

GRANT-IN-AID to  
PRE-PRIMARY INSTITUTIONS  
IN INDIA

**Supplementary<sub>R</sub>**

**Grant-in-Aid to  
Pre-Primary Institutions  
in India**

*A Survey of the  
Education Department Rules, 1966*

SUPPLEMENTARY VOLUME No. VI-A

GRANT-IN-AID TO PRE-PRIMARY INSTITUTIONS IN INDIA

A Survey of the Education Department Rules, 1966

EDUCATION COMMISSION  
GOVERNMENT OF INDIA  
UNIVERSITY GRANTS COMMISSION BUILDING  
BAHADUR SHAH ZAFAR MARG  
NEW DELHI  
1966

## PREFACE

The Education Commission has taken up, for detailed examination, the problem of grant-in-aid to educational institutions in India. The object of this study is to ascertain the present practice of giving grant-in-aid to different types of educational institutions in the States and Union Territories and, on a comparison of these, to formulate recommendations for future action.

2. The study is divided into five parts:
- (1) Grant-in-aid to pre-primary institutions;
  - (2) Grant-in-aid to primary schools;
  - (3) Grant-in-aid to secondary schools;
  - (4) Grant-in-aid to Colleges of Arts and Science; and
  - (5) Grant-in-aid to Universities.

These areas were selected for study because, it is in them that private enterprise plays a very large and significant role.

3. I take this opportunity to thank Shri M.P. Balakrishnan, Research Officer of the Education Commission, for carrying out this study. I also would like to convey the gratitude of the Education Commission to the State Governments and Administrations of Union Territories who were kind enough to supply the basic data required.

New Delhi  
1st January, 1966.

J.P. Naik  
Member-Secretary

## C O N T E N T S

	<u>Page No.</u>
Preface	
Summary	(i) & (ii)
<u>Rules of Grant-in-aid in</u>	
<u>States:</u>	
Andhra Pradesh	1
Assam	1
Bihar	1
Gujarat	1-2
Jammu & Kashmir	2
Kerala	2-3
Madhya Pradesh	3
Madras	3
Maharashtra	3-4
Mysore	4-6
Orissa	6
Nagaland	6
Panjab	7
Rajasthan	7
West Bengal	7-8
Uttar Pradesh	8
<u>Union Territories:</u>	
Andaman & Nicobar Islands	9
Dadar & Nagar Haveli	9
Delhi	9
Goa	9
Himachal Pradesh	9
Laccadives	9
Manipur	10
Pondicherry	10
Tripura	10

(1)

Summary of Grant-in-Aid Rules to  
Pre-Primary Institutions in India -1965

(Pages 1-10 give Statewise details)

Name of the State	Rules regarding grant-in-aid by the State Government
1. Andhra Pradesh	$\frac{1}{2}$ approved expenditure or deficit whichever is less.
2. Assam	Ad hoc basis.
3. Bihar	Ad hoc
4. Gujarat	Subject to availability of funds and to the discretion of the Department. 25% of the admissible expenditure incurred in the previous year.
5. Jammu & Kashmir	No grant-in-aid.
6. Kerala	Recurring and non-recurring grant each not to exceed Rs. 1000/-. Admission to be open to children of all castes/creeds and no fees for children of poor parents.
7. Madhya Pradesh	75% of admissible expenditure or net deficit whichever is less.
8. Madras	Director to give grant treating the institutions as special schools for purpose. No rigid ceiling for the quantum of grant.
9. Maharashtra	25% of admissible expenditure of previous year or actual deficit whichever is less for preprimary schools and 50% maintenance grant, Dearness allowance/and Equipment grant for pre-primary training colleges.
10. Mysore	No uniform rules - 50% of authorised maintenance expenditure in <u>ex-Mysore area</u> with proviso to reserve a third of seats for free education for children of poor parents - Adhoc in Hyderabad Karnatak area - fixed grants in Coorg District and 25% of the net admissible expenditure in Bombay Karnatak area.

11. Orissa Ad hoc grants out of savings.
12. Nagaland No private pre-primary institutions.
13. Punjab No grant given.
14. Rajasthan Non-recurring grants @ 50% and recurring grants between 50-90% as approved by the Grant-in-aid Committee. Recurring grant not to exceed difference between total approved expenditure and income.
- ~~15.~~
15. West Bengal Non-recurring grants:  
     Building grant - Rs. 11,000  
     Equipment grant - Rs. 4,800  
 Recurring grants:  
     Salary grants and contingencies on approved scales.
16. Uttar Pradesh Annual grant no to exceed the difference between the approved annual maintenance cost and income or half the maintenance cost whichever is less.
17. Dadra Nagar Haveli. such No/private institutions.
18. Delhi No grant-in-aid by the Directorate and Municipal Corporation.
19. Goa 2/3rd of the admissible expenditure in the first year and half in subsequent years.
20. Laccadives & Minicoy Islands such No/private institutions.
21. Manipur No aided pre-primary institutions.
22. Pondicherry Non-recurring grant of Rs. 400 and recurring grant of Rs. 600 per year.
23. Tripura No grant-in-aid.

---

Source: Information supplied by the State Governments.

SYSTEM OF GRANT-IN-AID TO PRE-PRIMARY  
INSTITUTIONS IN STATES & UNION TERRITORIES

1. Andhra Pradesh

Half of the approved expenditure on items towards the expenditure of the staff, rent, taxes, repairs, contingencies and outlay or the actual deficit whichever is less is payable as teaching grant.

Note: Proposals are under consideration of the Government to issue integrated rules of grant-in-aid whereby the State is likely to meet the entire expenditure on staff and other items of expenditure.

2. Assam

There are no statutory or administrative rules for sanctioning grants to the pre-primary schools. Recurring and non-recurring grants are however sanctioned to such schools on the basis of their actual requirements and on conditions that every such school should have a managing committee approved by the Department and the institution should maintain proper accounts for all receipts and expenditure.

3. Bihar

At present the grant is given on an ad-hoc basis.

Note: A new set of rules has been drafted and is awaiting government approval.

4. Gujarat

The Pre-primary institutions recognised by the Education Department are given grant-in-aid according to the following rules:-

1. Subject to the availability of funds and at the discretion of the Department.



2. To be calculated at 25% of the admissible expenditure incurred in the previous year.
3. The tuition fee charged (including fee for music and physical education) does not exceed Rs. 2/- per pupil per month.
4. No recognised non-government pre-primary school is eligible for grant-in-aid in its first year of its recognition.

Note: The question of preparing revised rules for grant-in-aid to pre-primary schools is under consideration of the government.

5. Jammu & Kashmir

No grant-in-aid is paid to the pre-primary institutions in the State.

6. Kerala

1. The site and building for the school should be provided by the sponsors and should be approved by the Department. This should be in a healthy locality and shall have an area of not less than 50 cents. The plan for the building should be approved by the Department.

2. For a unit of 30-35 children there should be one teacher (a lady) and an Aiyah-cum-Attendant. Their salary will be fixed by the Department and paid by the management. The total grant per year shall not exceed Rs. 1000/-.

3. Some minimum equipment (laid down by the Department) should be provided in the school. The Department will pay a non-recurring grant, subject to a maximum of Rs. 1,000 to each school for purchase of the equipment.

4. The admission in the school should be open to children of all castes and creeds.

5. A uniform rate of rupee one per child per month may be levied as fees and children of poor parents should be exempted from its payment.

7. Madhya Pradesh

The pre-primary institutions recognised by the Department shall receive grant-in-aid at the rate of 75% of the admissible expenditure or the total net deficit whichever is less.

8. Madras

Pre-primary schools are classified as special schools for purposes of aid and these are sanctioned grants by the Director of Secondary Education, who has full discretion to fix the grant. There is no rigid ceiling for payment of grant. The grant admissible depends upon utility of the institution, the fees charged and the total net admissible expenditure.

9. Maharashtra

The grant-in-aid is calculated at 25% of the admissible expenditure incurred during the previous year or the actual deficit whichever is less. The school should have at least 30 pupils on roll with an attendance of 25. Expenditure on salary of the staff, contingency, building rent and miscellaneous items (which are of educational nature) are the admissible items for grant-in-aid. The school should not charge tuition fees in excess of Rs. 20 per month per pupil (including music and physical education fees). The school management may charge separate fees for school transport and lunch. This should not exceed the actual

expenditure on these items. The institution should not be in receipt of grant-in-aid from any other department/source. The management of the school should be a registered body.

Three kinds of grants-in-aid are paid to pre-primary training colleges in the State:

1. Maintenance grant - 50% (subject to capitation limit of Rs. 120 per student per year)
2. Dearness Allowance - 50%
3. Equipment Grant - 50% (over 5% of the direct expenditure)

The staff working in the pre-primary training colleges is treated on par with those working in primary training colleges and secondary schools in respect of qualification, scale of pay etc. The Principal should be a trained graduate with specialised training in pre-primary teacher training and sufficient experience of teaching. The syllabus for pre-primary training institutions prescribed by the department should<sup>be</sup> followed. The training colleges should have its own practising school near the institution. The number of trainees admitted should be limited to 40.

For recognition by the Department the institution should fulfil certain qualifications like; financial stability, properly constituted governing body or management, healthy surroundings and proper building, admission open to all and tuition fee being limited to that prescribed by the Department.

#### 10. Mysore

There are no uniform rules regarding the grant-in-aid to pre-primary institutions in this state. It is contemplated

to have a uniform set of rules for the purpose.

Five different set of rules are being followed in the State:

1. In ex-Mysore State

The maintenance grant admissible to the nursery schools is at 50% of the authorised expenditure which includes:

- i) pay of teachers at government rates; and
- ii) house rent.

D.A. at 50% of the government rates is payable, as also the equipment grant at 50%.

The children between 3-6 years are admitted to nursery schools and trained lady teachers should be appointed. One lady teacher and one helper is allowed for a batch of 25 children. The lady teacher must be Montessori-trained.

The management may levy fees on the pupils studying in the nursery schools but 1/3 of the total number of seats should be reserved for poor students who should be exempted from the payment of fees. In respect of non-municipal areas the grants will be sanctioned by the Taluka Board and the nursery schools working in municipal areas are eligible for grants paid by the Department.

Hyderabad Karnatak Area:

There are no specific rules regarding recognition and payment of grant in aid to nursery schools in this area. Ad-hoc grants are paid on the merits of each case by the Department.

Madras Karnatak Area

There are no nursery schools in this area which are aided by the Department.

Bombay Karnatak Area

Nursery schools are treated as special schools in this area. The Educational Inspector is empowered to grant recognition to these schools. The school can charge a fee of Rs. 2 per month per student and grants at the rate of 25% of the net admissible expenditure are sanctioned. D.A. grants at the rate of 50% are paid on admitted expenditure. The management of the school should be a recognised body and the institution should be open for inspection by the Department.

Coorg District

No specific conditions have been stipulated except to run the nursery classes for the benefit of children of the local residents on approved methods. They are paid fixed grants as per old rates that were in vogue at the time of re-organisation.

11. Orissa

Since the pre-primary education is not a regular part of the educational programme of the State, no rules of grant-in-aid for pre-primary schools have been prescribed by the Department.

The number of schools having pre-primary classes in this State is very limited and these schools (run by private agencies) are paid ad-hoc grants out of the savings in the budget.

12. Nagaland

There are no private pre-primary institutions in the State.

Punjab

No grant is being paid by the Department for pre-primary education in the State.

14. Rajasthan

- (1) Grant to pre-primary institutions is given under general grant-in-aid rules.
- (2) Institutions should be registered.
- (3) Accounts should be open for inspection and audit.
- (4) The institution should not prepare and send pupils for any examination which is held outside the State.
- (5) Institutions should not be run for the profit of any individual and admission should be open to all without any discrimination.
- (6) Grants are given for recurring and non-recurring purposes. Non-recurring grants are given for construction, repair and extension of school building, for purchase of furniture, equipment, books for library etc. at the rate of 50% of the approved and actual expenditure and for the purchase of school bus @ 25%. Recurring grant is given on the basis of categorisation of the institution as approved by the Grants-in-aid Committee. Such grant is not less than 50% and not more than 90% of the approved expenditure. The total recurring grant-in-aid in any year shall not exceed the difference between the total approved expenditure and the income from all sources to the school.
- (7) The staff in these institutions should be suitably qualified and trained as in Government institutions and should enjoy the same scales of pay.
- (8) Provident fund @ 6½% should be contributed by the management.
- (9) Training expenses for teachers are also taken a approved expenditure.

15. West Bengal

Non-Recurring

- (1) Building grant - Rs. 11,000.  
(including 12½% local contribution - Rs. 1,375 and  
(Rs. 9,625 - share of the Department)
- (2) Equipment grant - Rs. 4,800.

Recurring

- (1) Salary grant of 2 teachers in the scale of Rs. 80-150 with Rs. 15 as allowance per month for the head teacher  
(minimum qualification - matriculate and trained)
- (2) One matron in the scale of Rs. 45-60
- (3) One attendant - Rs. 40 fixed.
- (3) Contingencies (including tiffin) - Rs. 50 per month.
- (4) Suitable land - not less than one bigha - should be approved by the sponsors.

16. Uttar Pradesh

1. The annual grant should not exceed <sup>the</sup> difference between the approved annual cost of maintenance and the approved income of the institution from fees and private sources, or half the annual cost of maintenance, whichever is less.

2. The school should also fulfil the following conditions:-

- (a) It should be run by a Registered Body.
- (b) The school should have the building of its own with attached open space.
- (c) There should be necessary apparatus, equipment and furniture in the school in consonance with local conditions.
- (d) The school should not charge more than Rs. 5 per month per child as tuition fees, 50 paise material fees, 50 paise medical fees and 50 paise as refreshment fees.

(e) The school should have qualified staff and they should be paid according to the prescribed scales. The staff should not be appointed or dismissed without the specific permission of the Regional Inspectress of Girls' schools. The school should have inferior staff such as one dai, one gardener, peon and a cook.

(f) The school should be open to inspection by the Department.

17. A&N Islands

No grant-in-aid is given to pre-primary institutions in the territory.

18. Dadar & Nagar Haveli

No private pre-primary institutions in the Territory.

19. Delhi

Neither the Directorate nor the Delhi Municipal Corporation pays any grant-in-aid to pre-primary institutions in the Territory.

20. Goa

The grant is calculated on the basis of expenditure statement submitted by the institutions concerned and is equal to  $\frac{2}{3}$  of admissible expenditure in the first year and equal to  $\frac{1}{2}$  of it in subsequent years.

21. Himachal Pradesh

The information has not been received.

22. Laccadives

There are no private pre-primary institutions in the Territory.



23. Manipur

There are no aided pre-primary institutions in the territory. The existing primary schools have 'A' and 'B' Classes in them. Since these classes are treated as part of the primary schools the normal grants-in-aid given to the primary schools are extended to them. The State Social Welfare Board runs some Balwadi Centres for which the grants in aid rules are prescribed by the Board itself.

24. Pondicherry

The grant-in-aid to pre-primary institutions is given on the following conditions:

1. The teacher should be a secondary grade trained.
2. The strength of pupils under 5 years of age attending this institution should not be less than 30.
3. The school should have a good, airy building and all sanitary facilities, and a play ground.
4. Non-recurring grant of Rs. 400 and recurring grant of Rs. 600 per year is given for teaching aids and games material.

25. Tripura

No grant-in-aid is given to pre-primary institutions in this Territory.

Supplementary Volume No. VI-A (Pt.-II)

# Grant-in-Aid to Primary Schools

*A Survey of the  
Education Department Rules, 1966*



**EDUCATION COMMISSION**  
**University Grants Commission Building**  
**Bahadur Shah Zafar Marg**  
**New Delhi**  
**1966**

Supplementary Volume No. VI(A)  
(Part II)

G\_R\_A\_N\_T - I\_N - A\_I\_D  
T\_O  
P\_R\_I\_M\_A\_R\_Y & M\_I\_D\_D\_L\_E  
S\_C\_H\_O\_O\_L\_S

---

A Survey of Education Department Rules  
1966

EDUCATION COMMISSION  
MINISTRY OF EDUCATION  
GOVERNMENT OF INDIA  
NEW DELHI  
1966

## PREFACE

The Education Commission has taken up, for detailed examination, the problem of grant-in-aid to educational institutions in India. The object of this study is to ascertain the present practice of giving grant-in-aid to different types of educational institutions in the States and Union Territories and, on a comparison of these, to formulate recommendations for future action.

2. The study is divided into five parts:
- (1) Grant-in-aid to pre-primary institutions;
  - (2) Grant-in-aid to primary schools;
  - (3) Grant-in-aid to secondary schools;
  - (4) Grant-in-aid to Colleges of Arts and Science; and
  - (5) Grant-in-aid to Universities.

These areas were selected for study because, it is in them that private enterprise plays a very large and significant role.

3. I take this opportunity to thank Shri M.P. Balakrishnan, Research Officer of the Education Commission, for carrying out this study. I also would like to convey the gratitude of the Education Commission to the State Governments and Administrations of Union Territories who were kind enough to supply the basic data required.

New Delhi  
1st January, 1966.

J.P. Naik  
Member-Secretary

## C O N T E N T S

	<u>Page No.</u>
Preface	
Summary	(i) to (viii)
<u>Details of Grant-In-Aid to Primary &amp; Middle Schools - Statewise</u>	1-20
1. Andhra Pradesh	1
2. Assam	1-3
3. Bihar	4
4. Gujarat	4
5. Kerala	5-6
6. Madhya Pradesh	6-8
7. Madras	9
8. Maharashtra	9-11
9. Mysore	11-12
10. Orissa	13
11. Punjab	13-14
12. Rajasthan	14-18
13. Uttar Pradesh	19
14. West Bengal	19-20

Table

21

-----

(1)

Grant-in-Aid to non-Government Primary and Middle Schools - Present Position - A Summary

From the information furnished by the State Governments it is seen that in the States of Andhra Pradesh, Maharashtra and Mysore different systems of grant-in-aid are simultaneously in operation within the same State and integrated uniform Grant-in-Aid Codes have not been finalised yet in these States after the re-organisation of the States by the Government of India in 1956. In Andhra Pradesh two different practices obtain, one in Telengana region and the other in Andhra region. In Maharashtra, three different systems operate, one in Western Maharashtra, the other in Vidarbha and a third in Marathwada area. In Mysore as many as five systems operate - one each in ex-Mysore area, ex-Madras area, ex-Bombay area, Coorg area and ex-Hyderabad area.

2. The system of capitation grants is still in vogue in Gujarat, Western Maharashtra, Punjab and the ex-Bombay area of Mysore. The emphasis of this system is on enrolment and consequently girls and children of backward classes get more grant to stimulate the pace of expansion of their education. In Kerala too, the practice is to give maintenance grants on the basis of effective strength obtaining in each class.

3. In Madhya Pradesh and Rajasthan, the same system of grant-in-aid applies for all types of educational institutions. While in Madhya Pradesh grant is given at the same rate to all institutions, in Rajasthan all institutions are categorised as D, C, B, A and Special by a Grant-in-Aid Committee and grants given at specified rates on approved expenditure. In Assam, the practice is to give grants through the Elementary Education Board which maintains the private primary

4. In Madras and Andhra Pradesh, the system is to treat the expenditure on salaries and allowances of staff separately and give assistance on a hundred per cent basis and allow a certain percentage of this teaching grant to meet expenditure on non-teacher costs. Uttar Pradesh, on the other hand, does not make any difference between the expenditure on salaries and allowances of staff and non-teacher costs. Here the total expenditure of the institution is considered as one and grant-in-aid is calculated on this total. In Bihar, the State Government is practically meeting the entire cost on education at this stage in all schools. There are also District Education Funds which give financial assistance in Bihar to their schools. In West Bengal, the practice is to give assistance either by the District School Boards or by the Municipal Boards or by the State Government on a basis of meeting the deficit. In Orissa, there are only very few private mission schools not under the Panchayat Samities and they get grant-in-aid at the rate of two-third of salaries of the teachers.

5. As for rates of grant-in-aid three different practices are prevalent; the common one being to give grants at the same rate for all institutions in a category without reference to the standards maintained by them. The second system also allows the same rate but provides for proportionate reduction in aid if standard and efficiency go down as is one in Maharashtra. The third is as in Rajasthan by categorising institutions.

6. The existing grant-in-aid rules generally give priority to recurring or maintenance expenditure and non-recurring expenditure are accordingly given only a lower rate. These practices are explained further in the pages that follow.

Grant-in-Aid Rules to Non-Government  
Primary and Middle Schools - 1965 -  
A Summary

(Pages 1-20 give Statewise details)

---

Name of State

Rules regarding grant-in-aid  
the State Governments

---

1. Andhra Pradesh

In Andhra Region primary schools which are not part of middle schools or secondary schools get a teaching grant @ 100% on the expenditure of salary and allowances and a maintenance grant @ 12% of the teaching grant and released as monthly grants.

In Telengana Region independent primary schools still continue to get grant-in-aid under 1952 Rules as two-third of the expenditure on salaries and allowances of the staff minus income from fees if any.

2. Assam

For primary schools the State Government gives grant through Elementary Education Board which is maintaining them. The Board meets expenditure on salary of teachers and contingency items. It also gives non-recurring grants for furniture and equipment according to needs and availability of funds.

For the middle (English) schools grant is given on the basis of difference between approved income and approved expenditure, approved income being the income after deducting 50% of the total fee receipts. Approved expenditure includes salary of staff and government share of Provident Fund. Ad-hoc grants also given to middle schools which are not eligible for grants otherwise @ a minimum of Rs. 100 a month and may be increased @ Rs. 75 per month per additional under-graduate teacher upto a maximum of 250 per month.



3. Bihar

Primary Schools

State Government practically meets the entire cost in providing primary education in all schools started before 1949. Financial assistance to the extent of 15-20% also given from the District Education Funds. State Government also sanctions specific purposes grants including building grants. Primary schools opened for Harijans and Other Backward communities receive 100% financial assistance

Middle Schools

Normally the same types of grants as are given to primary schools, are given to middle schools also. Besides deficit grants are given to selected middle schools.

4. Gujarat

Primary Education covers Classes I to VII. Maintenance grants are given on a capitation basis to an approved private school @ Rs. 22 per pupil in the case of girls and children of backward communities and Rs. 20 per pupil in the case of others, provided the total grant does not exceed the normal admissible expenditure minus the income from fees.

5. Kerala

Maintenance grant is paid to the management @ Rs. 2.25 per pupil per annum based on the effective strength of classes in a school as on the sixth working day from the reopening day.

6. Madhya Pradesh

Grant-in-aid equal to 75% of the admissible expenditure or the net deficit whichever is less given. This is the uniform principle followed in the State except for Anglo-Indian Institutions. Besides grants can also be given for equipment and buildings. Maximum limit of equipment grant being 50% of the actual expenditure

(v)

except for science laboratory where it is 75%. Building grants @ 50% of the total expenditure.

7. Madras

Recurring grant equal to total expenditure on salaries and allowances of teaching staff plus a maintenance grant given. Building grant and equipment grant not exceeding 50% of the cost and subject to certain ceilings is also given.

8. Maharashtra

Classes I - VII form an integral unit. in Western Maharashtra Region. Maintenance grant is given @ Rs. 12 per girl and pupils from backward classes and Rs. 10 for other children on the basis of average attendance provided the grant does not exceed the normal admissible expenditure minus income from fees. Admissible grant is calculated by a system of marks under which full grant is given if at least 70 marks are secured and proportionate reduction made for lesser number of marks. Besides, grants for dearness allowances, trained teachers and equipment and quinquennial grant also given.

In Vidarbha Region grants to primary schools in rural areas and urban areas given @ 75% & 50% respectively of approved expenditure, provided education is free and teachers are paid the prescribed scales. Besides, building grant upto 1/3rd of the expenditure and special grant for purchase of equipment etc. upto 1/2 of the expenditure also given.

Marathwada Region: Grants given @ 2/3rd of salary and allowances of teachers and other staff minus total income from fees at standard scales laid down by Government after making allowance for concessions prescribed.

## 9. Mysore

Pending finalisation of uniform grant-in-aid rules for primary schools for Ex-Mysore Area primary and middle schools get 75% of the net authorised expenditure minus income from fees at standard rates.

Madras & Coorg Area; Primary and middle schools get 100% teaching grant and not more than 15% of the teaching grant as maintenance grant.

In Ex-Bombay Area where primary schools are under the control of District School Boards the entire cost is met by State Government after deducting the educational cess collected. Primary schools managed by municipalities get 50% of the expenditure. Private primary and middle schools get capitation grants @ Rs. 10 for every boy and Rs. 12 for every girl or a student of backward classes having average attendance.

In ex-Hyderabad area primary and middle schools get 2/3rd of the authorised expenditure minus income from fees at standard rates.

## 10. Orissa

The few privately managed mission schools in the State receive grant-in-aid at the rate of 2/3 of the salaries of teachers.

The Department gives for middle schools for boys a non-recurring grant @ 50% of the estimated cost and for middle schools for girls 60% of the estimated cost. For hostel buildings and teachers' quarters non-recurring grant is 100% of the cost. The privately managed middle schools taken over by Government get full deficit grant.

## 11. Punjab

Primary schools

The private primary schools receive four types of grants:

(1) Block grant; Rs. 3 per boy in classes I & II; Rs. 5 per boy in other classes. Rs. 6 per girl in classes I, II & III and Rs. 10 per pupil in other classes.

(vii)

(ii) Staff grant: equal to one-third of the salary paid to the trained staff.

(iii) Standard Provident Fund Grant: paid @ of 50% of the contribution made by the Management.

(iv) Boarding House grant: upto 3/4th of the deficit of the approved expenditure over income from Boarding House charges.

#### Middle Schools

Block grants @ Rs. 8 per boy and Rs. 16 per girl in middle classes where English is not taught and Rs. 16 per boy and Rs. 32 per girl in middle classes where English is taught as a compulsory subject.

Revision of these rates is under consideration.

Staff grants/Provident Fund grant/Boarding House grant as in primary schools.

#### 12. Rajasthan

and 90%

Grant is given on the recommendations of the Grant-in-Aid Committee. The educational institutions are divided into five categories: D, C, B, A and Special by the Committee and amount 50%/60%/70%/80% as the case may be of the approved expenditure for these five categories of institutions is released as grant-in-aid.

#### 13. Uttar Pradesh

The annual grant not to exceed the difference between the approved annual cost of the maintenance and approved income of the institution from fees and private sources or half of the annual cost of maintenance whichever is less for middle and primary schools. The primary schools under local bodies are aided by the State Government as a part of its aid to the local bodies for educational purposes and the aid is arrived at by other procedure.

(viii)

14. West Bengal

Lump sum grants limited to deficit of salaries for approved teachers by the District Boards for aided primary schools in rural areas. Lump sum grants for maintenance and capital expenditure by municipal boards for aided primary schools in their area. Recurring grants for aided primary schools in municipal areas in the form of deficit grant equal to the difference between approved expenditure and the total income by the State Government.

---

Source: Information supplied by the State Governments.

GRANT-IN-AID TO PRIMARY SCHOOLS

ANDHRA PRADESH

In the Andhra area, the old Madras Education Rules are still in operation with certain modifications. The grant-in-aid payable to a primary school (which does not form part of a middle school or a secondary school) is assessed as follows:-

- (1) A teaching grant equal to the entire salary and allowances of the teaching staff which is fixed according to certain rules; and
- (2) A maintenance grant equal to 12 percent of the teaching grant.

The grants are paid monthly as in the case of secondary schools.

In the Telangana region, independent primary schools still continue to get grant-in-aid under the 1952 Rules, i.e., they get two-thirds of the expenditure on salaries (including allowances) of the staff minus income from fees, if any. These rules are obviously more unfavourable than the rules prevailing in the Andhra region. A proposal to extend the Andhra rules for grant-in-aid to independent primary schools in the Telangana area also is now under the consideration of Government.

GRANT-IN-AID TO MIDDLE SCHOOLS/PRIMARY SCHOOLS

ASSAM

Middle schools are of two categories -

- 1) Middle English and (2) Middle Vernacular

or Senior Basic Schools. The latter are maintained by the State Board of Elementary Education.

Rules for grant-in-aid to the middle English schools are the same as those for secondary schools with some minor modifications.

Principles -

Grant-in-aid is calculated on the basis of difference between approved income and approved expenditure:

(a) Approved income is determined by multiplying the number of students by the rate of fees and then taking 50% of the total income from fees. Estimate of approved income is based on the actual enrolment.

(b) Approved expenditure will include salaries to teachers and clerks and the share of the Government for Provident Fund contributions.

Conditions

1) The school must be recognised by the Education Department.

2) Minimum enrolment should be 60. There is no relaxation for girls' schools or schools in backward or tribal areas.

3) The share of fee income to be used for construction of building and repayment of loans is 25% instead of 15%.

4) Appointment of Headmasters are to be made by the Managing Committees out of a panel of names selected by the Divisional Selection Board as

mentioned under Secondary Schools.

Rules for ad hoc grant to Middle Schools

Middle schools which are not eligible for grant under the preceding rules are given grants at the following rates -

- (a) A minimum fixed grant of Rs. 100/- per month.
- (b) This minimum grant may be increased @ Rs. 75/- per month for each additional undergraduate teacher up to a maximum of Rs. 250/- per month.

Loans

Middle schools getting grants under the deficit system are eligible for loan for the same purposes as colleges but not exceeding 25 times the monthly fee income subject to a maximum limit of Rs. 10,000/-.

Primary Schools

Primary Schools are maintained by the Board of Elementary Education which pays the salary of the teachers and contingent expenditure. Non-recurring grants are given by the Board from time to time for furniture and equipment according to necessity and availability of funds.

The amount required for maintenance of primary schools by the Board is given by Government as a grant to the Elementary Education Board.



BIHAR

Grant-in-aid to Elementary Schools

There is a District Education Fund under a District Superintendent subject to the general control of the Director for distribution of grants-in-aid and for the general supervision of the finances, accounts, maintenance and management of aided schools. The Committee or Panchayat in charge of any school receiving grant-in-aid has to appoint a secretary to correspond with the District Superintendent.

Only schools old or new which are included in the Plan are eligible to a grant. Application for inclusion of schools in the Plan should be made to the D.S.E. The eligibility is also based on whether the school can adopt a scale of establishment not lower than prescribed by Government. This rule can only be relaxed in exceptional cases. Grants are ordinarily sanctioned for periods of three years but may be increased, reduced, suspended or withdrawn for stated reasons.

GUJARAT

There are no separate Middle Schools in Gujarat and the system of primary education covers Class I to VII. Maintenance grants for these institutions are given on a capitation basis. The maximum maintenance grant payable to an approved private school shall be limited to

(a) Rs.22 per pupil in the case of pupils of backward communities and girls.

(b) Rs.20 per pupil in the case of other pupils provided that the total grant under the above rule to any approved private school shall not exceed the normal admissible expenditure minus the fee received.

KERALA

(1) With the introduction of Kerala Education Rules in 1958, the direct payment system came into vogue for aided schools. The Headmasters of aided schools prepare the salary bills and present them to the Treasury for encashment after getting it countersigned by the controlling officers concerned.

(2) Maintenance grant is paid to the managements on a specified rate based on the strength of classes in a school as on the 16th working day from the re-opening day in June.

(a) In the case of primary schools the rate is Rs.2.25 per annum per pupil. If any of the standards are run on shift system the number of pupils to be taken into account will be one-half of the number of students in the morning and the evening sessions together.

(b) Maintenance grants may be paid for certain specified items such as repairs, purchase of appliances, contingencies, purchase of books, water and electric charges etc. Items the expenditure for which is met or is to be met out of special fees are not included. Schools in Malabar District conducted in rented buildings are given the amount previously paid by the Government of Madras towards rent of the school building. If this is done, a deduction is made at a fixed rate from the maintenance grant. 50% of the grant paid during the previous year is paid in advance in April or 1st week of May. The educational officers have to check whether the grant has been

properly and fully utilised. Excess, if any, sanctioned for a year is adjusted towards the maintenance grant for the succeeding year.

### MADHYA PRADESH

Basis of Grant-in-aid: For all types of private educational institutions (except Anglo-Indian Schools), there is one uniform principle of grant-in-aid. The grant-in-aid is assessed as equal to 75 per cent of the admissible expenditure or the net deficit, whichever is less. In defining admissible expenditure, detailed conditions have been laid down.

For instance, the requirements of staff for each type of institution have been prescribed. The scales of pay of the Heads of institutions, teaching staff, clerical and other class IV servants are required to be in accordance with those sanctioned for the corresponding categories of the employees in government educational institutions. The contingent expenditure is also prescribed according to specific rules. The rates of fees, as well as the expenditure on free studentships and other concessions, are also laid down. It, therefore, becomes easy to determine the total 'approved' expenditure of an institution for the purpose of grant and also to determine its income. The grant-in-aid is then calculated at 75 per cent of the total approved expenditure, or the net deficit, whichever is less.

Maintenance grants are sanctioned for a year at a time and are payable in two half-yearly instalments.

As a rule, maintenance grants to institutions are assessed once in three years, and an assessed grant holds good for the entire period, including the year of assessment. A maintenance grant is not reassessed during this period even if the expenditure of the institution is increased, except in cases where the increase is the result of expansion effected with the previous approval of the State Government.

The main lacuna in the Madhya Pradesh Rules relates to the definition of 'income'. Under Rule 32 of the Grant-in-Aid Rules, the income of the school is held to be the total amount derived from fees, subscriptions and endowments and grants from local bodies or authorities but does not include any grant from State funds. Because the total income is taken into consideration in this manner, there is no incentive on the institution to raise more funds (any such attempt on its part would only result in a reduction of the grant-in-aid). Nor is there any incentive to the institution to economise in expenditure. Consequently, the Madhya Pradesh system tends, in practice, to increase expenditure and to reduce the amount raised through non-governmental resources. This is the main reason why the grant-in-aid per pupil to several institutions in Madhya Pradesh is larger than the cost per pupil to Government in a Government institution. This aspect of the problem will have to be reconsidered by the State Government.

In addition to maintenance grants, grants can also be given for equipment and buildings. The maximum limit of the equipment grant is 50 per cent of the actual expenditure, except in the case of science laboratory fittings in respect of Physics, Chemistry (excluding Chemicals), Biology, Agriculture and technical subjects, workshops, gas plant and its installation; where the rate of grant is 75 per cent of the expenditure.

The extent of building grants is as follows:-

(a) For institutions in urban areas, it is one-third of the total expenditure. Urban areas shall be towns having a population of 10,000 or more according to latest census.

(b) The building grant for the following types of institutions shall be at 50 per cent of the total expenditure:-

- (i) for institutions in rural areas.
- (ii) for girls' institutions.
- (iii) for special institutions as pointed out earlier.
- (iv) for buildings directly necessary for the efficient teaching of science and technical subjects (excluding Domestic Science and Physiology Hygiene), viz., laboratories, workshops and science lecture theatres.

The building grant is payable subject to the satisfaction of other conditions laid down in this behalf.

MADRAS

The recurring grant to elementary schools is equal to the entire expenditure on the salaries and allowances of teaching staff plus a maintenance grant.

Building grants not exceeding half the total cost can be given subject to a limit of Rs.4000 for lower elementary schools and Rs.7000 for higher elementary schools. For Basic schools, the grant is given at 75% of the total cost subject to a minimum of Rs.9000 for Junior Basic Schools and Rs.15,000 for senior Basic Schools. Equipment grants are also given at not more than 50 per cent.

MAHARASHTRA

In Maharashtra, there are no middle schools as such. Classes I-VII form an integrated unit and are treated as primary schools.

The grant-in-aid to private primary schools in Maharashtra is paid in three different ways in the three regions, viz., Western Maharashtra, Vidarbha and Marathwada.

In Western Maharashtra Region, the maintenance grant is calculated at the rate of Rs.12/- per pupil belonging to backward class and all girls and at Rs.10/- for other pupils on the basis of the average attendance, provided the grant does not exceed the normal admissible expenditure of the school minus its income from fees. For calculating the admissible

grant, a system of marks is adopted to ensure a fairly high standard of work and efficiency of the schools. The marks are assigned as follows:-

(a) Range and quality of instruction	40
(b) Staff and conditions of service	15
(c) Accommodation	10
(d) School Records	10
(e) Personal Cleanliness & Discipline of pupils	10
(f) Proportion of the pupils in higher classes	8
(g) Prompt and effective supply of returns and statistics	7
Total	<u>100</u>

Under this system, a school must secure at least 70 marks for getting the full grant due and proportionate reduction is made for lesser number of marks. In addition to this maintenance grant, the following grants are also paid :-

<u>Grant</u>	<u>Rate</u>
(a) Dearness Allowance	At two-thirds of the actual expenditure
(b) Trained Teachers' Grant	At Rs.5 per trained teacher per month
(c) Quinquennial grant	At Rs.25 for every five years of existence of the school.

Besides, equipment grants are also paid, subject to availability of funds.

Vidarbha Region: Grants-in-aid to rural primary schools are assessed by 75 per cent of their approved expenditure and to the urban primary schools at 50 per cent of their approved

expenditure. The payment is subject to the condition that no tuition fees are charged in the schools and the teachers are given the prescribed basic pay. Apart from these recurring grants the rules also provide for the payment of building grants limited to one-third of the total expenditure and for special grants for the purchase of equipment, etc. limited to one-half of the total approved expenditure.

Marathwada Region: Grants are paid on the basis of two-third of the salaries inclusive of dearness allowance and house-rent allowance of teachers and other staff members according to the scales sanctioned by the Government minus all income from fees calculated on the basis of standard scales of fees laid down by Government after making allowance for the concessions prescribed. The grants-in-aid paid to schools on this basis are subject to certain ceilings,

#### MYSORE

The system of grant-in-aid to primary and middle schools existed in different areas prior to 1.11.1956 has still been continued pending finalisation of uniform Grant-in-Aid Code for Primary Schools. The following system, therefore, is now operated in different integrated areas:-

(a) Ex-Mysore area : The grant-in-aid to primary and middle schools is given at 75 per cent of the net authorised expenditure which consists of the salaries of teachers, according to government rates, minus income



from fees at standard rates.

(b) Ex-Madras area: In the ex-Madras area, the grant-in-aid for primary and middle schools consists of two parts: (1) teaching grant, and (2) maintenance grant. The teaching grant is given at 100 per cent of the total expenditure on the salaries of the teaching staff and the maintenance grant is given at not more than 15 per cent of the teaching grant.

(c) Coorg area: The same as in the ex-Madras area.

(d) Ex-Bombay area: The entire primary education is under the control of District School Boards under Bombay Primary Education Act and the entire cost thereof is being met from grants made from Government after deducting the education cess collected. The grant to primary schools managed by municipalities is paid at the rate of 50% of the expenditure. As regards the grant-in-aid to private primary and middle schools the same is given under the Bombay Primary Education Rules of 1949. It is a capitation grant at Rs.10/- for every boy in average attendance and at Rs.12/- for every girl (or a student of the backward classes) in average attendance. In addition, grants are also given for such items as dearness allowance, the appointment of a trained teacher etc.

(e) Ex-Hyderabad area: The grant-in-aid to primary and middle schools is given at two-thirds of the authorised expenditure minus the fee income at standard rates.

ORISSA

Middle Schools: The grant-in-aid rules prescribed for high schools are also applicable to middle schools. The ratio of financial assistance for Boys' Middle Schools and Girls' Middle Schools is the same.

Primary Schools: The only private schools which now exist in Orissa are a few mission schools which do not want to be placed under the control of the Panchayat Samitis. These are paid grant-in-aid at two-thirds of the salaries of teachers.

PUNJAB

Middle Schools

The grants-in-aid are payable in four types:-

- (i) Block grants;
- (ii) Staff grants;
- (iii) Standard Provident Fund grants; and
- (iv) Boarding House grants.

Block grants are sanctioned as under:-

- (1) Rs. 8/- per pupil (in the case of boys) and Rs. 16/- for girls in Middle classes in schools where English is not taught; and
- (2) Rs. 16/- per pupil (Boys) and Rs. 32/- per pupil (Girls in Middle classes in schools where English is taught as a compulsory subject.

In the revised rules, which are under consideration, the rates of the Block grant will be uniform for all types of middle schools viz., Rs. 16/- for boys and Rs. 32/- for girls.

Staff grants are sanctioned on 1/3 of the salary paid to the trained staff.

The grant in respect of Standard Provident Fund is paid at 50% of the contribution made by the management to the deposits of this fund.

Boarding House grants are paid to the extent of 3/4th of the deficit of approved expenditure over income from boarding house charges.

### Primary Schools

The rules in respect of secondary schools also apply to primary schools. However, the rates of Block grant are as under:-

- (i) Rs. 3/- per pupil (Boys) in classes I & II
- (ii) Rs. 5/- per pupil (Boys) in other classes
- (iii) Rs. 6/- per pupil (Girls) in classes I, II and III.
- (iv) Rs. 10/- per pupil (Girls) in other classes.

In the revised rules, which are under consideration, the rates of Block grant will be Rs. 5/-, Rs. 8/-, Rs. 10/- and Rs. 16/- in respect of serial No. (i), (ii), (iii) and (iv) respectively.

So far as Staff grants; Standard Provident Fund grants and Boarding House grants are concerned the details are as given above for middle schools.

## RAJASTHAN

Rules of Grant-in-Aid: Prior to 1949, each of the integrating States had its own rules of grant-in-aid. Soon after the creation of Rajasthan, a common set of grant-in-aid rules applicable to the State as a whole was formulated. This was revised in 1956 and the revised rules remained in force till 1962-63. With effect from 1963-64, a new set of grant-in-aid rules have been introduced. Some further modifications to these rules, however, are under consideration at present.

Grant-in-Aid Committee: An interesting feature of the grant-in-aid system in Rajasthan is the establishment of the Grant-in-Aid Committee. This Committee consists of the Director of Primary & Secondary Education (Convener), the Director of College Education, the Chairman of the Board of Secondary Education, a representative of the Education Department, a representative of the Finance Department, the Director of Sanskrit Education, the Director of Technical Education, the Deputy Director of Education of each range (when proposals concerning his range are being

considered) and 3 eminent non-official educationists. This high-level committee considers all new applications for grant-in-aid and also all applications demanding grant-in-aid at a higher rate. Applications for non-recurring grants can be sanctioned by the Director of Education concerned up to a limit of Rs.25,000; but if the amount of aid is more than Rs.25,000 but less than Rs.50,000, the matter has to be placed before the Grant-in-Aid Committee. But once the Committee has approved a new application for grant-in-aid, or fixed the rate of grant-in-aid for an institution, all further recurring grants are sanctioned by the Director of Education concerned without reference to the Committee. Needless to say, Government seeks the advice of the Grant-in-Aid Committee whenever proposals regarding amendment to rules of grant-in-aid are to be considered.

Principles of Grant-in-Aid: The Grant-in-Aid Rules prescribe the conditions for grant-in-aid for different types of educational institutions on the generally accepted lines. They also lay down that the grant-in-aid committee shall divide all institutions in receipt of grant-in-aid into five categories - D, C, B, A and Special. The amount of grant-in-aid is based on the "approved expenditure" of the institution and depends upon the category assigned to it as shown below :-

<u>Category</u>	<u>Amount of Grant-in-Aid</u>
D	50% of approved expenditure
C	60% -do-
B	70% -do-

<u>Category</u>	<u>Amount of Grant-in-Aid</u>
A	80% of approved expenditure
Special	90% of approved expenditure

Detailed instructions are laid down for defining the approved expenditure. It may also be said that the terms and conditions are fairly liberal. There is also a condition that the total grant-in-aid payable to an institution shall not exceed the difference between the 'approved expenditure' taken into account and 'the income from fees and other recurring sources' during the same year. In calculating income from fees and other recurring sources, no account is taken of the income from interest on reserve fund or rent of properties and also of fee income from fees charged at a rate higher than the Government rate, to the extent of the actual excess realised. In other words, the private schools in Rajasthan have the liberty to charge fees at rates higher than in Government institutions and to utilise the proceeds thereof for maintaining better standards. If they charge higher fees, therefore, they do not suffer a diminution in grant-in-aid due from Government. This is an extremely valuable freedom which the voluntary organisations need. Provisions like this should, therefore, be adopted by other States as well.

Non-recurring grants are sanctioned for buildings, special repairs, purchase of equipment and furniture, and library books at a rate not exceeding 50 per cent of the total approved expenditure.

The classification of institutions in the different categories is done on the basis of several objective criteria laid down such as staff, buildings, equipment, results, etc.

Authority to Sanction Grants: Non-recurring grants not exceeding Rs.25,000 can be sanctioned by the Director of Education concerned. When the amount of the non-recurring grant exceeds Rs.25,000, but is less than Rs.50,000, a reference to the Grant-in-Aid Committee is necessary before the grant is sanctioned by the Director of Education concerned.

Recurring grants are to be sanctioned by the Director of Education concerned. But when the institution has applied for grant-in-aid for the first time, the application needs the approval of the Grants-in-Aid Committee. The rate of grant-in-aid for a given institution is also fixed by the Grant-in-Aid Committee and can be altered only after consulting the Committee.

Assessment and Payment of Grants-in-Aid: Generally grants are assessed on the basis of the expenditure incurred in the previous financial year. In special cases (e.g. when a new course or class is started or a new experiment or project is undertaken or an institution has to face serious financial handicaps) grants may be sanctioned on the basis of the current year's budget.

On the basis of the amount of grant-in-aid sanctioned in the previous year, 1/12th of the grant is paid to the institution every month, subject to adjustment, until the current year's grant is sanctioned. This practice is of great help to the institutions and does not create accounting complications or problems.

Special Features: One important feature of the Rajasthan Grant-in-Aid Rules is that grants are given at the same rate for all types of educational institutions - from pre-primary to post-graduate. This is rather arbitrary and unrealistic. It would, therefore, be better if an attempt is made to adjust the principles of grant-in-aid to the special requirements of the different types of educational institutions.

Another important feature of the Rajasthan system is the division of educational institutions into five different categories. This is certainly better than the system under which a flat rate of grant-in-aid is given to all institutions, irrespective of standard. But the Rajasthan system also has its own problems. In spite of the fact that these rules have been in force for some time, it has not yet been possible to evolve very satisfactory criteria for the classification of any given institution; and a good deal of heart-burning results if different private institutions compare their categories with each other. Allegations of favouritism or political pressures are also made in some cases. It appears, therefore, that a more earnest attempt will have to be made to evolve fairly objective criteria for the classification of private educational institutions into different categories. If this cannot be done, the rules will always come in for criticism.

Reference has already been made to the establishment of a State level Grant-in-Aid Committee which is a unique and valuable feature worthy of adoption by other States.

UTTAR PRADESH

Primary & Middle Schools

The grant-in-aid rules are the same as for institutions generally governed by para 308 of State Education<sup>a</sup> Code given under the heading of Secondary Schools. Accordingly the annual grant shall not exceed the difference between the approved annual cost of maintenance and approved income of the institution from fees and private sources or half the annual cost of maintenance whichever is less. The cost of maintenance may include; (a) valuation of the tutorial services of a missionary whose name does not appear in the list of teachers, the valuation being equal to the sum which a teacher would receive for teaching of a similar character; (b) Contribution to Provident Fund; and (c) Contribution to Reserve Fund.

WEST BENGAL

Grants-in-aid to primary schools -both recurring and non-recurring are paid by:-

- (i) Firstly the District School Boards for aided primary schools, situated in the rural areas.
- (ii) Secondly, the Municipal Boards for aided primary schools, situated in the respective municipal areas.
- (iii) Thirdly by Government through the District Inspectors of Schools for all primary schools, situated in the Municipal areas.

In view of the fact that Primary Education has been made free and compulsory in the rural areas of the whole of the State except the District of Purulia, the number of aided primary schools in the rural areas is very few. Such



aided primary schools are mainly financed by private bodies and the grants-in-aid, paid by the District School Boards, take the shape of lump amounts limited to the deficit for salaries of approved teachers.

The Municipal Boards also make lump sum grants to aided primary schools in their respective areas out of their own funds both for maintenance and capital expenditure.

The recurring grants, paid by Government through the District Inspectors of Schools for all aided primary schools in the municipal areas, take the shape of deficit grant, which is equal to the difference between the approved scale of expenditure and the total income from all sources including fees.

Table - Size and Significant Areas of Private Enterprise in Primary Education - 1961-62

S t a t e	Total number of Private Educational Institutions			Percentage of Private Educational Institutions to total number of Institutions		
	For Boys	For Girls	Total	For Boys	For Girls	Total
1. Andhra Pradesh	2,058	12	2,070	5.7 (36,255)	2.8 (435)	5.6 (36,690)
2. Bihar	24,948	3,772	28,720	71.4 (34,952)	85.1 (4,435)	72.9 (39,387)
3. Gujarat	892	52	944	7.7 (11,572)	19.0 (274)	8.0 (11,846)
4. Kerala	4,037	23	4,060	56.8 (7,113)	69.7 (33)	56.8 (7,146)
5. Madhya Pradesh	776	90	866	2.8 (27,324)	4.5 (1,981)	3.0 (29,305)
6. Madras	5,870	-	5,870	24.8 (23,651)	-	24.8 (23,651)
7. Maharashtra	2,505	109	2,614	10.1 (24,687)	13.1 (829)	10.2 (25,516)
8. Mysore	2,740	123	2,863	12.9 (21,120)	14.4 (856)	13.0 (21,976)
9. Orissa	16,653	179	16,832	74.1 (22,478)	72.3 (248)	74.1 (22,726)
10. Punjab	209	92	301	2.0 (10,297)	3.0 (3,070)	2.3 (13,367)
11. Uttar Pradesh	1,951	312	2,263	48.7 (40,095)	49.2 (6,337)	48.7 (46,432)
12. West Bengal	4,685	606	5,291	15.8 (29,564)	62.4 (971)	17.3 (30,535)

Source: Form 'A', Ministry of Education

Table - Size and Significant Areas of Private Enterprise in Middle Education - 1961-62

S t a t e	Total number of Private Educational Institutions			Percentage of Private Educational Institutions to total number of Institutions		
	For Boys	For Girls	Total	For Boys	For Girls	Total
1. Andhra Pradesh	199	29	228	13.3 (1,491)	21.3 (136)	14.0 (1,627)
2. Bihar	2,135	131	2,266	46.9 (4,553)	49.2 (266)	47.0 (4,819)
3. Gujarat	342	31	373	5.4 (6,350)	4.4 (706)	5.3 (7,056)
4. Kerala	1,399	9	1,408	71.6 (1,954)	69.2 (13)	71.6 (1,967)
5. Madhya Pradesh	128	22	150	4.7 (2,709)	7.3 (303)	5.0 (3,012)
6. Madras	2,006	8	2,014	41.5 (4,838)	88.9 (9)	41.6 (4,847)
7. Maharashtra	484	50	534	5.1 (9,399)	7.5 (670)	5.3 (10,069)
8. Mysore	874	79	953	13.9 (6,285)	11.9 (663)	13.7 (6,948)
9. Orissa	1,198	92	1,290	80.8 (1,483)	76.0 (121)	80.4 (1,604)
10. Punjab	69	74	143	4.8 (1,195)	17.7 (419)	8.9 (1,614)
11. Uttar Pradesh	1,333	172	1,505	34.6 (2,000)	24.0 (409)	32.9 (2,478)

Source : Ministry of Education: Form 'A'.

BIHAR (Contd). (Please see page 4)

Middle Schools

(a) The purposes for giving grant-in-aid to middle schools (including classes VI and VII) are essentially the same as those relating to primary schools as given below:

(b) In so far as grant-in-aid to Expansion and Improvement Programme of elementary schools is concerned, the grant is given on the basis of teacher units which are sanctioned depending upon the enrolment of the school.

(c) Deficit grants from Government funds are also paid to selected privately managed middle schools to make up their deficit and make payment of salary and allowances to their teachers in accordance with the sanctioned scales of pay.

(d) Finally, there are the middle and primary schools which were maintained and aided by erstwhile landlords and which consequent upon the abolition of the Zamindari and liquidation of the smaller estates have to depend upon Government funds for their maintenance.

Primary Schools

Primary education (classes I to V) being the responsibility of the State Government practically the entire cost involved in providing primary education is met by the State Government. Schools established before 1949 received the bulk of the grants from the State Government with this difference that in their case financial assistance varying from 15 to 20 per cent is also being given from the fund of local bodies and other sources.

(a) Specific Purposes grants :- Grants are given for payment of the salary and allowances including dearness allowance to teachers and menials; improvement and maintenance of the library, award of prizes; repairs, contingencies, teaching of craft, supply of furniture, teaching aids; appliances and equipment.

(b) Substantial grants are also given for the construction of buildings.

(c) Schools opened under the Expansion and Improvement Programme of Primary education, primary schools for Harijans, primary schools for backward Muslim community children and stipendary schools receive 100% financial grants from the State Government.

In so far as salaries of teachers of different categories of elementary schools is concerned, the State Government have prescribed identical scales of pay for teachers possessing identical qualifications and taking upon themselves the responsibility of meeting the extra cost involved on this account.

.....

Supplementary Volume No. VI-A (Pt.-III)

# Grant-in-Aid to Secondary Schools

*A Survey of the  
Education Department Rules, 1966*



सत्यमेव जयते

**EDUCATION COMMISSION**  
**University Grants Commission Building**  
**Bahadur Shah Zafar Marg**  
**New Delhi**  
**1966**

SUPPLEMENTARY VOLUME NO. VI-A  
(PART III)

GRANT-IN-AID TO SECONDARY SCHOOLS

A Survey of Departmental  
Rules - 1966

EDUCATION COMMISSION  
MINISTRY OF EDUCATION  
GOVERNMENT OF INDIA  
NEW DELHI  
1966

## PREFACE

The Education Commission has taken up, for detailed examination, the problem of grant-in-aid to educational institutions in India. The object of this study is to ascertain the present practice of giving grant-in-aid to different types of educational institutions in the States and Union Territories and, on a comparison of these, to formulate recommendations for future action.

2. The study is divided into five parts;
- (1) Grant-in-aid to pre-primary institutions;
  - (2) Grant-in-aid to primary schools;
  - (3) Grant-in-aid to secondary schools;
  - (4) Grant-in-aid to Colleges of Arts and Science; and
  - (5) Grant-in-aid to Universities.

These areas were selected for study because, it is in them that private enterprise plays a very large and significant role.

3. I take this opportunity to thank Shri M. P. Balakrishnan, Research Officer of the Education Commission, for carrying out this study. I also would like to convey the gratitude of the Education Commission to the State Governments and Administrations of Union Territories who were kind enough to supply the basic data required.

New Delhi  
1st January, 1966.

J. P. Naik  
Member-Secretary



## C O N T E N T S

	<u>Page No.</u>
Preface	
Summary	(i) - (viii)
Grant-in-aid to Secondary Schools - State-wise	1 - 30
1. Andhra Pradesh	1-2
2. Assam	2-4
3. Bihar	5-9
4. Gujarat	9-11
5. Kerala	12-13
6. Madhya Pradesh	13-15
7. Madras	16
8. Maharashtra	16-18
9. Mysore	18-20
10. Orissa	20-21
11. Panjab	21-23
12. Rajasthan	24-28
13. Uttar Pradesh	29
14. West Bengal	29-30
Tables	31-32

---

Grant-in-Aid to Secondary Schools -  
a Summary of present position

(Pages iv-viii give State-wise position)

Management

While analysing the management-wise position of the Secondary Schools it is seen that in 8 States (Assam, Bihar, Gujarat, Kerala, Maharashtra, Orissa, Uttar Pradesh and West Bengal) the overwhelming majority of schools is run by private management. In 5 States (Andhra Pradesh, Jammu & Kashmir, Madhya Pradesh, Nagaland and Rajasthan) it is the government which runs the majority of the schools. In the remaining three States of Madras, Mysore and Punjab the management is shared more or less evenly by the government and private management.

Recurring grant

In Madras where Secondary Education is completely free, the government is meeting the entire expenditure on salary and allowances of teaching and non-teaching staff. In Andhra Pradesh where 60% of the students receive free education the State Government meets full expenditure on salaries and allowances of teaching and non-teaching staff after deducting income from fees. While Madras also meets the entire approved expenditure on maintenance of schools, Andhra Pradesh gives 10% of the teaching grant for meeting such expenditure.

In Kerala the State Government allows a maintenance grant @ Rs. 3.50 per pupil per annum on the basis of effective strength of each class in the school.

In Bihar and Punjab there are different types of grants. While the State Government sanctions such grants

in Punjab, it is the Board of Secondary Education that sanctions these grants in Bihar.

In all the remaining States recurring grant is sanctioned as a definite percentage of the total admissible expenditure <sup>or deficit</sup>. In Madhya Pradesh, for example, 75% of the admissible expenditure or the net deficit whichever is less is sanctioned. In Rajasthan the percentage is decided according to categorisation done by the Grant-in-aid Committee. In Gujarat and Maharashtra maintenance grant is usually 45% for urban areas and 50% for rural areas. In Mysore the State Government sanctions 80 & 85% of the maintenance costs for schools in urban and rural areas. Orissa sanctions up to 2/3rd of the deficit. The States of Assam, Uttar Pradesh and West Bengal also calculate grant-in-aid on the basis of the difference between the approved income and expenditure.

#### Specialities

The States of Maharashtra, Gujarat and Orissa have two types of rates for releasing grant-in-aid, one for rural area and the other for urban area. The State of Gujarat gives in addition special consideration to girl institutions and post-basic schools.

#### Non-recurring Grant

States sanction non-recurring grant annually subject to availability of funds and accords a lower priority for this purpose.

Non-Recurring grants include Building grants & Equipment grants.

In Gujarat building grant is sanctioned up to  $\frac{1}{4}$ th of the total expenditure, in Madhya Pradesh 50% of expenditure, in Maharashtra  $\frac{1}{3}$ rd of the expenditure for ordinary schools

(iii)

and 50% of the expenditure for vocational high schools. Equipment grant is usually 12% of the total expenditure in Gujarat and Maharashtra which can be raised up to 25% in special cases. In Gujarat for new Schools this may even be sanctioned up to 50% of the expenditure. In Madhya Pradesh equipment grant is @ 50% to the total expenditure and can be raised to 75% for science laboratories. The State of Orissa sanctions non-recurring grant @ 50% expenditure for boys schools and 60% for girls schools.

#### Other Points

In Punjab it is seen that the schools have to wait for some years before they are borne on the grant-in-aid list. In Orissa the schools get grant-in-aid only from the year which follows immediately after the year of sending candidates for high school certificate examination for the first time. Till then they get only a grant of Rs. 75 per month.

In Assam the State Government permits the management to utilise 25% of monthly fee income for contingencies, furniture, equipment and similar other purposes and 15% for construction of buildings and repayment of loans.

The rates of grant-in-aid both recurring and non-recurring, it is seen, vary from State to State though the approach in most of the States is to meet some part of the deficit if not the entire deficit.

---

GRANT-IN-AID TO SECONDARY SCHOOLS  
A SUMMARY

(Pages 1-32 give Statewise details)

---

Name of State : Rules regarding Grant-in-Aid

---

1. Andhra Pradesh

All Secondary Schools get teaching grant @ 100% expenditure on salaries and allowances of the teaching and non-teaching staff in the preceding year deducting income from fees and expenditure on menial staff from the contingency.

Maintenance grant equal to 10% of this teaching grant also given.

At present about 60% of the children in classes IX-XI get free education.

2. Assam

Grant-in-aid is calculated on the basis of difference between approved income (deducting 40% of the total fee income) and approved expenditure. Schools not recognised by the Board of Secondary Education but recognised by the Department are given a minimum fixed grant of Rs. 150 per month which may be increased up to a maximum of Rs. 750 per month.

Aided Secondary Schools are also eligible for loans up to Rs. 20,000.

3. Bihar

The Board of Secondary Education sanctions a variety of grants to recognised non-government Secondary Schools:-

(i) Normal Grants with a minimum monthly grant of Rs. 100 per High School and Rs. 250 per Higher Secondary School and up to half of Standard Costs.

(ii) Efficiency grant to deserving high schools according

---

Name of State : Rules regarding Grant-in-Aid

---

Bihar(Contd.)

to Board's decision; (iii) Subsidy grant to meet D. A., salary, provident fund of teachers, building repairs; (iv) Ad-hoc Recurring grant to higher secondary and multi-purpose schools equal to difference between teachers' salary and income from fees or 50% of additional expenditure whichever is less; (v) Science and Agricultural grant @ Rs. 169 per month for Science and Rs. 112 for Agriculture; (vi) Grant for Physical Education for appointing qualified Physical Instructors; (vii) Zamindari Grant at rates fixed by the Revenue Department; (viii) Aboriginal Grant - compensation for giving freeships to aboriginal students from the Welfare Department; (ix) Grant for Revision of salary scales. (x) Grants for annual increments of teachers and teaching staff; (xi) Lump sum grants on the basis of roll strength or school/ of S. S. examination and attendance ranging from 200 to 1000 per school; and (xii) Grant for compensation of loss in fee incomes.

/result

4. Gujarat

Maintenance grant: 45% of the admissible expenditure to schools in urban areas, 50% to schools in rural areas, 55% to girls' schools in rural areas and 60% for post-basic schools. 25% of the admissible expenditure to new secondary schools, if funds are available. Vocational secondary schools get 50% of their expenditure for recurring and non-recurring purposes. Schools charging tuition fees at rate higher than twice the prescribed rates do not get grant-in-aid. (2) Building grant - not exceeding 1/4th of the total expenditure. (3) Equipment grant - Up to 12% of the total direct expenditure. Additional ad-hoc grant upto 25% can also be sanctioned, for equipment which may be raised to 50% for new schools. (4) Reasonable expenditure on hostels also may be admitted for maintenance grants.

Name of State	Rules regarding Grant-in-aid
5. <u>Kerala</u>	<p>Maintenance grants @ <math>\text{Rs. } 3.50</math> per annum per pupil based on the effective strength of classes in a school. 50% of the grant paid during the previous year is paid in advance in April.</p>
6. <u>Madhya Pradesh</u>	<p>For all types of private educational institutions grant-in-aid is assessed as equal to 75% of the admissible expenditure or the net deficit whichever is less. In addition, building and equipment grants are also sanctioned at the rate of 50% of expenditure. Equipment grant will be 75% of expenditure for Science Laboratories.</p>
7. <u>Madras</u>	<p>Since 1964-65 when levy of fees in all secondary schools was abolished every secondary school <u>receives</u> <u>Staff grant</u> covering the entire expenditure on pay and dearness allowance of the teaching and non-teaching staff. Approved expenditure on maintenance is also paid in full subject to a cut of Rs. 5,000 if the strength of the school is less than 500 and Rs. 7,000 when it is more than 500, as contribution by the management.</p>
8. <u>Maharashtra</u>	<p>Secondary schools in urban areas get 45% of the admissible expenditure as grant-in-aid and in rural and backward areas 50% of the admissible expenditure. Equipment grants up to 12% of the total actual expenditure and on an ad-hoc basis even up to 25% of such expenditure sanctioned subject to availability of funds. <u>Provident fund grants</u> sanctioned up to as 1/3rd of accumulation standing to the credit of teachers. <u>Building grant</u> @ 1/3rd of the total expenditure in the case of ordinary schools and 50% in the case of vocational high schools subject to the availability of funds.</p>
9. <u>Mysore</u>	<p>Maintenance grant sanctioned @ 80% of the net authorised cost in urban areas and 85% in rural areas. Grants for construction of buildings @ 50% of the approved costs and equipment grants @ 5% of</p>

(vii)

(17)

Name of State : Rules regarding Grant-in-aid

the total direct expenditure also admitted. In special cases equipment grant @ 25% of total expenditure also sanctioned.

10. Orissa

/&

High schools for boys sending candidates for H. S. C. Examination get 2/3rd net deficit as recurring grant-in-aid. Till then Rs. 75/- per month. High schools in Ex-State Area/Adivasis and Backward Areas/High Schools for girls get 2/3rd deficit grant from the year of recognition. Non-recurring grant @ 50% expenditure for boys and 60% expenditure for girls. Hostel building and teachers quarters get 100% financial assistance. Higher Secondary Schools get full deficit grant.

11. Punjab

Four types of grants-in-aid are paid to Secondary Schools; (i) Block Grant; (ii) Staff Grant; (iii) Standard Provident Fund Grant; and (iv) Boarding House Grant.

Block grants are calculated on the basis of average attendance in the preceding three years @ Rs. 24 per boy and Rs. 48 per girl in the IX and X classes.

Staff grants at 1/3rd of the salary paid to the trained staff.

Standard Provident Fund Grants @ 50% of the contribution made by the management.

Boarding House grants up to 3/4th of the deficit of approved expenditure over income from Boarding House charges.

12. Rajasthan

Grant-in-aid given according to categorization of institutions as D, C, B, A and Special, and the grants given @ 50/60/70/80/90% of the approved expenditure. This grant is not to exceed the difference between the approved expenditure and income from fees.



(viii)

---

Name of State	: Rules regarding Grant-in-aid
13. Uttar Pradesh	Annual grant-in-aid, on the basis of the difference between annual cost of maintenance and approved income from fees or half of the annual maintenance cost whichever is less.
14. West Bengal	Deficit basis.

---

Source: Information furnished by  
State Governments.

...

## GRANT-IN-AID TO SECONDARY SCHOOLS

### ANDHRA PRADESH

Under the latest orders, the secondary schools (including the middle and primary departments attached to them) and middle schools (including the primary departments attached to them) are entitled to receive aid at the following rates:-

(1) A teaching grant equal to the expenditure on salaries (including allowances) of the teaching and non-teaching staff in the preceding financial year excluding the expenditure on menial staff paid from contingencies; and

(2) A maintenance grant equal to 10% of the expenditure referred to in (1) above.

(3) The amount of tuition fees which the Management is eligible to receive either from the students or from Government by way of fee compensation etc. is to be deducted from the total of items (1) and (2) above while arriving at the net grant-in-aid payable to the institutions.

Some explanation is necessary regarding fees. At present, Government prescribe the standard rates of fees to be levied in schools. By and large, the fees in Andhra area are much higher than in the Telangana area and it has not yet been possible for the State to equalise the rates of fees in the two regions. There are also a very large number of concessions allowed in fees. For instance, all education upto VIIIth class is

free. Even in Classes IX to XIII, free education is given to all children of scheduled castes and scheduled tribes and all girls. All children of parents whose income is less than Rs. 1,500 per year are also given free education. Special concessions are available to children of Defence personnel and children of goldsmiths thrown out of employment. All children of non-gazetted officers and employees of local bodies and teachers in aided schools (whose income does not exceed Rs. 300 per month) are eligible for half fee concessions. On the whole, therefore, it may be said that about 60% of the children in classes IX to XII get free education.

Grants to secondary schools are paid monthly in instalments. On the basis of the expenditure on the staff and income from tuition fee in July each year, a provisional assessment of the grant due to the school for that month is made and paid in August. An equal instalment is paid every month till next June. After the accounts of the school for financial year are duly audited and approved, the final settlement of the grant-in-aid is made. If there is any excess payment, it is recovered by adjustment in the next year's grant; and if there is any under payment, the difference is paid in cash.

#### ASSAM

##### Principles -

- 1) Grant-in-aid is calculated on the basis of difference between approved income and approved

expenditure.

(a) Approved income is determined by multiplying the number of students by the rate of fees and then deducting 40% of the total fee income. Estimate of approved income is based on actual enrolment.

(b) Approved expenditure will include salaries to teachers and clerks and Government share of provident fund contributions.

#### Conditions

1) School must be recognised by the Board of Secondary Education.

2) Minimum enrolment should be 300 but in case of girls schools and schools in backward or tribal area it is 150. 40% of the total enrolment must be in the upper four classes.

3) Each school must maintain the prescribed minimum number of teachers with requisite qualifications.

4) 25% of the monthly fee income must be set apart for fee remissions, contingency, furniture, equipment and minor repair of building and 15% for construction of building and repayment of loans incurred for building and other capital expenditure.

5) The rate of tuition fee in all aided schools will be the same as that in Government schools. The Managing Committee may, however, increase the rate up to a limit of 50% over the prescribed rate with the prior approval of the Inspector of Schools concerned.

6) Appointment of Headmasters are to be made by the Managing Committee - out of a panel of names.

selected by a State Selection Board consisting of -

- a) Director of Public Instruction - Chairman
- b) Additional Director of Public Instruction - Secretary
- c) Inspector of Schools concerned
- d) and e) Two educationists nominated by Government.

7) Appointment of Assistant Headmasters and other teachers are to be made by the Managing Committees out of a panel of names selected by Divisional Selection Boards consisting of -

- a) Inspector of Schools - Chairman
  - b) An Assistant Inspector of Schools to be nominated by the Inspector of School - Secretary
  - c) One Headmaster
  - d) One Headmistress
  - e) and f) Two educationists
- } Nominated by D.P.I.

Rules for ad hoc grants to Secondary Schools

Secondary Schools which are not recognised by the Board of Secondary Education but recognised by the Department are given grants at the following rate -

- a) A minimum fixed grant of Rs. 250/- per month.
- b) This minimum grant may be increased @ Rs.125/- for each additional graduate teacher and Rs. 75/- per month for each additional undergraduate teacher up to a maximum of Rs. 750/- per month.

Loans

Aided secondary schools getting grant under the deficit system are eligible for loans in the same way as the aided colleges but subject to a maximum limit of Rs.20,000/-.

BIHAR

The sanctioning authority for all recurring grants is the Board of Secondary Education, Bihar, excepting in cases where a reference to the Department is specifically required under the provisions of the Act or its rules. The conditions of eligibility for fully recognised high schools for boys and girls or partly recognised high schools for girls are laid down and have to be strictly adhered to by the Board.

The Board of Secondary Education, Bihar, sanctions a variety of grants to non-government recognised high schools as follows:-

(1) Normal grant-in-aid to non-government schools: This includes (a) normal grant; (b) hostel grant; (c) grant for municipal taxes; (d) grants for teaching of special subjects. These grants are paid only to old schools according to the decision of Finance Committee of the Board.

This is a recurring monthly grant to a school and is limited to the differences between the standard cost and the fee income. It is, however, provided that the minimum monthly grant to a high school or a higher secondary school shall be Rs. 100 or Rs.250, respectively and the maximum grant in either case half of the standard cost. In assessing the grant no allowance should be made by the board for expenditure in excess of standard cost without reference to the Department. A girls school

is eligible for full amount of the deficit as soon as classes VIII and IX are recognised and a certain minimum number of pupils are enrolled. The maximum admissible limit in the case of girls schools is two-thirds of the standard cost.

The standard cost takes into consideration several items, such as (a) the number of teachers including a librarian to be employed according to qualifications and salary scales laid down; (b) salary of a clerk; (c) amount to be spent according to scales laid down on contingent expenses for specified items like prizes, library, laboratory, building accounts; (d) contribution towards teachers, provident fund; (e) pay of menials according to fixed rates; (f) rents and taxes; (g) any other expenditure like dearness allowance to teachers, clerks, etc. as approved by the Department.

A school is entitled to full normal grant only if it satisfies certain conditions: (a) percentage of passes as fixed; (b) below average attendance not below 80%; (c) enrolment in top classes of at least 40 pupils per class excepting in girls schools where it may be 20 pupils per class.

There is also provision for reduction, withholding or withdrawal of grants if the percentage of passes or the average attendance or the average number of pupils is below the levels fixed and if the institutions do not satisfy the conditions laid down by the Department or the Board.

- (2) Efficiency Grant: Besides recurring normal grants the Board can also sanction efficiency grants to deserving high schools including State-subsidised high schools. The Board fixes standards for efficiency and eligibility for this grant. The factors taken into consideration may be (a) percentage of passes at public examination; (b) quality of the results; (c) result of school examination; (d) number of pupils on rolls and percentage of attendance, staff, qualifications, adequacy and suitability; (e) standard of library equipment; (f) library organisation and quality of books; (g) co-curricular activities; (h) standard of discipline; (i) school management and parental cooperation.
- (3) Subsidy Grant: This is sanctioned for (a) pay of teachers and clerks; (b) D.A. at Rs. 15 per month per head; (c) General Provident Fund; (d) building repairs at Rs. 50 per month; and (e) contingencies at Rs. 100 per month.
- (4) Grants to non-Government multipurpose and higher secondary schools: Ad hoc recurring grant equal to the difference between the ad hoc expenditure due to the appointment of teachers in the prescribed scales of pay and the fee income of class XI or 50% of such additional expenditure whichever is less is given.
- (5) Science and Agriculture Grants: The rate of grant is Rs. 169 per month for Science and Rs. 112/- per month for agriculture. This is sanctioned to 48 schools at present.



(6) Grants for physical education: The grants for physical education are paid only to schools which have appointed physical instructors holding diploma or certificate in physical education.

(7) Zamindari Grant: This grant is payable to the schools formerly run by outgoing zamindars. Its rate is sanctioned by the D.P.I. Bihar.

(8) Aboriginal grant: The aboriginal students who were paying tuition fees at reduced rates have been facilitated with full freeship and the loss thus accrued is thus compensated out of this grant to all the non-government high schools.

(9) Grant for revision of scales of pay to teachers and clerks in non-Government high schools recognised up to 31st March, 1949: This includes the difference of pay in the old scales of pay and the prescribed scales of pay of teachers as on 1.4.1949 plus the compensation for loss of fee income due to raising of free studentship from 10% to 15% due to admitting Harijan students free and aboriginal students at reduced rates and making the primary education free in classes IV and V.

(10) Grants for annual increments to teachers and clerks: It is paid to schools recognised fully or partially up to 31st March, 1949. From 1st April, 1949, different scales of pay have been prescribed for teachers holding different qualifications in non-government high schools. The annual increment in these prescribed scales

is met out of this grant.

(11) Grant for revised scales of pay with effect from 1.4.1957: This grant is paid to schools recognised fully or partially up to 31st March, 1957. From 1.4.1957 Government announced higher scales of pay to teachers. The difference is met out of this grant.

(12) Lump Sum grant: Under this schools recognised after 31st March, 1949, are sanctioned grants on the basis of (a) roll strength of the school - from Rs.200 to Rs. 400; (b) results of S.S. Examination - from Rs. 500 to Rs. 1,000; (c) attendance - Rs. 300 to Rs.400; and (d) fixed contingencies which is Rs. 900 per school.

(13) Grant for compensation of loss of fee income: This grant is paid to schools recognised after 31st March, 1949, as compensated for loss of fee income for admitting Harijan students free and aboriginal students at reduced rates.

#### GUJARAT

Under the revised rules, which have been brought into force, secondary schools are divided into four categories:-

- (i) Secondary schools in urban areas - an urban area being defined as a place with more than 10,000 population.
- (ii) Secondary schools in rural areas;
- (iii) Secondary Girl Schools in rural areas; and
- (iv) Post-Basic Schools.

The Secondary Schools are eligible for four different types of grants: (a) Maintenance grants; (b) Equipment grants; (c) Building grants; and (d) Such other grants as may be sanctioned by the Director from time to time.

Maintenance Grants: (i) Schools in urban area receive 45% of admissible expenditure, (ii) schools in rural area 50% of the admissible expenditure, (iii) girls schools in rural area 55% of the admissible expenditure and (iv) Post-Basic Schools, 60% of the admissible expenditure.

New secondary schools may be considered by the Director at his discretion for the payment of ad hoc grants during the first year of the recognition provided necessary funds are available. The amount should not exceed 25% of the admissible expenditure and should be paid on the basis of efficiency only.

In addition to the maintenance grants mentioned above, the Director may sanction at his discretion, provided necessary funds are available, additional grants not exceeding 5% of the admitted expenditure to selected schools both from urban and rural areas.

Vocational Secondary Schools including Technical High Schools are eligible for maintenance grant at 50% of the admitted expenditure and for non-recurring equipment grant @ 50% of the admitted expenditure of their vocational standards only.

Schools charging tuition fees at rates higher than twice the rates prescribed for their areas are not eligible for grant-in-aid of any kind.

Building grants: Management of educational institutions may be paid for building grants for purchasing, erecting, enlarging or reconstructing buildings at the rate not exceeding 1/4th of the total expenditure.

Equipment grant: Expenditure on school equipment such as school furniture, library, laboratory, workshop, audio-visual and other teaching aids including equipment on craft is admissible for maintenance grant provided it is up to the limit of 12% of total direct expenditure. Expenditure on equipment exceeding this limit will be eligible for ad hoc grants up to 25% of such excess expenditure. For new schools, the grant may be raised to 50% on production of a certificate that no grant on such articles was previously received by the institution.

Grants to hostels: Reasonable expenditure on hostels attached to schools in rural areas such as on salary or allowances of the hostels, hostel buildings and the rent of the hostel building and other necessary expenses connected with the proper management of the hostels may be admitted for the maintenance grant. Government has also prescribed list of admissible and non-admissible items of expenditure.

Grants-in-aid to secondary schools are paid in three instalments.

KERALA

(1) With the introduction of Kerala Education Rules in 1958, the direct payment system came into vogue for aided schools. The Headmasters of aided schools prepare the salary bills and present them to the Treasury for encashment after getting it countersigned by the controlling officers concerned.

(2) Maintenance grant is paid to the managements on a specified rate based on the strength of classes in a school as on the 16th working day from the re-opening day in June.

(a) In the case of secondary schools the rate is Rs. 3.50 per annum per pupil. If any of the standards are run on shift system the number of pupils to be taken into account will be one-half of the number of students in the morning and the evening sessions together.

(b) Maintenance grants may be paid for certain specified items such as repairs, purchase of appliances, contingencies, purchase of books, water and electric charges etc. Items the expenditure for which is met or is to be met out of special fees are not included. Schools in Malabar District conducted in rented buildings are given the amount previously paid by the Government of Madras towards rent of the school building. If this is done, a deduction is made at a fixed rate from the maintenance grant. 50% of the grant paid during the previous year is paid in advance in April or 1st week of May. The educational officers have to check whether the grant

has been properly and fully utilised. Excess, if any, sanctioned for a year is adjusted towards the maintenance grant for the succeeding year.

MADHYA PRADESH

For all types of private educational institutions (except Anglo-Indian Schools), there is one uniform principle of grant-in-aid. The grant-in-aid is assessed as equal to 75 per cent of the admissible expenditure or the net deficit, whichever is less. In defining admissible expenditure, detailed conditions have been laid down.

For instance, the requirements of staff for each type of institution have been prescribed. The scales of pay of the Heads of institutions, teaching staff, clerical and other class IV servants are required to be in accordance with those sanctioned for the corresponding categories of the employees in government educational institutions. The contingent expenditure is also prescribed according to specific rules. The rates of fees, as well as the expenditure on free studentships and other concessions, are also laid down. It, therefore, becomes easy to determine the total 'approved' expenditure of an institution for the purpose of grant and also to determine its income. The grant-in-aid is then calculated at 75 per cent of the total approved expenditure, or the net deficit, whichever is less.

Maintenance grants are sanctioned for a year at a time and are payable in two half-yearly instalments.

As a rule, maintenance grants to institutions are assessed once in three years, and an assessed grant holds good for the entire period, including the year of assessment. A maintenance grant is not reassessed during this period even if the expenditure of the institution is increased, except in cases where the increase is the result of expansion effected with the previous approval of the State Government.

The main lacuna in the Madhya Pradesh Rules relates to the definition of 'income'. Under Rule 32 of the Grant-in-Aid Rules, the income of the school is held to be the total amount derived from fees, subscriptions and endowments and grants from local bodies or authorities but does not include any grant from State funds. Because the total income is taken into consideration in this manner, there is no incentive on the institution to raise more funds (any such attempt on its part would only result in a reduction of the grant-in-aid). Nor is there any incentive to the institution to economise in expenditure. Consequently, the Madhya Pradesh system tends, in practice, to increase expenditure and to reduce the amount raised through non-governmental resources. This is the main reason why the grant-in-aid per pupil to several institutions in Madhya Pradesh is larger than the cost per pupil to Government in a Government institution. This aspect of the problem will have to be reconsidered by the State

Government.

In addition to maintenance grants, grants can also be given for equipment and buildings. The maximum limit of the equipment grant is 50 per cent of the actual expenditure, except in the case of science laboratory fittings in respect of Physics, Chemistry (excluding Chemicals), Biology, Agriculture and technical subjects, workshops, gas plant and its installation, where the rate of grant is 75 per cent of the expenditure.

The extent of building grants is as follows:-

(a) For institutions in urban areas, it is one-third of the total expenditure. Urban areas shall be towns having a population of 10,000 or more according to latest census.

(b) The building grant for the following types of institutions shall be at 50 per cent of the total expenditure:-

(i) for institutions in rural areas.

(ii) for girls' institutions.

(iii) for special institutions as pointed out earlier.

(iv) for buildings directly necessary for the efficient teaching of science and technical subjects (excluding Domestic Science and Physiology Hygiene), viz., laboratories, workshops and science lecture theatres.

The building grant is payable subject to the satisfaction of other conditions laid down in this behalf.



MADRAS

Consequent on the decision of Government with effect from 1964-65, to abolish the levy of fees in all secondary schools, the earlier system of grant-in-aid has been considerably changed. Under the system, every secondary school receives (1) a staff grant, and (2) a maintenance grant.

(1) Staff grant: This covers the entire expenditure, as approved, on pay and dearness allowance of the teaching and the non-teaching staff and is paid monthly.

(2) Maintenance Grants: The approved expenditure on the maintenance is also paid in full by Government subject to a cut of Rs. 1500 which is deemed to be the annual contribution payable by the management towards maintenance.

Maintenance contribution towards maintenance of secondary schools opened under private management in 1965 and thereafter has been fixed as below:-

School with a strength of 500 and below	--	Rs. 5,000 per year
Schools with a strength of above 500	--	Rs. 7,000 per year

MAHARASHTRA

Prior to 1963, the rules of grant-in-aid to secondary schools in the three regions of the State were different. Since last year, the uniform grant-in-

aid Code applicable to all parts of the State has been introduced, just as in the case of grants-in-aid to colleges described above.

The grants-in-aid to secondary schools are of four types: Maintenance grants, equipment grants, provident fund grants and building grants.

(a) Maintenance Grants: In accordance with the recommendations of the Integration Committee for Secondary Education relating to grants-in-aid to non-Government Secondary Schools in all the regions of the State are being paid grants-in-aid with effect from 1959-60 at the following rates:-

(i) Schools in \*Urban area - 45% of the admissible expenditure.

(ii) Schools in Rural and Backward areas - 50% of the admissible expenditure.

(\*N.B. Towns with a population of 50,000 and above according to the 1951 census are considered as urban areas for this purpose).

The expenditure for grant purposes is including the expenditure on D.A. paid by the schools at the rates prescribed by Government from time to time.

(b) Equipment grants: Expenditure on school equipment, such as school furniture, library, laboratory, workshop and other teaching aids including equipment on craft etc. is shown under ordinary expenditure for the year and is held admissible for maintenance grant, provided it is upto the limit of 12% of the total actual expenditure (exclusive of expenditure on equipment). Expenditure on equipment exceeding this limit is admitted for ad hoc grant upto 25% of such expenditure. These

grants are paid subject to the availability of funds.

(c) Provident Fund Grant: As per rules to regulate P.F. for employees in non-pensionable service in recognised secondary schools, the State Government has to pay its contribution towards the P.F. of a secondary teacher. The amount of Government contribution is paid as 'Government share' to the teacher at the time of retirement by way of grant-in-aid to a secondary school which is one third of the accumulations standing to the credit of a teacher.

(d) Building grants: Building grant at the rate of one-third of the total expenditure in the case of the ordinary secondary school and 50% of the total expenditure in the case of vocational high schools is granted for erecting, purchasing or extending or reconstructing school buildings. It is subject to the availability of funds.

It may also be stated that the vocational high schools (including multipurpose schools) are paid recurring maintenance grant at the rate of 50%. In so far as vocational high schools are concerned, 50% of committed expenditure on non-recurring equipment is paid as a non-recurring grant. The scheme of multipurpose schools has since been discontinued.

#### MYSORE

The State Government has been able to finalise a uniform system of grant-in-aid to all non-Government secondary schools in the State. Under this system,

maintenance grants to these schools is admissible at the following rates:-

- (a) 80 per cent of the net authorised cost of maintenance expenditure in urban areas, i.e., areas with a population of 50,000 and above; and
- (b) 85 per cent of the net authorised cost of maintenance in rural areas with a population of less than 50,000.

NOTE: (i) Authorised cost of maintenance means recurring cost for maintaining the schools excluding expenditure on endowments scholarships, scholarships, capital expenditure on the construction of school buildings, special repairs to school buildings, furniture, equipment, etc. for which separate grants paid.

(ii) Net authorised cost of maintenance means authorised cost of maintenance as detailed in (i) above minus the income from tuition fees calculated at standard scales for 8 months in a year, plus admission, re-admission and penal fee, if any.

- (c) The total amount of maintenance grant payable to a non-government secondary school shall not in any case exceed the deficit between authorised cost of maintenance and fee income from all sources (including fee compensation grant paid in respect of pupils whose parents' annual income from all sources is Rs.2,400/- and below).

In addition to the maintenance grant, these schools may also be given grants of construction of school buildings (including extensions) at 50% of the approved cost.

As regards equipment grant, 5 per cent of the total direct expenditure of the school will be admitted for maintenance grant and the excess over the 5 per cent expenditure incurred on the purchase of furniture, equipment etc., with the prior approval of the Department will be held eligible for special equipment grant at 25 per cent.

#### ORISSA

Grant-in-aid to Secondary Schools is given on the following basis:-

##### Recurring:

(a) As per the revised rules effected from 1964-65, the High Schools for boys in the old provincial areas are eligible for the minimum grant-in-aid from the academic year immediately following the year of presentation of candidates at the High School Certificate Examination for the first time. After receipt of minimum grant of Rs. 75/- p.m. for three years the schools are eligible for the admissible grant i.e. 2/3rd of the net deficit.

(b) High Schools in the ex-State areas, and in predominantly Adivasi and backward areas, receive admissible grant-in-aid at two-thirds of the net deficit, subject to budget provision, from the year of recognition

of a Class or Classes.

(e) For Girls High Schools, net deficit grant is released as soon as a class or classes get recognition.

Non-Recurring:

(d) For Boys High Schools, non-recurring grant is released at 50 per cent of the estimated cost on the projects. For Girls High and M.E. Schools, non-recurring for construction of school building and purchase of furniture, equipment etc. is paid by Government on 60:40 basis. Non-recurring grant for construction of hostel building and Teachers' quarters is paid by Government on 100% basis.

There are two exceptions to the above rules:-

(a) In recent years, nearly 140 private High Schools have been taken over to Government management and full deficit grant to the schools is paid through the Inspector of Schools who is the agent of Government in the matter of management of these schools.

(b) Non-Government Higher Secondary Schools receive full deficit additional grant on account of the introduction of Higher Secondary scheme.

PUNJAB

In order to earn grant-in-aid, a secondary school has to be permanently recognised and borne on the grant-in-aid list. A secondary school which gets permanent recognition, is not immediately entitled to grant-in-aid. In actual practice, secondary schools have to wait for considerable time until they come on the grant-in-aid list. During the period when

they are permanently recognised but not borne on the grant-in-aid list, some special grants may be paid to them subject to availability of funds. If funds are available, even provisionally recognised schools may be paid some special grants.

The grants-in-aid payable to secondary schools are of four types: (1) block grants; (2) staff grants; (3) Standard Provident Fund grant; and (4) Boarding House grants.

(1) Block grants are calculated on the basis of average attendance for the preceding three years at Rs. 24/- per pupil for boys and Rs. 48/- for girls in 9th and 10th classes.

(2) Staff grants are based at one-third of the salary paid to the trained staff. Superannuated trained staff employed with the previous sanction of the Department is also eligible for staff grant. For the purpose of working out the staff required in a particular school, the staffing pattern in Government schools is taken as a model.

N.B. (a) It may, however, be added that the total of the block and staff grants earned by a school should not exceed  $\frac{3}{4}$ th of the deficit calculated as the difference between the approved expenditure on salaries of teaching staff, clerical staff and class-IV servants and contingencies, including assessed or actual rent, etc. and the income from prescribed tuition fees.

(b) The schools are graded according to their efficiency and maintenance of discipline and reputation,

and cuts are applied according to the grade in which an institution is put. But no school is paid less than 75% of the earned grant calculated as above.

(3) The grant in respect of Standard Provident Fund is paid at 50% of the contribution made by the management to the deposits in this fund in respect of trained teaching and clerical staff.

(4) Boarding House grants are also paid to the extent of 3/4th of the deficit of approved expenditure over income from Boarding House fees.

It may be further stated that the maximum ceiling of grant-in-aid which a Secondary School may earn is Rs. 6,000/- per annum.

There is a proposal under consideration of the Department for raising -

(i) the block grant from Rs. 24/- to Rs. 30/- per pupil in the case of boys and Rs. 60/- in the case of girls in classes IX and X and Rs. 40/- and Rs. 80/- respectively in class XI;

(ii) the maximum earned grant (block plus staff) from 75% to 90% of the difference between approved expenditure and income from fees. The rates of contingencies and rent etc. are also being raised by 50%; and

(iii) the maximum ceiling from Rs. 6000/- to Rs. 9000/- in the case of High Schools and Rs. 12,000/- in the case of Higher Secondary Schools.



RAJASTHAN :

Rules of Grant-in-Aid: Prior to 1949, each of the integrating States had its own rules of grant-in-aid. Soon after the creation of Rajasthan, a common set of grant-in-aid rules applicable to the State as a whole was formulated. This was revised in 1956 and the revised rule remained in force till 1962-63. With effect from 1963-64, a new set of grant-in-aid rules have been introduced. Some further modifications to these rules, however, are under consideration at present.

Grant-in-Aid Committee: An interesting feature of the grant-in-aid system in Rajasthan is the establishment of the Grant-in-Aid Committee. This Committee consists of the Director of Primary & Secondary Education (Convenor), the Director of College Education, the Chairman of the Board of Secondary Education, a representative of the Education Department, a representative of the Finance Department, the Director of Sanskrit Education, the Director of Technical Education, the Deputy Director of Education of each range (when proposals concerning his range are being considered) and 3 eminent non-official educationists. This high-level committee considers all new applications for grant-in-aid and also all applications demanding grant-in-aid at a higher rate. Applications for non-recurring grants can be sanctioned by the Director of Education concerned up to a limit of Rs.25,000; but if the amount of aid is more than Rs.25,000 but less than Rs. 50,000, the matter has to be placed before the Grant-in-Aid Committee. But once the

Committee has approved a new application for grant-in-aid, or fixed the rate of grant-in-aid for an institution, all further recurring grants are sanctioned by the Director of Education concerned without reference to the Committee. Needless to say, Government seeks the advice of the Grant-in-Aid Committee whenever proposals regarding amendment to rules of grant-in-aid are to be considered.

Principles of Grant-in-Aid: The Grant-in-Aid Rules prescribe the conditions for grant-in-aid for different types of educational institutions on the generally accepted lines. They also lay down that the grant-in-aid committee shall divide all institutions in receipt of grant-in-aid into five categories - D, C, B, A and Special. The amount of grant-in-aid is based on the "approved expenditure" of the institution and depends upon the category assigned to it as shown below:-

<u>Category</u>	<u>Amount of Grant-in-Aid-</u>
D	50% of approved expenditure
C	60% -do-
B	70% -do-
A	80% -do-
Special	90% -do-

Detailed instructions are laid down for defining the approved expenditure. It may also be said that the terms and conditions are fairly liberal. There is also a condition that the total grant-in-aid payable to an institution shall not exceed the difference

between the 'approved expenditure' taken into account and 'the income from fees and other recurring sources' during the same year. In calculating income from fees and other recurring sources, no account is taken of the income from interest on reserve fund or rent of properties and also of fee income from fees charged at a rate higher than the Government rate, to the extent of the actual excess realised. In other words, the private schools in Rajasthan have the liberty to charge fees at rates higher than in Government institutions and to utilise the proceeds thereof for maintaining better standards. If they charge higher fees, therefore, they do not suffer a diminution in grant-in-aid due from Government. This is an extremely valuable freedom which the voluntary organisations need. Provisions like this should, therefore, be adopted by other States as well.

Non-recurring grants are sanctioned for buildings, special repairs, purchase of equipment and furniture, and library books at a rate not exceeding 50 per cent of the total approved expenditure.

The classification of institutions in the different categories is done on the basis of several objective criteria laid down such as staff, buildings, equipment, results, etc.

Authority to Sanction Grants: Non-recurring grants not exceeding Rs. 25,000 can be sanctioned by the Director of Education concerned. When the amount

of the non-recurring grant exceeds Rs. 25,000, but is less than Rs. 50,000, a reference to the Grant-in-Aid Committee is necessary before the grant is sanctioned by the Director of Education concerned.

Recurring grants are to be sanctioned by the Director of Education concerned. But when the institution has applied for grant-in-aid for the first time, the application needs the approval of the Grants-in-Aid Committee. The rate of grant-in-aid for a given institution is also fixed by the Grant-in-Aid Committee and can be altered only after consulting the Committee.

Assessment and Payment of Grants-in-Aid: Generally grants are assessed on the basis of the expenditure incurred in the previous financial year. In special cases (e.g. when a new course or class is started or a new experiment or project is undertaken or an institution has to face serious financial handicaps) grants may be sanctioned on the basis of the current year's budget.

On the basis of the amount of grant-in-aid sanctioned in the previous year, 1/12th of the grant is paid to the institution every month, subject to adjustment, until the current year's grant is sanctioned. This practice is of great help to the institutions and does not create accounting complications or problems.

Special Features: One important feature of the Rajasthan Grant-in-Aid Rules is that grants are given at the same rate for all types of educational institutions - from pre-primary to post-graduate.

This is rather arbitrary and unrealistic. It would, therefore, be better if an attempt is made to adjust the principles of grant-in-aid to the special requirements of the different types of educational institutions.

Another important feature of the Rajasthan system is the division of educational institutions into five different categories. This is certainly better than the system under which a flat rate of grant-in-aid is given to all institutions, irrespective of standard. But the Rajasthan system also has its own problems. In spite of the fact that these rules have been in force for some time, it has not yet been possible to evolve very satisfactory criteria for the classification of institutions into different categories. There can always be differences of opinion regarding the classification of any given institution; and a good deal of heart-burning results if different private institutions compare their categories with each other. Allegations of favouritism or political pressures are also made in some cases. It appears, therefore, that a more earnest attempt will have to be made to evolve fairly objective criteria for the classification of private educational institutions into different categories. If this cannot be done, the rules will always come in for criticism.

Reference has already been made to the establishment of a State level Grant-in-Aid Committee which is a unique and valuable feature worthy of adoption by other States.

UTTAR PRADESH

This is governed by para 308 of the State Educational Code which is reproduced below:-

"The annual grant shall not exceed the difference between the approved annual cost of maintenance and approved income of the institution from fees and private sources, or half the annual cost of maintenance, whichever is less."

Note (1) - The cost of maintenance may include (a) a valuation of the tuition services of a missionary, whose name does not appear in the list of salaried teachers, the value being taken at the sum which a salaried teacher would receive for teaching of a similar character and amount;

(b) Contribution to a Provident Fund;

(c) Contribution to a reserve fund provided that such reserve fund is not thereby raised beyond the following limits by contribution from the school income.

For a Higher Secondary School } Rs.5000  
having classes upto XII }

WEST BENGAL

The secondary schools in West Bengal also include the middle school classes.

The grant to secondary schools is given on a deficit basis and the Government meets the entire deficit of the school. This system was introduced in 1948-49 and is in vogue to this day. The total expenditure of the school is calculated in accordance

with the rules which regulate the staff to be appointed and the scales of pay and allowances. Non-teacher costs are permitted up to a limit of one-third of the total cost on account of salaries and allowances of teachers. The income is calculated at the prescribed rate of fees, after allowing for fee concessions according to rules. The net deficit of the school is then determined at the difference between the approved expenditure and the approved income.

The schools have the freedom to charge fees at rates higher than the prescribed ones and use the funds thus raised for improving the schools. But this privilege is very rarely used by the schools.

The grant-in-aid is paid in three instalments: the first being paid in the month of May-June; the second during September-October; and the final instalments during February-March.

Table - Size and Significant Areas of Private Enterprise in Secondary Education - 1961-62

S t a t e	:Total number of Private :Educational Institutions:			:Percentage of Private :Educational Institu- :tions to total number :of Institutions		
	: For	For	Total	: For	For	Total
	: Boys	Girls		: Boys	Girls	
1. Andhra Pradesh	195	61	256	15.2 (1,279)	39.1 (156)	17.8 (1,435)
2. Assam	530	72	602	95.3 (556)	96.0 (75)	95.4 (631)
3. Bihar	1,526	73	1,599	97.3 (1,568)	77.7 (94)	96.2 (1,662)
4. Gujarat	914	80	994	82.9 (1,103)	74.8 (107)	82.1 (1,210)
5. J & K	14	12	26	5.2 (271)	20.7 (58)	7.9 (329)
6. Kerala	541	110	651	69.2 (782)	74.8 (147)	70.1 (929)
7. Madhya Pradesh	241	45	286	31.8 (758)	28.5 (159)	31.2 (917)
8. Madras	468	161	629	36.8 (1,273)	66.0 (244)	41.5 (1,517)
9. Maharashtra	2,125	214	2,339	90.0 (2,361)	88.4 (242)	89.9 (2,603)
10. Mysore	451	95	546	60.3 (748)	74.8 (127)	62.4 (875)
11. Orissa	418	12	430	86.0 (486)	29.3 (41)	81.0 (527)
12. Punjab	506	170	676	34.4 (1,140)	48.4 (351)	45.3 (1,491)
13. Rajasthan	99	57	156	17.2 (574)	75.0 (76)	24.0 (650)
14. Uttar Pradesh	1,451	239	1,690	91.7 (1,583)	77.1 (310)	89.2 (1,898)
15. West Bengal	1,572	443	2,015	97.9 (1,606)	96.7 (458)	97.6 (2,064)

Source: Ministry of Education Form 'A'



Proportion of private enterprise in Secondary Education in the different States of the Indian Union (1956-57 and 1961-62)

State	Percentage of private schools of general secondary education to total in	
	1956-57	1961-62
1. Andhra Pradesh	22.4	17.3
2. Assam	92.9	95.4
3. Bihar	94.0	96.2
4. Gujarat	85.9	82.2
5. Jammu & Kashmir	15.3	7.9
6. Kerala	78.5	70.1
7. Madhya Pradesh	39.1	31.2
8. Madras	50.5	41.5
9. Maharashtra	85.9	89.0
10. Mysore	53.4	62.4
11. Orissa	71.2	81.6
12. Punjab	N. A.	45.5
13. Rajasthan	24.8	19.7
14. Uttar Pradesh	88.5	89.3
15. West Bengal	97.4	97.6

Source: Ministry of Education, Form A.

**Supplementary Volume No. VI-A (Pt. VI)**

# **GRANT-IN-AID TO TEACHER TRAINING INSTITUTIONS**

## **A SURVEY OF THE EDUCATION DEPARTMENT RULES, 1966**



**सत्यमेव जयते**

**EDUCATION COMMISSION  
University Grants Commission Building  
Bahadur Shah Zafar Marg  
NEW DELHI  
1966**

SUPPLEMENTARY VOLUME No. VI-A  
(Part VI)

GRANT-IN-AID TO TEACHER  
TRAINING INSTITUTIONS

---

Survey of Departmental Rules - 1966

EDUCATION COMMISSION  
MINISTRY OF EDUCATION  
GOVERNMENT OF INDIA  
NEW DELHI  
1966

## PREFACE

The Education Commission has taken up, for detailed examination, the problem of grant-in-aid to educational institutions in India. The object of this study is to ascertain the present practice of giving grant-in-aid to different types of educational institutions in the States and Union Territories and, on a comparison of these, to formulate recommendations for future action.

2. The study is divided into five parts:
- (1) Grant-in-aid to pre-primary institutions;
  - (2) Grant-in-aid to primary schools;
  - (3) Grant-in-aid to secondary schools;
  - (4) Grant-in-aid to Colleges of Arts and Science; and
  - (5) Grant-in-aid to Universities.

These areas were selected for study because, it is in them that private enterprise plays a very large and significant role.

3. I take this opportunity to thank Shri M. P. Balakrishnan, Research Officer of the Education Commission, for carrying out this study. I also would like to convey the gratitude of the Education Commission to the State Governments and Administrations of Union Territories who were kind enough to supply the basic data required.

New Delhi  
1st January, 1966.

J. P. Naik  
Member-Secretary

## G O N T E N T S

	<u>Page No.</u>
Preface	
Summary	(i) to (iii)
Details of Grant-in-aid to Teacher Training Institutions - State-wise:	1 - 13
1. Andhra Pradesh	1-2
2. Assam	2
3. Bihar	2-3
4. Gujarat	3
5. Kerala	3
6. Madhya Pradesh	4-6
7. Maharashtra	6-7
8. Punjab	7
9. Rajasthan	7-13
10. Uttar Pradesh	13
Table	14

---

(1)

Grant-in-Aid to Training and other institutions

(Pages 1-13 give detailed State-wise position)

Andhra Pradesh

Andhra area - Grant-in-aid to training institutions for elementary teachers at the rate of 2/3rd of the salary and 50% of the Dearness Allowance of the teaching and non-teaching staff. Income from fees, if any, at standard rates to be deducted.

Telangana area - Grant equal to 2/3rd of the expenditure on salary including allowances of the teaching and non-teaching staff minus income from fees at standard rates.

Assam

Teacher training colleges get grant on an ad hoc basis. No rules of grant-in-aid framed yet. No private teacher training schools.

Bihar

On the recommendation of District Education Officers grant is given by the State Government to pay stipend or a part thereto to trainees and to meet a certain proportion of the maintenance costs.

For schools for Handicapped grants are given, both for development and maintenance including stipends and scholarships.

Gujarat

The secondary teacher training colleges receive grants under the same rules as of Arts and Science colleges - if the enrolment is upto 250, maintenance grant is sanctioned at the rate of 20% of the admissible expenditure which will be reduced to 15% if it is between 251 and 500 and 10% if it is above 500. A new Grant-in-Code is under formulation by the State Government.

/Aid

For training schools, the annual maintenance grant is calculated at 66.2/3% of the admissible expenditure in the previous year subject to a maximum of Rs. 200 per pupil.

(ii)

Kerala

A maintenance grant of Rs. 6 per trainee per annum is paid to the management based on the effective strength of classes in the training schools on the 6th working day from the re-opening day.

Madhya Pradesh

Grant-in-aid is assessed at the rate of 75% of the admissible expenditure or the net deficit whichever is less.

Maharashtra

Training schools for pre-primary teachers are paid grant-in-aid at 50% of the approved expenditure. Training institutions for primary teachers receive 2/3rd of their approved expenditure as grant; besides Government pays the fees of teachers deputed by Zilla Parishads and Municipal School Boards and Municipal Committees. The practising schools attached to training schools for primary teachers get 100% grant for salary and allowances of staff and other contingent expenditure. For equipment, a non-recurring grant upto 2/3rd of expenditure given.

The junior and senior Hindi Shikshak Sanad classes get grant-in-aid at the rate of 66.2/3% of admissible expenditure for maintenance and 50% for Dearness Allowance.

Punjab

Training colleges get maintenance grant like colleges for general education on the basis of deficits. There are no privately managed training schools in the State.

Rajasthan

Grant-in-aid given according to categorisation as D, C, B, A and Special of the institutions by the Grant-in-Aid Committee at the rate of 50/60/70/80/90% of approved expenditure.

(iii)

Uttar Pradesh

For training colleges maintenance grant is not to exceed  $\frac{1}{3}$  of the approved tuition expenditure of the college or the difference between recurring approved expenditure for the year and recurring approved income for the year excluding Government grant whichever is less. Full freeship ... upto 10% and half freeship upto 15% of the total number of trainees on roll may be awarded on the basis of merit and poverty.

---

Source: Information supplied by the State Governments.



## GRANT-IN-AID TO TEACHER TRAINING INSTITUTIONS

### ANDHRA PRADESH

In the Andhra area, the grant-in-aid to training institutions for elementary teachers is paid on the following basis:-

(1) Two-thirds of the salaries of the teaching and non-teaching staff and

(2) 50% of the dearness allowance paid to the teaching and non-teaching staff;

(3) Income from fees at standard rates is deducted from the total of items (1) and (2) above.

It may, however, be mentioned that there are no fees levied in any training institution for elementary teachers.

In the Telangana area, the grant-in-aid is a little more liberal and is equal to two-thirds of the expenditure on salaries (including allowances) of the teaching and non-teaching staff minus income from the fees at standard rates.

The grants are paid monthly as in the case of secondary schools.

It will be seen that the rates of grant-in-aid applicable to training institutions for elementary teachers are more unfavourable than those for secondary schools. There is also a small difference between the two regions. It is, therefore, necessary to revise these rules and to introduce a common set of rules to training institutions for elementary teachers in both the regions. These rules will also

have to be more liberal than those for secondary schools because the expenditure to be incurred in training institutions on non-teacher costs is larger and there is no income from fees. The matter is now under the consideration of Government.

#### ASSAM

##### Teacher Training Colleges:

Besides one Government B.T. College, there are at present only two private B.T. Colleges getting grant from the Government, on an adhoc basis (i.e. Rs.12,000/- per annum). No rules for grant in aid to Teacher Training Colleges have been framed as yet.

##### Teacher Training Schools:

All teacher training schools like the Normal Schools and Basic Training Centres are run by Government. There are no private institutions of this nature.

#### BIHAR

Besides the 101 Teacher Training Schools directly administered by Government there are 12 non-government teachers training schools. A budgetary provision of Rs.95,000 for giving financial assistance to these institutions is made every year. The main purpose for which financial assistance is given are primarily two: (a) payment of stipend, or part thereof to trainees; and (b) meeting a certain portion of the maintenance cost.

All the training schools have to follow the common syllabus approved by the Department. The duration of the course is two years.

The District Education Officers who inspect the schools recommend the amount of grant to be given to each school. This is examined in the Directorate and if the total amount required exceeds the budgetary provision of Rs. 95,000 the amount of grant to each of these schools is proportionately reduced.

#### GUJARAT

##### Teacher Training Colleges:

The Secondary Teacher Training Colleges receive grants under the same rules as Arts and Science Colleges. A new Grant-in-aid Code is being formulated for the Teacher Training Colleges in the State which should be out very soon.

##### Teacher Training Schools:

The annual maintenance grant to a Primary Training School is calculated at 66 2/3% of the admissible expenditure in the previous year, subject to a maximum of Rs. 200 per pupil in average attendance during the previous year.

#### KERALA

As for secondary schools except that the rate for maintenance grant is Rs. 6/- per annum per trainee.

## MADHYA PRADESH

For all types of private educational institutions (except Anglo-Indian Schools), there is one uniform principle of grant-in-aid. The grant-in-aid is assessed as equal to 75 per cent of the admissible expenditure or the net deficit, whichever is less. In defining admissible expenditure, detailed conditions have been laid down.

For instance, the requirements of staff for each type of institution have been prescribed. The scales of pay of the Heads of institutions, teaching staff, clerical and other class IV servants are required to be in accordance with those sanctioned for the corresponding categories of the employees in government educational institutions. The contingent expenditure is also prescribed according to specific rules. The rates of fees, as well as the expenditure on free studentships and other concessions, are also laid down. It, therefore, becomes easy to determine the total 'approved' expenditure of an institution for the purpose of grant and also to determine its income. The grant-in-aid is then calculated at 75 per cent of the total approved expenditure, or the net deficit, whichever is less.

Maintenance grants are sanctioned for a year at a time and are payable in two half-yearly instalments.

As a rule, maintenance grants to institutions are assessed once in three years, and an assessed grant holds good for the entire period, including

the year of assessment. A maintenance grant is not reassessed during this period even if the expenditure of the institution is increased, except in cases where the increase is the result of expansion effected with the previous approval of the State Government.

The main lacuna in the Madhya Pradesh Rules relates to the definition of 'income'. Under Rule 32 of the Grant-in-aid Rules, the income of the school is held to be the total amount derived from fees, subscriptions and endowments and grants from local bodies or authorities but does not include any grant from State funds. Because the total income is taken into consideration in this manner, there is no incentive on the institution to raise more funds (any such attempt on its part would only result in a reduction of the grant-in-aid). Nor is there any incentive to the institution to economise in expenditure. Consequently, the Madhya Pradesh system tends, in practice, to increase expenditure and to reduce the amount raised through non-governmental resources. This is the main reason why the grant-in-aid per pupil to several institutions in Madhya Pradesh is larger than the cost per pupil to Government in a Government institution. This aspect of the problem will have to be reconsidered by the State Government.

In addition to maintenance grants, grants can also be given for equipment and buildings. The maximum limit of the equipment grant is 50 per cent of the actual expenditure, except in the case of science

laboratory fittings in respect of Physics, Chemistry (excluding Chemicals), Biology, Agriculture and technical subjects, workshops, gas plant and its installation, where the rate of grant is 75 per cent of the expenditure.

The extent of building grants is as follows :-

(a) For institutions in urban areas, it is one-third of the total expenditure. Urban areas shall be towns having a population of 10,000 or more according to latest census.

(b) The building grant for the following types of institutions shall be at 50 per cent of the total expenditure:-

- (i) for institutions in rural areas.
- (ii) for girls' institutions.
- (iii) for special institutions as pointed out earlier.
- (iv) for buildings directly necessary for the efficient teaching of science and technical subjects (excluding Domestic Science and Physiology Hygiene), viz., laboratories, workshops and science lecture theatres.

The building grant is payable subject to the satisfaction of other conditions laid down in this behalf.

#### MAHARASHTRA

Training Schools for pre-primary teachers are paid grant-in-aid at 50 per cent of their approved expenditure.

Training institutions for primary teachers in the State are paid grants at 2/3rd of their total approved expenditure. In addition, Government pays the fees

of teachers deputed by the Zilla Parishads and Municipal School Boards/Municipal Committees.

The Training Schools for primary teachers have practising schools attached to them and these institutions receive grants on a liberal basis, i.e., 100 per cent of the salary and allowances of staff and other contingent expenditure approved for the purpose. A non-recurring grant at two-thirds of the cost of equipment for crafts, books and apparatus, library and furniture is also given.

There are a number of Junior and Senior Hindi Shikshak Sanad Classes started to meet the demand of trained <sup>Hindi</sup> teachers in primary and secondary schools. They are paid grant-in-aid as under:

- 1) Maintenance grant at 66 2/3% of the admissible expenditure.
- 2) D.A. grants at 50% of the admissible expenditure. The grant is calculated on the above basis but limited to actual deficit.

#### PUNJAB

The training colleges are paid grants-in-aid under the same rules as apply to colleges of general education. In so far as training schools are concerned, the policy of the Government is not to allow private enterprise in this sector. The question of grant-in-aid does not, therefore, arise.

#### RAJASTHAN

Rules of Grant-in-Aid: Prior to 1949, each of the integrating States had its own rules of grant-in-aid. Soon after the creation of Rajasthan, a common

set of grant-in-aid rules applicable to the State as a whole was formulated. This was revised in 1956 and the revised rules remained in force till 1962-63. With effect from 1963-64, a new set of grant-in-aid rules have been introduced. Some further modifications to these rules, however, are under consideration at present.

Grant-in-Aid Committees: An interesting feature of the grant-in-aid system in Rajasthan is the establishment of the Grant-in-Aid Committee. This Committee consists of the Director of Primary & Secondary Education (Convener), the Director of College Education, the Chairman of the Board of Secondary Education, a representative of the Education Department, a representative of the Finance Department, the Director of Sanskrit Education, the Director of Technical Education, the Deputy Director of Education of each range (when proposals concerning his range are being considered) and 3 eminent non-official educationists. This high-level committee considers all new applications for grant-in-aid and also all applications demanding grant-in-aid at a higher rate. Applications for non-recurring grants can be sanctioned by the Director of Education concerned up to a limit of Rs.25,000; but if the amount of aid is more than Rs.25,000 but less than Rs.50,000, the matter has to be placed before the Grant-in-Aid Committee. But once the Committee has approved a new application for grant-in-aid, or fixed the rate of grant-in-aid



for an institution, all further recurring grants are sanctioned by the Director of Education concerned without reference to the Committee. Needless to say, Government seeks the advice of the Grant-in-Aid Committee whenever proposals regarding amendment to rules of grant-in-aid are to be considered.

Principles of Grant-in-Aid: The Grant-in-Aid Rules prescribe the conditions for grant-in-aid for different types of educational institutions on the generally accepted lines. They also lay down that the grant-in-aid committee shall divide all institutions in receipt of grant-in-aid into five categories - D, C, B, A and Special. The amount of grant-in-aid is based on the "approved expenditure" of the institution and depends upon the category assigned to it as shown below:-

<u>Category</u>	<u>Amount of Grant-in-Aid</u>
D	50% of approved expenditure
C	60% -do-
B	70% -do-
A	80% -do-
Special	90% -do-

Detailed instructions are laid down for defining the approved expenditure. It may also be said that the terms and conditions are fairly liberal. There is also a condition that the total grant-in-aid payable to an institution shall not exceed the difference between the 'approved

expenditure' taken into account and 'the income from fees and other recurring sources' during the same year. In calculating income from fees and other recurring sources, no account is taken of the income from interest on reserve fund or rent of properties and also of fee income from fees charged at a rate higher than the Government rate, to the extent of the actual excess realised. In other words, the private schools in Rajasthan have the liberty to charge fees at rates higher than in Government institutions and to utilise the proceeds thereof for maintaining better standards. If they charge higher fees, therefore, they do not suffer a diminution in grant-in-aid due from Government. This is an extremely valuable freedom which the voluntary organisations need. Provisions like this should, therefore, be adopted by other States as well.

Non-recurring grants are sanctioned for buildings, special repairs, purchase of equipment and furniture, and library books at a rate not exceeding 50 per cent of the total approved expenditure.

The classification of institutions in the different categories is done on the basis of several objective criteria laid down such as staff, buildings, equipment, results, etc.

Authority to Sanction Grants: Non-recurring grants not exceeding Rs.25,000 can be sanctioned

by the Director of Education concerned. When the amount of the non-recurring grant exceeds Rs.25,000, but is less than Rs.50,000, a reference to the Grant-in-Aid Committee is necessary before the grant is sanctioned by the Director of Education concerned.

Recurring grants are to be sanctioned by the Director of Education concerned. But when the institution has applied for grant-in-aid for the first time, the application needs the approval of the Grants-in-Aid Committee. The rate of grant-in-aid for a given institution is also fixed by the Grant-in-aid Committee and can be altered only after consulting the Committee.

#### Assessment and Payment of Grants-in-Aid:

Generally grants are assessed on the basis of the expenditure incurred in the previous financial year. In special cases (e.g. when a new course or class is started or a new experiment or project is undertaken or an institution has to face serious financial handicaps) grants may be sanctioned on the basis of the current year's budget.

On the basis of the amount of grant-in-aid sanctioned in the previous year, 1/12th of the grant is paid to the institution every month, subject to adjustment, until the current year's grant is sanctioned. This practice is of great help to the institutions and does not create accounting complications or problems.

Special Features: One important feature of the Rajasthan Grant-in-Aid Rules is that grants

are given at the same rate for all types of educational institutions - from pre-primary to post-graduate. This is rather arbitrary and unrealistic. It would, therefore, be better if an attempt is made to adjust the principles of grant-in-aid to the special requirements of the different types of educational institutions.

Another important feature of the Rajasthan system is the division of educational institutions into five different categories. This is certainly better than the system under which a flat rate of grant-in-aid is given to all institutions, irrespective of standard. But the Rajasthan system also has its own problems. In spite of the fact that these rules have been in force for some time, it has not yet been possible to evolve very satisfactory criteria for the classification of institutions into different categories. There can always be differences of opinion regarding the classification of any given institution; and a good deal of heart-burning results if different private institutions compare their categories with each other. Allocations of favouritism or political pressures are also made in some cases. It appears, therefore, that a more earnest attempt will have to be made to evolve fairly objective criteria for the classification of private educational institutions into different categories. If this cannot be done, the rules will always come in for criticism.

Reference has already been made to the establishment of a State level Grant-in-Aid Committee

which is a unique and valuable feature worthy of adoption by other States.

UTTAR PRADESH

Professional Colleges - Training Colleges: This is governed by para 320 of the State Educational Code which is reproduced below:-

"320 - Grant-in-aid payable to the non-Government Training Colleges will be subject to the conditions prescribed in this chapter. It will be assessed in accordance with para 319 above. In addition, it will be subject to the continued fulfilment of the following conditions:

- (a) The staff of the aided training college shall be appointed in accordance with paragraph IV of conditions of recognition.
- (b) No person shall be appointed on the teaching staff of the training college without the previous approval of the Deputy Director/ Regional Inspectors in the case of training college for C.T. course and of the Director of Education in the case of training college for L.T. course and no teacher shall be dismissed, removed, discharged or reduced in rank without the prior approval of the Director of Education.
- (c) The number of candidates to be admitted and the method of selection for admission shall be as may be laid down by the Education Department from time to time, one of the conditions being that five candidates may be nominated by Government for admission to each training college.
- (d) The grant may be suspended, withdrawn or reduced at any time by the Education Department.
- (e) Full freeships upto 10% and half freeships upto 15% of the total number of students on roll may be awarded on the basis of merit and poverty."

Table No. : Size and Significant Areas of Private Enterprise in Teacher Training Institutions - 1961-62

S t a t e	:Total number of Private :Percentage of Private			:Educational Institutions: Educational Institu-		
	:tions to total number			:of Institutions		
	: For	For	Total	: For	For	Total
: Boys	Girls		: Boys	Girls		
1. Andhra Pradesh	18	14	32	19.4 (93)	33.3 (42)	23.7 (135)
2. Bihar	14	7	21	14.4 (97)	28.0 (25)	17.2 (122)
3. Gujarat	22	12	34	40.0 (55)	63.2 (19)	45.9 (74)
4. Kerala	38	11	49	59.4 (64)	61.1 (18)	59.8 (82)
5. Madhya Pradesh	1	2	3	2.4 (42)	28.6 (7)	6.1 (49)
6. Madras	4	11	15	66.7 (6)	61.1 (18)	62.5 (24)
7. Maharashtra	100	38	138	66.2 (151)	76.0 (50)	68.7 (201)
8. Mysore	19	-	19	70.4 (27)	0.0 (1)	67.9 (28)
9. Orissa	1	1	2	1.3 (77)	20.0 (5)	2.4 (82)
10. Panjab	4	9	13	26.7 (15)	47.1 (14)	41.4 (29)
11. Uttar Pradesh	33	7	40	23.9 (138)	23.3 (30)	23.8 (168)
12. West Bengal	7	10	17	13.0 (54)	83.3 (12)	25.8 (66)