 Edn d 5.6.47, and G.O. No 2304 Edn dated 30-10-47 teaching grants on the basis of two thirds of the approved net cost is admissible to training schools under private managements which have adopted the revisid scales of pay

10

from or after 1.6.47. – Please say what will be the immediate and ultimate additional cost to Govt if grant towards dearness allowance is paid on the basis of two thirds of the actual expdtr. ~~incurred~~ on payment of the allowance at the revised rates. It is presumed that the estimated extra cost – Immediate 10.4 lakhs & ultimate 18.6 laks – already furnished is in respect of secondary schools only. Please say whether the presumption is correct. The reference may be treated as 'special'.

USR
2/3/48

2.3.48

2/3/48

C.F. 304.

9

OFFICE OF THE ....

Date 194

15950 Hours ...... Minutes

TELEPHONIC MESSAGE.

From	To
The DPI	The Secy EPH.

Govt memo 6172 B1/48-1 Edn. of 24.2.48 – Edl. institutions – Grant of DA to teachers.

W.r.t. para 2 of Govt memo, attention is invited to Director's letter Re. 118/D1/48 of 28.2.48 submitting estimate of expre. on a/c of increased d.a. to staff in aided ~~etc~~.

Please write on both sides.

2

~~elementary~~ re educational institutions other than elementary. Particulars regarding No. of managements which have paid d.a. @ Govt rates during 1946-7 can be furnished w.r.t. financial statement of the Schools and Colleges. If particulars are required for the school year 1947-8 they have to be called for and consolidated before a reply can be sent to Govt. and this will take sometime. Kindly therefore let me know whether I should get the particulars for the year 1947-8.

TELEPHONE MESSAGE (BY POST)

Office of the
Director of Public Instruction,
Madras, Dated 5-3-1948

From
The Director of Public Instruction, Madras.

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

7- MAR 1943
EDUCATION AND PUBLIC HEALTH

Sub: Extra cost on payment of grants to aided educational institutions (other than elementary schools) towards D.A. at the revised rates allowed to Govt. servants.

Ref: Your T.M. dated 2-3-1948

pp 7-8 ante

The presumption of Government is correct. The figures furnished against the Budget Head "37(n) Edn Special n(A)(i)1 Teaching -Voted" in my letter RC.No.118-D.1/48 dated 28-2-1948 were based on 1/2 net cost basis for all special schools including training schools. If grant is paid to training schools at 2/3 net cost the revised figures against the above budget head will be as follows:-

221003; 232649; 267587

6/3

for Director of Public Instruction.

RVR 6/3/-

6/3.

15

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E&PH (B)

Special

Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Govt servants

---

Reference Director's letter dated 28-2-46.
Memo 6159 [illegible]/47-5 Edn d/ 10-4-46

The DPI has estimated the ultimate extra cost to Govt on payment of grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Govt servants as follows:—

		Rs
1.	Teaching grants to non-Govt Arts & Professional colleges, non-Govt Secondary & Special schools General - Total	7,52,360
2.	Teaching grants to non-Govt Secondary schools - Primary schools & Special schools European Total	1,91,390.

D through
asst. manager
Office

Sent for [illegible]
10/4

10/4

2

16

The Director may requested to state whether the above estimate represents the grant payable at one half of the extra cost on account of the ~~[illegible]~~ adoption of the revised rates allowed to govt servants.

2/ ~~The~~ Director may also be requested to furnish information on the following points:-

(1) the expenditure now incurred on payment of grant to aided educational institutions mentioned in para 1 above towards dearness allowance at the rates allowed to govt servants prior to 1.1.48 under each head of account

(2) why the estimate of extra cost now furnished is not proportionate to the increase in the allowance admissible according to the revised rates ~~and only~~ as it appears to be more than the ratio of difference in the rates to the rate of commitment in the existing rates. He ~~[illegible]~~ may be requested to explain clearly how the estimate of extra cost has been worked and to treat the reference ~~as~~ specially urgent and send a reply by [illegible] as the subject is to be discussed at the meeting of the Standing Finance Committee on the 17th inst.

4-4-48

9-4-48

Dy D.P.I (Fin)

EDUCATION DEPARTMENT

10

R.O.C.NO.118-D.1/48

ASST. SECRETARY TO GOVERNMENT
15 APR 1948
EDUCATION AND PUBLIC HEALTH DEPT.

Office of
DIRECTOR OF PUBL
MADRAS, Dated

From

SRI D.S.REDDI, M.A.(Oxon),
Director of Public Instruction, Madras.

To

The Secretary to Government,
Education and Public Health Department.

Sir,

Subject: Grants to aided educational instit the payment of D.A. to staff at t allowed to Government servants.

27594

pp 15-16 ante. Ref: Government Memo.No.6159-B.2/47-5 E 10-4-1948

With reference to para 1 of the above Memo. I honour to state that the ultimate cost to Government it relates to aided secondary schools only, was calcul net cost basis with reference to G.O.1154 Edn dated Revised figures on half net cost basis are furnished be

(M)

	Ultimate expenditu
37(g)-Edn - Secondary - Direct grants to non-Government Secondary Schools - A. General(g) A.(i) Teaching - Voted	4,83,00

As regards para 2(1) of the above Memo. I may st that figures were already furnished in my letter RC.No.118 dated 28-2-1948. However they are repeated hereunder* for reference.

pp 7-8 ante

*

	Expenditure in payment of D.A.
37(g)-Edn - Secondary - Direct grants to Non-Government Secondary Schools (a) General (g) A.1 Teaching - Voted	10,82,000
37(c) Edn - University - Grants to non-Government Arts Colleges (1) A-Teaching Voted	225626- 1,83,682
37(c) Edn - University - Grants to non-Government Professional colleges - Teaching-Voted	7403- 6,407
37(n) Edn - Special -Direct grants to non-Govt. Special Schools - A.General n-A.1-4 Other grants - Voted - Grants for the education of defective children	9160-7,384
37(n) Edn - Special - direct grants to non-Govt. Special Schools -A. General (1) Excluding Post War Reconstruction n(a)(i)-1 - Teaching Voted	263615 2,21,003

As required in para 2(2) an explanatory note as to the estimates have been arrived at is appended.

MR

for Director of Pub 15/4

AIDED SECONDARY SCHOOLS:

Estimate of expenditure now incurred on payment of grant towar[ds] D.A. F 1/2 grant basis:	Rs. 9,20,000
Expenditure on payment of special grant towards Dearness Allowance	Rs. 1,62,000
Total.	10,82,000

Additional expenditure that will have to be incurred by way of grant if the revised rates of D.A. are adopted by managements.

for 3 months; i.e. (1-1-48 to 31-3-1948) 1/2 net cost	Rs. 1,20,750
for 1 year (1/2 net cost)	Rs. 4,83,000

Explanatory Note:

(a) Aided Secondary Schools:

Approximate No. according to pay groups.

Headmasters 500 L.T.Assistants 2072 plus 691 =2763	Rs. 3,250
Secondary Grade etc. 5707 plus 1902 =7609	Rs. 7,600
Clerks	Rs. 500
Attenders	Rs. 300
Servants on an average of 6 per school	Rs. 3,000

Additional expenditure on account of increased D.A. or W.A:

Headmasters and L.T.Assistants 3250 x 8	Rs. 26,000
Secondary Grade Assistants etc. 7600 x 6	Rs. 45,600
Clerks 500 x 4	Rs. 2,000
Attenders 300 x 3	Rs. 900
Servants etc. 3000 x 2	Rs. 6,000
	80,500 per month
	or Rs.9,66,000 per annum
Additional expenditure by way of grant at 1/2 net cost	Rs.4,83,000 per annum
Additional expenditure by way of grant for 3 months	Rs.1,20,750 per quarter.

(b) Colleges and Special Schools:

The original estimate of ultimate expenditure on account of the adoption of the enhanced rates of dearness allowance was work out on approximate basis on the assumption that the additional expenditure would be roughly Rs.4/- per mensem per head in the case of teaching staff and Rs.2/- per head [illegible] in the case of servants. Now figures have bee[n] [illegible] account the pay of the [illegible] classi-

19

enhanced dearness allowances:

Budget head:	Ultimate expenditure: Rs.
1. 37-C.Edn - University - Grants to non-Govt. Arts Colleges (i)A Teaching-voted	2,25,628
37-C-Edn - University - Grants to Non-Government Professional colleges - Voted - Teaching	7,403
3. 37 n-Edn - Edn - Special - Direct grants to non-Govt. Special schools - A.General n.A(i)4 other grants Voted - Grants for the Education of defective children	9,160
4. 37-n-Edn- Special Direct grants to non-Government Special Schools - A.General - i - Excluding Post War Reconstruction (n) (A)(i) 1 Teaching - Voted	2,63,465

(c) Anglo-Indian and E-uropeanEducation:

A copy of the note submitted by the Inspectress of the European and Anlgo-Indian Schools is enclosed:

Explanatory note as to how the estimates of dearness allowance was arrived at:

Dearness allowance for 1946-1947:

The amount given below has been actually paid during the financial year 1947-48:

Secondary	Rs.1,62,101
Primary	14,049
Special Schools	1,068
	177,218

The following two schools have not paid any dearness allowance to their teachers during 1946-47:

1. St. Gabriel's Middle School, Coonoor.
2. St. Joseph's Convent, Coonoor.

In the case of certain other schools, it is also noticed that they are paying dearness allowance at a lesser rate than Govt. rate during 1946-47. The rate of dearness allowance actually paid if less than Government rate has been accepted and sanctioned.

Pupil teachers have been employed in some schools due to dearth of teachers and they have not been taken into account for assessment of grant during 1946-1947. In the revised estimate, provision has been made for trained teachers in their places.

For 1947-1948:

Three-fourths of dearness allowance actually paid during 1947-48 i.e. upto 31-12-1947 and at enhanced rate for three months i.e. from 1-1-1948 to 31-3-1948, have been taken as the estimated cost for 1947-1948.

~~20~~

12

In this revised estimate, provision has been made for all the schools, pupil teachers likely to be replaced by trained teachers, and on the assumption that all schools would have paid dearness allowance at the Government rates.

In the case of special schools, (Church Park Training, Madra and St. Teresa's Training School, Cannanore) the following remar are added:-

Church Park Training School - Only dearness allowance on bo of the Headmistress and one Assistant has been paid during 1946. Provision has been made for other teachers, clerk and servants in the revised ~~rate.~~ Estimate

For 1948-1949:

Estimate has been arrived at the enhanced rate for all the schools.

Note: Dearness Allowance has been paid in full as Government grant in the case of European Schools.

KRR 10/4

for Director of Public Instruction.

5/10/4

12/4/48 5.15 p.m.

EDUCATION & PUBLIC HEALTH DEPARTMENT.

***

Note for the Standing Finance Committee of the Cabinet.

Sub: GRANTS to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1-1-1948.

***

SUMMARY OF COST.

Major Head of Account.	Minor and sub-head of account.	Ultimate cost recurring	Ultimate cost Non-recurring	Cost in 1949-50 ~~in the year of introduction.~~ Recurring	Non-Recurring
		Rs.	Rs.	Rs.	Rs.
37, C. Education - University Grants to Non-Govt. Arts Colleges (i) Excluding Postwar Reconstruction Voted	(i) A. Teaching voted	64,800	-	75600 ~~16,200~~	-
37.c. Education, University Grants to Non-Govt. Professional Colleges,	Teaching -Voted	2,000	-	2,330 ~~500~~	-
37.g. Education - Secondary Direct grants to NonGovt. secondary schools-A. General	(i) Teaching - Voted	6,44,000	-	751330 ~~1,61,000~~	-
37.n Education - Special Direct grants to non-Govt. special schools. A. General (i) Excluding Postwar Reconstruction.	(i) Teaching Voted	38,800	-	45270 ~~9,700~~	-
	4. Other grants voted-Grants for the Education of defective children	2,760	-	3220 ~~690~~	-
		7,52,360		~~1,88,090~~ 877750	
37(g) Education -Secondary Direct grantsto Non-Govt. secondary schools B - European	1. Teaching Voted	1,74,530		~~43,630~~ 203620	
37(k) Education-Primary Direct Grants to Non-Govt. Primary schools-B. European	1. Teaching Voted	13,460		15700 ~~3,370~~	
37(n) Education - Special Direct grants to non-Govt. Special Schools - B. European	1. Teaching & other grants Voted Teaching.	3,400		3970 ~~850~~	
		1,91,390		~~47,850~~ 223290	

p.t.o.

In November 1945, the Government directed that the expenditure
incurred by Managements of Educational institutions aided under
the Grant-in-Aid Code and the Code of Regulations for European
Schools on payment of dearness allowance to the members of the
staff at rates not exceeding those admissible to Government ser-
vants should be taken into account in assessing the teaching
grants payable to them under the provisions of the codes. The
grant is limited to one half of the expenditure incurred on
payment of the allowance and is payable only to those institutions
which worked at a deficit. The arrangement is to remain in
force so long as the scheme of dearness allowance for Government
servants is in operation. In the case of those managements which
do not pay the allowance to the members of the staff at Govern-
ment rares, the Government are giving a special grant equal to
half the difference ~~xxxx~~ between the maximim amount of dearness
allowance admissible at Government rates and the amount of
allowance actually paid by the managements subject to the con-
dition that the managements should disburse to the staff the
amount of allowance due out of the special grant so that the
Government's liability to meet one half of the expenditure on
payment of dearness allowance to the staff in aided educational
institution at Government rates may be discharged in full.
The Director of Public Instruction has been authorised to investi-
gate into the financial position of every management which is not
paying dearness allowance at Government rates and to direct the
payment of the allowance at Government rates if the financial
position of the management will permit the payment of the allowance
in full.

2. It is now proposed to allow to the staff in aided educa-
tional institutions, the revised rates of dearness allowance
sanctioned to Government servants from 1-1-1948. The extra cost
to Government by way of teaching grant, on account of the adoption
by the managements of aided educational institutions of the re-
vised rates of dearness allowance will be as shown in the summary
at the top. There will be not extra expenditure on this account
~~either in 1947-48 or~~ in 1948-49 as the additional amount of allow-
ance payable to the members of the staff from 1-1-1948 will actually
be disbursed only in 1948-49 and the teaching grant for that year
will be assessed and paid only in 1949-50. The cost in that year will be inrespect of the allowance that will be paid for fourteen months from 1-1-48 to 28-2-49 i.e one sixth more than the cost for a full year shown under ultimate cost. It is considered that ~~the~~ orders inregard to the applicability of the revised rates of dearness allowance to the staff in aided educational institutions should be issued immediately so that there may be no agitation over this matter.

3. The matter was placed before the standing Finance Committee at its meeting held on the 17th March. In the note for the Committee the extra cost to Govt by way of teaching grant on account of the adoption by the managements of aided institutions of the revised rates of dearness allowance was shown as follows in the summary:-

	Ultimate cost Recurring	Cost in the year of introduction Recurring
	Rs	Rs
Teaching grants to Non.Govt Arts and Professional Colleges Non.Govt Secondary and Special schools - General Total	7,52,360	1,88,090
Teaching grants to NonGovt secondary schools, Primary schools and Special schools - European Total	1,91,390	47,850

It was explained that there would be no extra ~~xxxx~~ expenditure in 1947-48 or in 1948-9 as the additional amount of allowance payable to the members of the staff from 1-1-48 will actually be disbursed ~~only~~ in ~~1949-50 and the cost in the year of~~ in 1948-49 rendering the management eligible for grant in 1949-50 and that the cost ~~[illegible]~~ in the year of introduction shown in the summary represented the amount payable for the three months in 1947-8. The Committee approved the proposal and decided that it should go before the cabinet.

4 The case was accordingly circulated to the Hon'ble Premier through H.M.Edn. for orders whether the subject ~~may~~ might be included for the next meeting of the cabinet. The Hon'ble Premier minuted as follows:-

' The Standing Finance Committee approved this presumably without taking the ultimate cost into account. I find that the extra cost in 1949-50 will be about Rs 8,77,750 If this ~~is~~ correct the decision of the Standing Finance Committee should be revised.

O.P.R(amaswami Reddiar)
23-3-48

~~OnxthisxHxMx(Education)xminutedxasxfollowsxx~~

It was then explained that ~~The~~ the grant payable in 1949-50 ~~will~~ would be Rs 8,77,750 inrespect of institutions aided under the Grant-in-Aid Code and Rs 2,23,290 inrespect of institutions aided under the code of Regulations for European schools i.e Rs 11,01,040 on the whole But the ultimate cost per annum thereafter ~~will~~ would be only Rs 752360 in the case of the former and Rs 191390 inrespect of the latter. The case was circulated to H.M.(Edn) and H.Pr ~~with a note explaining the position~~ for orders whether the proposal should be placed before the Standing Finance Committee for reconsideration or revision of its former decision ~~or~~ or whether the subject may be discussed at the meeting of the Cabinet and the draft note issued. H.M.(Edn) minuted as follows:-

'Hon'ble Premier may decide. Possibly the matter may be referred to the Cabinet for final decision as the Finance Committee has once seen the matter.

T.S.A(vanashilingam) 25/3/48
~~25-3-48~~

The Hon'ble Premier minuted as follows:-

' Let it go before the Standing Finance Committee'

O.P.R(amaswami Reddiar)
30-3-48

5 The point for decision now is whether the staff in aided educational institutions may be paid the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948 and whether the expenditure incurred on that account may be taken into account for purposes of assessment of teaching grants to those institutions.

4

6. The particulars to be furnished for financing new schemes of expenditure are given below:-

(a) Budget provision under the Major Head of Account (1948-9)	~~Rs. 6,99,62,900~~ 8,20,42,900
(b) Actual expenditure under the Major Head in the current year ~~to the end of December 1947 (for which the figure is available~~ upto the end of April 1949 -	~~not~~ NIL ~~Rs. 3,99,13,864~~
(c) Estimate of expenditure on the scheme in the current year	Nil
(d) Savings in the budget provision for other items included in the major heads	(No Savings are anticipated at present)
(e) Total commitment in the year under the major Head on account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947	~~Rs. 11,35,800~~
(f) Total commitment in the year under all major heads of account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947.	~~Rs. 3,75,08,300~~

P

Figs for 1948-49 should be given

2 other files [illegible]

31.3.48

31.3.48
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1/4/48

Despatched
5.4.48

21

EDUCATION & PUBLIC HEALTH DEPARTMENT.

NOTE FOR THE STANDING FINANCE COMMITTEE OF THE CABINET.

Sub: GRANTS to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1-1-1948.

SUMMARY OF COST.

Major Head of Account.	Minor and sub-head of account.	Ultimate cost. Recurring.	Ultimate cost. Non-recurring.	Cost in 1949-50 Recurring.	Cost in 1949-50 Non-recurring.
		Rs.	Rs.	Rs.	Rs.
57.C.Education - University Grants to Non-Government Arts Colleges. (i) Excluding Post-war Reconstruction - Voted.	(i) A.Teaching voted.	64,800	-	75,600	-
57.e.Education - University Grants to Non-Government Professional Colleges.	Teaching - Voted.	2,000	-	2,330	-
57.g.Education - Secondary - Direct grants to Non-Government secondary schools - A.General.	(i) Teaching - Voted.	6,44,000	-	7,51,330	-
57.n.Education - Special Direct grants to non-Government special schools - A.General. (i) Excluding Postwar Reconstruction.	(i) Teaching - Voted.	38,800	-	45,270	-
	4.Other grants voted - Grants for the Education of defective children.	2,760	-	3,220	-
		7,52,360		8,77,750	
57(g) Education - Secondary - Direct Grants to Non-Government secondary schools B-European.	(i) Teaching Voted.	1,74,530		2,03,620	
57(i) Education - Primary - Direct Grants to Non-Government Primary schools - B.European.	1. Teaching Voted.	13,460		15,700	
57(n) Education - Special Direct Grants to non-Government Special Schools B.European.	1. Teaching and other grants - Voted - Teaching.	3,400		3,970	
		1,91,390		2,23,290	

In November 1945, the Government directed that the expenditure incurred by Managements of Educational institutions aided under the Grant-in-Aid Code and the Code of Regulations for Eunopean Schools on payment of dearness allowance to the members of the staff at rates not exceeding those admissible to Government servants should be taken into account in assessing the teaching grants payable to them under the provisions of the codes. The grant is limited to one half of the expenditure incurred in payment of the allowance and is payable only to those institutions which worked at a deficit. The arrangement is to remain in force so long as the scheme of dearness allowance for Government servants is in operation. In the case of those managements which do not pay the allowance to the members of the staff at Government rates, the Government are giving a special grant equal to half the difference between the maximum amount of dearness allowance admissible at Government rates and the amount of allowance actually paid by the managements subject to the condition that the managements should disburse to the staff the amount of allowance due out of the special grant so that the Government's liability to meet one half of the expenditure on payment of dearness allowance to the staff in aided educational institution at Government rates may be discharged in

-full-

p.t.o. -2-

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The Director of Public Instruction has been authorised to investigate into the financial position of every management which is not paying dearness allowance at Government rates and to direct the payment of the allowance at Government rates if the financial position of the management will permit the payment of the allowance in full.

2. It is now proposed to allow to the staff in aided educational institutions, the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948. The extra cost to Government by way of teaching grant, on account of the adoption by the managements of aided educational institutions of the revised rates of dearness allowance will be as shown in the summary at the top. There will be no extra expenditure on this account in 1948-49 as the additional amount of allowance payable to the members of the staff from 1-1-1948 will actually be disbursed only in 1948-49 and the teaching grant for that year will be assessed and paid only in 1949-50. The cost in that year will be in respect of the allowance that will be paid for fourteen months from 1-1-48 to 28-2-49 i.e. one sixth more than the cost for a full year shown under ultimate cost. It is considered that orders in regard to the applicability of the revised rates of dearness allowance to the staff in aided educational institutions should be issued immediately so that there may be no agitation over this matter.

3. The matter was placed before the standing Finance Committee at its meeting held on the 17th March. In the note for the Committee the extra cost to Government by way of teaching grant on account of the adoption by the managements of aided institutions of the revised rates of dearness allowance was shown as follows in the summary:-

		Ultimate cost Recurring Rs.	Cost in the year of introduction Recurring Rs
Teaching grants to Non-Government Arts and Professional Colleges Non-Government Secondary and Special Schools - General	Total.	7,52,360	1,88,090
Teaching grants to Non-Government Secondary Schools, Primary Schools and Special Schools - European	Total	1,91,390	47,850

It was explained that there would be no extra expenditure in 1947-48 or in 1948-49 as the additional amount of allowance payable to the members of the staff from 1-1-48 will actuallybe disbursed in 1948-49 rendering the managements eligible for grant in 1949-50 only, and that the cost in the year of introduction shown in the summary represented the amount payable for the three months in 1947-48. The Committee approved the proposal and decided that it should go before the cabinet.

4. The case was accordingly circulated to the Hon'ble Premier through the H.M.(Edn.) for orders whether the subject might be included for the next meeting of the cabinet. The Hon'ble Premier minuted as follows:-

'The Standing Finance Committee approved this presumably without taking the ultimate cost into accou.t I find that the extra cost in 1949-50 will be about Rs 8,77,750. If this is correct the decision of the Standing Finance Committee should be revised.

O.P.R. (Ramaswami Reddiar)
23-3-48

It was then explained that the grant payable in 1949-50 would be Rs 8,77,750 in respect of institutions aided under the Grant-in-Aid

-Code-

P.T.O.

Code and Rs.2,23,290 in respect of institutions aided under the code of Regulations for European schools, i.e., Rs.11,01,040 on the whole. But the ultimate cost per annum thereafter would be only Rs.7,52,360 in the case of the former and Rs.1,91,390 in respect of the latter. The case was accordingly circulated to the Hon'ble Minister for Education and the Hon'ble the Premier for orders whether the proposal should be placed before the Standing Finance Committee for reconsideration or revision of its former decision or whether the subject may be discussed at the meeting of the Cabinet and the draft note issued. The Hon'ble Minister for Education minuted as follows:-

"Hon'ble Premier may decide. Possibly the matter may be referred to the Cabinet for final decision as the Finance Committee has once seen the matter."

T.S.A.(vinashilingam)
25-3-48.

The Hon'ble Premier minuted as follows:-

"Let it go before the Standing Finance Committee".

O.P.R(amaswami Reddiar)
30-3-48.

5. The point for decision now is whether the staff in aided educational institutions may be paid the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948 and whether the expenditure incurred on that account may be taken into account for purposes of assessment of teaching grants to those institutions.

6. The particulars to be furnished for financing new schemes of expenditure are given below:-

(a) Budget provision under the Major Head of Account (1948-9)	Rs.8,20,42,900
(b) Actual expenditure under the Major Head in the current year up to the end of April 1949	Nil
(c) Estimate of expenditure on the scheme in the current year	Nil.
(d) Savings in the budget provision for other items included in the major heads.	(No savings are anticipated at present)

M.V.Subramanian,
Secretary to Government.

Education and P.H.Department.

SUPPLEMENTARY NOTE FOR THE STANDING FINANCE COMMITTEE

Subject: Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1-1-1948.

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The original note on the subject was circulated on 2-4-48. In estimating the ultimate cost to Government the Director of Public Instruction previously calculated the grant towards dearness allowance to the staff in aided secondary schools at two thirds net cost basis. As the Government's liability in this regard is limited to half the cost at Government rates, the estimate has been revised. The cost in respect of dearness allowance for the staff in schools under the Code of Regulations for European schools has also been revised with reference to the actuals since received for expenditure on dearness allowance for 1946-47. The revised figures are as follows:-

SUMMARY OF COST.

Major Head of Account	Minor and sub-head of account.	Ultimate cost Recurring	Ultimate cost Non-Recurring	Cost in 1949-50 Recurring	Cost in 1949-50 Non-Recurring
(1)	(2)	Rs. (3)	Rs. (4)	Rs. (5)	Rs. (6)
37.C.Edn.University-Grants to non-Govt. Arts Colleges. (i) Excluding Post-War Reconstruction.	(i)A. Teaching voted	41,950	-	48,940	-
37 c.Edn.University Grants to non-Govt. Professional colleges	Teaching voted	1,000		1,160	
37-Edn-Secy., Direct-Grants to non-Govt. Secondary Schools-A.General	(i) Teaching Voted	4,83,000		5,63,500	
37.n.Edn.Special (i) Director grants to non-Govt. Special Schools-A.General(i) Excluding P.W.R.	(i) Teaching Voted	42,460		49,540	
	4.Other grants-Voted-Grants for the Edn. of defective children	1,780		2,070	
		5,70,190		6,65,210	

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1.	2.	3.	4.	5.	6.
		Rs.		Rs.	
37-g. Education - Secondary - Direct grants to non-Government Secondary schools - B. European.	(i) Teaching voted.	1,74,220		2,03,320	
37 (i) - Education-Primary - Direct grants to non-Government Primary Schools - B. European.	1. Teaching voted.	11,490		13,400	
37.n. Education-Special - Direct grants to non-Government Special Schools - B. European.	1. Teaching and other grants - Voted - Teaching.	3,400		3,970	
		1,89,110		2,20,690	

The ultimate cost in respect of the institutions aided under the Grant-in-Aid Code and the Code of Regulations for European Schools is as follows:-

	Ultimate cost.		Cost in 1949-50.		Cost as per figures furnished in the orgl. S.F.C. note.	
	Recurring.	Non-recurring.	Recurring.	Non-recurring.	~~XXXXXX XXXXX~~ Ultimate cost.	~~XXXX XXXXXX XXXXXX~~ Cost in 1949-50
	Rs.	Rs.	Rs.	Rs.	Rs	Rs.
Grant-in-Aid Code.	5,70,190	~~X,7XXXXXX~~ Nil.	6,65,210	Nil.	7,52,360	~~8,77,750~~ 877750/-
Code of Regulations for European Schools.	1,89,110	Nil.	2,20,690	Nil.	1,91,390	2,23,290
Total.	7,59,300		8,85,~~590~~ 900		9,43,750	1,101,040

M.V. SUBRAMANIAN,
SECRETARY TO GOVERNMENT.
(16--4--48).

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MEETING OF THE COUNCIL OF MINISTERS HELD AT FORT ST. GEORGE ON TUESDAY, THE 18TH MAY 1948.

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

B1

38221

The Hon'ble the Premier presided.

PRESENT.

1. The Hon'ble Dr.T.S.S.Rajan.
2. The Hon'ble Sri M.Bhaktavatsalam.
3. The Hon'ble Sri B.Gopala Reddi.
4. The Hon'ble Sri H.Sitarama Reddi.
5. The Hon'ble Sri K.Chandramouli.
6. The Hon'ble Sri T.S.Avinashilingam.
7. The Hon'ble Sri K.Madhava Menon.
8. The Hon'ble Sri Kala Venkata Rao.
9. The Hon'ble Sri A.B.Shetty.
10. The Hon'ble Sri V.Kurmayya.

AGENDA

Cases for the ratification of the decision of the Standing Finance Committee by the Cabinet:

(1) Grants to aided educational institutions towards payment of D.A. to the staff at the revised rates allowed to Government servants from 1-1-1948.

ORDER:

Approved.

O.P.RAMASWAMY REDDY

24/5

Education and Public Health Department.

23-3-49

23-3-49

E. & P. H. Department (B1)

SUB:- ALLOWANCE - Dearness - Staff in aided educational institutions - Payment at the revised rates from 1-1-48 - Expenditure to be admitted for grant - Orders passed.

(A)

READ: G.O. No.1854, Education, dated 10--1--1945.

***

ORDER (MS) NO. 1388 EDUCATION, DATED 29/5/48

Spl. Sec 27/5/48

The expenditure incurred by managements of educational institutions aided under the Grant-in-aid Code and the Code of Regulations for European Schools on payment of dearness allowance ~~allowance~~ to the members of the staff at rates not exceeding the rates admissible to Govt. servants prior to 1-1-48 is now taken into account in assessing the teaching grants payable to them under the provisions of the Code. The Govt. have considered the question whether the revised rates of dearness allowance allowed to Govt. servants from 1-1-48 should be allowed to the members of staff in the aided educational institutions and have decided (1) that the managements of aided educational institutions should be permitted to pay dearness allowance to the staff at the revised rates retrsopectively from 1-1-48 and (2) that the expenditure incurred by them on payment of the allowance at rates not exceeding the revised rates should be taken into account in assessing the teaching grants payable to them for 1948-49 and subsequent years. The grant will be limited to one half of the expenditure incurred on payment of dearness allowance to the staff in educational institutions aided under the Grant-in-Aid Code and will be payable only to those institutions which worked at a deficit. The ~~management~~ arrangement will remain in force so long as the scheme of dearness allowance for Government servants is in operation.

2. The D.P.I. is requested to instruct the managements of aided educational institutions to grant to the members of their staff dearness allowance at the revised rates shown in the annexure retrospectively from 1-1-48 and to inform them that the expenditure

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incurred on that account in the current year will be taken into account when assessing the teaching grant for 1948-49 in 1949-50.

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27/5/48

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To

The D.P.I.
The A.G. thr' Fin.
The D. I.& P.

desp
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Annexure.

Here enter items (1) to (12) in G.O. 99 Fin. d/ 29.1.48 (9)

Pay group.		Rate per mensem.
		Rs.
(1) Government servants on pay not exceeding Rs.20	...	18
(2) Government servants on pay exceeding Rs.20 but below Rs.40	...	19
(3) Government servants on pay of Rs.40	...	21
(4) Government servants on pay exceeding Rs.40 but not exceeding Rs.60	...	22
(5) Government servants on pay exceeding Rs.60 but not exceeding Rs.100	...	24
(6) Government servants on pay exceeding Rs.100 but not exceeding Rs.200	..	17½ per cent of pay plus an addition sum of Rs.8 per mensem.
(7) Government servants on pay exceeding Rs.200 but not exceeding Rs.300	...	17½ per cent of pay plus an additional sum of Rs.6 per mensem.

NOTE:- Officers drawing over Rs.200 but below Rs.205 will be allowed to draw dearness allowance at the rate applicable to group (6) if they find it more advantageous.

(8) All other Government servants on pay exceeding Rs.300 but not exceeding Rs.400		17½ per cent of pay (Existing rate)

NOTE:- Officers drawing over Rs.300 but below Rs.305 will be allowed to draw dearness allowance at the rate applicable to group (7) if they find it more advantageous.

(9) Government servants on pay exceeding Rs.400 but not exceeding Rs.500	...	Rs.70
(10) Government servants on pay exceeding Rs.500 but not exceeding Rs.750	...	Rs.85
(11) Government servants on pay exceeding Rs.750 but not exceeding Rs.1,000	...	Rs.100

NOTE:- Officers on pay over Rs.1,000 but under Rs.1,100 will be allowed an allowance which will bring their total emoluments to Rs.1,100. Those above this pay limit will cease to draw any dearness allowance.

(12) In the case of unmarried officers drawing Rs.250 and over, the dearness allowance will be restricted to 10 percent of pay subject to a maximum of Rs.75.

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Government of Madras

FINANCE DEPARTMENT

G.O. No. 99, 29th January 1948

Allowance—Dearness allowance and cost of living allowance—Revised orders—Issued.

READ—the following papers :—

I

G.O. No. 159, Finance, dated 28th August 1942.
G.O. No. 531, Finance, dated 6th October 1944.
G.O. Nos. 515, 516 and 517, Finance, dated 27th April 1945.
G.O. No. 827, Finance, dated 25th October 1947.
Official Memorandum No. 52199, Finance (E-I), dated 6th September 1947, to the Accountant-General.

II

Telegram to the Secretary to the Government of India, Ministry of Finance, New Delhi, dated 13th September 1947.

From the Secretary to the Government of India, Ministry of Finance, New Delhi, dated 30th October 1947, Express Letter No. 2 (43) E-II S/47.

Order—No. 99, Finance, dated 29th January 1948.

The Government have reviewed the existing scheme of cost of living (war) allowance and dearness allowance and have come to the conclusion that the rates sanctioned need to be revised. They direct that with effect from 1st January 1948 the distinction between dearness allowance and cost of living allowance and the difference between the "non-gazetted" and "gazetted" officers in respect of the rates of allowance be removed. As from 1st January 1948, officers, whether gazetted or non-gazetted, married or unmarried, will be eligible to draw dearness allowance at the revised rates shown below :—

Pay group.	Rate per mensem.
	RS.
(1) Government servants on pay not exceeding Rs. 20.	18
(2) Government servants on pay exceeding Rs. 20 but below Rs. 40.	19
(3) Government servants on pay of Rs. 40.	21
(4) Government servants on pay exceeding Rs. 40 but not exceeding Rs. 60.	22
(5) Government servants on pay exceeding Rs. 60 but not exceeding Rs. 100.	24
(6) Government servants on pay exceeding Rs. 100 but not exceeding Rs. 200.	17½ per cent of pay *plus* an additional sum of Rs. 8 per mensem.
(7) Government servants on pay exceeding Rs. 200 but not exceeding Rs. 300.	17½ per cent of pay *plus* an additional sum of Rs. 6 per mensem.

NOTE.—Officers drawing over Rs. 200 but below Rs. 205 will be allowed to draw dearness allowence at the rate applicable to group (6) if they find it more advantageous.

(8) All other Government servants on pay exceeding Rs. 300 but not exceeding Rs. 400.	17½ per cent of pay (existing rate).

NOTE.—Officers drawing over Rs. 300 but below Rs. 305 will be allowed to draw dearness allowance at the rate applicable to group (7) if they find it more advantageous.

Pay group.	Rate per mensem
	RS.
(9) Government servants on pay exceeding Rs. 400 but not exceeding Rs. 500.	70
(10) Government servants on pay exceeding Rs. 500 but not exceeding Rs. 750.	85
(11) Government servants on pay exceeding Rs. 750 but not exceeding Rs. 1,000.	100

NOTE.—Officers on pay over Rs. 1,000 but under Rs. 1,100 will be allowed an allowance which will bring their total emoluments to Rs. 1,100. Those above this pay-limit will cease to draw any dearness allowance.

(12) In the case of unmarried officers drawing Rs. 250 and over, the dearness allowance will be restricted to 10 per cent of pay subject to a maximum of Rs. 75.

2. With reference to his enquiry, the Accountant-General is informed that this Government asked the Government of India for a ruling as to whether the rate of dearness or war allowance prescribed by the Government of India would automatically apply to officers of the former Secretary of State's services who are serving in this Province or whether dearness allowance falls within the scope of the term "other matters" to be governed by rules framed by the Governors of Provinces under revised section 247, India (Provisional Constitution) Order. The Government of India have stated that Provincial Governments are competent to prescribe the rates and conditions for the drawal of dearness allowance for such officers serving in the Provinces. Since the Provincial Government are free to adopt their own policy in the matter, the Government have decided that no cost of living or dearness allowance need be given to officers drawing pay in excess of Rs. 1,000 per mensem (except in the marginal cases mentioned in the note under item 11 in paragraph 1), whether such officers are under the rule-making control of this Government or belong to the former Secretary of State's services. The above revised rates of dearness allowance will, therefore, apply to all officers serving in the Province.

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3. These modifications will take effect from 1st January 1948 (i.e., allowances at the above rates will be payable on the pay for January 1948 payable in February 1948) and will remain in force until further orders.

4. The question of issuing a consolidated set of rules regulating the grant of the allowance during leave, deputation, etc., is under separate consideration and orders will be issued shortly.

(By order of His Excellency the Governor)

D. W. DODWELL,
Secretary to Government.

To the Accountant-General, Madras.
,, all Heads of Departments.
,, all Departments of the Secretariat (all sections including C.C.B.)
,, the Director of Information and Publicity.
,, the Secretary, Madras Public Service Commission.
,, the Special Officer for (Departmental Enquiries).
,, the Principal Private Secretary to Hon'ble the Premier.

To the Hon'ble the Chief Justice, High Court of Judicature, Madras (with c.l.).
,, Chairman, Madras Port Trust (with c.l.).
,, Secretary to the Government of India, Ministry of Finance, New Delhi (with c.l.).
,, Secretary to Government, Finance Department of other Provincial Governments (with c.l.).

POST COPY OF TELEPHONE MESSAGE (BY POST) 33
Dated 28-7-48

M

30 JUL 1948

22

From
The Director of Public Instruction, MAdras.
To
The Secretary to Government,
Education and Public Health Department.

Sub: Financial Statement - Aided Secondary Schools - 1947-48 - Expenditure on D.A -Assessment of grant.

56739 H61-62 of 58
S.V.N
Ⓝ

In G.O.No.1854 Edn dated 10-1-45 and in the subsequent orders of Government on the subject, the Government have stated that the expenditure incurred by the management of aided educational institutions (other than Elementary Schools) on payment of Dearness or war allowance to the members of the staff at rates not exceeding those admissible to Government servants should be treated as approved expenditure and taken into account in assessing the teaching grant payable to them under the provisions of the Grant-in-aid Code.

Ⓑ

The basis of assessment has been raised from 1/2 to 2/3 of the approved net cost and to earn this grant a management should introduce at least the local body scales of pay fixed in G.O.975 Edn dated 10-5-47 Vide G.O.NO.1154 Edn dated 5-6-47. not put up

H29 30 of
Ⓡ

Kindly let me know with ref. to G.O.No.1388 Edn dated 29-5-48 whether the intention of Government is to pay only 1/2 grant on the expenditure on D.A. not withstanding the fact that the management become otherwise eligible for 2/3 grant from 1-6-47.

for Director of Public Instruction.

RVR 29/7/-

3/29/7

ASST. SECRETARY TO GOVERNMENT
31 JUL 1948
EDUCATION AND PUBLIC HEALTH DEPT.

POST COPY OF TELEPHONE MESSAGE
(BY POST)
DATED 30--7---1948.
£@£

From
The Director of Public Instruction, Madras.

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

Sub: Secondary Schools under Aided managements - Financial Statement 1947-48 - Expenditure on D.A. to staff - Payment of grant.

Ref: This office P.C. of T.M. dated 29-7-48 p l ante

56884

With reference to G.O.No.1854 Edn and Public Health Department dated 10-11-45 and subsequent orders on the subject the payment of D.A. to the members of the staff in Aided Educational Institutions is treated as an approved item of expenditure and is taken into account in assessing the teaching grant due under rule 32 Grant-in-aid Code. To illustrate it by an example

(A) Fee income at standard rates Rs. 25,000

(B) Expenditure: Salaries of Staff:
D.A.
Salaries of servants
Salaries of servants:
D.A.
Rent
Taxes
etc. Rs. 28,000

B - A Rs. 3,000

$$\frac{B - A}{2} = \frac{3000}{2} = 1500$$

Code Grant due Rs.1,500/-

Here the D.A. is taken into account and the entire expenditure is calculated and grant assessed. The basis of assessment has since been raised from 1/2 to 2/3rds of the net cost from 1-6-47 provided Local Body Scales have been adopted for the staff.

According to the latest orders (G.O.No.1388 Edn dated 29-5-48) the grant will be limited to one half of the expenditure incurred on payment of D.A. to the staff in educational institutions aided under the Grant-in-aid Code and will be payable only to those institutions which worked at a deficit. It appears that the intention of Government is that after satisfying that the school works at a deficit, the expenditure on D.A. alone as admitted should be excluded and grant sanctioned separately in which case the following difficulties arise.

(a) If the expenditure on D.A. is not excluded and grant assessed as is the practice hitherto:

(A) Fee income	Rs.25,000
(B) Expenditure including D.A.(2000)	Rs.26,000
B - A	1,000

$$1/2 \text{ grant } \frac{1000}{2} = 500/-$$

(b) If expenditure on D.A. is excluded and grant on it calculated separately.

A.	25,000
B.	24,000
D.A.	2,000
Expenditure	26,000

B is greater than A.
Hence deficit.

$$\text{Grant on D.A. } \frac{2000}{2} = 1000/-$$

P.T.O

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Thus it may be seen that an institution which will otherwise get only Rs.500 as Teaching grant now gets Rs.1000/-

To take another instance:

(A)	... 25,000
(B)	23,000
D.A.	2,004
Expenditure	25,004

As the school works at a deficit it is entitled to grant. Code grant will be 4/2 = 2/-

If grant on D.A. is to be given separately,

$$\frac{2004}{2} = \text{Rs.}1002/-$$

The management will thus be benefitted.

I request you to indicate clearly the intentions of Government in the matter of assessing Teaching grants. The references may be kindly treated as urgent.

for Director of Public Instruction.

RVR 30/7/-

B 30/7

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37 24

E&PH (131)

D 3.4 18/8

P.C. to go 23/8/48

Issued. 17/8/48.

17/8/48

T.M.

From:

The Secretary, E&PH Dept

To

The DPI.

Reference your TM (by post) d 30.7.48 re ~~Seconda~~ Secondary schools under aided managements - financial st for 1947-8 - calculation of grant towards expenditure on dearness allowance

The expenditure on dearness allowance should be treated as an approved item of expenditure and taken into account for deciding whether the school worked at a deficit or at a profit during the year for which the grant is claimed and after this is settled, the ~~grant~~ code grant should be calculated with reference to the net cost excluding the expenditure on dearness allowance on the basis of one half or two thirds as the case may be and the grant towards dearness allowance

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should be calculated ~~with~~ separately on the basis of one half of the expenditure actually incurred on payment of the allowance & ~~paid along with~~ added to the teaching grant payable to the institution.

USA
14.8.48

M
16/8/48

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EDUCATION DEPARTMENT.

FROM

THE DIRECTOR OF PUBLIC INSTRUCTION,
Madras.

26 FEB 1949

To

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

14935

R.C. No. 73-D2/49 dated 24th Feb. 1949.

Sir,

Sub: GRANT - Teaching grant - Aided Colleges - Payment of Dearness allowance - Calculation towards grant.

I have the honour to invite your attention to this office Telephone Message dated 28th January 1949 (copy enclosed for ready reference) and the reminder thereon dated 1st February 49 regarding the calculation of Dearness allowance for purposes of grant in respect of aided Colleges and request you to favour me with early orders on the same.

not received

Yours faithfully,

for DIRECTOR OF PUBLIC INSTRUCTION.

Ram.24/2.

24.2.49

p.t.o.

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- TWO -

Copy of Telephone Message dated 28-1-1949 of the Director
to the Assistant Secretary to Government,
Education and Public Health Department.

Messgge:
REF: Telephone Message dated 17--8--1948.
Sub: Payment of D.A. calculation towards grant.

PP37-38 of
GO 1388 Edn, 29/5/48

③

Please let me know whether the Principle indicated in the Telephone Message referred to above regarding calculation of D.A. applies to all institutions (including colleges) other than Elementary Schools.

Sd. V.K.Krishna Menon,
for Director of Public Instruction.

/True copy/

for Director of Public Instruction.

26

Afc

E.&P.H.(G)

P.C. to issue

Sent by a Spl. Messenger
5.3.49.

Dispatch at once by Spl messenger
5/3

P.r.f.

T.M

From
The Secretary to Govt, E&P.H. Dept, Madras

To
The DPI.

Sub:- Grant - Teaching Aided Colleges - Payment of Dearness Allowance - Calculation towards grant

Ref:- Your ~~[illegible]~~ letter Rc No. 73-D2/49 dt- 24/2/49

The instructions ~~[illegible]~~ issued in this Dept T.M dt- 17.8.48 ~~[illegible]~~ in respect of the calculation of ~~grant~~ ~~for~~

PP 37-38 of ③

42

2/

dearness allowance for the purpose of grant to
~~payment of dearness allowance in~~
~~aided~~ Secondary Schools apply to ~~aided~~
~~colleges also~~. all institutions including colleges,
but excluding elementary schools.

3/3/49.

4.3.49.

4/3/49

AS II / S

5/3/49

5/3/49.

[to be filed with G.O.M. 1388 Edn 29/3/48 after issue]

27

E&PH(B1)

Allowance - Dearness or cost of living - Staff in aided educational institutions - Payment at Govt rates -

ASST. SECRETARY TO GOVERNMENT
6/59
27 JAN 1948
EDUCATION AND PUBLIC HEALTH DEPT.

Please put up the existing orders relating to the payment of dearness allowance to teachers in aided secondary schools and note as to whether the recent revision of allowances will apply to these teachers also automatically or whether any special instructions will have to be issued in that respect. H.M.(Edn) wants this information immediately.

26/1/48.

(A) In G.O. No 1854 Edn d/ 10-11-45, the Govt directed that the expenditure incurred by managements of aided educational institutions on payment of dearness allowance to the members of their staff ~~up to one half of the rates~~ at rates not exceeding those admissible to Govt servants should be taken into account in assessing the teaching grants payable to them under the provisions of the Grant-in-Aid Code. As most of the managements were paying dearness allowance at less than Govt rates and with a view to ensure that the Govts' share of the allowance is paid in full, the Govt directed in G.O. No 1753 Edn of 11.9.46. that a special grant equal to ~~the~~ half the difference between the maximum amount of allowance admissible at Govt rates and the amount of allowance actually paid by the managements to the staff in aided educational institutions should be paid to the managements of aided educational institutions subject to the condition that the managements should disburse to the staff the amount of allowance due out of the special grant. This special grant is extended from year to year; The Govt have also amended rule 2 of the Grant-in-Aid Code to ensure that such of the managements as can afford to pay the allowance at Govt rates may be directed to do so. Vide G.O. No 2560 PH of 29.11.47. It will thus be seen that in all these orders the expression used is 'Govt rates' and that the Govt rates of allowance applicable

(X) 31-32 (7)

(P)/2

3

from time to time will be admissible to the staff in aided educational institutions also.

28

It is presumed that Finance would have taken into account in estimating the extra cost involved in the proposed additional dearness allowance, the cost in respect of the staff in aided educational institutions also and they will make it clear when issuing orders that the allowance will be admissible to the staff in aided educational institutions and that no special instructions need be issued after the issue of orders in that department. Finance may be consulted no. whether this presumption is correct.

A

HSR
27.1.48

May be circulated to H.M. Edn / first for information before sending the case to Fin. with reference to A above.

27.1.48

H.M. E.
28/1

H.M. (Edn)

13

This matter was raised by me at the Cabinet meeting today and by H.M. Finance. Generally, the Cabinet agreed that inthe

~~recent Government rates as specified above, the aided elementary school teachers also will get the benefit of this increment. The matter may be referred to Finance and made clear.~~

This matter was raised in the Cabinet meeting today by me. If we have bound ourselves to give half the Government rates to the aided secondary schools, it was suggested that ~~even~~ as a matter of course, this increased dearness allowance will be available to them. Now, I see that the G.O. refers specifically that half the Government rates will be paid to them. In these circumstances, I believe they are entitled to this increase along with others. The matter may be referred to Finance and made clear.

TSA
28-1-48

May be sent to Fin. U.O. for remarks.

28.1.48

SECRETARIAT, EDN. AND P. H. DEPT.
28 JAN 1948
GOVERNMENT OF MADRAS

E.P. N.G.O. 6159 B1/48-1
28-1-48
3512 E1
28/1/48

28 JAN 1948
FINANCE DEPARTMENT

29

H.M.(Finance).

In the matter of giving enhanced dearness allowance, we applied it to aided school teachers also.

The secondary school teachers are being given half the dearness allowance that we are giving to Government employees. I do not know whether that was included in the communique. We have bound ourselves to do it by a G.O. and I shall be glad if you will kindly go into the matter and issue a correction, if any, because this is only in continuation of the existing practice.

The matter may be looked into immediately, so that further complications may not arise.

TSA
29.1.48
H.M.Education.

S. Fin.
Pl examine early.
R.G.A
28.1

Spl
DW
29.1.48
D.S.
E.(I)

Finance (E.I).

30

Please see Edn.& P.H.'s remarks on pp.1--3 above and the minutes of H.M.(Edn) on pp.4 and 5 above.

At the meeting of the Council of Ministers held on 22-1-48, at which ~~the revision of the rates of dearness and cost of living allowances was~~ ~~also~~ ~~discussed, and~~ it was specifically ordered that the question of extending the concession regarding dearness allce to the employees of local bodies and teachers in aided elementary schools should be examined separately by the departments concerned. There was no mention at the time of aided secondary schools. [The note for the Cabinet ~~prepared~~ on the subject is put up at pp.1-3 flag (K).] The draft order sanctioning the revised rates of d.a. to Govt. servants put up in the main file does not refer to the issue raised in this file.

~~MMX~~ At the meeting of the Cabinet held to consider the budget for 1948-9 on 28-1-48, it was decided that the Edn.& P.H. department should examine separately and urgently whether any fresh orders are necessary to enable aided secondary schools ~~to~~ to get grants on the basis of half the cost of d.a. at the revised Govt. rates. Edn.& P.H. have therefore ~~may be requested~~ to examine the whole question in detail ~~take necessary action in this regard~~ in consultation with L.A. and this department and take the orders of the Govt.

H.I (W)
copy

A on p 1 (W)

aided
Sec. schools

Extract at p 3 (W)

Thro' Exp.A
~~B.G.~~

29.1.48

29.1.48

29.1.48

30.1.48

~~A.D.S~~ / ~~A.D.Try~~

~~D.S~~

30.1.48

30.1.48.

E & P.H.

Box

Fin

5512 E1/48-1
30 JAN 1948
30.1.48

The question in this file is about the payment of dearness allowance at the enhanced Govt. rates to the staff employed in secondary schools under

(1) private managements; and

(2) local bodies.

Fin. Dept. have stated in the note above that the question of extending the concession regarding dearness allowance to the employees of local bodies and teachers in aided secondary schools should be examined separately in detail by the E.& P.H. Dept. in consultation with L.A. and Fin. and orders of Govt. taken on it. It will be seen from the minutes of H.M.(Edn.) on pp.4 & 5 ANTE and the Cabinet decision at p.3 of (W) that suitable lump sum provision has been ordered to be made under the heads concerned for increasing the expre. on dearness allowance to the employees of local bodies and teachers in Aided Elementary Schools in accordance with the recent Cabinet decision in respect of higher rates of dearness allowance. Further at 'A' on p.3 of (W) E.& P.H. ~~was~~ has specifically asked to examine whether any fresh orders are necessary to enable Aided Secondary Schools to get grants on the basis of half the cost of dearness allowance at the revised Govt. rates. This examination has been made in the notes on pp.1-3 ANTE. If Fin. should consider that any fresh orders are necessary for giving effect to the revised rates of dearness allowance, such orders may be issued in this Dept. The details required for making necessary provision in the B.E. will be obtained from the D.P.I. in respect of aided secondary schools under private managements and secondary schools under local bodies. In the circumstances, it does not seem that orders should again be obtained for allowing the enhanced rates of dearness allowance to the staff in secondary schools under the managements mentioned above.

/ As a matter of 'form', [illegible] of substance.

/A

The case may be sent to Fin. U.O. for remarks before circulation.

2.2.48

'A' above: I agree. In this matter, (as also in the matter of allowing enhanced rates for aided elementary schools about which also Finance seem to be raising the question that the whole matter should be considered afresh), this Department take the view that a decision has already been taken by the Cabinet on the question of principle that the enhanced rates should be made applicable to all schools under local bodies, to teachers in aided elementary schools and teachers in aided secondary schools, and what was further required to be examined was only the question, whether as far as aided secondary schools are concerned, (no special orders being considered necessary in the case of schools under local bodies and aided elementary schools) any fresh orders would formally ~~have~~ be~~en~~ necessary to implement the above decision, or ~~a~~ the decision could be given effect to even with reference to the existing orders on the point. This Department

has pointed out, and H.M.(Edn) has endorsed the view, that no special orders would formally be necessary and only instructions need be issued to make it clear what the intention of Government is. If Finance do not agree with this view, and consider that formal orders are necessary, orders to that effect can be issued. But if Finance consider that an examination of the whole question, even on the point of principle whether the enhanced rates of dearness allowances are to be applied to schools of the type mentioned above, is necessary, orders will first be taken in circulation on that point.

3/2/48

ASST. SECRETARY TO GOVERNMENT
6719 Edn
4 - FEB 1948
FINANCE DEPARTMENT

A (X)

In G.O. No.1753 Edn. dated the 11th September 1946 orders were issued to the effect that managements of educational institutions (other than Elementary Schools) should be given a special grant, in addition to their usual teaching grant, equal to half the difference between the maximum amount of dearness allowance admissible at Government rates and the amount of allowance actually paid by the managements to the staff, and that managements would be required to disburse to the staff the amount of allowance due out of the special grant. This special grant was intended to be given, irrespective of whether the managements paid in full out of their funds their half of the allowance, and it was sanctioned only for 1946-47 (i.e. grant payable in 1946-47). The special grant was made admissible only to institutions which worked ⊗ at a deficit. In G.O.No.107 Education dated the 2nd January 1947, the above orders were made applicable to grants payable in 1947-8. No similar orders ~~do not seem to~~ have ~~been~~ yet been issued in respect of grants payable in 1948-9. In view of these orders, dearness allowance at Government rates is not included in arriving at the net cost in respect of aided secondary schools for

⊗ cf paras 2-6 of Finance note on p 11-12 of [illegible] 6-7

A (a)

(D)

for the purpose of assessing the grant. The amount paid by the management is alone included in the ~~normal~~ expenditure for the purpose of arriving at the net cost. Even here, a management will get a grant for dearness allowance only if it works at a deficit. Thus, there are no orders of the Government under which grants can automatically be given to aided secondary schools for paying dearness allowance at Government rates as revised recently. Special orders of the Government are necessary - See ~~Foot~~ Finance note on page 4 N.F. of G.O.No.107 Education dated the 23rd January 1947.

DwD ⓐ

2. When the question of enhancing the rates of dearness allowance to low-paid Government servants was considered by the Cabinet at its meeting held on the 22nd January 1948, the question of giving grants to aided secondary schools on the basis of the enhanced rates decided upon for Government servants was not considered. In the Note for the Cabinet, a rough estimate was given in respect of the additional liability that the Government might have to undertake if the enhanced rates proposed to be given to Government servants were made applicable to employees of local bodies and teachers in aided elementary schools. The decision of the Cabinet was that the question of extending the concession to employees of local bodies and teachers in aided elementary schools should be examined separately by the departments concerned. There was no reference to aided secondary schools in the Note for the Cabinet or the Cabinet decisions.

Note (2) on P. 7 of Ⓚ (See also para 7(1) on P 5 ibid)

'A' on P 1 of Ⓦ

3. At the meeting of the Cabinet held on the 28th January 1948 to consider the budget for 1948-9, H.M.Education suggested that grants might be made admissible automatically to aided secondary schools for paying dearness allowance at the enhanced rates recently sanctioned to Government servants, so that the matter need not be referred to the Standing Finance Committee or the Cabinet. The Cabinet did not accept the suggestion. It was decided by the

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'A' on P 3 of Ⓦ

Cabinet that the Education and Public Health Department should examine separately whether any fresh orders were necessary to enable aided secondary schools to get grants on the basis of half the net cost of dearness allowance at the revised Government rates. The lump.provision referred to in the Cabinet decision related only to schools of local bodies and aided elementary schools. There was no estimate of the extra cost ~~involved~~ that would have to be incurred if grants from the Government for aided secondary schools should be regulated with reference to the enhanced rates recently sanctioned to Government servants. The Cabinet could not therefore consider the question either at its meeting on the 22nd January 1948 or at that on the 28th January 1948, and it cannot be assumed that they have accepted in principle that the enhanced rates of dearness allowance should be made applicable to aided secondary schools. The Education and Public Health Department will have to prepare first an estimate of the extra cost involved. Ordinarily, the proposal should be referred to the Standing Finance Committee and the Cabinet, as a recurring liability is involved, and the amount is likely to be appreciable. As, however, H.M.(Education), it is understood, wants orders to be issued very urgently, the procedure adopted in the case of extremely urgent new schemes may be followed in the present case. Education and Public Health Department may take orders in circulation to H.M. (Education), H.M. (Finance) and the Hon'ble Premier (after preparing an estimate of the cost involved) and circulate a summarising note to other Hon'ble Ministers, C.S. Fin. Dept.

4. It is too late to make any provision in the budget for 1948-9 for the extra expenditure on this account, as the budget has been closed finally. The expenditure will have to be met by re-appropriation or a supplementary grant in the course of 1948-9, and the Accountant General asked to admit the expenditure in audit pending provision of funds.

P.T.O.

4. In the case of schools under local bodies (Secondary as well as Elementary) and aided elementary schools also, the decision of the Cabinet at its meeting on the 22nd January 1948 was only that the question of extending the enhanced rates sanctioned for Government servants to employees in the institutions mentioned above should be examined separately by the department concerned. Though the Cabinet ~~suggested~~ decided that a suitable lump sum provision should be made for the extra expenditure on this account and lump provision has been made accordingly, the usual financial procedure for "New Services" will have to be followed before orders sanctioning the grants can be issued, as the Accountant General held that in cases where a lump provision was made for a new service scheme in the budget on account of want of details, the new service procedure should be followed before it was sanctioned.

Education and Public Health may therefore be requested to prepare an estimate of the extra cost involved in these cases also in consultation with the L.A.Department and adopt the procedure for extremely urgent new schemes, i.e. obtain orders in circulation to H.M. Education, H.M. Finance and Hon'ble Premier before issuing orders sanctioning the grants and circulate a summarising note to other Hon'ble Ministers, C.S. & Fin. Dept.

'A' and 'B' 4.7

(4)

3/2/48

The Cabinet could not take any formal decision on the 28th January 1948 on the question of taking into account dearness allowance at the new Govt rates from 1.1.48 in calculating the grants for aided secondary schools, as no note had been prepared & no calculation of extra cost made. No provision had been made in the budget for the extra cost, & this was not allowed for in the note on dearness allowance prepared by Fin. for the Cabinet meeting on 22.1.48. However, the matter was mentioned at the Cabinet meeting on 28.1.48 by H.M. Edncn & no objection was raised to the principle of the proposal. In view of this, Fin. has no objn. to orders being issued after Cn. to H.M. Edn, H.M. Fin. and H.Pr. if they agree to waive the formal reference to the S.F.C. & the Cabinet. But E.P.H. will first have to give estimates of the cost on the basis of the previous Govt rates and the addl. cost that will be incurred by taking into account the new Govt dearness allowance rates.

4.2.48

E.P.H.

8357

Recd 6 Pm
4/2/48

orders sanctioned in G.O. 99 of 29/1

Fin. no. 6719 Exp. A/48-1
4.2.48

13

Edn. & P.H. Dept,(B1).

3321

Please see the Finance Department's note on pages 8-12 ante. They point out that as no formal decision was taken by the Cabinet on the 28th January 1948 on the question of taking into account dearness allowance at the new Government rates from 1--1--1948 in calculating the grant for aided secondary schools, orders of Government should be taken but they have no objection to orders being issued after circulation to H.M.(Education), H.M.(Finance) and Hon. Premier if they agree to waive the formal reference to the Standing Finance Committee and Cabinet. They point out that before doing so, estimates of cost on the basis of the previous Government rates and the additional cost that will be incurred by taking into account the expenditure on the payment of dearness allowance at the revised rates sanctioned in G.O.No.99 Finance, dated 29--1--1948 should ~~for~~ be given. This will have to be obtained not only in respect of secondary schools but in respect of all aided educational institutions (other than elementary schools).

(2)

2. Even in respect of grants to local bodies towards the expenditure incurred on payment of dearness allowance to the staff in their secondary schools, the Finance Department point out that the usual new service procedure will have to be followed before orders sanctioning the grants can be issued. The grant for 1947-48 is payable in 1948-49. Information in regard to the extra cost involved on this account will have to be called for from local bodies unless L.A. propose to call for the information in respect of this staff also.

para 4 on p12 of

3. A draft memo to the D.P.I. is submitted with reference to para 1 above. Action will be taken separately in respect of secondary schools under local bodies. An extract of para 4 of the Finance Department note will be given to B2 and C1 sections for taking necessary action in respect of elementary schools (aided as well as local board) if they have not already received intimation from Finance.

4. After issue, the file may be circulated to

P.T.O.

H.M.(Education) with reference to his minutes on pages 4-5 ante.

USK
6.2.48

~~HM~~
6/2/48 S/H ~~M~~ (Edn) [illegible]
6/2/48

H.M. (Fin.) - a.i.

[Issued as Memo 6159 B1/48-2 Edn Dt 6.2.48]

Extracts have been given
7/2

While discussing the Budget on the 28th January, I definitely said that this dearness allowance must apply to aided school teachers also to which Dr.Dodwell said that we have agreed to pay them at half Government rates ~~and~~ this increase will be taken up and ~~considered~~ allowed to them. But now Finance seems to think that further reference is necessary.

H.M.(Fin.) and H.Pr.may see.

TSA
7.2.48

1 FEB 1948

May be circulated to HM(Fin) and HPr. with reference to the minutes of HM (Edn) above

USK
9.2.48

9.2.48

S
9/2/48

~~HM (Fin)~~ H.(Fin.)

~~HPr~~ H.Pr.
21/2

9/2

When D.P.I sends his estimate, it may be considered by S.F.C as an urgent item and a decision arrived at.

If it is considered very urgent, Cabinet reference may be arranged

15.2

16 FEB 1948

28 FEB 1948

May be recirculated to HM (Edn) with reference to the minutes above.

23.2.48

S
23/2/48

HM (Edn.) (H.M. (Edn.))

The note to the D.P.I. may issue for submitting the estimates. The matter may be expedited. I don't want any agitation over this before we are going to do it ourselves. Already there has been a great deal of delay. I am sorry that from my note to this day, 15 days have elapsed for this small matter.

TSA
24-2-48

24 FEB 1948

With reference to the minutes of HM (Edn) above, it is submitted that the memo to the DPI calling for an estimate of the extra cost involved in the grant of the revised rates of dearness allowance allowed to Govt. servants to the staff in aided educational institutions had already been issued on 6-2-48 & the file was circulated to HM (Edn) only after issue

p1cf

The DPI may now be reminded. A draft DO is submitted below for approval.

USK
24-2-48

24.2.48

S
24/2

p. 3cf

[Issued as D.O. 6159 B1/48-3 Edn Dt 24.2.48]

p 7cf.

cno 15184/48 - From the DPI Ro.C. No 118 - D1/48 dt 28.2.48.

Please see the memo on pp 1-2 cf and the Director's reply on 7cf. Necessary extracts relating to the payment of special grant for dearness allowance to those managements of aided educational institutions which do not pay at Govt rates during 1947-8 have been taken and a separate file has been opened for orders on that point. This file deals with the question of the grant of dearness allowance at the revised rates allowed to Government servants to the staff in aided educational institutions (other than elementary schools) The DPI has furnished an estimate of the extra cost involved to Govt by way of grant if the revised rates

Vide linked file

/ are allowed to the staff in aided educational institutions. According to the existing orders under which the grant is limited to one half of the expenditure incurred at rates not exceeding the govt rates, the extra cost will be as shown below:—

	Immediate.	Ultimate
Aided colleges, secondary + Special schools (General)	1,45,090	752,360
Anglo-Indian and European Schools –	47,846	1,91,384
	192936	943744

2. At the time, the orders in G.O. No 1854 Edu of 10.11.45 were issued, teaching grants to aided educational institutions were assessed on the basis of half the net cost of maintenance. Since then, in the case of aided ~~of~~ secondary schools and training schools, the basis of assessment of teaching grants has been raised from one half to two thirds of the approved net cost of maintenance in respect of institutions which have adopted the revised scales of pay with effect from/after 1.6.47. In his letter on page 7 cf, the DPI has estimated the extra cost in respect of secondary schools under private management if grant towards dearness allowance is calculated on the basis of two thirds of the expenditure. It is for consideration whether the grant towards ~~the towards~~ the expenditure incurred on payment of dearness allowance to the staff to whom the revised scales of pay have been adopted may be paid on the basis of two thirds of the expenditure incurred or whether it may ~~be~~ continue to be paid on the existing basis of one half of the expenditure incurred on payment of the allowance at rates not exceeding the govt rates. In the latter case the grant for this item will have to be calculated separately and added to the teaching grant assessed with reference to the net cost arrived at excluding this item.

(A) 61-62 cf

M N This basis has not been altered for this particular item; we have to continue only this.

3 It is not clear whether the estimate of immediate & ultimate cost to govt on payment of grant towards dearness allowance calculated at 2/3 net cost basis furnished by the DPI includes the cost on account of the staff in Aided training schools or to Secondary Schools only

As the grant to training schools should be shown under 37 n Edn, Special. Direct grants to non-govt special schools.; this has presumably not been taken into account

Issued

3 A draft T.M is submitted below for approval. After issue the file may be sent to Finance u.o. for remarks with reference to para 2 above.

USK
2/3/48

2.3.48

Fin (G.O.)
Min. (a.i.)

2/3

EPH u.o. 6159 81/47-4
2/3/48

ASST. SECRETARY TO GOVERNMENT
14059
2 - MAR 1948
FINANCE DEPARTMENT

Fin (Exp.A)

(Previous Fin: note on pp 9-12 above)

The further notes of E&PH including the minutes of HM(Edn) and HM(Fin) may be perused.

With reference to para 2 of E&PH note on p 16 above, this dept. may agree with E&PH that the grant towards dearness allowance to the staff to whom revised scales of pay have been adopted may continue to be assessed on the existing basis, viz, one half of the expenditure incurred on payment of the allowance at rates not exceeding the govt. rates. and that the grant may be calculated separately as stated at N on p. 16 above (payment of the extra grants will fortunately be made only in 1948.9)

3.3.48

3/3/48

3.3.48

3/3/48 EPH

Fin no 14059 Exp.A.1
3.3.48.

ASST. SECRETARY TO GOVERNMENT
1948
EDUCATION AND PUBLIC HEALTH DEPT.
16167

Edn(A)

A. Please see the Fin dept's note above. They have agreed with this dept that the grant towards dearness allowance to the staff to whom the revised scales of pay have been adopted may continue to be assessed on the existing basis i.e one half of the expenditure incurred on payment of the allowance at rates not exceeding the Govt rates and that the grant for this item may be calculated separately and added to the teaching grant.

The file may be circulated to HM (Edn) with reference to his note on p15 ante for perusal of the estimates furnished by the DPI on p. 8. cf. and for orders as to whether the matter may be placed before the standing Finance Committee as suggested by HM (Fin) on p14 ante

KSK
3/3/48

3.3.48
4

HM (Edn)

(Seg in C.L)

~~8~~
4/3

A note may be prepared and circulated to be placed before the next Standing Finance Committee meeting which comes off on the 17th of this month. This subject may be put as one of the first items in the agenda as it is a matter to be decided early.

| A

TSA
4-3-48

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

A draft note for the Standing Finance Committee is submitted below for approval. It may be sent to Finance Dept. for acceptance. They may be requested to include the subject in the agenda for the next meeting as desired by HM (Edn) at A above

| B

KSK
5.3.48

5.3.48

S
6/3/48
Fin

6/3/48

E&P.H. U.O No 6159 B. /48-5

Fin (Exp. A)

(Last Fin. note on p17 above)

The draft note for the S.F.C. below may be accepted ~~and the Case returned to E&PH.~~

B above: The Subject will be included in the agenda for the next meeting of the S.F.C. to be held on 17.3.48.

Through S.F.C

6.3.48

6.3.48

6.3.48

6/3/48

D.S.

ASST. SECRETARY TO GOVERNMENT
15084
6 - MAR 1948
FINANCE DEPARTMENT

1735
7 - MAR 1948
EDUCATION AND PUBLIC HEALTH DEPARTMENT

6/3/48

E&PH

6.3.48.

36

Circulation on p. 40/48

The draft note for the Standing Finance Committee may be circulated for approval before issue

7.3.48

S
8/3/48
HM (Edn)

Thr. (Chr)

~~8~~
8/3

The note may be approved.

Hereafter, half sheets need not be introduced in the middle of the file. They create confusion. They are by no means economical. Only full sheets may be used.

TSA
9.3.48

Send extracts to all officers & Secretaries by D3.

Action taken copy given to all sections

11/3/48

SECRETARIAT, EDN. AND P. H. DEPT.
10 MAR 1948
GOVERNMENT OF MADRAS

20

0

Education and P.H.Department(B.1.)

21

Note for the Standing Finance Committee of the Cabinet.

Take copies at once

KON

37

Subject: Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1.1.48.

Summary of Cost.

Major Head of Account	Minor and sub-head of account	Ultimate cost Recurring	Ultimate cost Non-Recurring	Cost in the year of introduction Recurring	Cost in the year of introduction Non-Recurring.
		Rs		Rs	
37.C.Education-University Grants to Non-Govt. Arts Colleges (i)Excluding Postwar Reconstruction-Voted	(i) A. Teaching Voted	64800	-	16200	-
37.c.Education-University Grants to Non-Govt Professional colleges.	Teaching-Voted	2000	-	500	-
37.g.Education-Secondary Direct grants to non-Govt. Secondary schools-A.General	(i) Teaching-Voted	644000	-	161000 ~~120000~~	-
37.n. Education- Special Direct grants to non-Govt. special schools.A.General (i)Excluding PostWar Reconstruction.	(i) Teaching-Voted	38800		9700	-
	4.Other grants voted-Grants for the education of defective children	2760	-	690	
		752360	-	188090 ~~147090~~ 188090	
37(g) Education-Secondary Direct Grants to Non-Govt Secondary schools B-European	1. Teaching Voted	174530		43630	
37(k) Education-Primary Direct Grants to Non-Govt. Primary schools-B.European	1 Teaching voted	13460		3370	
37(n) Education-Special Direct grants to non-Govt Special Schools-B-European	1. Teaching & other Grants-Voted Teaching	3400		850	
	Total	191390		47850	

p.t.o.

2

(A) 61-62

(P)/II

In November 1945, the Government directed that the Expenditure incurred by Managements of Educational Institutions aided under the Grant-in-Aid-Code and ~~t~~ the Code of Regulations for European Schools on payment of dearness allowance to the members of the staff at rates not exceeding those admissible to Government servants should be taken into account in assessing the teaching grants payable to them under the provisions of the codes. The grant is limited to one half of the expenditure incurred on payment of the allowance and is payable only to those institutions which worked at a deficit ~~and~~. The arrangement ~~will~~ is to remain inforce so long as the scheme of dearness allowance for Government servants is in operation. In the case of those managements which do not pay the allowance to the members of the staff at Govt. rates, the Govt. are giving a special grant equal to half the difference between the maximum amount of dearness allowance admissible at Govt. rates and the amount of allowance actually paid by the managements subject to the condition that the managements should disburse ~~to the staff~~ the amount of allowance due out of the special grant so that the Govt's liability to meet one half of the expenditure on payment of dearness allowance to the staff in aided educational institution at Govt. rates may be discharged in full. The D.P.I. has been authorised to investigate into the financial position of every management which is not paying dearness allowance at Govt. rates and to direct the payment of the allowance at Govt. rates if the financial position of the management will permit the payment of the allowance in full.

Take copies

advance

(R)

2. It is now proposed to allow to the staff in aided educational institutions, the revised rates of dearness allowance sanctioned to Govt. servants from 1.1.48. The extra cost to Govt. by way of teaching grant, on account of the adoption by the managements of aided educational institutions of the revised rates of dearness allowance will be as shown in the summary at the top. There will be no extra expenditure on this account either in ~~the carret year~~ 1947-48 or ~~in the next year~~ 1948-49 as the additional amount of allowance payable to the members of the staff from 1.1.48 will actually be disbursed only in 1948-49 and the teaching grant for that year will be assessed and paid only in 1949-50. The cost in the year of introduction ~~is~~ shown in the summary represents the amount payable for the three months in 1947-48. It is considered

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23

38

that orders in regard to the applicability of the revised rates of dearness allowance to the staff in aided educational institutions should be issued immediately so that there may be no agitation over this matter. On this point HM (Fin) has minuted ~~vested~~ that this proposal may be considered by the Standing Finance Committee as an urgent item and a decision arrived at and that if it is considered very urgent, cabinet reference may be waived. HM (Food) on behalf of HM has accepted this.

USK
5.3.48

P II N.7

The points for consideration are

(1) - whether the staff in the aided educational institutions may be paid the revised rates of dearness allowance sanctioned to Govt. Servants from 1.1.48 and

(2) if so whether orders ~~for~~ on the subject may be issued without reference to the Cabinet.

3.

5.3.48

6/3

Despatched
11.3.48.

3

10. The particulars to be furnished for financing new schemes of expenditure are given below:-

(a) Budget provision under the Major Head of Account	Rs. 6,99,62,900 ✓
(b) Actual expenditure under the Major Head in the current year to the end of ~~November~~ December 1947 (for which the figure is available	Rs 3,99,13,864 ~~Rs. 3,19,98,703~~
(c) Estimate of expenditure on the scheme in the current year	Nil ✓
(d) Savings in the budget provision for other items included in the major heads	(No savings are anticipated at present)
(e) Total commitment in the year under the major Head on account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947.	Rs. 11,35,800
(f) Total commitment in the year under all major heads of account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947.	Rs. 3,75,08,300

EDUCATION & PUBLIC HEALTH DEPARTMENT.

***

Note for the Standing Finance Committee of the Cabinet.

Sub: GRANTS to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1-1-1948.

***

SUMMARY OF COST.

Major Head of Account.	Minor and sub-head of account.	Ultimate cost recurring Rs.	Ultimate cost Non-recurring Rs.	Cost in the year of introduction. Recurring Rs.	Cost in the year of introduction. Non-Recurring Rs.
37,C. Education - University Grants to Non-Govt. Arts Colleges (i) Excluding Postwar Reconstruction Voted	(i) A. Teaching voted	64,800	-	16,200	-
37.c. Education- University Grants to Non-Govt. Professional Colleges	Teaching -Voted	2,000	-	500	-
37.g. Education - Secondary Direct grants to NonGovt. secondary schools-A. General	(i) Teaching - Voted	6,44,000	-	1,61,000	-
37.n. Education - Special Direct grants to non-Govt. special schools. A. General (i) Excluding Postwar Reconstruction.	(i) Teaching Voted	38,800	-	9,700	-
	4. Other grants voted-Grants for the Education of defective children	2,760	-	690	-
		7,52,360		1,88,090	
37(g) Education -Secondary Direct grants to Non-Govt. secondary schools B - European	1. Teaching Voted	1,74,530		43,630	
37(k) Education-Primary Direct Grants to Non-Govt. Primary schools-B. European	1. Teaching Voted	13,460		3,370	
37(n) Education - Special Direct grants to non-Govt. Special Schools - B. European	1. Teaching & other grants Voted Teaching.	3,400		850	
		1,91,390		47,850	

p.t.o.

943750

In November 1945, the Government directed that the expenditure incurred by Managements of Educational institutions aided under the Grant-in-Aid Code and the Code of Regulations for European Schools on payment of dearness allowance to the members of the staff at rates not exceeding those admissible to Government servants should be taken into account in assessing the teaching grants payable to them under the provisions of the codes. The grant is limited to one half of the expenditure incurred on payment of the allowance and is payable only to those institutions which worked at a deficit. The arrangement is to remain in force so long as the scheme of dearness allowance for Government servants is in operation. In the case of those managements which do not pay the allowance to the members of the staff at Government rates, the Government are giving a special grant equal to half the difference ~~xxxx~~ between the maximum amount of dearness allowance admissible at Government rates and the amount of allowance actually paid by the managements subject to the condition that the managements should disburse to the staff the amount of allowance due out of the special grant so that the Government's liability to meet one half of the expenditure on payment of dearness allowance to the staff in aided educational institution at Government rates may be discharged in full. The Director of Public Instruction has been authorised to investigate into the financial position of every management which is not paying dearness allowance at Government rates and to direct the payment of the allowance at Government rates if the financial position of the management will permit the payment of the allowance in full.

2. It is now proposed to allow to the staff in aided educational institutions, the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948. The extra cost to Government by way of teaching grant, on account of the adoption by the managements of aided educational institutions of the revised rates of dearness allowance will be as shown in the summary at the top. There will be not extra expenditure on this account either in 1947-48 or in 1948-49 as the additional amount of allowance payable to the members of the staff from 1-1-1948 will actually be disbursed only in 1948-49 and the teaching grant for that year will be assessed and paid only in 1949-50. The cost in the year of introduction shown in the summary represents the amount payable for the three months in 1947-48. It is considered that orders in regard to the applicability of the revised rates of dearness allowance to the staff in aided educational institutions should be issued immediately so that there may be no agitation over this matter. On this point, the Hon'ble the Minister for Finance has minuted that this proposal may be considered by the Standing Finance Committee as an urgent item and a decision arrived at and that if it is considered very urgent, Cabinet reference may be waived. Hon'ble the Minister for Food on behalf of the Hon'ble the Premier has accepted this.

The points for consideration are: (1) whether the staff in the aided educational institutions may be paid the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948; and

(2) if so, whether orders on the subject may be issued without reference to the Cabinet.

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3. The particulars to be furnished for financing new schemes of expenditure are given below:-

(a) Budget provision under the Major Head of Account	Rs.6,99,62,900
(b) Actual expenditure under the Major Head in the current year to the end of December 1947 (for which the figure is available	Rs.3,99,13,864
(c) Estimate of expenditure on the scheme in the current year	Nil
(d) Savings in the budget provision for other items included in the major heads	(No Savings are anticipated at present)
(e) Total commitment in the year under the major Head on account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947	Rs. 11,35,800
(f) Total commitment in the year under all major heads of account of new schemes (not provided for in the budget) sanctioned since the beginning of the financial year upto the end of the month of December 1947.	Rs.3,75,08,300

M.V.Subramanian,
Secretary to Government.

PWR

The note for the Standing Finance Committee on pp 25-27 ante has been issued - The file may now be sent to Finance Dept. for use during the meeting of the Standing Fin Committee & for recording its recommendations

USR
12.3.48

12.3.48

E&P.H. U.O. No. 6159B1-48-6.
12.3.48.

ASST. SECRETARY TO GOVERNMENT
16363
12 MAR 1948
FINANCE DEPARTMENT

Fin U.O. 16343/SFC-1
18/3/48

20938

Standing Finance Committee.

The Committee approved the proposal.

The case should go before the Cabinet.

18/3/48

E-PH.

A note for the Cabinet is submitted below for approval. It may be circulated to HM (Edn) for approval. The file may be circulated to the Hon'ble Premier for orders whether the subject may be included for the next Cabinet meeting

USR
18.3.48

19.3.48

19.3.48

HM (Edn)

H. Pr

TSA
19.3.48

H. Pr:

19/3

The Standing Finance Committee approved this presumably without taking the ultimate cost into account. I find that the extra in 1949-50 will be about Rs 8,77,750. If this is correct, then the decision of the S.F.C. should be revised.

G.P.R
23/3

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

With reference to the minutes of the Hon'ble Premier above, attention is solicited to the note for the Standing Finance Committee on pp 25-27 ante. The ultimate cost and the cost in the year of introduction is shown in the summary at the top of the note. The ultimate cost per annum is the amount of grant payable towards the expenditure on payment of the allowance for a full year while the cost in the year of introduction represents the grant payable for three months - January February and March 1948. as ~~clearly~~ explained in the note for the standing Finance Committee. It is also stated therein that the grant towards the expenditure on payment of the allowance in 1947-8 and 1948-9 will be paid only in 1949-50. This amount has now been worked out and specified in the note for the Cabinet. ~~The presumption that~~ In the circumstances it seems that the standing Finance Committee should ~~should~~ ~~might~~ have considered ~~has not taken into account~~ the ultimate cost ~~is not therefore correct.~~ also before arriving at the decision. The ultimate cost given in the note for the Standing Finance Committee and the note for the Cabinet is the same. The figure Rs 8,77,750 referred to is the estimated amount of grant payable in 1949-50. This is in excess of the provision for a full year as the allowance due for January and February 1948 will also be paid in 1948-9 as arrears and grant towards one half of that expenditure will have to be paid. If excess expenditure in 1949-50 is to be avoided, the grant due in respect of the allowance payable for January and February may be calculated and paid in 1948-9 along with the teaching grant although the expenditure will actually be incurred only in 1948-9 and ~~should be carried to~~ will go into the accounts for that year. It ~~does not seem necessary to place~~ is therefore for consideration whether the proposal should go again before the Standing Finance Committee or the note for the cabinet may issue.

Finance may see prior to circulation.

7,52,360
1,25,393
8,77,753

This does not appear to be necessary
23.3.48

May be circulated for orders.

USK
23.3.48

23.3.48

23/3 Sect

Fin

19,13,90
31,898
2,23,298

23/3/48

E&P.H. U.O. No.
6159/B1/48-7
23/3/48

ASST. SECRETARY TO GOVERNMENT, FINANCE DEPARTMENT
23 MAR 1948
1975-8

(Last Fin: note on p18 above)

Please see the S.F.C. ~~note~~ (note for S.F.C. on pp 25:27 above), the minutes of H.Pr and the note of E&PH following ⊗. The grant payable in 1949-50 will be Rs. 8,77,750 in respect of institutions under the grant in aid Code and Rs. 2,23,290 in respect of institutions aided under the Code of Regulations for European Schools i.e. Rs. 11,01,040 on the whole. But the ultimate cost per annum thereafter will only be Rs. 7,52,360 in the case of the former and Rs. 1,91,390

⊗ The figure for 1949-50 is larger than the ultimate cost as the former is 15 months' charges.

(i.e. Rs 9,43,750 per annum on the whole)

in respect of the latter. E&PH propose that the case may be recirculated for orders whether the proposal should again go before the S.F.C. Finance may agree.

24.3.48

24.3.48

24/3/48

E&PH

Fin U.O. 19758 EA-1
24-3-48

Please see H.Pr.'s minutes on p.29 ante and the subsequent note on pp.30-31. The case may be circulated for orders whether -

(1) the proposal should be placed before the Standing Finance Committee for reconsideration or revision of its former decision,

OR

(2) the subject may be discussed at the meeting of the Cabinet and the draft note issued.

24.3.48

H.Pr.

H.Pr.

H.Pr. may decide.

Possibly the matter may be referred to the Cabinet for final decision, as the Finance Committee has once seen the matter.

TSA
25.3.48

Let it go to S.F.C.
C.P.R.
30/3

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

A note for the Standing Finance Committee is submitted below for approval. It may be sent to Finance U.O. for acceptance before circulation to S.F.C. As the matter is urgent, they may be requested to include the subject for the next meeting of the Standing Finance Committee.

ASST. SECRETARY TO GOVERNMENT, FINANCE DEPARTMENT
1 APR 1948
26388

E&P.H. U.O. No.
6159 B1/48-8
1.4.48.

1/4/48

USK
31.3.48

31.3.48

Finance (Exp A)

(Last Finance note on pages 30-31 above)

Please see the orders in circulation on page 31 above.

2. The draft note for the Finance Committee may be accepted.

3. 'K' on p 31 above The next meeting of the Standing Finance Committee will be held on 9.4.48. The agenda for the meeting has already been issued. It is for orders whether the subject of this file may be included in the Supplementary agenda.

2.4.48

2/4/48

2/4/48

Thro Fin (SFC)

(S)/p 3

(S)/pp1-2

2/4/48

DS

Yes. Supp S.F.C. to note this

2/4

x Then same item to be included in the Supplementary Agenda.

AS

E-PHS

E-PH

Edn and P H Depts

Extracts taken

2/4

The 9.4.48 is the date of the next meeting of the S.F.C. HM (Edn) returns from tour only on 7.4.48 The ~~draft~~ note to the S.F.C may therefore issue and the file circulated to HM (Edn) after issue.

2.4.48

S

2/4

HM (Edn)

M. (Fin.) - a.i.

Fin UO 26388 EA-1

2.4

ASST. SECRETARY TO GOVERNMENT
2 APR 1948
EDUCATION AND PUBLIC HEALTH DEPT.

TSA

3/4

The file may now be sent to Finance for use at the meeting of the Standing Finance Committee & for recording its decision.

8.4.48

8.4.48

8.4.48

Fin

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

E&P.H. U.O. No. 6159 B1/48-9
8/4/48.

ASST. SECRETARY TO GOVERNMENT
28313
APR 1948
FINANCE DEPARTMENT

p 17 c.f. CNO 27594/48. From the DPI Roc. no 118-D1/48 d 15.4.48

Please see the memo & the Director's reply to it on pp 15-17 c.f. The DPI states that so far as aided Secondary schools, the ultimate cost to Govt on account of the grant of dearness allowance at revised rates was worked out on two thirds net cost basis previously with reference to G.O. no 1152 Edn d 5.6.47. As the Govt have not undertaken to pay more than half the expenditure on dearness allowance, he has now furnished a revised estimate of cost. The Director has also estimated the cost in respect of colleges & special schools accordingly now. With reference to the figures now reported a ~~necessary~~ ~~corrections are indicated in pencil in the~~ supplementary note for the Standing Finance Committee ~~now~~ is kept below. The ~~revised~~ note may be sent to Finance now for acceptance before circulation.

The original figures furnished by the D.P.I were also based on rough calculation pl see A on 18 c.f.

15.4.48

15.4.48

15.4.48

~~AST~~ AST

16/4/48

E&P.H. U.O. No. 6159 B1/48-11
16/4/48

Finance (Exp. A)

(Last Finance note on the previous page)

The Supplementary note for the S.F.C placed below may be accepted, subject to the inclusion of the original figures reported by the D.P.I. for facilitating comparison. (This has been indicated in pencil).

The subject of this file has already been included in the agenda for the meeting to be held to-morrow (17.4.48) - see item 9 on p 1 of flag GG

16.4.48

F/1 P c.f.

(B) and mentioned in the main SFC note.

Thro' SFC

16/4/48

16/4/48

16.4.48

DS

17/4

E-PH

May be circulated to HM (Edn) for approval of the ~~note to~~ supplementary note to the S.F.C

16.4.48

S

16/4/48

M. (Fin.)

Fin UO 29937 EA-1
16.4.48

TSA
16-4-48

SECRETARY, EDN. DEPT.
26 APR 1948
GOVERNMENT OF MADRAS

ED (2)

The file may be sent to Finance u.o. after copies of the note are despatched

26.4.48

26-4-48 Fin (u.o.)

E. & P.H. u.o. no.
6159 B/48-12
dated 17-4-48

Standing Finance Committee.

The Committee approved the proposal as shown in the modified figures.

pp 25-26 cf

19/4/48

E. & P.H.

Fin. u.o. 02833/SFC-1
19-4-48

28586

A note for the Cabinet is submitted below ~~for approval~~. It may be circulated ~~to H.M. (Edn)~~ for approval. The file may be circulated to the Hon'ble Premier for orders whether the subject may be included for the next Cabinet meeting. Fin. may see before circulation.

20-4-48

20-4-48

Fin.

Fin.

21/4

Fin. (Exp. A)

(Last seen in Fin. on p 33 above)

29117

The note for the Cabinet placed below may be perused and the file returned to E & P.H.

21.4.48 E&PH

21-4-48

E&P.H. U.O. No.
6159 B/48-13.
21/4/48

21 APR 1948
3100 EA
FINANCE DEPARTMENT

May be circulated to H.M. (Edn.) for approval of the note for the Cabinet and to H.Pr. for orders as to inclusion of the subject for the next Cabinet meeting.

21-4-48

Fin. no. 3100/Expt A/48-1
H.M. (Edn.) 21.4.48.

O.P.R.

29415

24 APR 1948
GOVERNMENT OF MADRAS

Copies of note

The file may be sent to Pub (Special) after issue of the note.

Public (Spl.)

24/4/48

E&P.H. U.O. No.
6159 B/48-14.
25/4/48

Education and Public Health Department.
(B1).

114

SUPPLEMENTARY NOTE FOR THE STANDING FINANCE COMMITTEE.

Please take copies at once & despatch
16/4/48

Sub: Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1--1--1948.

The original note on the subject was circulated on 2--4--48. In estimating the ultimate cost to Government the Director of Public Instruction previously calculated the grant towards dearness allowance to the staff in aided secondary schools at two thirds net cost basis. As the Government's liability in this regard is limited to half the ~~net~~ cost at Government rates, the estimate has been revised. The cost in respect of dearness allowance for the staff in schools under the Code of Regulations for European Schools has also been revised with reference to the actuals since received for expenditure ~~for~~ on dearness allowance for 1946-47. The revised figures are as follows:

SUMMARY OF COST.

Major Head of Account. (1)	Minor and sub-head of acct. (2)	Ultimate cost. Recurring. Rs. (3)	Ultimate cost. Non-recurring. Rs. (4)	Cost in 1949-50. Recurring. Rs. (5)	Cost in 1949-50. Non-recurring. Rs. (6)
37. C. Edn. - University - Grants to non-Govt. Arts Colleges. (i) Excluding Post-war Reconstruction.	(i) A. Teaching. voted.	41,950	-	48,940	-
37. e. Edn. - University - Grants to non-Govt. Professional Colleges.	Teaching voted.	1,000		1,160	
37. g. Edn - Secy - Non-Govt. Secy. Schools - A. Genl.	(i) Teaching. voted	4,83,000		5,63,500	
37. n. Edn. - Spl. (i) - Direct grants to non-Govt. Spl. schools - A. Genl. (i) Excluding P.W.R.	(i) Teaching voted.	42,460		49,540	
	4. Other grants - voted - Grants for the Edn. of defective children.	1,780		2,070	
		5,70,190		6,65,210	

P. T. O.

-2-

1.	2.	3.		4.	
		Rs		Rs	
37.g. Edn. - Secy - Direct grants to non-Govt. Secy. Schools - B. European.	(i) Teaching voted.	1,74,220	-	2,03,320	-
37(i) - Edn. Primary - Direct grants to non-Govt. Primary Schools - B. European.	1. Teaching Voted.	11,490		13,400	
37.n. Edn. - Spl. - Direct grants to non-Govt. Spl. schools - B. European.	1. Teaching & other grants - Voted - Teaching.	3,400		3,970	
		1,89,110		2,20,690	

2. The ultimate cost in respect of the institutions aided under the Grant-in-Aid Code and the Code of Regulations for European Schools is as follows:-

	Ultimate cost. Rs.	Cost in 1949-50. Rs.		
Grant-in-Aid Code.	5,70,190 ✓	6,65,210 ✓	7,52,360	8,77,[illegible]
Code of Regulations for European Schools.	1,89,110 ✓	2,20,690 ✓	1,91,390 ✓	2,23,2[illegible]
Total	7,59,300	8,85,900	9,43,750	11,[illegible]

T 5-4-48

37

9

Education and P.H.Department.

115

SUPPLEMENTARY NOTE FOR THE STANDING FINANCE COMMITTEE
[Meeting on 17-4-48]

Subject: Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1-1-1948.

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The original note on the subject was circulated on 2-4-48. In estimating the ultimate cost to Government the Director of Public Instruction previously calculated the grant towards dearness ~~allowance~~ allowance to the staff in aided secondary schools at two thirds net cost basis. As the Government's liability in this regard is limited to half the cost at Government rates, the estimate has been revised. The cost in respect of dearness allowance for the staff in schools under the ~~codex~~ Code of Regulations for European schools has also been revised with reference to the actuals since received for expenditure on dearness allowance for 1946-47. The revised figures are as follows:-

SUMMARY OF COST.

Major Head of Account	Minor and sub-head of account.	Ultimate cost Recurring	Ultimate cost Non-Recurring	Cost in 1949-50 Recurring	Cost in 1949-50 Non-Recurring
(1)	(2)	Rs. (3)	Rs. (4)	Rs. (5)	Rs. (6)
37.C.Edn.University-Grants to non-Govt. Arts Colleges. (i)Excluding Post-War Reconstruction.	(i)A. Teaching voted	41,950	-	48,940	-
37 e.Edn.University Grants to non-Govt. Professional colleges	Teaching voted	1,000		1,160	
37-Edn-Secy., Direct-Grants to non-Govt. Secondary Schools-A.General	(i) Teaching Voted	4,83,000		5,63,500	
37.n.Edn.Special (i)Director grants to non-Govt. Special Schools-A.General(i) Excluding P.W.R.	(i) Teaching Voted ✓	42,460		49,540	
	4.Other grants-Voted-Grants for the Edn. of defective children	1,780		2,070	
		5,70,190		6,65,210	

1.	2.	3.	4.	5.
		Rs.		Rs.
37.g. Education - Secondary - Direct grants to non-Government Secondary schools - B. European.	(i) Teaching voted.	1,74,220		2,03,320
37 (i) - Education-Primary - Direct grants to non-Government Primary Schools - B. European.	1. Teaching voted.	11,490		13,400
37.n. Education-Special - Direct grants to non-Government Special Schools - B. European.	1. Teaching and other grants - Voted - Teaching.	3,400		3,970
		1,89,110		2,20,690

The ultimate cost in respect of the institutions aided under the Grant-in-Aid Code and the Code of Regulations for European Schools is as follows:-

	Ultimate cost.		Cost in 1949-50.		Cost as per figures furnished in the orgl. S.F.C. note.	
	Recurring.	Non-recurring.	Recurring.	Non-recurring.	Ultimate cost.	Cost in 1949-50
	Rs.	Rs.	Rs.	Rs.	Rs	
Grant-in-Aid Code.	5,70,190	Nil.	6,65,210	Nil.	7,52,360	~~8,77,750~~ 877750/-
Code of Regulations for European Schools.	1,89,110	Nil.	2,20,690	Nil.	1,91,390	2,23,290
Total.	7,59,300		8,85,590		9,43,750	1,101,040

M.V. SUBRAMANIAN,
SECRETARY TO GOVERNMENT.
(16--4--48).

24/4/48

46

Note for the Cabinet.

Subject. Grants to aided educational institutions towards the payment of dearness allowance to the staff at the revised rates allowed to Government servants from 1.1.48

In November 1945, the Government directed that the expenditure incurred by Managements of Educational institutions aided under the Grant-in-Aid Code and the Code of Regulations for European Schools on payment of dearness allowance to the members of the staff at rates not exceeding those admissible to Government servants should be taken into account in assessing the teaching grants payable to them under the provisions of the codes. The grant is limited to one half of the expenditure incurred on payment of the allowance and is payable only to those institutions which worked at a deficit. The arrangement is to remain in force so long as the scheme of dearness allowance for Government servants is in operation. In the case of those managements which do not pay the allowance to the members of the staff at Government rates, the Government are giving a special grant equal to half the difference between the maximum amount of dearness allowance admissible at Government rates and the amount of allowance actually paid by the managements subject to the condition that the managements should disburse to the staff the amount of allowance due out of the special grant so that the Government's liability to meet one half of the expenditure on payment of dearness allowance to the staff in aided educational institution at Government rates may be discharged in full. The Director of Public Instruction has been authorised to investigate into the financial position of every management which is not paying dearness allowance at Government rates and to direct the payment of the allowance at Government rates if the financial position of the management will permit the payment of the allowance in full.

2. It is now proposed to allow to the staff in aided educational institutions, the revised rates of dearness allowance sanctioned to Government servants from 1-1-1948. ~~The extra cost to~~

3. The matter was placed before the standing Finance Committee at its meeting held on the 17th March'48. In the note for the Committee the extra cost to Government by way of teaching grant on account of the adoption by the managements of aided institutions of the revised rates of dearness allowance was shown as follows in the summary:-

		Ultimate cost Recurring	Cost in the year of introduction Recurring
		Rs.	Rs
Teaching grants to Non-Government Arts and Professional Colleges Non-Government Secondary and Special Schools - General	Total.	7,52,360	1,88,090
Teaching grants to Non-Government Secondary Schools, Primary Schools and Special Schools - European	Total	1,91,390	47,850

It was explained that there would be no extra expenditure in 1947-48 or in 1948-49 as the additional amount of allowance payable to the members of the staff from 1-1-48 will actuallybe disbursed in 1948-49 rendering the managements eligible for grant in 1949-50 only, and that the cost in the year of introduction shown ~~in the summary~~ above represented the amount payable for the three months in 1947-48. The Committee approved the proposal and decided that it should go before the cabinet. According to this estimate the grant payable in 1949-50 would be Rs 8,77,750 in respect of institutions aided under the Grant in Aid Code and Rs 2,23,290 in respect of institutions aided under the Code of Regulations for European Schools i.e. Rs 11,01,040 on the whole

2

4.~~3~~4. The case was accordingly circulated to the Hon'ble Premier through the H.M.(Edn.) for orders whether the subject might be included for the next meeting of the cabinet. The Hon'ble Premier minuted as follows:-

'The Standing Finance Committee approved this presumably without taking the ultimate cost into account I find that the extra cost in 1949-50 will be about Rs 8,77,750. If this is correct the decision of the Standing Finance Committee should be revised.

O.P.R. (Ramaswami Reddiar)
23-3-48

5 In estimating the ultimate cost to Govt, the DPI calculated the grant towards dearness allowance to the staff in aided secondary schools at two thirds net cost basis. As the Govts' liability in this regard is limited to half the cost at Govt rates, the estimate had to be revised. The cost in respect of dearness allowance for the staff in schools aided under the Code of Regulations for European Schools had also to be revised with reference to the actuals for 1946-7. The matter was therefore placed again before the Standing Finance Committee on 17. 4. 48 with a revised estimate of cost as shown below:-

	Ultimate Cost Recurring	Cost in 1949-50 Recurring	Cost as per figures furnished in the original S.F.C. note: Ultimate cost	Cost in 1949-50
Institutions aided under the Grant-in-Aid Code	5,70,190	6,65,210	7,52,360 -	8,77,750
Institutions aided under the Code of Regulations for European schools	1,89,110	2,20,690	1,91,390.	2,23,290
Total.	7,59,300	~~8,85,890~~ 900 885,900	9,43,750	11,01,040

The Committee approved the proposal as shown in the p34nf modified figures.

6 The point for consideration is whether payment of dearness allowance at the revised rates may be allowed to the staff in non-government educational institutions aided under the Grant in Aid code and the Code of Regulations for European Schools with effect from 1.1.48 as in the case of Government servants and the expenditure that may be incurred on that account may be taken into account in assessing the teaching grants payable to those institutions under those Codes for 1947-8 & subsequent years. It is considered that orders in this regard should be issued soon so that there may be no agitation by teachers over this matter.

VSR
?4/48

20.4.48

Ulluy

Public (Spl) Dept

47

H. Pr. has ordered that the subject of this file may be discussed at the next meeting of the Council of Ministers. The date of the next meeting will be intimated separately. The file may now be sent to E&P. H. Dept.

26.4.48

40301
26 APR 1948

1817/45
26/4/48

This may lie over till the date of the next meeting is [illegible] for H.M.(Edn) [illegible] for information.
26-4-48

26/4

27 APR 1948

TSA
27-4-48

Please see the notes of Pub (Spl) Deptt. and the orders in circulation above. It is learnt that the next meeting of the cabinet is to take place on 18-5-48. The file may be sent to Pub (Spl) U.O. for use at the meeting.

11.5.48

Public (Special)

11/5/48

VSR
11/5/48

28 MAY 1948
40144 A.E.A.

12 MAY

E&P.H U.O. No.
6159 B1/48-15.
11/5/48.

Please see the cabinet decision at page 27cf.
A draft order is submitted for approval. Finance may see before issue

27/5/48

27.5.48

VSR
27/5/48

E&P. H. U.O. No.
6159 B, /48-16
28/5/48

Fin (Exp. A)

(Last Fin: note on p 34 above)

Please see the order of the Cabinet on page 27 cf.

The Draft order below may be accepted and the

Case returned to E & P.H.

28.5.48

~~A.S.~~ 28/5/48

E.T. 28.5.48

E & P.H.

28/5

Draft may issue.

28.5.48

Fin. U.O. 40144 A Exp. A-1
28.5.48

39610

43

E & P.H. Deptt: (B1).

Allowance - Dearness - Staff in aided educational institutions - Expenditure - Assessment of grant - clarification or orders.

48

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pp 1-3 cf

From the D.P.I. Post copy of T M dated 28-7-48 and 30-7-48.

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pp 29-30 of cf (R)

In G. O. No.1388 Edn., dated 29-5-48, the Govt. directed that the expenditure incurred by the managements of aided Secondary Schools on payment of dearness allowance to the members of the staff at rates not exceeding the revised rates applicable to Govt. servants from 1-1-48 should be taken into account in assessing the teaching grant payable to them for 1948 - 9 and subsequent years, that the grant for this item should be limited to one half of the expenditure incurred on payment of the allowance and paid only to those institutions which worked at a deficit. With reference to this order, the D P I points out that if the grant is assessed with reference to the net cost arrived at without excluding the expenditure on D.A, the amount of grant payable will be less than the amount payable, if expenditure on dearness allowance is excluded and grant on it is calculated separately and that the management will be benefited if the grant on the expenditure on dearness allowance is calculated separately as per G.O. 1388 Edn., dated 29-5-48. The intention of Govt is that the managements should be compensated to the extent of one half of the expenditure incurred on payment of dearness allowance and that the Govt's liability in this regard should be discharged in full. This object will not be served if the expenditure on payment of dearness allowance is not excluded and grant on it is not calculated separately. ~~For example~~ In the first example cited by the D.P.I. the management will get a grant of Rs.500 only against an expenditure of Rs.2,000 on payment of dearness allowance alone and in the Second example Rs.2 only. It seems therefore that the grant on dearness allowance should be calculated separately. The code grant should be calculated

p2 cf

pp 29-30 of cf (R)

Go 1753 Fin / 11-9-46 (Z)/34 cf

p3 cf

4-8-48

2·(S.1 A)

with reference to the net cost excluding the expenditure on dearness allowance on the basis of one half or two-thirds as the case may be. The D.P.I. may be informed accordingly. For purposes of illustration, the D.P.I. has cited a case where the difference between the fee income and the expenditure on the maintenance of the School is small. The position will be different in a majority of cases. For example in a case where the difference (between the income & expenditure) is greater than the expenditure on dearness allowance, the management will get the code grant plus the grant towards expenditure on dearness allowance.

But for deciding whether the school is deficit or not the expenditure on d.a. will have to be taken into account

For example

Fee income	Rs.	25,000
Expenditure other than D.A.		30,000
D.A.		2,000
Total expenditure		32,000
Deficit		7000

~~The grant payable in this case~~

The grant payable in this case will be 2/3 of Rs. 5,000 (Rs 30.000 - Rs25000) + ½ of Rs.2,000.

4/8/48

Finance may see, for remarks if any, before a reply is given.

3/8/48 4-8-48 S 5/8/48

E&P.H. U.O. No.
56739 B1/48-1 Edn.
5.8.48.

ASST. SECRETARY TO GOVERNMENT
6 AUG 1948
FINANCE DEPARTMENT
76849 E.A

Fin (Exp A)

Please see the note of E&PH on pp 1-2 above.

2. Finance may agree with the views of E&PH on pp 1-2 above – cf the note on pp. 35-36 n.E in G.O 1388 Edn. of 29.5.48 at flag (R).

11.8.48 11.8.48 12.8.48

ASS/8

12.8.48 E&PH

Fin. U.O. 76349 E.A 1
12.8.48

ASST. SECRETARY TO GOVT.
14 AUG 1948
608:4
EDUCATION AND PUBLIC HEALTH DEPT.

45

E&PH (B1)

Please see the Finance Deptt's note on page 2 ante. They have agreed with the views of this Deptt in regard to the payment of grant for expenditure on dearness allowance.

A draft T.M is submitted below for approval. After issue, the papers may be filed with G.O. No 1388 Edn of 29.5.48 (R)

14.8.48 16/8/48 S

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