

Edm. & P.H (1949) Department.

Ms. SERIES.

closed

G.O. NO. 2664, Edm.

*AB
S. 412*

Dated 23-8-1949.

*P-9-11 to be
typed*

*DP 1-58
DP 9-11-4
p-138
DP 21-22-6*

[Despatch Abstract.]

Edm. - Relief and Rehabilitation of
Refugee students from Pakistan -
Financial assistance - Bona fide
losses in working the scheme -
Papers recorded.

to land.

This expenditure would be limited to
The rest of the expenditure on the
be met by the provinces or state exchequer

(d) Expenditure on schemes which may be approved by the Government of India from time to time. Schemes will be supplied by the Government of India to the civil accountants General concerned and the Provincial accountants conveying their concurrence to the Provincial Government.

6. In addition to expenditure detailed in paragraph 5, it may be necessary to include other items of expenditure in connection with the project.

(a) loans to students to enable them to continue their studies at colleges and at technical institutions.

(b) Grant of loans to refugees to settle on land for the purchase of agricultural implements, bullocks, seed, fodder etc. and for repairing houses. These loans are given under the Government loans current in various provinces and States.

(d) Loans to urban refugees in order to enable them to settle in profession, trades, crafts, business or industry.

(A) Domestic violence for refugees.

All this expenditure will be met by loans and where provinces or states are unable to finance such loans from their own resources the Central Government are prepared to grant loans to the provinces and states. The loans for (a)(b) and (c) above will be for short term periods of, say, from 2 to 5 years; and for (d) for long periods of, say, 10 to 20 years. The Government of India has to raise loans in the open market on payment of interest and provinces and states will have to pay the same rate of interest at which the Government of India has itself to borrow. Where no interest is charged on the loans advanced to refugees under the scheme sanctioned by the Govt. of India, provinces and states will not be required to pay to the Central Government any interest in respect of loans thus advanced. The rate of interest on the loans will depend on the period for which it is given but on short-term loans it will be about 3% and on long-term loans about 4%.

An Nagasaki bonafide loan in the case of the various loans, there will be shared on a 50:50 basis between the Centre and the provinces/states.

7. The instructions contained in pages 2 to 4 will apply mutatis mutandis to the expenditure detailed in pages 5 and 6 above.

8. I am directed to add that sanction to detailed expenditure on relief and rehabilitation will be issued by the Finance Department of Province/State and communicated to Accountants General in the case of the former and to A.G.(F.M.A.) in the case of the latter. This will be necessary even in those cases where general sanction is accorded by the Government of India.

ed. Dr. J. Morgan,
Joint Secretary to the Govt. of
India.

1. The following information was obtained from the records of the Department of the Interior, Bureau of Land Management, regarding the land owned by the United States in the State of Nevada:

"2. the instructions contained in the above letter presuppose current classification. It is, therefore, requested that you will ensure that the above information is correctly classified in the provincial records and that the expenditure not covered by the above is transferred to the Government of India."

GOVERNMENT OF MADRAS
Education and Public Health Department
Endorsement No.1276 G3/49-1 Edn. dated

Subject: Education- Relief and rehabilitation of refugee
Pakistan- Financial and reimbursement of expenditure

A copy of the letter from the Government
Ministry of Finance No.D.4401/FR/48 dated 14-12-1948 is
the Director of Public Instruction/Director of Public Health
necessary action.

M.V. Subramania
Secretary to Government

To the

(with enclosure)

RP/28.1.

Forwarded-By Order

Superintendent

Copy of letter No.B.4461/FR/48 dated 14th December 1948 from the Government of India, Ministry of Finance to all the Provincial Governments,

Sub: Financial aid to Provinces and States for expenditure on relief and rehabilitation of refugees.

In continuation of this Ministry's letter No.D.3643/FR. 48 dated 26th July 1948, I am directed to state that the Government of India have decided to reimburse to the extent necessary the Provincial Government and States with the expenditure on the following items incurred by them in connection with the relief of refugees:-

Food and clothing supplied to the refugees in accordance with the scales approved by the Government of India from time to time. The extra items added by the Provincial Governments/States, without the previous concurrence of the Government of India, will be a liability of the Province/State concerned.

- (21) Pay and allowances of the camp establishment as well as the contingent charges of the Camp offices.
- (iii) Expenditure on medicines and hospital staff employed for the camp hospitals.
- (iv) Expenditure in connection with the sanitation and the health staff as well as disinfectants and other contingent charges.
- (v) Transport charges of the refugees from the camp to the places of rehabilitation only once.
- (vi) Accommodation of refugees such as carriage and hire of tents, construction of huts in camps, lighting and water arrangements in refugee camps.
- (vii) Educational expenses of children in connection with the schools opened in the refugee camps in refugee children.
- (viii) Expenditure on vocational training for adults in camps. Expenditure incurred in connection with staff, if any, especially employed at Headquarters or in districts in connection with the maintenance and supervision in the camps by the Provinces/States. The share of the centre for this expenditure will be limited to the number of refugees employed; the rest of the expenditure on the non-refugee staff should be met by the Province/State concerned.
- (x) Expenditure on schemes which may be specifically approved by the Government of India from time to time. Copies of the scheme will be supplied by the Government of India to the Civil Accountants General concerned and D.A.O.(F.R.) when conveying their concurrence to the Province/State.

2. In the case of Provinces the aforesaid items and the income therefrom will be realised by the

ale proceeds of surplus and unserviceable stores, received from public and local bodies for relief of value of articles left over at the closing down of the 1 be brought to account in the Provincial section of the rovincial Accountant-General. The net amount of the expendi- Accounts by debit to the prescribed detailed head of account ilaneous (Central) Expenditure on refugees" effecting the ary settlement through the Reserve Bank as soon as the h month are closed and the figures become available. An he amount credited to the Provincial Government in this ported by statements under classified heads, will be sent .&R.) the Ministry of Relief and Rehabilitation and Finance nt of India, by the last date of the month following that rains. The Provincial Accountant-General will satisfy himself central audit as may be prescribed by him in consultation General that no items not covered by the provisions of this included in the expenditure to be borne by the Central that items which are to be taken in reduction of expenditure s para have been fully taken into account in arriving at the ble by the Central Government.

2. In the case of the states the Auditor General of India has requested to arrange for the monthly audit of expenditure on relief rhabilitation of refugees by the A.G.(F.R. & S.). The statement of enditure incurred under the various heads minus the receipts of the kind ailed in para 2 above, will be prepared separately for each camp by the state authorities in quadruplicate, checked and corrected, if necessary by the Accountant-General. One copy of the statement duly checked and signed him will be handed over to the authority nominated by the state, two cop will be sent to the Ministry of R.H. and the fourth copy will be retain by him as his office copy and incorporated as an appendix to the audit note. The state authorities will prepare a bill for amounts to reimbursed to them and forward it duly receipted to the ministry of for further transmission to the D.A.G.(F.R.) together with the formal sanction to the payment of the amount by cheque at a Government Treas on which the payment is desired by the State authorities.

4. The arrangements described above will also apply in the case of expenditure incurred during 1947-48.

5. As for rehabilitation of refugees the Government of India have decided to reimburse the provincial Governments and state with expere on the following items.

- (a) Education to refugee students upto primary standard. Efforts should, however, be made to integrate the free primary education to refugees with their own schemes of free primary education, where possible, in order to ensure economy.
- (b) The expenditure on vocational training for adults whether in institutions already existing or newly set up specifically for refugees.
- (c) Expenditure on headquarters staff for general administration connected with rehabilitation and similar staff for districts. The share of the Central Government for this expenditure be limited to the refugees employed. The rest of the expenditure on the non-refugee staff should be met by the Province or State concerned.
- (d) Expenditure on schemes which may be specifically approved by the Government of India from time to time. Copies of the schemes will be supplied by the Government of India to the Civil Accountants General concerned and the D.A.O.(F.R.) when conveying their concurrence to the Provinces or

In addition to expenditure detailed in paragraph 5, there in connection with rehabilitation, such enable them to continue their tutions. ugees to settle. vi Loan atlocks, see

and States. The loans for (1) short term periods of, any, from 1 to 1 periods sixth of, any 20 to 30 years. has to raise loans in the open market on and provinces and states will have to pay the sa at which the Government of India has where no interest is charged on the loans advanced the schemes sanctioned by the Govt. of India, province, and will not be required to pay to the Central Government any in respect of loans thus advanced. The rates of interest on will depend on the period for which it is given but on short loans it will be about 5% and on long-term loans about 3 1/4

As regards bonafide losses in the case of the various these will be shared on a 50: 50 basis between the Centre and Provinces/States.

7. The instructions contained in paras 2 to 4 will apply mutatis to the expenditure detailed in paras 5 and 6 above.

8. I am directed to add that sanctions to detailed ex end relief and rehabilitation will be issued by the Finance Depart of Province/State and communicated to Accounts General in the of the former and to A.G.(F.R.&R.) in the case of the latter. will be necessary even in those cases where general sanction is by the Government of India.

sd. Brij Narayan,
Joint Secretary to the Govt.
India.

Copy forwarded for information and necessary action to:
(i) The Auditor General of India (ii) All the Provincial Account General and Controllers (iii) A.G.S.R. (iv) The A.G.(F.R. & S.) (v) The D.A.G.(F.R.) (vi) The Secy. to the Govt. of India. M.O.R.R. 10 s/as. (vii) To all Provincial Governments- Chief Secretary (Ministry of Finance, Govt. of India, (Budget Division).

*for (ii) to (v) only.

*2. The instructions contained in the above 1 presuppose correct classification. It is, therefore requested that he will ensure t the expenditure is correctly classified in the Provincial/State accounts and that the expenditure not cre by the above letter is not transferred to the Government India.

/True copy/

RP/28.1.

Superintendent.

R.O.C.NO.268-W.1/48

10 MAR 1949

Office of the
Director of Public Instruction,
Madras, Dated 1-3-1949.

From

The Director of Public Instruction,
Madras.

To

The Secretary to Government,
Education and Public Health Department.

Sir,

Subject: Education - Relief and rehabilitation
of refugee students from Pakistan. - Finance
and reimbursement of Expenditure

R e f: Government Endt. No.1276-G.3/49-1 Edn dt
26-1-1949 communicating copy of the letter
the Government of India, Ministry of Finance
No.D.4401 F.R/48 dated 14-12-1948.

In the last para of para 6 of the Government
India's letter referred to above, it is stated that bonafide losses
in the case of the various loans, will be showed on a 50:50 basis
between the Centre and the Provinces. But in para 6 of G.No.
272 Edn dated 9-2-1948, the Local Government have stated that the
entire cost on account of the grant of the concessions to the
students should also be recovered from the Government of
question of showing the cost or the bonafide losses and
view of the orders of Government referred to above. The
of the question is, however, brought to the notice of the
examination and if the Local Government is not willing to
entire cost of the expenditure, the Government of India
sed in the matter.

Yours faithfully

[Signature]

for Director of Public

7.5.49

CF. 32 (a).

Education Department
From (Name) To
Designation The Director of Public Instruction, Madras. To The Secretary to Government, Education & Public Health Dept. Madras.
Station
Enclosures : Roc No. 268-WI/48 dated 31-5-- 1949

Sir, Sub:- Education - Relief & Rehabilitation of Refugee students from Pakistan - Financial and reimbursement of expenditure.

Ref:- My letter Roc. No. 268-WI/48 dated 1-3-49 and reminder thereon dated 26-4-49.

I invite your attention to my letters quoted above and request the favour of your orders thereon.

Yours faithfully,

For Director of Public Instruction.

MDS 1/6

[Faint, mostly illegible handwritten notes on page 16, possibly bleed-through from the reverse side.]

18166/82/49

22/1
4/6
p/ef
3/6

Education - Relief and rehabilitation of
refugee students from Pakistan -
reimbursement of expenditure. 9

From the P.P.I. R.O.C. No. 268 W.1/48. d. 1.3.49.

Memo. No. 18166/82/4 Edu. d. 3/6/49

The P.P.I. is requested to state
what will be the approximate ^{total} amount
~~that will have to share of the bonafide~~
~~of the losses incurred in working of the~~
Govt of India Scheme of financial help
to refugee students. ~~if it is agreed to~~
~~share it on a 50-50 basis.~~

To the P.P.I. sub
S/C. ~~only~~

1/6/49 by 2649
23/6/49

68

Handwritten text in Tamil script, likely a memorandum or letter.

Handwritten text in Tamil script, likely a memorandum or letter.

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Roc. No. 268 W1/48

Office of the Director of Public Instruction, Madras dated 21-6-49.

From

The Director of Public Instruction,
Madras.

To

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



Sir,

Sub: Education - Relief and rehabilitation of refugee students from Pakistan - reimbursement of expenditure-

48930

Ref: Government Memorandum No. 18166 G2/4 Edn. dated 3-6-49. - p.5 c.f.

With reference to the Government Memorandum cited above I have the honour to inform you that at the present moment the only case of probable loss is that of an advance of Rs. 200/- given to a student - Miss Sakuntala and to whom however the sanction of a loan has been recommended as a special case to Government. - Vide in this connection my letter Rc. No. 268 W1/48 dated 24-5-49. It is not possible to indicate now the probable losses to Government on account of loans to refugee students.

C No 57905/49
Sent to
Pub (Educ) & Fin
on 3-8-49.

Yours faithfully,

Handwritten signature of the Director of Public Instruction.

for Director of Public Instruction.

N.P. 24-6-

Handwritten initials and date.

21

Web 2.0

Schema —

107. f.

23/8

Recorded.

2. The Govt. do not propose to take any action in the matter at present -

2. The Director is Regr

22
requested to submit to Govt.
a report on the subject, after
one year indicating the losses
which have ~~been~~ actually
occurred in working the scheme
of financial assistance to
Refugee students.

Wk
19.8.49

23/8

23/8

23/8
D.P.J.

18166
Edu. Relief and Rehabilitation of refugee
Students from Pakistan - Financial and
reimbursement of expenditure.

12
Please see D.P.J.'s letter on p 1 ef.
The Govt. of India's financial assistance
Scheme, sanctioned by this Govt. in
No. 272 Edu d 9.2.48, it is stated that
the entire cost of grant of Concessions
to displaced Students from Pakistan
and the bonafide losses incurred in its
working will be recovered ultimately
from the Central Govt. In their letter
No. 8/162/48. R.R. d 8.1.48. The Govt. of
India themselves have expressed that
they are prepared to meet all ~~expenditure~~
and the bonafide losses incurred in
the working of the Scheme. But in
their letter. Ref. No. 4461/FB/48. d 14.12.48
The Govt. of India, Ministry of Finance,
have stated that the bonafide losses
in the case of various loans granted
to refugee Students will be shared
on a 50:50 basis between the Central
and Provincial Govts. As the Scheme of
Financial assistance to refugee Students
is sponsored by the Central Govt. both the
expenditure as well as the bonafide
losses in the working of the Scheme
will have to be borne by them.

For orders whether Govt. of India
may be addressed on the matter.

Pub (Ref) and Fin may see. c.c.

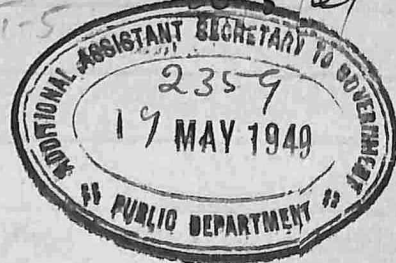
The decision to share the
losses on a 50:50
basis

2
basis is evidently in modification
of the G. of I's original letter
decision communicated in their letter
of 8.1.1948. There is no other
information as to the losses which
have so far been incurred -
This for consideration whether
the later decision may not
be acquiesced in and whether
it is necessary to write to
the G. of I on the point
Pub (Elections) & Fin.
may see for remarks if any -

17.5.49
PUB (Ref)
18/5/49
M
any agree to A
as the amount
involved will be
perhaps considerable
18/5
25
Pub (Ref) Dept.

Please see the E. & P. H. note at pp.1-2 above.

The question for consideration is whether this Govt.
may agree to the proposal of the Government of India
contained in their letter No.4461/FR/48 dated 14th
December 1948 that the bona fide losses in the case
of various loans granted to refugee students will be
shared on a 50:50 basis between the Central and the
Provincial Governments.. The Government of India
have informed subsequently that as a result of
representations made by certain Provincial/State
Governments they had reconsidered the matter and have
decided that the position regarding losses incurred
on rehabilitation loans should be reviewed from time
to time with the object of ascertaining whether the actual
losses incurred are of such magnitude that the finances



G. of I's letter not put up



Pub. (Eles)
H.O 2359/49-1
27.5.49

13
of the Provincial/State Government cannot be expected
to bear the 50 per cent share. They have stated that
the Provincial/State Governments may, if they find
that the losses are likely to be so heavy that the
Provincial finances will not be able to bear the strain
address the Government of India for revision of the
formula and that the Government of India would
sympathetically consider such requests. In the main
file of this Department relating to the rehabilitation
proposals for displaced persons, Additional Secretary
has noted as follows when dealing with the proceedings
of the Premiers' Conference held at New Delhi on
9th April 1949:

Just before the Hon'ble Prime Minister left,
he said that the 50:50 basis for sharing bona fide
losses on loans schemes, had been laid down but
that it was not a rigid formula, and that the
Centre would go as far as they can in the matter,
thus more or less confirming the official letter.
We have already received from India in regard to
this issue. We understood at the Conference that
other areas also have protested against the 50:50
formula and urged in their correspondence that
India should bear the entire bona fide losses.
Further, we can say nothing definite about losses
under our schemes for another two years. Our
loans schemes may cost in all about Rs.25 lakhs,
and the total loss is not likely to exceed
Rs.5 lakhs at the worst, and our half-share of
this would be only about Rs.2½ lakhs, which would
be nothing about which a large Province like ours
can complain seriously if the other Provinces
and States bear, under the same formula, losses
which would be much heavier on account of the
very large number of refugees they have been
allotted. And we have the smallest problem in
India in regard to these Pakistan Refugees. For
all these reasons, our H.Pr. told me at the
Conference, that it would be expedient not to
raise this issue at the Conference - it was not
discussed at all to-day - and that we could take
up the issue and correspond with India in due
course after we had got some definite idea of
possible losses under our schemes.

So, instead of ^{definitely} agreeing to share the losses
on a 50:50 basis, this Government may have the option
to address the Government of India for revising the
formula in the circumstances envisaged at 'X' above.
The file may be passed on to Finance.

18
24.5.49

27.5.49

27.5.49

hr

Financial (S.P.A.)

In the file dealing with the Premier's Conference referred to by Pub (Ref.), this Dept. have agreed with the view at X on page 3 above. This Dept. may therefore agree with the view of Pub (Ref.) at Y on the same page.

27.5.49

30.5.49

E.P.H.

Fin. no. 35322/Exp. 9-1
30.5.49

(G2) 41526



The notes of Pub (Elec) and Finance above may be perused. It is stated that the Govt. of India can be addressed ^{in respect of} ~~to~~ the formula of sharing on a 50:50 basis the bonafide losses incurred ^{of educational loans} in working of the scheme, if the losses are likely to be heavy and if the ~~finances of this~~ Province is unable to bear

the strain of loss on this account. ~~This~~ Please see X on the prev. page - ~~Can only be done if we have some~~

~~idea of the losses. The D.P.I. may be asked to say approximately what will be the share this Govt. will have to bear, agreeing to the formula of sharing the losses on a 50:50 basis.~~

The draft memo below to the D.P.I. is for approval.

2649

3/6/49

p-50

[Memo No. 18166-G2-4-20n dated 3.6.49]

p74

From the D.P.I. No. 268-W-1-48 dated 21.6.48.

The Case relates to the sharing of the losses due to the Govt. of India's educational Scheme of Refugee Relief between the Central and the Provincial Govts. The Central Govt's formula of 50:50 for the sharing of these losses is in revision of their original ^{proposal} to bear the losses in full. Finance have suggested that the G. of I may be addressed for revising the formula - this in this connection that information was called for from the D.P.I. as to the likely losses on the Scheme. He has stated that it is not possible to indicate the probable losses. The case of the Student Sakuntala referred to by the Director does not relate to the Scheme of Refugee Relief. Evidently, as observed by the Secretary on p 2 ante, the amount of loss, if any, will be inconsiderable. In this view it does not seem to be worth while addressing the G. of I as suggested by ~~the~~ ^{Pub (Elec)} ~~Pub (Ref.)~~ in May see.

p3-4 ante

memo on p-50

p74

p74 Z



E+P.H. 26.18166-42/49 - 3 dated 21-7-49

19.7.49

20.7.49

5/21 Pub/Fin

Pub (Elec) Dept.

This Dept's previous note is on pp 2-3 ante further notes on pp 4-5 ante may be pursued. In the circumstances stated in the note at p 5 ante, this Dept may agree to A 'M' therein. The file may be passed on to Fin.

18
28749

88
30749

30.7.49.

Asst. Secy

Fin.

Fin (ExpA)

(Previous Finance note on p 4 above)

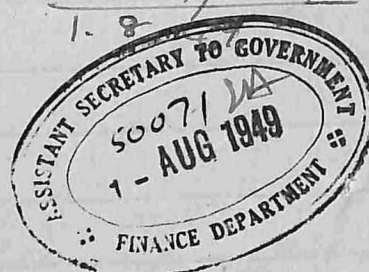
In his letter on p 7 above, the D.P.D. has stated that it is not possible to indicate now the probable losses on account of loans to refugee students. E & P.H. do not propose to address the Govt. of India ~~as suggested by Dept. of India on p 3 above~~, on the assumption that the amount of loss may be inconsiderable. It would seem better to get a report from the D.P.D. say one year hence, asking him to indicate the loss ~~of~~ on account of ~~refugee~~ loans to refugee students and to consider the question of addressing the Govt. of India then with reference to the amount involved. Finance may suggest that a further report may be called for ~~as a result of~~ ~~action to address India may be taken by E & P.H.~~ ~~in consultation with this Dept.~~

2. Incidentally, the D.P.D. refers to a probable loss of an advance of Rs 200 given to a student - this Sakuntala. E & P.H. state that the advance was not given under the scheme of refugee relief. They will no doubt examine the reasons for the loss and take necessary action to recover it from the persons whose negligence

Pub (Elec)

no - 3894/49 -

1.8



'M' on p 5 above

'Y' on p 3 above

5849

A

p 7 CF.

'2' on p 5 above
This is evidently dealt with separately. No action in the M. is taken

with results in loss to Govt.

3 With the above remarks, the file may be returned to E & P.H.

58749

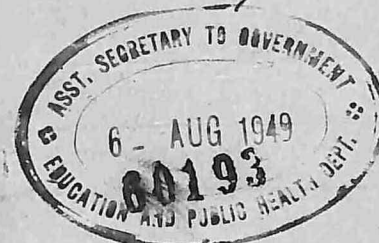
5849

588.H -

81.7 (2)

Fin. no. 50071/EA-1

5.8.49



Please see M in this Dept's note on p 5 ante and A in the Fin. note on the previous page - A draft order is laid for approval (A Call Bk. entry for 1.8.50.)

19849. 208149

5 123/4

pp 21-22 c.f. (Issued as G.O. No. 2664 Edn dt-23-8-49).

16