

**REPORT OF  
THE MYSORE PAY COMMISSION  
1966 - 68**

**VOLUME I**

**( Chapters I to 13 and the Forecast of the Receipts of Expenditure for  
the New Fourth Plan submitted to the Planning Commission )**

REPORT OF  
THE MYSORE PAY COMMISSION  
1966-1968

VOLUME I—CHAPTERS 1 to 13

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## VOLUME I

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## CHAPTER 1

### INTRODUCTION

1.1. The present State of Mysore was formed with effect from 1st November 1956 in pursuance of the provision contained in Section 7 of the States' Reorganisation Act, 1956. It comprises the former State of Mysore including Bellary District, the former Coorg State ; the South Kanara District and Kollegal Taluk of the former State of Madras ; the Districts of Bidar, Gulbarga and Raichur from the former State of Hyderabad ; and the Districts of Belgaum, Bijapur, Dharwar and North Kanara from the former State of Bombay—excluding the areas mentioned in the said Section and in Section 3 (1) (d) of the Act. Though the pattern of administration in all these areas was almost identical, the conditions of service and the scales of pay of employees differed in certain respects. The scales of pay of officials who were allotted from the Bombay and Hyderabad areas were higher at many levels than those drawn by the officers allotted from the other States.

1.2. In July 1955, the Government of the former State of Mysore constituted a Pay Committee with Mr. V. M. Mascarenhas as Chairman. That Committee made several recommendations regarding the service conditions of Government employees and proposed revised pay structures for different employees working in the State. It had suggested that the revised pay scales with weightage benefits should be given effect to before the Reorganisation of the States. As the Government could not take action on the Report prior to the Reorganisation, it sanctioned an interim relief of 10 per cent increase in the pay to all employees drawing a salary of Rs. 300 and below from 1st August 1956 subject to the minimum and maximum as proposed in the order. After formation of the New State of Mysore, an Official Committee was constituted in December 1956 to review the entire position in the light of the various pay scales drawn by the allottees from other States. This Committee did accordingly and recommended scales of pay suggested by the Mascarenhas Committee with a few modifications. The Government accepted most of the recommendations and implemented them with effect from 1st January 1957. Such of the employees as had been allotted from other States were given the option of either retaining their old scales of pay subject to the protection given to them under the instructions issued by the Government of India, or to opt for the new scales proposed by the Committee. Even after the introduction of the new scales of pay there was discontent amongst certain sections of employees on the ground that the cost of living had increased and that the new scales of pay had not adequately benefited such of them as had accepted them.

1.3. In the meanwhile, the Government of India appointed a Commission of Enquiry with Mr. Justice Jagannadha Das, Judge of the Supreme Court of India, as its Chairman in August 1957 for examination of the pay structure

and service conditions of the Central Government employees and making recommendations in regard to suitable scales of pay and other conditions of service. Several organisations and State Government employees made representations to this Commission, known as the Second Central Pay Commission, to consider the status of the State Government employees also in view of the wide disparity already in existence between the emoluments of the employees of the Central Government and of the State Governments. This Commission submitted its report in August 1959 and the Government of India issued orders thereon in December 1959. Certain other State Governments including the Government of Madras appointed similar Pay Commissions in respect of their employees. The Government of Mysore also constituted the Mysore Pay Committee in 1960 and that Committee submitted its Report in 1961.

1.4. Even though the new scales of pay were introduced with effect from 1st January 1961, discontent continued to prevail amongst the employees of the State Government not only on the ground that the cost of living had been rising continuously but also on the ground that the employees who had been allotted from the States of Bombay, Hyderabad and Madras were feeling that their colleagues in their parent States had been getting higher salaries. Added to this, the Government of India had also been revising the rates of Dearness Allowance to its own employees. Though the State Government sanctioned some *ad hoc* additional Dearness Allowance to its servants from time to time, the Associations of Non-Gazetted Employees continued to agitate for revision of their pay scales and for appointment of a Commission to go into the entire question of pay structure and conditions of service.

#### *Constitution of Commission*

1.5. Taking note of the general economic conditions prevailing in the country and the trend of the representations received from the employees, the Government appointed Honourable Mr. Justice T. K. Tukol, Judge of the High Court of Mysore as one-man Pay Commission under their Order No. FD 43 SRP (1) 66, dated 17th November 1966 with the terms of reference as included in the Appendix. The terms of reference required the Commission to review not only the existing pay structure and service conditions of the employees of the State Government, Local Bodies and Aided Institutions but also to review the orders relating to Special Pay, Deputation Allowance, Project Allowances etc., and to recommend suitable scales of pay and allowances after taking into account the duties and responsibilities, qualifications and the existing economic conditions in the State. The Commission was also required to recommend adequate scales of Dearness and other Allowances after considering the existing structure of such allowances. Suggestions for improving efficiency in the Government Departments and provision of suitable amenities to Government servants were also required to be made. The terms of reference were enlarged by Government Orders No. FD 18 SRP (1) 67, dated 12th April 1967, FD 23 SRP (1) 67, dated 20th April 1967 and FD 37 SRP (1) 67, dated 3rd August 1967 bringing questions relating to the Pensioners and the pay structure and conditions of services of the employees

working in the High Court and the Public Service Commission respectively within the purview of the work of the Commission.

### *Staff*

1.6. To start with, the Government placed the Secretary to the Food Department in additional charge of the post of Secretary to the Commission by Order No. FD 43 SRP (1) 66, dated 23rd December 1966 and later appointed him as full-time Secretary. By Order No. FD 1 SRP (1) 67, dated 10th January 1967 the necessary staff was provided.

### *Interim Reports on Dearness Allowance.*

1.7. Prior to the constitution of the Commission by the State Government, the Government of India had appointed the Dearness Allowance Commission under the Chairmanship of Mr. Gajendragadkar, former Chief Justice of the Supreme Court, by an Order dated 26th July 1966 to examine the principles which should govern the grant of Dearness Allowance to Central Government Employees in future after reviewing the existing formula for the grant of Dearness Allowance recommended by the Second Pay Commission. The Commission was also called upon to consider and recommend alternative forms of assistance which might be given to ensure real benefit to Government employees without necessarily increasing inflationary pressures on the economy. The Commission submitted its First Report on 8th October 1966 recommending enhanced rates of Dearness Allowance to employees of the Central Government with effect from 1st December 1965. The enhanced rates of Dearness Allowance granted to the Central Government servants created a further discontent amongst the State employees. This Commission, therefore, thought it necessary to examine the question urgently, immediately after its constitution, and submitted an Interim Report on 2nd January 1967 for grant of Dearness Allowance at enhanced rates. The State Government accepted the recommendation and issued Order No. FD 3 SRP (1) 67, dated 27th January 1967. This Report and the order of Government have been included as Annexures in the Appendix.

1.8. Shortly thereafter, the Gajendragadkar Commission submitted its final Report on 29th May 1967. These recommendations were given effect to by the Central Government with effect from 1st February 1967. This grant of further enhanced rates of Dearness Allowance engendered further discontent amongst the employees of the State Government and the Commission thought it fit to examine whether the existing rates of Dearness Allowance were adequate to meet the spiralling costs of living which by then had reached an unexpected level. After anxious consideration of all the aspects of the matter, the Commission submitted its Second Interim Report on 10th November 1967 and its Third Interim Report on 19th February 1968 recommending payment of enhanced rates of Dearness Allowance to the State employees. The Government accepted these recommendations and issued Order No. FD 3 SRP (1) 67, dated 20th March 1968.

### *Relief to Pensioners*

1.9. Even before the submission of the Second Interim Report, representations from about two thousand pensioners and sixteen Pensioners' Associations had been received by the Commission. The details mentioned in these representations convinced the Commission that the Pensioners in the lower group deserved some relief. After taking into consideration the various points represented by them and the other relevant factors regarding the economic condition of the State, the Commission gave its Fourth Interim Report recommending enhancement of Dearness Allowance to Pensioners by 50% and extension of that benefit to those drawing pension upto Rs. 200 per month, instead of upto Rs. 100 as was obtaining previously. The Commission also recommended the minimum pension to be enhanced to Rs. 30 per month and recommended certain other facilities to be accorded to the pensioners. The Government accepted these recommendations and issued Orders Nos. FD 24 SRP (1) 68, dated 1st April 1968, FD 67 SRS 68, dated 22nd April 1968 and FD 67 SRS 68, dated 7th May 1968.

### *Questionnaire and Replies*

1.10. Soon after the constitution of the Secretariat, the Office started functioning in the Vidhana Soudha. The Commission considered all the terms of reference and issued a Questionnaire by the end of February 1967. Copies of the same were sent to about 1,154 individuals and Associations, including several officers of Government, retired officers, leading members of the public and various Associations of public servants. They were requested to send their replies by 15th April 1967. The time had to be extended upto 31st May 1967 on receipt of several requests for such extension. Replies were received even subsequent to that date. In all, 181 individuals and Associations sent their replies to the Commission.

1.11. When the terms of reference were enlarged by including matters relating to the staff of the High Court and the Public Service Commission and the Pensioners, the Commission did not think it necessary to issue a fresh Questionnaire as the one already issued covered the points arising under the new references. It was, however considered necessary to obtain factual particulars regarding the Local Bodies and Aided Institutions in respect of their employees and their income, so as to enable the Commission to examine the service conditions and the pay scales of the employees of such institutions. This was necessitated by the policy underlying certain provisions contained in the Mysore Municipalities Act, 1964 and the Village Panchayats and Local Boards Act, 1959. A special Questionnaire dealing with these matters was prepared and the Deputy Commissioners of the Districts were requested to select two representative Local Bodies/Institutions in their Districts and to forward copies of Questionnaire with a covering letter to two Taluka Development Boards, two Village Panchayats, two Aided Educational Institutions and two Aided Medical Institutions in their respective Districts. 134 Local Bodies/Institutions sent their replies to the Questionnaire and many of them were also heard by the Commission.

*Notification under The Commission of Inquiry Act, 1952*

1.12. In order to enable the Government servants and the members of the public to express their views frankly and fearlessly, the Commission thought that the issue of a Notification under the relevant provisions of the Commission of Inquiry Act, 1952 was necessary. The Government was accordingly moved to take necessary action. The State Government issued Notification No. FD 43 (A) SRP (1) 66, dated the 17th April 1967, with the consent of the Central Government, applying certain Sections of the Act to the proceedings before the Commission and conferring on the Commission powers of summoning witnesses and documents and giving protection to persons in respect of their statements made in the course of giving evidence before the Commission as provided in Section 6 of the Act. A Press Note was issued on 29th April 1967 bringing to the notice of all concerned the import of the said Notification and requesting them to furnish their views freely and frankly.

*Accommodation for the Commission*

1.13. As the appointment of the Commission was of a sitting Judge of the High Court, the State Government accepted the suggestion of the Commission that it was in the fitness of things to find accommodation for the Commission in the High Court building itself. Though the Government issued Orders in time allotting the "Park House" to the Public Service Commission, that building was not vacated early and the Commission could not get possession of the allotted accommodation till the 22nd of February 1968. In view of the non-availability of accommodation, Mr. Justice Tukol continued to work in the High Court attending to the work of the Commission in addition to his judicial work.

*Collection of material*

1.14. In Order to enable all the employees of the State Government and the members of the various Associations of Government employees to express their views before the Commission, the Commission visited the headquarters of all the Districts in the State after notifying the dates of such visit fairly in advance, and recorded their evidence. Government servants of different grades and Associations appeared before the Commission and expressed their views on the various subjects covered by the Questionnaire, emphasising their special points relating to pay scales and conditions of service pertaining to their own cadres. Heads of Departments under the State Government were requested by the Commission to furnish data relating to the hierarchical structure of the services, the scales of pay, Special Pays, Allowances, Rules of Recruitment, job-charts and duties and responsibilities attached to the various posts under their administrative control. Some other State Governments also were requested to furnish factual information relating to the organisation of the various Departments and the particulars of posts and cadres thereunder in order to enable the Commission to make a comparative assessment of all relevant matters. The response to the Questionnaire issued and



the requests made by the Commission was quite encouraging as can be seen from the following data :—

Number of Memoranda received	...	4,113
Representations received from :		
(a) Associations of staff	....	206
(b) Individuals	....	3,907
Replies to the Questionnaire	....	181

#### *Method of work*

1.15. Besides recording evidence as aforesaid, the Commission invited a number of prominent individuals for discussion of the problems raised by the terms of reference. On the basis of the material so collected, statements on various points for discussion Departmentwise were prepared and sent to all the Heads of Departments well in advance in order to apprise them of all the matters they would be called upon to discuss with the Commission. This work commenced on 14th December 1967 and ended on 20th September 1968.

1.16. In order to assess the results achieved in the working of the Community Development Blocks, the Commission requested the Director of Evaluation to undertake a work study of the Development Department with reference to any of the specific Blocks. For carrying out this work the Government sanctioned the post of an Under Secretary with necessary subordinate staff. The Director accordingly selected certain Blocks in the State and made an intensive study of the working of the Blocks. He also visited certain model Development Blocks in Madhya-Pradesh, Maharashtra and Madras. The Report prepared and submitted by him is included in the Appendix as an Annexure.

1.17. The Government appointed Mr. A. C. Mitra, Retired Engineer-in-Chief, Uttar Pradesh, as Adviser to the Commission in respect of various matters covered by the terms of reference in regard to the Public Works Department. A post of a Special Officer in the cadre of Executive Engineer was also created to assist the Adviser who studied the organisation and working of the Public Works Department in the State as also of the neighbouring States, toured important Districts in the State and submitted his First Report on 4th June 1968 and his final Report on 26th August 1968. The reporting work of the Commission was consequently delayed as its final Report could not be prepared till after a study and discussion of the Report with Departmental Officers which could not be completed till about the last week of September 1968.

1.18. Much had been said and written about the Writ petitions filed by Government servants and others against the State Government. The Commission thought that a Digest of the decisions of the High Court and of the Supreme Court on administrative matters would be of great assistance in the day-to-day working of the various Departments. The Government was accordingly moved for creation of a separate cell in charge of a Judicial Officer in the Secretariat of the Pay Commission for the preparation of such a Digest covering a period of at least five years.

1.19. The Digest prepared by the Cell under the guidance of the Commission has been sent separately to Government for necessary action.

1.20. One of the terms of reference is "To examine the work-load of the several categories of staff and recommend suitable reduction of strength wherever possible, in a phased manner." As the material collected and the discussions with the Heads of Departments and Secretaries were not satisfying on this point, the Commission felt the need of requesting the Organisation and Methods Wing of the Government Secretariat to undertake a work-study of the Departments of the Secretariat for determining the work-load in the several categories of establishments. That Wing issued a Questionnaire to the Secretariat Departments for collection of data and undertook an intensive study of certain selected Sections after an analysis of the replies received by them had been made. The Report submitted by this Wing to the Commission is also included in the Appendix.

1.21. The Commission felt the need to determine the standard pattern of staff for the District Offices. The Organisation and Methods Wing was accordingly requested to undertake a study of the working of one of the District Offices in order to assess the nature and quantum of work at clerical and supervisory levels in the District Offices. A work-study of the District Office, Bangalore, was accordingly undertaken by the Wing. The Report submitted by it to the Pay Commission forms part of the Appendix.

1.22. In order that new problems should not be created by the sanction of additional posts or revision of pay scales, the Commission requested the Government in the Finance Department to issue suitable instructions not to issue orders bringing about changes in the aforesaid matters pending receipt of the Final Report of the Commission. Though the Government issued the necessary instructions in pursuance of the request, the Commission is constrained to notice that some additional posts were sanctioned and scales of pay of certain posts were revised, much to the embarrassment of the work of the Commission.

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## CHAPTER 2

### Economic Background

2.1. The State as now constituted covers an area of 192,204 square kilometers and had a population of 23,586,772 in March 1961. The State accounts for 6.0 per cent of the total area of the Indian Union and 5.4 per cent of the total population of the country and is thus the sixth largest State in terms of area and ranks eighth in respect of population. For administrative purposes, the State is divided into 4 divisions, 19 Districts and 174 Taluks ; there are 26,377 villages and 231 towns in the State.

#### I. Demographic Factors

##### *Growth of Population.*

2.2. One of the key factors influencing economic development is the size and growth of population. In the context of the development of the State, the data revealed by the 1961 Census is very important. That census disclosed a higher rate of increase of population than had been originally estimated. The population of the State had risen from 19.40 million in 1951 to 23.58 million in 1961 or by 21.6 per cent as against 19.4 per cent during the decade 1941-51. It would be of interest to know how the population of the State has grown from time to time till it has assumed the present dimensions. The magnitude of increase in population in the area now covered by the New State since 1901, which is given below, indicates the trends of growth in the State.

##### *Growth of Population, 1901-1961.*

Year of Census	Population	Actual increase	Percentage increase
1	2	3	4
1901	13,054,259	...	...
1911	13,524,663	470,404	3.60
1921	13,377,044	-147,619	-1.09
1931	14,632,384	1,255,340	9.38
1941	16,254,658	1,622,274	11.09
1951	19,401,193	3,146,535	19.36
1961	23,586,772	4,185,579	21.57

(Source :— Census of India, Paper No. 2 of 1962)

2.3. The year 1901 opened its account with 13.05 million. The year 1911 registered an increase of 3.6 per cent. The Census of 1921 disclosed a decrease by 147,619 or 1.1 per cent as against the total of 1911. The next decade witnessed a growth rate of 9.4 per cent. Thereafter the rate of growth rapidly accelerated. From 9.4 per cent in 1931 it rose to 11.1 per cent in 1941 and 19.4 per cent in 1951 and touched the level of 21.6 per cent in 1961. The State's population has thus

increased by as much as 80.7 per cent during the period of sixty years since 1901. The first two decades of this Century (1901-21) saw a net growth of 2.47 per cent; the next twenty years (1921-41) witnessed an increase of 21.51 per cent over 1921; the next two decades (1941-61) have shown a rise of 45.10 per cent over 1941, while the decade 1951-61 alone registered an increase of 21.57 per cent over 1951. It is estimated that the mid-year population of the State was 26.35 million in 1967-68 and 26.77 million in 1968-69. That means that the population of the State has doubled itself in 67 years.

2.4. The density figures are indices of human concentration and give some indication regarding the degree of congestion. The density of population climbed from 101 persons per square kilometer in 1951 to 123 persons in 1961. Within the State there are very wide variations in density ranging from 67 persons per square kilometer in North Kanara District to as high as 314 persons per square kilometer in Bangalore District. The State population density of 123 persons per square kilometer is, however, lower than the national average of 143 persons.

2.5. Out of a total population of 23.58 million in 1961, the rural population was 18.32 million or 77.7 per cent, while only 5.26 million or 22.3 per cent lived in cities and towns. On a comparable basis, the urban population in 1951 was 20 per cent of the total population. The growth rate in urban population during 1951-61 worked out to 30.7 per cent as compared to 36.25 per cent in the country as a whole.

2.6. The Census of 1961 enumerated 10.72 million persons as "workers" meaning persons gainfully employed in production and 12.86 million persons as "non-workers"; therefore the participation rate, defined as the proportion of working force to population, was 45.5 per cent. The corresponding rates for rural and urban population were 48.7 and 34.0 per cent respectively. The working population of the State was found distributed among the following nine "livelihood classes".

*Distribution of Population in Industry Groups*

Industry	Workers	Percentage
1. Cultivators	5,806,664	54.13
2. Agricultural Labour	1,761,110	16.42
3. Mining, Livestock, Forestry, Fishery, etc.	336,076	3.13
4. Household industry	708,710	6.61
5. Manufacturing	421,880	3.93
6. Construction	189,938	1.77
7. Trade and Commerce	391,020	3.65
8. Transport and Communications	106,318	0.99
9. Other Services	1,004,630	9.37
Total	10,726,346	100.00

(Source : Census of India, Paper No. 1 of 1962).

The bulk of the working population, that is, more than 70 per cent, is claimed by the agricultural sector alone and the primary sector, comprising agriculture, mining, livestock, forestry and fisheries, accounts for 73.7 per cent of the total working population. Thus primary production is by far the most dominant economic activity in the State. Non-agricultural workers formed only 26.3 per cent of the total working population.

2.7. The important characteristics of the population of the Mysore State may be summed up as follows: (1) Unlike the spasmodic nature of the population growth which was the characteristic feature of the earlier years of the present century, the story is one of rapid growth in recent years; (2) huge additions to population have been taking place from decade to decade and the rate of growth of population is 2.2 per cent per year; (3) the rate of increase itself has shown a progressive rise from decade to decade; and (4) the bulk of the population is engaged in the agricultural and allied activities.

2.8. Demographic characteristics determine the pace and pattern of economic progress. An increase in population will result in the increase of the class of consumers and will automatically add to the total demand for various necessary goods. The problem of food scarcity emanates from the growth of population as production has not kept pace with it. The growth of population in the manner aforesaid is itself harmful and the problem becomes more acute when the rate of production of consumer goods does not keep pace with the rate of growth of population. The increase in population also underlines the problem of providing employment in the State and the need for expanding the avenues for further employment becomes greater. Therefore, if economic development has to make any impact on the life of the people, it must take place at a rate faster than the growth of population.

## II. Economic Development

### (i) Planning

2.9. In the erstwhile Mysore State, almost since the commencement of this century, Government had shaped economic policies and adopted programmes for its orderly development. Several schemes of economic development were undertaken long before the dawn of the Planning era. In the context of the problems created by the Second World War, it was considered necessary to plan a smooth and rapid transition from the impoverished conditions of war to sufficiency of peace. Accordingly post-war reconstruction programmes were taken up at different levels. In many cases, the post-war reconstruction planning represented a continuation or reorientation of past effort, with an acceleration of its tempo and co-ordination of the past policies with the later developments. Specific schemes of post-war development under (1) Agriculture, (2) Trade and Industry, (3) Transport and Communications, (4) Electric Power, (5) Social Services and (6) Malnad Improvement were formulated.

2.10. Planned economic development on the present pattern was initiated in the old Mysore State, as in the rest of India, in 1951. The State implemented three Five-Year Plans of economic development between the years 1951 and 1966. Planning in our State has had a somewhat chequered course. The First Plan related to the erstwhile State of Mysore (before the Reorganisation of States in 1956) and the district of Bellary, and had been fashioned to a large extent on the basis of certain post-war developmental programmes which were either under contemplation or had reached the stage of implementation. The plan outlay was Rs. 47.58 crores and a sum of Rs. 40.41 crores was actually spent during the Plan period, the performance in financial terms being 85.14 per cent. The Plan envisaged a *per capita* outlay of Rs. 45.7 and achieved a *per capita* expenditure of Rs. 39 over the Plan period. In the Plan, top priority was accorded to major and medium irrigation projects which claimed 33 per cent of the total outlay. Next in the order of importance were power (29 per cent), agriculture (11 per cent), transport and communications (11 per cent), social services (8 per cent) and industry (4 per cent).

2.11. The Second Plan was launched in April 1956, hardly seven months prior to the formation of the new State. The Plan had, therefore, to meet with some unavoidable initial difficulties and problems consequent on reorganisation. The outlay for the Second Plan was Rs. 145.13 crores and the actual expenditure was Rs. 142 crores. The plan aimed at a *per capita* outlay of Rs. 66 and achieved a *per capita* expenditure of Rs. 64.5. The Second Plan thus registered an increase of 43.5 per cent in outlay and 66.6 per cent in expenditure over the First Plan in *per capita* terms. In the Second Plan also, top priority was given to major and medium irrigation which was allocated 23 per cent of the total plan outlay. There was shift in emphasis on social services which came next with 22 per cent of outlay. Then followed power (19 per cent), agriculture (12 per cent) and community development and co-operation (9 per cent).

2.12. The Third Plan was the first comprehensive programme of economic development for the new State and was implemented during the period 1961-66. The size of the Plan was Rs. 250 crores while the expenditure actually incurred was Rs. 245 crores. This means that the *per capita* outlay proposed was Rs. 98.9 and the *per capita* expenditure was Rs. 94.5. Thus, the *per capita* outlay was 54 per cent higher and the *per capita* expenditure was 46.5 per cent higher in the Third Plan period than those in the Second Plan period. In terms of financial priorities, power development was the biggest single scheme in the Plan, amounting to 28 per cent of the total plan outlay. Next in order came the sector of social services which claimed 19.3 per cent. Agricultural production with 16.4 per cent, occupied the third place in the order of priorities and irrigation with 16.3 per cent came fourth. The outlay provisions made in the three plans show that great emphasis was laid on power and irrigation, social services and agricultural production. A comparative picture of the distribution of outlay in the public

sector as between different heads of development in the Second and Third Plans is shown below :

### Distribution of Outlay

(Rs. in Crores)

<i>Head of development</i>	<i>Second Plan</i>		<i>Third Plan</i>	
	<i>Outlay</i>	<i>Percentage</i>	<i>Outlay</i>	<i>Percentage</i>
1. Agricultural programmes ....	16.66	11.4	41.05	16.4
2. Co-operation and Community Development. ....	13.61	9.4	20.79	8.4
3. Irrigation and Power ....	60.27	41.5	110.33	44.1
4. Industries and Mining ....	11.79	8.1	15.72	6.3
5. Transport and Communications. ....	10.42	7.1	13.30	5.3
6. Social Services ....	31.42	21.6	48.28	19.3
7. Miscellaneous ....	1.33	0.9	0.53	0.2
Total ....	145.10	100.0	250.00	100.0

2.13. The initiation of the fourth plan in 1966 had to be postponed, due to certain extraordinary circumstances created by hostile activities of China and Pakistan and the drought conditions during the period of implementation of the Third Plan. As the formulation of the Fourth Five-Year Plan is still in progress, the State had to be content with implementation of annual plans during 1966-67, 1967-68 and 1968-69. The Ceiling for the annual plans was of Rs. 50.81 crores during 1966-67, Rs. 60.25 crores during 1967-68 and Rs. 60.25 crores during 1968-69. The present indications are that the size of the Fourth Plan commencing from 1969-70 is likely to be in the order of Rs. 440 crores.

#### (ii) *Economic Growth*

2.14. The years since 1951 have thus been a period of intense economic activity and developmental effort in the State. In financial terms the performance of the plans has been satisfactory. The primary object of planned development is to raise the standard of living of the people and an assessment of the direct and immediate effects of the plans in raising the levels of productivity and the incomes of the people since the commencement of planning era in the State will give a clear indication of the extent to which this object is achieved. In economic growth the unidimensional measure is the national income *per capita*; economic growth implies an increase in this variable. But year to year estimates of growth of the State income of Mysore or not available for the period since 1951, and this lacuna makes it difficult to assess the overall impact of the Plans on the whole economy. However, some rough estimates of State and *per capita* incomes for the years 1950-51 and 1960-61 were compiled by the State Bureau of Economics and Statistics. According to these estimates, the real State Income of Mysore which stood at Rs. 440 crores in 1950-51 increased to Rs. 602 crores (at 1951-52 prices) in 1960-61, that is, by

35.5 per cent or at an annual rate of 3.5 per cent during the ten year period of the operation of the First and Second Plans. During the same period, the *per capita* income moved up from Rs. 226 to Rs. 256, that is by 12.6 per cent or at the rate of 1.3 per cent per annum. At the All-India level, the national income during 1951-61 increased by 42 per cent and the *per capita* income went up by 16.7 per cent. Thus the rate of economic growth in our State was much slower than the All-India growth rate during the first two plan periods.

2.15. A regular annual series of income estimates have been built up by the Bureau of Economics and Statistics for the years from 1956-57 to 1964-65. But the estimates only for the years from 1956-57 to 1960-61 are firm estimates and the estimates for 1961-62 and 1962-63 are provisional, while the estimates for 1963-64 and 1964-65 are in the nature of quick estimates. The provisional and the quick estimates are likely to undergo radical revision later with the availability of more reliable data for those years. The income estimates have been framed at current prices, that is, at prices prevailing in a particular year to which the estimates relate, and also at constant prices with 1956-57 as the base year. The movement of the income of our State at current and constant prices is presented below :

#### State Income of Mysore

Year	<i>Net Income (Rs. Crores).</i>	
	<i>At current prices.</i>	<i>At constant prices</i>
1956—57	499.06	499.06
1957—58	556.29	537.50
1958—59	587.64	541.68
1959—60	669.79	558.61
1960—61	671.08	558.82
1961—62 **	712.24	579.39
1962—63 **	748.63	602.07
1963—64	875.76	629.57
1964—65 @	979.85	651.99

\*\* Provisional estimates.

@Quick estimates.

[Source : Bureau of Economics and Statistics].

2.16. Since the figures relating to State Income for 1963-64 and 1964-65 are only quick estimates liable to change after precise assessment, the estimates of income only for the years from 1956-57 to 1962-63 are considered for study of economic growth in the State. At current prices, the income of the State increased from Rs. 499.06 crores in 1956-57 to Rs. 748.63 crores in 1962-63. Thus during a period of 6 years the State Income increased by 50 per cent or at annual rate of 8.3 per cent. The estimates of income at constant prices (1956-57 prices) however show that the income of the State was of the order of Rs. 602.07 crores in 1962-63. This means that the real income of the State increased by 20.6 per cent over the period of 6 years. The annual rate of increase was, therefore, 3.4 per cent. The State income of Mysore was roughly 4.9 per cent of the national income of India. For a State which is having 6.0 per cent of the total area of the Indian Union and



5.4 per cent of the total population of the country, this contribution is not quite significant.

2.17. The State income figures give an idea of the total availability of goods and services. The *per capita* income figures give a better idea of the standards of living of the people. The movement of *per capita* income of Mysore State at current and constant prices is shown in the table below :

#### Movement of *Per Capita* Income

Year	Per Capita Income (Rs.)	
	At current prices	At constant prices
1956—57	232.40	232.40
1957—58	254.14	245.56
1958—59	263.48	242.87
1959—60	294.83	245.84
1960—61	290.10	241.57
1961—62*	300.19	244.20
1962—63*	309.61	248.99
1963—64@	356.03	255.94
1964—65@	391.67	260.62

\* Provisional estimates.

@ Quick estimates.

(Source : Bureau of Economics and Statistics).

2.18. The *per capita* income in Mysore State at current prices increased from Rs. 232.40 in 1956-57 to Rs. 309.61 in 1962-63, that is, by 33.2 per cent over a period of 6 years or by 5.5 per cent per year. But at constant prices, it increased only by 7.1 per cent in six years or at an annual rate of 1.2 per cent.

2.19. It would be of interest to compare the *per capita* income of Mysore with that of all-India and some other States in India.

#### *Per Capita* Income at Current Prices (Rs.)

State	1960-61	1961-62	1962-63	1963-64	1964-65
All-India	325.7	333.6	339.4	370.9	421.5
Andhra Pradesh	296.0	319.0	329.0	354.3	394.5
Kerala	276.0	288.6	297.0	311.2	370.0
Madras	341.0	365.0	379.0	414.0	439.0
Maharashtra	392.0	389.0	428.0	487.0	524.0
Mysore	290.1	300.2	309.6	356.0	391.7
Gujarat	339.0	359.0	351.0	379.0	424.0
Punjab	388.0	401.0	416.0	483.0	586.0

2.20. The State's *per capita* is below the national average and is lower than the *per capita* income of States like Punjab, Gujarat, Maharashtra, Madras and Andhra Pradesh and the State is, therefore, to be deemed to be economically backward when compared to those States purely from this standard.

2.21. The income figures alone do not constitute the sole evidence of progress. It is necessary to distinguish between the expansion in the physical volume of income and increase in the living standards of masses of the people. Income statistics include a large output of non-consumer goods, creation of excess production capacities and addition to stocks. The test of economic development is in the measure of the consumer goods content and not the aggregate volume of income. Therefore, other indicators like agricultural production and industrial production are also to be considered in this context.

*(iii) Progress in Agriculture*

2.22. With 71 per cent of the total population depending upon land for their means of livelihood, the State is predominantly agricultural. But, as the area under irrigation is only about 10 per cent of the area under cultivation, the State's agriculture is largely dependent upon the vagaries of the monsoons, and the monsoon has been behaving erratically as can be made out from the facts given here. In 1957-58, the rainfall was normal in 14 districts, excessive in 4 districts and deficient in one district. During the next two years, the rainfall in 12 districts was normal while in the remaining 7 districts it was more than normal. During 1960-61 and 1961-62 also, the rainfall was normal in most of the districts. Heavy rainfall with floods in several parts of the State resulted in damage to property and agricultural production in 1962-63 and 1964-65, while the year 1963-64 was comparatively normal. There was severe drought unprecedented in the recent past for two years successively during 1965-66 and 1966-67. During 1967-68 though conditions eased to some extent, rains failed in several districts. The current year (1968-69) also is one of anxiety, as many parts of the State have not received adequate rains and the coastal areas have been ravaged by floods.

2.23. The following figures of index numbers of agricultural production (base: 1956-57=100) show the trends in the agricultural production in the State from 1956-57 to 1965-66.

**Index Numbers of Agricultural Production**

<i>Year</i>	<i>Foodgrains</i>	<i>Non-food crops</i>	<i>All Commodities</i>
1956-57	100.0	100.0	100.0
1957-58	112.7	109.5	111.4
1958-59	118.2	105.0	112.6
1959-60	123.7	106.6	116.5
1960-61	120.0	108.1	115.0
1961-62	126.1	112.0	120.1
1962-63	135.3	117.9	127.9
1963-64	138.9	120.5	131.1
1964-65	140.7	126.5	134.7
1965-66	101.3	100.7	101.0

(Source : Bureau of Economics and Statistics).

2.24. The overall agricultural production in the State increased by 34.7 per cent between 1956-57 and 1964-65. During this period, the production of foodgrains increased by 40.7 per cent and the output of non-food crops went up by 26.5 per cent. But on account of severe drought during 1965-66, agricultural production suffered a serious setback and the level of production at the end of the Third Plan period was almost the same as at the beginning of the Second Plan. The index number of agricultural production sharply declined to 101.3 in 1965-66.

2.25. The shortage of food has been our main problem for some years past. One of the foremost objectives of the State economic plans has been the achievement of self-sufficiency in food. The output of foodgrains was at the level of 46.10 lakh tonnes in 1963-64. The production declined to 32.61 lakh tonnes in 1965-66, against the anticipated requirement of 44.29 lakh tonnes for an estimated population of 25.40 millions estimating the requirements at 425 grams (15 ozs.) of cereals and 80 grams (3 ozs.) of pulses per adult person per day. Thus, there was a deficit to the extent of 11.68 lakh tonnes of foodgrains at the end of the Third Plan period. It was estimated that the production of foodgrains during 1966-67 was of the order of 39.81 lakh tonnes and the preliminary estimates for 1967-68 have placed the production of foodgrains at 44.00 lakh tonnes. Therefore, there is still a big gap between our food requirements and the level of actual production in the State.

2.26. The Report of the Techno-Economic Survey of Mysore conducted by the National Council of Applied Economic Research has pointed out that the State is not only unable to feed its population adequately with the right quantity of foodgrains, out of its own production, but the bulk of the food it provides is relatively inferior in quality (nearly half in millets). The Report states: "In 1960-61 Mysore was producing 38.5 lakh tons of foodgrains. This was not sufficient to give to its population the basic nutritional requirement of 18 ozs. per day. The shortage was of the order of 3 lakh tons. By 1975-76 Mysore's population is expected to increase to 32.5 million. At this level of population the basic requirement of foodgrains would be of the order of 51.1 lakh tons. Allowing for foodgrains for feeding livestock the total requirement of foodgrains would be 56.7 lakh tons or 18.2 lakh tons more than the output in 1960-61".

#### *(iv) Industrial Production*

2.27. Industrial development has been one of the major aspects of the economic activity in the State for over five decades. But industrialisation has made hardly any impact on the traditional pattern of the economy of the State as a whole and there has not been any marked change in the occupational pattern during the past three or four decades. In order to keep in line with the tempo of industrialisation in the country, the State undertook during the plan period several industrial programmes of development which have considerably strengthened the economy of the State. In assessing the progress that has been

made in industrial development, the following statistics of production in certain selected industries are sufficiently enlightening.

### Production in Selected Industries

<i>Industry</i>	<i>Unit</i>	<i>1957</i>	<i>1967</i>	<i>Percentage Increase</i>
Pig Iron and Ferro-alloys ....	Tonnes	90,057	92,741	2.98
Semi-finished and ingot Steel ....	..	36,313	108,038	197.52
Finished Steel ....	..	33,810	48,455	43.31
Sugar ....	..	64,816	88,909	37.17
Paper ....	..	6,512	56,061	760.89
Vanaspathi ....	..	4,023	5,374	33.58
Cement ...	'000 Tonnes	622.6	934.9	50.16
Cotton Cloth ....	'000 metres	57,875	76,937	32.19

2.28. While the agricultural sector has not been encouraging, the industrial picture has been sufficiently bright. Since 1957, there has been an increasing trend in the production of important industrial goods particularly, semi-finished steel, paper and cement. The figures of production shown above give a picture of only some of the traditional industries, as information about many other products is not available.

#### (v) *Employment*

2.29. Another major objective of planning is to extend employment opportunities to the fullest possible extent. The Second Plan started with an unemployment backlog of 2.24 lakhs. The addition to the labour force during the plan period was estimated to be 5.17 lakhs and thus the total employment requirements during the Second Plan were placed at 7.41 lakhs. It was estimated that the Additional employment generated during the Second Plan was 4.10 lakhs. This means that the increase in employment was less than the natural additions to the labour force and the Second Plan thus bequeathed to the Third Plan more unemployed—3.31 lakhs—than it inherited from the First Plan, that is, 2.24 lakhs.

2.30. The addition to the labour force during the Third Plan was estimated at 9.80 lakhs. Thus for full employment the total employment that had to be created during the Third Plan period was 13.11 lakhs. The employment created during the Third Plan period was stated to be of the order of 5.62 lakhs. Therefore, the gap is 7.49 lakhs which constitutes the backlog of unemployment for the Fourth Plan. It is, therefore, clear that the increase in employment has not kept pace with the growth of labour force in the State.

2.31. *Government Employment.*—In this context, mention may be made about employment under the State Government. The Bureau of Economics and Statistics has been conducting annual census of Government employees since 1959 and the latest information available on this subject is for the period

ended March 1965. The Census covers only Government employees. Semi-Government and statutory organisations as also Government Industrial Undertakings are excluded from the purview of the Census. One important limitation of this Census is the extent of "non-response" in reporting. It is stated in the report for 1964-65 that non-response was as much as 18 per cent. The total number of employees working on the 31st March 1965 under the Government of Mysore was 173,619. A picture of the growth in the number of Government Employees, since 1959 is shown below :

### Number of Government Employees

Date of Census	No. of employees	Percentage Variation
March 1959	145,781	—
March 1960	153,138	+ 5.1
March 1961	163,774	+ 6.9
March 1962	162,397	— 0.8
March 1963	169,387	+ 4.3
March 1964	170,595	+ 0.6
March 1965	173,619	+ 1.8

Source : Bureau of Economics and Statistics).

2.32. The number of Government employees increased by 19.1 per cent over a period of 6 years since 1959. That means the average annual rate of growth of the number of employees was 3.2 per cent. One in every 145 persons was a State Government employee, and of every 65 members of the working population in the State, one was employed by the State Government.

2.33. The aforesaid discussion reveals the following features as regards our economic development :—

- (1) the economic development in the State in the face of the increase of population is slow ;
- (2) the growth of income has been tardy ;
- (3) agricultural progress is semi-stagnant ;
- (4) in such a context, industrial expansion also is insecure ; and
- (5) unemployment has been increasing.

The setback in the agricultural front is reflected in the price situation.

### III. PRICES AND COST OF LIVING

2.34. In recent years, there has been countrywide agitation against, and understandable concern over high prices which have reached levels implying genuine hardship to the people. The All-India annual average general index of wholesale prices (Base : 1952-53=100) at 165.1 for the year ended March 1966 recorded a net rise of 47.7 per cent over the fifteen years covering the period of three Five-Year Plans. The index for 1950-51, which was the pre-plan year, stood

at 111.8. While the prices declined during the First Plan period, there was marked rise during the ten years covered by the Second and Third Plans. The rise in prices has been steep particularly since 1963-64 and during the last three years of the Third Plan alone the price-rise was of the order of 29 per cent. This phase of rising prices has continued through 1966-67 and 1967-68 also. At the close of the year ended with March 1968, the index of wholesale prices had reached the level of 212.4. That is to say, between 1960-61 and 1967-68, the increase in general price level has been of the order of 70.1 per cent.

2.35. But the rise in the prices of foodgrains was much higher than the increase in general price level and the index number of food articles moved up by 101.8 per cent during the same period. The substantial rise in the prices of food articles was mainly due to the rise in prices of staple foods, namely, cereals and pulses. The higher rise in prices of foodgrains is only a reflection of the persistent gap between the demand for, and supply of foodgrains. There was a slight decline in the prices during the months of January, February and March 1968 which form the post-harvest period, when normally there is a decline in prices. But since April 1968 the trend of prices has been moving upwards.

2.36. The State series of index numbers of wholesale prices of agricultural commodities (Base: 1952-53=100) indicate that between 1961 and 1967—a period of 6 years—the extent of rise in prices of all agricultural commodities in our State was 89.4 per cent. During this period, the prices of cereals increased by 119.9 per cent, of pulses by 201.1 per cent and of gur by as much as 268.5 per cent, thereby indicating the role of food articles in the general price rise.

#### *Cost of Living*

2.37. A rise in the prices of consumer goods has naturally its impact on the cost of living; it adversely affects people with fixed income such as pensioners and Government employees. The table below presents the trends in the all-India Consumer price index numbers for the working class:

*Consumer Price Index Numbers—All India.*  
(BASE : 1949 = 100)

Year	Food	General
1950	101	101
1951	104	105
1952	102	103
1953	109	106
1954	101	101
1955	92	96
1956	105	105
1957	112	111
1958	118	116
1959	125	121

Year	Food	General
1960	126	124
1961	126	126
1962	130	130
1963	135	134
1964	155	152
1965	172	166
1966	190	184
1967	222	209
1968 (January)	236	220
(March) ....	226	213
(June) ....	227	214

2.38. These figures disclose that since the commencement of the second plan period, there has been an upward movement in the consumer prices and the rate of increase has been particularly fast since 1963-64. Between 1960 and 1967 the consumer prices rose by 68.5 per cent. The index for June 1968 stood at 214 which means an increase of nearly 72.6 per cent over the 1960 level. The pattern of the Cost of Living Index has been mostly by the movement of prices of food articles which increased by 76.2 per cent between 1960 and 1967. The consumer price index numbers for the working class compiled by the State Government for different industrial centres in our State have shown an increase in the cost of living varying from 63.8 per cent to 95.2 per cent during the period of 7 years from 1960 to 1967.

2.39. The cost of living indices for middle class are also available now. The middle class is an important section of the society and to this category belong the large number of people employed in Government service and the salaried employees of the other sectors of economy. The All-India consumer price index number for urban non-manual employees (Base : 1960=100) was of the level of 156 in 1967 (11 months' average). Between 1960 and 1967, the rise in the Middle Class Cost of Living Index in our State was 53 per cent at Bangalore, 58 per cent at Mangalore and Hubli-Dharwar, and 77 per cent at Gulbarga.

2.40. The trends in prices and cost of living brought out in the preceding paragraphs indicate that there has been a consistent increase in the wholesale and retail prices since the commencement of the second plan period. As a result of the higher rise in the prices of foodgrains, the cost of living has soared up as expenditure on food is by far the largest item in total consumer spending. Once food prices tend to rise, it becomes difficult to restrain the rise of money wages and the consequent wage-price spiral, as wage increases usually follow the rise of food prices.

## IV. Finances of the State

*Trends of Revenue and Expenditure*

2.41. As the State is committed to increasing outlays under the plans, the public expenditure has been mounting from year to year. Therefore, the State is forced to raise every year large revenues to defray expenditure on economic development and the social services like education, medical and public health. The trends in the revenue receipts and the revenue expenditure of the State Government since the formation of the new State are presented below :

## Revenue and Expenditure

*(In lakhs of Rupees)*

Year	Revenue	Expenditure	Surplus or Deficit
1	2	3	4
1957-58	5,814.75	5,310.89	+503.86
1958-59	6,888.90	5,898.09	+990.81
1959-60	7,374.18	6,697.10	+667.08
1960-61	9,207.35	8,979.53	+227.82
1961-62	9,101.86	9,568.85	-466.99
1962-63	9,181.48	9,389.71	-208.23
1963-64	10,208.82	9,879.04	+329.78
1964-65	11,106.21	10,815.32	+290.89
1965-66	12,048.72	12,546.47	-497.75
1966-67	15,640.01	15,144.19	+495.82
1967-68 (RE).	17,662.22	16,576.04	+086.18
1968-69 (BE).	19,474.13	18,276.34	+097.79

RE=Revised Estimates. BE=Budget Estimates (Source: State Budget Papers)

2.42. During the years from 1957-58 to 1968-69, there has been a marked change in the size of Public revenue of the State. The revenues have risen from Rs. 5,814.75 lakhs in 1957-58 to Rs. 19,474.13 lakhs in 1968-69 or by 234.9 per cent over a period of 11 years. The *per capita* contribution to the revenue has therefore advanced from Rs. 26.25 in 1957-58 to Rs. 72.75 in 1968-69, that is, by 177.1 per cent. There has been a corresponding increase in expenditure also and it is seen that the expenditure on revenue account increased by 244.1 per cent during the same period. In *per capita* terms, the revenue expenditure increased from Rs. 23.98 in 1957-58 to Rs. 68.27 in 1968-69 or by 184.7 per cent.

2.43. Apart from the size, there has also been a change in the composition of the State revenue. Tax revenue has increased from Rs. 2,402.76 lakhs in 1957-58 to Rs. 9,734.55 lakhs in 1968-69 or by 305.1 per cent. As a proportion to total revenue, the tax revenue which constituted 41.3 per cent of the total revenue in 1957-58 accounted for 50.0 per cent in 1968-69, while the proportion of the non-tax revenue has declined from 58.7 per cent to 50.0 per cent during the same



period. The receipts from non-tax sources increased from Rs. 3,411.99 lakhs in 1957-58 to Rs. 9,739.58 lakhs, that is, by 185.4 per cent.

### *Tax Revenue*

2.44. Taxation is the Central part of modern public finance and it is by far the most important of all the revenue sources. The important sources of tax revenue are Sales Tax, Land Revenue, State Excise and Share of Central Tax revenues. The contribution of individual taxes to the State revenue and the relative importance of the taxes is indicated below :

#### (Receipts from different Taxes)

Taxes	1957-58	Per cent to Total	1968-69		Percentage increase
			(B.E.)	Per cent to Total	
1	2	3	4	5	6
1 Share of Central Taxes ...	641.88	26.7	2,251.37	23.1	250.7
2 Land Revenue ...	403.86	16.8	904.22	9.3	123.9
3 Agricultural Income Tax ...	54.04	2.2	155.00	1.6	186.2
4 Stamps and Registration ...	166.23	6.9	605.00	6.2	263.9
5 State Excise ...	289.07	12.0	1,101.32	11.3	281.0
6 Sales Tax ...	496.68	20.7	3,213.00	33.0	546.9
7 Tax on Vehicles ...	219.97	9.2	720.00	7.4	227.3
8 Other Taxes ...	131.03	5.5	784.64	8.1	498.8
Total ...	2,402.76	100.0	9,734.55	100.0	305.1

2.45. Among the different sources of tax revenue, although sales-tax is a new find, the receipts from this tax are the highest for any single tax. The yield from sales-tax has increased both in absolute terms as well as in its relative share. The second most important source of tax revenue is the share of Central taxes, comprising income-tax, estate duty, central excise and railway fares, which contribute 23.1 per cent of the tax revenue. The next important source is the State Excise which accounts for 11.3 per cent of the total revenue from taxes. Direct taxes which formed 43.3 per cent of total tax revenue in 1957-58 accounted only for 26.1 per cent in 1968-69, while the indirect taxes had bettered their share in the respective years from 56.7 to 73.9 per cent. Direct taxes constitute the progressive element in public finance. The increase in indirect taxes means that the transfer of income from the people to the Government has been more at the expense of the poor rather than the well-to-do sections of the population.

### *State Income and State Revenue*

2.46. Normally, as economic growth takes place, the revenues tend to become a growing proportion of total income. Therefore, it is worthwhile reviewing the progress in public revenues in the State as a measure of tax effort in relation to the changing levels of income of the State. As comparable figures

of State income and State revenues are available only for the years from 1956-57 to 1964-65, only that period is considered for relating the revenues to State income.

### State Income and State Revenues.

(Rs. in crores).					
Year	State Income	Revenue	Col. 3 as of Col. (2)	Tax Revenue	Col. 5. as % of Col. (2)
1	2	3	4	5	6
1957—58	.... 556.29	58.15	10.5	24.03	4.3
1958—59	... 587.64	68.89	11.7	30.36	5.2
1959—60	... 669.70	73.74	11.0	31.59	4.7
1960—61	.... 671.08	92.07	13.7	33.52	5.0
1961—62	.... 712.24	91.02	12.8	36.72	5.2
1962—63	... 748.63	91.81	12.3	44.30	5.9
1963—64	.... 875.76	102.09	11.7	54.17	6.2
1964—65	.... 979.85	111.06	11.3	56.77	5.8

2.47. The analysis of the revenue position reveals that the revenue receipts did not increase at a steady rate in proportion to the State income. The same is the case with the tax revenue also. But it is seen that with the increase in the State income, the total revenue receipts and the tax revenue have also stepped up. While the State income at current prices rose by 76 per cent between 1957-58 and 1964-65, the total revenue went up by 91.0 per cent and the tax revenue increased by 136 per cent. As a percentage of the total income, also, the total revenue increased from 10.5 per cent in 1957-58 to 11.3 per cent in 1964-65 and the tax receipts increased from 4.3 per cent to 5.8 per cent during the same period.

#### *Per Capita Income and Per Capita Tax*

2.48. Consequent on the increase in the *per capita* income and the total tax revenue, the *per capita* tax burden has also increased. Between 1957-58 and 1968-69, the *per capita* tax revenue increased from Rs. 10.85 to Rs. 36.33 or by nearly three and half times. The following table indicates the trends in *per capita* tax in relation to *per capita* income.

#### Per Capita Income and Per Capita Tax

(in Rs.)			
Year	Per Capita Income	Per Capita Tax	Col (3) as % of Col. (2)
1	2	3	4
1957—58	254.14	10.85	4.3
1958—59	263.48	13.45	5.2
1959—60	294.83	13.74	4.7
1960—61	290.10	14.32	4.9
1961—62	300.19	15.42	5.1
1962—63	309.61	18.28	5.9
1963—64	356.03	21.96	6.2
1964—65	391.67	22.62	5.8

2.49. During the period from 1957-58 to 1964-65, while the per capita income increased by 54 per cent, the per capita tax went up by 109 per cent. The share of per capita tax in per capita income moved up from 4.3 per cent in 1957-58 to 5.8 per cent in 1964-65.

2.50. The incidence of taxation in our State can be studied with reference to the position in the neighbouring States. The details of per capita income and per capita tax for some States are given in the table below for the years for which comparable figures are available :

**Per capita income and per capita tax of Mysore, Andhra Pradesh,  
Punjab, Gujarat, Maharashtra, Kerala and Madras.**

*(In Rupees)*

Years	1960-61	1961-62	1962-63	1963-64	1964-65
<i>Mysore</i>					
Per capita income	290.1	300.2	309.6	356.00	391.7
Per capita tax	14.32	15.42	18.28	21.96	22.62
Per capita tax Revenue as a percentage of per capita income.	4.9	5.1	5.9	6.2	5.8
<i>Andhra Pradesh</i>					
Per capita income	296.0	319.0	329.0	354.3	394.3
Per capita tax	16.78	15.96	18.52	22.71	23.18
Per capita tax Revenue as a percentage of per capita income.	5.7	5.0	5.6	6.4	5.9
<i>Maharashtra</i>					
Per capita income	392.0	389.0	428.0	487.0	524.0
Per capita tax	23.18	20.75	25.49	31.28	33.72
Per capita tax Revenue as a percentage of per capita income.	5.9	5.3	6.0	6.4	6.4
<i>Madras</i>					
Per capita income	341.0	365.0	379.0	414.0	439.0
Per capita tax	16.98	17.53	20.34	23.86	26.56
Per capita tax Revenue as a percentage of per capita income.	5.0	4.8	5.4	5.8	6.1

*Kerala*

Years	1960-61	1961-62	1962-63	1963-64	1964-65
Per capita income	.... 276.0	288.6	297.0	311.2	370.0
Per capita tax	.... 17.85	17.38	19.71	18.52	25.56
Per capita tax Revenue as a percentage of per capita income.	6.5	6.0	6.6	6.0	6.9

*Gujarat*

Per capita income	.... 339.0	359.0	351.0	379.0	424.0
Per capita tax	.... 21.39	22.01	22.74	25.29	28.58
Per capita tax Revenue as a percentage of per capita income.	6.3	6.1	6.5	6.7	6.7

*Punjab*

Per capita income	.... 388.0	401.0	416.0	483.0	586.0
Per capita tax	.... 19.64	19.31	22.09	27.52	30.13
Per capita tax Revenue as a percentage 5.1 of per capita income.	5.1	4.8	5.3	5.7	5.1

2.51. The incidence of taxation in Mysore is on par with that in Andhra Pradesh but is slightly below the level of taxation in States like Maharashtra, Gujarat and Punjab.

*Public Expenditure*

2.52. The end of all public expenditure is the satisfaction of collective wants. Therefore, the burden imposed on the citizen by the transference of purchasing power from private to public sector involved in raising public revenue is mitigated to a large extent by the benefits accruing from public expenditure. While there has been a rise in public revenue, there has also been a progressive rise in expenditure. As already stated, whereas the State revenues have increased by 234.9 per cent between 1957-58, and 1968-69, the expenditure has gone up by 244.1 per cent. The pattern of expenditure has, however, undergone some change during the period. The expenditure on development has risen from Rs. 3,830.75 lakhs to Rs. 11,615.97 lakhs or by Rs. 206.2 per cent and the non-development expenditure has gone up from Rs. 1,480.14 lakhs to Rs. 6,660.37 lakhs or by 273.1 per cent over the period of 11 years since 1957-58. But while the proportion of development expenditure to total expenditure has declined from 72.1 per cent in 1957-58 to 63.6 per cent in 1968-69, the share of non-development expenditure has increased from 27.9 to 36.4 per cent.

2.53. The development expenditure is incurred on the development of physical capital (economic development) and on the development of human capital (social services). In 1957-58 the expenditure on economic development was Rs. 2,521.73 lakhs, constituting 47.5 per cent of total expenditure met from revenue. In 1968-69 this expenditure has increased to Rs. 6,333.10 lakhs but its proportion to total revenue expenditure has come down to 34.7 per cent. The expenditure on social services stepped up from 1,271.98 lakhs to Rs. 5,282.87 lakhs and its share in total expenditure has gone up from 24.6 per cent to 28.9 per cent.

*Expenditure on Government Staff*

2.54. The information of the expenditure incurred on the establishment by Government is available from the State Budget papers. But this information pertains only to non-plan expenditure and similar data in respect of plan expenditure is not available. The growth of expenditure on the Government establishment can be gauged from the following figures :

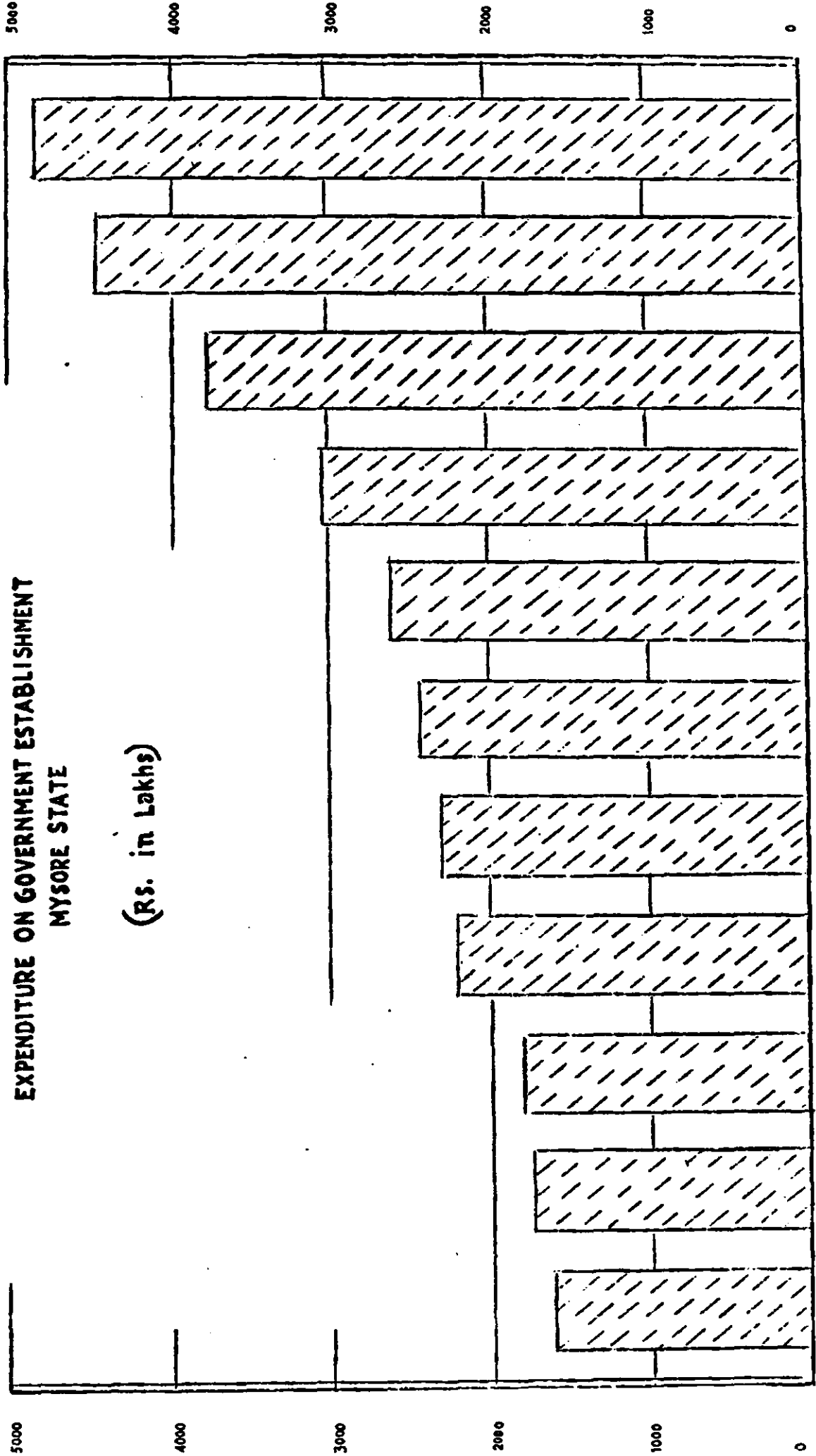
**Expenditure on Government Establishment**

(Rs. in lakhs )

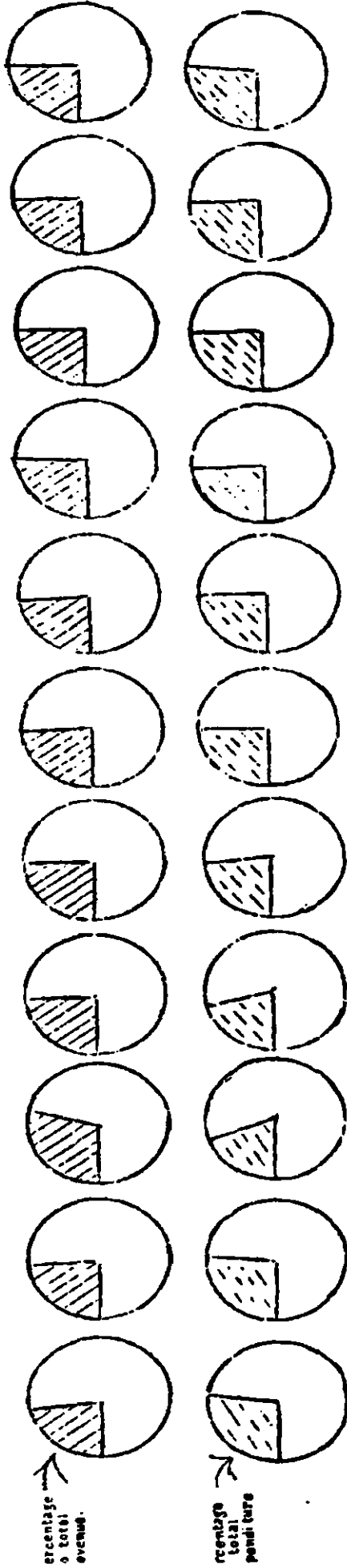
Year	Expenditure	Percentage annual increase	Percentage to total revenue	Percentage to total expenditure
1	2	3	4	5
1958-59	1,647.64	....	23.9	27.9
1959-60	1,782.31	8.2	24.2	26.6
1960-61	1,838.36	3.1	20.0	20.5
1961-62	2,234.65	21.6	24.6	23.4
1962-63	2,306.97	3.2	25.1	24.6
1963-64	2,452.42	6.3	24.0	24.8
1964-65	2,640.21	7.7	23.8	24.4
1965-66	3,041.48	15.2	25.2	24.2
1966-67	3,772.82	23.4	24.1	24.9
1967-68 (BE)	4,497.94	19.2	24.2	25.4
1968-69 (BE)	4,825.46	7.3	24.8	26.4

**EXPENDITURE ON GOVERNMENT ESTABLISHMENT  
MYSORE STATE**

(Rs. in Lakhs)



1958-59 1959-60 1960-61 1961-62 1962-63 1963-64 1964-65 1965-66 1966-67 1967-68 1968-69



2.55. Between 1958-59 and 1968-69, the expenditure on Government Staff has risen from Rs. 1,647.64 lakhs to Rs. 4,825.46 lakhs or by 192.9 per cent. The large increase in 1961-62 was due to the revision of pay scales in 1961. Similar large increases observed during 1965-66, 1966-67 and 1967-68 may be attributed mainly to the enhancement of Dearness Allowance and Compensatory-cum-House Rent Allowance periodically. The expenditure on Government employees constitutes 24.8 per cent of the total revenue receipts and 26.4 per cent of total revenue expenditure of the State in 1968-69. A broad estimate of expenditure on the staff in plan schemes is also made and, including this expenditure, the total expenditure on salaries and allowances of State Administration works out to Rs. 5,335.72 lakhs during 1968-69.

2.56. An analysis of the trends in the Government's expenditure on administrative services in the State since the commencement of the plan period, that is, 1951-52, and comparison with similar trends in other States will be of interest. For the purpose of this analysis only the expenditure in respect of Civil Administration (comprising General Administration, Administration of Justice, Police, Supplies and Disposals, Legislature and Miscellaneous Departments) is taken into consideration. The expenditure for 1951-52 is worked out by the Reserve Bank of India on the basis of population as in that year for different States. The Statewise trends in the expenditure on Civil Administration is shown below :—

#### Expenditure on Civil Administration

(Rs. in lakhs)

Sl. No.	States	1951—52	1968—69 (Budget Estimates)	Percentage increase	Administrative expenditure as a percentage of—	
					Total Revenue	Total Expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Andhra Pradesh	1,048	2,791	166.9	14.3	14.0
2	Assam	228	1,352	492.9	15.7	15.4
3	Bihar	863	2,090	135.2	14.1	13.9
4	Bombay*	2,045	6,444	215.1	13.1	13.9
5	Kerala**	315	1,108	251.7	8.6	7.8
6	Madhya Pradesh	628	2,202	250.6	13.1	13.0
7	Madras	922	3,683	299.5	15.9	15.9
8	Mysore	698	1,634	134.1	9.3	10.0
9	Orissa	302	1,136	276.2	10.0	9.9
10	Punjab***	652	1,913	193.4	11.5	11.5
11	Rajasthan	468	1,592	240.2	12.6	11.4
12	Uttar Pradesh	1,474	4,487	204.4	14.7	14.7
13	West Bengal	1,022	3,167	209.9	15.1	15.0
		10,665	33,599	214.9		

\*Figures relate to Bi-lingual Bombay State.

\*\*The expenditure on administration for 1968-69 includes expenditure on administration of the Madras Hindu Religious and Charitable Endowment Act, 1951, National Savings Organisation, Department of Municipalities and adoption of Metric system. This expenditure is omitted here.

\*\*\*Includes Hariyana.

2.57. Between the period from 1951-52 and 1968-69, the expenditure on Civil Administration in all the States increased more than three times. The rate of increase was marked in States like Assam (abouts six times) and Madras (four-fold). The smallest increase in the expenditure on Civil Administration is observed in Mysore State (less than two and half times). As a proportion of total revenue, the expenditure on Civil Administration at 9.3 per cent in Mysore is the lowest in India, excepting Kerala, where it is 8.6 while it is 15.9 per cent in Madras, 14.3 per cent in Andhra Pradesh and 13.1 per cent in former Bombay. The expenditure on Civil Administration forms 10.0 per cent of total revenue expenditure in Mysore and is again one of the lowest in India, only Kerala and Orissa excepted.

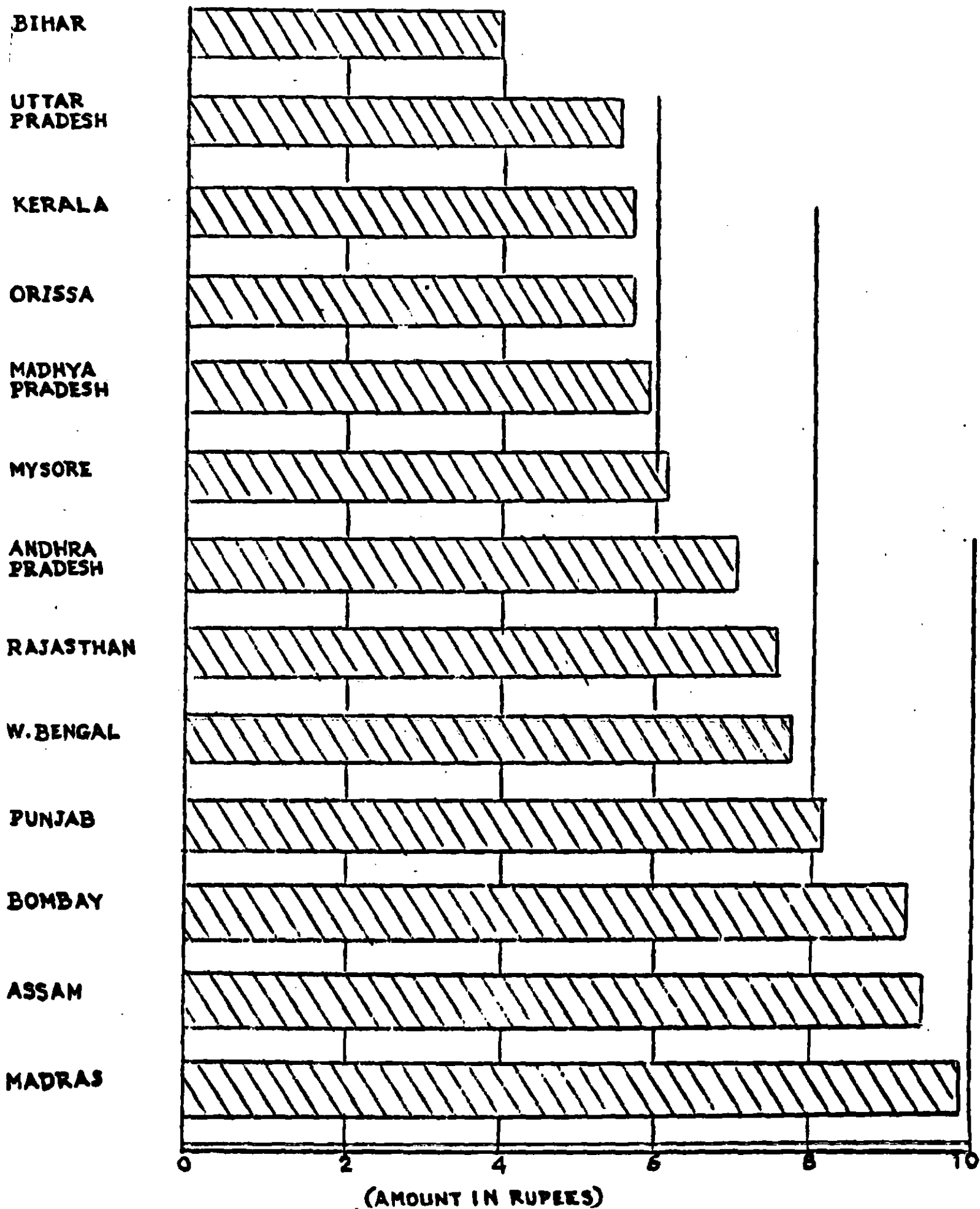
2.58. As the States are of different sizes both in respect of area and population, comparison of total expenditure on administrative services is not very useful. Therefore, in order to facilitate a more meaningful comparison, *per capita* expenditure on Civil Administration in different States is computed for 1951-52 and 1968-69 and the trends in *per capita* expenditure are shown below :

**Per Capita Expenditure on Civil Administration**  
(in Rs.)

<i>Sl. No.</i>	<i>States</i>	<i>1951-52</i>	<i>1968-69 (Budget estimates)</i>	<i>Percentage increase</i>
(1)	(2)	(3)	(4)	(5)
1	Andhra Pradesh	3.4	7.0	105.9
2	Assam	2.6	9.4	261.5
3	Bihar	2.2	4.0	81.8



PER CAPITA EXPENDITURE ON CIVIL ADMINISTRATION  
1968-69.



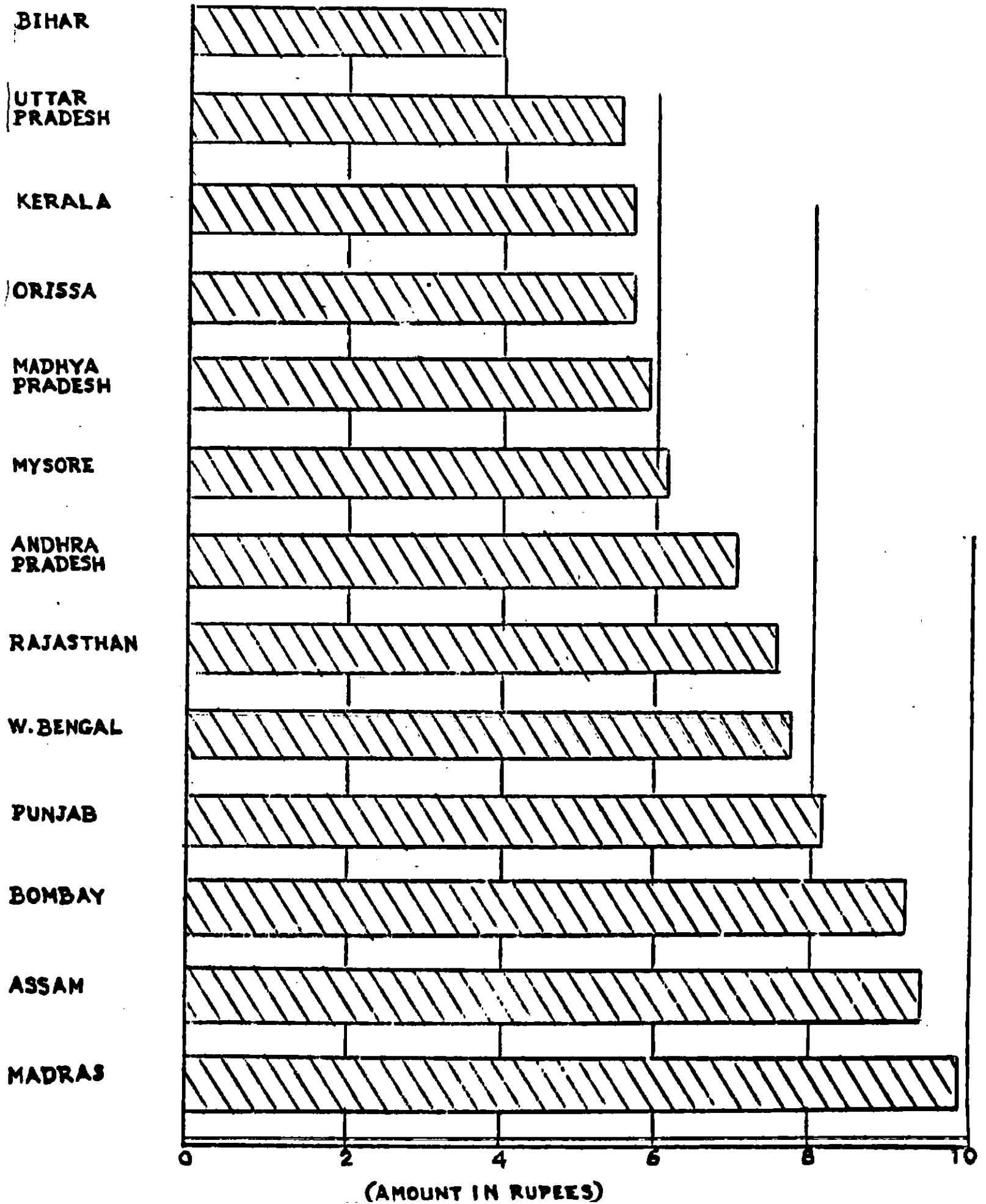
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**Per Capita Expenditure on Civil Administration**  
(in Rs.)

<i>Sl. No.</i>	<i>States</i>	<i>1951-52</i>	<i>1968-69 (Budget estimates)</i>	<i>Percentage increase</i>
(1)	(2)	(3)	(4)	(5)
1	Andhra Pradesh	3.4	7.0	105.9
2	Assam	2.6	9.4	261.5
3	Bihar	2.2	4.0	81.8

PER CAPITA EXPENDITURE ON CIVIL ADMINISTRATION  
1968-69.



1	2	3	4	5
4.	Bombay*	4.2	9.2	119.0
5.	Kerala	2.3	5.7	147.8
6.	Madhya Pradesh	2.4	5.9	145.8
7.	Madras	3.1	9.9	219.3
8.	Mysore	3.6	6.1	69.4
9.	Orissa	2.1	5.7	171.4
10.	Punjab**	4.0	8.1	102.5
11.	Rajasthan	2.9	7.5	158.6
12.	Uttar Pradesh	2.3	5.5	139.1
13.	West Bengal	3.9	7.7	97.4
	All States	....	3.0	7.3
				143.3

\*Figures relate to Bi-lingual Bombay States.

\*\*Includes Haryana.

2.59. At the beginning of the period under study, the level of *per capita* expenditure on Civil Administration was the highest in Bombay at Rs. 4.2 followed by Punjab (Rs. 4.0), West Bengal (Rs. 3.9), Mysore (Rs. 3.6), Andhra Pradesh (Rs. 3.4) and Madras (Rs. 3.1). During the period from 1951-52 and 1958-69, the average *per capita* expenditure for all States increased from Rs. 3.0 to Rs. 7.3, that is, by about two and half times. The rate of increase in *per capita* expenditure was high in States like Assam, Madras, Orissa, Madhya Pradesh and Rajasthan. The smallest increase is noticed in Mysore. Mysore which ranked fourth in 1951-52 has gone down the list to the twelfth position in 1968-69. During 1968-69, the highest level of *per capita* expenditure on Civil Administration was observed in Madras (Rs. 9.9) followed by Assam (Rs. 9.4) Bombay (Rs. 9.2) and Punjab (Rs. 8.1).

2.60. The aforesaid discussion of the economic background of the State discloses certain salient features. According to the 1961 Census, the population of the State was 23.58 million and the mid-year population in 1968-69 is estimated to be 26.77 million. Of the total working population, about 70 per cent is primarily occupied with agriculture. While the demographic studies point to a progressive rise in the population, the economic growth has not kept pace with the growth of population. The *per capita* income at current prices has increased from Rs. 232.40 in 1956-57 to Rs. 309.67 in 1962-63. The table in paragraph 2.19 shows that the *per capita* income of the State is below the national average and lower than what it is in the sister States like Andhra Pradesh, Madras and Maharashtra, though slightly higher than in Kerala.

2.61. Agriculture in the State is largely dependent upon the vagaries of the monsoon. This accounts for the rise and fall in total agricultural production in different years as shown by figures in paragraph 2.23. The shortage of food has been creating anxious problems in the State and even at the end of the Third Plan period the deficit in foodgrains was in the order of 11.68 lakh tonnes. The gap

between our requirements and actual production of foodgrains continues to be big. Though the picture of industrial production has been bright and encouraging, the legacy of the unemployed left after the Third Five-Year Plan is 7.49 lakhs which means that the increase in the avenues of employment has not been able to meet the growing demands of the unemployed. It is necessary to note in this context that the strength of employees of the State Government has risen from 145,781 in March 1959 to 173,619 in March 1965. The cost of living has been rapidly rising and with it the expenditure over the Government staff has risen from Rs. 1,647.64 lakhs in 1958-59 to Rs. 4,825.46 lakhs in 1968-69. The expenditure on Civil Administration between 1951-52 and 1968-69 has increased by slightly less than two and half times. But this increase of less than two and half time loses its significance when we remember that such expenditure in most of the States in the country has increased more than three times during the same period. The rate of increase in *per capita* expenditure on Civil Administration in our State appears to be modest as compared with the rates in States like Assam, Madras, Madhya Pradesh, etc.

2.62. As regards the finances of the State, the revenue has risen from Rs. 5,814.75 lakhs in 1957-58 to Rs. 19,474.13 lakhs in 1968-69. But as the State is committed to numerous developing plans, public expenditure is naturally increasing from year to year. The expenditure in 1957-58 was Rs. 5,310.89 lakhs; it has risen to Rs. 18,276.34 lakhs as per budget estimates in 1968-69. These figures disclose that while there has been an increase in the annual revenues of the State, there has been a corresponding progressive rise in the expenditure both on account of the developmental and non-developmental activities undertaken by the State.

2.63. Though the financial condition of the State cannot be described as prosperous, the Commission considers that there are two ways by which the Government can free itself from the anxieties of economic imbalances. The first course to be adopted by the Government, as amply clarified in the Chapters that follow is to reduce the administrative expenditure by limiting the strength of the staff at different levels to the normal needs of administration and by effecting economy in other items of expenditure. The second course to be adopted is to adjust the plans and schemes to be undertaken in such a way as could be implemented within the means available, without being ambitious. The schemes should be initiated in a phased manner so that the financial burden does not become too heavy or necessitate the imposition of further taxes which the common man is not able to bear.

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## CHAPTER 3

### General Administration

- (i) Mysore Government Secretariat ;
- (ii) Heads of Departments/Divisional Offices ;
- (iii) District Administration ;
- (iv) Sub-Divisional Offices ;
- (v) Taluk Offices ;
- (vi) Village Administration.

3.1. Under Article 154 of the Constitution, the executive power of the State is vested in the Governor and is exercised by him either directly or through officers subordinate to him in accordance with the Constitution.

3.2. The Council of Ministers with the Chief Minister at its head, aids and advises the Governor in the exercise of his functions excepting in so far as he is, by or under the Constitution, required to exercise his function in his discretion. The allocation of business of Government among the Ministers is made by the Governor on the advice of the Chief Minister.

3.3. The business of Government is regulated by the Mysore Government Rules of Business, 1964, made by the Governor under Article 166 (3) of the Constitution of India.

#### *(i) Mysore Government Secretariat.*

3.4. The business of the Secretariat is classified and distributed among the several Departments in the manner specified in the First Schedule to the Mysore Government Rules of Business.

3.5. Each Department is generally under the control of a Secretary to Government, who is the official Head of that Department. More than one Department may also be placed in charge of the same Secretary or the work of a Department may be divided between two or more Secretaries.

3.6. The Secretary may be assisted in the discharge of his work by such number of Additional Secretaries, Joint Secretaries, Deputy Secretaries, Under Secretaries and Special Officers as may be decided from time to time.

3.7. The Development Commissioner is concurrently the Special Secretary for Agricultural Production and Secretary, Planning and Social Welfare Department. His duties as Development Commissioner are of the same nature as those of a Head of a Department and his duties as Secretary, Planning and Social Welfare Department, are of the same nature as those of other Secretaries

to Government. His duties as Special Secretary for Agricultural Production, however, are as specified in Rule 7-A of the Mysore Government Rules of Business, 1964, which is extracted below :

“7-A. There shall be a Special Secretary to Government for Planning, Agricultural Production and Development Departments whose powers and functions will be as follows :

(i) In all important matters relating to Planning and Agricultural Production, the Secretaries of the Departments mentioned below\* will put up files to the Minister in-charge through the Special Secretary.

\*Development, Panchayat Raj and Co-operation  
Agriculture including Horticulture,  
Fisheries, Animal Husbandry and Veterinary,  
Minor Irrigation (in all its aspects)  
and  
Planning.

(ii) The Special Secretary is empowered to call any file from any of the Departments mentioned above and submit it to the Minister-in-charge with his advice.”

3.8. The Home Secretary to Government is concurrently the Special Secretary to Government, General Administration Department (Organisation and Methods) and his duties are as specified in Rule 7-B of the Rules of business which is extracted below :—

“7-B. There shall be a Special Secretary to Government in the General Administration Department whose powers and functions shall be as follows :—

- (i) He shall be in charge of the Organisation and Methods Wing of the Secretariat ;
- (ii) He shall advise Government on all questions affecting the efficiency of the Administration referred to him ;
- (iii) He shall inspect the offices of all Heads of Departments, except the offices of the Divisional Commissioners, the Chairman, Mysore Revenue Appellate Tribunal, the Commissioner for Commercial Taxes and Excise and the Development Commissioner and submit his notes of inspection for orders of Government.
- (iv) He shall examine the work of all offices subordinate to Government from the Organisation and Methods point of view.
- (v) He shall route all important files and notes of examination of the work in the offices of the Heads of Departments through the Chief Secretary, who shall exercise supervisory powers over the Organisation and Methods Section.”

3.9. The Administrative control of the Mysore Government Secretariat Services vests in the Chief Secretary to Government. Subject to such general or special directions as the Chief Secretary may issue from time to time, the Deputy or Under Secretaries in the General Administration Department who are placed

in charge of the administrative work attend to matters relating to appointments, postings, leave, retirement, disciplinary action against the Secretariat staff and their allocation amongst the several departments. The distribution of such allocated staff within the department rests with the Secretary of that Department. In respect of the staff working in his Department, the Secretary and his subordinate officers exercise such disciplinary control as has been vested in them under Schedules II and III to the Mysore Civil Services (Classification, Control and Appeal) Rules, 1957.

3.10. The Commission has offered its suggestions in regard to the strength of the Council of Ministers in Chapter 13. Government may examine those suggestions and take appropriate action. In so far as the present context is concerned the Commission considers it necessary to offer suggestions only in regard to the arrangement of work among the Secretaries and as between the Ministers and the Secretaries, as such arrangement has its impact on the efficiency of administration at the highest level. The further examination of this question has been made on the basis of the existing composition of the Council of Ministers.

3.11. There are 13 departments in the Secretariat and 28 Ministers/Ministers of State/Deputy Ministers. The distribution of work among the Members of the Council of Ministers as made has resulted in many of the Secretaries having to submit papers to more than one Minister (including Ministers of State and Deputy Ministers) and several of the Ministers having to deal with papers received from more than one Secretary.

3.12. Some witnesses have pointed out that under the existing distribution of portfolios the lines of control have become complicated and confused and the line of command has got blurred resulting in loss of efficiency in the Secretariat. Some witnesses have also pointed out that the officers in the Secretariat have to attend meetings and Conferences convened by several Ministers, meet several Ministers for discussions and adjust their method of work to suit the convenience of several Ministers and that all this would contribute to inefficiency as it leaves little or no time to attend to their office files. It has also been pointed out that even at the level of the Secretaries, there is considerable scope for re-adjustment of work so as to bring homogeneous and distinct groups of activities under each department. The Organisation & Methods Section of the General Administration Department has conducted a work study of the Secretariat Departments on behalf of the Commission. The Report given by the Organisation and Methods Section is included in the Annexure. As could be seen therefrom, specific suggestions have been offered as to how the work allotted among the various departments could be re-adjusted so as to secure greater efficiency than at present. The work in the Secretariat is being attended to in the following 13 Departments :

- (1) General Administration ;
- (2) Revenue ;
- (3) Commerce and Industries ;
- (4) Home ;
- (5) Education ;



- (6) Agriculture and Forest ;
- (7) Law and Parliamentary Affairs ;
- (8) Planning and Social Welfare ;
- (9) Finance ;
- (10) Development, Housing and Panchayat Raj and Co-operation ;
- (11) Food, Civil Supplies and Labour ;
- (12) Health and Municipal Administration ;
- (13) Public Works and Electricity.

3.13. After taking into consideration the suggestions made in the Study Report and after examining the attendant circumstances, the Commission considers that (a) the post of the Secretary, Planning and Social Welfare Department which is now held by the Development Commissioner in addition to his other duties may be abolished and that the subject of Planning along with the staff dealing with it may be transferred to the Finance Department and the subject of Social Welfare along with the establishment dealing with it may be transferred to the Department of Education. (b) When the work relating to the Department of Social Welfare is transferred to the Department of Education, the work in this Department would become very heavy and it is necessary to give some relief to the Secretary of this Department. In view of this circumstance as also in view of the fact that the nature of work in the Department of Stationery and Printing is more akin to the work in the Department of Commerce and Industry rather than to the work in the Department of Education, work relating to the Department of Stationery and Printing may be transferred from the Department of Education to the Department of Commerce and Industries in the Secretariat. The Development, Housing, Panchayat Raj and Co-operation Department may continue in its present form. The Commission has recommended in para 21 that the Development Commissioner should not be saddled with the responsibility of Secretariat work as he is essentially a field officer and that he should function as the Development Commissioner, Commissioner for Municipal Administration and Commissioner for Agricultural Production. The same principle would apply in the case of the Secretary to Government, Development, Housing, Panchayat Raj and Co-operation Department who is concurrently the Joint Development Commissioner and is in immediate charge of the establishment of the Development Commissioner. The Commission recommends that the Secretary, Development, Housing, Panchayat Raj and Co-operation Department should be given relief from this field work and that the entire establishment of the Development Commissioner which is now working under him along with the following officers and officials who are dealing with this work should be transferred to the office of the Development Commissioner:

Deputy Development Commissioner	....	1
Assistant Development Commissioners	....	2
Project Officer	... ..	1
Director of Training	....	1
Women Welfare Officer	....	1
Senior Accounts Officer	....	1
Accounts Officer	....	1

Section Officer (Secretariat)	....	....	1
Accounts Superintendents	....	....	2
Superintendents (Revenue Department)	....	....	2
Taluk Sheristedars	....	....	3
I Division Clerks	....	....	8
II Division Clerks	....	....	3
Typist-cum-Clerk	....	....	1
Typists	....	....	5
Peons	....	....	6

3.14. The Food and Civil Supplies Department may continue as an independent temporary Department so long as there is need for the State to undertake trading operations and to enforce controls in regard to Foodgrains. In the light of various steps that are being taken for increasing Agricultural Production, the State might attain self-sufficiency in Food within the next 3 or 4 years; and it might then be possible to remove controls over foodgrains and discontinue the present system of rationed distribution. When that stage is reached the Department of Food and Civil Supplies could be abolished. So long as this Department continues, the Department of Labour and the Department of Employment and Training which are now attached to it may continue under this Department.

3.15. In view of the fact that most of the work attended to in the Labour Section of the Secretariat requires action in consultation with the Law Department or references to Industrial Courts and Tribunals, the Commission recommends that when the Department of Food, Civil Supplies and Labour is abolished, subjects relating to the Department of Labour may be transferred to the Law Department. The Department of Employment and Training may then be transferred to the Department of Commerce and Industries as the activities of that Department are related closely to Industries.

3.16. The Commission considers that the work in the other Departments of the Secretariat may continue undisturbed. The Commission accordingly suggests that of the 13 existing Departments, the Planning and Social Welfare Department may be abolished immediately and the Food and Civil Supplies Department abolished some years later and that the work among the Departments of the Secretariat may be redistributed to the extent indicated in para 13. It has been suggested in Chapter 9 that a new Department of Administrative Reforms may be created in the Secretariat. With the abolition of the Planning and Social Welfare Department and with the creation of the Department of Administrative Reforms, the total number of Departments in the Secretariat will continue to be 13.

3.17. The suggested regrouping of subjects would result in allied items of work being brought together under a single Secretariat Department. The Study-Report has categorised the Secretariat Departments as proposed by it into 'Heavy', 'Normal' and 'Light' Departments. With the modifications recommended by it, the Commission considers that it would be enough if the Departments of the Secretariat are classified into 'Heavy' and 'Normal'.

3.18. The designations given to some of the Secretariat Departments as they are now constituted are far too long, and the Commission would prefer their being given shorter designations as indicated below :—

*Heavy Departments :*

- (1) General Administration (All the existing subjects) ;
- (2) Finance (All the existing subjects with the addition of Planning) ;
- (3) Law (existing subjects of the present Department of Law and Parliamentary Affairs) ;
- (4) Revenue (all the existing subjects) ;
- (5) Education (all the existing subjects excluding Stationery and Printing and with the addition of Social Welfare) ; and
- (6) Agriculture (all the existing subjects of the present Agriculture and Forest Department).

*Normal Departments :*

- (1) Home (all the existing subjects) ;
- (2) Public Works (all the existing subjects in the present Department of Public Works and Electricity) ;
- (3) Health (all the existing subjects in the present Department of Health and Municipal Administration) ;
- (4) Industries (all the existing subjects in the present Department of Commerce and Industry with the addition of the Department of Stationery and Printing) ;
- (5) Administrative Reforms (new Department to deal with Inspections, organisation and methods) ;
- (6) Food (all the existing subjects in the Department of Food, Civil Supplies and Labour) ; and
- (7) Development (all the existing subjects of the present Development, Housing, Panchayati Raj and Co-operation Department).

3.19. Since the realities of the situation cannot be ignored and since the manner in which the portfolios have been distributed among the Ministers, the Ministers of State and the Deputy Ministers has reference to the designations of the Secretariat Departments, the Commission suggests that the designations of these Departments might, however, be as indicated below :—

*Heavy Departments :*

- (1) General Administration ;
- (2) Finance and Planning ;
- (3) Law and Parliamentary Affairs ;
- (4) Revenue ;
- (5) Education and Social Welfare ;
- (6) Agriculture and Forest ;

*Normal Departments :*

- (1) Home ;
- (2) Public Works and Electricity ;
- (3) Health and Municipal Administration ;
- (4) Commerce and Industries ;
- (5) Administrative Reforms ;
- (6) Food, Civil Supplies and Labour ;
- (7) Development, Housing, Panchayat Raj and Co-operation.

3.20. Of the thirteen Secretaries, the Chief Secretary, the Development Commissioner and Special Secretary, Agricultural Production, and Secretary, Planning and Social Welfare Department and the Commissioner for Land Reforms and *Ex-officio* Secretary, Revenue Department, are officers in the super-time scale of the Indian Administrative Service. The Chief Secretary as the Head of the services and as the Secretary to the Cabinet is in a special position and the existing arrangement so far as he is concerned may remain undisturbed.

3.21. The Development Commissioner is at present functioning as Commissioner for Agricultural Production, Special Secretary, Agricultural Production and Secretary, Planning and Social Welfare Department. He is in the super-time scale of the Indian Administrative Service. As Development Commissioner and Commissioner for Agricultural Production, he is the Head of a "Field" Department and is in over-all charge of the developmental activities and Agricultural Production. As a general principle it is not advisable to entrust both field duties and Secretariat duties to an officer as the nature of work to be done in the field offices and in the Secretariat are altogether different. Moreover, he had the assistance all these days of the Divisional Commissioners who were also designated as Joint Development Commissioners in the discharge of his field duties. The Commission has recommended in para 66 for the reasons given there that the post of the Divisional Commissioners may be abolished. It is all the more necessary hereafter that the Development Commissioner should be enabled to discharge his functions effectively. There is no incompatibility in so far as the nature of work is concerned between the Development Commissioner and the Commissioner for Agricultural Production. The Divisional Commissioners were also functioning as the Commissioners for the purposes of the Mysore Municipalities Act, 1964. When the posts are abolished, there would have to be a Commissioner for the purposes of this Act and it is only appropriate that this function should be entrusted to the Development Commissioner. It has been suggested in para 13 that the Planning Section of the present Planning and Social Welfare Department should be transferred to the Finance Department, that the Social Welfare Section of this Department should be transferred to the Education Department, and that the post of the Secretary, Planning and Social Welfare should be abolished. The Special Secretary, Agricultural Production is, according to the Secretariat Manual, in a peculiar position in relation to the Departments under his control. These departments are directly under the control of Secretaries who are responsible for the work in those departments. There is neither any need nor any justification for having another officer at an indeterminate supervisory level

over the Secretaries. The post of the Special Secretary may be abolished. The Development Commissioner may thus be given relief from his Secretariat duties without having to appoint any officer to attend to these duties. The post of Development Commissioner may continue in the super-time scale and the Development Commissioner placed in direct charge of the Development Department, and in addition placed in over-all charge of Agricultural Production and Municipal Administration throughout the State.

3.22. The Secretary, Home Department has adequate work in that capacity and he cannot be expected to devote as much attention as the "Organisation and Methods" work requires. In the Chapter on "Efficiency and Work load" the urgent need for strengthening the Organisation and Methods Wing in the Secretariat and establishing similar Organisation and Methods Units at lower levels has been examined in detail. In this connection, it may be noted that the Government of Maharashtra have recently created a new post in the General Administration Department, designated as Commissioner (Administrative Re-organisation) with the rank of a Secretary to Government with necessary subordinate staff and have entrusted to him matters relating to examination of the staff position in each Department in relation to the existing work load, determination of the surplus staff, etc. The Government of Mysore could also, with advantage, create a similar post of Secretary for attending to the work of the Organisation and Methods, Organisation and inspection of the offices of Heads of Departments; the Secretary, Home Department may be relieved of the "Organisation and Methods" work and the post of the Special Secretary abolished.

3.23. The Secretary, Revenue Department is designated as Land Reforms Commissioner and *Ex-Officio* Secretary, Revenue Department. The Land Reforms Act does not contemplate the Office of the Land Reforms Commissioner and he has no duties to discharge or functions to perform under the Act. The post in the present form may be abolished and the post of a Revenue Secretary created.

3.24. The Secretary, Department of Law and Parliamentary Affairs is an Officer of the Judicial Department. The existing arrangement may continue as it is the only appropriate mode of recruitment to the post.

3.25. All the other Secretaries are officers in the senior-time scale/selection grade of the Indian Administrative Service. In the proposed set up there would be 11 Secretaries in addition to the Chief Secretary and the Secretary, Department of Law and Parliamentary Affairs. If the existing pattern were to continue, all of them would be officers of the Indian Administrative Service—some in the super-time scale, some in the selection-grade and some in the senior-time scale.

3.26. It has been represented to the Commission that the posts of Secretaries in charge of Secretariat Departments dealing with technical field departments, need not necessarily be officers of the Indian Administrative Service

and that it would be desirable to fill these posts by appointing officers of the technical departments. The arguments advanced in favour of this position are :

(i) By the time an officer is posted as the Head of the Department, he would have held several charges at lower levels and would have gained considerable experience of the work of the Department and would be in a position to advise Government.

(ii) The officers at the higher levels in the Field Departments would have gained as much administrative ability as the generalists. It may not, therefore, be correct to say that the Senior Officers of the Technical Departments are in any way less able than the generalists to attend to the work of an administrative nature.

(iii) Under the existing system under which generalists are Secretaries to Government, the technocrats after having sent their proposals have got to explain them personally on occasions or to give detailed clarifications, as generalists would not be familiar with the subject and would not be able to appreciate the several points involved in the proposal. This in turn causes considerable avoidable delay.

(iv) The Ministers who are the authorities to take final decisions on all important matters are also not technocrats; the process of elaboration and clarification would have got to be gone through again when the proposals are placed before them. Very often, however, even an opportunity of explaining the proposal to the Minister personally is denied to the Head of the Department and orders of the Minister are obtained and orders of Government communicated virtually "behind the back" of the Head of the Department. The first stage of explaining the proposals could at least be avoided if technocrats are appointed as Secretaries.

(v) There is a tendency among the generalists to assume to themselves the position of Government and to brush aside the views of the Heads of Departments even without giving them an opportunity of explaining the position correctly to Government.

(vi) Secretaries enjoy the privilege of working in close proximity to the Ministers and therefore consider themselves to be superior to the Heads of Departments placing the latter occasionally in a very embarrassing position.

3.27. As against these difficulties the arguments in favour of the existing system appear to be :—

(a) the technocrats have specialised in some subjects and their specialised knowledge would go waste if they are placed in positions which could as well be handled by generalists ;

(b) the technocrats having specialised in their subjects but not having the necessary administrative experience would not be able to appreciate the wider implications of a proposal and are likely to press their own point of view even if their proposal is not in consonance with the public policy of Government or if priorities fixed by Government for the various sectors do not admit of the proposal being sanctioned ;

(c) it is not in every case that the Head of the Department is requested to explain his proposals ; such occasions may arise only when complicated proposals are sent without giving adequate explanation ; this cannot be considered to be enough justification for changing a system which has been in existence for decades and if it is considered to be, otherwise, unobjectionable. There is no objection even now to the Head of the Department explaining his proposal to the Minister even after the Secretariat processes the proposal and finds it to be not feasible. Government may, if they so desire, clarify the position permitting the Head of Department to meet the Secretary and the Minister and explain his point of view in important cases when he strongly feels that his proposal should be approved in the public interest ;

(d) some of the Heads of the Technical Departments are both good "technocrats" and good administrators ; but even as Heads of Departments, they have few opportunities of utilising their technical knowledge as they are bogged down by routine administrative work. It does not mean that technocrats should not be appointed as Heads of Departments but they should be given adequate support in the administrative work so that they might, subject to their over-all responsibility for the efficient running of the Department, be able to give guidance to the subordinates on the Technical side so that their specialised knowledge might be useful to the Department and to the community. The position becomes more difficult if they are appointed as Secretaries to Government since at that level the work is mostly of an administrative character and there is hardly any scope for a technical officer to use his technical knowledge. It would, thus, be a waste of talent to place a technocrat in the Secretariat. Moreover even general administration is becoming more and more specialised and the "general administrator" is becoming a "specialist" in his own line. It would be best in the larger interests of the public to utilise his services where he could be most useful and to utilise the services of the technocrat where he could be most useful.

3.28. So far as the Commission could judge from the material placed before it the technocrats are feeling that they should be enabled to become Secretariat Officers as,

- (a) they would then have a higher status than as Heads of Departments ;
- (b) their scales of pay would be higher than at present ;
- (c) they would work in closer proximity to the decision taking level and could make their impact on the administration.

3.29. The remedy lies not in appointing Technocrats as officers of the Secretariat, but in removing the difficulties which the Technocrats are facing under the existing administrative set-up. The three main difficulties which are indicated above are really not insurmountable difficulties. The Secretaries to Government and the Heads of Departments are colleagues and the status of the one cannot be considered to be higher than that of the other. Each has his own role to play in the administration and both of them assist Government in (a) formulating policies and (b) in implementing them. The difficulty which the

technocrats are feeling has apparently arisen on account of the way in which personal relations have been developed as between the Secretaries to Government and the Heads of Departments. In no administrative set-up should such difficulties arise but since apparently they have arisen now it would be the duty of the Secretaries to so conduct themselves that the impression that they are trying to 'boss over' the Heads of Departments is removed. If this were to be done and if both Secretaries and the other officers recognise the fact that they are all essentially colleagues and that one is not superior to the other, the technocrats may not, perhaps, aspire to become Secretaries to Government.

3.30. So far as the scales of pay are concerned, it is not possible to bring about uniformity in the scales of pay of the Secretaries to Government who are officers of the All India Services and the Heads of Departments who are officers of the State Services. Comparison of scales of pay and relativities would have to be with reference to the different categories of the State Services and not with reference to the State Services on the one hand and the All India Services on the other, for the reasons indicated in Chapter 4. Even as it is, within the State Services, the Heads of Major Departments get much higher scales of pay than the officers of the Mysore Administrative Service. The position of the Heads of Departments cannot change materially even if they are appointed as Secretaries to Government since even then their scales of pay would have some relation to the scales of pay of other officers of the State Services.

3.31. The impression that the Heads of Departments will be closer to the policy making level if they become Secretaries to Government is not quite correct. The Heads of Departments are even to-day closely associated with the framing of the policies and it is on their advice that the Secretariat will initiate new policies. It is immaterial whether the Head of the Department is "associated" with the preparation of the Cabinet Note or with the preparation of the policy paper or not, as such Cabinet Note or policy paper would be based on the material furnished by the Head of the Department and his views on the subject, on the basis of the knowledge of the field conditions which he would have acquired, would be given due consideration.

3.32. After considering the points made both in favour of maintaining the *status quo* and in favour of making radical changes as proposed by Heads of some Technical Departments, the Commission is satisfied that while as a matter of general policy the existing arrangement under which the generalists are appointed as Secretaries to Government and Technocrats as Heads of Technical Departments may continue, it would be desirable to try as an experimental measure the induction of the Technocrats into the Secretariat in two departments.

3.33. One of the Chief Engineers is even now functioning as the Joint Secretary to Government in the Department of Public Works and Electricity. From the material placed before it, the Commission got the impression that he has not been able to discharge the duties of the office effectively, not for any fault of his but on account of the working of the system and distribution of work. The Commission considers that no improvement could be expected so long as the Chief



Engineer is given the status of only a Joint Secretary and is not entrusted with duties and responsibilities independently of the Secretary (though of course subject to his overall control and supervision) in respect of any distinct block of work in the Department. The Commission therefore, suggests that the status of the Chief Engineer who is working now in the Secretariat may be raised to that of an Additional Secretary, a distinct block of work entrusted to him and he may be allowed to function for all practical purposes as the Secretary in respect of such block of work as contemplated in the Secretariat Manual and the Rules of Business.

3.34. The work in the Department of Agriculture is increasing enormously in the context of the emphasis that has been placed both by the Central Government and by the State Government on increasing agricultural production. There are several proposals which have to be cleared by Government very expeditiously. It has been represented that much time is now being spent by the generalists in understanding the problems and in examining such proposals and that consequently agricultural production is bound to suffer. Though it is not very clear to the Commission that any such genuine difficulty has arisen, it is suggested that as an experimental measure the Director of Agriculture may be appointed concurrently as Additional Secretary to Government in the Department of Agriculture and he may be authorised to function independently of the Secretary (subject to his overall control and supervision as contemplated in the Secretariat Manual and the Rules of Business) and given independence to discharge his duties in the Secretariat to the same extent as any other Generalist Additional Secretary.

3.35. The Commission cannot foresee at this stage whether the arrangements recommended in respect of the Department of Public Works and the Department of Agriculture would prove really useful in expediting the disposal of business. In view, however, of the feeling of frustration among the technocrats that their proposals are not being clearly understood by generalists and the progress of developmental activities is being slowed down on that account and in view of the weighty arguments that have been advanced in favour of this change, the least that could be done is to give a fair trial to this scheme. If at the end of the period of two years Government are satisfied that this arrangement of having technocrats in the Secretariat has really been useful in the disposal of Government business, the system could be extended to cover some other Technical Departments also; but if in actual working this system does not prove a success, the *status quo ante* may be restored.

3.36. The Secretaries to Government in some States like Maharashtra and Gujarat are in the super-time scale of the I.C.S./I.A.S., since they have inherited the tradition of the composite Bombay State in which Secretaries were in the super-time scale, of the I.C.S./I.A.S. In States like Madras and Andhra Pradesh the Secretaries in-charge of some of the Departments are in the super-time scale and the Secretaries in charge of other Departments are in the time scale of the Indian Administrative Service. As matters now stand in our State, 2 Secretaries apart from the Chief Secretary and the Secretary, Law Department, are in the

super-time scale and the other Secretaries are in the time scale (or selection grade). The Commission has examined the point whether it would be desirable to convert all the other posts of Secretaries to super-time scale posts or to convert some of them into super-time scale posts retaining others in the time scale. There are now eight posts in the super-time scale in the Mysore Cadre of the Indian Administrative Service and this number has been determined after taking into consideration not only the need for the posts but also the promotional opportunities to be provided to the officers in the cadre in more or less the same proportion as in the other cadres. The Commission does not, therefore, consider it desirable to either add to or reduce this number. The number of posts in the super-time scale of the Indian Administrative Service will increase unduly if all the posts of Secretaries or even if the posts of the Secretaries in charge of all Heavy Departments are upgraded to the super-time scale. The number will get reduced by two if the other recommendations in regard to the posts in the super-time scale are accepted and all the posts of the Secretaries are retained in the time scale. Moreover, Government are now in a position to select officers for the Secretariat who might be suitable for work there and to post to the field, officers who might be suitable for such posts, since the number of posts in the Secretariat whether it be in the super-time scale or in the time scale (including the Selection Grade) bears a very small proportion to the number of posts in the concerned cadre. This flexibility is very desirable and it will be lost to some extent if some posts are specifically earmarked for the officers either in the super-time scale or in the time scale. The Commission, therefore, recommends that apart from the posts of Chief Secretary and Law Secretary three posts of Secretaries to Government may be in the super-time scale and eight in the time scale and that the existing system of selecting officers for the Secretariat might continue, the officers selected as Secretaries being placed in charge of any Department depending on their suitability for such post and on the importance of the Department at any given time in the context of the situation then obtaining.

3.37. In the Law Department and in the Public Works Department of the Secretariat there are Technical Officers, *i.e.*, officers of the Judicial Department and officers of the Public Works Department working as Joint Secretaries, Additional Secretaries and so on. In view of the nature of work done in the Law Department the existing arrangement will have to continue, and in the light of the recommendation made above, about the technocrats being appointed as Additional Secretaries to Government in two departments, officers of the Public Works Department may continue to work as Deputy Secretaries or Under Secretaries in that Department of the Secretariat.

3.38. This recommendation pre-supposes that Government recognize the Heads of Departments as their Chief Advisers in so far as purely technical aspects of any proposal are concerned and that the Secretariat will deal only with the financial, administrative, legislative and other general aspects of the proposal. If this bifurcation of functions as between the field departments and the Secretariat is clearly understood, not only will the present conflict between the two be resolved but it will make for greater administrative efficiency.

3.39. The Secretary will be in overall charge of the entire work in the Department but he may be assisted by at least one Additional Secretary and one Deputy Secretary in the case of 'Heavy' Departments and by at least one Deputy Secretary in the case of 'Normal' Departments. The exact number of Additional Deputy Secretaries in each Department would, however depend on not only the quantum but also on the nature of work handled in each Department.

3.40. The Sections under the Section Officers have generally been constituted taking the work-load into consideration, though there may be a few cases in which some re-adjustment may be possible after conducting a time and motion study. An Under Secretary could be in charge of two such sections as at present. Deputy Secretaries may be appointed at the rate of one for every three Under Secretaries. In Departments in which there are 4 or 5 Under Secretaries, the Deputy Secretary could be in charge of the work of 3 Under Secretaries and the other Under Secretary(ies) may work directly under the Secretary. In Departments with six or more Under Secretaries there should be one Additional Secretary in charge of the work of three Under Secretaries, one Deputy Secretary in charge of the work of three Under Secretaries and the Secretary could be in charge of the work of the remaining Under Secretaries (if there are one or two of them). In case the additional Under Secretaries in any Department exceed two, one more Deputy Secretary or Additional Secretary may be appointed if necessary. There is no need to have a Deputy Secretary working under an Additional Secretary. The Secretary in so far as the Under Secretaries working directly under him are concerned, the Additional Secretary and the Deputy Secretary in each Department could be entrusted with related subjects so that the work in the Department as a whole could be divided into administratively convenient blocks.

3.41. The Additional Secretaries and Deputy Secretaries may exercise all powers of Secretaries in all routine matters and put up only important cases and matters of policy to the Secretaries. In each Department the most important block of work might be with the Secretary. In Departments having an Additional Secretary, the next most important block of work may be with the Additional Secretary and the residual work with the Deputy Secretary. In Departments in which there is no Additional Secretary, the block of work other than the one with the Secretary would be looked after by the Deputy Secretary(ies).

3.42. After the re-distribution of subjects among the various departments in the Secretariat as indicated in para 13, the existing 143 Sections would have to be regrouped according to the subjects allotted to the new departments.

3.43. In the Law Department, however, the present position may continue both as regards the appointment of officers from the Judiciary as Secretariat Officers and about the organisation of the Sections. A detailed study may be made by the O. and M. Section and specific proposals given regarding the distribution of work among the officers and the Sections and the Department reorganised suitably. If the work study to be undertaken by the O. and M. Wing reveals that there are some surplus posts of officers in this Department, they could either be transferred

to the Law Cells. which are recommended in para 58, to be created in the other Departments or retrenched.

3.44. A compilation of the Legal opinions recorded by the Law Department while advising the different Departments of the Secretariat should be prepared and copies sent to all the Departments of the Secretariat so that the latter could themselves deal with identical matters when they come up for consideration. It may be mentioned that in the former Bombay Secretariat such Digests were printed and distributed among all the Departments of the Secretariat. An attempt was made in the Mysore Secretariat to digest such opinions but it was dropped later, for reasons not known to the Commission.

3.45. The Commission has got a Digest of the decisions of the High Court and the Supreme Court in regard to important administrative matters like land grants, service matters, etc., prepared for the period 1962-1967. It is hoped that the Government would get the same printed and supply copies of it to all administrative officers who are required to take decisions on various matters during the course of official work. It would be necessary to maintain this Digest up-to-date. One post of Senior Assistant and one post of a Typist might be created in the Law Department for attending to both these items of work under one of the Under Secretaries. It is also possible that if the necessary staff is sanctioned, the indexing Section in the High Court may with the sanction of the Chief Justice, undertake this work.

3.46. In the General Administration Department there would be 21 Sections including the Integration Section. Government have sanctioned one post of Deputy Secretary and one Section exclusively for attending to matters pertaining to Inter-State Seniority Lists. The post of Deputy Secretary and the Section have been sanctioned on a temporary basis and it is assumed that they would be wound up as soon as the work is over. These posts may, therefore, continue till the work is completed and the other posts in the Department sanctioned without taking these special posts into consideration.

3.47. The Commission would like to impress upon the Government that the work of preparing Inter-State Seniority Lists still remains unfinished even though it is nearly 12 years since the reorganised State came into existence. The delay is causing frustration amongst most of the employees and some who have been promoted on the basis of provisional lists or for other reasons have been enjoying higher positions without just claims to the same. The High Court has emphasised in numerous judgments the need of small departmental committees of dispassionate and impartial officers to sit continuously and finalise the lists by an objective application of the principles laid down by the Government of India. It is high time that Government pays serious attention to the problems and takes expeditious steps to finalise the lists.

3.48. In the Commerce and Industries Department one additional post of Deputy Secretary has been sanctioned in lieu of two posts of Under Secretaries as per Government Order No. GAD 47 SGO 66 dated 4th March 1966. Including

these two posts of Under Secretaries, there would be in all five Under Secretaries. On this basis, there could be one Deputy Secretary in this Department. The existing arrangement under which there are three Under Secretaries and two Deputy Secretaries in this Department may, however, continue.

3.49. The reorganisation of the Secretariat at the Departmental level alone is not enough to secure efficiency in administration. The work of the Ministers/Ministers of State/Deputy Ministers would also have to be suitably re-organised in relation to the work of the Secretariat Departments.

3.50. The most convenient administrative arrangement would be for a Minister to be in charge of the work handled by one or more Secretaries, the work handled by one Secretary and one or more blocks of work from another Secretary or distinct block or blocks of work from one of the Departments but not parts of such blocks of work. Of the 13 Departments that are now proposed, it may not be possible to break up the work in the Department of Organisation and Methods into blocks, but the work in the other 12 Departments could conveniently be divided into 2 or in some cases more blocks. There could, therefore, be no administrative difficulty in a Minister/Minister of State/Deputy Minister taking blocks of work as suggested. As the Deputy Ministers would be attached to Ministers they could deal with a block of work out of the Department/s under the Minister subject to such general control as the Minister may like to exercise in regard to such block of work.

3.51. The Additional Secretary/Secretary or the Deputy Secretary, who is now in immediate charge of the block of work concerned may be authorised to put up the papers directly to the Minister/Minister of State/Deputy Minister concerned and they might be authorised to adopt the system of level jumping in all routine matters; it is only in matters of policy and such other categories of cases as may be specified that the papers need be routed through the Secretary. If any Under Secretary works directly with the Secretary, the Secretary would naturally have to handle all the papers dealt with by the Under Secretary (which exceed the powers delegated to him) irrespective of their importance and put up such of them as he needs to the Ministers/Ministers of State/Deputy Ministers as the case may be. Likewise officers who are in immediate charge of the blocks concerned may be authorised to attend meetings, discussions, etc., convened by the Ministers/Ministers of State/Deputy Ministers as the case may be. The Secretary should however, keep himself in touch with the work that is going on in the entire Department and he should be able to do so if he sees all the papers on which Ministers/Ministers of State/Deputy Ministers have passed orders (on their return journey to the Departments); in that event he will also be in a position to resubmit papers for consideration in case the course of action proposed to be adopted is against public policy or any provision of law.

3.52. In addition to seeing the papers received back from the Ministers/Ministers of State/Deputy Ministers, the Secretary could also keep himself in touch with the work of the Department, if weekly Gazettes are compiled and

submitted regularly. In this view there would be no dilution of authority of the Secretary even under the proposed system of level jumping.

3.53. The Commission has recommended the continuance of the existing pattern of staffing in the Secretariat on the basis of the existing work-load and that a detailed time and motion study should be conducted in respect of each Section of the Secretariat even if such study takes some time. Such a study should not only be directed towards the manner in which the work that is coming to the Secretariat is being handled but should also extend to determining whether all the work that is now coming to the Secretariat need come (a) under the existing rules of business and (b) with suitable larger delegation of powers to the field departments. It may be emphasised in this context that there is a general impression that far too much of power is now concentrated at the level of Government with the result that even matters of not very great significance have to come to the Secretariat before any relief could be given to a citizen who is in need of such relief. The Commission obtained from some of the Secretariat Departments material based on "Work Studies" regarding the probable amount of work which is being attended to in the Secretariat but which could very well be disposed of at the lower levels. It is seen from the material that about 30 to 35% of the work that is now being done need not necessarily go to the Secretariat. The position will be clearer if detailed time and motion studies are conducted provided that such studies are directed towards examining not only the "methods" but also the higher principles underlying delegation of powers to the field departments. The principal reason for so much of work coming to the Secretariat appears to be two-fold; (a) Heads of Departments are reluctant to take responsibility and to dispose of matters falling within their powers of disposal; (b) Government call for reports even in matters in which powers of disposal have been delegated to the field officers. Both these tendencies should be checked, the first by taking action against officers who fail to exercise the powers vested in them without any justifiable reason and the second by Government imposing a self-denying ordinance on themselves, *i.e.*, instead of calling for a report, the matter should be sent to the appropriate authority for disposal according to law. Calling for reports from officers in matters which the latter are competent to dispose of infuses in the officers a sense of evasion of responsibility and swells the volume of work at the Government level.

3.54. These observations apply equally to the higher formations in the field departments. If authorities at all levels including Government were to trust and encourage their subordinates to exercise the powers vested in them properly, the business of Government can be disposed of expeditiously.

#### *Pre-Budget Scrutiny*

3.55. There is an impression even among officers that far too much of power has been concentrated in the Finance Department with the result that even administrative departments are not able to deal with relatively simple matters without referring them to the Finance Department. It would be desirable to introduce the system of pre-budget scrutiny so that individual schemes or projects

are cleared after detailed examination and scrutiny ; only such schemes or projects as have been so cleared are included in the Budget and necessary provision is made therefor. Once a scheme or project is so included in the Budget after such scrutiny, there should be no need to refer the matter again to the Finance Department and it should be open to the Administrative Department (either of the Secretariat Department or the Field Department as the case may be) to utilise the funds placed at their disposal for those specified purposes. It has been represented to the Commission that it may be difficult to introduce pre-budget scrutiny for some time to come on account of financial stringency. The Commission does not consider this to be a ground for postponing a very desirable reform in administration like the introduction of the system of pre-budget scrutiny ; what really has to be done is to make a realistic assessment of the resources available to the State and tailor the expenditure to such resources as could be raised by the State in any particular year. If this were to be done, there would be no room absolutely even for an apprehension that pre-budget scrutiny might lead to expenditure in excess of the available resources.

3.56. To begin with, the Government in the Finance Department should decide to introduce pre-budget scrutiny in regard to the budget estimates of the Judicial Department, the Public Service Commission and the Vigilance Commission. The two former Departments are statutorily expected to work independently of the Government, while the last unit of administration is assured independence by convention. The Commission has personal experience of minor demands made by the High Court either for the District administration or for its own administration rejected without sufficient grounds. There are instances where even the necessary requisites are rejected on some ground or the other. The Commission, therefore, considers that the introduction of the system would contribute both to the efficiency and expeditiousness in administration. There can be no apprehension of monies being spent on unnecessary items when the pre-budget scrutiny ensures elimination of such demands. These Departments should be given full freedom to operate within the budgeted amount and any supplementary demand made on any ground should receive the strictest scrutiny both in the matter of reasons and the extent of necessity for such new demands. Such a step will go a long way in redressing the grievances of these departments against arbitrary rejection or delayed sanctions. There would be no difficulty in introducing such a scrutiny. The items of expenditure in these Departments are mostly stereo-type in nature and do not create any difficulties in the system of pre-budget scrutiny. The Finance Department should have no difficulty in introducing this system as it is certain to relieve the Department itself of dealing with frequent references by the Administrative Departments and of helping the smooth running of administration. It is unnecessary to add that each Department is responsible for accounting properly for the amounts sanctioned and spent.

3.57. Far too many references are now being sent by the Administrative Departments both to the Law Department and the Finance Department even in relatively minor matters resulting in avoidable delay in finalising cases. It is common experience that rules of business which require the

administrative department to summarise the facts and raise the point on which the opinion of the Law Department is required are not observed by some of the officers. It is conceded that under the Rules of Business both Departments will have to be consulted in several categories of cases before orders could be obtained thereon. It is sometimes noticed that files in which the administrative department itself could have taken a decision either on the basis of precedents available in the Department or on a plain reading of the law, are referred to the Law Department. In spite of this, it would not be desirable to change the rules of business and throw the responsibility for both legal and financial scrutiny of proposals on the Administrative Departments themselves which may not be fully equipped for the purpose; but something can be done to improve upon the existing system which naturally results in delays. The solution to the problem appears to lie in creating Cells—both Law and Finance—in each of the heavy Departments. These cells may deal with matters of a relatively minor nature and refer for the advice of the parent Departments only those cases in which the cells consider advice from a higher level to be necessary or cases in which the Administrative Departments do not agree with the advice tendered by the cells and desire the matter to be referred to the parent Department. This would ensure quicker disposal of cases requiring consultation with the legal and financial experts. The Law Cell may consist of an Under Secretary drawn from the cadre of experienced Munsiffs of more than seven years standing with a senior Law Assistant and a Second Grade Stenographer. If this system is approved the number of Under Secretaries working in the Law Department may be reduced by fifty per cent. The Finance Cell may consist of an Under Secretary drawn from the existing strength of officers in this cadre in the Finance Department so that the total number of Under Secretaries in that Department may not increase. He may be assisted by two Assistants, one Stenographer and one Junior Assistant, also drawn from the existing strength of the Finance Department.

3.58. If the work in the Secretariat is reorganised as indicated in the preceding paragraphs, the Commission considers that Government would have taken the first step towards toning up the administration.

*(ii) Heads of Departments/Divisional Offices*

3.59. Apart from the Secretariat there are 'Field' Departments of Government. They are classified into Major and Minor Departments according to the size of the Departments and the nature of the subjects handled by them.

3.60. The Heads of some Departments are Departmental Officers and the Heads of others are officers of the Indian Administrative Service and the Mysore Administrative Service. The status, the method of recruitment, the qualifications prescribed and the scale of pay of the Heads of Departments and the officers subordinate to them have been examined in the Chapters dealing with matters relating to each of the Departments.

3.61. Matters relating to more than one Department or to Departments generally and matters of a nature which can more appropriately be dealt with in a Chapter not devoted to any special subject are considered here.



3.62. At present some Heads of Departments belonging to the Indian Administrative Service are in the super-time scale and others in the time scale. The Commissioner of Commercial Taxes who is in the super-time scale is also at present functioning as the Commissioner of Excise. The work in the Department of Commercial Taxes and the revenues of the Department are increasing steadily requiring the whole-time attention of a Senior Officer. With the relaxation of the policy of Prohibition, the work in the Excise Department has gained importance, and, both the work and the revenues of this Department are increasing to such an extent that an officer in charge of another Major Department can no longer do adequate justice to this work. It is, therefore, necessary that there should be Senior Officers in the super-time scale exclusively to attend to the work of each of these Departments. The Commission, therefore, recommends that there should be two independent officers in the super-time scale to man the posts of Commissioner of Excise and Commissioner of Commercial Taxes.

3.63. The Commissioner for Survey Settlement and Land Records is at present functioning also as the Inspector-General of Registration, Registrar of Societies and the Commissioner for Endowments. The Commissioner is in the time-scale of the Indian Administrative Service. The Commission considers that in view of the fact that the uniform Bill governing Religious and Charitable Endowments is likely to be passed into law soon and the Department of Endowments has to be reorganised under the new Act, it would not be possible for this officer to attend to this work in addition to his other items of work and that this officer would have to be given relief by appointing another officer to be in charge of the Department of Endowments. The post could be bifurcated as shown below:

- (1) Commissioner for Survey, Settlement and Land Records, Inspector General of Registration and Registrar of Societies.
- (2) Commissioner for Charitable Endowments. Both these posts could be in the time-scale of the Indian Administrative Service or Mysore Administrative Service but Government may ensure that only Senior Officers with adequate experience are appointed to these posts.

3.64. On the reorganisation of States, areas which were formerly in different States came under a common administration but they brought with them their own Acts, Rules, Regulations and forms of administration. It was necessary to maintain these areas as separate administrative Units in order to effect a smooth administrative change over to a common form of administration. Government, therefore, rightly considered that the State should be divided into suitable administrative divisions and that Senior Officers should be placed in charge of such divisions not only for being in direct charge of Revenue, Development and Municipal Administration, but also to coordinate the work of various Departments in the field. Many of problems which the new State had to face have now been solved and uniform legislations in all important matters have been enacted in respect of most of the matters. There are a few more problems to be solved, no doubt, but compared to the volume of work which has been completed so far, the volume of work remaining over is negligible. Under the Mysore Land Revenue

Act and under many other enactments, the Divisional Commissioners have neither the original powers nor appellate powers. In certain subjects like Food, Endowments and Law and Order, the Deputy Commissioners correspond directly with the Heads of Departments concerned or with Government and the Divisional Commissioner has no direct responsibility for such matters. In revenue matters decided by the Deputy Commissioners, the aggrieved parties have to go to the Mysore Revenue Appellate Tribunal in appeal. The Divisional Commissioners, no doubt, exercise some control over the Local Bodies within their Division but this arrangement does not make for uniformity in policy matters as there is no central agency to coordinate the activities of the Local Bodies in all the four Divisions. The main function of the Divisional Commissioner is to act as friend, philosopher and guide of the Deputy Commissioners and to coordinate the work of the various Departments at the Divisional level. The Deputy Commissioners are senior officers of the Indian Administrative Service and should be able to manage the work of the Districts without continuous and proximate advice and guidance from the Divisional Commissioners. The Commission has suggested in Chapter 9, while dealing with the question of career planning that officers with not less than ten years of service should be posted to Districts. If this recommendation were accepted, there would be hardly any need for such advice and guidance. Since it has been recommended that the Development Commissioner may be relieved of his Secretarial duties, he would have adequate time to effectively coordinate the work of the various Departments at the State level and to assist the Deputy Commissioners during his tours in coordinating the activities of the District Level Officers.

3.65. It has been suggested to the Commission that the posts of Divisional Commissioners might as well be abolished and instead a Board of Revenue created as in Madras, Andhra Pradesh and Kerala. This question has been considered by Government on more than one occasion in the past. In 1962, the Resources and Economy Committee considered this question and recommended that Divisional Commissioners would have to be continued until at least uniformity in the State laws is brought about and residuary problems of re-organisation are solved. In view of the later developments the posts of Divisional Commissioners have become superfluous. They have no statutory powers under any of the enactments to be effective instruments of administration. Even in matters of co-ordination, their work has become very diffuse. It is understood from the evidence of officers that their tours serve no purpose and meetings convened by them hardly function in a businesslike manner. The Commission has examined the merits of the existing system in all its aspects. After taking all aspects of the matter into consideration, the Commission is satisfied that there is no justification for continuing the posts of Divisional Commissioners; all the four posts of Divisional Commissioners may be abolished and a post of a Revenue Commissioner in the super-time scale of the Indian Administrative Service be created instead. Some items of work like Development, Municipal Administration and Inter-Departmental co-ordination which the Divisional Commissioners are now attending to may be taken over by the Development Commissioner and the others like Land Revenue, Land Reforms and Abolition of

privileged tenures by the Revenue Commissioner. There would thus be four functional Commissioners in the super-time scale of the Indian Administrative Service, *viz.*, the Revenue Commissioner, the Development Commissioner, the Excise Commissioner and the Commissioner for Commercial Taxes.

3.66. The Commission has examined the suggestion that a Board of Revenue should be constituted. The Commission would have recommended the constitution of a Board consisting of these four functional Commissioners had it been shown to its satisfaction that such a Board has functions to perform under the present administrative set-up. The Commission has recommended in Chapter 75 that a Mysore State Appellate Tribunal should be constituted as the highest appellate and revisional authority to hear matters relating to various administrative laws, Revenue, Sales Tax, Agricultural Income-tax, Transport, etc., The Board of Revenue cannot for the reasons indicated therein be entrusted with appellate work. If there be any matters of common interest, they could be resolved by periodical meetings held by these Commissioners, even without constituting a Board. The Commission sees no particular advantage in creating a Board of Revenue as in Madras, Andhra Pradesh or Kerala and accordingly suggests that such a Board need not be created.

3.67. After the re-organisation of States, several departments have created offices of Joint Directors, Joint Registrars, etc., at intermediary levels to deal with special problems pertaining to each area, to act as a link between the District administration and the Head of the Department/Government and to ensure co-ordination of work among the several Departments at the Divisional level. Now that the administration in almost all the Departments has stabilised and the posts of Divisional Commissioners who were the co-ordinating authorities at the Divisional level are proposed to be abolished, no useful purpose would be served by continuing the intermediary offices at the Divisional level in the other Departments. The Commission desires to point out that most of the important work of administrative departments is done at the field (village) level under the supervision of taluk level officers of various departments. The work of the taluk level officers is supervised and inspected by officers of the sub-division consisting of two or three taluks and the work of the latter is supervised by officers of the District level; many of the officers at the District level like the Deputy Registrars, Deputy Directors were formerly Divisional Officers in charge of 3 or 4 districts. In the face of these tiers of supervisory levels, the Commission considers that it is unnecessary to have divisional officers. All these offices may be abolished and the District Administration allowed to have direct contact with the Head of the Department or Government as the case may be.

3.68. While winding up the offices at the intermediary levels of the several departments Government would have to ensure that the personnel working in these offices are absorbed in other units of the concerned departments.

*(iii) District Administration.*

3.69. The 'District' in the sense in which it is understood today has been in existence for well over a century. After the re-organisation of States even

though the administration had to reconcile certain differences in the laws and system of administration in force in the integrating units, the unit of administration in all the areas was common and that was the District. Many changes have taken place during the past few years in the concept of District Administration, but basically it has remained the same during this period.

3.70. Except for the Departments like Sericulture and Mines and Geology, etc., which handle specialised subjects, almost all the major departments have their representatives at the District level and they form the link between the District Administration and the Divisional Office/Head Office/Government. While these officers of the several departments would be under the technical control of the respective administrative departments, they would have to work as a team with the Deputy Commissioner as the Chief District Co-ordinator in regard to plan programmes and developmental activities.

3.71. In framing the plan, the Deputy Commissioner has to consult the local officers of the various departments and the various local authorities, statutory and otherwise and draw up a plan taking into consideration the total resources that are available for utilisation in his District as indicated to him by Government and the priorities which are to be assigned to the various projects which are necessary or desirable. The Deputy Commissioner has a District Development Assistant and a District Planning Officer as his immediate Assistants to look into planning and developmental matters. The preparation of a plan is of relatively minor importance when compared to its implementation. The plan is drawn up at the District level; it is cleared at the State level with such modifications as are considered necessary and appropriate. But at the stage of implementation, the Deputy Commissioner has to face and overcome several difficulties. The implementation of the plan is in the hands of officers of several departments. Government have, no doubt, declared that in respect of developmental activities, the Deputy Commissioner being the authority responsible for their implementation would also have the right to exercise some kind of administrative control over the District level officers of the different development departments. He has also been empowered to record his confidential remarks on the performance of District Level Officers in implementing the development projects. The District Level Officers are under the administrative and technical control of their own departmental superiors and under some sort of overall administrative control of the Deputy Commissioner. It is only when the senior officers of the concerned Development Departments and the Deputy Commissioner work in close co-ordination that the plan schemes and developmental activities produce tangible results. In this view, it has been recommended in Chapter 11, that all the District Officers of the Development Departments may be given the additional designation of District Development Officers of their respective Departments so that the Deputy Commissioner as the Deputy Development Commissioner would be in a better position to guide and co-ordinate the activities of all the Development Departments and secure effective implementation of the Development schemes in the District.

3.72. In the past, the Collector or Deputy Commissioner was the "eyes and ears" of Government in the District. He had to keep himself in touch with the trends of public opinion and the impact of the policies of Government on the people in the District. He had to keep Government informed of all the important developments taking place in his district and to suggest corrective measures to be applied wherever necessary. Even to-day the Deputy Commissioner continues to be the Chief Governmental agent in the district to be depended upon in every emergent or extraordinary contingency and he is the main co-ordinating and supervising agent for all developmental activities in the public sector. Though Panchayati Raj, Co-operation and Agricultural Departments have been greatly expanded and strengthened, the crucial role of the co-ordinator and initiator is still with the Deputy Commissioner. While the Deputy Commissioner continues to be the general purpose administrator with varied duties, his responsibilities have increased with the advent of freedom. It is gratifying to note that many of the Deputy Commissioners have been able to function fairly effectively as co-ordinating authorities, exercising their influence over the work of the District level officers of other Departments to see that the Developmental programmes are implemented. As the President of the District Co-ordination Committee he can influence their decisions mainly because of his position as the District co-ordinator. It is, however, observed that the position of the Deputy Commissioner has become somewhat weaker during the past few years. The various officers of departments of Government have begun to regard themselves as separate entities, functioning in water-tight compartments. While it is good for each Department to function as a separate entity in the discharge of its own responsibilities, it has resulted in weakening the district administration. With the abolition of the offices of Divisional Commissioners, greater responsibilities will devolve on the Deputy Commissioners. It is, therefore, necessary to build up the image of the Deputy Commissioner as an important personage in the District, so that he could discharge his functions and responsibilities to the best advantage of the people in the District. While the several Departments may continue to have their representatives at the District level, they would have to look upto the Deputy Commissioner for solving inter-departmental problems and ensuring smooth implementation of the programmes in a co-ordinated manner in the District.

3.73. The Deputy Commissioner will be generally responsible for the successful implementation of all programmes in the District but he should have a special responsibility in regard to Agricultural production in the same way as in Revenue collection. If the Departmental heads at the District level such as the District Agricultural Officer, Executive Engineer, etc., work in close co-ordination with the Deputy Commissioner in the implementation of all plans and schemes, there can be no doubt that the Deputy Commissioner as the Deputy Development Commissioner will be able to ensure a faster tempo in the all round development of the District.

3.74. At present, it is noticed that only the Deputy Commissioner is regarded as the Head of the Department in matters of delegation of powers. The Commission

is unable to see any reason or justification for not extending the recognition of similar status to District Heads of other Departments like the Judiciary, the Police, the Public Works, the Agriculture, Education and so on. If the Deputy Commissioner is regarded as competent to exercise the powers properly and deal with his subordinates and their offices in an efficient manner with the powers delegated to him, there is no reason why there should be any apprehension that other officers similarly situated in the District would not be able to exercise similar control and supervision over the District administration of their respective departments and strictness of control over their subordinates. The present difficulties experienced by many of the District officers are attributable in a very large measure to the centralisation of powers in the State heads of the different departments. One of the essential requisites of efficient and expeditious administration is delegation of powers suitable to and commensurate with the status of the officer, so that he is not only compelled to realise the responsibilities of his office but may exercise all his powers with diligence and in the best interest of the administration of his own department. Such delegation is bound to eliminate most of the delays in administration and would give sufficient freedom to each of these District officers to carry out the plans and schemes approved by the Department, the responsibility of expeditious implementation of which is placed on them. The Commission strongly recommends that each of these District heads of different departments should be delegated with the same powers as are delegated to the Deputy Commissioner in respect of his own department.

*(iv) Sub-Divisional Offices*

3-75. While the general Administration (Revenue) functions and Developmental activities are integrated at the District level in the person of the Deputy Commissioner, the Assistant Commissioner is in charge of these functions at the Sub-Divisional level. In each District there are one or more Sub-Divisions according to the size of the District. The Assistant Commissioner has direct responsibility for supervising the work of the Tahsildars, of Taluk Boards, Panchayats and other Institutions in the Sub-Division and has to assist the Deputy Commissioner in the discharge of his functions in the Sub-Division. He exercises certain original powers under the Land Revenue Act, the Land Acquisition Act and some other enactments as also appellate powers against the orders of the Tahsildars.

3-76. Several Departments have their own representatives in the Sub-Divisions within the District ; their Sub-Divisions do not coincide in some cases with the Revenue Sub-Divisions. In the normal course of administration, there should be direct link between the taluk and the district headquarters and only in exceptional cases need sub-divisional level offices be created or continued. It would be necessary to continue the Revenue Sub-Divisional Offices because the Sub-Divisional Officer would be expected to co-ordinate the developmental, activities of the several departments at the Sub-Divisional level as also to give instructions to and guide the Tahsildars within the Sub-Division in the Revenue administration. It has been recommended in Chapter 11 that functional Committees may be set up for each Taluk with the Assistant Commissioner of the

Sub-Division as the Chairman and the President of the Taluk Development Board, the Tahsildar of the Taluk and the Chief Executive Officer of the Taluk Development Board as Members. As Chairman of the Functional Committee the main function of the Assistant Commissioner would be to co-ordinate the various activities of the Development Departments. Unless the activities of the several departments are properly co-ordinated at this level, it would be difficult to implement the various developmental programmes.

3.77. From the law and order point of view it would be necessary to continue the intermediary office of the Deputy or Assistant Superintendents of Police, as they have a useful role to play in affording prompt redress to the people in mofussil areas. In most other Departments such offices could be reduced. On the material available, the Commission has made its recommendations in this regard in respect of the several Departments. Each Department should, however, examine in greater detail the question whether it is at all necessary to have their representatives at the Sub-Divisional level and abolish such offices wherever their continuance is not justified and retain only the District level and the Taluk level Offices.

*(v) Taluk Offices*

3.78. The need for ensuring adequate co-ordination at the District level has been stressed earlier. It is equally important that there should be similar, if not greater, co-ordination at the Taluk level. At present, the Tahsildar has been dissociated from the main stream of developmental work. The Taluk Development Board and the Block Development Officer attend to the developmental work and the Tahsildar is not directly involved in these matters. The roles of the Block Development Officer and the Taluk Development Boards have been examined in another chapter. Most of the development departments have their representatives at the Taluk level.

3.79. The Taluk Development Board and the Block Development Officer as its Chief Executive Officer are primarily responsible for the implementation of the development schemes within the Taluk, but the Tahsildar would also have to be closely associated with the developmental work, particularly in view of the pivotal position which he occupies in the revenue administration of the Taluk. At present, the position of the Tahsildar has been reduced in importance. He is made to shoulder the burden of recovery of Government arrears while the grant of loans, etc., are made by the other Development Officers. If timely steps are not taken to enhance the importance of his position and make him share the responsibilities in all activities in the Taluk, the general tone and effectiveness of the administration is likely to be impaired. Unless all the officers of the Development Department at the Taluk level and Tahsildar work in close co-ordination, it would be difficult to achieve better results in local development.

*(vi) Village Administration*

3.80. All the hereditary village offices have now been abolished. Prior to such abolition, the Village Administration was being

attended to by several functionaries who were holding their offices hereditarily ; of them, the most important were the Village Accountants (known veriously as the Shanbogue, Talati, Karnam, etc., in the different integrated areas of the State) and the Village Headman (variously known as the Patel, Patil, the Village Headman or the Village Munsiff in the different integrated areas of the State). The other hereditary offices like Nirganties, Talaries, Toties, Walikars, Ugranis, etc., were assisting these two Village functionaries in the discharge of their duties.

3.81. The Village Accountant was responsible for the maintenance of Village Records and Village Accounts and for the preparation of the Demand Registers. The Village Headman was responsible for the collection of the taxes due to Government and for the maintenance of law and order in the Village.

3.82. With the abolition of the hereditary Village Offices, all these posts have ceased to exist. Government have on several occasions examined the question of the set-up for the Village administration which should replace the former one but they have not yet finalised their views in this matter.

3.83. The Mysore Land Revenue Act provides for the appointment of Village Accountants and enumerates the duties and responsibilities to be entrusted to them. Government directed in their Notification No. RD 87 GVO 61, dated 29th November 1961 that Village Accountants should be appointed for individual villages or groups of villages depending on their area, population, land revenue and other related circumstances. The recruitment to these posts had been commenced and nearly 3,000 persons were recruited and trained for holding them. Since the validity of the Abolition Act and consequently of this order were challenged before the Courts, further action in this regard was suspended. The Supreme Court having held in the judgment delivered on 21st January 1966 (A. I. R. 1966 S. C. 1571) that the Mysore Hereditary Village Offices Abolition Act was *intra vires*, action is now being taken to fill up the posts of Village Accountants.

3.84. Under the Mysore General Services (Revenue Subordinate Branch) Village Accountants (Cadre and Recruitment) Rules, 1961, the Village Accountants are also liable to serve concurrently as Secretaries of the Village Panchayats and they have been doing so in several cases. As could be seen from the Press reports, Government have now decided that Village Accountants would be exclusively in charge of their work as such and they should not be saddled with the responsibilities of Secretaries of Village Panchayats.

3.85. Under the Mysore Land Revenue Act and the Rules thereunder, the Village Accountants have been also entrusted with the responsibility of collection of taxes due to Government. As a general principle, it is not desirable that the same person should be in charge of both maintenance of accounts and handling of cash. It is on this principle that traditionally the Village Accountants had been maintaining the accounts and the Village Patels had been in charge of collection of funds. It is desirable to revert to this arrangement and to entrust, by suitably amending the Mysore Land Revenue Act, the responsibility for handling the



monies due to Government to the Village Patels and to confine the duties of the Village Accountants to the maintenance of Village records and accounts.

3.86. The former hereditary Village Patels and inferior Village servants have been continued temporarily pending decision on the future set-up for the administration at the village level. The question as to who should replace these Village Patels has not yet been decided. The Commission discussed this question with the officers concerned. There is no doubt about the absolute need for having these functionaries to attend to the duties at the village level, but the only point for consideration would be the mode of recruitment to these posts and the manner in which they should be trained for the work expected of them. The Commission considers that it is not worth while having independent whole-time functionaries to discharge the duties of the Patels and that it should be adequate if responsible persons of the village are appointed on payment of honorarium of Rs. 100 per annum as the Village Patels. The same functionaries can also discharge the duties of Police Patels normally but it would perhaps be necessary, only in very large villages, to have independent Police Patels. The honorarium of Rs. 100 per annum as suggested would compensate the Patels adequately for such duties and responsibilities as they have to discharge in respect of both these categories of function.

3.87. The Village Accountants and the Village Patels cannot be expected to discharge in addition to their duties as Village Officers the duties that were traditionally being performed by the inferior village servants. It is, therefore, recommended that inferior village servants who might be designated as 'Gram Rakshak' may be appointed to assist both the Village Accountants and the Village Patels in respect of revenue as well as police matters and they may be given an honorarium of Rs. 12 per month.

3.88. While the entire expenditure incurred on the Village Accountants would necessarily have to be met by the Revenue Department, it is only appropriate that the expenditure incurred on the payment of honoraria to the Village Patels and to the Inferior Village Servants should be shared equally by the Revenue Department and the Police Department as they would be attending to the duties of both these Departments and as it would be impossible to indicate accurately as to how much of their time and effort would be devoted to the work of each of these departments.

3.89. The question as to the duties and responsibilities to be attached to Village Accountants and Village Panchayat Secretaries has been examined in some detail by a Sub-Committee appointed at the time of the Conference of Officers convened by the Chief Minister in the month of July, 1968. The Committee has made the following recommendations:

(1) Normally there shall be one Village Accountant for each village or groups of villages having a recurring annual demand of Government dues of Rs. 15,000.

(2) In setting up these Circles, either a single Panchayat or an integral number of Panchayats should be included in a Circle.

(3) Normally every Panchayat shall have its own Secretary.

(4) The demand lists of Panchayat Taxes shall normally be written up by the Panchayat Secretary, who will collect these Taxes.

(5) The Deputy Commissioner may permit the Village Accountant to collect the Panchayat Taxes if he considers such action necessary in the interest of speedy recovery of Panchayat taxes. Government shall recover 3% commission on such collections made by the Village Accountant.

(6) The Divisional Commissioner may appoint the Village Accountant himself as the Panchayat Secretary in exceptional circumstances.

(7) The Settlement Department has already prepared a list of Village Accountants' Circles, keeping in view the land revenue demand and area. These lists may be circulated among the Deputy Commissioners and their opinion obtained before finalising the delimitation of circles.

(8) It is considered necessary that there should be a functionary corresponding to the former Patel in each Village as defined in the Land Revenue Act. His functions may cover both the Revenue and Police Departments.

(9) These Patels will be paid an honorarium varying from Rs. 30 to Rs. 100 per annum, half of this being borne by the Revenue Department and the other half by the Police Department.

(10) Each Patel shall have an inferior servant who shall be paid an honorarium of Rs. 12 per month. This remuneration also will be shared equally by the Revenue and Police Departments.

3.90. The recommendations of this Committee contemplate the appointment of independent Secretaries for Village Panchayats normally and the appointment of the Village Accountant himself as the Secretary of the Panchayat in exceptional circumstances and under the specific orders of the Divisional Commissioner. If this recommendation is accepted, it would mean that while normally there will be an independent Secretary of the Village Panchayat, the Village Accountant could be appointed as Secretary of the Panchayat in exceptional circumstances by the Deputy Commissioners (as the posts of Divisional Commissioners are proposed to be abolished).

3.91. The Village Accountants would be persons who have passed the S.S.L.C. Examination and would be fit for being appointed as II Division Clerks. Their jurisdiction will also be limited and compact in the very nature of their work even if they are not entrusted with additional responsibilities, but the duties that they would have to discharge as Village Accountants cannot keep them fully engaged.

3.92. The Village Panchayats are now being given more and more powers and responsibilities and it is desirable that their decisions are implemented by persons who are capable of interpreting the Mysore Village Panchayats and Local

Boards Act and the Rules thereunder as also the several other enactments under which the Village Panchayats would exercise powers. These duties could be effectively discharged by persons with adequate educational qualifications and the Village Accountants who would be locally available would be able to do so. If independent Secretaries of Panchayats are appointed whole-time they would also have to be given the same scales of pay and allowances as the Village Accountants. Even if they are appointed part-time they would have to be given fairly substantial allowances. Moreover, as a matter of policy, it would not be desirable to have part-time servants of Panchayats as their loyalty would then be divided. The Commission, therefore, considers that as a matter of policy the Village Accountants should also concurrently be the Secretaries of the Village Panchayats and it is only in exceptional cases and under the specific orders of the Deputy Commissioners that separate individuals may be appointed as Secretaries of the Village Panchayats. The Commission considers that such a step would conduce to efficiency and economy in administration and would enable the Panchayats and Government to expect continued devoted work from a person who is conscious of the risks of unsatisfactory work.

3.93. The Commission would also like to point out in this connection that even assuming that only part-time Secretaries are appointed to the Village Panchayats, they should be given remuneration ranging from Rs. 30 to Rs. 50 per month and the total expenditure to be incurred by these bodies which number 8,285 would come to Rs. 39,76,800 per year. This would be avoidable expenditure which would have to be incurred by the appointment of separate persons as Secretaries of the Village Panchayats to give these bodies the satisfaction of having independent Secretaries but without any other commensurate advantage.

3.94. Subject to these suggestions in respect of the Village Accountants being appointed as the Secretaries of Village Panchayats concurrently and subject to the other observations made in the preceding paragraphs, the Commission generally agrees with the principles indicated by the Committee.

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## CHAPTER 4

### Principles for the determination of Pay

- (i) Minimum Remuneration.
- (ii) Pay structure.
- (iii) Common scales of pay.

#### (i) *Minimum Remuneration*

4.1. The concept of minimum remuneration which forms the basis for determination of basic salary has received the attention of many Pay Commissions and of Courts in deciding questions under the Minimum Wages Act. This concept implies that irrespective of purely economic considerations or duties and responsibilities attached to a post, a worker at the lowest rung should be paid an irreducible minimum wage or salary. It is the result of application of social and economic considerations in the determination of rates of remuneration. The popular argument advanced by the employees is that when the Central and State Governments have fixed minimum wages under the Minimum Wages Act, 1948, for the labour employed in different occupations or industries, there is no reason why the same principle should not be allowed to operate in the field of Government employment. The Varadachariar Commission (First Central Pay Commission, 1946-47) and the Second Pay Commission (1957-59) (Jagannadhadas Commission) set up by the Government of India considered this argument and accorded their qualified acceptance by saying that the employees were entitled to "living wage" or "fair wage". It is undisputed that it is only in the case of the lowest paid employees that there is need and justification for fixing a minimum remuneration, because of its relevance in fabricating other pay structures which can be calculated in conformity with the recognised differentials of pay fixation, the need for maintenance of proper relativities, both horizontal and vertical, between different grades of employees.

4.2. The discussion of this question is necessitated by the fact that neither the Mascarenhas Pay Structure Committee whose recommendations were given effect to in 1957 with few modifications in the new Mysore State nor the Mysore Pay Committee appointed in 1960 went into the question of the basis to be adopted in the fixation of minimum remuneration. The former suggested that the minimum should not be less than Rs. 40 per month inclusive of Dearness Allowance while the latter proposed Rs. 60 per month as the minimum remuneration for a Class IV employee following what had been adopted in Madras. The latter Committee was of the view that the minimum wage so far as the State employees were concerned could only be lower than Rs. 80 per month recommended by the Second Pay Commission for a Class IV employees of the Central Government administration taking into consideration the economic conditions of the vast number of persons employed in agriculture, small scale, cottage and other minor industries in the State.

### *Need-based Minimum Remuneration*

4.3. The representatives of the Non-gazetted Employees' Association submitted that the minimum remuneration should be 'need-based' and determined in accordance with the resolution adopted by the 15th Indian Labour Conference held in July 1957.

4.4. The demand for need-based wage is based on certain theories put forward in regard to the wages for labour. Mr. Justice Higgins, as the President of the Australian Commonwealth Court of Conciliation, stated that "a fair and reasonable wage in the case of an unskilled labourer must be an amount adequate to cover the normal needs of the average employee regarded as a human being living in a civilised community". The standard laid down by him was thus based on the normal needs of an average unskilled labourer. The Fair Wages Committee stated in their Report in 1949 that "the minimum wage must provide not merely for bare sustenance of life but also for the preservation of the Worker's efficiency and therefore for some measure of education, medical requirements and amenities". It is against this background that the demand for a need-based minimum is being put forward by the Government employees, who have pleaded that the minimum salary must not only be adequate for the sustenance of the employee and his family but should provide the amenities of education, medical attendance and other social needs which are essential for maintenance of his efficiency.

4.5. Adverting to the 15th Indian Labour Conference, it is found that it adopted the following Resolution laying down certain norms for the guidance of wage fixing authorities :—

- “(i) In calculating the minimum wage the standard working class should be taken to comprise three consumption units for one earner, the earnings of women, children and adolescents being disregarded ;
- (ii) Minimum food requirements should be calculated on the basis of a net intake of calories as recommended by Dr. Aykroyd for an average Indian adult of moderate activity ;
- (iii) Clothing requirements should be estimated on the basis of a *per capita* consumption of 18 yards per annum, which would give for the average worker's family of four a total of 72 yards ;
- (iv) In respect of housing, the rent corresponding to the minimum area under Government's Industrial Housing Scheme should be taken into consideration in fixing the minimum wage ; and
- (v) Fuel, lighting and other miscellaneous items of expenditure should constitute 20 per cent of the total minimum wage. ”

4.6. It is necessary to remember that these recommendations made by the Labour Conference were not accepted by the Government of India. The plea for acceptance of the recommendation was advanced before the Second Pay Commission which examined its economic and social implications. It concluded :—  
“ We have considered whether a minimum wage of the size implied in the 15th

Labour Conference recommendations is feasible economically and financially, and we have reached the conclusion that it is not". (*Vide* page 68).

4.7. The problems of dietic and other norms laid down by this Labour Conference were also discussed by the Central Wage Boards for Textiles, Cement, Jute, Sugar and Iron and Steel Industries. The Central Wage Board for the Cotton Textile Industry (1957—59) dismissed the whole question by stating that no useful purpose would be served by referring to the recommendations of the 15th Indian Labour Conference and the norms adopted by it were not just attainable in the industry. The Wage Board for the Cement Industry (1959) also came to the same conclusion. The Central Wage Board for Sugar Industry (1960) observed that any blind adherence to idealistic patterns of diets as recommended by the Labour Conference would seem highly unrealistic in the present day situation of the country and that the food norms laid down by the Conference should only be taken as the goal to be achieved. The Central Wage Board for Iron and Steel Industry (1965) declined to accept the formula recommended by Dr. Aykroyd in fixing the need-based wage. It can, therefore, be safely concluded, on a perusal of the Reports of these various Wage Boards, that the norms laid down by the 15th Indian Labour Conference cannot be accepted at the present stage of development of our economy and that the economic and financial conditions of the State do not permit the adoption of these norms. It may be incidentally mentioned that the Maharashtra Pay Commission (1965—66) and the Gujarat Pay Commission (1968) opined that the standardised norms proposed by the 15th Indian Labour Conference were not realistic and that it would not be right to fix minimum remuneration for Government servants wholly on the footing of those norms.

4.8. One feature that distinctly marks out the pay structure from the minimum wage is that the latter is fixed on standardised norms at all stages of employment of the wage earner while the remuneration prescribed for Government staff is fixed according to the graded incremental time scale and is intended to provide an arrangement for the growing needs of the employee as he advances in service and with statutory retirement benefit like Pension, Provident Fund, etc.

### *Standard of Living*

4.9. The basis adopted for determination of minimum wages in the industrial sector is the monthly budget of a standard working class family and the goods and services required to ensure for the members of that family a reasonable 'standard of living'. The 'Standard' is to a large extent, a relative concept just as the expressions 'minimum wage', 'fair wage' and 'living wage' are. The Committee on Fair Wages set up by the Government of India in 1948—49 gave precision and concreteness to the concept underlying these various expressions and stated that the "minimum wage must provide not merely for the bare sustenance of life but for the Reservation of the efficiency of the worker by providing for some measure of education, medical requirements and amenities." (*Vide* para 10 of the Report). It also stated that the "Living wage should provide for not merely the bare essentials of food, clothing and shelter but a measure of frugal comfort including education for

children, protection against ill-health, requirements of essential social needs and the measure of insurance against the more important misfortunes including old age" (*Vide* Para 7). The Committee however, found that as the level of national income in India was very low, the country could not afford to pay a minimum wage which would correspond to the concept of 'living wage'. In the industrial field the actual wage in the opinion of the Committee, depended upon the productivity of labour, the prevailing rates of wages, the level of national income and its distribution and the place of the industry in the national economy. Though there is hardly any difference at the lower rung between the economic status of the salaried class and of the wage earners, it is not possible to rate the salaried employees in terms of productivity, as such a consideration has to be safely ruled out in view of the nature of their duties. The Fair Wage Committee concluded that the standard Indian working class family should be reckoned as consisting of a worker, his wife and two children making in all three consumption units. It did not, however, attempt to quantify the goods and services which should constitute the minimum need of an employee.

4.10. Another feature which is peculiar to the industrial sector deserves to be noted in the context of this discussion. Therein, wages differ from industry to industry and also from region to region according to the circumstances of the industry, the prevailing economic conditions, variation in the prices and the pattern of living in different regions. Even minimum wages fixed by the different Boards are different for different industries even though the industry may be located in the same State or region.

4.11. Such considerations have little relevance in considering the minimum salary for the State Government servants, as Government service, in a State is one unified service for the entire State with common uniform pay scales for similar categories of cadres with provision for compensatory allowances for neutralising comparative costliness in certain places.

4.12. It, therefore, follows that in determining the standard of living, the theory of minimum remuneration has to be subjected to the limitations imposed by the general economy of the State. Necessarily the *per capita* income of the State and the earning of workers in other occupations such as agriculture, industry, etc., have important relevance. This brings us to a consideration of the economic conditions of our State.

#### *Economic Conditions.*

4.13. The State is predominantly agricultural and 78 per cent of the total population is rural. The 1961 Census has revealed that the bulk of the working population, that is, more than 70 per cent is engaged in Agriculture. In terms of contribution to the total income of the State, agriculture is the largest single contributor and the share of agriculture and allied activities in the income was as much as 60 per cent in 1964-65. What makes this uncertain is that the State's agriculture is largely dependent on rainfall which is often subject to vagaries and adverse seasonal conditions; such a situation not only affects agricultural production but also upsets the entire economy of the State. During the years 1965-66 and 1966-67 rains failed and the State had to face scarcity conditions on an

unprecedented scale. The conditions were slightly better during 1967-68. The situation created by the scarcity conditions has enfeebled the economy of the State. The State's *per capita* income in 1964-65 was Rs. 392 as against the average national *per capita* income of Rs. 422; it is lower than the *per capita* income of Maharashtra, Madras, Gujarat, Punjab and West Bengal. According to the findings of the National Sample Survey, the *per capita* monthly consumption expenditure during 1963-64 in the State was Rs. 20-16 for rural areas and Rs. 32-13 for urban areas. The average living conditions of a large majority of the people of the State are low.

4. 14. The Working Group which reported to the Planning Commission in July 1962 suggested that 'national minimum' of income and consumption should be not less than Rs. 20 *per capita* per month at 1960-61 prices or Rs. 100 per month per household of five persons. The Group placed the figure for urban areas a bit higher at Rs. 125 per household on account of the higher cost of living in urban areas. This calculation did not include the expenditure on health and education but included an element of subsidy on urban housing after taking 10 per cent as the rent element from the proposed "national minimum". The Steering Group set up by the Reserve Bank of India to study the problems in the sphere of wages, income and price policies observed that while the setting of a national minimum income seems desirable from the point of view of social justice, its implementation presented some real problems. It may be observed that the country is trying to reach a higher level of 'national minimum' through various policies which are intended or expected to create some employment opportunities, thus contributing to a rise in the national income in all sectors.

4.15. The question of emoluments of Government employees, therefore, cannot be dissociated from the broader picture of the economy of the State. The Second Pay Commission emphasised the need for rapid economic development in a developing country like India and observed. "Until the economy develops, no substantial improvement in the standard of living generally, or for the matter of that, of the great majority of Government servants is possible; and economic development in conditions of India requires restraint in current consumption for the sake of the future. Taking the economy as a whole, the increase in consumption expenditure must be kept well below the rate of increase in national income; for, this is an essential condition of adequate investment." As observed by the Commission, "Development planning does not, however, postulate a general reduction in the standard of living. A sacrifice of the current standards can be imposed on those who are well-off; and even from others, restraint in the enjoyment of the additional fruits of development can reasonably be asked for. There is, it is true, no fixed line of demarcation between those from whom a reduction in the present living standard can, and those from whom it cannot be fairly demanded; and there may even be circumstances in which the whole community may have to make sacrifice. A great deal thus depends on the situation at a particular time. But our general approach is that for the lowest grades of Government servants, developmental planning should not involve



a depression of their existing living standard. And while thinking of investments and development, it is well to remember that our Plan has social as well as economic objectives, and that investment in human beings is not the one that is least important, or one that brings no return". (*Vide* Page 45.)

### Per Capita Income

4.16. It is, therefore, obvious that in the prevailing economic conditions in the State, the determination of minimum remuneration has to be so flexible as to form the basis for immediate action and should be thoroughly realistic. The data on *per capita* income for the State would indicate the general levels of living of the entire population in the State. The *per capita* income of the State during the years 1956-57 to 1964-65 was as shown below :

<i>Year</i>	Per capita income (at current prices.)	<i>Rs.</i>
1956-57	....	232
1957-58	....	254
1958-59	....	264
1959-60	....	295
1960-61	....	290
1961-62	....	300
1962-63*	....	310
1963-64**	....	356
1964-65**	....	392
*Provisional estimates.		**Quick estimates.

4.17. The estimates for the later years have not yet been available. One point of view is that the minimum remuneration should bear a definite proportion to the *per capita* income. Dr. M. H. Gopal, who has made a study of public salaries with special reference to Indian conditions, has stated that although there is no economic or logical guide to determine the ratio between the *per capita* income and salary levels, in poor countries like ours, the ratio of the salary floor to *per capita* income should be three times the *per capita* income. According to him, the acceptance of this relationship between the lowest salary and the *per capita* income at 3:1 or round about provides an objective and easily applicable criterion in fixing the floor level. The estimates of *per capita* income in Mysore State for the years 1961-62 and 1962-63 are only provisional while those for the years 1963-64 and 1964-65 are in the nature of quick estimates. The latter are liable for revision when reliable data become available. Even taking the *per capita* income of Rs. 392 in the 1964-65 year the total for three units works out at Rs. 1,176. On this basis, the minimum monthly remuneration works out at Rs. 98, which is much lower than the present emoluments of a Class IV employee in the State.

### Income of Industrial Workers

4.18. It is incorrect to consider the salaries of Government employee in isolation; they have to be examined in the context of general wage level prevail-

ing in the State. A comparison of the earnings of workers in different occupations would be of much assistance in the fixation of a reasonable minimum remuneration. The figures of the average annual earnings of factory workers covered by the provisions of the Payment of Wages Act read as follows for the years 1964, 1965 and 1966.

*Per Capita* annual average earnings of employees

Industry Division	For employees earning less than Rs. 200 per month	For employees earning less than Rs. 400 per month	
	1964	1965	1966
1	2	3	4
1. Food (except Beverages) ....	779	717	898
2. Textiles ....	1,163	1,396	1,337
3. Wood and Cork (except furniture) ....	881	1,040	1,167
4. Printing, Publishing & allied Industries	1,028	1,450	1,216
5. Leather and Leather Products (except Foot-wear) ....	793	795	894
6. Chemicals and Chemical Products ....	940	1,142	1,489
7. Machinery (except electrical machinery)...	1,635	1,982	1,707
8. Electrical machinery apparatus, etc. ....	1,911	2,558	1,269
9. Tobacco ....	837	485	519
All industries ....	1,264	1,674	1,512

4.19. It is necessary to mention that the aforesaid figures comprise in addition to basic wages, Dearness Allowance, Bonus and cash value of food concession, etc. They also include the earnings of supervisory staff for the years 1965 and 1966. They cannot, therefore, be used for comparison with the emoluments of the last grade employees in Government service. Even otherwise, it cannot be said that the present level of emoluments of Class IV employee in the Government of Mysore is in any way substantially below the average earnings of industrial workers in the State.

*Minimum wages for industrial labour*

4.20. In this context it may be instructive to take note of the minimum wages for labour in some scheduled employments in the several industries and trades in the State as fixed by the Government of Mysore under the Minimum Wages Act on the basis of the recommendations of the Minimum Wages Advisory Committee. These wages are obviously fixed to prevent exploitation of labour by the employers. The rates of minimum wages fixed for several classes of skilled, semi-skilled and unskilled labour are tabulated below :

*Prevailing rates of Minimum Wages.*

Employment	Daily rates of minimum wages (Rs.)		
	Skilled	Semi-Skilled	Unskilled
1	2	3	4
1 Oil Mills ...	3.25	2.85	2.50
2 Rice Mills, Flour Mills, Dhal Mills. ...	3.25	2.85	2.15 to 2.50
3 Cotton Ginning and Pressing ...	2.95	2.65	2.25
4 Tile ...	3.35	2.60	2.25
5 Printing Press ...	3.35	2.60	2.25
6 Stone Crushing ...	3.55 to 5.30	2.25	1.75
7 Tobacco—			
Tobacco Industry ...	...	...	2.50
Snuff Industry ...	...	...	2.60
8 Road Construction ...	3.55 to 4.45	2.70	1.75
9 Textiles (Silk) ...	....	...	2.25
<i>Monthly rates (Rs.)</i>			
10 Public Motor Transport ...	68.90 to 100.50 + 30.00	50.25 to 57.40 + 30.00	43.05 to 50.25 + 30.00
11 Tanneries ...	...	...	55.10 + 30.00
12 Hotels and Eating Houses ...	...	...	80.00

4.21. The aforesaid table makes it clear that the monthly rates of wages range between Rs. 52-50 for unskilled workers connected with construction of road and Rs. 85-10 for unskilled workers employed in Tanneries. These wages have no non-wage benefits of any significance. They indicate that the level of earnings which constitutes the minimum wages for these industries and trades is considerably lower than the present level of remuneration for the last grade of Government employees in the State. Obviously a Class IV employee in the State Government service is much better off than the unskilled worker engaged in the categories of industries and trades mentioned above.

*Earnings of agricultural labour*

4.22. Information is available about the wage level for unskilled workers engaged in different grades of work in agriculture in the State. The following are the rates of minimum wages for agricultural workers :

*Rates of Minimum Wages for Agricultural Workers.*

Class of employment.	Minimum rates of daily wages (Rs.)		
	Dry land.	Wet land.	Garden Land
1	2	3	4
Class A (Ploughing, digging, harrowing, sowing, irrigation, uprooting).	1-85	2-20	2-55
Classing B (Manuring, Transplanting, weeding, reaping, picking).	1-45	1-65	2-00
Class C (Cattle, sheep and goat grazing).	0-75	0-75	0-75
Class D (Harvesting, and operations relating to coconut and arecanut gardens).	1-85	2-20	2-55

*Attached Labour.*

(Rs. per month).

		With Food and Clothing	Without Food and Clothing.
Class A and D	....	22=05	44=05
Class B	....	14=70	22=05.
Class C	....	7=35	22=05

4.23. The minimum fixed for A and B classes of casual agricultural labour ranges from Rs. 55-50 in respect of workers in dry land to Rs. 76-50 per month in respect of those working in garden lands. It is necessary to remember that these rates are to be considered in the light of the fact that employment in agriculture is only seasonal or irregular. According to the Report of the Second All-India Agricultural Labour Enquiry, the average number of days of employment for agricultural labour in the Mysore State is 217 days in a year. This means that the monthly earnings of agricultural labour are actually much less. It would thus be found that the emoluments of Class IV employees under the State Government are far higher than the earnings of agricultural labourers.

*Earnings of Peons and Messengers in non-Government Concerns*

4.24. It is often urged on behalf of the Class IV employees that their colleagues working in Banks and other concerns get much higher salary. The earnings of peons and messengers of non-industrial staff in some of the Government of India industrial concerns, Banks and Newspaper Establishments are as given below :

*Level of salaries of Peons in some establishments*

Sl. No.	Name of Concern.	Basic pay range (Rs.)	D.A. (Rs.)
1	2	3	4
1	Hindustan Machine Tools.	.... 70=110	65
2	Indian Telephone Industries.	.... 70=110	38
3	Bharat Electronics.	.... 70=110	64
4	Hindustan Aeronautics.	.... 70=110	38
5	Bharat Earthmovers.	.... 70=110	38
6	Hindustan Steel Limited.	.... 75=85	93
7	Mysore Small Industries Corporation.	.... 80=100	38
8	Reserve Bank of India.	.... 106=160	112 per cent as per working class consumer price index number.
9	Life Insurance Corporation	.... 82=150	93.55
10	State Bank of India (Area II)	.... 92=153	4 per cent over 100 points (1949=100)

1	2	3	4
11	Canara Bank.	.... 92—145	106.72
12	Indian Express.	.... 75—95	50
13	Deccan Herald.	.... 70	64
14	Accountant General's Office.	... 70—85	65
15	Income-tax Offices.	.... 70—85	65
16	Air-India.	.... 100--190	65
17	AMCO Batteries.	.... 32—63	131.12
18	ESSO (India).	.... 78—114.40	122.06 (linked with Madras cost of living index).
19	Burma Shell.	.... 84.40-113	Linked to Madras cost of living index
20	The Bangalore Woollen, Cotton and Silk Mills.	40—65 .... 45—81	Linked to Bangalore cost of living index.
21	Indian Oil Corporation, Ltd.,	.... 84—102	48

4.25. The variations in the basic pay as well as in the total emoluments in these concerns are quite significant. There is no uniformity in the rates of Dearness Allowance. There are very good reasons why the scales of pay given to Class IV employees in the Government cannot be compared with the total emoluments of peons and messengers in the aforesaid concerns. Firstly, the rates of payment in these concerns are determined primarily on the capacity of the industry to pay; secondly, there is also the principle of sharing of profits of labour with capital on the basis of increased production and profits; thirdly, in the case of private employers the increase in the establishment charges of wage bill is normally transferred to the consumer, lastly, increase in the wage bill results to the reduction of taxable income. None of these factors enters into the fixation of the salaries payable to Class IV Government servants.

*Emoluments of Class IV servants in other States.*

4.26. It may be appropriate to consider the pay scales of Class IV employees under the Central Government and other State Governments. The table below indicates the entry-stage scale of pay for Class IV employees as in June 1968:

Governments	Pay	D.A.
1. Government of India	.... 70	65
2. Andhra Pradesh	.... 50	65
3. Assam	.... 80	No D.A.
4. Bihar	.... 65	65
5. Gujarat	.... 65	65
6. Kerala	.... 60	65
7. Madhya Pradesh	.... 55	65
8. Madras	.... 50	65

<i>Governments</i>		<i>Pay</i>	<i>D.A.</i>
9.	Maharashtra	.... 65	65
10.	Mysore	.... 50	65
11.	Orissa	... 45	65
12.	Punjab	... 30	65
13.	Rajasthan	.... 45	65
14.	Uttar Pradesh	.... 55	65
15.	West Bengal	.... 60	65

4.27. If the emoluments paid in Mysore are compared with those paid in the neighbouring States, they are on par with those paid in the States of Madras and Andhra Pradesh while they are less by Rs. 10 and Rs. 15 respectively as paid in the States of Kerala and Maharashtra. It is, however, necessary to point out that the average level of income of the people of the State and the minimum wages of agricultural and industrial labourers are much lower than the present level of remuneration of the last level of Government employees in our State.

#### *Minimum Remuneration for Class IV Employees*

4.28. The present scale of pay of Rs. 50—1—60 was fixed in 1961 when the cost of living generally was much lower than at present. Since then there have been changes in the economic conditions of the State. As pointed out by the Second Pay Commission, a large percentage of Class IV staff has duties essentially comparable to those of unskilled and semi-skilled industrial workers. The representatives of the Non-gazetted Employees Associations have emphasised that the norms laid down by the 15th Indian Labour Conference for the industrial workers should be adopted in the fixation of minimum remuneration. This plea has already been discussed to some extent. Even if we approach the question on the lines laid down by the Conference, we have to modify the norms in the light of the conditions of service and the mode of living of Government servants.

#### *Consumption Unit*

4.29. The 15th Indian Labour Conference recommended that a standard working class family should be taken to consist of three units for one earner. The Non-Gazetted Officers' Association, in its Memorandum submitted to the Pay Commission, has stated that although the size of the employee's family consists of more than three consumption units, it would accept three consumption units as the settled norm. This norm laid down exclusively for industrial workers has not been accepted in the case of employees in Banking Concerns. The Sastry Tribunal was of the opinion that the size of the family of an employee in the Banking concerns should be taken as consisting of 1.8 consumption units at the commencement of his service and that it would be more appropriate to take the tenth year of service as the appropriate stage for acceptance of three consumption units. The Labour Appellate Tribunal (1954) which considered the Sastry Award did not accept that view. It opined that 2.5 consumption units may be taken into account in the eighth year of service. This view was adhered to by Mr. Justice K. T. Desai in his Award relating to the Bank Employees given in the year 1962.

4.30. No study of the average size of the household of a Class IV employee of the Government has been made in our State. The Non-Gazetted Officers' Association made reference to the findings of the Middle Class Family Living Survey conducted during 1958-59 by the Government of India. According to this Survey, the size of the middle class family was 5.1. This Survey covered the families of non-manual employees engaged in non-agricultural activities in urban areas as also of Government employees. The Survey found that the average size of a middle class family in Bangalore was 5.1, in Mangalore 4.7, in Hubli-Dharwar 5.1 and at Gulbarga 5.3. The size of the family changed according to the income range. In the income group of Rs. 75 and below, the average size of a family was found to be 2.9 for Bangalore, 3.6 for Mangalore and Hubli-Dharwar, and 4.2 for Gulbarga. In the income range of Rs. 75-100, it was found to be 3.9, 3.9, 4.4 and 4.8 respectively for the aforesaid areas while it was 3.9, 4.0, 4.5 and 5.4 in the range of Rs. 100 to 150. In these circumstances and in the absence of reliable data in regard to the size of the family of a Class IV employee, it may be reasonable to accept three consumption units formula for a Government employee's family of this Class. The Second Pay Commission took the same view in regard to the size of the family of a Central Government Class IV employee.

*Calories per adult consumption unit*

4.31. The Government employees have represented that the minimum remuneration should be fixed on the basis of the balanced diet formula as recommended by Dr. Aykroyd and have urged that the total minimum wage should be worked out on the following figures :

		Rs.
Food	...	172—09
Housing	....	25—00
Clothing	...	17—00
Miscellaneous (20 per cent)	....	53—50
		<hr/>
Total	....	267—59
		<hr/>

4.32. This, according to the representation, is the 'subsistence salary'. The following observations in their representation indicate their trend of thinking : "If this is a 'staggering' figure, we can only submit that this is what was solemnly meant by the 15th Indian Labour Conference. We do not think that the 'prevailing socio-economic conditions in the State' should impose any limitations in determining a minimum salary at this level."

4.33. In Health Bulletin No. 23 entitled "The Nutritive Value of Indian Foods and the Planning of Satisfactory Diets" (Fifth Edition, 1956) by Drs. W. R. Aykroyd, V. N. Patwardhan and S. Ranganathan, the net intake of 3,000 calories has been mentioned as the daily nutritional requirement of an average man doing moderate work (*Vide* Table I, Page 15). The composition of balanced diet as given in Table II on page 16 is shown below :

*Composition of Balanced Diet.*

<i>Item</i>	<i>Quantity per consumption Unit per day</i>	
	<i>In Ounces</i>	<i>In Grams</i>
1	2	3
1. Cereals	14	397
2. Pulses	3	85
3. Green Leafy vegetables	4	114
4. Root vegetables	3	85
5. Other vegetables	3	85
6. Fruits	2	57
7. Milk	10	283
8. Sugar and Jaggery	2	57
9. Vegetable oil, ghee, etc.	2	57
10. Fish and meat	3	85
11. Eggs (No.)	1	1

4.34. This Bulletin also contains a table for improved diet and the details as given in table IV on page 18 of the Bulletin are reproduced below :

*The Improved Diet Norm.*

<i>Items</i>	<i>Quantity per consumption Unit per day</i>	
	<i>In Ounces</i>	<i>In Grams</i>
1	2	3
1. Rice	9	256
2. Millet, Cumbu	5	142
3. Pulses	3	85
4. Non-leafy vegetables	6	170
5. Green Leafy vegetables	8	227
6. Milk	4	114
7. Fat and Oil	2	57
8. Sugar and Jaggery	2	57

4.35. A comparison of the items of diet in these two schedules shows that provision has been made for fruits, fish, meat and eggs in the balanced diet while these do not appear in the schedule for improved diet which appears to be intended for vegetarians. The Second Pay Commission examined in detail the calorific norm as contained in the balanced diet as recommended by the 15th Indian Labour Conference and said :—

“ There can be little meaning in drawing up a budget satisfying nutritional and other standards and decreeing that the minimum wage should correspond to the total cost of that budget, without considering



whether the economy would be in a position to supply the goods and services postulated. And we have found, on examination, that while the standards set in the particular balanced diet formula may be feasible in respect of cereals and to a large extent in respect of pulses they are clearly impracticable in the case of other food stuffs such as as fruits, milk, meat, fish and eggs. ....ten ounces of milk recommended by Dr. Aykroyd's balanced diet will not be attainable for the whole or even a large section of the population for many years.... The gap between the present or planned supplies, and the quantities that would be needed on the basis of those included in Dr. Aykroyd's balanced diet is equally wide in the case of other animal foods.... In any case, since it cannot be the object of any rational social policy to ensure a balanced diet to a particular section of the Community at the cost of vast numbers whose diet is even more unbalanced and deficient than that of the particular section, determination of minimum wage on the basis of such a balanced diet is clearly unjustifiable. It would be a different matter if a minimum wage so determined were recommended as an objective to be attained over a period of years." (*Vide* Pages 65-66).

4-36. The Central Food Technological Research Institute, Mysore, considered the standards suggested by the Nutrition Advisory Committee of the Indian Council of Medical Research and the Nutrition Board of the National Research Council of the United States of America and thereafter prescribed the following requirements as constituting balanced diet for a person engaged in moderate work :

Items	Quantity per consumption Unit per day	
	Vegetarian	Non-Vegetarian
1	2	3
1. Cereals (Rice, Wheat, or Millets) .... Gms.	454	454
2. Pulses .... Gms.	85	57
3. Groundnut (roasted) .... Gms.	57	28
4. Bengalgram (Puffed) .... Gms.	28	—
5. Milk and Curds .... Gms.	284	142
6. Meat and Fish .... Gms.	—	85
7. Eggs .... No.	—	1
8. Green leafy vegetables .... Gms.	85	85
9. Roots & Tubers .... Gms.	114	114
10. Other vegetables .... Gms.	57	57
11. Fruits .... Gms.	57	57
12. Oils and Fats .... Gms.	57	57
13. Sugar & Jaggery .... Gms.	57	57

4.37. The aforesaid balanced diet formula is idealistic in pattern and is intended to cover the various food-stuffs such as energy-yielding foods, body-building foods and protective foods in correct proportions so that an individual is ensured of obtaining the minimum daily requirements of all the nutrients. Looking to the conditions obtaining in our State and elsewhere, in our country, the aforesaid food norm has to be taken as the standard to be achieved as and when the economic conditions of the State fully improve. The items of diet included in this schedule are beyond the means of many in the State. At present the data collected by the National Sample Survey during the 18th round in the year 1963-64 indicates the following pattern of consumption in Mysore State :

Commodity	Quantity per one consumption unit			
	Rural		Urban	
	For 30 days (In Kgs).	Per day (In Gms).	For 30 days (In Kgs).	Per day (In Gms).
1	2	3	4	5
1. Rice	3.99	133	6.41	214
2. Wheat	0.49	16	1.46	49
3. Jowar	4.80	160	2.23	74
4. Bajra	0.43	14	0.06	2
5. Maize	0.11	4	....	....
6. Barley	....	....	....	....
7. Small Millets	0.27	9	0.04	1
8. Ragi	4.11	136	1.60	53
9. Gram (Bengal)	0.09	3	0.08	3
10. Cereal substitute	0.22	7	0.22	7
11. Pulses and Products	0.97	32	0.97	32
12. Milk	1.53	51	1.53	51
13. Meat and Fish	0.31	10	0.31	10
14. Salt	0.46	15	0.46	15

4.38. This data reveals that the actual pattern of consumption in the rural and urban areas of our State is insufficient in quantity except in respect of cereals and is also largely ill-balanced in terms of nutrients as compared to the diet schedule laid down by Dr. Aykroyd or by the Central Food Technological Research Institute.

4.39. Reference has already been made to the Middle Class Family Living Survey conducted by the Government of India in 1958-59. The estimate of food consumption per adult per day in a household for Bangalore, Mangalore, Hubli-Dharwar and Gulbarga are given below :

*Food Consumption per adult consumption unit per day—(Urban)*  
(in grams)

Item of consumption	Bangalore	Mangalore	Hubli Dharwar	Gulbarga
1	2	3	4	5
1. Cereals and products	448	416	470	486
2. Pulses and products	65	40	65	66
3. Oils and fats	93	16	22	29
4. Meat, fish and poultry	17	40	8	18
5. Eggs	....	....	....	....
6. Milk and Milk products	269	193	226	152
7. Condiments and spices	102	69	106	81
8. Vegetables and products	169	110	111	328
9. Fruits and products	76	155	121	81
10. Sugar, honey and products	52	66	60	41

4.40. It is obvious that the Middle Class Family diet obtaining in the four centres as indicated above is below the norm prescribed by Dr. Aykroyd except in the matter of cereals. It should be remembered in this context that the middle class diet given above is the average diet of all the income groups of that class. It should, therefore, follow that the average food consumption in its calorific contents in the lowest income groups must be substantially lower. Much reliance cannot, however, be placed on these estimates based on oral enquiry as they are likely to contain reporting errors.

4.41. In this connection, reference may be made to the Survey conducted by the Bureau of Economics and Statistics of the Mysore State Government in order to ascertain the position of consumption of nutritive foods in some rural Community Development Blocks. The reports of the Survey pertain to four Blocks only viz, Anekal (Bangalore District), Mandya (Mandya District), Somwarpet (Coorg District) and Dharwar (Dharwar District). The figures relating to consumption of various food articles per adult consumption unit per day as estimated by the Bureau are shown below :

*Food consumption per adult consumption unit per day—(Rural)*

Food article	Unit	Anekal	Mandya	Somwar pet.	Dharwar
1	2	3	4	5	6
1. Rice	Grams	513	1,136	993	269
2. Ragi	,,	888	908	247	48
3. Jowar	,,	203	114	33	1,290
4. Wheat	,,	112	50	21	209
5. Bajra	,,	12	4	5	23

1	2	3	4	5	6	7
6.	Other cereals ....	Grams	85	39	3	42
7.	Pulses ....	„	204	167	66	235
8.	Oils ....	„	36	67	133	84
9.	Vegetables ....	„	390	316	122	496
10.	Milk ....	„	913	128	182	114
11.	Milk products ....	„	123	82	62	97
12.	Nuts ....	„	147	201	86	104
13.	Groundnuts ....	„	22	15	24	67
14.	Fruits ....	„	297	307	878	531
15.	Meat ....	„	111	63	63	34
16.	Poultry ....	„	28	23	57	5
17.	Fish ....	„	29	10	93	12
18.	Birds ....	„	6	4	34	11
19.	Eggs ....	„	1206	90	232	264
20.	Sugar and Sugar products. ....	„	144	108	248	264

4.42. The variations in the consumption of various food articles from Block to Block are considerable. The calorific value of food consumed by an adult consumption unit in the four Blocks as worked out by the Bureau is as follows :—

1	Anekal	....	2,832
2	Mandya	....	2,701
3	Somwarpet	....	2,222
4	Dharwar	....	2,859

4.43. This information relates only to four Blocks and cannot be used as representative data for the purpose of drawing sound conclusions. The data were collected by the interview method and are, therefore, subject to lapses, reporting errors and bias arising from exaggeration and/or understatement. Hence the results of the Survey cannot be adopted as standards of comparison.

#### *Cost of Diet*

4.44. There is no unanimity of opinion as regards the calorific requirement of a man engaged in moderate activity. The Second Central Pay Commission noted that the Nutrition Advisory Committee of the Indian Council of Medical Research had scaled down the calorific requirements of men engaged in moderate activities from 3,000 to 2,800, and worked out, in the light of Dr. V. N. Patwardhan's views, the diet which can give a little over 2,600 calories as suitable for an adult man engaged in moderate activity (not light or sedentary) as follows :

	(In Ounces)	(Grams)
Cereals	.... 15	425
Pulses	.... 3	85
Vegetables	.... 6	170
Milk	.... 4	113
Sugar and Gur.	.... 1½	42
Vegetable Oil and Ghee	.... 1¼	35
Groundnut	.... 1	28

4.45. Considering the fact that the *per capita* consumption of the various types of food articles (except cereals) in the State is low as revealed by the National Sample Survey data, it would be realistic and appropriate to accept the calorific value of the diet as laid down by the Second Pay Commission in the determination of minimum remuneration. Accordingly the cost of diet is worked out and the total cost at 1967-68 prices for 3 consumption units would work out to Rs. 107-76 per month as shown by the enclosed statement.

#### *Clothing*

4.46. The standard of *per capita* cloth requirement laid down by the Labour Conference is 18 yards. The total quantity of cloth required for a family of four persons would be 72 yards per annum. The estimates on cost of clothing made by the Non-Gazetted Officers' Association comes to Rs. 17 per month. If we consider the total cloth that was available for home consumption in the country in 1966-67, it would be found that the standard of 18 yards per unit cannot be accepted. The total cloth production in India during 1966-67 (Mill and Handloom) was approximately 7,000 million yards. The exports amounted to 480 million yards; the net cloth available for home consumption was about 6,500 million yards, reducing the *per capita* availability to about 13 yards as against the norm 18 yards. Making allowance for possibility of errors in statistics, 15 yards per head per year may be taken as the appropriate norm. The total clothing required for a family of four persons would be 60 yards per year. Cost of clothing works out, at 1967-68 prices, to Rs. 101-40 per annum or Rs. 8-45 per month as shown by the calculations in the statement on page 136.

Statement showing the details of calculation of cost of Food and Clothing.

Sl. No.	Commodity	Quantity per one consumption Unit for one day	Quantity per one consumption Unit for 30 days	Price of 1967-68		Cost per one consumption Unit for 30 days	Cost per family of three Consumption Units for 30 days	Remarks	
				Average price	Unit				
1	2	3	4	5	6	7	8	9	
<b>I. FOOD</b>		Grams	Kilo Grams	Rs.		Rs.			
1.	Cereals	...	425	12.750	1.13	Kilo gram	14.41	43.23	Average of the prices of Rice, Ragi and Jowar.
2.	Pulses	...	85	2.550	2.33	Kilo gram	5.94	17.82	Average of the prices of Tur Dhal and Black gram.
3.	Vegetables	...	170	5.100	0.75	Kilo gram	3.83	11.49	Average of the prices of Brinjal, Potato and Beans.
4.	Milk	...	113	3.390*	1.10	Litre	3.43	10.29	*3.390 Kgs. of Milk is equivalent to 3.117 litres.
5.	Sugar and Gur	...	43	1.290	2.01	Kilo gram	2.59	7.77	
6.	Vegetable Oil and Ghee	...	35	1.050	5.45	Kilo gram	5.72	17.16	
						Total	...	107.76	
<b>II. CLOTHING</b>									
1.	Dhothies	...			1.52				
2.	Coating	...			1.72				
3.	Shirting	...	15 yards per year		1.66	60 yards for four persons per annum			The average of prices of the six items is taken into consideration.
4.	Cloth for Pyjama	...		1.56					
5.	Sarees	...		1.84					
6.	Cloth for Jacket	...		1.84					
						Annual cost		101.40	
						Monthly		8.45	

*Housing.*

4.47. The 15th Indian Labour Conference was of the view that the average rent for the minimum area provided for under the Government Industrial Housing Scheme might be adopted as the standard in respect of the expenditure on housing. The standard accommodation approved under the Subsidised Industrial Housing Scheme is a single room tenement of 232 sq. ft. of floor area space. In Bangalore City, the rent charged by the State Housing Board for houses constructed under the aforesaid Scheme varies from Rs. 16 to Rs. 20 per month. As against this, the data collected by the Middle Class Family Living Survey discloses that the expenditure on housing including water and household requisites and services works out to about 10 per cent of the total expenditure in the lowest income group. Adopting this basis for calculation, the expenditure on housing works out to Rs. 15-50 per month.

*Miscellaneous items.*

4.48. No self-sufficient standard can be laid down in regard to the expenditure on miscellaneous items like fuel, light, etc. The Labour Conference assessed the expenditure on miscellaneous items at 20 per cent of the total minimum wage. As this bears a fixed proportion to the total expenditure, the actual amount is bound to vary according to the size of the expenditure on other items. From the data made available by the Middle Class Family Living Survey, it is found that the expenditure on fuel and light accounts for 5 to 6 per cent of the total expenditure and that the expenditure on other miscellaneous items like medical care, transport, ceremonial expenditure, etc., varies from 8 to 15 per cent. Taking all these facts into consideration, it would be appropriate to accept 15 per cent of the total minimum remuneration as the expenditure on miscellaneous items. This works out to Rs. 23-24 per month.

4.49. The minimum remuneration thus calculated on the basis of the various items of expenditure above-mentioned would be :

	Rs.
(1) Food .....	107—76
(2) Clothing .....	8—45
(3) Housing at 10 per cent of the total .....	15—50
(4) Miscellaneous items at 15 per cent of the total. ....	23—24
Total .....	<u>154—95</u>
	or 155—00 per month.

*Adjustment of the value of amenities against emoluments.*

4.50. It cannot be denied that the Government employees are provided with certain benefits and amenities. Free medical aid is available to the employees and to their dependents. Education for their children is free up to the Higher Secondary Standard. Besides, Class IV employees are supplied with uniforms and foot-wear periodically by the Government. Benefits like assistance to Employees'

Co-operative Societies, institution of welfare and amenities fund, provision of canteens, club and recreation facilities, subsidised transport and house rent, etc., are some of the new benefits recommended by this Commission. Besides, the employees have got Leave Travel Concessions and the benefit of weekly holidays, public holidays, casual leave and earned leave. All these amenities involve expenditure to the Government and the expenditure increases in proportion to the extent to which they are availed of by the employees. The money value of these amenities cannot be left out of account in considering the total quantum of remuneration. The Committee on Fair Wages made the following observations :

“We feel that before a wage fixing machinery decides to make any allowance for benefits, statutory or otherwise, granted to workers, it must examine the nature and extent of those benefits. Where a benefit goes directly to reduce the expenses of a worker on items of expenditure which are taken into account for the calculation of the fair wage, it must necessarily be taken into account in fixing the actual fair wages payable. Where, however, the benefit has no connection with the items of expenditure on which the fair wage is calculated, it cannot naturally be taken into account.”

4.51. It cannot be doubted that the amenities and benefits made available to a Government employee have a direct bearing on his total cost of living and that the extension of these benefits and amenities reduce his total cost of living which would otherwise have been much higher. The Government employees pleaded that the concessions and amenities available to employees were non-wage benefits and should not, therefore, be taken into account for calculation of minimum salary. They stated that the educational and medical concessions now available to Government servants were shared by them commonly with the other citizens who enjoyed all these benefits under the various programmes of welfare and social service measures. A few of the employees stated that the value of the amenities and benefits was so little that they might be ignored in fixing the minimum pay scale. Some of them have, however, conceded the reasonableness of taking into account the concessions, benefits and amenities available to Government employees in the fixation of minimum remuneration for a Government servant.

4.52. While it is true that free education and free medical facilities are available not only to employees of Government but to many other sections of the community, the fact that these concessions reduce the expenditure which the employees would have incurred on education of their children and for medical care, etc., cannot be ignored. The Leave Travel Concessions have also effect of easing the burden on the family budget. Though it is difficult to have a precise estimate of the money value of these amenities and concessions, it would not be unreasonable to assess the value of these benefits at Rs. 20 per month on an average. The calculation of minimum remuneration on the basis of balanced diet, clothing, housing, etc., has been found to be Rs. 155 per month. If from that amount, Rs. 20 is deducted, the minimum remuneration at the point of entry for a Class IV employee will have to be fixed at Rs. 135 per month at the level of prices



prevailing at Bangalore during 1967-68 (July-June) when the 12-monthly average consumer Price Index Number for Bangalore Centre stood at 779 (1935-36=100) or when the 12-monthly average All-India Consumer Price Index Number was 214.9 (1949-100). This presupposes that the financial position of the State Government permits them to pay the fair-living wage to all the low paid employees without taking into consideration the general standard of living of skilled and semi-skilled persons following other avocations.

*Fixation of Initial Pay.*

4.53 The aforesaid discussion discloses that the question of fixation of starting salary for a Class IV employee has been considered from all possible angles. It would be relevant to bear in mind that the Gajendragadkar Commission recommended that at the lower levels, the increase in cost of living should be compensated to the extent of 90 per cent of the increase. If these principles were strictly followed in our State, the total emoluments (Pay plus dearness allowance) of Class IV employees would be Rs. 97 per month on the 1st March 1968. The demand of the employees that the Dearness Allowance payable to them should be fixed at the same rate at which the Government of India were paying to their employees with comparable duties and responsibilities has been recommended already by this Commission and accepted by the Government.

4.54 It would be unrealistic and inexpedient to recommend a pay scale which the financial capacity of the State may not permit it to accept. As was laid down by the Supreme Court in *Express Newspapers V Union of India* (A.I.R. 1958, Supreme Court 579), "In the fixation of rates of wages which include within its compass the fixation of scales of wages also, the capacity of the industry to pay is one of the essential circumstances to be taken into consideration except in cases of bare subsistence or minimum wage where the employer is bound to pay the same irrespective of such capacity." It has already been indicated that the present level of remuneration of the Class IV employees of the State Government is higher than that of the wage earning employees in this State. Reference has also been made in this Chapter to the fact that the Mysore Pay Committee, 1961 fixed the minimum remuneration of Class IV employee at Rs. 60 per month (basic 50 plus D.A. 10) on the basis of what had been adopted in the Madras State. In arriving at that figure the Madras Pay Commission made the following observations:

"In 1939, the normal year before the Second World War, the minimum remuneration of a Last Grade Government Servant was Rs. 12. To a specific question from us, the representatives of the Madras Last Grade Government Servants' Association, some of whom had been in service in 1939, conceded that they were quite satisfied with the remuneration of Rs. 12 in 1939. The working class cost of living index for Madras in 1959 was on the average 429, and providing for full neutralisation for the rise in the cost of living, a wage which would in real terms be equivalent to that secured by the Last Grade Government Servants in 1939, would be Rs. 51.48. It is also necessary to provide for some improvement in the standards of living over that enjoyed by the Last

Grade Government Servants in 1939, and in this view we feel that a minimum wage of Rs. 60 for an employee drawn from the working class, like the Peons, is necessary and should be adopted. We may point out that the minimum wage proposed by us here is higher than that fixed by the State Government under the Minimum Wages Act, 1948". (Page 18, Para 39).

4.55 The Madras Pay Commission also considered how the total emoluments could reasonably be split up into basic pay and dearness allowance and stated :—

“Our recommendations in regard to total emoluments may therefore be taken as related to an index of 125-130 and if the basic pay is to be determined with reference to the requirements at an index of 100 points the total emoluments may have to be split as basic pay and dearness allowance in the proportion of 4:1. On this basis, the minimum remuneration which we have suggested for a peon, *viz*, Rs. 60 will have to split as a basic pay of Rs. 48 and a dearness allowance of Rs. 12. It would be possible for us to work out for other posts also an apportionment of the emoluments into basic pay and dearness allowance in the same proportion, but this procedure would result in odd scales of pay and the rates of dearness allowance would also vary for posts at different levels. In the final analysis, a structure of pay as well as dearness allowance would be evolved which would be more cumbersome than even the present admittedly complex structure. We have therefore carefully considered how best the merger of dearness allowance with basic pay could be brought about and we have concluded that the best course would be to keep the new rates of dearness allowance in line with the rates of dearness allowance fixed for the employees of Central Government in pursuance of the recommendations of the Second Central Pay Commission and settle the basic pay of the different posts accordingly. The procedure no doubt would confer on the employees somewhat greater advantages than the apportionment of emoluments between pay and dearness allowance in the ratio of 4:1 which alone may be considered scientific. For example, in bringing our dearness allowance rates in line with Central rates we have had to fix the basic pay of a peon at Rs. 50 instead of Rs. 48; likewise, the minimum remuneration of Rs. 75 proposed by us for a Police Constable should be split up into a basic pay of Rs. 60 and an allowance of Rs. 15, but we have instead suggested a basic pay of Rs. 65 and dearness allowance of Rs. 10 (Page 28, Para 9).

4.56. The details of the minimum pay prescribed by the Central Government and by the other State Governments have already been given in paragraph 4.26. Therein it has been observed that the minimum pay of Rs. 50 per month fixed by the Mysore State in 1961 was identical with that fixed by the State of Madras or Andhra Pradesh and that it was somewhat less when compared with the other two neighbouring States of Maharashtra and Kerala. The Government of India fixed the minimum salary for their Class IV employees at Rs. 70.

4.57. In this connection, it may be relevant to refer to the views of the Gujarat Pay Commission which examined identical demands of employees of that State and with reference to the various standards of costs of diet prevailing in the State. That Commission, assuming 195 points as the cost of living index, stated : "While it would not be realistic to precisely evaluate the monthly value of these concessions and benefits (house rent allowance, educational concessions, medical facilities, etc.) the Commission considers that taking these into account the quantum of minimum wage can be reasonably fixed at Rs. 146. This broadly corresponds to the level of minimum standard of living enunciated for the working group in urban areas to be hereinafter referred to, converted in terms of the requirements of three consumption units and projected to the index level of 195". It would appear from the statistics given in that Report that the cost of living is on the whole higher in that State. The minimum pay scale in that State as revised in 1961 October was 65— $\frac{1}{2}$ —70. The Commission has recommended in its Report of 1968 payment of total emoluments of Rs. 130 inclusive of Dearness Allowance.

4.58. The recommendations made by the Andhra Pay Commission last year have not yet been published and they are not available. The aforementioned emoluments were fixed by the Madras State in 1960. Since then there has been substantial rise in the cost of living. Taking all these factors into account and bearing in mind that the aim of the State Government is to achieve the object in regard to living wages, etc., enshrined in Article 43 of the Constitution, it would be reasonable to fix the minimum salary for a Class IV employee at Rs. 60 per month (at a cost of living index level of 100 in 1949).

#### *Merger of Dearness Allowance.*

4.59. There has been a demand from the employees for merger of the dearness allowance which is being paid since the past few years. A study of the trends of prices and the cost of living index numbers discloses that it is not possible to predicate reasonably at what level the prices are likely to stabilise. The prices have been rising since 1958 and there has been a steep upward movement since 1963-64. A slight decline in the prices of some of the commodities had been noticed some time ago but the prices seem to be rising again; the general trend of all movements is however still uncertain. The Gujarat Pay Commission bestowed some attention on this question in Chapter VII of its Report (Page 65) and stated that the discussions with several of the leading economists of the country disclosed that some of them were inclined to the view that a fall below the level of the prices in the year 1964-65 was not likely, while some others were confident that a fall to the 1963-64 level cannot be ruled out. It is only possible to indicate approximately the point below which the cost of living is not likely to fall below the present level in the near future. Taking all the relevant facts into account, the Commission is of the view that the prices will not fall below the All-India Index level of 160 reached in 1964-65. It would, therefore, be reasonable to fix the basic emoluments with reference to that year. Assuming 100% neutralisa-

tion in the cost of living in 1949, the minimum remuneration for a Class IV servant with the consumer index level at 160 on 1st March 1965 works out at Rs. 96.

4.60. As regards the dearness allowance, a Class IV employee of the Government of India getting a basic pay of Rs. 70 is given a dearness allowance of Rs. 65. In view of the fact that the Commission has recommended Rs. 60 per month as the minimum salary, a sum of Rs. 36 (necessary to make up the minimum remuneration of Rs. 96) representing part of the dearness allowance may be treated as additional basic pay as a distinct component of that allowance. This calculation would leave a balance of Rs. 29 as Dearness Allowance (Rs. 65 minus Rs. 36). In this view, the total emoluments of a Class IV employee of the State Government for the cost of living index of 205 would be Rs. 125 (comprising basic pay of Rs. 60, an additional basic pay of Rs. 36 and dearness allowance of Rs. 29). To facilitate calculations, dearness allowance may be fixed at Rs. 30 per month and additional basic pay at Rs. 35 per Month.

4.61. It is necessary to indicate that if the cost of living gradually falls down in future and gets stabilised somewhere round the cost of living index level of 160, the entire dearness allowance will have to be abolished; on the other hand, if there be any occasion in future to raise the Dearness Allowance, the aggregate of the additional basic pay and the dearness allowance paid to the employees in this State should be taken as the total amount of dearness allowance for working out the rise or fall in the total of such allowance. The additional basic pay will have to continue to be shown as a distinct element until such time as the revision of the basic pay by the Government of India with reference to the cost of living at different or higher points might be made. This question will have to be considered by the State at the appropriate time when revision of the basic pay or the dearness allowance might be necessitated.

The Additional Basic Pay shall be treated as "Pay" while determining the average emoluments for the calculation of pension but not for any other purpose.

*(ii) Pay Structure.—*

4.62. On the recommendation of the Official Committee appointed by the Government of Mysore in 1956, uniform scales of pay for different classes of Government employees working in the several areas were introduced in 1957. The scales of pay were revised in 1961.

4.63. The scales of pay offered to the employees in the new State are mostly those recommended by the Pay Structure Committee constituted by the erstwhile State of Mysore and subsequently endorsed by the official Committee.

4.64. The employees have represented,

- (i) that the scales of pay now obtaining are neither rational nor have they been evolved on any scientific basis ;

- (ii) that despite the revision of D. A. from time to time, there has been considerable erosion in the real income of the Government servants consequent on the continuous and steep rise in prices;
- (iii) that the purchasing power of the rupee has dwindled and the real value of the emoluments received by the employees is much lower than the apparent emoluments ; and
- (iv) that there are wide disparities in the scales of pay given to officers with like duties and responsibilities in the several Departments of the State Government, and, in the Departments of the State Government, and the corresponding Departments of the Government of India,

and have requested that in evolving the new scales of pay all these defects should be rectified.

4.65. There is near unanimity in regard to the need for revision of the scales of pay but there are differences of opinion regarding the extent to which and the principles on which the scales of pay should be revised. There is also the view that the existing pay structure is quite adequate as it compares favourably with those of the neighbouring States particularly Madras, except in respect of gazetted posts.

4.66. An efficient civil service is one of the essential pre-requisites of good administration. The efficiency of the Civil Service depends not only upon proper recruitment, proper training and proper organisation but also upon a rational pay structure which would attract and retain men and women of proper calibre in its service.

4.67. The resources of the State and the urgency of National Development Plans are certainly factors which will determine the extent to which Government can afford to pay its employees. Any revision of scales of pay must strike a balance between the needs of 'a fair deal' to the employees and the claims of the different sections of the Society for such economic and social conditions in the State as will ensure a fair standard of living.

4.68. While it is desirable to take into consideration, the emoluments admissible to persons working in the Central Government, in the private sector and in the public sector undertakings discharging duties and shouldering responsibilities comparable to those of employees of this Government, it is impossible to maintain absolute parity between the two sets of employees. The desirability of making the scales good enough to attract qualified and efficient men to accept service under the State and the need to keep the services contented are really factors which should receive due consideration in evolving scales of pay for different posts. The grant of amenities and concessions such as leave, pension and security of tenure were formerly the monopoly of the employees of Government. Industrial and Commercial Organisations have now extended such benefits to their employees. It would be no exaggeration to say that employees in some of such organisations enjoy greater benefits than their counterparts in Government service.

4.69. There are no standard theories or absolute norms which can guide one in the determination of fair compensation in public services. The Islington Commission (1912-15) observed in their Report: "the only safe criterion is that Government should pay so much and so much only to their employees as is necessary to obtain recruits of the right stamp and to maintain them in such a degree of comfort and dignity as will shield them from temptation and keep them efficient for the term of their service." This principle has been followed by successive commissions with such modifications as the socio-economic and other relevant conditions necessitated.

4.70. The following are some of the principles kept in view in regard to fixation of scales of pay in the past by the various Commissions or Committees:—

- (i) Government should pay to its employees only so much as is necessary to get the right type of recruits and retain them without loss of efficiency in service ;
- (ii) there should be equal pay for equal work in similar conditions of work;
- (iii) the minimum remuneration of the lowest paid employees should be determined taking into account economic and social conditions obtaining in the State ;
- (iv) the basic salaries of Government servants should be fixed with reference to the cost of living index at which prices are expected to stabilise and any fluctuations of a temporary nature should be taken care of by payment of dearness allowance without disturbing the basic salaries ; and
- (v) it is necessary that principles of pay for civil services should be right and seem to be right in theory and capable of application in practice.

4.71. The principle laid down by the Islington Commission involves payment of remuneration to different grades of Government employees according to the "market value", neither more nor less. If this is strictly applied, it will not be fair to the lower grades of Government employees in our country. The First Central Pay Commission itself recognised that the principles of 'market value' should be tempered in its application to the lower grades of employees, with some moral and ethical considerations. They suggested that the test formulated by the Islington Commission is only to be liberally interpreted to suit the conditions of the present day and to be qualified by the condition that in no case should a man's pay be less than the living wage. It, therefore, follows that the determination of emoluments of Government servants in the lower grades cannot be purely with reference to economic considerations.

4.72. The determination of the scales of pay for employees in the higher grades should, however, depend on the principles of 'market value' and fair comparison with wages for persons with comparable qualifications, duties and responsibilities in other sectors of the economy. 'Fair comparison' as observed by the Priestley Commission is :

“ fair to the community at large for *two* reasons :

- (1) “ It looks after the ordinary citizen’s interest as a taxpayer. If the Government which represents him pays what other responsible employers pay for the comparable work, the citizen cannot reasonably complain that he is being exploited. Equally we consider that he would agree that he could not in the long run obtain an efficient service by paying less.
- (2) Fair comparison as the primary principle is also in our view fair to the individual civil servant. Since the civil servant’s first loyalty is to the Government of the moment, which is liable to change overnight, and since his ultimate loyalty is to the public, which casts a jealous eye on public expenditure, he is entitled to some guarantee that his just deserts will not be sacrificed to political expediency or to uninformed press or public criticism. We think that the principle of fair comparison affords such a guarantee. Equally if his remuneration and conditions of service taken together approximate to those prevailing in the outside world he cannot legitimately complain of injustice.”

4.73. The principle of “Fair Comparison” requires a broad comparison of the levels of remuneration for different categories of staff under employers other than Government. It will be unfair to the community, if the scales of pay are fixed with reference to the scales of pay obtaining in the larger firms and industries only, and unfair to the employees if the scales of pay are fixed with reference to the scales of pay obtaining in the smaller firms and industries. The Priestley Commission which advocated the principle of fair comparison has itself considered this aspect and has remarked that Government should be a good employer but not that it should offer the highest rates of remuneration.

4.74. The Second Central Pay Commission (1957-59) considered the principle of “fair comparison” of rates of remuneration for broadly comparable work outside with salaries of Government servants. They came to the conclusion that there were great difficulties, some intrinsic and some connected with the circumstances of the present day pattern of Government employment, in adopting this principle, and further expressed the view that the principle of “fair comparison” with rates of remuneration in outside employment had serious practical limitations.

4.75. The Commission, however, took the view that in the conditions then prevailing, the principle of “fair comparison” could only be recognised subject to the qualification that the lowest salaries and wages should not be “below a level determined by a combination of social and economic considerations”. Their significant observations in regard to “fair comparison” read as follows :

“In the circumstances, while refraining from adopting fair comparison with outside rates as a principle suitable for full and detailed application, we recognise it as one of the important factors to be taken into account a factor, however, to be considered at present usually in a broad way and with discrimination. But we think that even where the remunera-

tion is to be determined mainly on other, for instance social considerations, comparison with outside rates should be used as an aid and a corrective.”

4.76. A private employer has to be distinguished from the State as an Employer. The former has better freedom than Government to determine the salary of his staff and his discretion is guided by considerations of profit and success of his business. The State as an Employer has no such discretion. It has to carry on its administration according to law and the rules, and is therefore under an obligation to treat all its employees alike without discrimination or favouritism.

*Model Employer :*

4.77. Many of the employees including the service Associations have argued that the State which had enacted so many laws to compel a private employer to accept the obligations of a “model employer”, ought to behave like a ‘model employer’ towards its own servants and prescribe scales of salary more liberally than those available to the employees in the private sector.

4.78. The expression ‘model employer’ has a special significance in its application to the State. The State employs “servants” in order to serve the public by ensuring them a just and peaceful administration catering to the economic, social, cultural and political needs of a civilized society. The Government has, therefore, primarily to safeguard the interests of the public which has brought it into being and then to look to the well-being of its servants. This task can be achieved by promotion of high ethical standards in human relationships and by maintenance of economic balance between the needs of its administration and needs of a developing community. It is true that the State is the biggest employer and unless it undertakes measures for the well-being of its own employees and places its relations with its employees on a satisfactory footing, it will not have the moral strength to promulgate and enforce the labour laws. But this is not to say that in matters of employer-employee relations, all the collective bargaining weapons available to industrial and other classes of labour should be provided to Government employees. Government employees are public servants and are in an entirely different category from other employees. The obligations and the standards of ethics and loyalty expected of them are quite different from those of other employees. In short, the State should be a model employer in the sense that it must accept all the reasonable obligations and responsibilities which naturally spring from its position as employer of numerous classes of servants engaged in the task of public advancement and should pay such remuneration as would ensure an efficient public service and as would be considered fair both to the public service and to the community.

4.79. The dual obligations of the State towards its employees and the community in the matter of fixation of salaries were considered by the Madras Pay Commission (1959-60) also and it stated as follows during its discussion of the subject.—



“Dr. M. H. Gopal, an Economist, who had made a study of public salaries with special reference to Indian conditions, lays down three separate but inter-dependent principles, namely, efficiency, compensation and economy as the basis for a sound structure of public salaries. The principle of efficiency which is important from the point of view of the employer, namely, the State, would require that the scales of pay should be such that the efficiency of the public service is not impaired. This principle requires, in the words of the Anderson Committee, “that the employer should pay what is necessary to recruit and retain an efficient staff”. The second principle is important from the point of view of the employee. The scales of pay should be adequate having regard to the nature of work and the degree of responsibilities entrusted to the employees and the cost of general educational or special professional training undergone by him. The third principle of “economy” is important from the standpoint of the community for whose benefit and at whose cost the administration is maintained. “If a particular level of salaries increases the efficiency of public servant in such a way that the social welfare is maximised then it is economy from the point of view of the community”.

### *Salary Structure*

4.80. In the first part of this Chapter, the Commission has recommended for reasons stated therein, that payment of Rs. 60 per mensem on a cost of living index of 100 points as in 1949 would be a fair and reasonable minimum salary in this State.

4.81. The minimum wage is the basic level of the pay plan and the rest of the relativities in the pay structure have to be determined with reference to the minimum level. The principle of minimum wage cannot be applied at different levels of employment. The Employees' Associations have, however, in this connection claimed the differential of 80% between the pay range of last grade Class IV employee and last grade clerical employees on the basis of what Mr. Justice Rajadhyaksha has observed in his Award relating the dispute between the Department of Posts and Telegraphs and its non-gazetted employees. The Second Central Pay Commission has observed in this connection as follows :

“We have considered whether there should be any direct, rigid, relativity between manual and clerical staff and we have come to the conclusion that the acceptance of any such relativity will be incompatible with the principles for determination of remuneration of Government servants which we have adopted. We have not, therefore, sought to determine the pay of clerical and other similar staffs with reference to that of manual workers, but have considered independently what in the present conditions, would be fair remuneration for each.”

4.82. Similar arguments seem to have been advanced before the Maharashtra Pay Commission and their views thereon appear to be relevant in this context :

“There is also a more fundamental difficulty in adopting the differential of 80% with reference to calculations of remunerations as determined for working class employees on the basis of the standardised norms proposed by the Fifteenth Labour Conference. The differential of 80% as found by Justice Rajadhyaksha was related vaguely to the actual cost of living according to a rough pattern of living of both the classes, and not idealistically conceived on need based patterns according to the standardised norms calculated by the nutrition experts. The Maharashtra Government Employees Confederation has calculated remuneration for Class IV employees on the basis of the standardized norms and not on actual statistical data. The figures so arrived for such hypothetical cost of living and the basket of needs are being compared with the actual pattern of living of the middle class employees. Appropriate comparison can be made only between patterns of living as they actually exist. A differential calculation on a realistic and comparable basis can alone be useful, if pay scales are to be determined on the basis of relativities between the cost of living of these two classes of employees. Under the circumstances, the method of calculation of the minimum remuneration for clerical staff on the differential of 80% cannot be considered as either logical or even broadly reasonable.”

4.83. The Commission agrees with the view that no such differential can or need be maintained.

4.84. The scales of pay for the employees at the higher levels would have to be considered, therefore, in the context of the other principles indicated earlier. Since a long time, there has always been an influential body of public opinion inclined to the view that salaries of officers in the higher grades have been fixed too high in relation to the economic conditions of the country and that they should be reduced to realistic limits consistently with the socio-economic conditions obtaining in the country. The socio-economic conditions do not necessarily call for reduction of the salaries of the officers at the higher levels but only require reduction of the disparities between the lowest paid and the highest paid. Such reduction has been taking place since 1947.

4.85. One Association of employees was of the view that the existing disparities between the highest pay and the lowest pay were unconscionable and unjust and that the same should be fixed at a ratio of 1 : 10 as obtaining in advanced countries like Great Britain ; whereas another Association of employees was of the view that there is no need to cut down the top salaries and that any attempt to reduce the salaries of the highest posts would make service under Government at that level most unattractive. The second Central Pay Commission, while considering the problem of higher salaries in public service, have concluded that they would not be justified in suggesting a reduction of salaries prescribed for the highest grades of officers for the following reasons :

“ Salaries of posts with a rate of pay exceeding Rs. 2,000 were substantially reduced in 1947 and there has since been a considerable erosion of real incomes as a result of the very substantial rise in prices. If the upward trend of prices continues, the value of these salaries would fall further, and any compensation at these levels is not contemplated ..... And, further, the pattern of income distribution in the community generally and, in particular, the levels of emoluments, amenities, etc., allowed in outside employments to the comparable managerial class have to be taken into account. A reduction of salaries of the highest civil servants can be undertaken without a risk of lowering the standard of recruits only if the reduction is a part of a national scheme to reduce the present gap between the highest and the lowest incomes.”

4.86. It is no doubt true that Government are committed to the creation of a socialistic pattern of society and that in consonance with this objective, it would be logical to narrow down the gap between the minimum and the maximum remuneration of Government employees ; but, it has to be recognised that the practical consequences of such a step, if carried too far, would be harmful to the services and to the interests of the State. Brilliant young men and women will find Government service very unattractive and will shy away from it only to find suitable opportunities available to them in business and commercial organisations. It would be disastrous for the community if at the higher levels, Government machinery were to be manned by mediocre men. It would, therefore, be prudent to resist the temptation to fix the maximum at a fixed multiple of the minimum only to satisfy certain academic or sentimental considerations relating to the establishment of a socialistic pattern of society. In practice, the minimum wage has been gradually increasing in recent years while the maximum has remained almost static, thus narrowing the gap between the two levels. The consensus, however, appears to be that the disparity and variation between the maximum and minimum salaries of Government employees should not be too wide and glaring, and that, they should not be in excess of reasonable differentials necessary for efficient service. Some witnesses are of the view that the upper limit should normally be not more than 20 times the lowest salary. In this context, a review of the existing disparities in the salary structure in Mysore State and the extent to which the disparities have been contracted by periodical revisions during the last 20 years would expose the futility of the plea of existence of a wide gap between the two levels of salaries.

4.87. The years 1947, 1957 and 1961 when the scales of pay were revised and the year 1968 when there was the last increase in the rates of dearness allowances, have been chosen for study of comparative disparities. The following table presents, as an example, the total minimum emoluments admissible to the lowest paid officials and the officers of the Mysore Administrative Service (Assistant Commissioners).

TABLE I

	1947	1957	1961	1968
1. Starting salary plus Dearness Allowance and Compensatory House Rent Allowance of Class IV Servants (Rs. per month)	33	55	68	125
Index of rise in emoluments	100	167	206	379
2. Starting salary (plus Dearness Allowance and Compensatory House Rent Allowance) of an Assistant Commissioner (Post Tax) (Rs. per month)	327	357	347	486
Index of rise in emoluments	100	109	107	149
3. Disparity ratio 2:1	9.9	6.5	5.1	3.8

4.88. It can thus, be seen that in 1947, the ratio between the starting salary of the Class IV servant and that of an Assistant Commissioner was 1:9.9. There has been a reduction of disparities to 1:6.5 in 1957 and to 1:5.1 in 1961. In 1968, the ratio was 1:3.8. Thus, between 1947 and 1968, the disparities have been reduced by as much as 61.6 per cent.

4.89. A similar comparison between the maximum remuneration of the lowest and the highest grades of officers during the same years is also made below. The Officers of Indian Administrative and Indian Police Services are not taken into account here as their scales of pay are fixed by the Central Government but other highest post governed by the State scales of pay are considered. The highest pay-scale at present is of Rs. 1,300-1,800. At present, there are only seven posts in this scale of pay, namely :

1. Chief Conservator of Forests
2. Director of Public Instruction
3. Additional Director of Public Instruction
4. Director of Medical and Health Services
5. Law Secretary
6. Chief Engineers
7. Chief Architect

The next highest scale of pay is Rs. 1,100—1,800, and only District and Sessions Judges come in this category.

TABLE II

	1947	1957	1961	1968
1. Maximum Salary (plus Dearness Allowance and Compensatory House Rent Allowance of Class IV Servants (Rs. per month)	37	65	78	135
Index of rise in emoluments	100	176	211	365
2. Maximum salary prescribed (Post-tax) (Rs. per month)	1,234	1,278	1,587	1,594
Index of rise in emoluments	100	104	129	129
3. Disparity ratio 2 : 1	26.5	19.2	20.4	11.8

4.90. The ratio between the maximum salary of the lowest paid category and that in the highest grade in 1947 was 1 : 26.5. The disparity has been gradually reduced over years and in 1968 it stands at 1 : 11.8. That means that the disparities have been reduced by 55.5 per cent.

4.91. Another comparison that may be made is between the starting salary of the lowest grade and the maximum salary of the highest grade, and it is shown in the table below :

	1947	1957	1961	1968
1. Starting salary (plus Dearness Allowance and Compensatory House Rent Allowance) of Class IV Servant (Rs. per month) ....	33	55	68	125
Index for rise in emoluments ....	100	167	206	379
2. Maximum salary (plus Dearness Allowance and Compensatory House Rent Allowance) of highest grade (post-tax) (Rs. per month) ....	1,234	1,278	1,587	1,594
Index of rise in emoluments ....	100	104	129	129
3. Disparity ratio 2 : 1 ....	37.4	23.2	23.3	12.8

4.92. The disparity between the minimum remuneration of a fresh entrant in the lowest scale of pay and the maximum salary (post-tax) of the Officer in the highest scale of pay which prevailed at the level of 1 : 37.4 in 1947 was reduced to 1 : 23.2 in 1957. In 1968, the disparity ratio is 1 : 12.8. The disparity has thus been reduced by as much as 65.8 per cent.

4.93. Over the period since 1947, the higher incomes have been increasingly taxed. Moreover, the revision in the scales of pay and the rates of dearness allowances for the lower paid employees have progressively increased their total emoluments. The combined effect of these two factors has resulted in the substantial reduction of the disparity between the minimum and the maximum salaries in our State. To-day the ratio between the minimum remuneration at the lowest level (Rs. 50+65+10) and the maximum remuneration of the highest grade Rs. 1,800+Rs. 100 minus income-tax, *i.e.*, Rs. 1,594 is only 1 : 12.8.

4.94. The highest salary allowed to officers under the rule-making powers of the State Government is now Rs. 1,800 which is also the maximum of the senior time-scale of the Indian Administrative Service. Many of these posts are "technical" and the Commission is convinced that any reduction in the scales of pay prescribed for these technical posts cannot be undertaken without a serious lowering of the requisite standards of efficiency. It cannot also be seriously urged that the reduction of salaries in higher levels would produce any large savings which could be utilised for improving the conditions of the lower paid staff.

4.95. Many witnesses including some Associations of Employees have urged in their replies to the questionnaire and also in their interviews before the Commission that on the principle of 'equal pay for equal work', the

scales of pay for the employees of the State Government should bear fair comparison with the scales of pay for the employees of the Central Government for comparable jobs. Some of the witnesses admitted that having regard to the fact that recruitment to the services under the Government of India has to be made on an All India basis and to the extent that service under the Government of India carries with a liability for transfer to places all over the country, certain differentials in the rates of remuneration would be reasonable; only that the disparity should not be unduly large. As pointed out by the Second Central Pay Commission, disparities in the emoluments of employees of the State Government and of the Central Government exist in other countries having federal Constitution. At no time have the salaries under a State Government been on par with those under the Central Government except perhaps in some States at certain periods of time in respect of Class IV employees and the lowest level of Class III employees. The Madras Pay Commission which examined this question at length has come to the conclusion that the comparisons of emoluments between the employees of the State and Central employees can be made appropriately only in the lower grades as it is only at these levels that the duties and responsibilities attached to the posts as well as the qualifications expected of the holders of such posts are easily comparable. Even here, however, the ability of the State to pay cannot be overlooked or ignored. Any attempt at comparison of emoluments between the State and Central employees in higher grades with reference merely to the nomenclature of the post would be extremely misleading. Moreover, the logical limit of this principle of parity could only be that there should be no difference in the emoluments and conditions of service even as between employees of the State Government and those of Local Bodies and Government-aided Institutions at various levels within the State. Even differences in regard to the grant of Compensatory Local Allowances or House Rent Allowance may be held to be discriminatory in the context of such parities. The rational approach to the question would, therefore, seem to be that while every attempt should be made to affect the maximum improvement in the remuneration of the State services keeping in view differences in the terms and conditions of service as between employment under the State Government and the employment under the Central Government as also the resources available to the State Government, the existing differentials should be narrowed down as far as possible.

4.96. It was pointed out that as opportunities of promotion differ from Department to Department, uniform scales of pay even when based on uniform departmental qualifications, duties and responsibilities would work to the disadvantage of those who have relatively few opportunities of advancement. The prospects of promotion in a particular service are, of course, closely bound up with the distribution of staff over the various levels. It would, therefore, not be practicable to attach undue importance to the fact that promotional opportunities are either scarce or are not available for any length of time. It may, however, be equitable to provide a longer span of time-scale in cases where there is likelihood of hardship due to absence of adequate promotional opportunities. A special

consideration in the matter of devising scales of pay would also be justified in cases of certain isolated posts for which no avenues of promotion at all exist.

### *Secretariat Pay*

4.97. The Secretariat Association have represented that the scales of pay for the Secretariat employees should be distinct from those for other employees on the ground that the work in the Secretariat is 'a class by itself' and should be recognised to be of greater importance than the work in other offices. It is true that most of the State Governments have maintained a degree of differentiation in emoluments between the Secretariat and the other staff. They are paid higher scales of pay not because of the fact that they belong to the Secretariat services or because they are members of the Secretariat services but because they are called upon to perform work demanding higher ability and greater sense of responsibility. This differentiation between the Secretariat and the outside staff can be made only from the level above which work in the Secretariat is demonstrably different from that in other Offices.

### *Relation to Resources*

4.98. The Employees' Association have advanced the view that the wages should not be related to the resources. This is an extreme view which is not capable of practical implementation. In the determination of wages in the private sector, the employer's ability to pay has always been considered to be an important factor. Likewise, the ability of Government to pay has reflected by its financial position is an important factor to be taken into account in framing the pay structure of its employees. The fact that the State, unlike the private employer, is in a position to use its power of taxation to increase its resources, does not alter the position, as the power of taxation is subject to the authority of law which in its turn has to take into account the citizen's economic capacity to bear additional taxation.

4.99. Of the terms of reference, the first term requires the Commission "to review the existing pay structure of all categories of employees... taking into account...the existing economic conditions in the State." The pay structure must be so devised that the burden is not beyond the capacity of the State to meet its liability on this account. The pay structure which does not take into account the resources of the State would be unrealistic and cannot be supported on any principle. In respect of payment of a subsistence wage, the employer's capacity to pay is no doubt, irrelevant. But above the subsistence level, the capacity of the employer must necessarily be taken into account. Quite a few witnesses were of the view that the resources were being wasted by employing more staff than was actually required. It was urged by some others including Heads of some departments that there was scope for retrenchment of staff and that the savings effected by such retrenchment could be utilised for giving better remuneration to the essential staff retained in service so that they could work with satisfaction and greater efficiency. None of the witnesses was in a position, however, to say specifically as to the areas in which and the extent to which

retrenchment could be effected and the probable savings therefrom to augment the resources for improving the emoluments to the staff.

4.100. The Resources and Economy Committee appointed by Government during 1961-62 went into the question of economy in administration and recommended various measures for effecting such economy. Probably if all the recommendations had been accepted in letter and spirit, it would perhaps have been possible to have a more compact staff structure in the various Departments. The Commission is convinced that there is scope for reduction of staff. Recommendations of the Commission on the steps to be taken for reducing the working force are contained in Chapter 9.

#### *Other factors*

4.101. Apart from the existing economic condition of the State, there are many other factors which have to be taken into consideration while determining a suitable level of remuneration for the various posts and cadres. They are:—

- (a) the basic minimum qualification, training, skill and experience required to enable an individual to attend to his duties efficiently ;
- (b) desirable additional qualifications which enable an individual to attend to his duties more efficiently than the general run ;
- (c) the degree of arduousness or unpleasantness involved in the job ;
- (d) the nature of duties and the quantum of responsibilities attached to the post ;
- (e) the importance of the job to the community ;
- (f) market rates of compensation for the same or similar jobs ;
- (g) prospects of promotion to higher posts.

4.102. Before proceeding further, it is necessary to point out that these factors are relative in terms and the degree of skill, intelligence, ability and responsibility would differ according to the status of the post in the official hierarchial structure.

#### *Classification of Posts*

4.103. There are, at the moment, four classes of officers. Class I comprises the class of officers of the higher ranks who have the responsibility for taking major decisions and/or for advising Government on matters of policy ; Class II officers who come in the next echelon, have responsibility for taking final decisions in relatively minor matters and of ensuring that the policies laid down are implemented in the concerned field. Class III designates a class of officers who handle papers at the initial stages ; like receipt of papers, arranging them in files, putting up notes and drafts, drawing the attention of the officers to rules and precedents and so on, if they are in the ministerial line, and attending to the actual field work and implementation of the schemes of Government if they are in the executive line ; Class IV consists of officials who attend to work of a semi-skilled or unskilled nature.



4.104. There is no unanimity of opinion on the propriety of such classification. Some hold the view that such classification is unnecessary and leads to class distinctions in the service. It is not possible to bring all the employees of Government under single category. It is also not possible to avoid differentiation with reference to duties and responsibilities attached to each class of posts. Any change in the basis of classification is likely to lead to plurality of classes without any corresponding benefits. Besides, the four classes referred to above have come to be accepted by the employees at all levels and the balance of advantage lies in continuing this arrangement. It is, therefore, recommended that the employees of the State Government may continue to be classed as Class I, II, III and IV as at present.

4.105. In carrying on the administration, it is neither convenient nor desirable to maintain these classes with utmost rigidity. In order to provide opportunity for entrants and to meet the aspirations of officials for promotion, ways and means will have to be devised for placing the more experienced and senior officers in relatively more important charges—charges which justify the appointment of a senior officer in a particular cadre but not so important as to require the services of an officer in the next higher cadre. It is, therefore, necessary to have elasticity in such classification.

4.106. It is common experience in administration that a person appointed to a post gradually acquires greater experience and becomes fit to assume higher responsibilities in his line. In this process, he aspires both for higher posts and higher emoluments. To meet such essentially human needs in the administrative set-up, the various classes are further sub-divided so much so that the following sub-classifications mark the staffing pattern in any major department :—

<i>Selection Grade</i>		<b>Supertime</b>	
Class	I	....	Senior Scale
Class	I	....	Junior Scale
Class	II	....	Senior Scale
Class	II	....	Junior Scale
Class	III	....	Supervisory
Class	III	....	Senior Scale
Class	III	....	Junior Scale
Class	IV	....	Semi-skilled
Class	IV	....	Unskilled

4.107. It may be noted that all these sub-classes need not necessarily be provided for in every department; in some cases, they may not fully meet the requirements of all Departments. It may be possible in some cases to avoid some of these sub-classes altogether while in some others there may be need to create certain additional sub-classes. Taking the work load and the nature of work into consideration, some departments have been classified as Major and others as Minor. Such distinction could have been avoided if all the existing 'Minor' departments had been merged in some appropriate 'Major' departments, but, such merger may not be practicable administratively and this distinction has, therefore, to continue.

### *Selection Grade and Efficiency Bar*

4.108. The next question that arises is, whether within each sub-classification there should be a selection grade or efficiency bar. The consensus among the witnesses is against both of them. The objection to the selection grade is that more substantial benefits would be derived by a regular promotion to the next higher cadre and that facilities should be created for such promotion. The objection to the efficiency bar is that it would cause harassment and would be vexatious. If the ratio of posts in the higher to the lower cadres could be fixed suitably, employees at the lower levels who have got the necessary qualifications will be enabled, after putting in some reasonable length of service, to move to the next higher cadre and the selection grade which is primarily aimed at securing this result would, in that event, be redundant. But posts in a higher cadre cannot be created unless the work-load and the level of duties and responsibilities attached to the posts concerned justify their creation. When there is no need for posts in a higher cadre the only alternative to avoid stagnation is to create selection grade posts by whatever name they may be called. Likewise, the objection to the introduction of an efficiency bar cannot also be supported. It is possible to lay down conditions under which the suitability of a person to cross the efficiency bar can be determined by application of purely objective tests so as to ensure that no scope is left for nepotism and favouritism. If this is done, there could be no apprehension of harassment or vexation.

### *Technical Services*

4.109. The question of giving suitable starting pay to officers who are highly qualified in technical subjects was raised by several witnesses. There is no insurmountable difficulty in prescribing a suitable pay structure for such posts keeping in view the nature and length of the academic course for acquisition of technical knowledge and the labour and expenditure which one is required to invest while preparing for the requisite degree.

4.110. The Commission has examined the question whether the scales of pay for technical services and non-technical services should be uniform, and if not, what principle should be followed to determine the pay structure for technical and non-technical services. Differing views were expressed by witnesses on this question. Some were of the opinion that there should not be any difference in the determination of scales of pay with reference to technical and non-technical services except for filling up the posts of scientists and technologists, where high specialisation or technical expertise is required.

4.111. Some of the Heads of Departments and technical personnel have been demanding improved scales of pay for certain classes of posts requiring technical qualifications. It has been urged that : (i) the scales of pay for technical services should be higher than those given to the non-technical services as in progressive countries like the U.S.A. and U.S.S.R ; (ii) the scales of pay for Scientists and Technologists should be fixed taking into consideration, the qualifications for recruitment to the posts, the amount of time, money and effort required for

obtaining these qualifications as also the contribution they are expected to make to the economic development of the country; (iii) the incentive required to attract and retain the cream of the intelligentsia in the fields of Science and Technology so that they are kept contented and are enabled to render wholehearted service without the temptation of seeking better offers elsewhere.

4.112. The shortage of technical personnel cannot be attributed only to the alleged inadequacy of remuneration offered by the Government. In fact, more candidates seek admission to technical and professional institutes than they can accommodate. The shortage which the country faced some time ago in respect of Engineers has now been overcome and in fact hundreds of them are now unable to get suitable employment. The shortage of Doctors also is likely to be overcome in the near future. May be that for sometime to come, there would be a shortage of persons who have specialised in agriculture, animal husbandry and allied disciplines. The remedy therefore lies in the rapid expansion of facilities for technical and professional education and training and in some cases arrangement for periodical training/refresher courses within the department itself. It would not be right to raise the scales of pay to meet any temporary shortages except when the remuneration compares so unfavourably with outside rates that Government are not able to get even a reasonable share of the available personnel to meet their administrative needs. It is only in such cases that higher scales of pay will be necessary. Whenever difficulties are experienced in getting suitable persons on the starting salary in the prescribed scale, it is open to the appointing authority to give a higher start within the scale rather than making changes in the scale itself. In the case of persons with exceptional qualifications, it is possible to offer special pay in view of their specialised qualifications. Such a course can adequately meet the situation of shortages wherever found and can also induce merited persons to join the services.

#### *Advance increments for additional qualifications*

4.113. Several officers undergo training or acquire special knowledge after they have entered service. In such cases, it is not possible to have special scales of pay; but the incumbents, who acquire special knowledge or higher qualifications, which would add to the efficiency of their services in the departments concerned, may be given advance increments or qualification pay. What is required in such cases is to recognise their special knowledge or qualification by some extra remuneration. Specific recommendations on how exactly the persons who possess higher qualifications at the time of entry into service should be encouraged, whether by way of advance increments or by way of qualification pay, have been made while dealing with each Department.

#### *Proper job for Specialists*

4.114. It has been brought to the notice of the Commission that some of the officers who have undergone specialised training abroad have been given assignments on their return which have little or no relevance to the special knowledge acquired by them. If this be so, care should be taken to see that at least in future, such special knowledge acquired by those individuals is not wasted and that the

services of such persons are utilised in a proper manner by posting them to the jobs for which they are particularly suited in view of their specialised knowledge. Government should prepare a special list of officers who have received training in specific disciplines and take adequate steps to ensure proper postings, as wrong postings would result in waste of talent and money.

#### *Parity in scales of pay in Technical Departments*

4.115. A special aspect of the demand for equal pay for equal work is a request put forward by various classes of employees for parity with certain other classes of employees on the ground that their qualifications and responsibilities are comparable. For example, the Agricultural graduates while urging for an increase in their scales of pay have demanded the same scales of pay as are applicable to medical or engineering graduates; the veterinary graduates have been equally insistent that their conditions of service should be improved by according them parity of treatment with medical graduates. It must be admitted that as far as technical services are concerned, the degree of expertise varies from one service to another. It may, therefore, be not possible to maintain any horizontal relativity with reference to technical jobs of various Departments.

4.116. This question of parities is indeed one of the most difficult issues faced by the several Commissions which have gone into it from time to time. Although the Commissions have endeavoured to provide fair remuneration to the different classes of employees and sought to ensure that persons with the same qualifications and responsibilities are treated alike, they have been reluctant generally to accept comparisons of the work done by persons in different departments, for, such comparisons are very difficult to establish in practice. Moreover, the utility of the job for the community has also to be taken into account in determining the scales of pay, for instance, of a nurse in a hospital. Though the general qualifications required for the post is only a pass in the S. S. L. C. Examination for the present with training in Nursing, the nurses have been given a scale of pay of Rs. 140—250 which has not been given to clerks with higher qualifications. The request for parities are also very often mutually contradictory. The Commission is, therefore, of the view that undue importance should not be attached to parities as between posts in different departments and that the pay of a post in a department should be fixed with reference to the qualifications and responsibilities attached to it providing for satisfactory differentials between the emoluments as between different grades in the department, without essentially seeking to ensure parity with the corresponding grades in other departments.

4.117. Hence it cannot be said that the scale of pay should be uniform only because the same basic qualification is prescribed for different posts but it has to be determined also on the basis of other factors already mentioned.

#### *Time-Scales of Pay*

4.118. The present pay structure is based on a time scale. The important points to be considered in the time scale are the length of the time scale, the period and the rate of increment, the ratio, if any, between the minimum and the

maximum of the scale and the desirability of introducing an Efficiency Bar. Incremental time scale is provided on the principle that as an employee grows in age, he has to meet greater responsibilities and even if an employee continues in the same grade and is not promoted, his work, improves in quality and efficiency with seniority. The pay structure has to provide for entry grades as well as for promotional grades. An entry grade has to provide for a reasonably long service in that grade and as such there would have to be a time scale having a long span ; but, for purely promotional grades, the span need not be so long.

4.119. There are, however, posts which are both an entry grade for persons with higher qualifications and a promotional grade for persons who though equally qualified had to join service at a lower level for want of opportunity of joining service at the higher level and for persons with lower qualifications who had necessarily to join service at a lower level. A direct recruit who does not get his promotion will remain at the maximum of the scale for a long period and will feel frustrated if the scale is a short one ; at the same time, a promotee who naturally enters the scale late in life will not reach his maximum well before his retirement if the scale is too long. A compromise has, therefore, to be struck in such cases.

4.120. The Varadachariar Commission has also observed that the longer time scale is suitable for entry grade and shorter one for promotional grade but that this principle need not be applied to the "bottom" grades of the public services where the work does not improve in quality with the lapse of time.

4.121. The Central Pay Commission (1957-59), while generally agreeing with this view felt that deterioration might set in if there is no economic incentive to keep the employees in the lower rungs interested in their work. In order to provide such incentive, it recommended in a number of cases that certain percentage of posts in the grade, usually 10 per cent, should carry higher scales of pay (though there may be no appreciable change in the duties,) these posts being termed Selection Grade posts.

4.122. Length of time in pay scales cannot be identical for all services and posts. In certain services and posts, employees are recruited at the advanced age on the basis of previous experience or higher qualifications coupled with practical experience extending over a specified period, *viz.*, technical or specialised posts. In such cases, longer scales of pay will not be appropriate.

### *Increments*

4.123. The maximum of the incremental scale has to be fixed with due regard to the duties and responsibilities of posts and qualifications required of the incumbents for such posts. The ratio between the maximum and the minimum of the scale depends on the length of the scale. There cannot be a rigid formula nor can there be a fixed multiple. The span depends on the type of the class or post for which the scales are framed. The amounts of increments and intervals between them are determined in the light of the length of the time scale and also the difference between the minimum and the maximum. The amounts of increments should be bigger in the middle and the closing period of service as compared to

the initial period. The amount of increment should increase at successive stages right up to the end as an employee should be able to meet the family expenses which continue to grow during the later period of service. The increments should be annual as at present, as these are beneficial for pension and leave salary and are preferred by the employees.

4.124. The Employees' Associations have stated that (i) increments in most of the scales are low, viz., Re. 1 for Class IV employees and in rare cases Rs. 2; (ii) with regard to a large number of jobs such as II Division Clerks, Primary School Teachers etc., the increments at the commencement of the scale are of Rs. 3 and such meagre increments do not serve the purpose of providing incentives to the employees; (iii) for Class IV employees, the increment even at the commencement of the scales should not be less than Rs. 2 and for Class III employees not less than Rs. 5. Class IV employees are either unskilled or semi-skilled workers and the quality of their work will not generally improve with experience. Strictly construed in terms of the output of work they should get only fixed wages and not a running scale of pay. Since, however, all posts under Government carry running scales of pay resulting in increase in the emoluments with the passage of time to compensate the employees for the increasing personal responsibilities which they have to shoulder, such scales of pay have been devised even for Class IV officers. It is, therefore, inevitable that the rate of increment should be low. Taking into consideration the representation that has been made, the Commission has recommended later in this Chapter a scale of pay which would give them an annual increment of Re. 1 in the initial stages and of Rs. 2 in the later stages of the scale. The representation has thus been met in part. Class III employees at the lower stages are in a slightly better position than the Class IV employees in so far as increase in efficiency with experience is concerned, but the change is not so significant as to justify the grant of substantial increments particularly at the commencement of their service. It is, therefore, inevitable that at the initial stage of their careers the rates of increment have necessarily got to be low. The request of the Association that the increments should be as much as Rs. 5 for such employees cannot be granted. These officials will, in the normal course, get promoted to higher posts after some time and the rates of increments have been fixed suitably in respect of the higher posts.

#### *Overlapping Scales*

4.125. Some of the Employees' Associations have also suggested that there should be appreciable monetary benefit on promotion as the promotees will have to bear increased responsibilities of the higher posts. It has also been suggested that as far as possible, the scales of pay should not be telescopic, that is, the minimum of the higher grade should not be less than the maximum of the lower grade and that promotion from one grade to another should normally result in an increase of about 20% of the maximum in the lower grade. When two scales are provided, one an entry scale and the other a promotional scale, overlapping is inevitable unless short scales are provided even for the entry grade. Besides longer scales are necessary to meet the needs of individuals who

do not get promotion to the next higher post. The recent amendment to the Mysore Civil Services Rules provides for fixation of the pay of promotees at a suitable stage in the higher scale of the promotional post and this provision meets the requirements of the situation fully.

### *Number of Scales*

4.126. One of the main points of criticism urged against the existing pay structure in the State is that there are too many scales and they admit of considerable simplification and rationalisation. Suggestions have also been made to bring down the number of scales of pay to less than ten.

4.127. At present, there are 108 scales of pay in the State. They have now been grouped together under 27 scales keeping in view of the various principles enunciated above. The Commission has tried to bring different posts carrying more or less the same responsibilities under common scales of pay.

4.128. The principle which has been indicated in the first part of this Chapter in determining the additional basic pay and dearness allowance in respect of Class IV officers has been extended to cover all the scales of pay. The subjoined statement indicates the scales of pay and the additional basic pay. As already indicated the only variable factor would be the dearness allowance, which at any "pay point" would be equal to the difference between the Dearness Allowance as given by the Government of India to their employees in the relevant pay range and the additional basic pay as recommended now.

Sl. No.	New scales of pay evolved	Additional Basic pay.
(1)	(2)	(3)
1	1,300—60—1,600—50—1,800 Selection Grade : 1,800—100—2,000	55
2	1,100—50—1,300—60—1,600 Selection Grade : 1,600—50—1,800	55
3	1,000—50—1,500	55
4	900—40—1,100—50—1,300	55
5	800—40—1,000—50—1,200	55
6	700—40—900—50—1,200	70
7	600—40—1,000	70
8	500—30—650—40—850—EB—50—1,000	70
9	450—30—660—EB—40—900	70
10	400—30—700—EB—40—900	70
11	350—25—600—30—780—EB—40—900	70
12	300—25—550—EB—30—700	70
13	275—20—375—EB—25—525	85
14	250—10—300—15—420—EB—20—500	80
15	225—10—305—15—350—EB—20—450	80
16	200—10—280—15—370—EB—20—450	80

(1)	(2)	(3)
17	200—10—300—15—450—EB—25—550	80
18	175—10—275—15—350—EB—20—450	80
19	170—5—180—8—220—EB—10—300	80
20	140—5—150—8—190—EB—10—260—15—290	80
21	130—5—170—6—200—EB—10—240	65
22	110—4—130—5—170—EB—6—200	65
23	95—3—125—4—145—EB—5—200	50
24	85—2—95—3—125—EB—4—145	50
25	80—2—90—3—120—4—140	50
26	65—1—75—2—95	35
27	60—1—80—2—90	35

4.129. The Commission has suggested selection grade scales for the first two scales of pay. These scales of pay will apply to the posts in the selection grade where the Commission has specifically recommended creation of such posts in specified departments. In the absence of such specification discretion shall vest in the State Government to grant pay in the selection grade to an officer who has reached the maximum of the time-scale.

#### *Effective date for Revised Scales*

4.130. Some of the employees and service Associations have requested that the Pay Commission's recommendations in respect of revision of scales of pay should be given effect to retrospectively with effect from the date on which the Commission was appointed, viz. 17th November 1966 or from 1st January 1967. Taking into account the facts that the Commission has recommended the grant of interim relief from time to time to compensate the employees for the increase in the cost of living subsequent to the date of appointment of the Commission and that Government has accepted and implemented those recommendations, the Commission is of the view that the ends of justice would be met if the scales as now proposed are given effect to from 1st November 1968.

#### *Weightage*

4.131. Many of the Associations have urged that while giving effect to the revised scales of pay, due weightage should be given for the years of service put in by them so as to ensure that the employees who have put in longer service are not at a disadvantage as compared to the new entrants or freshers. The Non-Gazetted Officers' Association has requested for weightage at the rate of one increment for every two years of service, while the Secretariat Association and some employees have requested for fixation of pay on the principle of 'point to point' fixation as recommended by the Second Central Pay Commission.

4.132. While sanctioning the revision of scales of pay in 1957, the State Government had given service weightage at the rate of two increments for three years of completed service and three increments for six years of completed service or above, subject to the condition that the benefits accruing should be limited to



a ceiling of Rs. 30 per month in the case of non-gazetted officers and Rs. 25 per month in the case of gazetted officers. Officers drawing a salary of Rs. 800 and above were not allowed such weightage except for marginal adjustments. In the revision of scales of pay during 1961, a portion of Dearness Allowance was merged as part of pay and treated as 'present pay' and the pay of each of the officials who were drawing less than Rs. 500 was fixed at a stage next above their pay after merging a portion of the Dearness Allowance so as to confer a minimum benefit of Rs. 25. Stagnation increment was also allowed to those employees whose revised pay did not exceed Rs. 300 per month and whose total period of service was not less than 25 years on the 1st January 1961.

4.133. The revision of the pay-scales in the lower level and the rationalisation of pay-scales are bound to result in reasonable benefits to the employees. Besides, 108 scales have been amalgamated into 27 scales in such a way that Officers brought under the new relevant scales are bound to receive some further benefit. The Commission feels that giving of further weightage would impose unnecessary additional burden on the State Exchequer. The Commission, however, considers that even so, some additional benefit should be given to persons who have put in long service in a particular grade.

4.134. The term 'point to point' fixation, as observed by the Second Central Pay Commission, "implies comparison of the pay admissible at the present stage of an employee's service in the grade, and fixation of pay on the revised scale at the stage corresponding to the one reached on the present scale." The Commission after examining the implications of the formula in relation to the scales of pay now recommended, feels that the initial pay of an employee who has been brought over to the revised scale of pay assigned to his post may be fixed on the 'point to point' basis subject to the following limitations :

- (1) in no case should the re-fixation of pay in the revised scale result in reduction of emoluments.
- (2) in all cases the increase over the "present pay" consequent on the re-fixation of pay in the revised scale should neither be less than the amount specified in column 2 nor more than the amount specified in column 3 of the subjoined table.

Notwithstanding what is aforesaid, the minimum increase over the existing pay shall be at least an amount equal to one increment in the revised scale.

	Minimum	Maximum
In respect of posts the maximum of the revised scale of pay of which does not exceed Rs. 150. ....	10	15
exceeds Rs. 150 but does not exceed Rs. 300 ....	15	30
exceeds Rs. 300 but does not exceed Rs. 500 ....	20	40
exceeds Rs. 500 ...	25	50

*Note :* This benefit should also be available to officials who prefer to retain their existing scales of pay and to officials whose scales of pay are not revised, treating the existing scales of pay as the "revised scales" for this purpose.

*Exception :*

4.135. Where the difference between the minimum of the revised scale and the present pay exceeds the limit specified in column 3, the official may be given the minimum of the revised scale.

*Explanation :*

- I. If the Government accept the recommendations of the Commission for the abolition of special pay and conveyance allowance for certain posts and the non-practising allowance, the term 'present pay' shall include for the purposes of fixation of pay in the revised scale—
  - (a) special pay in cases in which such special pay is attached to all the posts in a particular cadre (as for example, the officers of the Secretariat).
  - (b) conveyance allowance in cases in which such allowance is attached to isolated posts or to all the posts in a particular cadre (as for example, officers of the Flying Training School).

and

  - (c) non-practising allowance drawn by officers of the department of Health and Family Planning Services.
- II. The expression "point-to-point" fixation shall mean fixation of pay in the revised scale applicable to an officer by adding to its minimum a number of increments equal to the number of years of his service in that cadre.
  - (3) 'Advance increments' already sanctioned in consideration of additional qualifications may be excluded in computing the 'present pay' for fixation of pay in the revised scale. Such official may add an equal number of increments in the revised scale to his pay so fixed.
  - (4) In any case when the pay in the revised scale on the basis of 'point-to-point' fixation falls between any two stages in such scale, the pay may be fixed at the lower stage and the difference may be allowed as personal pay to be absorbed in future increments.

4.136. In making the aforesaid recommendations regarding the fixation of pay, the Commission has given anxious consideration to the various methods of fixation adopted by the different Pay Commissions in the country including the Central Pay Commissions. The first reason for recommending 'point to point' fixation of salary in the revised scale is that the scales of pay in the Mysore State are generally low as compared with those obtaining in most of the other States. The second reason is that officers who have been allotted from the former States of Bombay and Andhra (Hyderabad area) came with higher scales of pay while those of the old Mysore area were getting lower scales. The disparities in the scales of pay of these officials still continue, in spite of the two revisions. The Commission, therefore, considers that it is necessary that there should be equality, as far as possible, in the scales of pay of officials working in the same cadre of different services. The third reason is that there has been further revision in the present

State of Maharashtra; and the Andhra Pradesh Commission constituted for the revision of pay scales has also submitted its Report. The scales of pay in Maharashtra have been further revised to still higher scales. The allottees compare themselves naturally with their erstwhile colleagues who have been working in their parent State and feel disappointed if the disparity in the scales of pay in their parent State and the State of Mysore is considerable. With a view to minimise the disparity, the Commission has suggested that the officials should get at least the minimum benefit indicated in para 135. The Commission is conscious of the fact that the 'point-to-point' fixation imposes a heavier burden on the State than recommendation of a scheme for granting weightage. But the aforesaid reasons have inclined the Commission to recommend the scheme of 'point-to-point' fixation so as to reduce, to the extent possible, the feeling of dissatisfaction prevalent amongst the employees of the State.

4.137. The Commission is aware that 'point-to-point' fixation would involve an initially heavy burden on the State Exchequer. In order to minimise such burden, the Commission has proposed certain limits to the benefits which the employees become entitled to on fixation of their pay in the revised scales. It is possible that the employees might consider the ceilings to be arbitrary operating very much to their disadvantage. It may be pointed out that these ceilings are much higher than those imposed by the Second Central Pay Commission in the case of Class III and Class IV employees who form the bulk of the staff. It is needless to add that the principle of 'point-to-point' fixation is more advantageous to the employees generally than the principle of awarding weightage. It is hoped that the interests of the employees as also of the State would be sufficiently safeguarded by the method suggested for fixation of pay. A few examples in regard to fixation of pay on the 'point-to-point' basis are given separately in the appended Note at pages 190-199.

4.138. Some Government servants did not opt either to the 1957 or the 1961 scales of pay but continued to draw their pay in the old scales. In such cases, a portion of their dearness allowance was converted into Dearness Pay till they were promoted to higher posts, and, the Dearness Pay was taken into consideration for all purposes except for that of fixation of initial pay in the scale of pay for the promotional cadre. It was represented to the Commission that absence of a rule providing for counting of Dearness Pay for purposes of fixation of initial pay on promotion resulted in hardship and in many cases in monetary loss. It is seen, however, that Government have issued separate orders in individual cases, as for instance, their Order No. GAD 7 ASR 67, dated 5th/6th January 1968 directing that the Dearness Pay should be counted as pay for fixation of initial pay on promotion. In doing so, Government appear to have been guided by the principle that on promotion, there should not be any loss in total emoluments. The Commission considers that instead of issuing orders in individual cases, a suitable general rule based on this principle should be issued as a modification to the Revised Pay Rules 1961, so as to confer uniform benefit in all such cases.

4.139. Similar problems may arise in the application of the scales of pay now proposed by the Commission. In such cases, persons who have not opted to any of the revised scales of pay should be given the benefit of the 'Dearness Pay' being counted for purposes of fixation in the new scales of pay.

**Examples showing the Method of Fixation of Pay in the Revised Scales of Pay.**

NOTE:—Reference to "length of service" in all the examples is to the completed years of service in the cadre.

**Example 1**

A Dalayat/Peon is drawing a pay of Rs. 53 in the scale of pay of Rs. 50-1-60 and has completed a service of 3 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. According to the principle of 'point-to-point' fixation, his pay in the revised scale would be Rs. 63, after giving him 3 increments in the scale. The benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 10. As the minimum increase to which the official is entitled is Rs. 10, his pay in the revised scale would have to be fixed at Rs. 63.

**Example 2**

A Watchman is drawing a pay of Rs. 60 in the scale of pay of Rs. 50-1-60 and has completed a service of 10 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. According to the principle of 'point-to-point' fixation, his pay in the revised scale would be Rs. 70 after giving him 10 increments in the scale. The benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 10. As the minimum increase to which he is entitled is Rs. 10, his pay in the revised scale would have to be fixed at Rs. 70.

**Example 3**

A Sweeper is drawing a pay of Rs. 60 in the scale of pay of Rs. 50-1-60 and has completed a service of 12 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. According to the principle of 'point-to-point' fixation, his pay in the revised scale would be Rs. 72 after giving him twelve increments in the scale. The benefit accruing to the official on account of fixation of pay is Rs. 12. As this more than the minimum increase viz; Rs. 10 to which he is entitled but less than the maximum limit of Rs. 15 admissible to him, his pay in the revised scale would have to be fixed at Rs. 72.

**Example 4**

A Cycle Orderly is drawing a pay of Rs. 60 which is the maximum in the scale of pay of Rs. 50-1-60 and has completed a service of 22 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. According to the principle of 'point to point' fixation, his pay in the revised scale would be

Rs. 84 after giving him 22 increments in the scale. The benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 24. As this is more than the maximum limit of Rs. 15 applicable to the scale, the pay of the official would have to be fixed at Rs. 75 (*i.e.*, Rs. 60 + Rs. 15 which is the maximum increase admissible).

#### Example 5

A Mali is drawing a pay of Rs. 63 in the scale of pay of Rs. 60-1-70-2-90 and has completed a service of 3 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. If the official opts to the revised scale of pay, his pay in the revised scale would be Rs. 63 on the 'point to point' basis after giving him 3 increments in the scale. As, obviously, the official does not get any benefit on account of the fixation of pay in the revised scale, he would be entitled to the benefit of the minimum increase of Rs. 10. The pay of the official in the revised scale would, therefore, have to be fixed at Rs. 73.

Alternatively, if the official prefers to retain his existing scale of pay, that scale itself would be treated as the revised scale and his pay in the scale would be fixed at Rs. 63 on the 'point to point' basis, after giving him 3 increments. As the official does not get any benefit on account of the fixation of pay as indicated above, he would be entitled to the benefit of minimum increase of Rs. 10. The pay of the official would, therefore, have to be fixed at Rs. 73 (*i.e.*, Rs. 72 plus a personal pay of Re. 1 to be absorbed in the next increment in the existing scale namely, Rs. 60-1-70-2-90.)

#### Example 6

A Mali is drawing a pay of Rs. 84 in the scale of pay of Rs. 65-1-70-2-90 and has completed a service of 12 years in the cadre. The scale of pay for this post has been revised as Rs. 60-1-80-2-90. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 72 after giving him 12 increments in the scale. As the official does not get any benefit on account of fixation of pay in the revised scale, he would be entitled to the benefit of the minimum increase of Rs. 10 applicable to the scale. The pay of the official in the revised scale would, therefore, have to be fixed at Rs. 84 + 10 = Rs. 94 (*i.e.*, Rs. 90 plus a personal pay of Rs. 4. This would be absorbed on his promotion to the next higher cadre.)

#### Example 7

A Jamedar is drawing a pay of Rs. 90 in the scale of pay of Rs. 70-2-90 and has completed a service of 12 years in the cadre. The scale of pay for this post has been revised as Rs. 85-2-95-3-125-EB-4-145. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 116 after giving him 12 increments. As the benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 26, which is more than the maximum limit of Rs. 15 applicable to the scale, the pay of the official would have to be fixed at Rs. 90 + 15 = Rs. 105 (*i.e.*, Rs. 104 plus a personal pay of Re. 1 to be absorbed in the next increment).

**Example 8**

An Attender is drawing a pay of Rs. 67 in the scale of pay of Rs. 65-2-85 and has completed a service of one year in the cadre. The scale of pay for this post has been revised as Rs. 85-2-95-3-125-EB-4-145. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 87, after giving him one increment in the scale. As the benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 20, which is more than the maximum limit of Rs. 15 applicable to the scale, his pay in the revised scale should have been fixed at Rs. 82 (Rs. 67+15). But, since the minimum of the scale itself is higher being Rs. 85, the pay of the official would have to be fixed at Rs. 85.

**Example 9**

A Second Division Clerk is drawing a pay of Rs. 150 in the scale of pay of Rs. 80-3-110-4-130-5-150 and has completed a service of 20 years in the cadre. The scale of pay for this post has been revised as Rs. 95-3-125-4-145-EB-5-200. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 170 after giving him 20 increments. As the benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 20, which is more than the minimum benefit (Rs. 15) to which he is entitled and within the maximum limit of Rs. 30 applicable to the scale, his pay in the revised scale would have to be fixed at Rs. 170. (Rs. 150+20).

**Example 10**

A Second Division Clerk is drawing a pay of Rs. 98 in the scale of pay of Rs. 80-3-110-4-130-5-150 and has completed a service of 2 years in the cadre. Out of his present pay of Rs. 98, Rs. 12 represents 4 advance increments sanctioned to the official for having become a graduate. The scale of pay for this post has been revised as Rs. 95-3-125-4-145-EB-5-200. For purposes of fixation of his pay in the revised scale, his present pay would have to be taken as Rs. 86 excluding the 4 advance increments amounting to Rs. 12. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 101 after giving him 2 increments in the scale. The benefit accruing to the official on account of pay fixation in the revised scale is Rs. 15 which is equal to the minimum benefit to which he is entitled and is within the maximum limit of Rs. 30 applicable to the scale. After fixing his pay at Rs. 101 in the revised scale, 4 advance increments will have to be added on account of the additional qualifications acquired. The pay of the official in the revised scale would, therefore, have to be fixed at Rs. 101+12=Rs. 113.

**Example 11**

An Assistant/First Division Clerk is drawing a pay of Rs. 150 in the scale of pay of Rs. 130-5-150-8-190-10-270 and has completed a service of 4 years in the cadre. The scale of pay for this post has been revised as Rs. 170-5-180-8-220-EB-10-300. According to the principle of 'point to point' fixation, his pay in the revised scale

would be Rs. 196 after giving him 4 increments in the scale. The benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 46. But, as it is more than the maximum limit of Rs. 30 applicable to the scale, the pay of the official in the revised scale would have to be fixed at 180. (Rs. 150 + Rs. 30.)

#### Example 12

A First Division Clerk/Assistant is drawing a pay of Rs. 270 in the scale of pay of Rs. 130—5—150—8—190—10—270 and has completed a service of 12 years in the cadre. The official is drawing Rs. 270 in the existing scale which is more than 12 increments. This is due to the fact that some benefits have accrued to the official on account of pay revisions in the years 1957 and 1961. The scale of pay for this post has been revised as Rs. 170—5—180—8—220—EB—10—300. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 270 after giving him 12 increments in the scale. As the official does not get any benefit on account of fixation of pay as indicated above, he would be eligible for the minimum increase of Rs. 15 applicable to the scale. The initial pay of the official would, therefore, have to be fixed at Rs. 285 (*i.e.*, Rs. 280 plus a personal pay of Rs. 5 to be absorbed in the next increment).

#### Example 13

A Deputy Accountant is drawing a pay of Rs. 280 (pay Rs. 270 plus a stagnation increment of Rs. 10) in the scale of pay of Rs. 150—8—190—10—270 and has completed a service of 4 years in the cadre. The official is drawing Rs. 270 in the existing scale which is more than 4 stages, due to the fact that some benefits have accrued to him on account of promotion from the lower cadre. He is also drawing a stagnation increment of Rs. 10 as he satisfies the criteria prescribed for the grant of the stagnation increment. The scale of pay for this post has been revised as Rs. 175—10—275—15—350—EB—20—450. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 215 after giving him 4 increments in the scale. The official does not get any benefit on account of fixation of pay in the revised scale. But, as he is entitled to a minimum benefit of Rs. 20, the pay of the official would have to be fixed at Rs. 280 + 20 = Rs. 300 (*i.e.*, Rs. 290 plus a personal pay of Rs. 10 to be absorbed in the next increment).

#### Example 14

A Selection Grade Stenographer is drawing a pay of Rs. 250 in the scale of pay of Rs. 200—10—280—15—355—20—415 and has completed a service of 3 years in the cadre. The scale of pay for this post has been revised as Rs. 250—10—300—15—420—EB—20—500. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 280 after giving him 3 increments in the scale. As the benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 30, which is more than the minimum benefit of Rs. 20 to which he is entitled and within the maximum limit of Rs. 40 applicable to the scale, his pay in the revised scale would have to be fixed at Rs. 280. (Rs. 250 + Rs. 30.)

**Example 15**

A Judgement Writer is drawing a pay of Rs. 220 in the scale of pay of Rs. 150—10—260—15—350—25—500 and has completed a service of 7 years in the cadre. The scale of pay for this post has been revised as Rs. 250—10—300—15—420—EB—20—500. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 330 after giving him 7 increments in the scale. The benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 110, which is more than the maximum limit of Rs. 40 applicable to the scale. The pay of the official in the revised scale would, therefore, have to be fixed at Rs. 220 + Rs. 40 = Rs. 260.

**Example 16**

A Superintendent is drawing a pay of Rs. 250 in the scale of pay of Rs. 220—10—320—15—440 and has completed a service of 3 years in the cadre. The scale of pay for this post has been revised as Rs. 250—10—300—15—420—EB—20—500. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 280, after giving him 3 increments in the scale. As the benefit accruing to the official on account of fixation of pay in the revised scale is Rs. 30, which is more than the minimum benefit of Rs. 20 to which he is entitled and is within the maximum limit of Rs. 40 applicable to the scale, his pay in the revised scale would have to be fixed at Rs. 280 (Rs. 250 + Rs. 30).

**Example 17**

A Lecturer in the Department of Collegiate Education is drawing a pay of Rs. 375 in the scale of pay of Rs. 300—25—600 and has completed a service of 3 years in the cadre. The scale of pay for this post has been revised as Rs. 300—25—550—30—700. According to the principle of 'point to point' fixation, his pay in the revised scale would also be Rs. 375 after giving him 3 increments in the scale. As the officer does not get any benefit on account of fixation of pay as indicated above, he would be eligible for the minimum increase of Rs. 25 applicable to the scale, which is also equal to one increment in the revised scale. The pay of the officer would, therefore have to be fixed at Rs. 375 + 25 = 400 in the revised scale.

**Example 18**

A Section Officer/Assistant Director/Tahsildar is drawing a pay of Rs. 310 in the scale of pay of Rs. 250—20—350—25—500 and has put in a service of less than one year in the cadre. His pay has been fixed at Rs. 310 in the existing scale on his promotion from the lower cadre. The scale of pay for this post has been revised as Rs. 275—20—375—EB—25—525. According to the principle of 'point to point' fixation, his pay in the revised scale would be the minimum of the scale, namely, Rs. 275 as he has put in a service of less than one year in the cadre. The officer, therefore, does not get any benefit on account of fixation of pay in the revised scale. But, as he is entitled to a minimum increase of Rs. 25 over his present pay (310), the pay of the Officer would have to be fixed at Rs. 310 + 25 = 335.



### Example 19

An Assistant Controller is drawing a pay of Rs. 375 in the scale of pay of Rs. 350—25—650—30—800 and has put in a service of less than one year in the cadre. His pay has been fixed at Rs. 375 in the existing scale on his promotion from the lower cadre. The scale of pay for this post has been revised as Rs. 400—30—700—EB—40—900. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 400, which is the minimum of the scale. The benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 25. But, as he is entitled to a minimum increase over the existing pay, of an amount equal to one increment in the revised scale, *i.e.*, Rs. 30 in the present case, the pay of the Officer would have to be fixed at  $\text{Rs. } 375 + 30 = \text{Rs. } 405$  (*i.e.*, Rs. 400 plus a personal pay of Rs. 5 to be absorbed in the next increment).

### Example 20

An Assistant Director of Horticulture is drawing a pay of Rs. 425 in the scale of pay of Rs. 275—20—375—25—600 and has completed a service of 3 years in the cadre. The officer is drawing Rs. 425 in the existing scale, which is more than 3 increments due to the fact that some benefits have accrued to him on account of his promotion from the lower cadre. The scale of pay for this post has been revised as Rs. 300—25—550—30—700. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 375 after giving him 3 increments in the scale. The Officer does not get any benefit on account of fixation of pay in the revised scale. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale, *i.e.*, Rs. 25 in the present case, the pay of the officer would have to be fixed at  $\text{Rs. } 425 + 25 = \text{Rs. } 450$ . It is also to be observed in this connection that the minimum benefit applicable to the scale is also Rs. 25.

### Example 21

An Under Secretary to Government is drawing a pay of Rs. 800 in the scale of pay of Rs. 350—25—650—30—800 plus a Special pay of Rs. 75 per month and has put in a service of 13 years in the cadre. The officer is drawing Rs. 800 in the existing scale which is more than 13 increments, due to the fact that some benefits have accrued to him on account of pay revisions in the years 1957 and 1961. The scale of pay for this post has been revised as Rs. 450—30—660—EB—40—900 and no Special pay is attached to the post. According to the principles of fixation, Special pay of Rs. 75 should be included in the present pay of the incumbent. The present pay of the officer would, therefore, be  $\text{Rs. } 800 + 75 = 875$ . According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 900 after giving him 13 increments in the scale. The benefit accruing to the officer on account of fixation of pay in the revised scale is Rs. 25. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale, *i.e.*, Rs. 40 in the present case, the pay

of the officer would have to be fixed at Rs.  $875 + 40 = 915$ . As this is more than the maximum of the revised scale, his pay would have to be fixed at Rs. 900 plus a personal pay of Rs. 15 to be absorbed on his promotion to the next higher cadre.

### Example 22

An Under Secretary to Government is drawing a pay of Rs. 740 in the scale of pay of Rs. 350—25—650—30—800 plus a special pay of Rs. 75 and has put in a service of 7 years in the cadre. His present pay of Rs. 740 is more than 7 stages in the existing scale on account of the protection given under the States Reorganisation Act, as he is an allottee from the former Bombay State. The scale of pay for this post has been revised as Rs. 450—30—660—EB—40—900 and no special pay is attached to the post. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 660, after giving him 7 increments in the scale. The Officer, obviously, does not get any benefit on account of fixation of pay in the revised scale. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale, *i.e.*, Rs. 40 in the present case, the pay of the Officer would have to be fixed at Rs.  $815 + 40 = \text{Rs. } 855$  (*i.e.*, Rs. 820 plus a personal pay of Rs. 35 to be absorbed in the next increment).

### Example 23

A Deputy Secretary to Government is drawing a pay of Rs. 760 in the scale of pay of Rs. 600—40—1,000 plus a special pay of Rs. 100 and has completed a service of 2 years in the cadre. His pay has been fixed at Rs. 760 in the existing scale, on his promotion from the cadre of Under Secretary. The scale of pay for this post has been revised as Rs. 900—40—1,100—50—1,300 and no special pay is attached to the post. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 980 after giving him 2 increments in the scale. The benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 120. As this is more than the maximum limit of Rs. 50 applicable to the scale, the pay of the Officer in the revised scale would have to be fixed at Rs.  $860 + 50 = 910$  (*i.e.*, Rs. 900 plus a personal pay of Rs. 10 to be absorbed in the next increment).

### Example 24

An Assistant Professor in a Medical College is drawing a pay of Rs. 500 in the scale of pay of Rs. 450—25—750—30—900 plus a non-practising allowance of Rs. 100 per month and has completed a service of 2 years in the cadre. The scale of pay for this post has been revised as Rs. 600—40—1,000. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 680 after giving him 2 increments in the scale. It has to be observed in this connection that for purposes of fixation of pay in the revised scale, the non-practising allowance of Rs. 100 should be included in his present pay. His present pay, therefore, would be Rs.  $500 + \text{Rs. } 100 = \text{Rs. } 600$ . As the benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 80, which is more

than the maximum limit of Rs. 50 applicable to scale, the pay of the Officer in the revised scale would have to be fixed at Rs.  $600 + 50 = \text{Rs. } 650$  (*i.e.*, Rs. 640 plus a personal pay of Rs. 10 to be absorbed in the next increment).

#### Example 25

An Assistant Flying Instructor is drawing a pay of Rs. 1,050 in the scale of pay of Rs. 800—40—1,000—50—1,100 plus a Conveyance Allowance of Rs. 75 per mensem and has completed a service of 6 years in the cadre. The scale of pay for this post has been revised as Rs. 900—40—1,100—50—1,300. His present pay for purposes of fixation of pay in the revised scale should include the Conveyance Allowance of Rs. 75 also, *i.e.*, his present pay would be Rs.  $1,050 + 75 = \text{Rs. } 1,125$ . According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 1,150 after giving him 6 increments in the scale. The benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 25. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale, *i.e.*, Rs. 50 in the present case, the pay of the Officer would have to be fixed at Rs.  $1,125 + 50 = \text{Rs. } 1,175$  (*i.e.*, Rs. 1,150 plus a personal pay of Rs. 25 to be absorbed in the next increment).

#### Example 26

A Professor of the Ayurvedic College is drawing 720 in the scale of pay of Rs. 600—40—1,000 and has completed a service of 3 years in the cadre. The scale of pay for this post has not been revised. According to the principles of fixation, the existing scale, namely, Rs. 600—40—1,000 would itself be treated as the revised scale. According to the principle of 'point to point' fixation, his pay in the existing scale which is treated as the revised scale would also be Rs. 720 after giving him 3 increments in the scale. The Officer, obviously does not get any benefit on account of fixation of pay in the revised scale. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale *i.e.*, Rs. 40 in the present case, the pay of the Officer would have to be fixed at Rs.  $720 + \text{Rs. } 40 = \text{Rs. } 760$ .

#### Example 27

A Civil Surgeon/Executive Engineer is drawing a pay of Rs. 600 in the scale of pay of Rs. 600—40—1,000 and has put in a service of less than one year in the cadre. The scale of pay for this post has been revised as Rs. 700—40—900—50—1,200. According to the principle of 'point to point' fixation, his pay in the revised scale would be the minimum of the scale namely, Rs. 700 as he has put in a service of less than one year in the cadre. The benefit accruing to the officer on account of fixation of pay in the revised scale is Rs. 100, which is more than the maximum limit of Rs. 50 applicable to the scale. However, as the increase (Rs. 100) represents the difference between the minimum of the revised scale and the present pay, the limit mentioned above will not be applicable in this case. The pay of the officer in the revised scale, would, therefore, have to be fixed at Rs. 700.

**Example 28**

A Head of a Department of Government is drawing a pay of Rs. 1,600 in the scale of pay of Rs. 1,300—50—1,800 and has completed a service of 3 years in the cadre. The Officer is drawing Rs. 1,600 in the existing scale which is more than 3 stages due to the fact that some benefits have accrued to him on account of protection afforded to him under the States Reorganisation Act, 1956. The scale of pay for this post has been revised as Rs. 1,300—60—1,600—50—1,800. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 1,480, after giving him 3 increments. The Officer does not get any benefit on account of fixation of pay in the revised scale. But, as the minimum increase over the existing pay should be at least an amount equal to one increment in the revised scale *i.e.*, Rs. 60 in the present case, the pay of the Officer would have to be fixed at Rs.  $1,600 + 60 = 1,660$  (*i.e.*, Rs.  $1,650 +$  a personal pay of Rs. 10 to be absorbed in the next increment). It has to be observed in this connection that increment in the revised scale would mean the increment applicable at the stage at which his pay has to be fixed on the 'point to point' basis.

**Example 29**

A Head of a Department of Government is drawing a pay of Rs. 1,100 in the scale of pay of Rs. 800—40—1,000—50—1,100 and has completed a service of 7 years in the cadre. The Scale of pay for this post has been revised as Rs. 1,100—50—1,300—60—1,600. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 1,480, after giving him 7 increments in the scale. The benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 380, which is more than the maximum limit of Rs. 50 applicable to the scale. However, as the Officer is eligible for the minimum increase over the existing pay equal to an amount of one increment in the revised scale, *i.e.*, Rs. 60 in the present case, the pay of the officer would have to be fixed at Rs.  $1,100 + 60 = 1,160$  (*i.e.*, Rs.  $1,150 +$  a personal pay of Rs. 10 to be absorbed in the next increment).

**Example 30**

An Officer is drawing a pay of Rs. 1,300 in the senior scale of the Mysore Administrative Service namely, Rs. 900—40—1,100—50—1,300 and has completed a service of 9 years in the cadre. The scale of pay for this post has been revised as Rs. 1,100—50—1,300—60—1,600. According to the principle of 'point to point' fixation, his pay in the revised scale would be Rs. 1,600 after giving him 9 increments in the scale. The benefit accruing to the Officer on account of fixation of pay in the revised scale is Rs. 300, which is more than the maximum limit of Rs. 50 applicable to the scale. However, as the Officer is eligible for the minimum increase over the existing pay equal to an amount of one increment in the revised scale, *i.e.*, Rs. 60 in the present case, the pay of the officer would have to be fixed at Rs.  $1,300 + 60 =$  Rs. 1,360.

*(iii) Common Scales of Pay*

4.140. The scale of pay for each post would have to be determined with reference among others to the qualifications prescribed for recruitment to the post, the duties and responsibilities attached thereto and the importance of the job for the community. The Commission has followed these principles and has determined in the relevant Chapters the scales of pay applicable to the several posts which are peculiar to each Department. It has happened on previous occasions when there were general revisions of scales of pay that the scales of pay for some posts were not revised as the Departments concerned did not furnish the requisite data in relation to such posts to Government and/or the Pay Revision Committees. Even though the Commission hopes that no post has been overlooked on this occasion, it is possible that some may not have, in fact, been brought to its notice and consequently the scales of pay covered by these recommendations may not expressly apply to them. It is suggested that in such an event, Government may revise the scales of pay for such posts bearing in mind the principles enunciated by the Commission.

4.141. There are, however, several posts which are common to all the Departments or are common to more than one Department and their scales of pay would have to be uniform irrespective of the Department in which the employees might be working. The Commission considers that it would be more convenient if they could all be grouped together and dealt with as 'common posts' in this Chapter than to repeat matters relating to them in each of the Departmental Chapters. There is no separate discussion about these posts in each of the Departmental Chapters as it is intended that scales of pay recommended for these posts should be applied to them in whichever Department they exist; the number of posts in each of such categories and the existing and the recommended scales of pay applicable to them are accordingly indicated along with similar particulars in respect of other posts in the Schedules appended to the Departmental Chapters.

4.142. Such common posts include the posts of unskilled employees like peons, dalayats, cycle orderlies, sweepers, watchmen and other class IV employees like attenders, mutchis, daftarbands; semi-skilled employees like drivers and cooks in hostels and ministerial officers like clerks, typists, stenographers and chief Ministerial officers in the offices of Heads of Departments.

4.143. The scales of pay as now recommended are generally more advantageous than the existing ones; but in view of the fact that there has been considerable reduction in the number of scales as a result of rationalisation of the scale of pay, it is possible that in a few cases, the existing scales might be found more advantageous than those recommended. It is, therefore, recommended that the present incumbents of all the posts may be given the option either to retain their old scales or to come under the new scales but all persons recruited to these cadres after these scales come into force should be given only the new scales.

4.144. The Commission has recommended earlier in this Chapter that the total remuneration of an employee should consist of three distinct elements, *viz.*

Basic Pay, Additional Basic Pay and Dearness Allowance. The Additional Basic Pay which would go with each scale of (Basic) Pay has been indicated in Part (ii) and the principle of determining the quantum of Dearness Allowance payable to the employees in each "Pay Range" has been indicated in Part (i) of this Chapter. The scales of pay together with the number of posts peculiar to individual departments are indicated in the relevant paragraphs of the Departmental Chapters.

4.145. All references to pay and scale of pay in this and the succeeding Chapters will accordingly denote the Basic Pay and the scale of (Basic) pay and will have to be construed accordingly.

#### *Class IV Employees—Dalayats/Peons*

4.146. All these posts are filled by direct recruitment. No educational qualification as such has been prescribed for recruitment to these posts. They are designated as dalayats in some offices and peons in others. They are unskilled workers and their duties and functions are similar. They are now in the scale of Pay of Rs. 50—1—60. The Commission has recommended in the first part of this Chapter that the minimum pay of a class IV employee of the State Government should not be less than Rs. 60. The existing time scale of a Class IV employee is a short one being of ten years' duration. These employees have few chances of promotion and their long service in the post does not involve higher duties and responsibilities. These employees would, therefore reach the maximum of the scale of pay very soon if it is a short scale and they will have nothing to look forward to thereafter. The Commission accordingly recommends a revised longer scale of pay of Rs. 60—1—80—2—90 for these employees.

#### *Cycle Orderlies, Sweepers and Watchmen*

4.147. The Commission recommends that the same scale of pay of Rs. 60—1—80—2—90 may be adopted for other categories of employees also, viz., cycle orderlies, sweepers, watchmen and all other categories of officials who are now in the scale of pay of Rs. 50—1—60, unless recommended otherwise for any specific category of posts. The cycle orderlies are now getting an allowance. They may continue to get this allowance.

#### *Malis*

4.148. Malis are employed on different scales of pay in different departments. They are at present in the scales of pay of Rs. (i) 50—1—60, (ii) 55—1—65—2—75, (iii) 55—1—65—2—85, (iv) 60—1—70—2—90 and (v) 65—1—70—2—90. As they are also unskilled employees, their scale of pay may be fixed as Rs. 60—1—80—2—90.

#### *Lorry Cleaners, Jeep Cleaners, Tractor Cleaners, Night Watchmen, Tractor, Lorry and Bulldozer Helpers*

4.149. These posts are in different scales of pay, viz., (i) 55—1—65, (ii) 55—1—65—2—75, and (iii) 55—1—65—2—85. The scale of pay for all cleaners may be revised as Rs. 60—1—80—2—90.

*Daffedars*

4.150. These are promotional posts for Dalayats/Peons and are filled on the basis of seniority-cum-efficiency. At present the scale of pay for the posts is Rs. 65—2—85. Their scale of pay may be revised as Rs. 80—2—90—3—120—4—140.

*Cooks*

4.151. Cooks are being employed in the Hostels of various Educational Institutions.

4.152. Cooks and other Class IV employees, viz., Watchmen, Peons, Maid-servants, Servers, etc., are appointed on different scales of pay and paid from out of different funds in the different hostels under the control of the Education Department. It is therefore, necessary to have a uniform system both in matters of emoluments and service conditions.

4.153. These persons should be divided into two categories. The first category should include all those who have been appointed on a permanent basis, irrespective of the fact whether they are paid from the amount sanctioned in the regular Budget provision or sanctioned under the 'Contingencies'. Even in the case of those who are being paid from the 'Contingency', it may be necessary to examine the terms of appointment to find out whether the appointment is temporary or permanent. Therefore all those who have been permanently appointed, irrespective of the source from which their emoluments are paid, will have to be treated as permanent servants and the scale of pay for these posts may be Rs. 60—1—80—2—90.

4.154. In respect of others who are either paid from the 'contingencies' or from the funds collected from the boarders, it may not be feasible to give them running scales of pay as in the case of permanent Government servants. Besides, most of these servants working in the hostels may not be having work for about three months, if not more, during the vacations when the hostels are closed. Besides, they do not stick to one institution for a long time. Taking these factors into consideration the Commission considers that it would be equitable to appoint such servants on a fixed monthly salary. The authority to appoint them should vest in the Head of the Institution, he/she should be empowered to fix the salary of such servants not below the minimum nor in excess of the maximum prescribed for a corresponding post under the Government. This would ensure discipline and the appointing authorities would have sufficient control over such employees to enable them to secure efficiency and regularity in work.

4.155. In the latter classes of cases, it may be advisable to establish the system of Contributory Provident Fund requiring the employee to pay regularly from his monthly salary upto 6½% of his salary. The Government should add an equal or a reasonable proportion to such contribution.

4.156. Such of the employees who are in higher scales and are temporary may be permitted to be continued by the Heads of Institutions provided their services are satisfactory.

4.157. All temporary servants should be paid only from the 'contingency' except in respect of those who are permanent and are being paid from the Budget provision. After the retirement of such servants, no permanent appointments should be made in their vacancies.

#### *Jamedars*

4.158. These posts are filled by promotion from the cadre of Daffedars on the basis of seniority-*cum*-efficiency. They are in the scale of pay of Rs. 70—2—90. Their scale of pay may be revised as Rs. 85—2—95—3—125—EB—4—145.

#### *Daftarbands, Mutchis*

4.159. These posts are filled by direct recruitment or by promotion of literate Class IV employees in the lower grades. The mode of recruitment to these posts differs from one department to another. The minimum qualification prescribed for recruitment to these posts is a pass in the VIII Standard Examination or its equivalent. These officials are generally entrusted with the duties of stitching and arranging the files, records, etc. These posts are in the scale of pay of Rs. 65—2—85. Their scale of pay may be revised as Rs. 80—2—90—3—120—4—140.

#### *Attenders*

4.160. 50% of the posts of Attenders are generally filled by promotion of literate Class IV officials in the lower grade on the basis of seniority-*cum*-efficiency and the remaining 50% by direct recruitment for which the prescribed minimum qualification is a pass in the Middle School Examination or an Examination equivalent to it. There is no uniform scale for Attenders. In the Secretariat Departments and in some major field departments, the Attenders get the same scale of pay as Jamedars, *viz.*, Rs. 70—2—90. In other offices, they are in the scale of pay of Rs. 65—2—85. The posts of Attenders in the Secretariat have been abolished some time ago. The existing employees are, however, continued and there would be no further recruitment to this category of posts which has outlived its usefulness. The work to be done by literate persons now-a-days requires much more knowledge than is possessed by Attenders who are not accordingly able to discharge the duties expected of them. It often happens that a person promoted as Attender is reluctant to do the work of a Class IV officer in case of need. The Commission, therefore, recommends that such of the Attenders as are qualified to be promoted as II Division Clerks may be so promoted, that the others may be retained as Attenders till they retire from service, that future recruitment to this cadre may be stopped and that the cadre may be abolished as soon as all the persons retained in this category retire from service. Some of the Attenders have represented that they were formerly treated as Class III officers but have now been treated as Class IV officers and have requested that they might be given the status of Class III officers. As it is now recommended that the Attenders who have not passed the S.S.L.C. Examination need not be promoted as II Division Clerks, the Commission recommends that they may be categorised as Class III officers so that they may have at least the satisfaction that they are classed along with the ministerial staff even though prospects of promotion to this cadre against posts of II Division Clerks are not available to them.



4.161. The scale of pay for the persons who remain in this category may be uniformly Rs. 85—2—95—3—125—EB—4—145 irrespective of the office in which they might be working.

### *Drivers*

4.162. These posts are filled by direct recruitment of persons possessing a current driver's licence. Before 1961, the drivers were generally in the scale of pay of Rs. 70—2—80—3—110. This was revised during 1961 as Rs. 70—1—80—2—100. The revised scale is applicable only to the new entrants. Thus, there are two scales of pay for drivers (i) Rs. 70—110; and (ii) Rs. 70—100. In Government Order No. FD 20 SRP (1) 65 dated 1st April 1965, a Selection Grade in the scale of Rs. 70—140 was created for drivers who stagnate at the maximum of the scale for not less than 3 years, so as to give relief to the senior drivers. Some of the drivers have represented that the condition of stagnation for a period of 3 years should be removed and that a person reaching the maximum should be permitted to go to the Selection Grade as a matter of course. In case this is agreed to, it will result in having a running scale of Rs. 70—140. Some drivers have represented that their scale of pay should be revised taking into consideration, the fact that they have to work without any rest, leisure or holidays. Taking all factors into consideration, the scale of pay for drivers may be fixed as Rs. 85—2—95—3—125—EB—4—145. As this is a long running scale covering the existing Selection Grade, the Commission considers that this would meet the representations of the drivers adequately and that there is no need to have a selection grade for the drivers.

### *III Division Clerks*

4.163. This class of posts is existing in some of the Departments. These posts are filled either by direct recruitment or by promotion from the cadre of Attenders/Mutchis. The mode of recruitment is not uniform. They are generally non-matriculantes and are in the scale of pay of Rs. 70—1—80—2—100. The observations made in respect of Attenders apply equally to this category of persons. The scale of pay for the persons retained in this category till they retire may be revised as Rs. 85—2—95—3—125—EB—4—145.

### *II Division Clerks*

4.164. This is the entry grade for the ministerial service in all the Departments. These posts are largely filled by direct recruitment, the minimum qualification being a pass in the S. S. L. C. Examination. These posts are designated as Junior Assistants in the Secretariat Departments, and a small percentage of the posts is reserved for recruitment by promotion of Class IV employees who possess the requisite qualifications prescribed for direct recruitment and who have passed the prescribed departmental examinations. In the Treasury Department, 1/3 of the post are filled by promotion from the cadre of shroffs and gollars in the ratio of 2 : 1. They are entrusted with the routine duties of maintaining the prescribed Registers, despatching, indexing and recording of cases, issue of reminders, comparing of fair copies, etc. The scale of pay is uniform for these classes of officials

*viz.*, Rs. 80—3—110—4—130—5—150. Such of the officials who are graduates at the time of entry into this cadre or obtain a Degree while in service are given four advance increments. This concession may continue. The scale of pay for II Division Clerks/Junior Assistants may be revised as Rs. 95—3—125—4—145—EB—5—200.

4.165. Besides, there are Accounts Clerks, Time-keepers, Store Keepers, Librarians, Store Clerks, Record Keepers, Inspection Clerks, Junior Auditors, Bill Clerks, Job Clerks, etc., in the scale of pay of Rs. 80—3—110—4—130—5—150, which is identical with the scale of pay for II Division Clerks. Although the duties performed by them are of a slightly different nature, in the interest of uniformity, they may all be designated as II Division Clerks. They may, of course, continue to do the work assigned to them. The scale of pay for these posts may also be fixed as Rs. 95—3—125—4—145—EB—5—200.

The system of giving four advance increments to graduates in these cadres also may be continued.

#### *I Division Clerks*

4.166. Next above the II Division are the I Division Clerks. These posts are filled partly by direct recruitment and partly by promotion. The minimum qualification prescribed for direct recruitment is a Degree of a recognised University and for promotion, an official should have passed the prescribed departmental examinations. Their duties consist of noting and drafting. They have to process cases with reference to rules, precedents, etc., and their scales of pay are uniform in most of the offices, *viz.*, Rs. 110—5—150—6—180—10—220. In the Secretariat, they are designated as Assistants and are in the scale of Rs. 130—5—150—8—190—10—270. The same scale is made applicable to I Division Clerks working in the Legislature Secretariat and in the High Court. In some of the offices, *viz.*, the Public Service Commission, Treasury Department, the State Accounts Department, Office of the Chief Translator to Government, the Department of Information and Tourism, the Vigilance Commission, etc., the scale of pay prescribed is Rs. 120—5—150—8—190—10—240. There are thus three scales of pay for I Division Clerks, *viz.*, Rs. (i) 110—220, (ii) 120—240, and (iii) 130—270.

4.167. The Commission has received a number of representations both from individuals and from Associations that the chances of promotion are not uniform in every Department and that lack of promotional opportunities should also be taken into consideration while fixing their scales of pay. It is, of course, true that in technical departments, the chances of promotion for ministerial staff are comparatively less than in departments like the Revenue or the General Administration Department. It is not, however, possible to afford equal chances of promotion to officials in every department as the number of posts in the higher cadre has to be regulated primarily with reference to the work-load and the nature of duties and responsibilities attached to the posts in the Departments concerned.

4.168. The work done by this class of officials in the Secretariat, the High Court, the Public Service Commission, the Legislature Secretariat and the Vigilance Commission is of a higher order and is more onerous than that of the officials of this class in the other Offices. Taking all circumstances into consideration as also the qualifications prescribed for appointment to this cadre and duties performed by officials in this class the Commission recommends that there may be one common scale of pay, *viz.*, Rs. 170—5—180—8—220—EB—10—300 for Assistants of the Secretariat, the High Court, the Public Service Commission, the Legislature Secretariat and the Vigilance Commission and another common scale of pay, *viz.*, Rs. 140—5—150—8—190—EB—10—260—15—290 for the First Division Clerks of all other Departments.

4.169. There are also Accountants, Head Clerks, Store-Keepers, Managers, Auditors, Store Clerks, Time Keepers, Record Keepers, Internal Auditors, Senior Clerks, Accounts Clerks, etc., in the same scales of pay as I Division Clerks. Although the nature of duties performed by them is not similar, they may for the purpose of uniformity be given the same revised scales of pay as Assistants or I Division Clerks in the respective Departments.

### *Typists*

4.170. These posts are filled by direct recruitment. The minimum qualification prescribed being (i) a pass in the S. S. L. C. Examination, and (ii) a pass in Junior Typewriting and Junior Shorthand ; or Senior Typewriting Examination. Typists are in the same scale of pay as II Division Clerks in all the Offices, *viz.*, Rs. 80—3—110—4—130—5—150 and they get in addition a special pay of Rs. 10. Some of the Typists have represented that they have no promotional opportunities unless they acquire the qualifications of stenography and that some of them are not in a position to do so. They have, therefore, requested that posts of senior Grade or Selection Grade Typists might be created. They have also represented that some of the Typists have qualified themselves as Typists in languages other than English also and that such Typists should be given additional remuneration in consideration of this additional qualification.

4.171. Under the existing rules, Typists can exercise their option to become Clerks. If they do so, they will have the regular line of promotion in the clerical cadre. If they continue as Typists and possess or acquire a qualification in Shorthand, they can be promoted as Stenographers. Their request to provide for promotional opportunities in the cadre of Typists even without their acquiring additional qualification is not reasonable. The Typists may continue to get the same scale of pay as II Division Clerks even in future. Since it is recommended that the scale of pay for the II Division Clerks may be revised as Rs. 95—3—125—4—145—EB—5—200, the same revised scale of pay may be given to the Typists also ; the Typists, may, however be given, a special pay of Rs. 10 in addition to the pay in their scale. A Typist who has acquired knowledge of typewriting in a language other than English and possesses the required

certificate, may be given an additional remuneration of Rs. 10 per month when he is asked to attend to typing work in such language also.

*Stenographers (Grade II)*

4.172. They are in the same scale of pay as typists. These posts are filled by direct recruitment or by appointment of typists who hold the requisite qualification, viz., a pass in the S. S. L. C. Examination and a pass in Junior Shorthand and Senior Typewriting Examinations. They get a special pay of Rs. 20 instead of Rs. 10 given to a typist. The scale of pay may be revised as Rs. 95—3—125—4—145—EB—5—200 being the scale of pay given to II Division Clerks and they may continue to get the special pay of Rs. 20 in addition to their pay in this scale. If a Stenographer has acquired knowledge of shorthand and typing in a language other than English and has obtained the requisite certificates, he may be given an additional special pay of Rs. 15 p.m., if he is asked to attend to shorthand and typing work in such a language also.

*Stenographer (Grade I)*

4.173.  $66 \frac{2}{3}$  of the posts of I Grade Stenographers are filled by direct recruitment and  $33 \frac{1}{3}$  of the posts by promotion from the cadre of Typists and Stenographers (Grade II), the minimum qualification prescribed for direct recruitment being a pass in the S.S.L.C. Examination and pass in Senior Typewriting and Senior Shorthand Examinations. The scale of pay for these posts is the same as that for I Division Clerks of the respective Departments and they are given a special pay of Rs. 30 p.m.

4.174. In common with the typists, the Stenographers have also represented that as the remuneration paid to them is not adequate in view of the arduous nature of duties performed by them, they should be given a higher scale of pay than at present and that all the Stenographers who are posted to the Personal Establishments of Officers should be given an additional special pay as is given to the Stenographers posted to the Personal Establishments of Officers in the Secretariat. The Commission recommends that the I Grade Stenographers may be given the same scale of pay as the I Division Clerks of the respective Departments together with a special pay of Rs. 30 p.m. and that such of them as are posted as Personal Assistants to Ministers, Secretaries to Government and to Heads of Departments may be given an additional special pay of Rs. 25 p.m. If an official in this cadre has acquired knowledge of shorthand and typing in a language other than English and possesses the prescribed certificates, he may be given an additional special pay of Rs. 15 p.m., if he is asked to attend to stenography and typing work in such a language also.

*Selection Grade Stenographers*

4.175. These posts are filled by promotion from the cadre of I Grade Stenographers on the basis of seniority-cum-merit. The scale of pay for Selection Grade Stenographers in the Secretariat Departments is Rs. 200—10—280—15—355—20—415, whereas in other Departments it is Rs. 225—10—285—15—375. No

special pay is however attached to these posts. As the difference in the scales of pay is negligible and the duties and responsibilities attached to the posts are almost similar, the scale of pay for all Selection Grade Stenographers may be revised as Rs. 250—10—300—15—420—EB—20—500. If an official in this cadre has acquired knowledge of shorthand and typing in a language other than English and possesses the prescribed certificates, he may be given additional special pay of Rs. 15 p.m., if he is asked to attend to stenography and typing work in such a language also.

*Stenographers and Typists who did not opt to the clerical scales of pay during 1961*

4.176. At the time of general revision of scales of pay in 1961, the scales of pay for I Grade Stenographers, II Grade Stenographers and Typists were revised as follows : I Grade Stenographers : Rs. 110—5—150—8—190—10—260—15—320. II Grade Stenographers and Typists : Rs. 80—3—110—4—130—5—180. The scales of pay for I Division Clerks/Assistants were revised as—

- (i) Rs. 130—5—150—8—190—10—270
- (ii) 120—5—150—8—190—10—240
- (iii) 110—5—150—6—180—10—220

and that for the II Division Clerks and Junior Assistants was revised as Rs. 80—3—110—4—130—5—150. The Stenographers I and II Grade and Typists were given the option of choosing the special scales of pay meant for them or the clerical scales of pay with a special pay of Rs. 30, Rs. 20 and Rs. 10 respectively. Some of the Stenographers and Typists did not opt for the clerical scales of pay and continued in their own scales of pay as revised during 1961. Their scales of pay may be revised as follows :

- I Grade Stenographers : Rs. 175—10—275—15—350—EB—20—450.
- II Grade Stenographers  
and Typists : Rs. 110—4—130—5—170—EB—6—200.

They may, however, be given the option of choosing the revised clerical scales of pay as now proposed in which event they would be eligible for the special pay admissible to the Stenographers and Typists.

*Supervisory staff*

4.177. The ministerial Heads of Sections/Branches in the Offices of the Heads of Departments and of subordinate offices are being variously designated as Superintendents, Managers, etc. These posts are normally filled by promotion from the cadre of I Division Clerks or from a lower supervisory level to a higher one in the same class of service and these officials supervise the work of the ministerial staff in the sections under their charge. Their scales of pay are generally in one of the following grades :—

1. Rs. 250—15—310—20—470
2. Rs. 225—10—285—15—375

3. Rs. 220—10—320—15—440
4. Rs. 200—10—280—15—400
5. Rs. 180—10—270—15—360
6. Rs. 180—10—320
7. Rs. 150—8—190—10—270

4.178. There are posts of both Superintendents and Managers in the offices of the Heads of some Departments whereas in other offices, there are Superintendents in different grades. The nature of duties performed by Managers or Superintendents is more or less the same. The quantum of work and responsibility may, however, differ in some departments. In smaller departments, the work performed by the supervisory staff may not be of such an important nature as the work performed by the supervisory staff in Major Departments. It may, therefore, be justifiable to have some difference in the scales of pay of the supervisory staff working in major and minor departments. The scale of pay of the Superintendents and Managers are not identical even in the Major Departments. There are bound to be slight differences in the nature of duties and responsibilities attached to the Chief Ministerial Officers of the several offices but it is neither possible to assess such differences with accuracy nor fix different scales of pay for posts with slightly differing degrees of responsibilities. It would, therefore, be appropriate to have four categories of Chief or Supervisory Ministerial officers—in the Gazetted Class II Cadre designated as Headquarters Assistants in the offices of the Heads of Departments ; Senior Class III Officers designated as Managers and relatively Junior Class III Officers (above the grade of I Division Clerks) designated as Superintendents Grade I and Grade II. There may be Managers and Superintendents working under the control of the Headquarters Assistants in the Offices of the Heads of Departments and Superintendents working under the control of Managers in the other offices. the number of such officers depending on the work load and nature of work in each office. The Commission recommends that the scales of pay for the Headquarters Assistants, Managers and Superintendents, Grades I and II may be revised respectively as follows :

- (i) Rs. 275—20—375—EB—25—525
- (ii) Rs. 250—10—300—EB—15—420—20—500
- (iii) 200—10—280—15—370—EB—20—450
- (iv) Rs. 175—10—275—15—350—EB—20—450

4.179. The existing modes of recruitment to the various 'common posts' have been indicated against each of them. The Commission considers that these modes of recruitment are adequate and recommends that they may be continued.

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## CHAPTER 5

### Special Pay

- (i) Special Pay--General.
- (ii) Special Pay for Stenographers and Typists.
- (iii) Special Pay for Cashiers and Stores Clerks.
- (iv) Deputation Allowance.
- (v) Additional Charge Allowance.

5.1. Under item (5) of the terms of reference, the Commission is required to review the existing orders relating to grant of Special Pay, Deputation Allowance and Foreign Service Allowance and to recommend suitable changes in, or abolition of, these allowances.

5.2. Generally speaking, the scales of pay have been so designed as to ensure reasonable remuneration for the several classes of posts under the State Government. The Pay and Allowance which a Government servant is entitled to draw by virtue of his rank and position should be deemed to have been fixed on a consideration of the nature of duties attached to the office, as well as of the circumstances in which those duties have to be performed, so as to constitute adequate remuneration for the work expected of him. According to Rule 26 of the Mysore Civil Services Rules, the whole time of an Officer of the Government is at the disposal of the Government which pays him and he may be called upon to serve in any manner under Government without claim to extra remuneration. Fluctuations in the volume of work and the degree of responsibility of the post held by a Government servant are incidental to his office and are dependent upon the magnitude and number of schemes and plans undertaken by Government in public interest. It must, therefore, be understood that the pay attached to a post or office will cover normal variations in the volume and nature of duties and that no Government servant can have any claim for additional remuneration merely on the ground that there is a variation in the nature of duties or increase in the quantum of work which he is called upon to discharge. However, occasions and circumstances may arise where monetary additions to pay may be the only way of compensating a Government servant for specific additions to normal duties and responsibilities involving more than a reasonable day's work for a pretty long time or specially arduous responsibility of having to perform duties in very unhealthy or isolated places entailing strain; in such cases the Government servant may have to be compensated by grant of "Special Pay".

#### *Definition of Special Pay :*

5.3. Rule 8(42) of Mysore Civil Services Rules defines Special Pay as "an addition, of the nature of pay, to the emoluments of a post or of a Government servant, granted in consideration of :

- (a) the specially arduous nature of the duties ; or
- (b) a specific addition to the work or responsibility ; or
- (c) the unhealthiness of the locality in which the work is performed."

5.4. The grant of special pay is at present regulated on the basis of the broad principles laid down by this Rule.

5.5. It appears that the system of granting special pay had been in vogue in the former Mysore State, as in the other areas of the new State, for a very long time. The general principles to be followed in the grant of special pays of various kinds have been considered and reviewed from time to time in the past. In 1931, the Mysore Retrenchment Committee (presided over by Rajadharmapravina Diwan Bahadur K. S. Chandrashekhara Aiyar) examined the question of allowances in addition to salary in considerable detail and, after a careful scrutiny of various kinds of allowances then in vogue, made detailed recommendations for their revision. The Committee indicated certain criteria for determining the posts which carry specially arduous duties or specific addition to work, namely: (a) decided addition to work entailing more than a reasonable day's labour, or (b) additional work entirely outside the Officer's normal duties, or (c) work involving specific risk or danger, etc. The Committee further observed: "Addition to pay may also be allowed, but with proper discrimination, in cases where an Officer is employed on arduous work outside his ordinary sphere of employment, or on temporary detached duty involving responsible and heavy work."

5.6. In 1949, Economy Officer to the Government of Mysore (Mr. B. S. Raghavendra Rao) reiterated the principles laid down by the aforesaid Committee and observed that the Duty-Allowance (Special Pay) was perhaps the most abused of all allowances and that it might be abolished altogether except in cases where an officer had been put on duties which involve a decided addition to his work and responsibilities and for the performance of which there was no sanctioned post and that no allowance should ordinarily be given in cases where additional duties were assigned to an Officer who did not have enough work or where the additional work or additional duties were such as could be attended to by him after a suitable readjustment in his day's work.

5.7. The Committee for Rationalisation of Allowances (Mr. J. Appaji Gowda Committee, 1956) which examined the question of standardisation of various allowances in the State Services was of the opinion that, while there was undoubtedly a justification for grant of special pay in cases involving specially hazardous or arduous duties, such instances could not but be limited. Regarding the quantum of special pay, the Committee felt that normally such special pay should be fixed at 10 per cent of the pay of the post and that in no case should it exceed 20 per cent of the pay. The report of the Committee contained a detailed statement of allowances with its recommendations. The Pay Structure Committee (the Mascarenhas Committee, 1956) generally agreed with the recommendations of the Committee for Rationalisation of Allowances with certain modifications.

5.8. The Mysore Pay Committee (1961) which also reviewed the question of special pay has been of the opinion that there can be no objection to the grant of special pay in cases where it is proved that the duties are so onerous as to call for overtime work out of office hours and also in cases where additional work of a permanent character, but not requiring a whole-time post, is attached to the



normal duties of an Office. But the Committee felt that it was necessary that each case should be examined with reference to the normal work-load and nature and volume of duties of the post to which special pay was to be attached. Such a review was left to an Official Committee for Rationalisation of Allowances. When the general revision of scales of pay was given effect to in 1961, the principles which should govern the grant of special pay were enunciated and the grant of special pay was and is being strictly restricted to the following types of cases :—

- (1) Where it is proved that the duties of the post are so onerous as to necessitate over-work out of office hours continuously, or where additional work of a permanent character not requiring whole-time post is attached to a post along with its normal duties, entailing such over-work. Justification for special pay in such circumstances should be determined with reference to the normal work-load, as far as practicable.
- (2) When the special work on which an Officer is posted is expected to be completed within a short-time, entailing undue strain on the Officer.
- (3) When the Officer has to take up additional work in addition to his duties for a temporary period for work in connection with Committees, etc., involving overwork out of office hours continuously.
- (4) When the work in a particular Local Body or Society or Corporation to which an Officer is deputed is such that the Officer will have to put in extra hours of work continuously, and is entrusted with additional duties, justifying the grant of special pay for a temporary period only.
- (5) When the work of an institution to which an Officer is deputed in the interest of Public Service is of a specially arduous nature as in the case of a Co-operative Sugar Factory or a Co-operative Spinning Mill having special problems, or requiring rehabilitation and, therefore, justifying the grant of special pay only for a limited period.

5.9. The State Government also clarified that Special Pay should not be allowed in the cases of Government servants (a) deputed from one department to another including the Secretariat, (b) deputed to Local Bodies, Co-operative Institutions, etc., in the interest of public service and except in such cases as mentioned in (4) and (5) of para 5.8 above, (c) Officers in the executive line posted as Headquarters Assistants or to similar posts involving stationary duties.

5.10. The Mysore Resources and Economy Committee (Mr. A. G. Ramachandra Rao Committee, 1962) which also considered the matter of allowances of various types, made some recommendations in modification of the principles laid down by Government in 1961. The Committee also approvingly referred to the general principles laid down by the Second Central Pay Commission, namely, (a) that all cases of special pay should have a maximum currency of three years only and that thereafter they should come under review of Government in the Finance Department; (b) that special pay to be attached to a post may invariably be on a fixed basis and not on percentage basis; and (c) an Officer already drawing one special pay should not under any circumstances be granted another, even though additional duties are assigned to him.

5.11. All cases in which special pay was being drawn with reference to the categories listed out by Government in 1961 were examined by the Official Committee for Rationalisation of Allowances and in 1963 (*vide* Government Order No. FD. 57 SRP (1) 63, dated the 18th October 1963) some guiding principles were laid down with a view to ensure their strict observance, since grant of such extra emoluments disproportionately or too freely would have the effect of distorting the pay structure. The cases deemed to fall under one or the other of the categories covered by the guiding principles were also determined. The quantum of special pay at fixed or definite rates attached to the posts was also prescribed.

*Number of posts carrying Special Pay and the reasons for grant of Special Pay :*

5.12. The Commission attempted to collect full information from all the Government Departments on all special pays granted at present together with the reasons for their grant and justification for their continuance, enhancement, reduction, abolition or grant of special pays afresh, if any. It is possible that the data collected from all the Departments in this behalf may not be exhaustive and that some cases carrying special pay may not have been listed here. A list of all cases in which special pay is granted to Government servants in the State was prepared on the basis of the data received by the Commission. The result is a formidable document containing nearly 12,000 cases. The cost to Government on account of special pay is of the order of Rs. 23 lakhs per year. The total number of posts which carry special pay in the various departments is given in the table below:—

*No. of Posts carrying Special Pay.*

Department (Secretariatwise).	Class	Class	Class	Class	Total
	I	II	III	IV	
1	2	3	4	5	6
1. Agriculture and Forest ...	10	9	590	83	692
2. Commerce and Industries ...	2	...	145	16	163
3. Development, Co-operation and Panchayati Raj ...	4	...	561	...	565
4. Education ...	14	12	216	3	245
5. Finance ...	1	...	305	33	339
6. Food ...	45	56	687	...	788
7. Home ...	26	98	3509	20	3653
8. Health ...	21	27	688	195	932
9. Law ...	6	1	38	12	57
10. Planning and Social Welfare ...	2	3	171	...	176
11. Public Works ...	40	96	1368	30	1534
12. Revenue ...	9	20	716	...	745
13. Secretariat ...	157	25	1638	54	1874
Total ...	338	347	10632	446	11763

5.13. The task of analysing the reasons for grant of the various Special Pays has been very exacting. In some cases, good and sufficient reasons for the

payment of such allowance were given while in some others, vague reasons were mentioned. From the total number of cases for which details have been supplied by the Departments, it is seen that special pays are at present granted for the following reasons :—

<i>Reasons stated</i>	<i>No. of posts</i>
1. Arduous work (including Confidential work) ...	4,794
2. Addition to duties and responsibilities ...	387
3. Handling Cash/Stores ...	332
4. Steno/Typing allowance ...	4,351
5. Risk to life ...	1,444
6. Deputation ...	440
7. All-India Services ...	12
8. Other reasons ...	3
<b>Total</b> ...	<b>11,763</b>

5.14. The Commission invited views on the grant or continuance of special pay at the existing or modified rates. The replies received from the officials and non-officials generally favour the grant of special pay and continuance of the system of special pay on the following grounds :—

- (1) As an incentive to induce persons to take up additional work and to shoulder heavy responsibility ;
- (2) For work of a specially arduous nature ;
- (3) As an incentive to attract suitable persons and specialists ;
- (4) As a compensation for lack of amenities ;
- (5) In case of deputation to industrial and commercial Concerns where the nature of work is altogether different from the normal work of the officials ;
- (6) For secret or confidential type of work ;
- (7) Where work merits special recognition.

5.15. There are also suggestions that special pay should be fixed as a certain percentage of the mean of the minimum and maximum of the scale of pay of the post instead of as a percentage of pay or as a fixed amount. One view expressed is that if certain posts as a rule involve additional work or responsibility of a permanent nature, it is better to put such posts on a higher grade than to compensate them by the grant of special pay. A few have suggested that the system of granting special pay may be discontinued. The reasons advanced in support of abolition of special pays are that the scales of pay for various categories are deemed to have been fixed only after due consideration of the nature of work, responsibilities involved, etc., in the scheme of job evaluation and that, in practice, the system of special pay is a favour shown to a selected few.

*Justification for grant of Special Pay :*

5.16. It is necessary to consider whether the system of special pay is sound in itself and how far the principles laid down in Rule 8(42) of the Mysore Civil Services Rules on the subject are satisfactory. In the replies received; many have suggested that consideration of unhealthiness of the locality in which the work is performed is inappropriate for grant of special pay and that this consideration is more appropriate for the grant of special locality or bad climate allowance, since additional remuneration granted for service in unhealthy locality has no relation to the nature of duties of a post. The material placed before the Commission disclosed that there are no unhealthy areas now in the State. Even if there be any, it would not be correct to term the allowances paid for serving in such areas as special pay. The Commission recommends that the consideration of unhealthiness of a locality may be omitted from the definition of special pay.

5.17. The Commission is of the opinion that there is justification for grant of special pay on the ground of specially arduous nature of the work or specific addition to duties and responsibilities. Some of the replies received in response to the questionnaire issued by the Commission point out that mere arduousness of the nature of duties or addition to work or responsibilities that legitimately fall within the normal sphere of an officer's duties do not justify grant of special pay. It has been argued that the terms of employment under Government envisage that the entire time of the Government Servant is available for his job and that, therefore it is not possible to say that the duties of any post can be more arduous than can be attended to by the wholtime devotion of the concerned Government servant. The Chaudrasekhara Aiyar Committee affirmed that "the view cannot be accepted that special pay, or Compensation by way of an allowance, should be granted as a matter of course whenever duties of a somewhat arduous nature than usual have to be performed". The Committee for Rationalisation of Allowances (1956) had drawn pointed attention to the fact that the relevant rule of the Mysore Civil Services Rules speaks of duties of a "specially arduous nature" and not of mere or somewhat arduous nature. But what is "specially arduous" is not made clear in the Rule and, therefore, it is possible that a good deal of subjectivity has entered into the interpretation of the expression "specially arduous." It is not difficult in practice to find specious or subtle arguments to urge that duties attached to any post carry a heavy responsibility and to draw invidious distinctions in order to make it appear that one kind of work is a little more arduous than another. Liberal interpretation of the principle gives rise to an impression in the minds of some that the system of special pay is largely a device for conferment of official favour on a selected few and has been the cause of much heartburning among the Government servants. But no exceptions can be taken to the principle itself if greater arduousness of duties can be clearly established. To illustrate the point (and this is only to illustrate), if an official is recruited to the post of a Stenographer and if the scale of pay of the Stenographer is fixed taking into consideration the nature of work and the duties and responsibilities attached to the post, there is no justification for giving him a special pay for his work as Stenographer. But, if a Stenographer, posted to work with a Minister,

is required to work beyond usual hours of his work, and the nature of his work is altered, then his duties and responsibilities would be more onerous than they were when he was working as a Stenographer in a section and it is only proper and reasonable that he should be compensated by the grant of special pay so long as he is continued in that assignment.

5.18. The other principle of "specific addition to the work or responsibility" is quite explicit in meaning and does not, therefore, present any difficulty. Mere addition to work or responsibility does not attract the application of the principle. No special pay should be given in cases in which the additional work or responsibility is such as can be attended to by an Officer by a suitable readjustment in his day's work, or where additional work or responsibility is assigned to an officer who does not have enough work. The specific addition that justifies special pay must, therefore, involve something more, the addition to work or responsibility should neither be so much as to justify the creation of a new post to perform it nor at the same time so little as to treat it as part of the normal and routine duties of an existing office or post. In such cases, an officer who is entrusted with additional work should be compensated by some additional remuneration. For example, if an Assistant Commissioner who is in charge of a Revenue sub-division is attending to his normal duties, and as part of the normal duties, he is also attending to the land acquisition work in a few cases, the pay of the post should remunerate him fully for all items of work that he is attending to. But if an irrigation project is sanctioned in the sub-division and if the quantum of work is so large as to justify the creation of a new post of a Special Land Acquisition Officer, then that work can be entrusted to an officer specially appointed for the purpose. If, on the other hand, the sanctioned project is a medium one and the work relating to land acquisition is neither so little as to be taken in the stride nor so large as to justify the appointment of a whole-time officer, the Assistant Commissioner-in-charge of the sub-division may be entrusted with the work of land acquisition also. In such an event it is reasonable that such Assistant Commissioner should get some additional remuneration.

5.19. The principles for grant of special pay laid down in Rule 8(42) of the Mysore Civil Services Rules, namely, (a) specially arduous nature of duties or (b) specific addition to work or responsibility are, thus, sound and should, therefore, continue to govern the grant of special pay. If special pay is not given in cases where the specially arduous nature of duties is established, then it may become necessary to create special cadres of posts with higher scales of pay than the scales applicable to the cadres from which officers are normally drawn to perform such duties, thereby giving rise to multiplicity of scales of pay. Moreover, Government have now the discretion to appoint any officer of a particular cadre who, in their opinion is suitable for a job with higher responsibilities and more arduous duties than the general run of officers in that cadre and give him special pay to compensate him for such higher responsibilities or arduous duties. If special cadres with higher scales of pay were to be created for manning such posts, promotions would have to be made according to the normal principles

governing such promotions but not strictly with reference to the suitability of an Officer to hold the particular post in which case the area of selection gets contracted considerably. Similarly if special pay is not given in cases of recognisable specific addition to work or responsibility, it may necessitate the creation of additional posts to attend to the additional work. As the Second Pay Commission put it: "The central idea of a special pay is that it is the most satisfactory way of compensating such addition to work or responsibilities, or such greater arduousness of duties as is recognisable enough to merit additional remuneration, but not so considerable, or, in some cases, of such a permanent nature as to justify placing the post in question in a higher grade. In other words, it is, broadly speaking, a flexible system of differentiated remuneration between two grades." The system of special pay should be continued to provide for situations of the nature indicated above.

*Norms for grant of Special Pay :*

5.20. It has been stated earlier that there are as many as 11,763 posts for which special pay is granted at present for one reason or the other. The fact that so many posts carry special pay goes to show that the conditions laid down for the grant of special pay have been liberally interpreted and applied to wider than justifiable range of cases. A strict application of the rules would certainly reduce the number of cases for special pay considerably. The Retrenchment Committee had observed that the difficulty felt was not so much in respect of general principles to be observed in this behalf as in the strict and consistent application of these principles to individual cases and that unless the rules framed are so comprehensive and are also strictly and consistently applied, anomalies and even abuses are apt to appear. It is to be emphatically stated that special pay should not be granted as a matter of course. The Commission, therefore, would stress that special pay should not be granted on a superficial examination of the proposal or as a matter of course, but after the strictest scrutiny of the volume and nature of the new work with a sense of awareness and responsibility. As a rule, a Government servant in a general cadre should not be allowed to claim special pay merely because he is either lent or transferred to another Department with duties similar to his own in his parent department. The possibility of easy justification for special pay can be eliminated by formulation of uniform norms and criteria which should govern grant of special pays. The Commission suggests the following criteria for deciding cases of (a) greater arduousness and (b) specific addition to work or responsibility.

5.21. (a) *Specially arduous Nature of Duties*: It is not possible to assess accurately the responsibilities attaching to each post and to apply strictly the criterion of relative responsibility. The assumption that one post is more onerous or arduous than another borne in the same cadre is not correct; as a general principle, all posts in a cadre are remunerated on the scale of pay applicable to that cadre without any distinction. Exceptions are, however, inevitable but such cases should be as few as possible, as otherwise every exception will be quoted as

a precedent in favour of departure from the principle. In the following types of cases, grant of special pay may be justified:

- (1) Circumstances where the duties attached to a post are, as compared to other posts in that cadre, intrinsically of such arduousness as would normally justify a higher scale of pay, but such a distinct higher scale of pay is not administratively feasible;
- (2) Conditions under which work is to be performed involve so much mental strain and hard work as are distinct from those attached normally to other posts in the cadre or comparable posts elsewhere thereby entailing undue strain and labour on the officer.

5.22 (b) *Specific addition to work or responsibilities*: In this context, the word "specific" shall be interpreted as meaning "significant" or "substantial." Hence, a post attracting the application of this principle should satisfy either of the two following principles :

- (1) When a Government servant is required to perform work which falls outside the ordinary scope of the duties of his post and is a substantial addition to what is prescribed as a full day's work for his post, thereby involving additional hours of work ;
- (2) Where addition to responsibility creates a distinct difference in the level of responsibility *i.e.* responsibility "higher" in degree and order than that usually attached to other posts in the cadre but which does not require a separate higher scale of pay.

5.23. If claims for "special pay", existing or future, are scrutinised in the light of the criteria mentioned above, it would be possible to decide the cases where there is genuine need for grant of special pay or where there is not. It is necessary that every effort should be made to determine the degree and extent of arduousness of additional work or responsibility as accurately as possible and that special pays should not be sanctioned as a matter of course.

5.24. It is impossible for the Commission to examine in detail the justification for each individual case carrying special pay and for the amount so granted. Such a detailed examination would have necessitated a scrutiny of hundreds of files. It is, therefore, suggested that in the light of the specific criteria laid down now, Government may conduct a thorough examination and determine the cases for which special pay may be given. The Commission's approach to the various aspects relating to the question of special pay generally have been discussed here.

5.25. At present, special pay is granted on the ground of confidential or secret nature of work. In a sense the greater portion of the work in the Government is of a confidential nature and officials should scrupulously maintain secrecy of the transactions of Government. It may be that in the case of certain posts the volume of work of a confidential nature may be larger than in the case of other posts. It may also be that the subject matter of confidential work may be different. But the Commission is of the opinion that special pay cannot be justified in these situations.

5.26. Typists and Stenographers are recruited in the clerical scales of pay and special pays are given to them at different rates. The existing system is desirable in the interest of economy and efficiency instead of having a separate cadre of Typists and Stenographers on separate scales of pay for them. Stenographers who are posted to the establishments of the Ministers and of the Secretaries are given additional special pay, to compensate them for the extra hours of work which they have to put in and for the extra responsibility which they have to shoulder. The Commission considers that the existing system may continue.

5.27. Special pay is given to clerks handling cash and stores. These clerks are given the ordinary Clerks' scale but are called upon to discharge duties in connection with handling of cash or stores which entail a personal responsibility in the event of loss irrespective of the reasons responsible for the loss. It may even be argued that in recognition of this higher order of responsibility there should be a separate scale of pay for them but in view of the inter-changeability of these posts with other clerical posts of the cadre, it is not necessary to have different scales of pay. The Commission recommends that the clerks who are entrusted with the work of handling heavy cash and heavy stores may be given special pay and that such persons should be required to furnish security as before. The decision in regard to the quantum of special pay has to be taken on the merits of each case, depending on the value of cash or stores handled.

5.28. The categories of special pay granted in consideration of the unhealthiness of the locality in which the work is performed or in cases where the work is performed at places where normal civic amenities are not available, *e. g.*, project areas or hill stations have been treated as cases for grant of special locality allowance and have been dealt with separately.

5.29. One more category of additional remuneration (which is in the nature of special pay) granted to a Government servant is the additional charge allowance paid to him when he is appointed to be in charge of the current duties of an office in addition to his own duties and the charge entails a substantial increase in responsibility and some additional work. The charge allowance admissible in cases of such combination of appointments is regulated under Rule 68 of the Mysore Civil Services Rules. In these cases, grant of such charge allowance can be justified only if the additional responsibility involves extra hours of work for the concerned officer.

5.30. Another category of additional remuneration (which is in the nature of Special pay) which is paid to employees of Government is the deputation allowance. Government have already disallowed payment of such allowance in the case of Government servants (a) deputed from one Government Department to another, and (b) deputed to Local Bodies and Co-operative Institutions except in such cases as Co-operative Sugar Factories or Co-operative Spinning Mills having special problems. The grant of special pay presupposes that the deputation entails additional duties and responsibilities for which the person is required to be



compensated. Where deputation involves only a change of office without specific addition to duties and responsibilities, special pay or deputation allowance should not be sanctioned.

5.31. The compensation by way of special pay should be considered only when the additional duties and responsibilities are such as would merit additional remuneration but not so much, or of such a permanent nature, as would justify the grant of a higher scale of pay. If the duties and responsibilities are of such higher order and onerousness or are of such character as to form a separate level of responsibility, it would be appropriate that the posts with such characteristics should be covered by a reasonable higher scale of pay rather than being compensated by special pay subject to the limitations indicated earlier in this Chapter on the scope of selection of persons particularly suitable for any specific post. As the Maharashtra Pay Commission put it, Special pay being a differential for giving effect to the principle of equality between two employees or posts, the differentiating characteristic should not be of a nature justifying separate treatment and separation from the class to which it belongs. If there are a number of posts, more or less of a similar class, carrying special pay, it is better to treat them as a separate category and to fix a separate scale of pay for them.

5.32. In the matter of the quantum of special pay, various suggestions have been received by the Commission. Some witnesses have expressed the view that the rate of special pay should be fixed as a specified percentage of the mean of the minimum and maximum of the scale of pay of the post instead of as a percentage of pay or as a fixed amount, while some others are in favour of special pay being a fixed percentage of pay or a fixed amount. Opinions have also differed as regards the percentage of pay which should be given as special pay and the rates suggested vary from 10 per cent to 25 per cent of the pay. Some are of the opinion that the existing rates require modifications in view of the steep increase in the cost of living; there is also a suggestion that the quantum of special pay should be one-thirds of the pay. In this context, it is important to remember that the amount of special pay should not be large or disproportionate to the scale of pay of the cadre of the posts, as a disproportionate special pay results in disturbing the pay structure and the relativities of pay between different posts. Some of the persons who have responded to the Commission's questionnaire are of opinion that the quantum of special pay should be in proportion to the extent of addition to work or responsibility and the arduousness of the nature of work involved; but it will be easily appreciated that it is difficult to establish such a relative link. The Commission also considers that fixing special pay as a percentage of pay is also not feasible since in that case the quantum of special pay would have to vary with the change in the amount of pay. Moreover, as special pay is to be granted in recognition of special arduousness of duties or specific addition to duties and responsibilities, it cannot be said that they vary with variations in the pay. The Commission feels that it is realistic to fix the amount of special pay as a percentage of the average of the time-scale of pay. Ordinarily, in cases where the increase in responsibilities is not large, special pay may be fixed at 10 per cent of the average pay. In other cases, where special

pays are granted in consideration of a greater measure of arduousness or work and responsibilities, the decision has to be taken on the merits of each case but the amount of special pay should in no case exceed 20 per cent of the average pay of the post. As far as possible, the amount of special pay should be expressed in terms of fixed amounts.

5.33. In the light of what is discussed above, the Commission has formulated the following principles for regulating the grant of special pays :—

- (1) The conditions laid down in Rule 8 (42) of the Mysore Civil Services Rules should be modified to the extent that grant of special pay in consideration of the unhealthiness of the locality in which work is performed should be deleted from the purview of special pay.
- (2) The grant of special pay is justified only in cases of specially arduous nature of duties or specific addition to work and responsibility as formulated in paras 5.21 and 5.22 above. Every effort should be made to assess the degree and extent of such arduousness and the specific addition to work or responsibility with reference to the work-load of the normal post in the relevant cadre as far as practicable.
- (3) The amount of special pay should not ordinarily exceed 10 per cent of the average of the time-scale of pay of the post and should in no case exceed 20 per cent of such average pay.
- (4) There should be a periodic review of special pays by the Finance Department so that they are not sanctioned as a matter of course and on an *ad-hoc* basis and get permanently attached to posts without special reasons.

5.34. One more point that requires consideration is the special pay to be given to the Officers of the All-India Services, namely, the I. A. S. and the I. P. S. working under the State Government. Under the Indian Administrative Services (Pay) Rules, 1954, the State Government concerned is competent to grant special pay for any of the posts either individually or with reference to a group or class of such posts provided that the posts of Secretary, Additional Secretary, Joint Secretary and Deputy Secretary of the State Government and posts of Heads of Departments shall carry a special pay. The rule also states that the amount of special pay shall be Rs. 100, Rs. 150, Rs. 200, Rs. 250 and Rs. 300 as may, from time to time, be determined by the concerned State Government. Similarly under the Indian Police Service (Pay) Rules, 1954, special pay has to be paid to such posts as Assistant Inspector General of Police (Headquarters), Assistant to the Inspector General of Police (Headquarters), Deputy Commissioner of Police, Principal of Police Training School or College, Commandant of Armed Police, Superintendent of Railway Police, and Superintendent of Police for C. I. D., and the amount of special pay shall be Rs. 100, Rs. 150 and Rs. 200 as may, from time to time, be determined by the concerned State Government.

5.35. In our State, Government have sanctioned special pay of Rs. 150 per month to the Officers of the I. A. S. posted as Secretaries to Government,

Secretary to the Governor, and Secretary, Mysore State Electricity Board, and as Directors/Managing Directors of Industrial Concerns and Managing Director of the Board of Mineral Development and Rs. 100 per month to Officers posted as Heads of Departments, Deputy Secretaries to Government and Commissioners of Corporations, except in the case of the present incumbent of the post of the Director of Industries and Commerce who is paid a special pay of Rs. 250 per month. The Officers of the Indian Police Service who are posted as Deputy Commissioners of Bangalore City Police, Superintendents of Police of Crime Branch, Special Branch and the Railways and of Bureau of Investigation in the Vigilance Commission, Assistant Inspectors General of Police, Principals of Police Training Institutes and Deputy Director of Fire Force are given a special pay of Rs. 100 per month. If the officers in the junior time-scale of the I.A.S. are posted as Under Secretaries to Government, they are given a special pay of Rs. 75 per month.

5.36. It has been represented to the Commission that the special pay paid to the I.A.S. Officers working as Secretaries in the Mysore Government Secretariat is low as compared with the special pay granted to such posts in the neighbouring States, that the I.A.S. Officers working as Deputy Commissioners are not being paid any special pay even though they are required to shoulder very heavy responsibilities which have increased with the new schemes undertaken by the Government in the Development Department and that no distinction should be made in the matter of special pay between the Secretaries and the other officers posted as Heads of Departments.

5.37. The Indian Administrative Service and the Indian Police Service have scales of their own which are comparatively higher than the pay scales prescribed by the States for their officers working in the corresponding cadres. It has been emphasised on behalf of the Indian Administrative Service Association that higher special pay was necessary as the members of the service were allotted to different States irrespective of their requests and that it was further necessary to minimise the disparities in the terms and conditions of service in the various States. The relevant rules vest discretion in the State Government to grant special pay Rs. 100, Rs. 150, Rs. 200, Rs. 250 or Rs. 300 for any of the posts specified in the schedule. The State Government in its discretion has fixed Rs. 150 as special pay for the I.A.S. Officers working as Secretaries. The rules do not give any guidance as to the rate at which the State Government may fix the special pay. The rates of special pay granted in other States do require some consideration; but the decision will have to be rested on the pay scales prevailing in the State. The Commission has no good ground to recommend higher special pay in the case of Secretaries to Government.

5.38. As regards the Deputy Commissioners in the I.A.S. Cadre, it is true that their work is heavy and is attended with many inconveniences. But the position of the Deputy Commissioners in the Districts will have to be compared with the other officers of the State Government working in the Districts. The Officers in Departments like Agriculture and Engineering working in the District

have equally exacting work and no special pay is being sanctioned by the State Government for any of them. Under these circumstances, the Commission does not see any good ground for recommending payment of special pay only to the Deputy Commissioners in the I.A.S. cadre.

5.39. Regarding the I. A. S. Officers who have been posted as Heads of Departments, they are now uniformly paid a special pay Rs. 100. The Commission, however, considers that there is a reasonable distinction between the responsibilities of Heads of Major Departments and Heads of Minor Departments. It is reasonable to place the Heads of Major Departments on the same footing as Secretaries to Government in the matter of grant of special pay. The Commission, therefore, recommends that such of the I.A.S. Officers as are posted as Heads of Major Departments may be paid the same rate of special pay as the I.A.S. Secretaries.

5.40. The existing rates of special pay in regard to the other I.A.S. and I.P.S. Officers may be continued as the rates sanctioned by the State Government do not call for any reduction in view of the fact that the other State Governments have sanctioned the same at higher rates.

5.41. The cases of special pays of various Government departments have been reviewed by the Commission bearing in mind these principles. Some of the departments have demanded increase in the existing rates of special pay for certain posts, while some others have claimed special pay for posts which carry no special pays at present. Such cases have been considered in the chapters pertaining to the relevant departments. The Commission has recommended continuance of special pay where it was felt that there was enough justification for its payment.

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## CHAPTER 6

### Allowances

- (i) Dearness Allowance.
- (ii) Compensatory Allowance.
- (iii) Travelling Allowance.
- (iv) Other Allowances.

#### *(i) Dearness Allowance*

6.1. The total remuneration of the State Government employees is made up of two elements, namely, (1) basic salary and (2) dearness allowance. The payment of dearness allowance came into existence in India during the Second World War. Since then, dearness allowance has become a normal supplement to salaries and wages under Government and in other sectors of employment in the country.

6.2. In the old Mysore State, when, consequent on the commencement of the Second World War, prices began to rise, dearness allowance at the rate of Re. 1 was given from the 1st September, 1941 to employees drawing Rs. 25 and less per mensem. As the prices continued to rise, the rates of allowance as also the class of employees to whom it was to be given were gradually increased. Since 1st January 1945, dearness allowance and high price allowance were given to all Government servants drawing a salary of Rs. 800 and below per month. There was a further revision in the rates of Dearness and War allowances with effect from 1st July, 1946.

6.3. After the revision of scales of pay in 1947, the payment of Dearness Allowance was continued and further increased in 1951. This background relates to the erstwhile State of Mysore. In other areas of the new State also, there were similar periodical increases in the rates of dearness allowance. After the formation of the new State in 1956, the new scales of pay and Dearness Allowance were implemented with effect from 1st January 1957. In view of the rise in prices since 1957, the Government sanctioned with effect from 1st January 1960 an interim increase of Rs. 5 in the dearness allowance of employees drawing pay up to Rs. 300 per month.

6.4. The scales of pay for the State employees were again revised in 1961. The moribund rates of dearness allowance in force prior to 1st January 1960 were merged with pay in full. The new rates of dearness allowance were confined to Government servants drawing not more than Rs. 299 per month. Since then, the rates of dearness allowance and also the classes of employees to which the allowances were to be paid have been revised from time to time during 1963, 1964, 1965, 1966, 1967 and 1968 to mitigate the hardship caused on account of the rise

in general level of prices and the consequent increase in the cost of living. The latest revised rates of dearness allowance which became effective from 1st March 1968 and are in force to-day are set out below :

<i>Pay limit</i>	<i>Rates per month (Rs.)</i>
(1) Basic pay below Rs. 90 per month	.... 65
(2) Rs. 90 or above but below Rs. 110 per month	.... 80
(3) Rs. 110 or above but below Rs. 150 per month	.... 91
(4) Rs. 150 or above but below Rs. 210 per month	.... 114
(5) Rs. 210 or above but below Rs. 400 per month	.... 137
(6) Rs. 400 or above but below Rs. 450 per month	.... 150
(7) Rs. 450 and above but below Rs. 469 per month	Difference between Rs. 599 and basic pay.
(8) Rs. 469 or above but below Rs. 1,000 per month	.... 120
(9) Rs. 1,000 or above	.... 100

6.5. The revision of rates of dearness allowance has generally followed similar revisions effected by the Government of India from time to time for their employees. The last of these revisions given effect to by the Government of Mysore corresponds to the level of 205 points of the All-India working class consumer index (1949 = 100).

6.6. Both the First and the Second Central Pay Commissions considered the question whether dearness allowance in our country should continue as a separate element of the total remuneration of the employees. Since the commencement of the Second World War, there has been a perceptible and continuous rise in the level of prices and the cost of living. Further, with the magnitude of the investment involved in the Five-year plans and with the manner of financing it, the upward tendency in prices has persisted. But, as the Second Pay Commission observed, in a country where the general price level is influenced to a large extent by the movement of agricultural prices and where agricultural production depends a great deal on the monsoon, there will be an element of uncertainty in the behaviour of prices and, given good seasonal conditions, the possibility of a fall in prices cannot be ruled out. Pay Revision is not undertaken frequently in our country and, therefore, it is necessary to give protection when the prices go on rising continuously. Therefore, both the Commissions came to the conclusion that dearness allowance was a temporary expedient and that it should continue as a separate element in the remuneration of Government employees. As the Second Pay Commission put it: "A dearness allowance is a device to protect, to a greater or lesser extent, the real income of wage earners and salaried employees from the effects of rise in prices." The system of dearness allowance must be continued so long as the cost of living continues to increase.

6.7. The employees of the State Government have demanded that dearness allowance may be paid to them at the same rates as the Government of India are

paying such allowance to their employees and the State Government have conceded this demand. The Commission also believes that for a variety of reasons as indicated in Chapter 4, it is desirable to keep the rates of dearness allowance for the employees of the State Government at the same rates as for the employees of the Central Government.

6.8. The Dearness Allowance Commission (Gajendragadkar Commission) has examined the principles which should govern the grant of dearness allowance to the employees in future and has laid down the following formula for the grant of dearness allowance :

Pay Range	<i>Total Dearness Allowance payable when the average of index reaches (Rs.).</i>					
	185	195	205	215	225	235
70—109	53	59	65	71	77	83
110—149	77	84	91	98	105	112
150—209	98	106	114	122	130	138
210—399	119	128	137	146	155	164
400—449	130	140	150	160	170	180
450—499	120	120	153	164	175	186
500—575	120	120	120	120	180	192

The formula for the grant of dearness allowance when prices rise will be applicable for reduction of dearness allowance when prices fall. The Dearness Allowance Commission has recommended that the revision of the salaries should be undertaken when the twelve-month average of the index reaches 245. This Commission fully agrees with the recommendations of the Gajendragadkar Commission in regard to the method of regulating the grant of Dearness Allowance on the basis of the movement of the cost of living index.

6.9. The employees of the State Government have pressed for a revision of the existing system of dearness allowance and have demanded that the dearness allowance may be absorbed in basic pay. Any decision in regard to the merger of the whole or a portion of the dearness allowance has to be taken with reference to a level below which the prices are not likely to fall. Based on a study of past trends in prices, the Commission is of the considered opinion that within at least the next ten years or so, the prices are not at all likely to go below the level reached in 1965, that is, the All-India cost of living index level of 160. Therefore, as explained in Chapter 4 on Minimum Remuneration, the recommendations of the Commission in regard to additional basic pay are related to an index of 160, allowing for 100 % neutralisation if the increase in the cost of living since 1949 at the lower level. The element of dearness allowance on the revised scales of pay will have, therefore, to be determined with reference to the gap between the base level of 160 points and the level of 205 points of the cost of living

index. The difference between the basic pay at an index level of 160 and basic pay including part of the dearness allowance payable on the basis of cent per cent neutralisation in the cost of living over 1949 would be treated for all purposes as additional basic pay. The balance, that is, the difference between the present dearness allowance minus basic additional pay will form the new rate of dearness allowance. The dearness allowance may be regulated in future on the basis of the dearness allowance given by the Government of India from time to time in such a way that the aggregate of the additional basic pay and the dearness allowance paid to the employees of the State Government, would be equal to the dearness allowance paid to their employees by the Government of India in the corresponding pay ranges. If the cost of living index comes down and gets stabilised at the level of 160, the entire dearness allowance can be abolished, and in case it goes below even the level of 160 and stays so for any reasonable length of time (which is highly improbable), the State Government may have to consider the feasibility of revising suitably the scales of additional basic pay.

6.10. Before closing this question, the Commission would like to refer to item No. 4 of paragraph 1 of their Order No. FD 43 SRP (1) 66, dated 17th November 1966 constituting the Commission, in which Government requested it to study the existing structure of Dearness Allowance and Compensatory Allowances and recommend the adequacy or otherwise of the existing rates with reference to the scales of pay recommended by it.

6.11. For the reasons indicated in Chapter 4 and the foregoing discussion, the Commission has proposed revised scales of pay on the basis of the cost of living index of 100 (base year: 1949) without taking into consideration the subsequent rise in the cost of living. The scales of pay so proposed indicate, in the view of the Commission, the proper scales of pay to be given to the officers and officials at the various levels taking into consideration their qualifications and the nature of duties and responsibilities entrusted to them. The Commission has also suggested that the Dearness Allowance payable to the employees of the State Government should be equal to the Dearness Allowance paid by the Government of India from time to time to their employees on the basis of the recommendations contained in the Report of the Gajendragadkar Commission and has added that a portion of such Dearness Allowance representing the amount which would neutralise the increase in the cost of living index from 100 points to 160 points might be treated as 'Additional Basic Pay' and the balance as Dearness Allowance (the aggregate of the two being equal to the Dearness Allowance paid by the Government of India on the lines indicated above).

6.12. The Commission has made its recommendation in regard to the Compensatory Allowances in paragraphs 6.14 to 6.41. In view of the observations made in the preceding paragraphs, the structure of Dearness Allowance and Compensatory Allowances does not require any modification with reference to the scales of pay recommended by the Commission.

6.13. On 29th October 1968, the members of the Mysore State Non-Gazetted Officers' Association submitted a memorandum to the Commission requesting that



the benefit of the increase in Dearness Allowance given to the Central Government employees with effect from 1st September 1968 might be extended to the State Government employees also and that a scheme for linking the increase in Dearness Allowance with the cost of living index might be suggested to the State Government. The points raised by the Employees' Association have already been covered in the report and recommendations have been made to the effect that the rates of dearness allowance for the employees of the State Government might be kept at the same rates as for the employees of the Central Government and that the formula laid down by the Gajendragadakar Commission might be followed for regulating the grant of dearness allowance.

(ii) *Compensatory Allowances*

6.14. Government have been giving several categories of allowances to compensate their employees for the high cost of living in certain localities or areas, or in consideration of certain special reasons.

The Compensatory Allowances are at present paid for the following purposes :

- (1) to meet the high cost of living in certain specially costly cities (City Compensatory Allowances and House Rent Allowances) and in other local areas including hill stations (Hill Compensatory Allowances) ;
- (2) to compensate them for lack of normal amenities or for special conditions of living in certain out-of-the-way places like the Project Areas (Project Allowances) ;
- (3) in consideration of conditions of bad climate and remoteness of certain areas (Bad Climate Allowances) ;
- (4) to compensate them for the loss of private practice in the case of medical officers (non-practising allowances).

6.15. The system of paying compensatory allowance has been in practice since a long time. Different types of compensatory allowances have been in existence and changes have been introduced from time to time. One of the early local allowances paid in the former Mysore State seems to have been the allowance on account of the unhealthiness of a locality in the Malnad areas called the Malnad Allowance. The Committee for Revision of Salaries (1947) recommended the grant of an allowance to the low paid employees in certain places to compensate them for the increase in the rates of house rent. The Committee for Rationalisation of Allowances (1956) which considered the rationale of various allowances felt that there was no justification for continuing the Malnad Allowance which was granted because of the special unhealthiness of Malnad areas. But the Pay Structure Committee (1956) modified that recommendation and suggested that it may be continued for some more time at the rate of one anna (6 paise) per rupee, subject to the minimum of Rs. 2 per month and extended it to officials drawing a monthly salary not exceeding Rs. 100. It recommended the abolition of special locality allowance paid at 4 annas (25 paise) per rupee to the Primary School Teachers. Construction allowance was a special kind of allowance which was also being granted to Government Servants placed in charge of execution of big projects. The quantum of this allowance ranged between 10 and 30 per cent of the substantive pay. The Committee for Rationalisation of Allowances had suggested in 1956 that the period for which such allowance should be paid should

not normally exceed 2 years, and in special cases of very big projects and for exceptional reasons, 3 years and not afterwards and that the ceiling may be limited to a maximum of 20 per cent of the substantive pay but not exceeding certain specified sums. In Belgaum Division, water allowance was being paid by the former Government of Bombay for a period of 4 months in a year. Non-practising allowances were given to the teaching staff in Medical Colleges by way of compensation for the loss of private practice.

6.16. The Compensatory allowance will have to be paid to the staff posted to stations where such staff would have to incur extra expenditure which their colleagues working elsewhere need not have to incur. In other words, no compensatory allowance need be paid if the conditions of living are more or less similar in the entire State and if the bulk of the staff have to incur expenditure commensurate with such conditions of living. But the living conditions are not obviously the same throughout the State and are definitely harder in certain areas than in others. When such areas are limited and only the staff posted to such places have to incur extra expenditure, it is reasonable that they should be given some allowance to compensate them for the extra expenditure, as it is not feasible and practicable to have separate scales of pay for such areas. The Commission, therefore, considers that the system of paying Compensatory allowances should continue. The conditions for the grant of various kinds of Compensatory allowances and the quantum of allowances to be paid are considered below :

#### (1) City Compensatory Allowance

6.17. Of the different kinds of Compensatory allowances, the City Compensatory Allowance is the most important one. No such allowance was being paid prior to 1961. The Mysore Pay Committee (1961) recommended the payment of Compensatory-cum-House Rent Allowance in respect of places with a population of 25,000 or more in consideration of the higher rates of rents for residential quarters and other extra expenses to be incurred in cities and towns. This is a consolidated allowance meant partly to compensate the employees in respect of the high rates of house rent and partly in respect of other items of expenditure included in the Family Budget. There is no material to determine the quantum or percentage of each of these two components but on general considerations, 50 per cent of this consolidated allowance may be deemed to be compensatory allowance. The existing rates of Compensatory-cum-House Rent Allowance are shown below :

#### I. Bangalore City

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of allowance</i>
1.	Those drawing basic pay below Rs. 90 per month ....	Rs. 10 per month
2.	Those drawing basic pay of Rs. 90 or more but below Rs. 300 per month ....	Rs. 15 per month
3.	Those drawing basic pay of Rs. 300 or more but not exceeding Rs. 500 per month ...	Rs. 20 per month
4.	Marginal adjustment to those drawing a basic pay of Rs. 501 to Rs. 520	Difference between Rs. 520 and basic pay.

## II. Cities with population of one lakh and above

(Mysore, Kolar Gold Fields, Mangalore, Hubli-Dharwar and Belgaum)

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of allowance</i>
1	Those drawing basic pay below Rs. 100 per month ....	Rs. 7 per month
2	Those drawing basic pay of Rs. 100 or more but below Rs. 125 per month ....	Rs. 9 per month
3	Those drawing basic pay of Rs. 125 or more but below Rs. 300 per month ....	Rs. 12 per month
4	Marginal adjustments to those drawing basic pay of Rs. 301 to Rs. 312 per month	Difference between Rs. 312 and basic pay.

## III. Places with a population of 25,000 and above

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of allowance</i>
1	Those drawing basic pay below Rs. 100 per month ....	Rs. 2 per month
2	Those drawing basic pay of Rs. 100 or more but not exceeding Rs. 200 per month ....	Rs. 3 per month
3	Marginal adjustments to those drawing basic pay of Rs. 201 to Rs. 203 per month	Difference between Rs. 203 and basic pay.

6.18. Compensatory Allowance and House Rent allowance are given as two separate allowances to the employees of the Central Government. The Second Central Pay Commission observed that the City Compensatory Allowance is intended to compensate only that element of expensiveness of cities which is not covered by Dearness Allowance, or where a House Rent Allowance is payable, by that allowance. It is, therefore, suggested that in our State also House Rent Allowance should be separated from Compensatory Allowance and that the two allowances should be determined with reference to the circumstances which have to be taken into consideration in respect of each of them. The quantum of allowance to be paid as City Compensatory Allowance has, in that event, to be determined separately.

6.19. The problem then is the classification of places in respect of which the allowance should be paid and determination of the rates at which it should be regulated. Since this allowance is intended to compensate only that element of expensiveness of places which is not covered by Dearness Allowance and House Rent Allowance, it is but correct that the places should be classified on the basis of levels of cost of living in such places. But no data is available regarding the relative expensiveness of various places in the State. The cost of living index numbers do not indicate relative expensiveness of cities and they are also not designed to provide criteria for classification of cities according to their relative expensiveness. The cost of living index numbers are being compiled by the State Government for 10 Industrial centres and these index numbers have different base years. They only indicate changes in the price-levels over time for those places

with reference to the base years of the indices. No comprehensive family budget surveys have been conducted in the different classes of towns and cities of the State to form a precise opinion about their expensiveness. However, practical experience and observation show that the cost of living in cities is higher than in the larger towns and that in the larger towns is higher than in the smaller towns. It may be that in some small towns, in spite of the smaller size of the population, living may be expensive because of certain factors peculiar to such towns. But this fact should not affect the validity of adopting population as a general criterion for determination of City Compensatory Allowance. Therefore, population can safely be adopted as a reasonable criterion for classifying places for payment of this allowance in the absence of any other reliable data on relative expensiveness of places. The Second Central Pay Commission observed that, for the present, no sounder criterion than that of population was available. The Commission agrees with this view and is of the opinion that City Compensatory allowances may be sanctioned only in respect of places with a population of 1 lakh and above.

6.20. One of the items that contribute primarily to the high cost of living in cities and big towns is transport. If the expenditure on transport could be limited to a reasonable amount, there may not be much need to pay compensatory allowance. The Commission, therefore, suggests that special arrangements for transport on subsidised basis may be made in places like Bangalore, Mysore, Hubli-Dharwar, Mangalore, Belgaum and Gulbarga where long distances have to be covered by officials to go to their offices. In other places, there is no need for any special arrangement. In these six places, monthly passes for both the forward and return journeys between the bus stops at or near the place of work and the employees residence may be got issued to such of the Class III and Class IV employees as wish to come under the scheme of subsidised transport at a concessional fixed fare of Rs. 5 per month, the balance (that is, the difference between the full fare to be paid for such monthly passes and the sum of Rs. 5 to be paid by the employee) may be paid by Government to the Mysore State Road Transport Corporation. The Mysore State Road Transport Corporation may issue the concession passes to the parties paying Rs. 5 on the basis of their identity cards (with the photographs attached) and letters of authorisation issued by the concerned Departments. For the balance, *i.e.*, the difference between the actual fare and the concessional fare of Rs. 5 the Mysore State Road Transport Corporation may send a consolidated bill once a year to Government in the Finance Department for settlement of claims. The concerned Departments may also intimate the relevant particulars to the Finance Department for purposes of checking and counter-checking the bills received from the Road Transport Corporation. There is, however, a possibility of the concession being misused in two ways. The first is that some of the employees might use the passes on holidays also on the ground that they are required to go to offices. But it is of such insignificant nature that it can be safely ignored. The second is that strangers might also make use of the passes. This can be easily checked and prevented as photographs of the employees (pass-holders) would be attached to

their respective passes. The photographs would facilitate detection of fraud and any employee found mis-using it and any employee colluding with any person misusing it should be made ineligible for one or two years for claiming the concession, without prejudice to such other action as may be taken against him under the law.

6.21. There may be some other items which also contribute to the higher cost of living in cities. But these cannot be clearly identified and measured. In view, however, of the fact that it is proposed to give an independent house rent allowance and to provide subsidised transport, the Commission suggests that *City Compensatory allowances* may be paid at the following rates in the specified places :

### I. Bangalore City

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of allowance</i>
1.	Below Rs. 250 per month	.... 5% of basic pay subject to a minimum of Rs. 5 and a maximum of Rs. 12 per month.
2.	Rs. 250 to Rs. 500 per month	.... 4% of basic pay subject to a minimum of Rs. 12 and maximum of Rs. 20 per month.

(With marginal adjustment in the case of Officers getting a pay between Rs. 500 and Rs. 520 per month).

### II. Mysore, Kolar Gold Fields, Mangalore, Belgaum and Hubli-Dharwar

1.	Below Rs. 500 per month	.... 3% of basic pay subject to a minimum of Rs. 4 per month.
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(With marginal adjustments in the case of Officers getting a pay of between Rs. 500 and 515 per month).

#### (2) *House Rent Allowance*

6.22. Another category of Compensatory allowance is the House Rent Allowance which is granted in localities where house rents are high in order to compensate the employees for the high rents which they have to pay for securing housing accommodation. Housing is one of the basic and important needs of man and the conditions of housing greatly influence a man's health and well-being. The unsatisfactory conditions under which an employee is housed will have, therefore, a telling effect on his comfort and efficiency. In the interest of efficiency in public service, adequate attention, therefore, needs to be given to the problem of housing the Government employees satisfactorily. In recent years, the housing problem has become very acute, particularly in big cities and towns due to various reasons such as rapid industrialisation, migration of rural population to the cities and towns, etc.

6.23. It is accepted on all hands that Government employees should be able to secure suitable residential accommodation in keeping with their status and social position, free of rent in respect of specified classes of employees and at reasonable rent in other cases. It has been the policy of the Government to provide quarters free of rent to certain limited categories of employees. Under the existing practice, the concession of rent-free quarters is limited to officers who are required in public interest to reside in close proximity to the place of duty and are expected to come on duty at short notice and practically at any time of the day or night. The system of providing free quarters, and of granting a house rent allowance in lieu thereof, obtains in certain departments such as Health, Police and Prisons. There has been a persistent demand for provision of residential quarters to Government employees or grant of House Rent Allowance. In some cases, Government have built houses and given them on concessional rent limited to 10 per cent of pay or 7 per cent of the capital cost of the building whichever is less.

6.24. Earlier, there was no system of paying House Rent Allowance in the former State of Mysore. But the conditions during the Second World War brought the housing problem to the forefront on account of the rise in the prices of all commodities. As many important public offices were situated in cities and big towns, a large proportion of Government employees was hard-pressed to find residential accommodation as the rents began to rise. Therefore, the Committee for Revision of Salaries (1947) which considered this question was sympathetic to the demand of the employees that house rent allowance should be paid to compensate them for the increase in house rents and recommended the payment of house-rent allowance to certain classes of low-paid employees in cities and big towns. This recommendation was not accepted by Government. But, after the Re-organisation of States, the employees allotted to the new State from other areas were drawing house-rent allowance under the service conditions of their respective former States. In the meanwhile the cost of living in cities and towns was rising. Further the employees of the Central Government were paid both City Compensatory and House Rent Allowances in 'A' and 'B' classes of cities. Therefore, the Mysore Pay Committee (1961) recommended the payment of Compensatory-cum-House Rent Allowance in Bangalore and other cities with a population of a lakh and above, and other towns with a population of 30,000 and above. Government sanctioned Compensatory-cum-House Rent Allowance only to the employees drawing emoluments of Rs. 320 or below in Bangalore City and other cities with a population of a lakh and above. The rates of Compensatory-cum-House Rent Allowance were revised in 1963 and 1965 and were also extended to other classes of towns with a population of 25,000 and above.

6.25. The Compensatory-cum-House Rent Allowance is, as already stated, a consolidated allowance and it is not possible to determine the quantum or percentage of each of these two components. For the reasons stated in the section relating to City Compensatory allowances, the Commission has suggested that House Rent

Allowance should be separated from Compensatory Allowance and the two allowances should be determined with reference to circumstances which have to be taken into consideration in respect of each of them.

6.26. The employees and other witnesses have represented that the present rates of House Rent Allowance have no relation to the existing levels of rents which have enormously increased recently. Therefore, they are of the opinion that the Government themselves should construct houses and provide accommodation charging rent equal to 10 per cent of the basic pay of the employees. But Government have not at any time accepted the responsibility for providing quarters to all their employees either free of rent or on payment of a reasonable amount of rent. The First and Second Central Pay Commissions did not consider it necessary for Government to accept a formal obligation to house all their employees, that is, to provide satisfactory housing as a condition of service. Nevertheless considering the importance given by Government to housing programmes in the Five Year Plans and particularly the solicitude shown by Government towards industrial employees for whom they have introduced subsidised industrial housing scheme, it is reasonable that the Government should assume greater responsibility than at present in providing residential accommodation to their own employees also. This is necessary from the points of view of social responsibility and efficiency in public administration because in the absence of basic facilities like housing the efficiency of the employees is bound to suffer. But in view of the very large number of employees who have got to be provided with quarters and the enormous funds required for the purpose, it would be impracticable to expect Government to construct quarters for all employees either in the near future or over a reasonable period of time. Even if additional funds are made available under the existing schemes, it would take quite a long time even before a fairly reasonable proportion of employees could be provided with quarters. Under the circumstances, it is necessary that Government should find out alternative solutions for the problem. As an alternative, it is suggested that Government should encourage the Life Insurance Corporation of India, the Housing Board, the Housing Corporation and the Housing Co-operative Societies to construct houses either on the basis of personal ownership of the employees concerned or on the basis of the ownership of the Board or the Corporation as the case may be, and to give the houses on long lease to the Government so that, in their turn, Government can allot them to the individual employees on reasonable rent at 10 per cent of pay of the employee. It has been accepted that 10 per cent of pay is a reasonable rent, though there might be no particular basis for this except that Government themselves have been paying 10 per cent of pay as House Rent Allowance in lieu of rent-free quarters to officers who are entitled to free quarters. Government should be prepared to accept the responsibility of paying economic rent to the organisation which constructs the quarters and should be content with receiving, in return, only reasonable rent at 10 per cent of the pay of the employees to whom they are rented. The financial implications of this rental scheme, so far as Government are concerned, will no doubt be enormous but

it is inevitable that Government should bear this burden in the interest of efficiency in administration.

6.27. One difficulty that may arise is that it would not be practicable for these organisations and Boards to construct houses in smaller towns and rural areas in which the employees have to work. It may be possible for the Government to persuade the rich people of the locality to build suitable quarters on the understanding that they would take them on long leases. If this is not possible, Government might accept direct responsibility of constructing houses in such areas.

6.28. Even if the Government accept the suggestions made in the preceding paragraphs and make every effort to provide houses to at least about 70 to 80 per cent of the employees over a reasonable period of about 10 years, it is doubtful whether Government would be able to achieve this target as the number of employees is bound to increase during this period in the context of the expanding activities of Government. Nevertheless it can be anticipated that during a period of 15 to 20 years, Government might be able to provide houses to about 70 to 80 per cent of their employees through the various agencies.

6.29. Until such quarters are made available to the employees on a phased basis, the only practical relief which the Government can give to their employees is to continue the House Rent Allowance, which they are now giving. At present, the payment of Compensatory-cum-House Rent Allowance is restricted to places with a population of 25,000 and more. It has been represented to the Commission that the house rents even in places with smaller population are as high as in places with larger population. It is, therefore, necessary to examine whether the present criterion of population for classifying places for payment of House Rent Allowance is sound in principle or not. It is generally accepted that the house rents will be high in places where there is greater concentration of population. But other factors, such as growth of industries, concentration of offices, growth of commerce and trade, political or geographical location, administrative importance of the place and acute shortage of accommodation, etc., also influence the levels of rent. Different factors may influence the levels of rents in different cities and towns and, therefore, these factors may not be adequate for classification of areas for purposes of payment of House Rent Allowance. Only a survey of rents in all cities and towns can be a precise measure for this purpose. But no such surveys are so far conducted in the State, or for that matter, in any State in India. Under these circumstances, the only practical measure and guide for classification of cities and towns for payment of House Rent Allowance is population. The Second Central Pay Commission also accepted the fact that, as a rule, house rents in cities with large populations are high and that population is not an unsound general criterion to apply. The Commission, therefore, accepts the present classification on the basis of population as reasonable for recommending some relief in regard to house rent allowance.

6.30. The next question for consideration is the adequacy and reasonableness of the quantum of allowance. At the instance of the Commission, a rapid survey



was conducted to collect factual data on the prevailing levels of house rent in some cities and towns of the State. The estimates of the amount of rent paid in different pay groups and its percentage proportion to the monthly income have been worked out. According to the results of this study, in Bangalore City the employees in the pay range upto Rs. 200 pay about 21 per cent of their emoluments towards house rent; in the pay range between Rs. 200 and Rs. 400 the house rent constitutes about 17 per cent; the percentage declines in the higher pay groups. In other cities and towns, the amount of expenditure on house rent in the pay group upto Rs. 200 ranges from 13.7 per cent of total emoluments at Bellary and Tumkur to 18.6 per cent of income at Mangalore; it varies from 11 to 14 per cent in the pay groups between Rs. 200 and Rs. 400 per month. It is generally accepted that the reasonable rent which an employee is expected to pay is 10 per cent of his pay. So, the House Rent Allowance, that ought to be sanctioned should be at least equal to the excess, which an employee has to bear in excess of 10 per cent of his pay. For all these reasons, the Commission recommends that House Rent Allowance may be paid at the following rates with marginal adjustments at each level so as to ensure that a person with a higher pay does not get a lower amount as House Rent Allowance.

### I. Bangalore City

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of Allowance</i>
1	Those drawing basic pay not exceeding Rs. 200 per month.	7½ per cent of pay subject to a minimum of Rs. 7.50 and a maximum of Rs. 12-50.
2	Those drawing basic pay of Rs. 201 or more but not exceeding Rs. 400 per month.	6 per cent of pay subject to a minimum of Rs. 12-50 and a maximum of Rs. 20.
3	Those drawing basic pay of Rs. 401 or more but not exceeding Rs. 500 per month.	4½ per cent of pay subject to a minimum of Rs. 20 and a maximum of Rs. 22-50.

### II. Places with population of 1 lakh and above

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of Allowance</i>
1	Those drawing basic pay not exceeding Rs. 200 per month.	5 per cent of pay subject to a minimum of Rs. 5-00 and a maximum of Rs. 7-50
2	Those drawing basic pay of Rs. 201 or more but not exceeding Rs. 400 per month.	4 per cent of pay subject to a minimum of Rs. 8-00 and a maximum of Rs. 12-50.
3	Those drawing basic pay of Rs. 401 or more but not exceeding Rs. 500 per month.	3 per cent of pay subject to a minimum of Rs. 12-50 and a maximum of Rs. 15-00.

### III. Places with a population of 25,000 and above

<i>Sl. No.</i>	<i>Basic Pay Range</i>	<i>Rate of Allowance</i>
1	Those drawing basic pay not exceeding Rs. 200 per month.	2½ per cent of pay subject to a minimum of Rs. 3-00 and maximum of Rs. 5-00.
2	Those drawing basic pay of Rs. 201 or more, but not exceeding Rs. 500 per month.	2 per cent of pay subject to a minimum of Rs. 5-00 and a maximum of Rs. 10-00.

(With marginal adjustments in the case of Officers getting a pay of between Rs. 500 and Rs. 522-50 in category I, between Rs. 500 and Rs. 515 in category II and between Rs. 400 and Rs. 410 in category III).

As regards the employees in the higher brackets, it is felt that they do not, at the moment, require any assistance and that they could be expected to secure houses at reasonable rent.

6.31. Some employees have represented that the classification of towns based on population should be reviewed periodically during the inter-censal period, as it is likely that during such period, some towns may exceed the prescribed population limit and become qualified for grant of House Rent Allowance. As it may not be possible to obtain reliable figures in between two Censuses, the Commission cannot accept this suggestion for periodical assessment of population and is therefore of the view that only decennial Census figures should form the basis for revision, when necessary.

#### *Advances for House Construction.*

6.32. Another suggestion that was made repeatedly by various witnesses was that Government should encourage their employees to build their own houses by liberalising the rules relating to the grant of advances for the construction of houses and by providing sites at reasonable prices in housing colonies. This aspect has been dealt with separately in Chapter 7. An alternative suggestion that was made was that instead of Government recovering the advances in instalments directly, the employees might be asked to take out Insurance Policies for amounts adequate to cover the advances and that the employees might pay the premia to the Insurance Department which in turn might cover the repayment of the advance given by Government. This suggestion has been examined in Chapter 7, and there is, therefore, no need for any discussion of this suggestion here.

6.33. The suggestions made above are of a general nature and cover all categories of Government employees. It has been strongly urged by the Judicial Department that the Judicial Officers should be given special consideration in the matter of providing housing facilities on the ground that (i) they should not come into contact with the public and (ii) much embarrassment will be caused to them in case the landlords turn out to be litigants before them. In view of the peculiar circumstances under which the Judicial Officers are required to discharge their

duties, Government should seriously consider how they could provide quarters to the Judicial Officers either by constructing quarters for their use or by requisitioning or taking on long leases private houses for the use of these officers and letting them out to them on recovering standard rent of 10 per cent of their pay.

### (3) *Hill (Compensatory) Allowance*

6.34. Government servants residing at Nandi, Krishnaraja and Biligiri Rangana Hills on duty are paid Hill Allowance in consideration of the higher cost of living and special requirements such as additional warm clothing, fuel, etc., because they are Hill Stations. The rates of Hill Allowances are :—

<i>Sl. No.</i>	<i>Pay Group</i>	<i>Rate of Allowance per month</i>
1.	Those drawing basic pay not exceeding Rs. 100 per month	Rs. 5
2.	Those drawing basic pay of Rs. 100 or more but not exceeding Rs. 200 per month	Rs. 10
3.	Those drawing basic pay of Rs. 200 or more per month	Rs. 15

6.35. In deciding whether a particular place should be considered a hill station, the Government of India have followed the criterion of the altitude of the place and the employees working in hill stations situated at an altitude of 1,000 meters (about 3,300 feet) or more above the mean sea level are eligible for the grant of hill allowance. But the State Government have taken into consideration for the grant of hill allowances, besides the altitude of the place, other factors like the hill station being an out-of-the-way place and the difficulties in securing provisions and daily necessities of life which are relevant and significant. The criteria adopted by the State Government are reasonable and may continue to govern the payment of this allowance.

6.36. The employees stationed at Mercara have represented that Mercara might be declared a hill station as it is situated at an altitude of 3,750 feet. While there is no doubt about the altitude and chilly weather of the place, Mercara is a well developed town with all the amenities of town life. There are no difficulties which are common to places now declared by Government as being fit for special allowance. The Commission is, therefore, unable to accede to the request made by the employees.

6.37. The Commission recommends that the Hill Allowances that are being paid at present may be continued at the existing rates.

### (4) *Project (Compensatory) Allowance*

6.38. Another category of Compensatory allowance is the Project Allowance, which is being paid in the areas where new irrigation or hydro-electric projects are taken up. The Project allowance is granted in order to compensate the staff working in project areas for lack of ordinary amenities of life such as housing, education, medical aid, shopping facilities, etc. At present, only the irrigation and power projects estimated to cost not less than Rs. 10 lakhs in each case are

treated as "projects" for cost of living of this allowance. But there are certain projects of other Departments like Agriculture, Horticulture, Animal Husbandry and Forests, etc., located in remote and out-of-the-way places or in the midst of forests necessitating the stay of the staff of these departments on the spot. The Commission recommends that such projects also should be included under the term "Projects" for grant of this allowance and that Project allowance may be granted subject to the following conditions:—

- (i) the staff of the Public Works and other departments attached to projects as described above and staying on the project spot may be granted Project Allowance at 20 per cent of their pay uniformly subject to a ceiling of Rs. 100 per month;
- (ii) Project Allowance should not be admissible to the staff (attached to Projects) residing in City, Taluk, or District Headquarters or within a radius of 3 miles thereof.

At present, the Land Acquisition Officers and their subordinate staff connected with the work of acquisition of lands required for the projects are being granted this allowance even though they reside in towns and cities. There is no justification for grant of project allowance in such cases and the same may be discontinued. However, the land acquisition staff will be entitled to project allowance in the event of their stay on the project spot.

- (iii) a school, or a dispensary or a police out-post or a land acquisition office sanctioned exclusively to meet the needs of the project area is to be treated as attached to the Project for the purpose of determining the entitlement of the staff to the allowance;
- (iv) Project Allowance is not to be drawn in addition to other allowances, like Rural Allowances, Special Pay and other Local Allowances;
- (v) the staff on the work-charged establishment, the staff paid from contingencies, and the staff employed on daily wages and casual labour are not eligible for the Project Allowance.

6.39. Project Allowance is granted to Government servants placed in charge of execution of irrigation or hydro-electric or other projects entailing special and arduous tasks. In the case of irrigation or hydro-electric projects, there is justification for paying the Project Allowance only in the initial stages when much strain and labour are involved in organising the work, and when there are no facilities like housing, electricity and water-supply. But there is no justification for continuance of the allowance at the same rates once the work becomes well organised and certain facilities are made available. Therefore, the Commission suggests that the allowance may be reduced by 50 per cent after rent-free houses, free electricity and free water supply are provided. The allowance should be completely stopped after the concerned irrigation or hydro-electric project is commissioned. In the case of projects of other departments, Project Allowance may be paid so long as the "Project" is in operation and work is to be carried on in out-of-the-way places.

(5) *Bad Climate (Compensatory) Allowance.*

6.40. The purpose of granting compensatory allowance in respect of areas having bad climate is to compensate an employee for the extra expenditure, which he has to incur for equipping himself or the members of his family with preventive or curative facilities against the specific ailments or diseases, which might result on account of bad climatic conditions. While undoubtedly this allowance has to be paid in specially unhealthy places, the question is whether there are any areas having such bad climate in our State. In the old Mysore area this allowance was being paid in the Malnad districts and years ago the payment of this allowance was stopped. At present, there are no such areas in respect of which this allowance is being paid. The evidence before the Commission also indicates that there are no such unhealthy places in the State. Government have in recent years undertaken extensive measures to eradicate communicable diseases like Malaria, Filariasis, etc., and these diseases have, by and large, been brought under control. They have, at the same time, taken extensive measures to provide Medical facilities in most of the areas. There has also been considerable improvement in the communication and transport systems. The Commission, therefore, considers that there are no such bad climate localities in the State eligible for the grant of bad climate allowance and hence no need for its revival.

6.41. The other two types of allowances, namely, Non-Practising Allowance and Rural Allowance which are also of the nature of compensatory allowances, are dealt with separately in the chapter relating to the Department of Health and Family Planning Services, as these two allowances pertain solely to the medical and health staff.

(iii) *Travelling Allowances.*

6.42. Travelling Allowance is an allowance admissible to a Government servant to cover the expenses incurred by him while travelling, in the interest of public service (Rule 450 of the Mysore Civil Services Rules). The rates of Travelling Allowance are regulated on the basis that the expenses incurred by a Government servant on tours undertaken by him in public interest should be reimbursed and that the allowance should neither become, on the whole, a source of profit to him nor cause him monetary loss.

6.43. Travelling Allowances granted to a Government servant broadly fall under the following categories:

- (1) Travelling Allowance on tour and transfer;
- (2) Permanent Travelling Allowance;
- (3) Conveyance Allowance.

6.44. The rates of travelling and daily allowances are related to the pay drawn by the employee and for this purpose, the employees have been divided into seven classes as noted below:—

- I Government servants whose actual pay is Rs. 1,200 or more;
- II Government servants whose actual pay is Rs. 1,000 or more but is less than Rs. 1,200;

- III Government servants whose actual pay is Rs. 750 or more but is less than Rs. 1,000 ;
- IV Government servants whose actual pay is Rs. 300 or more and Gazetted Government servants whose actual pay is Rs. 200 or more but is less than Rs. 750 ;
- V Government servants whose actual pay is Rs. 150 or more but is less than Rs. 300 or Rs. 200 (in the case of Gazetted Government servants) ;
- VI Government servants whose actual pay is more than Rs. 60 but less than Rs. 150 ;
- VII Government servants whose actual pay is Rs. 60 and below.

This classification has nothing to do with the classification of services, viz., Class I, Class II, Class III and Class IV.

6.45. In view of the revised pay structure recommended by the Commission the monetary limits prescribed for entitlement to Travelling Allowance require revision. It has to be observed in this connection, that the Government of India and some other State Governments have divided the officers into grades for purposes of Travelling Allowance, instead of classes, possibly with a view to avoid confusion with the classification of services. With a view to ensure uniformity the Commission considers that the Government servants of the State may also be divided into grades, instead of classes and accordingly recommends that the following grades may be adopted for the purpose.

Grade	I	....	Government servants whose actual pay is Rs. 1,100 or more ;
Grade	II	....	Government servants whose actual pay is Rs. 800 or more but is less than Rs. 1,100 ;
Grade	III	....	Government servants whose actual pay is Rs. 600 or more but is less than Rs. 800 ;
Grade	IV	....	Government servants whose actual pay is Rs. 300 or more but is less than Rs. 600 ;
Grade	V	....	Government servants whose actual pay is more than Rs. 150 but is less than Rs. 300 ;
Grade	VI	....	Government servants whose actual pay is Rs. 150 and below.

#### *Travelling Allowance on tour*

6.46. A Government servant on tour is entitled to travelling allowance of the categories indicated below unless he is eligible for permanent travelling allowance :

- (i) Mileage allowance for journeys by—
- (a) rail
  - (b) road
  - (c) air
  - (d) sea or river.

- (ii) Incidental fare, and  
(iii) Daily allowance.

Mileage allowance is expected to cover expenses the travel and the other two allowances, expenses incidental to travel. The class of accommodation and the rates of travelling allowance admissible at present are indicated below (Rule 451 of the Mysore Civil Services Rules) :

Class	Pay Range	Railway Accommodation	Daily Allowance	Road Mileage
			Rs.	
I	Rs. 1,200 or more	Air-conditioned or I class	10.00	0.50
II	Rs. 1,000 or more but less than Rs. 1,200.	Air-conditioned or I Class	9.00	0.50
III	Rs. 750 or more but less than Rs. 1,000	First Class	7.50	0.50
IV	Rs. 300 or more and Gazetted Government servants whose actual pay is Rs. 200 or more but less than Rs. 750	First Class	5.50	0.36
V	Rs. 150 or more but less than Rs. 300 or Rs. 200 (if gazetted)	Second Class	0.18 for every Rs. 10 of actual pay or fraction thereof	0.25
(In the case of Non-Gazetted Officers whose pay is less than Rs. 300 p.m. 0.16 paise for every Rs. 10 or fraction thereof subject to the minimum prescribed)				
VI	More than Rs. 60 but less than Rs. 150	Third Class	-do- Subject to a minimum of Rs. 2	0.18
VII	Rs. 60 and below	Third Class	0.18 for every Rs. 10 of actual pay or fraction thereof subject to a minimum of Rs. 1.50	0.09

6.47. On the question of changes in the existing rates of daily allowance and mileage allowances including the rates of incidentals, almost all the Associations and individuals, barring a few, were of the view that there is imperative need for their increase, consequent on the general increase in the cost of living, substantial increase in prices of all goods and services and cost of transport. They have represented that the present rates were fixed in the year 1957 and have no

relation to the present day cost of living and that the travelling allowance paid at the present rate is not commensurate with the expenditure incurred on food, transport and other incidental expenses. While the demand for upward revision of the existing rates of mileage, daily allowance and incidental is unanimous, there are differences in regard to the extent to which they should be revised.

6.48. The following observations of the Orissa Pay Committee (1960-61) on this subject deserve consideration:

“..... it is not necessary to make changes in travelling allowance rules strictly in relation to change in price level but only rough correspondence between the two should be maintained in order that actual reasonable expenses incurred by Government servants in travelling in the interest of public service are always reimbursed to them.”

6.49. The Commission is in full agreement with these observations which reflect the equitable principle underlying the fixation of rates of these allowances.

#### *Mileage Allowances.*

##### (a) Railway Journeys :

6.50. *Railway mileage.*—The mileage allowance for travel by rail consists of the actual railway fare of the class or accommodation actually used by an officer limited to the fare of the class to which an officer is entitled under the relevant rule together with incidental fare at the prescribed rates. Some of the Service Associations and individuals have represented that the existing provisions regarding the entitlement to accommodation should be liberalised. Taking into consideration the various aspects of the question including the revision of the pay structure recommended, the Commission is of the view that some re-adjustment is necessary regarding the entitlement to the railway accommodation. Accordingly, the Commission recommends that the existing arrangements in respect of entitlement to accommodation should be modified to the extent indicated below :

	<i>Railway Accommodation.</i>
I Rs. 1,100 or more	Air Conditioned and First Class.
II Rs. 800 or more but less than Rs. 1,100	First Class
III Rs. 600 or more but less than Rs. 800	First Class.
IV Rs. 300 or more but less than Rs. 600	First Class.
V More than Rs. 150 but less than Rs. 300	Second Class.
VI Rs. 150 and below	Third Class.

##### *Incidental expenses :*

6.51. The incidental expenses are expected to meet all expenses incidental to travel such as transport, reservation, portage, refreshments, etc. The present rates of incidental expenses admissible to several classes of officers are indicated below :



1. For Government servants drawing actual pay of Rs. 750 or more=6 paise per mile ;
2. For Government servants drawing actual pay of Rs. 300 or more and gazetted Government servants drawing actual pay of Rs. 200 or more but below Rs. 750=4 paise per mile ;
3. For Government servants drawing Rs. 150 and above—2 paise per mile ;
4. Other Government servants will be entitled to incidental fare at one half of the railway fare of third class (Mail or Passenger by which the individual travels).

6·52. Representations have been received that the rates of incidental expenses which have been fixed long ago require to be enhanced in view of the increase in the cost of living. But before considering this question, the rationale of determining the incidental expenses admissible for a particular journey based as it is on the distance travelled requires examination. The Second Central Pay Commission while reviewing the rates of Daily Allowance and incidental fares admissible to the Central Government employees made the following observations :

“ . . . . The present scheme of daily allowance and allowance for incidental expenses probably works out to the pecuniary advantage of a Government servant who follows a long journey with a short stay away from his headquarters ; and it works out unfavourably when either the stay is long or the journey short. If the same Government servant undertakes these different kinds of tours on different occasions, the net result may not be unsatisfactory either from his or the Government’s point of view ; but the Government servant who follows a long journey with a short stay is not always the one who undertakes short journeys followed by long halts. It is, therefore, necessary that both the daily allowance rates and the rates of allowance for incidental expenses should be reviewed and revised together—one generally upwards, and the other downwards. We recommend, however, that in the case of Grade III and Grade IV staff, there should be no reduction in the allowance for incidentals while revising the existing rates of daily allowance and mileage allowance (in connection with tours).” . . . .

The Central Government and a few other State Governments have adopted the suggestion made by the Second Central Pay Commission and have accordingly revised the rates of incidentals and daily allowance.

6·53. The Commission has reviewed the case for revision of the incidental expenses and agrees with the observations of the Central Pay Commission that while the existing rates are advantageous to a Government servant proceeding on a long journey they are hardly fair to a Government servant going on short tours. The Commission considers that the pattern regulating the incidental charges followed by the Government of India is equitable and reasonable and therefore recommends that the incidental charges may be revised as indicated below :—

Grade of Government Servant.	Rate of incidental fare per kilometre	Maximum for every 24 hours of journey or part thereof
First	4 Paise	Limited to one daily allowance admissible for tour within the State.
Second	4 „	
Third	4 „	
Fourth	3 „	
Fifth	3 „	
Sixth	2 „	

6.54. The officer concerned will be entitled to half the Daily Allowance at the place of halt in addition to the incidentals as indicated above for the day on which he reaches such place of halt.

(b) *Road Journey.*

6.55. The mileage allowance admissible to several classes of officers in respect of road journeys in owned conveyance have been indicated in Rule 451 of the Mysore Civil Services Rules (*vide* extract given in paragraph 6.46 for purposes of reference.) Several representations have been made to the Commission urging for the upward revision of the mileage rates due to increase in the cost of propulsion and maintenance of the vehicles. The results of certain studies made in this connection by some of the authorities disclose that the cost of running (a) an Ambassador car works out to about 46 paise per kilometre, (b) a Fiat car to 40 paise per kilometre, and (c) a Herald car to 42 paise per kilometre. Though it is not necessary for Government to meet the entire cost of maintenance of a vehicle (like insurance, depreciation and taxes, etc.) since the vehicle is not used exclusively for office work, but is also used for private work, the Commission considers that there is enough justification for the upward revision of the existing rates of road mileage. After careful consideration of the evidence before the Commission, the Commission recommends the revised rates of road mileage as indicated in the subjoined table:

Grade of Government servant	Mode of Conveyance	Rates of road mileage per kilometre
1	2	3
		Paise
First	Motor Car	36
	Motor Cycle	18
	Any other means of Conveyance	18
Second	Motor Car	36
	Motor Cycle	18
	Any other means of Conveyance	18
Third	Motor Car	36
	Motor Cycle	18
	Any other means of Conveyance	18

1	2	3
Fourth	Motor Car.	36
	Motor Cycle.	18
	Any other means of Conveyance	18
Fifth	Motor Cycle.	18
	Any other means of conveyance	18
Sixth	Any other means of Conveyance	15

6.56. In respect of journeys performed in a motor vehicle plying regularly for conveyance of passengers the allowance admissible are as under:—

- (i) For journey of not less than 20 miles (equal to 32 kms):—  
1½ times the bus fare for each way plus daily allowance.
- (ii) For a journey of less than 20 miles (equal to 32 kms):—  
1½ times bus fare each way or Daily Allowance (*vide* Rule 485 of the Mysore Civil Services Rules).

6.57. In view of the revised rates of Daily Allowance recommended by the Commission, these provisions do not require any modification.

#### *Rapid Journeys by road.*

6.58. In respect of road marches exceeding 50 miles (equal to 80 kms.) a day, 2/3rds of the mileage rate only is now allowed for the distance in excess of 50 miles (80 kms.) in accordance with Rule 481 of the Mysore Civil Service Rules subject to a minimum of 36 paise per mile. It is represented that the expenditure on the propulsion of the vehicle does not get reduced after a journey of 50 miles (80 kms) is completed and that the full rates of mileage should be allowed for journey even in excess of 50 miles (80 kms.). Taking into consideration (i) the enhanced rates of road mileage recommended by the Commission (ii) the rates prevailing in the neighbouring State of Madras and (iii) the need to keep the expenditure on Travelling Allowance to the absolute minimum, the Commission considers that in respect of journeys exceeding 50 miles (80 kms.) a day, the mileage may be paid at 25 paise per kilometre beyond the first 80 kms.

#### *Road journey between places connected by rail.*

6.59. According to Rule 462 of the Mysore Civil Services Rules (sub-rules) (g) (h) and (i). Heads of Departments are permitted to perform road journeys between places connected by rail for purposes of inspection *en route* or for emergency duties. They are also empowered to permit their subordinates to perform road journeys between places connected by rail, if so required in the interest of public service. In such cases the officers concerned are entitled to road mileage only for the forward journey, the Travelling Allowance for the return journey being regulated according to the cheapest route (*i.e.*, railway). It has been represented that touring officers would be out of pocket when they perform both of the forward and return journeys by road, if their Travelling Allowance is regulated as above, and that road mileage might be allowed to them,

for both the forward and the return journeys without specific sanction of Government in each case as at present. The Commission has examined carefully the data relating to the expenses incurred by a touring officer, when he is required to perform road journeys both ways between places connected by rail. Whatever may be the procedure laid down by Government to secure economy in expenditure on Travelling Allowance, it has to be conceded that the expenses incurred by a Government servant should be reimbursed and the allowances should be such that he is not put to monetary loss while travelling on duty. When an officer takes his conveyance by road he has necessarily to bring it back whether it be by road or by rail. As indicated in the subsequent paragraphs, Rule 526 of the Mysore Civil Services Rules provides for a Government servant who has to travel by rail over a distance of not less than 30 miles (48 kms.) in a single journey sending by rail the conveyance required for his *bona fide* use at the end of such journey and for the payment of the actual expenses of sending such conveyance. While Government are prepared to pay the expenses incurred in connection with the transport of conveyance it has to be noted that very rarely can advantage be taken on this facility as it would involve considerable delay in the conveyance reaching the destination by rail and unless considerable advance programming is done the officer may not be able to utilise the conveyance at the destination. In order not to take away a facility that is already available the Commission has, however, recommended in that paragraph that it may be continued.

6.60. Even so an officer who has to take his conveyance by road for being utilised *en route* as also at the end of the journey should in all fairness be allowed to bring it back by road, the expenses being met by way of Travelling Allowance.

6.61. An apprehension has been expressed before the Commission that if this facility were to be given without imposing conditions like obtaining permission of the Controlling Authority, it is likely to be misused.

6.62. It is to be presumed that responsible officers of Government would not misuse this facility when such facility has been provided expressly for the purpose of enabling them to attend to their official duties promptly and without any difficulty. In case, however, situations do arise in which an officer is found to have misused this facility, it is always open to the administrative Controlling Authority to exercise his control in such a way as to see that such misuse is stopped. It is not necessary, however, to deny to officers this facility in *bona fide* cases where they would have, in fact, taken their vehicles for discharging official duties. The Commission accordingly recommends that road mileage as per rule may be given for both the forward and return journeys when an officer travels by road even between two places connected by rail without having to obtain the prior approval or concurrence of the Controlling Authority.

#### *Despatch of conveyance by rail*

6.63. Under the provisions of rule 526 of the Mysore Civil Services Rules, a Government servant having to travel by rail over a distance of not less than 30

miles in a single journey and sending by rail the conveyance required for his *bona fide* use at the end of such journey shall be entitled, in addition to the ordinary travelling allowance by rail, to the actual expenses of sending such conveyance. The Heads of Departments are permitted under the rule to take their conveyances by rail at Government cost both for the forward and return journeys provided that the sanction of Government is applied for in each case with a copy of the tour programme and the tour programme is approved. When a Government servant is entitled to take his conveyance by rail but prefers to take it by road, he would be entitled either to road mileage, or the railway fare for himself and freight for his conveyance, whichever is less. There are some exceptions to this rule by which certain officers other than Heads of Departments are also permitted to avail themselves of this provision. There are similar provisions in the Travelling Allowance Rules of the Government of India. But there is no such provision in the Rules of the neighbouring States of Madras and Andhra Pradesh.

6.64. The question whether the existing provisions of Rule 526 of the Mysore Civil Services Rules need be continued has been referred to the Commission for consideration. As seen from the explanations and notes attached to the rule, this facility is given in exceptional cases where it is established that public interest would be served by sending the conveyance by rail for the *bona fide* use of the officer at the end of such a journey. Even though similar provisions are not available in the Travelling Allowance Rules of the neighbouring States, the commission considers that it may not be desirable to delete the provisions of Rule 526 of the Mysore Civil Services Rules as some specific facility is given to Government servants by this rule. No doubt, officers are also permitted to perform road journeys both ways between the places connected by rail for purposes of inspection *en route* and claim road mileage for both the forward and return journeys. Even then, it is considered that the facility of sending a conveyance by rail for use at the end of the journey might be necessary in the interest of public service. Taking all these factors into consideration and also the fact that similar provisions exist in the Travelling Allowance Rules of the Government of India, the Commission is of the view that there is no necessity to delete Rule 526 of the Mysore Civil Services Rules:

(c) *Air Journeys*

6.65. Under Rule 487 of the Mysore Civil Services Rules a Government servant may be authorised to travel by air on Government duty. For such journeys mileage allowance equal to 1-1/5th of the standard air fare for the journey is admissible, the incidental fare of 1/5th being subject to a maximum of Rs. 30 in respect of each single journey. These rates appear to have been prescribed on the basis of the Central Rules then existing. The Central Government have, no doubt, reduced the maximum limit for incidental fare to Rs. 10 for each and if there are more than one journey in a day to a total of Rs. 10 or the Daily Allowance whichever is more on grounds of economy. The Commission, however, considers that taking all the attendant circumstances into consideration the incidental fare for journey by air may continue at the existing rate and recommends accordingly.

*(d) Journey by sea or river.*

6.66. Under Rule 477 (1) of the Mysore Civil Services Rules, Government servants are entitled to accommodation at the following scale :—

*(Journey within the limits of "Indian Waters")*

- |   |  |
|---|--|
| (a) Government servants drawing actual pay of Rs. 750 or more   | Highest Class  |
| (b) Government servants drawing actual pay of Rs. 300 or more and Gazetted Government servants drawing actual pay of Rs. 200 or more. | If there be two classes only on steamer—the Highest Class, and<br>If there be more than two Classes—Middle or Second Class.                                  |
| (c) Other Government servants whose actual pay is more than Rs. 60  | If there be two classes only on the Steamer—the Lower Class ;<br>If there be three classes—Middle or Second Class ;<br>If there be four classes—Third Class. |
| (d) Government servants drawing actual pay of Rs. 60 and below  | Lowest Class.  |

6.67. In view of the revised grades of Government servants recommended by the Commission, the entitlements to accommodation for the journey by sea or river may be revised as follows:—

- |   |   |
|---|---|
| (1) Government servants drawing actual pay of Rs. 600 or more       | Highest class.  |
| (2) Government servants drawing actual pay of Rs. 300 or more       | If there be two classes only on the steamer—Higher Class ; and<br>If there be more than two classes—Middle or Second Class.                                       |
| (3) Other Government servants whose actual pay is more than Rs. 150 | If there be two classes only on the steamer—the Lower Class.<br><br>If there be three classes—Middle or Second Class.<br><br>If there be four classes—Third Class |
| (4) Government servants drawing actual pay of Rs. 150 and below     | Lowest Class  |

*Daily Allowance*

6.68. A daily allowance is paid to a Government servant on tour to enable him to meet the ordinary daily expenses incurred by him on account of boarding and lodging, transport refreshments and other miscellaneous items. The Daily Allowance can be exchanged for mileage allowance or can be drawn in addition to mileage in accordance with the relevant rules (Rule 522 of the Mysore Civil Services Rules). The rate of Daily allowance is related to pay and ranges from

Rs. 1.50 to Rs. 10 per diem, within the State as laid down in Rule 451 of the Mysore Civil Services Rules. Special rates of Daily Allowance are admissible for a few expensive places out-side the State, *viz.*, Bombay, Delhi, Calcutta, Madras, Simla, Mussourie, Srinagar, Goa, Daman and Diu, ranging from Rs. 3 to Rs. 15.

The Daily Allowance for halts in other places outside the State other than those mentioned above, ranges from Rs. 2 to Rs. 12 (*vide* Rule 464 of the Mysore Civil Services Rules).

6.69. As pointed out earlier, almost all associations of staff and departmental representatives have urged that the present rates of Daily Allowance have no relevance to the present day expenses on tour. They have also stated that the accommodation in Government Guest Houses, etc., is limited and sometimes Government Servants on tour may have to make their own arrangements entailing considerable expenditure. The Commission has examined carefully all the evidence on this point and has come to the conclusion that, by whatever standards the concept of Daily Allowance is viewed, the rates should be such as would be sufficient to meet at all levels, reasonable expenses on boarding and lodging, necessary refreshments and some sundries. If a Government servant is out of pocket while on tour, it would have undesirable consequences as it is likely to encourage dishonest practices. The Commission, therefore, considers that a reasonable upward revision of the rates of Daily Allowance is called for and accordingly recommends that the rates of daily allowance applicable within the State may be revised as indicated below. In respect of halts at Bangalore however the Daily Allowance admissible to Government servants should be 25% over and above the normal rates of Daily Allowance subject to a minimum of Rs. 5 per day.

<i>Grade of Government Servant</i>	<i>Rate of daily allowance</i>
	<i>Rs.</i>
First Grade	12
Second „	10
Third „	8
Fourth „	6
Fifth „	5
Sixth „	
Class III Government	
Servants.	4
Class IV „	3.50

6.70. As regards halts outside the State, the Commission recommends that increases in the rates of daily allowance may be allowed as indicated below:—

Grade of Government Servants	Halts at Bombay, Delhi, Calcutta, Madras, Simla, Mussourie, Srinagar, Goa, Daman and Diu		Halts at other places
		Rs.	
First Grade	....	25	15
Second Grade	....	22	15
Third Grade	....	20	12
Fourth Grade	....	15	8
Fifth Grade	....	10	6
Sixth Grade	....		
Class III Government Servants	....	9	5
Class IV Government Servants	....	6	4

6.71. Under the existing rules, a Government servant who arrives at a place of halt and departs therefrom on the same day is not entitled to any Daily Allowance for that day. There were similar provisions in the Travelling Allowance rules of the Government of India also. With a view to mitigate the hardship caused to a touring officer on this account, the Government of India amended their rule in the year 1967 as indicated below :

“S.R. 76-A .... Daily allowance for halt on tour at an outstation will be calculated on the basis of the period of halt which will begin from the time the forward journey ends at the outstation and will end at the time the return or further journey commences. The rate of daily allowance will be calculated as follows :—

Halt upto six hours	...	Nil.
Halt exceeding six hours but not exceeding twelve hours.		Half daily allowance.
Halt exceeding twelve hours but not exceeding twenty-four hours.		Full Daily allowance.
Halt exceeding twenty-four hours.		One Daily Allowance for every 24 hours. For fraction of 24 hours at the end of halt, Daily Allowance will be calculated as indicated above.”

6.72. The Commission recommends that similar provisions may be incorporated in the Mysore Civil Services Rules also.

6.73. The Commission also recommends that even after the revised rates of Daily Allowance are adopted, the Officers on tour will continue to be entitled to half the Daily Allowance for the day of arrival and for the day of departure whether they are consecutive or otherwise.



6.74. When an officer performs a journey in another Officer's conveyance between places connected by rail he will be entitled only to the Daily Allowance and the officer providing the conveyance is permitted to exchange his Daily Allowance for the railway fare in accordance with Rule 483 of the Mysore Civil Services Rules. But the, staff borne on the establishment of the Ministers, Speaker, Chairman, Deputy Ministers and Parliamentary Secretaries are entitled to Travelling Allowance as noted below, whenever they travel in the cars of the Ministers, Speaker, Chairman, Deputy Ministers or Parliamentary Secretaries, as the case may be (*vide* Exception 3 under Rule 469 of the Mysore Civil Services Rules).

*Places connected by rail or bus.—*

Usual travelling allowance admissible if they had travelled by rail or bus less single railway or bus fare, as the case be.

*Places unconnected by rail or bus.—*

Daily Allowance only which is ordinarily admissible under Rule 451.

6.75. The staff borne on the establishment of the Ministers, Speaker, Chairman, Deputy Ministers and Parliamentary Secretaries would thus be entitled to the railway incidentals in addition to half daily allowance when they reach the place of halt, whereas any other Government servant in similar circumstances would get only daily allowance.

6.76. It has been represented that the staff consisting of Judgment Writers *cum*-Personal Clerks and Daffedars to the Judges of the High Court accompanying them in their cars on inspection or other tours may be treated on the same footing for purposes of entitlement to travelling allowance, as the staff borne on the establishment of Ministers, Speaker, Chairman, Deputy Ministers and Parliamentary Secretaries.

6.77. As it is not desirable to have a separate set of rules governing the travelling allowance to the staff borne on the establishment of the Ministers, Speaker, etc., the Commission suggests that the Rules ordinarily applicable to other Government servant, *viz.*, Rule 483 of the Mysore Civil Services Rules entitling them only to a daily allowance may be made applicable in all cases uniformly. If however the Government decides to continue the present practice, the Commission recommends that the staff accompanying the Judges of the High Court on inspection or other official tours should be treated on the same footing as the staff accompanying Ministers, the Speaker, etc.

*Daily allowance during the period of deputation for training or study to places outside the State, within India.*

6.78. Government servants deputed for training or study to places outside the State, but within India are entitled to Daily Allowance as follows, under Rule 62 of the Mysore Civil Services Rules.

If the period of training does not exceed one month	Full daily allowance at the rate admissible under Rule 464.
---	---

If the period of training exceeds one month but does not exceed three months	Full daily allowance for the first one month and 3/4ths of the daily allowance thereafter.
If the period of training exceeds three months	Full daily allowance for the first one month, 3/4ths daily allowance thereafter (subject to such minimum as may be fixed by Government in each case).

6.79. The question whether the present entitlements of officers deputed for training or study, as enumerated above require any liberalisation in the present context has been referred to the Commission for consideration. From the material available, it is seen that our rules are more liberal than those of the neighbouring States, *e.g.*, in Madras, if the period of training does not exceed three months, Daily Allowance is allowed at full rates only for first ten days and at 3/4ths the rate for the remaining days subject to certain minimum rates; If the period of training exceeds three months, the Government servant is treated as on transfer to the place of training and allowed only transfer Travelling Allowance without any daily allowance. According to our rules, daily allowance at full rates is admissible upto one month and it is reduced to 3/4th for the period thereafter. When an officer is on deputation for training for a relatively short period of three months or less he cannot, in the very nature of things, make any proper arrangements on a permanent or a semi-permanent basis for his stay in the station to which he has been deputed. The expenditure which he has got to incur in connection with his stay at such station will not get reduced with the passage of time. It is, therefore, recommended that Daily Allowance may be paid to officers on deputation if the total period of stay is less than 3 months at full rates applicable to the places to which the officer has been deputed during the first month of such deputation and at the same rates but subject to the following limits for the second and further months :

	D. A. at Bombay, Delhi, etc.	Monthly total	Limit	D. A. at other places	Monthly total	Limit
Grade I	25	750	500	15	450	300
Grade II	22	660	440	15	450	300
Grade III	20	600	400	12	360	240
Grade IV	15	450	300	8	240	160
Grade V	10	300	200	6	180	120

The same principles may also apply for the entire duration of the stay if it was originally anticipated that the stay would be three months or less but was subsequently extended. If, however, the period of training is longer than three months and if this position is known even before the officer proceeds on such training he may be treated as being on temporary transfer to such station and granted only the travelling allowance as on transfer.

*Travelling Allowance on transfer.*

6.80. A Government servant transferred from one station to another in the interest of public service is entitled to travelling allowance for himself and members of his

family in accordance with Rule 532 of the Mysore Civil Services Rules. The travelling allowance on transfer is admissible generally in the following forms:—

(a) *Rail Journey* :

- (i) Single fare for self of the class to which he is entitled, one fare for each adult member of his family ; one half fare for each child ; and incidental expenses calculated as follows :—
- (a) Government servants whose actual pay is Rs. 750 or more, at the flat rate of 24 paise per mile ;
- (b) Government servants whose actual pay is Rs. 300 or more and Gazetted Government servants whose actual pay is Rs. 200 or more, at the flat rate of 16 paise per mile ;
- (c) Government servants whose actual pay is Rs. 150 or more, at the flat rate of 8 paise per mile ;
- (d) Other Government servants —two III Class fares by passenger train.
- (ii) actual cost of carriage by goods train of "personal effects" upto the following maximum :

Grade of Government servants	If not possessing a family	If possessing a family
	Mds.	Mds.
Government servants whose actual pay is Rs. 750 or more.	40	60
Government servants whose actual pay is Rs. 300 or more and Gazetted Government servants drawing Rs. 200 or more.	20	30
All other Government servants whose actual pay is more than Rs. 60.	12	15
Other Government servants.	3	5

(b) *Road Journeys* :

(i) two mileages for self at the rates to which his class entitles him plus one additional mileage at the same rate if two members of the family accompany him and at twice that rate if more than two members accompany him ;

(ii) mileage allowances for each maund of goods at a rate not exceeding 6 paise per mile in Bangalore Corporation area and 3 paise per mile in other places, for the transportation of personal effects, by the cheapest means within the limits indicated in sub-para (a) (ii).

Some of the individuals and Service Associations have represented that the travelling allowances on transfer are inadequate in the present context and have urged for their increase. In this connection the observations made by the Second Central Pay Commission are reproduced below :

“ . . . . There are two kinds of expenses involved in a transfer, one on the transport of personal servants and on food, etc., in the course of the journey, and the second, on setting up a household afresh, and on getting children admitted to new schools, and the like. The expenditure on the former items certainly increases with the distance of the station to which the transfer is made; but that on the latter is the same, whether the transfer is to a place a score of miles, or many hundred miles away. The present system of allowance for incidentals does not take this into account, and this operates particularly harshly in the case of Class III, and some sections of Class II staffs, who are usually not transferred to very distant places. We recommend that the present rates of allowance for incidentals should be halved, but that in lieu of the other half an employee should be allowed half a month's pay, subject to a limit of Rs. 150. . . ”

6.81. Transfer of a Government servant from one Station to another is a normal liability of service but the scale of travelling allowance on transfer should be such as would reduce hardship to the minimum and provide reasonable reimbursement for the expenditure incurred by the Government servant on transfer. Taking into consideration the recommendations of the Second Central Pay Commission and the modification made by the Central Government and some other State Governments in their travelling allowance rules as a consequence thereof, the Commission recommends that the existing rules regarding the travelling allowance on transfer should be modified to the extent indicated below :

(i) the number of mileages for road journeys and the number of incidental fares in respect of rail journeys should be reduced to one half the existing number.

(ii) The quantitative limit in respect of transportation of personal effects should be as follows :

Grade of Government Servant.	If not possessing a family	If possessing a family.
	Kilograms	Kilograms
1. Government servants whose actual pay is Rs. 600 or more	1,500	2,240
2. Government servants whose actual pay is Rs. 300 or more.	750	1,120
3 All other Government servants whose actual pay is more than Rs. 150	450	560
4. Other Government servants.	115	190

(iii) A lumpsum amount equal to half month's pay subject to a maximum of Rs. 150 whatever may be the mode of journey.

(iv) In respect of carriage of personal effects by road within the limits prescribed in paragraph 6--80 (a) (ii) the following mileage allowances may be allowed :—

		<i>Rates per quintal.</i>
Bangalore Corporation area	....	10 paise per kilometre.
Other places	....	5 paise per kilometre.

*Permanent Travelling Allowance, Fixed Travelling Allowance and Conveyance Allowance :*

6.82. Permanent Travelling Allowance or Fixed Travelling Allowance is a fixed monthly allowance given to a Government Servant whose duties involve intensive touring within his jurisdiction. It is given in lieu of all other forms of Travelling Allowance subject to the conditions prescribed in this regard. It may be drawn throughout the year irrespective of whether a Government servant is absent on tour from his headquarters or not (*vide* Rule 491 of the Mysore Civil Services Rules).

6.83. Conveyance Allowance is a fixed monthly allowance given to a Government servant whose duties involve intensive travelling within a short radius, which would not entitle him to Travelling Allowance but which would involve considerable expenditure on his part.

6.84. Representations have been made to the Commission that it is necessary to increase the rates at which these allowances are being paid in view of the steep increase in the prices of goods and services and the cost of transport.

6.85. The rates at which permanent travelling allowance or fixed travelling allowance are to be paid have been indicated in the relevant Chapters in respect of each of the posts which carry such allowances.

6.86. So far as Conveyance Allowance is concerned, the Commission considers that in cases in which such Conveyance Allowance is attached to isolated posts or to all posts in a particular cadre, it is desirable to so revise the scales of pay for such post or posts as to cover all the duties and responsibilities attached to the post and to abolish such Conveyance Allowance. It would however, be necessary to continue the payment of Conveyance Allowance in respect of posts which justify the payment of such allowances and which are held only by some of the persons in a particular cadre. Specific recommendations in regard to the quantum of Conveyance Allowance to be paid in each of such cases has been indicated in the relevant Chapters.

*Travel Concessions to Government Servants during regular leave*

6.87. Travel concessions to Government servants during regular leave are specified in Rules 549 to 553-A of the Mysore Civil Services Rules. Under these rules, the concession is available once in two years. The Government servants themselves have to meet the entire cost of railway fare for the initial 250 miles on each of the outward and the return journeys and the Government meet the expenditure on railway charges beyond 250 miles. These Rules are patterned after similar rules issued by the Government of India. In a State like ours, many of the employees would have their home towns within a radius of 250 miles from the station of posting, in many cases not connected by rail and this concession would not be available to them. The intention behind this concession is a laudable one but some necessary modifications will have to be made in the scheme, if it is to be of real benefit. The Commission, therefore, recommends that the limit

of 250 miles may be omitted and the concession extended in all cases in which the "Home Town" is different from the station of posting irrespective of the distance between them, but the concession may be made available once in three years instead of once in two years as at present, so as not to throw too great a financial burden on the State. The Commission also recommends that journeys performed by the Mysore State Road Transport Corporation buses in respect of places not connected by rail might also be recognised as most of the towns in the State are connected by these buses, taking suitable measures to avoid abuse of these concessions.

*Journey to give evidence before a Court of Law*

6.88. Under the provisions of Rule 556 of the Mysore Civil Services Rules (Note 3 below this rule) a Government servant summoned to give evidence in a court situated not more than five miles from the headquarters is not entitled to any travelling allowance under the ordinary rules, but the Court may, if it considers necessary, pay him the actual expenses incurred.

6.89. It has been represented to the Commission that a Government servant who is often required to attend Courts within a radius of five miles from the headquarters, in his official capacity has necessarily to incur expenditure on conveyance and that he may be allowed conveyance allowance. Such representations have been made by Medical Officers who are frequently required to appear to give evidence in their official capacity. As it is difficult to assess the actual expenses incurred in this connection, the Commission recommends that mileage rates should be paid to these Government servants in such cases, on certificates issued by the Court concerned, by suitable amendment of Note 3 below Rule 556 of the Mysore Civil Services Rules

*Travelling Allowance to Retiring Government Servants*

6.90. According to the existing rules, no travelling allowance is admissible to a retiring Government servant. The Government of India have recently issued orders regarding the grant of suitable travelling allowance to their employees on their retirement from service to proceed to the place where they intend to reside permanently after retirement, based on the recommendations of the Second Central Pay Commission as noted below : -

" . . . It has been proposed that travelling allowance may be granted to employees on retirement or invalidment from service. We recommend that a retiring Government servant, and one invalided from service, may be allowed a single fare for himself and one for each member of his family, together with the cost of transport of personal effects, as on transfer, upto his home town; provided that in the case of those entitled to it, leave travel concession had not been availed of during one year preceding retirement, or commencement of leave preparatory to retirement. There may be no such condition in case of invalidment.".....

6.91. The Commission, while agreeing with the views of the Second Central Pay Commission, recommends that an employee of the State Government may be given the following facilities :—

A retiring Government servant and one invalided from service may be allowed a single fare for himself and one for each member of his family together with the cost of transport of personal effects, as on transfer, upto his home-town, provided that no leave travel concession had been availed of during the year preceding retirement.

#### **Advance of Pay on Transfer**

6.92. According to Article 234 of the Mysore Financial Code, 1958, a Government servant who is transferred to a different place is entitled to an advance of pay for one month recoverable in three monthly instalments. It has been represented to the Commission that the amount of the advance is not adequate to meet the expenses incidental to transfer and expenses required to be met at the new place for setting up the new establishment that the period of recovery is very short, that the amount of advance might be increased to two months pay and that it might be recovered in twelve monthly instalments. Taking into consideration the circumstances attendant on the transfer of a Government servant and the liabilities which are required to be met at the new place the Commission considers the request to be reasonable and accordingly recommends that an advance of two months' pay recoverable in twelve monthly instalments may be sanctioned to a Government servant transferred to a different place.

#### *(iv) Clothing Allowance*

6.93. The main object of supplying uniforms to Government servants is that the Officers and Staff whose duties involve continuous contact with the public, either while maintaining law and order, preventing crime or unlawful activities, or attending to various other Governmental activities, should wear a distinctive uniform so as to be easily identifiable by the public as well as their superior officers, besides presenting such smart and impressive look as to create the desired impact on the public. In this sense uniforms may be treated as equipment necessary for the effective discharge of duties and not merely as perquisites and amenities. The supply of protective garments like woollen overcoats and rain-coats and accessories like umbrellas is also related to the nature of duties to be performed by particular classes of employees and the climatic conditions in which they have to work.

6.94. It is in conformity with this object that the Officers and subordinate staff of the Police Department are required by rules to wear prescribed or specified uniforms and for this purpose are either given some amount by way of Uniform Grants or are supplied with the uniforms and other accessories at the cost of Government. Officers of the Indian Police Service cadre are given an initial grant of Rs.1,000 and renewal grant of Rs. 500 once in five years for providing themselves with Uniforms and other equipment. Police Officers of the State Cadre, like Superintendents of Police and Deputy Superintendents of Police are also given an

initial grant of Rs. 600 and renewal grant of Rs. 400 once every five years for the same purpose, while the Inspectors of Police and other subordinate staff are provided with uniforms and other accessories at the cost of Government, as per the scale prescribed in the Police Manual.

6.95. In the case of the Prisons Department, however, there were different rules in the different integrating areas. While in the Ex-Bombay and the Ex-Madras areas, the Superintendents of Jails and Assistant Superintendents of Jails were required by rules to wear prescribed uniforms and were, therefore, given suitable Uniform Grants for the purpose, there was no such requirement in the Mysore area. In view of the different rules prevalent in different regions and for want of a uniform or unified Jail Manual for the entire State (which incidentally is stated to be under preparation), these officers are not being given either Uniform Grant or allowance. Head-warders and Warders, however, are not only being supplied with uniforms but are paid washing allowance at Rs. 2 and Re. 1 p.m. respectively.

6.96. It is understood that the Inspector General of Prisons has sent detailed proposals to Government regarding the payment of Uniform Grants or the supply of uniforms to the officers and men in the Department of Prisons at the same rate or on the same scale as in the case of their counterparts in the Police Department after taking into consideration the rules prevailing in this behalf in the neighbouring States and that the matter is under the consideration of Government. The Commission does not propose to offer any suggestions on these proposals since it is primarily for the administrative Department to examine whether there is any need for the officers of the Department to be in uniform and if so, the scale at which uniforms should be issued to them or uniform allowance should be paid to them. In so far as the subordinate staff is concerned, the Commission considers that it is only appropriate that they should get uniforms on the same scale as the staff of corresponding rank in the Police Department.

*Uniforms and Clothings supplied to Class IV Officers.*

6.97. The uniforms and other protective clothings supplied to the Jamedars, Daffedars, Dalayats and other Class IV staff in the Mysore Government Secretariat, the High Court, the Public Service Commission and Offices under the several Heads of Departments under the rules and as per the scale prescribed in Appendix IV of the Manual of Contingent Expenditure, also come more or less within the general principles governing the supply of uniforms, though not to the same extent or degree as in the case of the executive personnel of the Police Department.

6.98. While agreeing with the general principles governing the supply of uniforms, protective clothings and other accessories, the Commission is of the opinion that the scale at which these are to be supplied to the several categories of staff in the police and other Departments including the Class IV staff is a matter for administrative judgment based on a detailed knowledge of the nature of duties to be performed by each category of staff and the climatic and other



conditions under which they have to perform their duties. The Commission would, however, like to make the following observations and suggestions in respect of the supply of uniforms particularly to the Class IV Staff:—

- (i) Class IV staff in most of the Headquarters Offices, at present, are being given Khadi suits or suitings for their uniforms with the idea of giving fillip and encouragement to the Khadi and Village Industries; in actual practice and considered purely from the point of view of utility and economy this does not appear to be a sound policy as Khadi cloth is less durable, and costlier in up-keep and maintenance than mill cloth. The Commission, therefore, suggest that the policy of supplying only Khadi uniforms or Khadi cloth for uniforms to be worn by Class IV Officials may be reconsidered and that white drill suits made of handloom cloth may be supplied to the Class IV Officers required to wear uniforms.
- (ii) It is observed that while in some cases ready-made suits are supplied to the Class IV Officers, in many others, as for example, in the case of Class IV Officers of the Mysore Government Secretariat, cloth of the required length is supplied and stitching charges at Rs. 8 per suit are being paid to them in addition. The Class IV Officers themselves by and large do not seem to be happy with the latter arrangement on the ground that the stitching charges paid to them are meagre and inadequate. On the other hand, there is also a common complaint that under this arrangement, the Class IV staff often dispose of the cloth and do not get the uniforms stitched. To obviate such malpractices, it would be better to supply only ready-made suits to the Class IV staff as far as possible. In cases where it is impracticable to get the uniforms stitched at the cost of Government, stitching charges may be paid to them at the rate of Rs. 10 per suit, uniformly, instead of at Rs. 8 per suit as at present.

6.99. In either case, it is necessary to ensure that the Class IV staff who are required to wear the prescribed uniform while on duty and are supplied with such uniforms, invariably wear them and attend offices neatly and properly dressed. For this purpose, specific and detailed rules may be framed requiring the Class IV staff to attend their offices neatly and properly dressed in the uniforms supplied to them without fail, providing for imposing a fine or other punishment on the defaulting members for non-use or misuse of the uniforms and other accessories supplied to them. A responsible official, preferably, the ministerial head in each office may be entrusted with the work and responsibility of supervision and inspection of the Class IV staff to ensure strict observance of the rules so framed.

#### *Washing Allowance*

6.100. In keeping with the general principles underlying the supply of uniforms, it is also the practice to get them washed at the cost of Government or to give a suitable allowance, particularly to the lower category of staff for getting them

washed and ironed, etc. Thus in the Police Department, the Inspectors and Sub-Inspectors of Police are given a washing or uniform allowance of Rs. 5 p.m. and the Assistant Sub-Inspectors, Head Constables and Police Constables at Rs.2 p.m. Similarly, the Class IV staff of the Mysore Government Secretariat and the High Court were enjoying the facility of getting their uniforms washed at Government cost at regular intervals. But as this arrangement was found to be unworkable, they are now being paid a washing allowance of Re. 1 per month. The Class IV staff in other offices, however, are not entitled to this facility and are agitating for extension of this concession to them.

6.101. Though the uniforms supplied to Government servants may be looked upon as equipment necessary for the proper and effective discharge of their duties and not as amenities or fringe benefits, the logic of that reasoning need not be carried to the extreme extent of making the washing and proper maintenance of these uniforms also the responsibility of Government. It is the duty of Government servants who have been provided with uniforms to keep them properly washed and ironed, etc., and to wear them while on duty. The scales of pay and other benefits proposed by the Commission for the several categories of staff have been fixed after taking into consideration the nature of duties devolving on each category of post and all other relevant factors. There is, therefore, no justification for giving any allowance separately to enable them to keep their uniforms neat and tidy. The Commission accordingly recommends that washing allowance now being paid to the several categories of staff may be discontinued.

#### *Ration and Uniform Allowance.*

6.102. According to the orders contained in Government Order No. PLM 220 MEN 64, dated 30th November 1964/4th December 1964 and Government Order No. 211 MEN 64, dated 23rd July 1965, the Nursing Superintendents Grade I and II, Sister Tutors, Nurses and Midwives working in the several Hospitals in the State, are given "Ration and Uniform Allowance" at the rates mentioned below:—

		<i>Rate.</i>
		Rs.
(1) Nursing Superintendent Grade I	....	45 p.m.
(2) Nursing Superintendent Grade II	....	35 p.m.
(3) Sister Tutors	....	35 p.m.
(4) Nurses	....	24 p.m.
(5) Midwives	....	10 p.m.

6.103. This allowance is being sanctioned to the several categories of the Nursing Staff for a long time past. The *Raison d'etre* for the grant of the allowance is that the Nursing Staff are required to perform special and specialised type of work, without fixed hours of duty, during the course of which they are required by rules to wear rather costly and elaborate uniforms, which they must maintain in proper order at their own cost. The 'ration' part of the allowance is sanctioned to them in consideration of the fact that they are required to attend to duties at all times of day or night, often at odd hours, without fixed hours

of duty, thus being denied the facility of taking regular meals at home often being forced to incur considerable out-of-pocket expenses for providing themselves with snacks, etc.

6.104. Taking into account all these factors a consolidated allowance is being paid to them, to compensate them for the inconveniences and extra expenditure devolving on them in maintaining their uniforms and other accessories. It is understood that such allowances are being paid in all the States and the rates of allowance given in this State have been fixed after taking into consideration the rates sanctioned to their counterparts in the neighbouring States of Madras, etc., and the scales of pay applicable to the corresponding posts in those States.

6.105. The Commission is in agreement with the principle underlying the grant of Uniform and Ration Allowance to the Nursing Staff and recommends that the allowance may be continued at the existing rate.

#### *Over-Time Allowance.*

6.106. The hours of work for ministerial and other classes of employees of Government Offices are fixed with reference to the nature of duties to be performed and the work-load fixed for each category of officials so that they can reasonably be expected to complete their day's work during the working hours. There may, however, be rare occasions, when in the exigencies of public service, they may have to put in some extra hours of work but such contingencies are but incidental to the work of any official and are indeed rare. So there would be little justification for sanctioning over-time allowance to them on that account. If the principle of sanctioning over-time allowance to such classes or categories of officials is accepted, it is likely to lead, in the case of the less conscientious officials, to a general slackening of work during the official hours of work, and to their putting off their allotted work, with a view to do the same outside the office-hours solely to earn the benefit of over-time allowance.

6.107. There are no rules at present providing for the payment of over-time allowance to the Class III and Class IV staff working in any of the Departments of Government except in the Government Printing Press and in the Legislature Secretariat.

6.108. The conditions of work of the subordinate employees of the Government Press are regulated under the Factories Act and the Industrial Disputes Act, and the normal hours of work prescribed for them are higher than those prescribed for the office staff generally. The nature of their work being more akin to the work in factories and other Industrial Concerns, than to the work in a regular Government office, it admits of approximate quantification and presents no difficulty for evaluation of total work. Besides they are often required to work over-time, when they have to get some material printed urgently as in the case of Budget Speech and Memorandum at the time of the presentation of the Budget and ballot-papers at the time of the General Elections. Since it is found that getting over-time

work from the existing staff on payment of over-time allowance is more economical than employing additional staff, the system of paying over-time allowance is being followed in the Government Press, as in Industrial Concerns.

6.109. Over-time allowance is being paid to the employees of the Government Presses as per the orders contained in Government Order No. MI 2211-12 P & S 90-45, dated 22nd April 1947 as amended from time to time ending with Government Order No. ED 32 UPS 59, dated 16th March 1959. Subsequent to the introduction of two shifts in the Press resulting in the elimination of over-time work for the most part, Government in their Order No. ED 278 UPS 59, dated 6th December 1962, sanctioned over-time compensation allowance to the employees of the Press from 1st October 1962, in order to compensate them for the loss of over-time earnings. Even after the introduction of the system of double shifts there are many occasions on which the employees are required to work over-time and for such occasions, they are sanctioned over-time allowance at rates admissible under the Government Order of 16th March 1959 after deducting the proportionate over-time compensation allowance payable to them under the Government Order of 6th December 1962. In view of the peculiar circumstances obtaining in the Government Press, the Commission has no objection to the continuance of the over-time compensation allowance to the subordinate employees of the Press, as per rules governing them at present.

6.110. In the Legislature Secretariat, over-time allowance is being paid to the Class III and Class IV Officials during the periods when the Legislature is in Session, if they are required to stay beyond 7.00 p.m. To compensate the staff for such continuous hard work and extra hours of duty required to be put in by them, they are being paid over-time allowance at the rate of Re. 1 in the case of Class III Officials and Re. 0.75 paise in the case of Class IV Officials, subject to a maximum of Re. 75 for the entire Session. As observed in Chapter 64 the Commission has no objection to the continuance of the over-time allowance to the subordinate staff of the Legislature Secretariat subject to the modifications suggested therein.

6.111. The case of the copyists or Typists-Copyists in the Judicial Department and of Clerks or Copyist-Clerks in the Sub-Registry and other offices, who are required to copy documents, etc., merits separate consideration, since this work admits of easy quantification. Under the existing arrangements, the Copyists or Typists-Copyists who are regular Government servants are entrusted with the work of copying or typing out copies of documents. The charges levied and recovered from the parties cover the cost of paper and of copying (typing); no other fees are recovered from the parties requiring copies. In respect of the documents in Modi, Telugu and other languages, however, special fees are recovered from the parties and paid to the Copyists or officials translating them.

6.112. In the case of the High Court, the Typists-Copyists are required to copy (type) approximately 5,250 words or 35 sheets of 150 words each per day. In the case of the subordinate courts, on the other hand, the Typists-Copyists are

required to type about 6,000 words per day. The Clerks or Copyist-Clerks in the Sub-Registry and other Revenue offices are required to copy about three thousand five hundred words per day.

6.113. Considering these facts and orders in force, the Commission recommends that 6,000 words per day may be fixed for the Typists-Copyists and 3,500 words per day for Copyist-Clerks in all the Courts including the High Court, Sub-Registry and other offices, and the cadre strength of these category of officials in each office may be adjusted on this basis.

6.114. It has been represented to the Commission that on occasions, heavy arrears of copying work are allowed to accumulate unduly resulting in great hardship to the parties as it sometimes happens that on account of seasonal or occasional rush of work, the Copyists or Typists-Copyists are not able to complete the work of copying the documents within a reasonable time. Since it would not be possible to sanction Copyists or Typists-Copyists for such occasional or seasonal increase in work, and since there is bound to be a time-lag between the submission of proposals for sanction of additional staff and their actual sanction, the copying work inevitably falls into arrears on such occasions. With a view to avoid such contingencies, it is suggested that the Copyists or Typists-Copyists who over a period of a calendar month work over-time and attend to work in excess of the standard fixed for them, may be paid extra-remuneration at the rate of Re. 1 for every 1,000 words in respect of the excess over the standard norms in respect of Typist-Copyists and 600 words in the case of other Copyists, not exceeding Rs. 15 in any one month. If this rate of over-time allowance is not acceptable to Government, it may share the fees recovered on account of over-time work with the concerned Copyists in the proportion of 1/3 of the amount to be paid to the Copyist and 2/3 to be credited to the Government. This suggestion deserves to be tried as an experimental measure in one or two district headquarters and if found successful, may be extended to the entire State thereafter.

6.115. Some of the Service Associations requested that the principle of sanctioning over-time allowance may be extended to the subordinate staff working in Government Departments also. Heads of Departments, by and large, however, are not in favour of the idea. After considering the nature of duties, and the work-load fixed for each class or category of officials, the Commission sees no reason or justification for the reasons already mentioned, to recommend payment of over-time allowance to any class or categories of employees other than those referred to above.

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## CHAPTER 7

### Amenities

- (i) Medical Aid.
- (ii) Advances for construction/purchase of houses.
- (iii) Motor Car and Motor Cycle Advances.
- (iv) Marriage Advances.
- (v) Education Facilities.
- (vi) Canteen and/or Lunch Room Facilities.
- (vii) Consumer Co-operatives.
- (viii) Working Conditions.
- (ix) Recreational Facilities.
- (x) Other Amenities.

#### (i) *Medical Aid.*

7.1 Provision for Medical facilities is one of the important amenities provided by the State Government to their employees. At present, the medical benefits available to Government servants are governed by the Mysore Government Servants (Medical Attendance) Rules, 1963. These rules apply to all whole-time Government servants including the local candidates, Government servants who are on leave preparatory to retirement, as also to re-employed Government servants. These rules also apply *mutatis mutandis* to the family of a Government servant as they apply to the Government servant himself. For purposes of these rules "Family" means: (1) the wife or husband of a Government servant and (2) the parents and children including adopted children and step children of a Government servant wholly dependent on such Government servant. Apparently, the consideration on which the medical aid is extended to the members of a Government servant's family is to relieve him of anxiety and expenditure which naturally follow when there is illness in the family, such relief being conducive to efficiency of the Government servant.

7.2 The rules generally entitle a Government servant to free treatment in a Government Hospital at or near the place where he falls ill, or, if there is no Government Hospital, in any hospital at or near the place, which can provide the necessary and suitable treatment. Free treatment covers the use of all medical, X-Ray and surgical facilities available at the Government Hospital including the employment of such pathological, bacteriological, radiological or other methods considered necessary by the authorised medical attendant. It also includes the supply of such medicines, vaccines, sera and other therapeutic substances as are ordinarily available in the hospital and also those which the authorised medical attendant may certify in writing to be essential (but not expensive drugs); the treatment of confinement cases of a Government servant; such accommodation as is ordinarily provided in the hospital and is suited to the status with reference to the salary of the Government servant; and such nursing as is ordinarily provided to in-patients by the hospital. Treatment outside the State is also provided to

the Government servant who is on duty, deputation, leave or travelling in any place outside the State but within the Indian Union to the same extent as he is eligible within the State. In certain cases special medical treatment is also provided where the authorised medical attendant is of the opinion that the case of the patient requires medical attendance by some persons other than himself and if the patient is too ill to travel, a specialist or other medical officer can be summoned to attend on the patient at the cost of Government.

7.3. Where a Government servant is entitled to free treatment in a Government hospital any amount paid by him on account of such treatment is to be reimbursed to him by Government. The refund also includes sales tax paid while purchasing special medicines, the charges incurred for getting the ambulance, charges for sterilisation of instruments, charges incurred on skiagrams taken at a private laboratory, charges recovered for operations in case of admissions to higher wards than what an employee is entitled to, the cost of Ayurvedic and Unani medicines and refund in respect of dentures to a maximum of Rs. 50. When the place in which a Government servant falls ill is not the headquarters of the medical attendant and the patient is to undertake journey to and from his headquarters, he is paid travelling allowance for those journeys. Under certain conditions, treatment of a Government servant at his residence is also allowed and the Government servant is entitled to receive the cost of such treatment incurred by him. Facilities are also provided for treatment of Tuberculosis and the expenses for such treatment of a Government servant are borne by Government. Government have also waived the recovery of diet charges from officials drawing less than Rs. 300 per month.

7.4. Although the medical facilities provided at present are fairly satisfactory, the various employees' Associations and also several witnesses have expressed considerable dissatisfaction at the working, in practice, of the present scheme of medical concessions to Government employees. Their main grievance is that they do not often get the care and attention which they require at the hands of the authorised medical attendants and that they are, therefore, compelled to seek, at their own cost, the services of private doctors. They have also stated that the hospital hours are such that a lot of inconvenience is caused to Government servants who have to attend the office punctually at 10-30 A.M. It is stated that even in regard to treatment of minor ailments, the Government employees have to wait for at least one to two hours as they have to take their chance standing in long queues and that they do not get any priority in treatment. It has also been represented that in most of the cases the required medicines, though admissible under the rules, are not made available and that the reimbursement of medical charges is made after a long time, thereby causing considerable hardship to the employees. On account of these reasons, it is pointed out that the majority of Government employees have not been able to make use of the medical facilities provided by Government. They have suggested that the existing medical aid rules should be modified and also liberalised. The employees have urged that they should be allowed to consult and get treatment from qualified registered private

practitioners, the expenses incurred thereby being reimbursed. The Commission is unable to accept this suggestion for the reason that such a concession is likely to be misused.

7.5 The Commission is aware of the widespread discontent about the working of the existing system of medical aid and would like to stress the point that it is the duty of the Government to see that the facilities provided in the rules actually reach the Government servants and that all steps should be taken to ensure that Government employees entitled to free medical facilities are enabled, in fact, to get them. After taking into consideration the grievances expressed by the employees regarding the existing system of medical aid and also the suggestions made by various witnesses, the Commission makes the following recommendations in regard to medical aid :

- (1) Free medical treatment, both in-patient and out-patient, as is being given at present, may be continued in all the Government hospitals.
- (2) At present, Government servants also have to take their chance along with others and wait for a long time in queues to get treatment in out-patient wards, in which case they will be late in attending the Offices. Therefore, all the Government hospitals may be asked to earmark one hour in the morning between 9.00 A.M. and 10.00 A.M. for the treatment of Government servants in the out-patient wards. Government servants attending hospitals during this period ought to get preference over private parties. The hospital authorities should not insist on production of certificates by the Government employees to the effect that they are Government servants but should accept the identity cards produced by them as proof of their entitlement to free treatment.
- (3) In the case of hospitalisation of an employee or a member of his family, all aspects of medical treatment (including diet in the case of Government servants drawing a pay of less than Rs. 300 per mensem) may be provided free as at present.
- (4) All the medicines required in connection with the treatment as in-patient or on discharge after a major operation or after confinement may be given free from the Stores attached to Government hospitals. But if any particular medicine prescribed is not readily available in the Stores, the patient may be asked to purchase such medicine and the cost of such medicine may be paid out of the imprest amount of the concerned hospital after taking the medicine to the stock of the hospital and debiting it to the patient. For this purpose, sufficiently large amounts may be kept as imprest in bigger hospitals and the amount spent out of the imprest recouped as and when required.
- (5) The employees have expressed difficulties regarding the reimbursement of medical charges. In view of the fact that it has been recommended



that all medicines required in cases of hospitalisation, confinements and serious ailments should be issued from the Stores of the concerned hospital, the employees will have to purchase only those medicines which are required for the treatment of minor ailments. It is better to give a cash allowance to cover such expenses instead of prescribing a complicated procedure for obtaining reimbursement of the expenses incurred for the purpose. At the instance of the Commission, a small sample survey covering all classes of Government employees in 15 departmental headquarters offices located in Bangalore was conducted to estimate the expenditure incurred by the employees for treatment of minor ailments. The findings of the survey have revealed that such expenditure varies from Rs. 11 per month in the pay range group of Rs. 200 and below per month to Rs. 20 in the higher pay range groups of Rs. 700 and above. This information was obtained by oral enquiry and, in the absence of any accounts in regard to this expenditure, it is necessary to make allowance for incorrect reporting. Moreover, as the employees knew that this survey was undertaken by the Secretariat of the Pay Commission, it is but natural that there would be some exaggeration in their statements. About 70 per cent of the employees covered by the survey have also suggested that some cash allowance may be paid in lieu of reimbursement. It is, therefore recommended that a sum of Rs. 5 per month may be paid to Class IV employees and a sum of Rs. 8 to Class III officials towards meeting the cost of treatment in regard to minor ailments. No such cash payment need be made in respect of Class I and Class II officers.

- (6) At present, free treatment in respect of eyes includes treatment of eye diseases and testing of eyes for vision or other defects but not the provision of spectacles. The cost of spectacles may be reimbursed to a maximum of Rs. 15 and this reimbursement may be allowed only once during the service of the official.

*ii) Advances for construction/purchase of House :*

7.6. Though Government have not as a general policy accepted the responsibility for providing residential accommodation to all their employees as a part of their Service Conditions, they have been providing certain facilities to the employees to enable them to build houses or to purchase built houses.

7.7. The facilities so far provided are : (1) grant of loans from Government funds ; and (2) grant of advances or permission to withdraw a portion from the accumulated amount in the personal account of the Employees' Provident Fund.

7.8. The general pattern of assistance available to the Central and State Government employees in this regard is similar in essentials. However, each Government have worked out the details of their own scheme depending upon the local circumstances and available resources.

7.9. At present advances are granted for purchase of sites, construction and purchase of houses, effecting improvements to the existing houses, enlargement of present accommodation and repayment of non-Government loans already drawn to purchase houses. In such cases an advance not exceeding 45 months' pay including officiating pay, dearness allowance, personal pay and special pay is granted subject to the maximum noted below ;

- (i) Rs. 45,000 for the purchase of land and construction of house,
- (ii) Rs. 38,500 for construction of house only,
- (iii) Rs. 45,000 for the purchase of a ready-built house,
- (iv) Rs. 12,500 for enlargement of living accommodation.

Not more than one advance is ordinarily granted during the entire service of a Government employee. Advances for effecting repairs are also granted in addition, provided that the advance drawn for the construction or purchase has been fully repaid.

7.10. The advance (except in the case of ready-built houses) together with interest is to be repaid in full in monthly instalments within a period not exceeding twenty years - the advance in 180 monthly instalments and the interest in 60 monthly instalments. The advance carries simple interest at 5% per annum for loans repayable within a period of 5 years and at 6% when the period of repayment is above 5 years (subject to review from time to time).

7.11. Advances for the purposes referred to above are also allowed from the accumulation of the Provident Fund of the employee. The amount of advance is equal to six months' salary or half of the amount to the credit of the subscriber whichever is less. In cases where the grant of advance warrants higher limit, Government may sanction upto 80% of the balance to the credit of the subscriber. The amount is repayable in 40 instalments and no interest is levied. Withdrawals from the Provident Fund are also permitted for this purpose and the amount of withdrawal should not exceed 12 months' pay or one half of the amount standing to the credit of the subscriber, or the actual cost including cost of site or repayment of debts already incurred in that behalf, if any, whichever is the least.

7.12. Suggestions were invited regarding the modification of terms and procedure for grant of advances for construction/purchase of houses (including sites) to Government servants either from Government funds or from the amount to the credit of the subscriber in his Provident Fund Account. While some have conceded that the existing terms and procedure in this behalf are quite satisfactory and do not require any modification, others have made certain suggestions, summarised below :—

(a) the present rate of advances for construction or purchase of house is inadequate. The amount should be enhanced to at least 60 months' salary as there has been enormous increase in the cost of building materials.

(b) the rate of interest on the advances may be reduced to 4% per annum. It has also been suggested that the advances should be interest-free.

(c) the terms should be as liberal as possible. In particular, advances should be given to Government servants in their early service on the mortgage of their houses. The instalments for repayment of the loan should be on an increasing scale as the emoluments of the employees annually increase, instead of a uniform scale as at present. The period of repayment may be made co-terminus with the age of retirement.

(d) If both husband and wife are in Government service, at present only one of them is allowed to get the house building advance. It is suggested that in such an event, the salary of both may be taken into consideration for grant of the advance after obtaining a joint agreement from both of them.

(e) The recovery of the registration fee and the stamp duty for the execution of documents relating to House Building or House Purchase Advances should be waived as it amounts to a large sum and casts a very heavy burden on the employees.

(f) Under the existing rules, House Purchase Advance is not given if the house to be constructed or purchased is outside the State. This rule may be relaxed in deserving cases.

(g) The deduction should start one year after the last instalment of the advance has been drawn instead of after six months as at present.

(h) Withdrawals from the Provident Fund for house construction or purchase may be enhanced to 20 months' pay or 80 per cent of the amount standing to the credit of the subscriber or the actual cost of the building whichever is less, instead of 12 months' pay or half the amount standing to the credit of the employee.

(i) Advances should not be granted from the Provident Fund as it constitutes accumulated savings payable only at the time of retirement.

7.13. The present Rules regulating the grant of loans and advances by Government as mentioned in paras 7.9 to 7.11 above are quite liberal as compared to similar facilities available to the Government servants in the neighbouring States or the employees of the Central Government. The Commission is, therefore, of the view that the rules in this regard do not need any modification.

7.14. At present, advances from the Provident Fund are granted upto a limit of 80% whereas the withdrawals are allowed upto a limit of 50% of the total amount to the credit of the subscriber. The Commission considers that while the limit of 50% is very low, the limit of 80% is rather too liberal and therefore recommends that the maximum limit both in respect of advances and withdrawals might be fixed at 75% of the accumulations as on the date of sanction. As regards withdrawal, there is no need to limit it to pay for particular number of months. If both the husband and wife are in Government service, the same limit of 75% may apply to each of them.

7.15. Prior to 1966 the employees of both State and Central Governments were exempted from payment of stamp duty and registration fee chargeable on mortgage deeds, agreements and surety bonds executed by them in favour of

Government for purposes of obtaining house building/house purchase or house repair advances. These concessions were withdrawn by Government in the year 1966 and Government servants are now liable to pay heavy amounts towards stamp duty and registration fees before they can obtain the advances. Some of the employees' organisations have requested Government to rescind the order by which the exemptions allowed towards stamp duty and registration fees were withdrawn. According to them, such a step would go a long way in mitigating the hardship caused to the Government servants by being required to pay heavy amounts towards stamp duty and registration fees. As majority of persons utilising these benefits belong to the low and middle income groups, the Commission considers that the concession prayed for is fair and reasonable and that Government might exempt their employees from payment of stamp duty and registration charges in respect of documents executed by them undertaking to repay house building advances or loans. Such a step would provide the requisite incentive for owning houses. It may be urged that grant of exemption in favour of Government servants would be discriminatory. The Commission sees no force in such contention. The grant of loans at reduced rates of interest is a concession extended only to Government servants. As employer, the Government has a duty to look to the welfare of its employees. Under Section 9 of the Mysore Stamp Act, 1957, Government has power to reduce or remit duties payable under the Act in respect of any particular class of instruments in public interest. So, there can be no objection if exemption from payment of stamp duty by Government servants in respect of documents executed by them in favour of the State, is revived.

7.16. It has been represented to the Commission that in the event of the death of a Government servant, who has taken the House Building/House Purchase Advance, his family has to repay the balance of the advance due with interest thereon immediately and that the family would have either to pool the resources to pay back the dues or dispose of the property and thus be deprived of the property for their shelter. In order that such a situation may not arise and the family of a Government servant may continue to have permanent ownership and possession of the house, it is suggested that while sanctioning the advance, a Government servant may be required to take up an insurance policy equal to the amount of advance and the probable interest thereon, maturing at the time of retirement and surrender the same in favour of Government; in the normal course, the loan would be discharged when the Government servant retires but in case of premature death of the Government servant, the insurance amount would be at the disposal of Government to redeem the loan.

7.17. According to the proposed scheme, the monthly premium towards the policy would be deducted regularly at the time of the disbursement of the salary. But the scheme does not envisage recovery of the instalments towards the repayment of the loan in addition, as both the premium and the instalment together would entail a heavy burden on the Government servant. The loan is expected to be discharged once and for all at the time of retirement of the employee or his death, whichever is earlier. It is argued that if such an insurance

scheme is introduced by the Mysore Government Insurance Department, the premium that would be collected monthly from the Government servants would be available for granting further advances from out of the funds so collected, instead of making the funds available by recovery of the advance by monthly instalments. Though the suggestion has got some advantage of affording relief to the members of the family of a Government servant to some extent after his death, it may not be desirable to postpone the recovery of the instalments till retirement or death of the employee, as very large amounts would be kept outside the Government accounts for a long time and the ways and means position of Government may be affected thereby, and if, Government want to utilise the Insurance Funds towards payment of further advances to their employees, they will have to pay interest on that amount to the Mysore Government Insurance Department. Moreover, the Mysore Government Insurance Department can take up only compulsory life insurance to the extent of 6½% of the salary of a Government Servant according to the existing rules. Hence a Government servant may have to take an insurance policy with the Life Insurance Corporation of India towards the discharge of his loan in connection with the house building advance. In that event, the monthly premia will go to the credit of the Life Insurance Corporation of India and Government will have to pay interest to that institution if they want to obtain funds for grant of further advances to the employees. In these circumstances, the Commission is of the view that the scheme is not workable.

*(iii) Motor Car and Motor Cycle Advances*

7.18. With a view to encourage and assist their employees to own their own vehicles which are required for use in the discharge of their duties, Government have been giving them advances at comparatively low rates of interest repayable in easy instalments for purchasing such vehicles.

7.19. The advance for the purchase of a motor car is admissible only to officers drawing a pay of Rs. 500 or more. An amount not exceeding 18 months' pay subject to a maximum of Rs. 18,000 or the cost of the vehicle, whichever is less, is granted as advance for the purpose.

7.20. Similarly, an advance for the purchase of a motor cycle is admissible to gazetted officers, non-gazetted executive subordinates, who need a motor cycle for the discharge of their executive duties and other non-gazetted Government servants drawing a pay of Rs. 250 or more per month. In this case also, an advance not exceeding 18 months' pay subject to a maximum of Rs. 3,500 or the cost of the vehicle, whichever is less, is granted.

7.21. Hitherto, advances for purchase of motor cars and motor cycles were being given as often as necessary in public interest. The amount of advance in respect of the second and subsequent advances was the same as in the case of the first advance and such advances were granted under the same conditions as were applicable to the first advance.

7.22. After consulting the Commission, Government directed in their Order No. FD 194 PLA 68, dated the 1st July 1968, that the second and subsequent advances for the purchase of motor cars and motor cycles may be limited to 14 months' pay or Rs. 14,000 in the case of motor cars and Rs. 3,000 in the case of motor cycles or the actual cost of the vehicle, whichever is the lowest.

7.23. According to the present rules, before a second advance is sanctioned, the balance of the previous advance together with interest thereon has to be repaid in full. In actual practice, an officer requiring a second advance has to ascertain from the Accountant General, the balance of the principal and interest yet due from him and credit such amount to the treasury before he becomes eligible for grant of the second advance. The advance is sanctioned only after the credits are verified and a clearance certificate is issued by the Accountant General. This procedure results in considerable delay in getting the advance sanctioned as several formalities have to be gone through before obtaining the sanction and the officers concerned are put to much difficulty thereby.

7.24. With a view to obviate these difficulties, the Commission had suggested to Government, while giving its advice about the quantum of the second and subsequent advances, that they may sanction the advance (second and subsequent advance) specifying in the sanction order itself that the net amount payable to the employee would be the advance sanctioned after deduction of the amount remaining due under the previous advance together with the interest due upto the date of authorisation by the Accountant General. No doubt, according to this procedure, the interest cannot be calculated upto the actual date of recovery as provided in the existing rules. But, in order to avoid unnecessary work all round, it was suggested that the relevant rules may be amended to provide for recovery of the interest upto the date of authorisation by the Accountant General, as the amount foregone by Government would be insignificant. But, Government did not accept this recommendation on the ground that the existing restriction acts as a check to any tendency to change vehicles frequently and apply for fresh advances. They have, therefore, allowed the *status quo* to continue. Retention of the old procedure cannot act as a check on any tendency to change vehicles and apply for fresh advances, as, an employee who desires to obtain such further advance would nevertheless observe all the necessary formalities and obtain the advance. The only point would be that even an employee who is genuinely in need of a new vehicle will be put to the embarrassment of having to raise a loan from a banker or from some other source for crediting the amount outstanding payment and then repay it in due course after sale of the old vehicle and receipt of the fresh advance.

7.25. If Government really want to check any tendency to change vehicles and apply for fresh advances, the remedy would lie in examining such cases closely and refusing the grant of advances in cases in which Government consider that the employee concerned need not change the vehicle rather than impose some temporary restriction on getting clearance for the previous advance. As the present procedure regarding the grant of second and subsequent advances

is rather cumbersome, a change in the procedure was recommended, so that the procedural formalities could be reduced to the minimum. The Commission recommends that the simpler procedure as now suggested may be adopted as it would be of considerable help to the employees and would not affect adversely the interests of Government in any manner.

(iv) *Marriage Advances*

7.26. At present, Government servants are eligible for the following types of advances :

- (1) Advances for construction or purchase of Houses ;
- (2) Advances for purchase of Motor Cars, Motor Cycles, Scooters and Bicycles ;
- (3) Advances on transfer ;
- (4) Advances for journeys on tour ;
- (5) Festival Advances.

7.27. It has been represented to the Commission that advances should also be granted for performance of marriages of the Government servants themselves or of their children and dependants. A scheme of this type seems to be under the active consideration of the Madras Government. Government servants are required by circumstances to incur loans for celebration of marriages in their families at such exorbitant rates of interest as would upset the normal calculations of their family budgets. Such a situation leads to great hardship and to undesirable practices in services. The Commission is of the opinion that sanction of Marriage Advances will afford good relief to Government servants in difficult circumstances and, therefore, recommends that such advances may be granted to Government servants subject to the following conditions :—

- (a) Advances may be granted only to those Government servants who have put in not less than 5 years of service ;
- (b) Advance equal to 12 months' pay of an employee subject to a maximum of Rs. 1,000 in the case of Class IV employees, of Rs. 2,000 in the case of Class III employees and of Rs. 3,000 in the case of others may be granted ;
- (c) Simple interest at 5 per cent per annum may be charged on advances so granted ;
- (d) The advances granted, together with the interest thereon, should be repaid in monthly instalments not exceeding sixty. In the case of an officer who ceases to be in the employ of Government on account of death, retirement, dismissal or otherwise, the balance remaining due at such time should be recoverable from out of the Death-cum-Retirement Gratuity or other amounts which may become payable to such Government servant or his heirs. The Government servant should enter into a bond agreeing to repay the amount in the prescribed manner before a draft for the amount is issued in his favour.

*(v) Education Facilities*

7.28. At present, there are no educational facilities meant exclusively for the children of Government employees in our State. The schemes of educational aid provided by the State Government apply to all citizens, including Government employees. Most of the persons who have replied to the Commission's questionnaire have generally expressed themselves in favour of making provision for special facilities for education of the children of Government employees. But some have opposed the idea of Government providing any such special facilities on the ground that it is not desirable to make any distinction between the children of Government servants and the children of others in the matter of providing educational facilities.

7.29. It is, no doubt, correct that the educational facilities that are provided by Government should in certain respects be the same in respect of the children of Government servants as in respect of the children of the members of the public and that no discrimination in favour of Government servants should be made in this regard. But Government, as the Employer, have to extend some concessions to the children of their employees in the same manner as the private employers have been doing in respect of the children of their employees. The different schemes of educational facilities at present provided by Government are considered and the views of the Commission thereon as also the additional concessions which may be shown in respect of the children of Government employees are indicated in the following paragraphs.

7.30. *Free Education*: At present, primary and secondary education is free for all the children studying in schools run by Government and local bodies and in-aided schools, irrespective of the income of the parents. It is not necessary to grant any additional concessions and it should be adequate if free education is continued to be given upto the secondary stage as at present in respect of the employees in the lower income brackets. It has been suggested elsewhere in this report that tuition fees or betterment fees at a higher rate than at present may be recovered in respect of the children of parents whose income attracts income tax. These principles would apply to Government employees in these higher income brackets but will not, however, affect the others. Freeships and Scholarships could continue to be given to all the children on the basis of merit as before.

7.31. *Collegiate Education*: In respect of Collegiate education, general free-ships and scholarships are being now awarded to students whose parent's or guardian's income does not exceed Rs. 2,400 per year. The freeship and scholarship facilities are available in all the Arts, Science and Commerce Colleges in the State, whether Government or aided, and also in technical colleges. The Commission feels that in these days of high cost of living, it is difficult even for persons whose annual income just exceeds Rs. 2,400 to support their children in Colleges and that it is necessary to give some assistance to persons whose income is not particularly high to enable them to help their children to study at least upto the degree standard in the Arts or Science Colleges or to prosecute their studies in a Polytechnic or other technical institution after the S.S.L.C. or the XI Standard



examination. The Commission, therefore, recommends that the norm in respect of parent's annual income may be raised to Rs. 4,200 from the existing level of Rs. 2,400.

7.32. *Assistance to children of Government Servants*: At present, the children of Government servants who die while in service or who sustain severe injuries and are permanently incapacitated while discharging public duties and whose salary does not exceed Rs. 500 per month are eligible for scholarships and there is no restriction on the number of such scholarships. The Commission considers the present rule to be adequate and does not therefore suggest any change in regard to the level of income of the parents.

7.33. *Educational Loans*: Government have been giving educational loans to the children of all persons including Government employees. These loans are sanctioned in the order of priority of the courses of study. The maximum amount of loan to be granted to an individual for the entire course of study is limited to Rs. 3,000 for studies in India and Rs. 5,000 for studies abroad. The loanee has to bind himself/herself to serve Government for a period of 5 years on completion of studies. The loan carries interest at 5 per cent per annum and is repayable in 100 equal instalments. While the present rules for giving educational loans are fairly satisfactory, the Commission is of the opinion that the following modifications may be made in the grant of educational loans :

- (a) The loans may be sanctioned to the children of all persons including Government servants whose income does not exceed Rs. 4,200 per annum.
- (b) In view of the fact that engineering graduates and engineering diploma-holders in the State are surplus to the requirements and find it very difficult to secure suitable employment, the Commission is of the opinion that Government need not encourage students to take up engineering courses of study by grant of loans for at least some years to come. Encouragement to such students would only aggravate the problem of unemployment and it is advisable to put a stop to such situation. Loans to students choosing courses of advanced education in engineering may be stopped hereafter.
- (c) In regard to medical courses, although it may not be possible hereafter to absorb all the fresh medical graduates in Government service, there is still a large scope for them for private practice in smaller towns and more particularly in rural areas. In the context of the emphasis placed on the development of agriculture and the allied sectors, a large number of Agricultural graduates, Soil Chemists and Veterinarians are required to push through the programmes of development in agriculture and animal husbandry. On a consideration of all these factors, the Commission is of the opinion that the educational loans should be made available only to those pursuing courses of study in agricultural, veterinary and medical colleges.

Educational loans may, therefore, be granted liberally to those who choose courses of studies in Agricultural, Veterinary or Medical Colleges and are actually admitted to any of these courses before they apply for a loan.

- (d) A student applying for a loan should have secured in the aggregate not less than 50 per cent of the maximum number of marks at the previous qualifying examination.
- (e) The minimum academic standard for purposes of continuance of loan every year should be a pass in the concerned annual examinations.
- (f) The amount of the loan to be granted should be limited to the amount actually required for prosecuting studies in the College selected by the applicant and should be regulated with reference to the Certificate issued by the Head of the Institution that the amount is actually required to enable the student to prosecute his studies. It should in no case exceed Rs. 1,000 per year for payment of term fees, for purchase of books and other equipments, etc., and Rs. 50 per month (for 10 months in the year) towards maintenance.
- (g) The loan should be advanced on a joint bond executed by the student and by his or her parent-guardian with one solvent third party surety undertaking to repay the amount. The loans granted should be repaid in 60 monthly instalments and repayment of the loan should commence not later than 12 months after the student completes his course of study.
- (h) The Commission feels that the condition in the bond that the student binds himself to serve the Government for a period of 5 years on completion of his studies is really unnecessary. Therefore, it is recommended that the condition may be replaced by surety for repayment as stated in (g) above.

7.34. *Merit-cum-Poverty Scholarships*: Under the plan scheme, merit-cum-poverty scholarships (carrying freeships also) are given. These are admissible to students studying in Engineering Courses, the income of whose family is not more than Rs. 125 per month. Only those students who have secured at least 60 per cent of the total marks in the previous qualifying examination are eligible for award of these scholarships. Scholarships and freeships are also awarded to children and dependents of soldiers (ex-servicemen). The award of these concessions appear to be adequate and no change is called for in respect of these facilities.

7.35. The various facilities indicated above should be available to all persons. They should be uniform among all classes of the population and the children of Government employees cannot be treated as a privileged class. But there are some problems peculiar to Government servants which are inherent in their duties or liability for transfers. It is, therefore, considered necessary to provide some special facilities in such cases. There are instances in which an employee of Government is stationed at a place at or near which no Government

or aided school is available and it becomes necessary for the employee to keep his child/children for their studies at a place other than the place in which he is stationed. Although education is now free upto the College stage, it is necessary to grant some allowance in the case of certain low-paid employees working in or near villages in which there are no schools, and whose income does not exceed Rs. 500 per month. The Commission considers that in such cases allowances of Rs. 5 per month per child studying in the Primary and Rs. 10/- per month per child studying in Secondary Schools respectively may be granted. Children of Government servants studying in Colleges outside the places of work of the parents, if there are no Colleges in such place, may be given freeships or half-freeships.

7.36. Again there are certain other categories of employees who might require assistance when they are transferred during the course of an academic year from the station at which they were originally working. In such cases, it should be ensured that the children of the transferred employees are given admission in the corresponding classes in the schools at the place to which the officers are transferred. Government have already issued administrative instructions that students migrating from one place to another due to transfers of parents must be admitted to the corresponding classes on production of transfer certificates. Government have also decided to introduce uniform curricula and text-books in all the schools throughout the State from the academic year 1968-69 and this measure will also reduce the financial burden on the parents which would otherwise be considerable. But the problem becomes a little more difficult in respect of the children going to the Universities. Each University has its own curricula and text-books. The Commission suggests that Government may persuade the Vice-Chancellors of the three Universities of the State to adopt common courses of study and text books at least for the under-graduate courses.

7.37. If a Government servant is compelled to keep his son or daughter in a hostel owing to his mid-term transfer, then also he needs some assistance. The Commission recommends that in such instances the concerned educational authorities of Government may assist in securing hostel accommodation for such children.

*(vi) Canteen and/or Lunch Room Facilities*

7.38. One more amenity that is commonly demanded is lunch room or canteen facility in Government Offices. Canteen facilities refer to arrangements for serving food or refreshments on payment. Lunch room facilities relate to arrangements for providing lunch rooms where such of the employees who prefer to bring food from their houses could eat it, instead of going to the Canteen or other Restaurants.

7.39. The provision of lunch room facility is a necessity for every office having an establishment of about 50 persons, where there are no decent Canteens or Restaurants in its neighbourhood. Where substantial number of employees take their lunch during office hours, it is the responsibility of Government as

Employer to provide a separate room with facilities for drinking water and other incidental needs. Where the total establishment is very small, it would not be practicable to provide separate lunch rooms. But even in such Offices, it may be possible to provide some portion of a room or hall where the officials can take lunch. Government can provide tables and chairs to accommodate not less than 20 persons at a time in the smaller offices and not less than one-tenth of the establishment subject to a minimum of 20 in bigger offices. In addition, some crockery and cutlery may also be provided on a modest scale and a Class IV employee put in charge of the lunch room to take proper care of the furniture and the crockery and cutlery. Such an arrangement would go a long way in providing a basic amenity to the employees, besides reducing the time which they would otherwise take for their lunch break.

7.40. The question of Canteen and food arrangement arises mostly in big places like Bangalore where long distances will have to be covered and offices open by about 10-30 A.M. In such places, if 100 or more persons are working in an office or a group of offices situated close by, Government should take the responsibility of providing, in addition to the lunch rooms, canteen facilities for supplying at least snacks and coffee or tea. In the establishments where the staff is not less than 250 persons, it is necessary to provide a full-scale canteen with facilities for supply of food also. But the Commission is of the view that Government should not undertake the responsibility of running these canteens departmentally. Government may provide a suitable building and necessary facilities and encourage private hoteliers to open Canteens subject to payment of nominal rent and subject to the condition that the quality, quantity and charges would conform to such instructions as Government might issue from time to time. If the employees themselves wish to start canteens on a Co-operative basis, they may be encouraged to do so. In that event, Government should provide accommodation, light and water, free of cost, and also meet initially the cost of furniture, crockery and cutlery, etc. The responsibility for maintenance and replacement of these articles should rest on the Co-operative Society itself. Government should also meet reasonable proportion of the expenditure on the catering staff in such canteens.

*(vii) Consumer Co-operatives.*

7.41. It is common experience that prices of common commodities have been steadily rising for the last 10 or 12 years and the reliefs given by the Government by revision of salary and by enhancing the rates of dearness allowance have not satisfactorily solved the difficulties of the Government servants. The rise in prices has become steep since the year 1963-64 and the highest point was reached during the year 1967-68, when the All-India annual average-cost of living index reach 205 points (base=100 points in 1949). Even thereafter the prices are continuing to rise; the future is still uncertain.

7.42. In order to assist the Government employees to adjust their budget within the emoluments paid to them by the Government, it is necessary to devise

certain measures by which the relief can be made real. Some of the witnesses who appeared before the Commission suggested that the Government should open departmental stores for sale of essential commodities at reasonable prices to its employees on no-profit no-loss basis. Some others have been more sceptical about the feasibility of the Government undertaking the scheme of establishing departmental stores throughout the State. In this connection, it is necessary to recall that during the Second World War, the Indian Railways undertook the responsibility of supplying all articles of food and other essential requirements at pre-war prices instead of paying dearness allowance at enhanced rates to their employees. The Second Central Pay Commission examined the pros and cons of the scheme initiated by the Indian Railways and came to the conclusion that it might not be desirable for Governments to run departmental stores. The observations of the Commission on this point read as follows :

“It will be remembered that a chain of grain shops was established in 1942-43 for the benefit of Railway staffs, that the shops continued for many years, and that, in fact, even now about 12,000 railway employees are continuing to enjoy the grainshop concession. The scheme was a comprehensive one and the apparatus for purchase, distribution and supervision, that was set up, apparently imposing. The final verdict, given in the Report of the Railway Grainshops enquiry Committee, 1948, was, however, unfavourable, and the Committee recommended that while a modified scheme might be continued as a transitional arrangement, there should be no question of retaining the grainshops as a permanent part of the Railway administration. There were organisational and human failures, and malpractices and corruption ; and a heavy loss was caused to the Railways (in the year 1947-48, the loss of every employee served by the grainshops was Rs. 309) with no commensurate benefits to the employees. Among the most serious problems that arose in the operation of the scheme, and which led to malpractices, and caused dissatisfaction among the employees, was that of quality control a problem which would be there even if the other defects of the scheme could be removed. Against the background of this experience it is not at all surprising that the idea of reintroduction of a similar scheme should not be favoured. Moreover, what was essentially an offshoot of the general war-time system of control of prices and supplies cannot be reintroduced in present conditions without exposing the Central Government to the criticism that they have picked out their own employees for specially favourable treatment even in a matter of vital importance to vast sections of the general community. And there appear to be no substantial benefits that could be set off against such criticism, and against the expenditure of effort that would be needed to make the scheme work fully efficiently”.

7.43. In view of this sad experience of the Indian Railways, the Commission considers that it would not be advisable for the State Government to undertake

the establishment of departmental stores in different parts of the State. No doubt both the Central and State Governments have adopted measures of general policy for controlling the prices of consumer goods and for making them available to the citizens at reasonable prices. In addition to rationing, either statutory or informal, distribution of foodgrains through the public distributing system in areas in which there are large numbers belonging to vulnerable sections of community and introduction of price control in respect of textiles, sugar, vanaspati and other commodities are some of the measures adopted by the Government for giving relief to the public. Commodities so covered by the various schemes form only a portion of the requirements of the Government servants and there are difficulties even in such cases in making the articles available to all the employees in adequate quantities.

7.44. The Commission, therefore, considers that organisation of co-operative societies both for running departmental stores and for provision of necessary credit, will go a long way in minimising the hardships experienced by the Government servants. The existence of such Societies selling essential articles at reasonable prices will not only remove the artificial scarcity of essential articles created by the vested interests but would also help to keep down the prices in the open market and thus counter-act the inflationary trends in the prices of essential commodities.

7.45. Some of the employees who gave evidence before the Commission have expressed themselves in favour of setting up of the consumer co-operative societies for their own benefit. It is true that societies which have been started without initiative from the class of people whom they are intended to benefit have either gone into liquidation or have failed to achieve the object. The Associations of non-gazetted employees at Tumkur, Mandya, Thirthahalli, Sagar, Bidar and some other places who have successfully organised the Co-operative societies placed certain details before the Commission to indicate that not only had they been of substantial assistance to their colleagues in the supply of essential commodities at prices lower than the local market prices, but had also been able to make substantial savings to enable them to have their own building and to contribute towards the cultural and recreational activities of their members. The Commission, therefore, has come to the conclusion that wherever the initiative to organise such societies is taken by the Government servants themselves and they approach the Government for necessary assistance, it would be advisable to encourage such employees to start Co-operative Stores or Societies of their own.

7.46 The Commission accordingly suggests that the following types of facilities and assistance may be granted by Government :

- (1) Government may accept the responsibility for providing a suitable building or accommodation free of rent for 3 to 5 years in the beginning ;
- (2) Government may share the expenses of management to the extent of 50 per cent for a period of 3 to 5 years ;

- (3) Government may even subscribe to the share capital to the extent of 50 per cent and may appoint the Co-operative Consumer Stores or Societies organised by the Government employees as their agents for distribution of those commodities which are controlled by Government;
- (4) Government may guarantee loans advanced by the District Co-operative Central Banks to the Co-operative Societies of Government employees towards the working capital.
- (5) Government may permit the employees to take advances from their provident fund accounts or, if necessary, even give advances from the Government Funds for the purchase of shares in the Co-operative Societies subject to the condition that the advances should be repaid in a reasonable number of instalments.

7.47. The employees of the Government should, in principle, be encouraged to utilise the services of Co-operative Societies for the purchase of the necessities of life and the Department of Co-operation should assist them in the procurement of such articles at reduced prices or concessional rates.

#### *viii) Working Conditions*

7.48. Provision of adequate and proper "working conditions", *i.e.*, the physical environment in which the employees work and the facilities which they are given for discharging their duties efficiently, is of paramount importance in Government Offices, as in any other office. The extent to which the efficiency of the staff is hindered by unsatisfactory working conditions and absence or inadequacy of facilities is not usually sufficiently appreciated. Both the First and Second Central Pay Commissions emphasised the importance of satisfactory working conditions for ensuring efficiency and welfare of the employees. Even in the case of an advanced country like the United Kingdom where working conditions are far better than ours, the Committee on the Civil Services headed by Lord Fulton which gave its report recently observed: "In our view, the Civil Service tends to under-estimate the importance of the working environment. Thrift in these matters is wholly creditable, but parsimony is damaging. We have formed the impression that the Civil Service makes too much of a virtue of austerity, and in some ways has allowed it to develop to the point at which the reputation and efficiency of the Service suffers from it". Adequate office accommodation and other suitable environmental conditions are thus of foremost importance.

7.49. The State Government have considered the matter of office accommodation and have prescribed certain standard scales in this regard: 500 to 750 sq.ft. for Secretaries to Government and Heads of Departments; 250 to 350 sq.ft. for Deputy Secretaries, Deputy Heads of Departments (including Superintending Engineers and Deputy Commissioners, etc.) and officers at District level (including Assistant Commissioners, Assistant Directors, etc.); 150 Square feet for Class II Gazetted Officers; 60 Square feet for non-gazetted

staff ; 10 to 20 per cent of the total office area for stores, records, etc. (depending on the nature of work) ; and 100 Square feet each for technical staff working in offices, like Draughtsmen, Tracers, etc. The scales appear to be quite satisfactory. The Commission does not have any information whether the available accommodation in each Government Office in the State conforms to this scale or suffers from shortage and if so, the extent of shortage and the extent of additional requirements if accommodation is to be provided according to the prescribed scale. Some witnesses have brought it to the notice of the Commission that some Government Offices, particularly in Taluks, are dingy and ill-furnished. Based on the evidence so available as also on the personal knowledge and observation, the Commission is of the view that the office accommodation is not satisfactory in many cases and that the matter of accommodation should receive greater attention than at present. The Commission, therefore, suggests that the prescribed scales of accommodation may be adhered to as far as possible in all cases. A shortage of accommodation in an Office upto 10 per cent may not seriously affect the work but, if it is more, the matter should receive serious consideration and immediate attention. It may not be possible to provide suitable and sufficient accommodation within a short period. The Commission, therefore, suggests that Government should properly assess the requirements and take up a phased programme of construction of buildings for Government offices both in Bangalore and in the mofussil and complete the programme within a few years.

7.50. Owing to insufficiency of accommodation in Government buildings, it has become necessary to take on hire private buildings for housing Government offices. It is important that careful consideration should be given to the selection of such building in proper localities. Such buildings should be in the proximity of other Government offices, post offices and banks and such other places to which it may be necessary to pay frequent visits, so that the time of the officials could be saved and the members of the public who have business with the offices are not put to any hardship in being required to cover long distances to approach the concerned officers. If Government undertake the construction of buildings specifically meant for locating offices not only could these difficulties be overcome but also in the long run there may be considerable economy as the enormous rent that is now being paid for the private buildings could be saved. The Commission desires to draw the pointed attention of Government that huge sums are paid every month for buildings rented out for different departments and that construction of a multistoreyed building for such offices is sure to result in economy.

7.51. The Commission also does not have information concerning provision of furniture, lighting, ventilation, sanitation, and supply of drinking water and provision of bath-rooms in Government Offices. There does not seem to be any standardisation in respect of furniture and other office equipment. At present, many offices and courts at Bangalore and other places have been using such furniture as affects the neatness and prestige of these offices and Courts. So, the Commission suggests that Government should ensure that all the Government Offices are provided with reasonable items of decent furniture and other equipment



including books of reference, articles of stationery and copies of Acts, Rules, Regulations and Notifications (brought upto date) necessary for efficient work.

7.52. Light, ventilation and sanitation are matters which should be carefully considered, especially as the officials have to spend greater part of a working day in the offices. Natural light should be available during the ordinary day time. Experts have pointed out that there is intimate connection between the eyesight and the brain and the importance of good lighting cannot, therefore, be overemphasised. Similarly, the need for proper ventilation and sanitation in Government offices has an important bearing on efficient organisation and rapid transaction of work.

7.53. Another aspect to be considered in this context is the matter of space lay-out, that is available space should be allocated according to reasonable needs of each office in such a way as to maximise efficiency. This includes the best possible arrangement from the point of view of workflow and sufficient attention ought to be given to the matter of space lay-out in Government Offices. A set of criteria suggested by Shri N. K. Panda, I.A.S., in his book, "Work Study in Administration" for an efficient and economic lay-out of space are mentioned below :

- (1) Work should move in as straight and as continuous a line as possible ;
- (2) Supervising Officers should be easily accessible to the employees ;
- (3) Related functions should be placed together ;
- (4) Common services should be centrally located ;
- (5) Machines and equipment, file cabinets, etc., should be placed as near the workers as possible ;
- (6) The arrangement for lighting and positioning of the desk and other office furniture has to be carefully scrutinised.

7.54. The actual decisions on the space lay-out needs of Government offices will differ from case to case, but it is possible to lay down certain uniform standards for allocation of office space to employees and work units on the basis of work study.

7.55. The Fulton Committee has observed that responsible management includes good house-keeping. There is need for immediate improvement of working conditions in Government offices and it should not be difficult to provide proper accommodation to Government Offices and equip them properly. The Commission fully agrees with the view expressed by the Second Central Pay Commission that this is a matter in which Government should, and can well afford to be a model employer in the interest of the community which is entitled to efficient service, as well as of their employees who can reasonably expect that their needs as employees would be well looked after.

*(ix) Recreational Facilities*

7.56. An employee's welfare depends not only upon the remuneration which he gets and the conditions of service which apply to him but also upon the

healthy and proper use of his leisure outside the working hours. The Second Central Pay Commission observed that the group activity of employees likely to improve their health and efficiency, or to increase their happiness, ought to be encouraged and assisted in some degree. But it is not necessary or possible for Government to establish and maintain social or recreational clubs which provide amenities like Reading Room and Library, and facilities for games and sports for Government servants exclusively. Therefore, there is no need to establish any amenities fund for this purpose. Such clubs or institutions can be established and kept active only if a sizable number of Government servants takes initiative and exhibits sustained interest in their working and growth. When such enthusiastic Government servants having genuine interest in cultural activities form associations amongst themselves and approach the Government for specified kinds of assistance, it would be desirable to encourage them to give concrete form to their associations or social clubs and maintain them with subscriptions raised by them. Government may assist them in some suitable form but such assistance must be related directly to the tangible proof of enthusiasm shown by the Government servants of a particular locality. The assistance may take the form of a matching grant and provision of free accommodation. The pattern of subsidy or grant should vary according to the size of the membership and the scale of activities.

7.57 It should be open to an officer of the highest status working in the place to receive the representation for assistance from such Government servants and forward the same to Government for grant of suitable assistance.

#### (x) Other Amenities.

##### (a) *Incentives*

7.58 Besides fair and regular scales of remuneration and reasonable conditions of employment, there are less tangible, but nevertheless equally important, means by which performance of Government employees at a high level in any field can be encouraged. Recognition of efficient and meritorious work in some tangible form often contributes to development of high motivation. Provision of incentives through special "recognition devices" such as awards is therefore necessary and desirable.

##### *Incentives for Good and Efficient Work*

7.59 One category of incentives that may be considered here is the provision of awards for good and efficient work. The Second Central Pay Commission considered the matter of providing incentives to Government employees. The Commission did not favour cash grants as incentives for meritorious work and felt that such work may be recognised by communication of appreciation in a suitable form. But for those persons, who by their suggestions contribute to efficiency, economy and other improvement in Government work, the Commission suggested that a scheme of cash awards may be introduced. At present, there are three incentive schemes in operation in the Government of India, namely: (1) grant of incentive awards in the form of two advance increments and a citation for superior performance and for original ideas resulting in efficiency and economy ;

(2) awards in the form of cash grants, gifts of token value, and merit certificates or letters of commendation for suggestions for maintenance of integrity in administration ; and (3) a scheme of merit promotions and advance increments for persons of outstanding merit in some of the scientific and technical services.

7.60 The Governments of Kerala and Andhra Pradesh have also instituted systems of incentive awards for outstanding performance or useful suggestions. This Commission invited views with regard to the need for introduction of a system of incentive awards in our State. The consensus of opinion is in favour of recognition of good work and merit by providing positive incentives. Some have suggested additional increments and out-of-turn promotions as suitable incentives. There are some others who have opposed the idea of incentive awards for good work on the ground that all Government servants are expected to do good work and that such awards will result in favouritism, Communalism and nepotism, thereby leading to jealousy, heartburn and dis-satisfaction. But difficulties in working out a system of incentives in a fair and objective manner in practice should not militate against the introduction of the system itself. The Commission considers it highly advisable to institute the system of incentive awards in the State for efficient work of exceptional character with a view to stimulate original thinking among Government servants so as to improve efficiency and productivity in Government Offices.

7.61 As out-of-turn promotion confers a permanent benefit which is to be given only on the basis of consistently outstanding performance and not on the basis of occasional flashes of brilliant ideas or work, the Commission is of the opinion that it would not be an appropriate form of award under the system of incentives. The Commission suggests that the award may be in the form of letters of appreciation, certificates of merit, medals or token cash awards. The system of incentive awards is not meant to reward performance of a Government servant's routine work, however, satisfactory it may be, as such cases are taken care of by the normal rules of promotion. Only the cases of extraordinary originality, imagination or brilliance or rare devotion to duty demonstrably deserving recognition in a special way should be eligible for such awards.

7.62. It is very important that incentives should not become synonymous with "patronage awards". Therefore the Commission recommends that a Screening Committee consisting of a Member of the Public Service Commission, the Chief Secretary and one or two other Secretaries to Government may be set up at the State level to scrutinise the cases for incentive awards proposed by the Departments and to consider suggestions for improving performance standards and effecting economy received from individual Government employees. Such Screening Committees may also be set up at district levels to decide cases of meritorious service rendered by Government servants during times of such calamities like famines, scarcity conditions, floods, etc., and such Committees may consist of the Deputy Commissioner, the District Judge and the Deputy Director of Agriculture of the District concerned.

*Advance Increments for acquiring Higher Qualifications.*

7.63. Another form of incentive that requires consideration is the grant of advance increments to Government Servants who acquire higher qualifications while in service. At present, the undergraduates working as Second Division Clerks are sanctioned four advance increments if they become graduates and continue in the same posts. Such advance increments are also granted to Government servants working in the non-graduate technical cadres in the Departments of Health and Family Planning Services, Public Works and Agriculture, who acquire University Degrees in Medicine, Engineering and Agriculture respectively. The Commission is of the view that the present system of granting these advance increments may continue since the objective is to encourage officials to acquire higher qualifications which would better equip them to discharge their duties. Such advance increments in the time-scale of pay should not exceed the limit of Rs. 100 and should not count for seniority. It is necessary to emphasise that the advantage of four advance increments should be conferred only in cases of persons who acquire graduate qualifications but continue to work in the non-graduate cadres and that it would not be available if such persons are promoted to the graduate cadres on acquiring graduate qualifications.

7.64. A point has been raised whether such advance increments should also be granted in the case of Officers who hold posts for which the prescribed qualification is a degree but acquire post-graduate qualifications or qualifications higher than those which are prescribed as minimum qualification for the posts held by them. The Commission is of the view that it is desirable to introduce the system of grant of advance increments in technical departments where acquisition of higher qualifications contributes to better efficiency, as for example, in the case of a Government doctor with M.B.B.S. qualification who acquires post-graduate qualifications such as M.D., M.S., F.R.C.S., or M.R.C.P., or an Officer in the Department of Agriculture with B.Sc. (Agri.) degree who acquires M.Sc. (Agri.), or Ph.D., in any speciality of technical importance. But, in general and non-technical departments, acquisition of post-graduate or additional qualification may result in only marginal improvement in work and efficiency. For instance, if a graduate working as a First Division Clerk in the Secretariat or in a general Department like the Revenue secures a Master's degree in some subject, such post-graduate qualification is not of much assistance in discharging the normal duties of his office. On the other hand, a graduate First Division Clerk in the Law Department if he acquires a post-graduate degree in Law such knowledge is sure to enlighten him on intricate problems of law and he may become eligible for advance increments. Therefore, the Commission recommends that in technical departments where acquisition of post-graduate or higher qualifications is conducive to better efficiency four advance increments subject to a maximum of Rs. 100 may be granted and that this principle need not be applied to non-technical departments. But the grant of additional increments or additional remuneration will not affect the seniority of officers. In course of time, if a person who has acquired post-graduate qualifications and has been granted advance increments is selected or appointed to

a post for which the post-graduate degree is the minimum qualification, the advance increments already given should be merged with his pay.

*Cash award to Government servants who pass Hindi Examination*

7.65. The question of encouraging the administrative personnel at various levels to acquire knowledge of Hindi has been considered by Government and with a view to popularise the study of Hindi by Government servants, one advance increment in the scale of pay being granted to non-Gazetted Government servants who passed the Hindi "Pravesika" or equivalent Examination in first class. The Central Government employees are given cash awards for passing the "Praveen" and "Pragna" Examinations in Hindi. The Commission considers that as the grant of advance increment is a recurring liability and progressively increases the expenditure, a lumpsum cash award of Rs. 100 may be paid to non-Gazetted Government servants who pass the "Pravesika" or equivalent examination in Hindi. The Commission is also of the view that the existing rule restricting the award to a pass in First Class may be repealed and provision may be made for grant of cash awards to all those who secure a pass in the Hindi examination. On a reference received from Government, the Commission has communicated their recommendations to Government separately.

*(b) Welfare Fund*

7.66. *Welfare* work consists of Social, recreational and cultural activities. In addition to these activities, there are some other aspects which also deserve special attention. Among them are, as observed by the Second Central Pay Commission, schemes for relief to employees in case of prolonged sick leave without pay or on reduced pay, in case of premature retirement because of physical disability, and when they suffer from dire distress or unforeseen misfortune and are in need of assistance and for giving assistance to needy dependents of employees who die in harness. The need for such relief and assistance is a real one particularly for employees in the lower income groups.

7.67. At present, the State Government have been extending various kinds of assistance to their employees and the existing schemes of assistance are intended to meet emergencies of different categories. The Government employees are now entitled to (1) Family Pension, (2) Death-cum-retirement gratuity, (3) Medical aid (4) advances from Provident Fund for marriages and other social and religious functions, (5) Advances from Provident Fund for construction or purchase of houses, (6) Advances for purchase of conveyances, etc., (7) Advances for construction or purchase of houses, (8) Scholarships and educational loans, and so on. These facilities provide for almost every kind of situation. Some witnesses are, therefore, of the opinion that there is no need for any separate Welfare/Benevolent Fund for providing assistance to the employees or the dependents of deceased employees since the purpose for which such a fund is to be constituted is well served by the existing schemes of assistance and facilities.

7.68. But there are certain situations which are not fully covered by the existing schemes of Welfare. The availability of assistance under the existing

schemes is attended with delays due to the necessity of satisfying certain requirements laid down by the relevant rules. There are occasions of unforeseen and unexpected misfortunes befalling an employee, when the need for assistance is immediate. A Welfare Fund is intended to take care of such unforeseen situations and to provide assistance to the families of Government employees in times of need and in situations not fully provided for in the existing schemes of assistance. To illustrate the point, it may become necessary for a Government employee or a member of his family to undergo some special treatment in a private clinic or nursing home. Such a situation is not covered by the existing Medical Aid Rules and the employee will have to meet the expenditure from his own pocket; he may not be in a position to have ready cash with himself or even secure a loan immediately and may need immediate assistance. Similarly, the existing schemes of educational assistance may not fully meet the needs in all cases and there may be cases for some additional assistance. There may also be need for urgent financial help to the family of an employee who dies in harness or to the employee himself for performance of marriages, obsequies and other social and religious functions.

7.69. The associations of employees and individuals are generally in favour of establishing a Welfare Fund for providing assistance to employees or to their dependents in times of such need. The Commission also considers that the institution of such Welfare Fund is desirable. In our State, the Police Department and the Education Department have already started such Welfare Funds for the benefit of their staff and the other Departments of the State Government may also constitute such Funds.

7.70. The objects of the Welfare Fund may generally be to render financial assistance:

- (i) By giving advances in exceptional cases of prolonged illness, or cases requiring prolonged treatment of the employees or the members of their families, not covered by the normal Medical Attendance Rules and which cannot be met from the normal income;
- (ii) By giving advances in cases of prolonged illness of employees if the leave salary is not adequate for meeting the normal domestic expenses;
- (iii) By grant of loans to enable the children of employees to acquire higher education in circumstances not covered by the normal schemes of Government;
- (iv) By giving loans for marriages of sons or daughters of the members and for performance of other essential social and religious ceremonies;
- (v) By giving outright grants in case of death or dire distress of an employee;
- (vi) To undertake other welfare measures in the form of running training classes in handicrafts, sewing and knitting for enabling the wives and dependents of employees to learn useful crafts, etc.

7.71. If each Department institutes a Welfare Fund of its own, the fund can be operated upon by the Head of the Department and administered by a Committee consisting of the representatives of all classes of officials of the Department. In the case of big Departments, with large staff in the districts, District Committees also may be organised under the control of the Central Committee.

7.72. The membership of the Fund may be made voluntary. In regard to the composition of the Fund, the Commission is of the opinion that Staff Welfare Funds should be set up by the Departments mainly on the basis of contribution by the employees themselves. The scale of contributions may be as follows ;

Class I Officers Rs. 10 per month.

Class II Officers Rs. 5 per month.

Class III Officers Rs. 2 per month.

Class IV Officers Rs. 0-50 per month.

The Fund may be augmented by Government grants sanctioned from time to time, donations from members or well-wishers and by taking benefit shows, etc. Government may initially give an *ad hoc* grant and later continue the grants on an *ad hoc* or matching basis after watching the working of the Welfare Funds. As the Second Pay Commission observed, a co-operative arrangement for relief of distress to which the employees themselves as well as Government contribute might be more in keeping with the present day ideas of the status and self-respect of the employees, and arrangements too much in the nature of governmental charity may not be good for the morale of the employees. If the objectives of the Welfare Fund are made clear to the employees, there can be no doubt that all or most of the employees will join the Fund.

(c) Home Orderlies

7.73. In former Mysore State, the standard scale of Peons fixed for Government Offices and Officers was as follows :—

1. Heads of Departments	}	1 Peon for Office and 2 Peons for residence.
2. Secretaries to Government (including Joint Secretaries and Additional Secretaries)		
3. Deputy Commissioners of districts.		
4. District Judges.		
5. Deputy Inspector General of Police.		
6. District Superintendents of Police.		
7. Executive Engineers.		
8. Other touring Gazetted Officers and Officers of the Secretariat, viz., Under Secretaries, Assistant Secretaries, Additional Assistant Secretaries.	}	1 Peon for Office and 1 Peon for residence.
9. All other Gazetted Officers (non-touring) and all touring non-Gazetted Officers then having Peons.		
		1 Peon each.

Note :—Touring officers are those who by the nature of their duties are required to tour each month.

7.74. The Pay Structure Committee (1956) which reviewed the question of standard scale of peons and home orderlies felt that the number of peons then

allowed was excessive. The Committee also observed that the intention of providing home orderlies was only for office work and not for private purposes and proposed the following scale :

- (a) Heads of Department, Secretaries to Government, Deputy Commissioners District Judges, Deputy Inspector General of Police, District Superintendents of Police, Executive Engineers. } 2 Peons (1 Peon for office and the other for residence for official purposes).
- (b) Other Gezzeted Touring Officers. 1 Peon (Office).  
(The office peon may accompany the officer while on tour whenever necessary).
- (c) Officers of the Secretariat 1 Peon (Office).

7.75. Government accepted the view of the Committee that the scale of peons and home orderlies should be reduced and directed that the following revised scale of peons including Home Orderlies should be adopted (*Vide* Government Order No. F1 (B) 14034—14133—Bud—119—56—3, dated 25th January 1957)

- (a) Divisional Commissioners, Heads of Department, Secretaries to Government, Deputy Commissioners of Districts, District Judges, Deputy Inspector General of Police, District Superintendents of Police, Superintending Engineers, Executive Engineers. } 2 Peons (1 Peon for office and 1 Peon for residence for official purposes).
- (b) Other Gazetted Touring Officers. 1 Peon (Office).  
(The office peon may accompany the officer while on tour if necessary).

7.76. Touring non-gazetted officers like Revenue Inspectors who were provided with a peon were allowed to have that privilege. Other non-touring Gazetted Officers were allowed to continue one office peon and not the home orderlies.

7.77. But there were complaints that in some cases home orderlies were being misused and treated as regular domestic servants. In their Circular No. GAD 190 SIS 57, dated 18th September 1957, the Government stated that while a home orderly was primarily meant to look after official work at a Government servant's residence he was not to be treated as an ordinary domestic help or cook, there was no objection to utilise the orderly as an additional help in doing domestic duties by mutual agreement between the Government servant and the orderly and on payment of suitable remuneration.

7.78. Based on the recommendations of the Pay Committee (1961), home orderlies were allowed only to officers of the rank of Secretaries to Government and Heads of Departments including Deputy Commissioners (*vide* Government Order No. FD 17 SRP (1) dated 27th February 1961). The number of orderlies was restricted to one for each officer. The Government order made it clear that no readjustments from office or other sources should be made so as to exceed that scale and that home orderlies provided to officers below the above-mentioned ranks should be withdrawn.



7.79. The Resources and Economy Committee (1962) recommended that the category of home orderlies might be abolished completely, paying the officers to whom they were attached a sum of Rs. 30 per mensem for meeting the cost of a personal servant engaged by them. But Government have given the option to the officers to whom the home orderlies have been provided, either to retain the home orderly or to accept a cash allowance of Rs. 30 per month.

7.80. But this system has created some complications. The option exercised by an officer would apply to his case only for so long as he occupies the post which he was holding at the time he exercised the option; it cannot bind him on his transfer to another post or his successor in that post. Officers are periodically transferred and if an officer had opted for cash compensation and his successor opts for a home orderly it becomes necessary to create a new post; this new post would have to be abolished if the next officer who succeeds to the post opts for cash allowance.

7.81: Besides these complications which are present in the prevailing system, it cannot be stated with any degree of certainty that the successive Government Orders have prevented the use of office peons as home orderlies, although unauthorisedly. The Commission understands that in several cases officers to whom home orderlies are not provided are utilising the services of office peons as home orderlies generally for office work but sometimes also for domestic work and that even in cases where the home orderlies are provided, the sanctioned scale has been exceeded.

7.82. The Commission is of the view that there is, in fact, need to provide home orderlies to the relatively senior officers of Government as often visitors go to see them at their residences and it is necessary that there should be orderlies to keep the visitors' rooms clean and to announce the visitors; Officers have to attend to Government work in the residences and it is therefore necessary to carry files, papers and reference books from the office to the residence and back. When officers go on tour, the services of a peon are necessary to look after their needs. Taking all these factors into consideration, the Commission suggests that home orderlies may be provided to all Class I Officers of the State Government. The number of orderlies may be restricted to one for each Class I Officer. These officers may be permitted to utilise the services of the existing Class IV servants as home orderlies. In Chapter 9, the Commission has recommended a new scale of peons for Government offices and according to this scale there is scope for considerable reduction in the size of the Class IV establishment in Government offices. While effecting such reduction in the number of Class IV servants, the number of peons required for work in the office and for work as home orderlies may be kept in view.

7.83. A slightly different procedure may be followed in respect of the following categories of Officers, namely :

- |                                      |                         |
|--------------------------------------|-------------------------|
| 1 Secretaries to Government,         | 2 Heads of Departments, |
| 3 Deputy Commissioners of Districts, | 4 District Judges.      |

It is necessary for them to have home orderlies in whom they have complete confidence. Therefore, one post of home orderly may be created in each of the offices of Secretaries to Government, Heads of Departments, Deputy Commissioners and District Judges and the posts kept vacant. On the analogy of the procedure indicated in Government Order No. GAD 58 CDA 64, dated, the 1st August, 1964, the Officers may be permitted to appoint persons of their own choice as home orderlies, if they desire to have the orderlies. In case any of the Officers does not like to appoint a home orderly, he may be paid a compensatory cash allowance of Rs. 50 per month and the post of home orderly kept vacant.

7.84. The person appointed as Home Orderly will remain in service only for so long as the concerned Officer on whose choice he was appointed requires his services. The person appointed as home orderly must give a clear undertaking in writing that he agrees to his appointment purely on a tenure basis and to his services being terminated without notice. But if a person continues in service for a reasonably long period without a break, he may be absorbed in the Class IV establishment in the concerned office if a vacancy is readily available. If so absorbed, the services rendered as home orderly may count for purpose of leave, increment and pension in the same manner and to the same extent as temporary Government service. For the purpose of seniority in the cadre of Class IV servants, the date of his appointment in the cadre may be taken into account, subject to the normal rules governing such matters.

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## CHAPTER 8

### Service Conditions

- (i) Recruitment
- (ii) Probation
- (iii) Training
- (iv) Seniority Rules
- (v) Leave entitlements and transfers
- (vi) Pension
- (vii) Provident Fund
- (viii) Other matters relating to Service Conditions.

#### *(i) Recruitment*

8.1. An efficient administration pre-supposes that only the best among those who are fully qualified for discharging the duties and responsibilities attached to the office to which they are to be appointed are recruited and are offered such emoluments and incentives as would induce them to put forth their best. This intention of recruiting the best available talent is sought to be achieved by constitutional provisions relating to the appointment of the Union Public Service Commission for the All India and the Central Services, and the State Public Service Commissions for Public Services in the States. Articles 315 and 320 of the Constitution provide, among other matters, for a Public Service Commission in each State. Article 320 defines the functions of the Public Service Commission and provides that it shall be its duty to conduct Examinations for appointments to the services; it enjoins upon the State to consult the Public Service Commission on all matters relating to methods of recruitment to Civil Services and for several posts and the principles to be followed in making appointments, promotions and transfers from one service to another etc. The Governor has framed detailed Recruitment Rules in respect of each of the Departments. The underlying idea in making these provisions and in framing these rules is that recruitment to public services should be only on the basis of merit, qualifications and experience and not on extraneous considerations. Selections are to be based solely on sound assessment of the ability and efficiency of the candidates and without any political considerations or discrimination based on race, religion, creed or caste. The reservation of posts for persons belonging to the Scheduled Castes, Scheduled Tribes and Backward Classes and special provisions relating to them about age on entry should necessarily be a short term measure.

8.2. The problem facing modern administration, whether in the sphere of Governmental activities or in business, is that of personnel selection. Professor C. Northcote Parkinson has dealt with the difficulties inherent in the different systems adopted by different countries for selecting the right personnel for carrying on the business of Government. The British method (old pattern)

depended upon an interview of the candidates by a selection committee. The selection was made merely on the basis of the impression made by the candidate at the time of his interview.

### *Method of selection*

8.3. This system of nominating persons for appointment to Government service gave considerable scope for nepotism and favouritism. Northcote and Trevelyan in their report of 1854 condemned the nepotism, the incompetence and other defects of the system which was inherited from the Eighteenth Century in the United Kingdom. In their report, they have stated as follows :—

“ The character of the young men admitted to the public service depends chiefly upon the discretion with which the heads of departments, and others who are entrusted with the distribution of patronage, exercise that privilege. In those cases in which the patronage of departments belongs to their chief for the time being, the appointments which it commonly falls to his lot to make are either those of junior clerks, to whom no very important duties are, in the first instance, to be assigned, or of persons who are to fill responsible and highly paid situations above the rank of the ordinary clerkships. In the first case, as the character and abilities of the new junior clerk will produce but little immediate effect upon the office, the chief of the department is naturally led to regard the selection as a matter of small moment, and will probably bestow the office upon the son or dependent of someone having personal or political claims upon him, or perhaps upon the son of some meritorious public servant, without instituting any very minute inquiry into the merits of the young man himself. ”

8.4. The Chinese adopted the method of competitive written examination. Of the candidates who were successful at the examination, a majority were admitted to the Civil Services and this system worked fairly well. The effectiveness of this method was investigated into more than a century ago, by eminent men like Macaulay, Northcote and Trevelyan. One of the basic principles enunciated in the Northcote-Trevelyan Report is that admission to the civil services should be by competitive examinations and not by patronage. The system of competitive examination was introduced into the Indian Civil Service in 1855 on the recommendation of the Macaulay Commission. On the working of the competitive system obtaining in England, the Royal Commission on the Public Services in India appointed in 1912 (commonly known as the Islington Commission) has stated that as a result of this system the Indian Civil Service had achieved a distinction equal to that of any other service in the world and according to them, the reasons for the success of the competitive system are as indicated below :

“ If, however, the conditions under which the competitive system has achieved success in England are analysed it will be found that, where the best results have been obtained, they have been got by arrangements which have secured for the State the best products of the educational system of the country ; for example, by holding the examinations for entry to the services at times which coincide with the termination of definite stages in the educational courses of the

candidates, and by basing them upon the curricula of the schools and colleges at which the bulk of the young men of the county have been trained. It will also be observed that England is a country in which facilities for education are sufficiently widespread and sufficiently used to permit all classes from which good public servants are likely to be forthcoming to compete. The reasons why such conditions must exist to make competitive examinations a success are not far to seek. Conformity with the regular educational machinery of the country is desirable, partly because under such conditions a larger number of candidates will be forthcoming than would be the case if the examination required special preparation, but mainly because a well organised school or university course in the most likely means of producing the mental and moral characteristics which are required in a public servant. Such courses have an educative value much superior to that acquired during a course of special preparation, because in every good school and university there are formative influences, both inside and outside the class-rooms, which help to mould and develop character. A high general level of education throughout the country is also necessary, because without it certain classes will be excluded from the public services, and where this takes place they have a legitimate ground of complaint against the State; whilst the public services are the poorer by the exclusion from effective competition of every individual who might become a valuable officer."

*Present method of recruitment*

8.5. Recruitment is now made with a few exceptions at various levels both gazetted and non-gazetted by the Public Service Commission with reference to the Recruitment Rules of the Departments concerned. The classes of posts to which recruitment is even now made by Departmental authorities are: Sub-Inspectors, Head Constables, Havildars, Primary School Teachers, Compounders, Drivers, Class IV employees, etc., as per the Mysore Public Service Commission (Consultation) Regulations as amended by Notification No. GAD 30 SSC 66, dated 30th May 1968. The question whether all recruitment should be done by the Public Service Commission or whether recruitment only to certain categories of posts should be done by them, leaving the recruitment to other posts to Departmental Officers or Committees of Departmental Officers has been considered from time to time and the scheme of recruitment has undergone several changes depending on the view held at a given time. The position to-day is that all recruitment with the few exceptions indicated earlier is in the hands of the Public Service Commission. The Public Service Commission has, therefore, to bear the heavy burden of recruiting hundreds of candidates for the several cadres (recently the Public Service Commission advertised for about 2,500 ministerial posts in Class III Cadres). In order to relieve the Public Service Commission of the heavy work involved in selecting such a large number of candidates from time to time it has been suggested that Divisional or District Level Recruitment Committees might be revived and the Heads of Departments and the District Officers empower to appoint candidates selected by such committees. It is possible for the Government to issue suitable instructions to ensure that this policy of giving representation to the Backward Classes and Scheduled Castes and

Tribes is given by such Committees in the selection of candidates. This suggestion deserves to be considered as the Public Service Commission would then be in a position to concentrate its attention on the recruitment of candidates to the higher services.

8.6. Recruitment had been suspended for the last few years, for one reason or the other and vacancies that arose from time to time were filled by appointing local candidates. The steps to be taken for regularising the services of the local candidates are dealt with separately. The point, however, remains that accumulation of vacancies by postponement of recruitment even after sufficient number of vacancies had occurred in any cadre is not conducive to efficiency and should therefore be guarded against. It is, therefore, recommended that the Public Service Commission should be moved in time hereafter to arrange for the recruitment of candidates to posts at higher levels only and suitable rules should be framed delegating powers of recruitment for posts at lower levels to heads of departments sitting with some others of equal status to constitute recruitment committees.

8.7. While quickening the pace of recruitment, such a measure of decentralisation would also free the system of recruitment of the charge that invariably there is abnormal time lag between the date on which applications are invited and the date on which the orders appointing the selected candidates are issued. The Fulton Committee (whose Report on the Home Civil Service in the United Kingdom has just been published) have dealt with the problem of delays in recruitment and observed as follows :—

“ Another serious criticism of the present methods of recruitment is that they are too slow in operation. This criticism has arisen partly because the Civil Service Commission has until recently interpreted the principle of competitive examination as obliging it to wait until the whole of a very large field has been examined and put in order of merit, no matter how outstanding a particular applicant may be. Various modifications made in recent years have led to considerable improvements. They have included “ continuous competitions ” for a number of important groups, *e.g.*, Tax Inspectors and the relatively small number of Experimental Officers who are recruited centrally. But the process is still apt to take too long. It takes too long between application and the announcement of the result of the examination ; and between the result of the examination and the time when successful candidates are able to start work. Lengthy periods of waiting and suspense are undesirable for those still attending school or university. For those who have left and who feel under pressure to start earning, they may be decisive in causing them to turn to other employment. For those already in jobs who are candidates for late entry (often scarce specialists) they cause serious embarrassment, because of obligations to existing employers.”

8.8. In our State the selection of candidates for recruitment to Class I, Class II and Class III Cadres are made by the Public Service Commission by holding competitive examinations as well as by interviewing the candidates who are successful in the Examinations. This is a combined system in which the good

points obtaining in the two systems referred to earlier are integrated. In the absence of any other better method of selection, selection by a competitive examination is the best and safest course to adopt. It will not only eliminate apprehensions of favouritism and nepotism entertained by candidates but would also eliminate the incompetent from getting into public services. Besides, the candidates who are selected for appointment to Class I and Class II Cadres have to hold responsible posts involving resourcefulness, capacity to shoulder heavy responsibility and qualities of leadership. Qualities such as self-reliance, promptitude, address and resourcefulness can be judged by interviewing the candidates. The Commission, therefore, feels that for posts in Class I and Class II Cadres, recruitment should be made by holding competitive examinations as well as by interviewing the successful candidates, as is being done at present.

#### *Recruitment to Ministerial Posts*

8.9. As regards the selection of candidates for ministerial cadres, the Commission does not consider any competitive examination to be necessary for selection. It is enough if the performance of candidates at the University Examination or any other Examination, a pass in which is prescribed as the basic qualification for the post, is taken into consideration in preparing a list of candidates for interview and the final list of candidates eligible for appointments is prepared in the light of their performance at the *Viva-Voce*.

8.10. One other point that requires consideration is about the assignment of candidates for appointment to posts in the various Departments. The work to be done in all the Departments at lower levels is more or less of the same nature and no expertise is required for a candidate on his first appointment. While it is true that there are finer points in respect of each Department which have to be learnt by actual working, there is no justification for saying that one Department requires persons of higher calibre than the other, except perhaps the Secretariat, where there is need for superior talent. It is, therefore, suggested that while persons getting higher ranks may be assigned to the Secretariat to the extent of vacancies available there, the others may be assigned to regions or departments of their choice to the extent possible.

8.11. It has been represented to the Commission that in the Mysore State, fair chance is not given to the ladies in the Judicial and other services of the State, even though many qualified ladies appear for the different competitive examinations. The Constitution guarantees equal rights to women and discrimination on the ground of sex is prohibited. Clause (1) of Article 16 of the Constitution guarantees equality of opportunity to all citizens in matters relating to employment or appointment to any office under the State while clause (2) forbids discrimination of any citizen on the ground of sex in these matters. There cannot be any doubt that the Mysore Public Service Commission and other recruiting authorities in the State must be according due weight to these provisions in the Constitution, while selecting candidates for recruitment to Government services. Government and the recruiting authorities may, however, keep this representation in view and satisfy themselves that no room is left even for a lurking feeling among the

educated women that fair representation is not given to them in Government services.

*Recruitment to Technical Posts*

8.12. In regard to the technical posts (like Doctors, Engineers, etc.) the suitability of a candidate would have to be judged by his qualifications, his performances in the various examinations passed by him and the length of his experience. No useful purpose would be served by asking such candidates to appear for an examination of the nature prescribed for generalists. The present system of selection by the Public Service Commission with the head of the technical department as an adviser on the committee for the selection of the candidates may continue.

*Local Appointments*

8.13. Owing to various circumstances and particularly the increase in the number of posts to handle the increasing work resulting from both plan and non-plan schemes and the backlog in recruitment, large numbers of local candidates have been entertained though as a purely temporary measure. Some of the local candidates would have gained experience and would be useful for the work on which they have been engaged. Excepting for a few of them, the others would be more useful than raw recruits. Some of them might have become overaged for direct recruitment. It would, therefore, be as much in the interests of public service as in the interests of the individual candidates that such of them as are found fit are retained in service and their appointments are regularised. Government have been taking action in this direction from time to time, the last occasion being on 17th August 1966, when they issued the Mysore State Civil Services (Recruitment of Local Candidates to Class III Posts) Rules, 1966. Even now, there are large numbers of local candidates working in the several departments of Government. Their future will be bleak unless some specific steps are taken in respect of their absorption. The Commission, however, desires to emphasise that appointments of local candidates, in effect, nullify the provisions contained in the Rules of Recruitment and ought to be discouraged hereafter. Regularisations should not be resorted to as a matter of course.

8.14. It is understood that Government have instructed all the Unit Officers to assess the requirements of staff and to give a forecast to the Public Service Commission. If all the unit officers were to do so, it would be possible for the Commission to organise the recruitment suitably and send the names of the selected candidates to the Unit Officers to enable them to issue orders of appointment and posting. Such forecasts are unfortunately not being sent by several Unit Officers and in some cases the forecasts sent are not worked out with any reasonable degree of accuracy. Government must ensure that the instructions issued by them about regular submission of forecasts based on the expected retirements during the following year are followed scrupulously so that the Public Service Commission can forward to Government their list of selected candidates in time.

8.15. It would be necessary to make such arrangements to ensure that only best candidates are selected and recruited to Government service, each year.



*Adherence to Rules*

8.16. Certain percentage of posts in each cadre is reserved for direct recruitment and a certain percentage is reserved for promotion of departmental officers. If steps are taken in time to have a list of candidates from the Public Service Commission or other authority to fill the posts reserved for direct recruits, there would be no difficulty in respecting the rule as regards promotion in defined proportions. Delay in following such course automatically results in promoting officers in service and it is unjust to withhold their promotions on the ground that the list of candidates for direct recruitment is not ready. The promotion of officers to vacancies reserved for direct recruitment should be as rare as possible so that occasions of reverting the promotees after filling up the vacancies of direct recruits are rare. It is not correct that due to delay on any account in having a list of candidates selected for direct recruitment, the operation of the relevant recruitment rules should be suspended for any length of time. There should, however, be no objection to fill up the promotional quota by promoting the officers according to rules, even if there be delay in filling up the posts reserved for direct recruitment.

*Recruitment age*

8.17. Age limits for Government services are related to levels of minimum educational qualifications required for entry into service. The requirements of educational qualifications are in turn determined by taking into account the context of the different educational levels and the 'needs' of the services in the different cadres of administrative and executive branches. For basic clerical grades, age limits are in lower limits.

8.18. In the Mysore State, the general age limit is 28 years and for Scheduled Castes and Scheduled Tribes the age limit is enhanced to 33 years. The average expectation of life in India having risen during the past few years the question whether the age limit is also required to be raised correspondingly would have to be considered in this context. The average expectation of life in India has gradually risen as shown below :

<i>Year</i>	<i>Male</i>	<i>Female</i>
1941	32.5	31.7
1956	41.9	40.6
1963	48.7	47.4
(Projected figures for the further periods)		
1968	53.2	51.9
1973	57.3	56.0
1978	61.1	59.8

The Commission has examined in another chapter the question whether the age of superannuation requires to be raised and has come to the conclusion that the present age of retirement does not require any modification. Keeping in view the span of service as being 25 to 30 years, the general age limit of 28 years for entry into Government service may not be lowered. It is, however, a point

for consideration, whether the age limit of 33 years prescribed for the Scheduled Classes and others cannot be reasonably reduced to 30 to 32 years so that such candidates would be able to put in the maximum service to enable them to earn an amount of pension as would reasonably sustain them in retired life.

### *Qualifications*

8.19. Another point which requires to be considered in this context is whether the educational qualifications prescribed for recruitment to several cadres require any modification. In view of the increasing number of candidates who have been coming out successful in the several examinations, the field for selection of candidates has considerably widened during the past few years; there should, therefore, be no difficulty in selecting bright candidates for recruitment to Government services, even if the present qualifications for entry into service are maintained. At present the minimum qualifications prescribed for the two common Cadres *viz.*, II Division Clerks and I Division Clerks are a pass in the S.S.L.C. and the Degree Examination respectively. Instead of raising this minimum qualification, the balance of advantage may lie in ensuring that only the best candidates are selected by the Public Service Commission according to their overall performance as indicated above. The minimum qualifications for each cadre or post have to be prescribed taking into consideration the nature of duties and responsibilities attached to the posts and, it would not be appropriate to raise the minimum qualifications only to get candidates with qualifications higher than those required for the post only because such candidates are available and are willing to join these posts for want of suitable openings elsewhere.

8.20. The Commission, therefore, recommends that no changes need be made in the minimum qualifications prescribed for the several posts in the general cadres.

### *(ii) Probation*

8.21. Every system of determining the relative excellence of candidates selected on the basis of competitive tests has its own shortcomings. Experience has shown that there are occasional instances where candidates who do exceptionally well in competitive examinations for civil or other services, are found wanting in capacity to stand up to the requirements of a job for which they are chosen or prove unsatisfactory for particular assignments. In order to ensure that misfits or unsuitable appointees are not made permanent in their posts, rules governing civil services usually provide for a period of working test designed to give the appointing authority an opportunity to observe and evaluate the capacity of the appointee and his ability to perform the duties of his office in a reasonably satisfactory manner. Such period of test is called the period of probation when an appointee is naturally under observation as to his fitness and suitability for the post. In one sense, it is a graceful way of terminating the employment of an unsatisfactory appointee.

8.22. The Probationers are appointed to the posts after formal selection by the Public Service Commission or other prescribed authority through the method

of competitive test and *viva voce*, from amongst eligible candidates in the open market or from among Government servants working in different Departments who satisfy the conditions laid down for recruitment to particular posts. In either case a specified period of probation is prescribed during which they have to prove their worth and competence for holding the job failing which they are liable for discharge from service, if they are new entrants to Government Service or are liable to be reverted to their original post or service, if they have liens against any post under the Government.

8.23. During the period of probation, the probationer has to learn the work of the post to which he is appointed and prove himself worthy of his choice; he has also to qualify himself for the job by passing such tests as may be prescribed.

8.24. During the period of probation, Government can satisfy themselves that the person appointed on probation is really fit and competent to hold the post to which he is appointed and weed out the misfits at the very beginning of the service, so as to avoid burdening the Administration with dead-wood and material of doubtful value.

8.25. To subserve the principles underlying the concept of "Probation" it is necessary that the provisions in the Probation Rules providing for discharging (or reverting in the case of a probationer appointed by promotion from another cadre or service) the Probationer who has failed to pass the prescribed tests or to acquire the prescribed special qualification or otherwise prove his capacity and fitness to hold the posts within the prescribed period of probation are enforced strictly and that Probationary period once prescribed is not extended in any but exceptional cases where the Probationer concerned is found unable to fulfil the requirements on account of circumstances beyond his control.

8.26. As regards the pay to be allowed to the probationers, it is seen that according to the Probation Pay Rules issued in Notification No. GAD 44 ORR 62 of 30th April 1964, Probationers in all Cadres were being given a pay which was less than the minimum of the scale of pay prescribed for the post. With the repeal of the Probation Pay Rules under Notification No. GAD 31 SRR 66 (2), dated 15th February 1967, there is now no bar to the Probationers being started on the minimum of the grade. Even so, it appears that the Probation Rules of different cadres have not been modified suitably. This would have to be done expeditiously. The Commission is of the view that there is little point in paying the Probationers something less than the minimum and there should be absolutely no objection to start them on the minimum of the grade as is being done in the case of Probationers in the All India and the Central Services. Probation of two years may be prescribed in all cases generally and there should be no undue lapse of time on the satisfactory completion of the period of probation, to issue a declaration to that effect, and to follow it up with an order of confirmation.

8.27. Rule 9 as amended by Notification No. GAD (S1) 10 SRR 62, dated 10th September 1962 reads as follows :—

“ A Probationer who has been declared to have satisfactorily completed his probation under clause (b) of Rule 5 shall be confirmed as a full member of the service in the class or category for which he was selected at the earliest opportunity in any substantive vacancy which may exist or arise in the permanent cadre of such class or category :

Provided that where more than one approved probationer is available for such confirmation, the seniormost approved probationer on the date of vacancy shall be confirmed”.

Item (1) of Rule 2 reads as follows :

For the purposes of these rules—

(1) “Appointed on probation” means appointed on trial in or against a substantive vacancy”

8.28. It follows from the definition of the expression ‘Appointed on Probation’ that a probationer would be appointed on trial in or against a substantive vacancy. When that be so, the position as indicated in Rule 9, namely, that the probationer after he completes his probation satisfactorily would be confirmed in any substantive vacancy which may exist or arise would not be in conformity with the definition.

8.29. If it is the intention that a probationer should be recruited only against a substantive vacancy it should follow that he should be confirmed immediately after he completes his probation satisfactorily and not as and when a vacancy arises against which he could be so confirmed. It is, therefore, suggested that Rule 9 might be amended to read as follows :

“A Probationer who has been declared to have satisfactorily completed his probation under clause (b) of Rule 5 shall be confirmed as a Full Member of the Service in the class or category for which he was selected with effect from the date on which he is so declared to have completed his probation satisfactorily.”

8.30. If the suggestion were to be accepted, only one order would be sufficient in respect of a Probationer and that with reference to the satisfactory completion of probation, as once such a declaration is made or issued, the probationer would be deemed to have been confirmed against a substantive vacancy.

### *(iii) Training*

8.31. While recruitment of the proper kind of personnel to services under Government is of paramount importance to ensure efficiency in administration, it is equally important to make the persons recruited fit to shoulder the responsibilities that go with their jobs. Excepting in the case of those recruited to posts at the higher levels, no organised attempt has been made to train the other recruits and make them fit for holding the posts to which they are appointed. It is assumed that once a person is recruited and appointed he/she will be able to attend to the duties of the posts adequately and that the Quality of their work

will improve with the passage of time on account of their familiarity with the work. It is, however, found in practice that this attitude to work has resulted in a large task force ill-equipped for the work it is called upon to attend to, working at sub-standard levels for years together. It is necessary, therefore, to put the recruits through the paces, arrange for their systematic and sustained training and make them fit for the job, before entrusting them with responsible work.

8.32. In the past, lack of 'pre-entry' or 'post-entry' institutional training did not however, present any serious difficulty since the number of persons recruited annually was then small and there was a fairly strong nucleus of experienced officers who could devote time and attention to the training of the few new entrants who joined service in each organisation, every year. With the reorganisation of the State and the enormous increase in the developmental activities of the State the position has undergone a radical change. Owing to the steeply rising tempo of work, large numbers of people had to be recruited; the standards of recruitment had to be lowered so as to secure adequate numbers of candidates to fill all the vacancies. There was dilution of staff at all levels as the relatively limited number of experienced officers had to be deployed in the various new Departments or against new posts created for fresh items of work in their own Departments. It was no longer possible for new comers to be trained effectively 'on the job'. It is interesting to note that even in the United Kingdom, where standards of administration have all along been of a very high order, the need for imparting training for public servants was felt years-ago. In 1943-44 a Committee (known as the Asheton Committee) was set up in the United Kingdom to consider the question of training civil servants there and this committee recommended: "It would be desirable to provide a course of training for public servants after their recruitment" and "all classes of entrants to the public service would serve the public better if they were given a course of training adjusted to the nature of their job". The Committee added that "it was not sufficient to train a person solely for the job which he had immediately at hand" and that "training must be directed not only to enabling the individual to perform his current work more efficiently but also to develop his capacity for higher work and greater responsibility."

8.33. In 1947 the Central Pay Commission set up by the Government of India, examined *inter alia* the question of Training of public servants. They endorsed generally the views expressed by the Asheton Committee and underlined "the need for the Civil Servants to be more consciously directed towards still higher ideals and standards of service which could be achieved only by planned and purposeful training".

8.34. The system of imparting training has been tried in other States before and in a modified form in our State; some time ago. So far as Mysore is concerned, a training scheme was introduced in the year 1957. Government then considered that recruits to the Services should be properly trained to discharge their duties and that it would be economical and advantageous if such training were imparted before the candidates were recruited for appointment rather than afterwards.

They then decided that training institutions should be set up at suitable places in the State to train candidates for ministerial services. The contemplated training was intended to enable candidates to appear for competitive tests and it was proposed that untrained candidates who were recruited might be sent to the training classes during the period of their probation. The scheme of providing training facilities as contemplated in 1957 was, however, dropped after sometime. The mere circumstance that the training scheme was given up does not mean that training itself is unnecessary or superfluous. There is no inherent defect in the principle of giving training ; but it may possibly be in the implementation of the scheme for training. So far as the scheme that was in force in Mysore State is concerned, the defect probably lay in the fact that persons who hoped to enter service were given training without an assurance of employment; the trainees had to take their chance of getting recruited and they were placed in the same position as those who did not undergo training. The situation probably would have been different if the training had been made compulsory for every person who sought employment or alternatively the training was imparted only to those who had actually been selected for appointment. What actually happened was that some of the persons who underwent the training in the hope of being recruited were not recruited and the others who were recruited were neither recruited in view of the training nor were they in a better position in service than those who had not undergone training.

#### *Training for Gazetted Officers*

8.35. In 1967 the Government of India transferred the Orientation and Study Centre, Mysore, to the State Government and the centre was then redesignated as "Administrative Training Institute, Government of Mysore, Mysore". The functions of the Institute are: (a) to provide institutional training to directly recruited probationers to the Mysore Administrative Service and other State Civil Services ; (b) to provide Orientation Training to various officers promoted to higher posts under the State Government ; (c) to provide *ad hoc* courses to inservice personnel in different Departments of Government ; (d) to provide Orientation and Job Training to District Officers, Block Development Officers, Extension Officers and representatives of Taluk Development Boards, Deputy Development Commissioners who are engaged in Development Administration ; (e) to organise seminars, conferences, workshops, etc., on developmental activities and to bring together officials and non-officials at a common forum ; (f) to organise field studies pertaining to important aspects of development administration ; and (g) to organise *ad-hoc* refresher courses to suit the particular requirements of individual departments.

8.36. When this Institute was run by the Government of India the emphasis was on training the Officers in the developmental activities. With the transfer of this Institute to the State Government the scope of training has been widened to cover the several items enumerated above. The intake capacity of the Institute is about 100 per course. It will be seen from the items mentioned above that the training provided by this Institute does not cover the Ministerial Services

and other Non-Gazetted Cadres which require training in office procedure, theory of administration, etc. This institute may continue as it is and perform the functions already assigned to it.

8.37. Taking a lesson from what has happened in the past and keeping in view the requirements of the services, the candidates should be recruited in the first instance by Interview conducted by the Public Service Commission ; they must then be given training for some time in the Training Institute and for some further time on the job. They must get themselves qualified by passing the prescribed departmental examination by the time they complete both these phases of training ; such of them as are not able to complete these phases successfully could be given one further chance for doing so and if they fail to do so their services should be terminated. In other words only those who are recruited according to rules, who have completed the institutional and inservice training successfully and who are passed all the prescribed departmental tests should be posted for regular duties. They could be deputed to attend periodical refresher courses so that they might keep abreast of the latest developments in the theory and practice of administration at least to suit the level at which they are employed. Implementation of these suggestions will naturally result in extra expense to Government, but the money spent would be well spent.

#### *Training for Non-Gazetted Officials*

8.38. A new Diploma Course in Secretariat Practice has been introduced in the Mysore State with effect from June 1968 with a view to obtaining adequately trained personnel for Supervisory posts in Government Departments. Candidates who have passed the S.S.L.C. Examination are eligible for admission to this Institute. The intake of the course at the initial stage will be 30 candidates and it is expected that it would be increased gradually depending on the usefulness of the course and also the requirement of the trained personnel. The introduction of this Diploma Course is no doubt a good beginning in the right direction but the total number of candidates to be trained in the Institute is very small, compared to the large number of personnel recruited by Government year after year. There is also no certainty that all those who undergo this pre-entry training would be selected for recruitment to Government Service.

8.39. Almost all the witnesses who gave evidence before the Commission represented either orally or in writing that there was urgent need for imparting training to Government servants, particularly at the lower levels.

8.40. The Northcote Trevelyan Report published more than 100 years ago refers to the desirability of training young men for the discharge of the duties which they would have to perform. Their views on this point have been considered valid even to-day by the Fulton Committee. They have stated as follows in their report :

“ The first question which here presents itself is whether it is better to train young men in the discharge of the duties which they will afterwards have to perform or to take men of mature age, who have already

acquired experience in other walks of life? Our opinion is that as a general rule it is decidedly best to train young men. Without laying too much stress on the experience which a long official life necessarily bring with it, we cannot but regard it as an advantage of some importance. In many offices, moreover, it is found that the superior docility of young men renders it much easier to make valuable public servants of them, than of those more advanced in life”.

8.41. In certain services the candidates, after a preliminary selection are made to undergo a special course of training in their duties and are finally appointed to the regular cadres only when they have become fully qualified. The Royal Commission on the Public Services in India (Commonly known as the ‘Islington Commission’ of 1912) laid stress on the importance of not employing a young officer at once on routine duties. They have observed as follows :—

“ A period should be allowed to lapse in each case during which recruits should receive definite training and pending this they should ordinarily not be regarded as available for employment. In services like Geological Survey, Factory and Boiler Inspection, Medical, Salt and Excise and Education Departments, which are not organised on the basis of major and minor charges, a grade of probationers is sometimes provided but as a rule, recruits commence their work without any initial preparation and acquire their experience whilst performing their duties. All that is required of them is to pass some departmental tests and to qualify as necessary in the vernacular of their province”.

8.42. There is as much need for imparting training to those promoted to new posts as to the new entrants. The training may be ‘on the, job’ or ‘of the-job’ in a separate class depending on the nature of work ; where the work involves application of laws, rules and procedure with which the employee has not been familiar, an ‘ of the-job’ training course for a fixed period should be arranged. In addition, ‘ on the-job’ training may also be necessary.

8.43. The training of Government Servants remains neglected at present primarily due to the indifferent and conservative attitude shown by the Heads of Departments towards training programmes. The period spent on training is considered by many of them as waste of time and money. Many others find it difficult to release the persons selected for training, because they claim that their branches and sections are already under-staffed and substitutes cannot, under the rules, be engaged. Consequently the training programmes do not become a success. On the contrary, Heads of Departments should look upon them as essential and indispensable for the building up of the manpower under them. They should show personal interest and display greater initiative to get persons working under them trained in suitable courses available at a given time. They should also encourage the staff to avail themselves of the training facilities provided to them.



8.44. Suitable short-term training courses should be arranged for Gazetted Officers and all the supervisory staff in order to develop and refresh their managerial and administrative talents. While it would be for Government to work out the details in regard to the scheme of training, the following broad outline is given as a basis on which the scheme may be worked out. The scheme as given hereunder is limited in its scope to training of ministerial officials in Class III Services like the I Division Clerks and the II Division Clerks of all Departments of Government. Additional subjects will have to be prescribed for the officials of those departments which require more professional training in special or technical subjects.

8.45. Training Institutions should be established at the headquarters of each District with an intake capacity of about 100 at Bangalore and about 50 each at the other Centres. Suitable accommodation should be secured for locating these Institutions and for providing residential accommodation for the trainees. There may be cases in which it would not be possible to secure suitable accommodation either for locating the Institutions or for providing residential accommodation for the trainees or for both. In such cases the feasibility of locating these Institutions in any of the Colleges/Schools at the District Headquarters concerned and of providing boarding arrangements for the trainees in the hostels attached to such College or School during the summer vacation may be considered. But this may be resorted to only in cases where separate accommodation cannot be secured; as otherwise the training programmes are likely to get postponed unduly.

8.46. In cases in which separate accommodation is available for these Institutions and residential accommodation for the trainees, the courses of training could be arranged continuously and if at any time all the candidates selected by the Public Service Commission and allotted to the particular District have been trained and surplus training capacity is available, it can be utilised for giving Refresher Courses for the inservice candidates, a suitable training programme being organised for them. It may be difficult to arrange for such refresher courses in the Institutions run in the Colleges or Schools. In such an event training of the recruits may be arranged in the Institutions and the refresher courses for inservice candidates arranged in an Institution in any of the other Districts where separate accommodation has been secured for such Institute.

8.47. The candidates who have been selected by the Public Service Commission and have been allotted to the respective Districts should be admitted to these Institutions according to the ranking assigned to them by the Public Service Commission.

8.48. Facilities will have to be provided during the period of training for learning the theory and practice of the basic duties of the posts to which the trainees are to be appointed and to pass the Departmental Examinations, which are necessary for being confirmed in the posts at the point of entry. The candidates should sit for and pass with a minimum of 50 per cent of the total number of marks, a proficiency test at the end of the period of training in the subjects

which are taught and pass the Departmental Examinations which are prescribed for that stage. But, those who fail to do so may be given a further opportunity by being allowed to continue in the Institution for one more term. If even at the end of this term a candidate fails to qualify himself, his services may be terminated. The expenditure incurred on him would then, no doubt, be a waste but it is much better that the services of such a candidate should be terminated even after some expenditure is incurred on him rather than that he should be absorbed in service and prove a liability throughout his service.

8.49. Such of the candidates who complete the training successfully may be posted as supernumeraries for a period of six months to one year to the various offices in the Department to which they are allotted ; the period of attachment to each office depending on the category of office to which the candidate is liable to be posted. In the case of the Revenue Department for example, the period of attachment should be as follows :

(1) Taluk Office.—as a Clerk 3 months,  
as Revenue Inspector 3 months.

(2) Sub-Divisional office.—2 months.

(3) District Offices.—2 months.

During this period, he would, not only have to watch the work of the regular incumbent to whom he is attached but also attend to the original work under his guidance and supervision ; he must also pass the Departmental Tests prescribed for his promotion to and confirmation in the post next higher to the post to which he is recruited. After he completes the period of training successfully and after he passes the prescribed departmental examinations he may be posted to independent charge as a probationer, his work watched for 6 months and if it is satisfactory he may be appointed regularly. In case the candidate's work during the period of attachment is not up to the mark/or he does not pass the prescribed test within one year after leaving the institution, he may be given time for six more months to improve his work/to pass the examinations. If he succeeds in doing so, he may be posted to an independent charge ; otherwise his services may be terminated. Likewise, if on being posted to an independent charge, his work is not up to the mark he may be given extension of time for 6 months, within which he should improve and his services terminated if he fails to do so. In other words, every candidate may be given opportunities at this stage and during his training to improve himself, and his service terminated only if he is not able to reach the requisite standard. It is hoped that this sifting will ensure availability of good material at the stage at which the candidates are appointed regularly.

8.50. The proposed institutions might provide the following training courses :—

(a) Courses for Specialists and "technocrats" who undergo training in administration and management ; both early in their careers and later ;

- (b) Post-entry training for candidates directly recruited for administrative work in the different fields of administration ;
- (c) Refresher Courses for those who have put in some service.

8.51. The Institution could provide a wide range of short-term Refresher Courses for a much larger body of staff. They should be open for all levels of staff.

8.52. Government may examine whether it would at all be necessary to have full time teachers for the proposed Institutions. Some of the Senior Officers at the District Headquarters could be asked to devote one or two hours per day for teaching in these Institutions. In this connection it may be mentioned that the Administrative Training Institute in France known as the 'Ecole Nationale d'Administration' founded in 1945 is one of the most famous features of the modern French Civil Service and it carries out both recruitment and training for the higher Civil Services. In this Institution, the Instructors are mainly themselves civil servants, with some university teachers and others. Similarly in the proposed Institutions in our State a few Instructors could be whole-time teachers. It might also be useful to take on deputation a few teachers from the Universities, particularly for teaching the theories of Administration.

8.53. It would, no doubt, take some time for Government to establish such training institutions and get them going. Pending the establishment of such institutions, some arrangements would have to be made to impart training to the Junior Members of the staff at all levels. As suggested by some of the witnesses who appeared before the Commission, the Heads of the Offices could themselves arrange for giving such training to the new recruits. To give an illustration, if a new recruit is posted to the Tahsildar's Office, the Taluk Sheristedar could devote about half an hour daily for giving practical training to the recruit. While inspecting the office of the Tahsildar the Deputy Commissioner should make it a point to ascertain and find out whether the Sheristedar had given proper training to the new recruits in his office. Similar arrangement could be made in the Secretariat also. The main function of the Section Officer is to train the Junior Officials in this Section. A Section Officer who fails to attend to this important duty cast on him will have to be pulled up by the concerned Secretary. This system applies equally to the ministerial staff in the Technical Departments.

8.54. Similarly even in the case of technical officers, the senior officers would have to take the responsibility of training the recruits ; for instance, when Junior Engineers or Supervisors are recruited and appointed in the office of the Executive Engineer it should be the responsibility of the senior-most Assistant Engineer in the Office to devote some time every day for giving practical training to the recruits. The Executive Engineer would have to satisfy himself from time to time that adequate training is being imparted to the recruits. If such an arrangement is made even in technical Departments, it would be possible to ensure that the recruits would receive proper technical and administrative training before being put 'on the job'.

8.55. Government may issue instructions to all the Heads of Departments that whenever they inspect their subordinate offices they must make it a point to impress on the heads of the subordinate offices the need and importance of giving adequate training to the recruits in their offices.

8.56. If adequate training facilities are provided by Government more or less on the lines indicated above, it is expected that the administration would considerably improve in course of time and the common criticism that Governmental Administration lacks efficiency would be rendered nugatory.

*(iv) Seniority Rules*

8.57. In any review of the conditions of service of Government servants with a view to suggesting measures for their improvement, it is necessary to ensure that the rules regulating the seniority of the Government servants are not only equitable but also protect their rights fully, particularly since in the existing set up seniority-cum-merit has been accorded more weight and importance than pure merit, in the matter of promotions to a large number of posts. None of the provisions of such rules should adversely affect the enthusiasm and morale or cause dissatisfaction among any section or class of officials so as to affect their efficiency. The Commission has examined the existing Mysore Government Servants' Seniority Rules in this back-ground and is satisfied that they fully meet these requirements.

8.58. Some officials have represented that the provisions in the "Seniority Rules" governing cases of officers transferred from one department to another affect the officials of the transferee department adversely. This grievance seems to be based on Rule 6 of the Government Servants' (Seniority) Rules, 1957 introduced under Official Memorandum No. GAD 14 GRR 57, dated 7th February 1958 read with rule 16 of General Recruitment Rules, 1957. Under the latter rule Government may, *for reasons to be recorded in writing*, appoint an officer, to a post, by transfer from any other service of the State, of an equivalent cadre or grade, and according to rule 6 of the Seniority Rules, in cases of such transfers, the officer or officers concerned are entitled to count their entire service rendered in their previous departments in an equivalent grade or cadre, for purposes of seniority in the new posts.

8.59. Quite understandably such transfers of officials from one Department to another with a view to final absorption, giving the benefit of past service for purposes of seniority, etc., have created discontentment among the staff of the concerned departments. This has also been the subject matter of several writ petitions filed by the affected or aggrieved officials, as for example, the Writ petitions filed by the officials of the Secretariat, against the seniority given to the officials of the Governor's Secretariat and the Translation Department, absorbed in the Mysore Government Secretariat.

8.60. The High Court has upheld the power of the State Government to transfer an official from one department to another. The exercise of this power should not create unhappy situations which undermine the morale of the staff and thereby lower efficiency all round. So, it is necessary to ensure that the provisions

of these rules are not resorted to freely but only with the greatest circumspection and care, and only in exceptional cases where such postings and transfers are inevitable and are in public interest. For instance, such transfers could be made in cases where a department of Government is abolished and the officials borne on the cadres of the said department, have to be found berths or to be accommodated in suitable posts in other departments of Government or in filling up a post in a particular department, requiring specialised knowledge and expertise for which none of the officials of the Department, in the equivalent grades, is either willing or able to take up the assignment. In respect of the latter type of cases, it would be advisable and proper to take persons on deputation for a specified period, retaining their liens in the parent department, instead of transferring them within the meaning of rule 6 of the Seniority Rules, so as to avoid or guard against what appears to be a widely prevalent feeling among officials that every case of such transfer is being treated as being in public interest, even though such transfer might have been ordered to confer some personal benefit on the officer concerned.

8.61. Another question that has been the subject matter of controversy and litigation, is the seniority of direct recruits *vis-a-vis* promotees. As it appears, this unhappy situation has been brought about mainly on account of the fact that no proper classification of vacancies has been made and the vacancy registers have not been maintained properly, with the result that very often vacancies which should have been reserved for direct recruitment have been filled by promotion, leading to disputes regarding the relative seniorities among the direct recruits and the promotees, as witnessed in the case of the Mysore Administrative Service Class I Junior Scale posts where direct recruits (Probationers) appointed in 1962 are agitating for seniority over the promotees some of whom are stated to have been appointed/promoted against direct recruitment vacancies.

8.62. No doubt, the amendment to rule 17 of the General Recruitment Rules introducing sub-rule C under Notification No. GAD 58 SRR 64, dated 2nd January 1965, stipulating that in cases of such (temporary) promotions made in direct recruitment vacancies, the candidate so promoted temporarily shall not have any preferential claim for regular promotion and shall not count the period of service in the promoted post for seniority, etc., has remedied the situation to a certain extent. Even so, in order to avoid such futile and wasteful controversies and more particularly to ensure that men of right stamp and calibre are appointed to hold posts under Government, it is necessary to see that vacancies are classified properly and a planned forecast of vacancies is prepared well in advance, so as to facilitate recruitment by competitive tests at regular and pre-determined intervals, instead of on an apparently *ad hoc* basis as seems to have been done now.

8.63. Another point which needs specific mention relates to the appointment of officers on probation in appreciably large numbers each time. The appointment of a person "on probation" presupposes legally the existence of a substantive vacancy at the date of his appointment. If such appointments are ordered to be made without the existence of requisite number of "substantive vacancies",

a conflict between such appointees and those officiating temporarily on promotion or otherwise is inevitable. Such conflict results in litigation involving the Government in avoidable expenditure. It should, therefore, be borne in mind that no recruitments on probation should be ordered to be made unless the position of substantive vacancies is ascertained as aforesaid.

(v) *Leave entitlements and transfers*

8.64. The employees of the State Government are governed by the Mysore Leave Rules, 1957, except in the case of persons allotted or deemed to be allotted to service in connection with the affairs of the State of Mysore under Section 115 of the States' Reorganisation Act, 1956 to whom protection has been given regarding their service conditions, unless such persons exercise their option to be governed by these Rules before a particular date.

8.65. The salient features of the existing leave entitlements are detailed below :—

- (1) *Earned Leave*.—1/11th of duty, accumulation limited to 180 days.
- (2) *Leave on half pay*.—20 days in a year without any limit of accumulation. The leave can be commuted to full pay up to 120 days on private affairs and 180 days on Medical Certificate. The total period of commuted leave is limited to 240 days in the whole service of the Government servant.
- (3) *Leave Not Due*.—Limited to 360 days in the entire service granted except in the case of leave preparatory to retirement—90 days at a time and 180 days in all may be availed of otherwise than on medical certificate. The leave so taken is debited against half-pay leave earned subsequently.
- (4) *Extraordinary Leave*.—There is no limit for the grant of this leave, in the case of permanent staff; such leave may be granted to temporary staff upto three months at a time which may be extended upto (i) Six months on medical certificate, (ii) two years for purposes of scientific studies and (iii) fifteen months where leave is taken for the treatment of Tuberculosis and Leprosy. Extraordinary leave is granted when no other leave is admissible or when there is a specific request for the grant of such leave.

Suggestions were invited regarding (i) adequacy of the present leave terms, and (ii) changes that are considered necessary in the present context. While the majority of the witnesses are of the view that the existing terms and procedure in this behalf are quite satisfactory and do not require any modification, others have made certain suggestions which are summarised below :—

(a) The provision that leave cannot be claimed as a matter of right should be deleted as it is detrimental to the interests of the employees. In case the leave is refused, the employee should be given cash bonus equal to leave salary in lieu of leave refused.

(b) The leave salary should be equal to the pay drawn for the month immediately preceding the month during which the employee proceeds on leave.

(c) The rate of leave should be increased from 1/11th to 1/10th of the period spent on duty.

(d) There should be no restriction on the accumulation of leave or the limit of accumulation should be raised. The figure suggested ranges from six months to one year.

(e) Leave on medical certificate for the treatment of tuberculosis, leprosy, cancer should be allowed without any limit or should be made more liberal.

(f) Leave facilities should be liberalised in the case of officers of the technical and educational departments for acquiring higher qualifications in their professional subjects provided that such qualifications add to their efficiency.

(g) Casual leave should be sanctioned as a matter of course and the sanctioning authority should have no discretion to reject applications for Casual Leave.

(h) Even new entrants should be allowed to earn leave during the first year of their service at 1/11th of the period of service put in by them.

#### *No right to leave*

8.66. The Second Central Pay Commission considered the pleas advanced against the principle that no Government servant can claim leave as of right, and particularly, the demand that an employee should have an unqualified right to leave for which he is eligible under the Leave Rules, in great detail and observed as follows :

“ The primacy of public business, and the practical difficulties and risks to public safety, etc.,—some of them exceedingly serious—that might arise if Government servants were free to have, according to their own convenience, leave for which they are eligible, are the reasons behind the enunciation of the principle referred to above. And it is not only in India that such a principle has been enunciated. In the United Kingdom also, the leave allowances are subject to the proviso that “no civil servant is entitled as of right to be absent on leave for the number of days for which he is eligible, or to receive any form of compensation if his annual allowance of leave is curtailed because of the demands of the work. The dangers of abrogating this principle are too obvious to require discussion ; but there can be no justification, at the same time for so using a reserve power of the Administration as to abridge employees’ leave benefits, even when this is not necessitated by requirements of the public service. This, however, is not a matter to be regulated by a formal rule or amendment of it ; it is one of a fair, enlightened, and sensible approach to problems of personnel administration, and of the spirit in which the rules are administered. While it is often not possible to let all who want leave at a particular time to have it at that time and there is a limit beyond which depletion of staff cannot be permitted without dislocating the working of an

establishment, the Heads of Departments, offices, etc., must plan their work to permit employees to take a certain amount of leave annually, and a longer leave after some years, or according to any special necessity. A proportion of supervisory officers, perhaps, frown upon applications for leave which, they think, can be granted usually, only at the cost of public business. We suggest that Government should make it clear that this is a short-sighted view, and that on the contrary it is in the interests of efficiency that employees should take the opportunity which leave vacancies provide for putting subordinate staffs in more responsible positions and thus testing their capabilities and promoting their growth. Apart from failure to appreciate the value of periodical leave, which perhaps, is even more wide-spread among the higher grades of employees themselves than among those who have the authority to grant leave—one often comes across Class I and Class II Officers who have not had leave for years—inadequacy of leave reserves may be a fairly common cause of refusal even of reasonable requests for leave.”

8.67. The Commission is in full agreement with these views. The present limit of accumulation of leave on full pay is 180 days and the maximum period for which leave on full pay can be taken at a time is 120 days. There is a demand that these restrictions may be removed. Judging by the fact that several employees do not utilise the leave to which they are entitled even with the present limits of accumulation, no particular benefit will accrue to them by increasing it. Apart from this, the Commission considers that short leave taken annually is more conducive to the well-being of the employees and to the efficiency of public service than long spells of leave taken at irregular intervals after a lapse of years. It is not therefore, desirable to remove these restrictions regarding the maximum period for which leave can be taken at a time or the period for which leave can be accumulated. The Commission accordingly recommends that these restrictions may continue.

#### *Leave Reserve*

8.68. Inadequacy of leave reserves may be a fairly common cause for refusal, even of reasonable requests for leave. Careful determination and regular maintenance of leave reserves is essential if the employees are to be given leave to which they are entitled. The strength of leave reserve has to be calculated mainly on (i) leave entitlements of the staff concerned; (ii) average amount of leave taken annually over a period of years; (iii) special requirements of certain organisations which have to provide for continuous service. There can be no question of providing leave reserves on a scale adequate to meet peak demands; the reserves need be just sufficient to meet the average annual requirements for leave. The Government of India have fixed the leave reserve at 11 per cent of the working strength in respect of the All India Services. The percentage of leave reserve for each Department may be worked out suitably after a careful examination of the question in the light of the factors indicated above.



*Leave Estimate*

8.69. In order to enable the Head of the Department to work out an appropriate scheme of transfers and postings, it is essential that he should have a fair knowledge of the vacancies that are likely to occur during the ensuing year as a result of officers proceeding on leave. Difficulties do arise when an officer decides to proceed on leave on receipt of an order of transfer. Such applications upset the whole scheme and cause considerable inconvenience to the administration. To safeguard against such situations, there is need to devise a procedure which would enable the Head of the Department to have a fair estimate of the number of officers who intend to proceed on leave and the period during which they will be away from duty.

8.70. Every officer should be required to intimate in the month of December of every year the period during which he would like to go on leave in the succeeding year and a regular calendar of leave should be drawn up taking into consideration his choice so that as far as possible such officer may be allowed to go on leave according to his choice. There appears to be an apprehension in the minds of several officers that if they go on leave they are likely to be transferred from the posts which they were holding causing unnecessary domestic upsets and consequently many of them do not go on leave at all. It has to be impressed on all the officers that going on annual leave does not automatically result in a transfer, in which event more and more officers might take advantage of this facility.

8.71. Certain suggestions have been made to the Commission for simplifying the calculation of earned leave and leave salary, etc.

(i) It has been suggested that instead of calculating earned leave on the basis of the period of duty, the calculation should be on the basis of a specific number of days for each completed calendar month, just like half-pay leave which is given at the rate of 20 days for each calendar year.

(ii) The present method of calculating leave salary based on average pay often involves more clerical works without any appreciable difference between the average pay and pay drawn before commencement of leave. Very often employees take short leave frequently and it is not unusual for the employees to apply for earned leave for a day or two after their casual leave is exhausted. The present method of regulating leave salary often involves retrospective adjustments on account of confirmation from back dates. There will be substantial reduction in the clerical work if the present method of calculating average pay is discontinued.

8.72. The first suggestion that the calculation of earned leave should be made on the basis of service instead of on the basis of period of duty, would result in giving undue benefit to the employees by counting the periods during which they were on leave. Since such a system is not in vogue in any of the neighbouring States as well as in the Central Government, the Commission considers that the *status quo* may be maintained regarding the method of calculating the earned leave.

8.73. In the cases of employees holding posts the maximum pay of which does not exceed Rs. 90 per mensem, leave salary is based on the pay last drawn immediately before proceeding on leave, as the difference between the average salary and actual pay drawn would be negligible in those cases. A similar provision exists in the Government of India also. The leave salary in the case of other employees is based on the average of the salary drawn during the ten months preceding the month during which the officer proceeds on leave. Formerly, the average salary was being calculated on the basis of the salary drawn during the past twelve months. The present procedure of taking the average of the salary of the previous ten months for purposes of determining the leave salary has been introduced in the Mysore Civil Services Rules on the lines of the rule framed by the Government of India, based on the recommendations of the Second Central Pay Commission. The same pattern has been followed by some of the other States also. Taking into consideration all these factors, as also the fact that the existing procedure is quite simple, the Commission considers that there is no necessity for amending the rule.

8.74. As regards the other demands for liberalisation of leave entitlements and allied matters, the Commission is of the view that the facilities available under the Mysore Leave Rules, 1957, as they stand at present, are quite liberal and compare favourably with similar facilities available to Government servants in the neighbouring States or the employees of the Central Government and hence considers that there is no necessity for the revision of the Rules.

*Encashment of Earned Leave.*

8.75. A suggestion has been made in this connection that the employees should be permitted to encash a portion of earned leave on the pattern existing in the Kerala State.

8.76. According to the scheme introduced by the Government of Kerala, officers who take earned leave for a period of not less than one month will be allowed to surrender an equal period of earned leave if due and admissible (subject to a maximum of one month) and will be sanctioned leave salary and allowances for the leave so surrendered. An interval of not less than 12 months is prescribed between surrenders of leave. The Commission recommends that the scheme may be introduced in this State also with advantage. Such short spells of leave taken annually are conducive to the well-being of the employees in addition to improving the efficiency of public service. It will not only discourage the officials from taking leave at short intervals but also prevents accumulation of leave for longer periods. When an official proceeds on leave, Government, in the normal course, would have to make suitable arrangements for filling up the post, entailing extra cost so that the work does not suffer. By allowing an official to surrender a portion of his leave, the necessity for filling the post during such period does not arise and, therefore, such an arrangement will not result in extra cost to Government as Government would have, in any case, made arrangements for carrying out the work of the absentee.

8.77. The Commission also recommends that the benefit of encashment of leave may also be extended to cases where earned leave is refused in the interest of public service.

8.78. The Government of Kerala, however, have further liberalised these rules and the officers of that Government are now allowed to surrender earned leave subject to a maximum of 15 days once in 12 months without availing themselves of earned leave at the same time. Such a system does not commend itself to the Commission as the very purpose of introducing this scheme, namely, permitting an officer to enjoy a period of leave so that he may come back refreshed and also to give him some monetary assistance so that he could go away from the place of work, if he so desires during his leave, would be defeated.

#### *Drawing of Leave Salary*

8.79. At present a Gazetted Officer who proceeds on leave may not draw the leave salary without an authorisation from the Accountant General. This often involves delay and causes unnecessary hardship to the officer concerned. With a view to obviate the hardship, Government introduced as an experimental measure a new procedure in their Official Memorandum No. FD 7 RFC 65 (II), dated 19th January 1965 in respect of the officers of the Revenue Department from 1st January 1965 as detailed below :

8.80. The Administrative authority should accord provisional sanction to the leave applied for by the officer with reference to the eligibility certificate recorded by the Accountant General on the previous occasion when the officer had gone on leave and forward the application for leave along with the order of sanction to the Audit Officer ; the Administrative Authority should specify in the order sanctioning the leave, the station at which the Officer should resume duty on expiry of the leave. The Officer concerned should enclose the authenticated copy of the order sanctioning the leave together with a calculation sheet indicating the average of the salary drawn during the past ten months and draw the leave salary equal to such average without specific authorisation from the Accountant General. The sanction to the leave so accorded by the Administrative authority and the leave salary drawn by the officer would, however, be subject to verification and regularisation by the Accountant General later, with reference to the data available with him.

8.81. The Accountant General pointed out the following defects in the implementation of the scheme :—

- (1) In some cases the Treasury Officers had not exercised the checks prescribed in Official Memorandum No. FD 7 RFC 65 (II), dated 19th January 1965 as a result of which the average pay calculations, etc., had resulted in overpayment of leave salary;
- (2) Leave had been sanctioned by the sanctioning authorities even though the service book and leave account of the officer concerned were not sent to audit office and leave title had not been certified by that office;
- (3) The Officers had addressed the audit office for issue of leave salary certificates even though they could have drawn the leave salary

without such authorisation as per Official Memorandum dated 19th January 1965;

- (4) The scheme has not shown any distinct advantage to the officer concerned over the previous procedure; and
- (5) The Mysore Financial Code already provided for the drawal by the Government Officers without a specific authority from the Accountant General of leave salary advance where the leave exceeds 30 days (*vide* Article 99 B) and duty pay on return to the post from which the Officer proceeded on leave (*Vide* Article 99 A).

8.82. The Commission considers that the defects pointed out by the Accountant General are not defects of the systems and are extraneous to it.

8.83. The first defect could be remedied by issuing suitable instructions to the Treasury Officers to exercise proper check and the second by issuing suitable instructions to the concerned sanctioning authorities. The third is not really a defect but shows only the ignorance of rules on the part of the concerned officers; it is capable of being remedied by bringing the Rules to the pointed notice of the Officers. If these points are attended to, there is bound to be a distinct advantage in that the procedure gets simplified. The existing Rules cover certain categories of cases but not all of them as are covered by the "experimental scheme" as introduced by Government.

8.84. After examining the working of the scheme for three years and taking note of the points made by the Accountant General, Government, however, ordered (in their Official Memorandum No. FD 45 RFC 67, dated 27th January 1968) that the scheme might be discontinued.

8.85. The Commission considers, for the reasons stated above, that the scheme as originally introduced in 1965 was well conceived and deserves to be revived. It is accordingly recommended that suitable instructions may be issued to the Treasury Officers, sanctioning authorities and to all the gazetted officers and the scheme of 1965 revived and extended to all Departments of Government.

#### *Transfers and Postings.*

8.86. Government have directed in their Official Memorandum No. GAD (S2) 18/GFI, dated 21st August 1957 that when an Officer is transferred from one station to another he should not proceed on leave after handing over charge of the post which he was holding and before joining duty at the new Station. This order has apparently been issued to prevent Officers from evading the transfers. It is true that a transfer should be ordered after taking into consideration all attendant circumstances and that once it is ordered it should be given effect to, but this result could perhaps be secured better by ordering the transfer in an organised manner than by asking the officer not to proceed on leave after handing over charge of the office which he was holding. Government have issued instructions in their Official Memorandum No. GAD (S1) 22 SSR 63, dated 16th March 1963 that general transfers should be effected between April and June of every

year, that Officers should normally be transferred after they complete three years in a particular post and never be transferred within two years without specific orders of Government. Executive officers or officers with the authority to pass final orders of sanction should not normally be transferred within three years of assuming charge of a post if they are to give their best; continued stay beyond this period may not be desirable as the officers may develop local affinities and may not consequently be able to discharge their duties as effectively as otherwise; ministerial officers and school teachers may, however, be permitted to stay in a post up to five years as the public interests would not suffer by such retention for a longer period in view of the nature of their work.

8.87. The authority competent to order transfers may work out by the end of December of every year in the light of the principles indicated above the names of officers who will be due for transfer during the ensuing April-June. He should first inform them about the places which would be available for postings and request them to intimate their choice of places, to which they would like to be posted in order of their preferences, mentioning also the possibilities of their proceeding on leave on relief. Such authority may take into consideration the request for leave and the choice of places and then issue orders of postings by the middle of April at the latest, specifying the date or dates from which they will be effective, preferably by the end of May.

8.88. The only apprehension that may be entertained about the practical implementation of these suggestions that the officers concerned may either try to remain in the place in which they were working or avoid the posting to the place to which they stand transferred if necessary by bringing undue pressure to bear on the authority competent to order the transfer. It is likely that such attempts would be made particularly when the system is first introduced but if the competent authorities take all the relevant factors into consideration before ordering the transfer and adhere to their decisions firmly once the orders are passed, the officers will also reconcile themselves to this situation.

#### (vi) Pension

8.89. Pension or Superannuation Allowance is granted to an employee of Government when he retires from service and is in the nature of a deferred payment for the service rendered while in the employ of Government. Originally the pensions were royal grants in recognition of military service or disabilities suffered in wars. Later, similar pensions came to be granted to men in the civil employ of the Crown. With advancement in civilized forms of Government, civil employees came to be accorded pensionary benefits. So far as India is concerned, the Supreme Court discussed in *General Manager, Southern Railway Versus Rangachari* (A. I. R. 1962 S. C. 36) what matters relate to employment and stated that "Pension" is one of such matters: "The narrow construction would confine the application of Article 16 (1), to the initial employment and nothing else; but that clearly is only one of the matters relating to employment. The other matters relating to employment would inevitably be the provision as to the salary and periodical increments therein, terms as to leave, as to gratuity, as to pension and

as to the age of superannuation. These are all matters relating to employment and they are, and must be deemed to be included in the expression "matters relating to employment....." and form part of the terms and conditions of such employment." The provisions of Article 309 suggest that the expression 'conditions of service' relate to the conditions of employment which govern the rights and liabilities of the Government servant including conditions as to pension. The right to pension is subject to conditions set out in the rules and regulations. Pension is sanctioned no doubt at the discretion of a specified competent authority but the discretion is well-regulated by sound judgement. It is earned on the basis of satisfactory and approved service, though future good conduct is an implied condition of every such grant. This system is generally in vogue in western countries also.

8.90. The system has been under a continuous process of review by the Government of India with a view to provide better and more secure conditions of retirement benefits to their employees. The Government of India have extended to their employees Death-cum-Retirement Gratuity and Family Pension Schemes in pursuance of the recommendations made by the first and the second Central Pay Commissions (Varadachariar Commission 1946-48 and Jagannatha Das Commission 1957-59).

8.91. The State Government have also followed this system and have introduced Death-cum-Retirement Gratuity and Family Pension Schemes for their employees in addition to pension. The retirement benefits admissible to a Government servant which are non-contributory in nature, are enumerated below :—

(a) *Pension*.—It is equivalent to three-eighths of the average of the emoluments for thirty-six months preceding retirement subject to a maximum of Rs. 6,750/- per annum (Rs. 8,100/- in respect of Government servants retiring on or after 1st February 1968).

(b) *Death-cum-Retirement Gratuity*.—This is given at the rate of 1/4th of the emoluments received immediately before retirement or death for each six monthly period subject to a maximum of 15 times the emoluments provided that in no case it shall exceed Rs. 22,500/- (Rs. 24,000 in the case of retirement or death while in service on or after 1st February 1968).

(c) *Family Pension*.—According to "The Mysore Government Servants (Family Pension) Rules, 1964", Family Pension is admissible to the family of a Government servant who retired or retires on or after 1st December 1964 after having put in a service of not less than one year at his death. Family Pension is admissible to the surviving widow upto the date of death or re-marriage whichever is earlier, or to the minor son until he attains the age of 18 years, or to the unmarried daughter until the age of 21 years or her marriage whichever is earlier. The scale of Family Pension is indicated below :—

*Pay of Government Servant**Monthly Family Pension*

Rs. 800 and above	12% of pay subject to a maximum of Rs. 150
Rs. 200 and above but below Rs. 800	15% of pay subject to a maximum of Rs. 96 and a minimum of Rs. 60
Below Rs. 200	30% of pay subject to a minimum of Rs. 20

8.92. In the case of death of a Government servant while in service after a continuous service of 7 years, the Family Pension shall be payable at 50% of the basic pay last drawn subject to a maximum of twice the rates mentioned above for a period of seven years from the date of death or till the date on which the officer would have reached the normal age of superannuation had he remained alive, whichever period is shorter. The Family Pension will thereafter be reduced to the limits specified above. This Scheme has been introduced in pursuance of the programme of extending social security to the Government employees and to their families.

8.93. Suggestions were invited regarding the basis on which average emoluments are to be calculated, condonation of interruptions and deficiency in the qualifying service and counting periods of leave towards qualifying service. While some have stated that the existing provisions in this behalf are quite satisfactory and do not require any modification, others have made certain suggestion which are summarised below :

- (a) Distinction between temporary and permanent service should be done away with and the entire service from the date of entry to the date of retirement should be treated as "qualifying" service ;
- (b) All leave should count for purposes of qualifying service including Extraordinary Leave without allowances ;
- (c) Various periods have been suggested for purposes of calculating the average emoluments ranging from 10 months to 36 months. It is also suggested that the pension should be based on the last pay drawn ;
- (d) Dearness Allowance, House Rent Allowance and other Allowances should be taken into account for calculating average emoluments ;
- (e) The period of interruption and deficiency in qualifying service which could be condoned at present, viz., 12 months, may be raised up to 5 years and Heads of Departments authorised to condone interruptions in service and deficiency in qualifying service upto a period of one year ;
- (f) Full pension may be granted for a service of 25 years instead of 30 years as at present.
- (g) Various suggestions have been made regarding the increase in the rate of pension ranging from  $\frac{1}{3}$ ths to  $\frac{2}{3}$ rds of the emoluments ;
- (h) Death-cum-Retirement Gratuity may be increased upto 25 months' pay instead of 15 months pay as at present ;

- (i) Death-cum-Retirement Gratuity need not be reduced to the extent of emoluments for two months for granting the Family Pension ;
- (j) The restriction that the dependent should not be employed for being eligible for Family Pension should be removed ;
- (k) The benefit of increased Family Pension which is admissible upto 7 years at present may be increased to 15 years ;
- (l) Scientists, Technologists, Doctors, Engineers, Economists, Professors, Financial Experts and Judicial Officers may be brought under the category of Specialists and the benefit of contributory provident fund or pension or both may be extended to them when they enter service late in life, along with the benefit of " added years " ;
- (m) The procedure regarding sanction of pension may be simplified and the Accountant General may be authorised to prepare the pension papers of gazetted officers and send them to the Heads of the Departments for according sanction ; if the sanction is not received within a reasonable time, the Accountant General may presume sanction and authorise payment by the treasury. In the case of non-gazetted officers, the Heads of Departments may be permitted to sanction provisional pension based on the records available immediately after the retirement of the Government servant. The Government servant should be enabled to get his pension settled on the day of his retirement.

8.94. Though the rules and procedure regarding the settlement of pensions have been considerably simplified from time to time, with a view to eliminate delays in finalising the pension cases, it has to be conceded that there are still some difficulties in applying the existing rules. The following facts are to be considered before finalising a pension case ;—

- (i) The nature of service during the entire period of service ;
- (ii) The period of leave taken during the entire period of service ;
- (iii) Breaks in service ; and
- (iv) The character of pay drawn during the thirty-six months preceding retirement.

8.95. With a view to simplify the rules and procedure regarding the settlement of pensions and to facilitate expeditious finalisation of pension claims of Government servants after their retirement, Government sought the advice of the Commission on certain proposals, based on the recommendations of the Comptroller and Auditor-General on the subject. The Commission examined these suggestions and allied matters and made its recommendations. The Commission considers that in addition to the matters already covered by those recommendations some further relief may also be given to officers on their retirement. The recommendations made already and the further recommendations now made are indicated in the succeeding paragraphs.



8.96. *Qualifying Service* :—Under the Rules as they stand at present, service rendered by a Government servant will qualify pension to the extent indicated below :—

- (a) the official should have completed 18 years of age at the date of his entry into service ;
- (b) the employment must be substantive and permanent ; but temporary and/officiating service under Government (except in non-pensionable establishments, work-charged establishments or contingency paid establishments) followed without interruption by confirmation in the same or another post shall count in full as qualifying service, provided that the employee held a substantive appointment on permanent establishment on the date of his retirement ;
- (c) time spent on all kinds of leave with allowances ;
- (d) periods spent on training by teachers or by officers of the Forest Department, even though the period is treated as Leave Without Allowances ;
- (e) periods spent in foreign countries for purposes of study or training with the help of the State or of a Fund managed by Government upto a limit of two years ; even though the period is treated as Leave Without Allowances ;
- (f) periods of suspension will also count as qualifying service under certain circumstances ;

Government may condone,—

- (i) all interruptions in service upon such conditions as it may think fit to impose in each case ;
- (ii) a deficiency not exceeding 12 months, (*vide* Rules 220, 222, 224, 256 and 257 of Mysore Civil Services Rules 1958).

8.97. Government proposed that all the service put in by an officer excepting for the period spent on leave without allowances may qualify for pension without making any distinction between temporary and permanent service. There is no justification for making a distinction between temporary and permanent service for conferring pensionary benefits on a Government servant. When once the benefit of pension is conferred on a Government servant under the rules, it would not be correct in principle to make a discrimination between temporary and permanent service for purposes of entitlement to pension. The Commission therefore recommended that (a) no distinction should be made between temporary and permanent service and that all service under Government whether temporary or permanent should count for pension, and (b) that interruptions in service caused for reasons beyond the control of a Government servant should not entail forfeiture of past service, the period/periods of actual break in service, however, not counting for this purpose.

8.98. The Commission is of the view that it would not be fair to completely exclude extraordinary leave without allowances for purposes of pension as it is

being counted at present for a limited period under certain circumstances. It is understood that leave without allowances is being counted in full for purposes of pension, in the States of Kerala and Andhra Pradesh. Taking all these factors into consideration, the Commission recommended that extraordinary leave without allowances might also count for pension under all circumstances upto a total period not exceeding three years in the entire service of an officer, provided that such leave would not count for pension when a Competent Authority had specifically directed that such leave should not count as period spent on duty.

#### *Added Years of Service*

8.99. According to Rule 247 of the Mysore Civil Services Rules, a member of the Bar, who is duly appointed as Munsiff or to a higher post in the Judicial Department and whose whole pensionable service is passed in that Department shall, if appointed at an age exceeding 25 years, be entitled to reckon as service qualifying for superannuation pension (but not for any other class of pension) the actual period by which his age, at the time of appointment exceeded 25 years subject to a maximum of five years and subject to the condition that his actual qualifying service at the time he quits. Government service was not less than ten years.

8.100. It has been represented that Scientists, Technologists, Doctors, Engineers, Economists, Professors and Financial Experts may be also brought under the category of Specialists and the benefit of "added years" of service may be allowed to them when they enter service late in life. It is but appropriate to quote in this context the views expressed by the Second Central Pay Commission which examined this issue exhaustively.

"In the matter of superannuation benefits, no distinction is made between holders of posts requiring high scientific, technological or professional qualifications and others, even though a proportion of appointments to such posts are made of persons with long research and/or practical or professional experience, who are well above the normal age of entry into Government service and who cannot, therefore, qualify for full pension when they reach the age of superannuation. Until 1937, there used to be a provision (Article 404-A of the Civil Service Regulations) under which persons belonging to a large number of services and posts, including those requiring high scientific, technical and legal qualifications could be allowed to add to their qualifying service for superannuation pension, the actual period not exceeding five years by which their age at the time of recruitment exceeded 25 years. This concession of "added years" was withdrawn in 1937 for future recruits on the ground, among others, that it was liable to be abused, and that a similar concession had been withdrawn in the United Kingdom in 1914. The Varadachariar Commission recommended re-introduction of the provision and with extended applicability, but the recommendation was not accepted on the ground that the provision was not necessary for purposes of recruitment that shortage of qualified technical personnel

was likely to disappear within a short period, and that technical personnel who are usually allowed a higher start, should not have a second benefit in the form of "added years". Actually the concession had been re-introduced in the United Kingdom before 1937 on the recommendation of the Tomlin Commission, and the Priestly Commission (1953-55) recommended that the power to grant "added years" should be used more widely as an instruction of recruitment policy. The assumption regarding supply of scientific and technical personnel has also not proved correct, and an increasing number of highly qualified technologists are being attracted by the private sector, and both scientists and technologists by employers in foreign countries. It is in the national interest, and in the interest of scientific, technical and professional branches of the Civil Service that graduates with capabilities for research, or desirous of specialization, do not find it necessary to enter Government service in a hurry so that they might be able to earn full pension. We, therefore, recommend re-introduction of the provision allowing "added years".

8.101. The Commission is in full agreement with the principles underlying this recommendation and suggests that the benefit of "added years" as available under Rule 247 of the Mysore Civil Services Rules to officers of the Judicial Service may be extended to officers appointed to a service or a post.

- (a) for which post-graduate research or specialist qualification, or experience in scientific, technological or professional field is essential and
- (b) to which candidates of more than twenty-five years of age are normally recruited.

#### *Average Emoluments*

8.102. Pension is at present a proportion of the emoluments drawn during the last three years immediately preceding the date of retirement. The term "emoluments" is restricted to certain kinds of pay as laid down in Rule 296 of the Mysore Civil Services Rules. There are a number of restrictions on counting officiating pay for purposes of emoluments.

8.103. With a view to obviate the necessity of verifying the emoluments for 36 months immediately preceding retirement, which is one of the bottlenecks in sanctioning pensions expeditiously, Government proposed to amend the rules defining "average emoluments" as the average calculated upon the emoluments drawn during the last 12 months of service (*vide* Rule 297 of the Mysore Civil Services Rules). It is understood that the Government of Kerala have adopted this method of calculating the average emoluments. Keeping in view, the difficulties experienced in this regard and also the fact that the pension is a long term benefit, the Commission has agreed to the proposal that the "average emoluments" might be calculated upon the last 12 months of service instead of last 36 months.

8.104. One of the suggestions made is that pension should be based on the pay last drawn before retirement. The Second Central Pay Commission observed as follows in respect of similar suggestions made before them :

“Pension being a recurring long term benefit should not be allowed to be influenced by purely fortuitous short term promotions and postings as might well happen if pension were to be calculated on the emoluments drawn at the time of retirement. In other countries of which we have information, it is average emoluments for periods ranging from three to ten years that are taken into account in determining pension”.

The Commission considers that there is much force in the observations and that the proposal to base the pension on the last pay drawn deserves to be rejected.

8.105. Yet another suggestion made is that dearness and other allowances should be taken into account for calculating average emoluments. This issue has also been examined by the Second Central Pay Commission and it would be pertinent to quote the following extracts from their report :—

“The dearness allowance being in the nature of a temporary compensation should not ordinarily influence retirement benefits. If dearness allowance were to be taken into account in calculating pension, it might well happen that an employee who retired in a year of high prices would get throughout life a higher pension than one who retired after a period of lower prices. It is true that the present apportionment of emoluments between pay and dearness allowance provides in the context of retirement benefits reasonable grounds for complaint, but once the basic pay is fixed with reference to a higher level of prices the cause of grievance should largely disappear.”

8.106. As pension is a long term benefit, the Commission is of the view that the demand is not well founded and therefore recommends that it may be rejected.

8.107. It has been urged before the Commission that “Non-Practising Allowance” paid to the medical personnel should be allowed to count for purposes of pension as under the Government of India. At present local allowances except those granted for the unhealthiness of a locality are not included in the emoluments for purposes of pension and the “Non-Practising Allowance” is treated as local allowance for this purpose. In the pension rules of the Government of India the “Non-Practising Allowance” granted to doctors is allowed to count for purposes of pension to the same extent as Special Pay, based on the recommendations of the Second Central Pay Commission, which held the view that this allowance is in essence a form of additional pay and it would be fair and equitable to count it for purposes of retirement benefits. The Commission agrees with this view and recommends that if the system of paying “Non-Practising Allowance” to doctors in the State is continued such allowance may be allowed to count for pension.

8.108. Pay granted to an officer in view of his personal qualifications and charge allowance given for duties performed in addition to the work of a regular appointment, are not brought within the purview of the definition of “Pay” even

though they are in the nature of pay. As a result of these restrictions, a Government servant will not get the benefit of counting these allowances for purposes of pension, even though they are in the nature of pay. The Commission sees no valid reason to exclude the items referred to above from the purview of "emoluments". The Commission, therefore, recommends that (i) all emoluments drawn by a Government servant whether in an officiating or substantive capacity may be counted for purposes of pension and (ii) charge allowance given for duties performed in addition to the work of a regular appointment for a period of more than 3 months continuously may also count as emoluments for purposes of pension.

*Procedure for Sanction of Pension*

8.109. Another reason for delay in settling pension cases is, delay on the part of Government servants and their administrative superiors in submitting the required documents to the Accountant General. Amendments to the relevant rules (namely, Rules 321, 327, 330, 332, 341 and 342 of the Mysore Civil Services Rules) were proposed by Government to simplify the procedure so that a retired Government servant may be enabled to get his pension and gratuity sanctioned on the very day on which he retires. A similar procedure has been suggested by other witnesses also.

8.110. The proposed amendments envisage that a gazetted officer shall submit a formal application to the Accountant General who shall build up his pension records and forward them to the Government through the Head of the Department at least 3 months before the date of retirement of the officer. Sanction will be assumed by the Accountant General after the lapse of 3 months unless anything to the contrary is heard from the Head of the Department or the Finance Department. The Commission has agreed to the revised procedure suggested.

8.111. As regards the non-gazetted officers, it has been proposed that the authority competent to sanction pension should himself sanction anticipatory/pension/gratuity at rates not exceeding 75 per cent of the amount calculated by the authority as due to the retiring Government servant.

8.112. The anticipatory pensions in the case of non-gazetted officers shall be drawn by the Drawing and Disbursing Officer, under whom the pensioner was serving immediately before retirement and disbursed in cash or by Money Order or bank draft, if so desired by the pensioner, the commission charges being borne by the pensioner concerned.

8.113. The anticipatory pension sanctioned by the Accountant General in respect of gazetted officers shall be drawn and disbursed by the Head of the Department concerned.

8.114. It is understood that a similar procedure has already been adopted by the Governments of Kerala, Andhra Pradesh, Maharashtra and Madhya Pradesh.

8.115. The Commission has agreed with all these proposals *in toto*.

8.116. There have been other demands which relate to increase in the scale of retirement benefits to the State Government employees. Though it is necessary to ensure that conditions of service of civil servants are improved, it cannot be forgotten that civil servants and their families form less than 10 per cent of the population and that any unreasonable benefit conferred on them becomes an unjustifiable burden on the rest of the community. As matters stand, Government servants have secured liberal benefits which the less favourably situated classes and groups in the country have been unable to get. Any further liberalisation of the retirement benefits will therefore heighten the imbalance. The improved conditions of living and the advance in medical science and treatment have increased the average expectancy of life. The cost by way of pension and other retirement benefits will therefore be considerable and grow to a sizeable figure in course of time. In view of these considerations, and keeping in view the interests of the tax-payer, the Commission does not recommend any further increase in the retirement benefits which are purely non-contributory in character.

(vii) *Provident Fund*

8.117. Government have constituted a Fund called "The Mysore General Provident Fund" with a view to help the employees to mobilise their savings while in service so that the accumulated savings could be of substantial help to them to meet some family needs after retirement, or, in the event of their death, to their families.

8.118. In respect of the officials coming from the Bombay area and the Coorg area the scheme of compulsory Provident Fund, which was in vogue prior to the Reorganisation of States, is continued. There was no such scheme of compulsory Provident Fund in the other areas now comprised in the New State of Mysore. Subscription to the Fund in respect of all other employees of the State Government is optional as they are covered by the compulsory scheme of insurance. The amount of subscription cannot be less than 6½% of the emoluments of a Government servant. Interest on the accumulation will be credited annually to the account of the subscriber at such rates as may be fixed by Government from time to time.

8.119. The Commission has recommended in Chapter 39 that the premium payable by a Government servant towards life insurance should be raised from 6½% of his emoluments to 10% of the mean between the maximum and the minimum of the scale of pay applicable to him. Under exception to Rule 5 of the Mysore General Provident Fund Rules, 1957, subscription to the Provident Fund is compulsory in the case of permanent officers of Government who are required to insure their lives in the Official Branch of the Mysore Government Insurance Department, but are unable to do so owing to over-age or certified illhealth. In such cases, the Commission recommends that subscription to the Provident Fund may be raised from 6½% of the emoluments to 10 per cent of the mean between the maximum and the minimum of the scale of pay applicable to them. In cases where an officer has already insured his life with the Mysore Government Insurance Department and is required to insure his life further,

consequent on increase in his pay or, if the recommendations made in Chapter 39 are accepted, consequent on his promotion to the next higher grade and his case is not approved by the medical authorities for insurance, such officials may also be required to subscribe compulsorily to the Provident Fund, an amount not less than the difference between the monthly premium that they are already paying and an amount equal to 10 per cent of the mean between the maximum and minimum of the scale of pay then applicable to them.

8.120. Temporary advances and final withdrawals from the Fund are permitted for certain purposes enumerated in the Mysore General Provident Fund Rules, 1957. Temporary advances shall not, except for special reasons, exceed six months' pay or half the amount to the credit of the subscriber, whichever is less. In cases where the grant of advance warrants higher limit, Government may sanction 80 per cent of the balance to the credit of the subscriber. As regards the withdrawals the amount should not exceed twelve months' pay or one half of the amount standing to the credit of the subscriber or the actual expenses incurred for the various purposes for which the withdrawal is permitted, whichever is the least.

8.121. Suggestions were invited regarding (i) the modifications, if any, in the existing Rules, especially with reference to the purpose and limits of temporary advances and "final withdrawals" and (ii) whether it should be made obligatory on the part of every Government servant to take an insurance policy for an adequate amount permitting him to utilise a certain percentage of the monthly subscriptions to the Provident Fund towards the payment of premia to serve as a provision for his family in the event of his premature death. While some are of the view that the existing terms and procedure in this behalf are quite satisfactory and do not require any modification, others have made certain suggestions which are summarised below :

- (a) The rate of interest now paid is too low. Interest ranging from 6 to 8 per cent may be allowed as in scheduled banks ;
- (b) A part of the Provident Fund may be invested in Government securities so that it may fetch better interest ;
- (c) To make the Provident Fund Scheme more attractive, Government may come forward with a token contribution, if not a matching contribution, to infuse thrift and to ensure better social security for its employees ;
- (d) The contribution to the General Provident Fund should be made compulsory (say at the rate of 3½ per cent) in addition to compulsory insurance already in force ;
- (e) Temporary advances may be granted up to 90 per cent of the balance at the credit of the subscriber. As the present Rules are very liberal and Government servants resort to withdrawals from these advances any number of times depleting the balances to the minimum, no second advance should be sanctioned unless the first one has been cleared and there is an interval of six months after such repayment ;

- (f) Final withdrawal for house building or education of children, etc., may be allowed to the extent of 2/3rds of the balance in credit ;
- (g) Government servants should be encouraged to have insurance policies financed from the accumulations in their Provident Fund.

8.122. The Mysore General Provident Fund Rules as they stand at present are quite liberal as compared to similar facilities available to the Government servants in the neighbouring States or the employees of the Central Government. The Commission is, therefore, of the view that there is no necessity for liberalising the rules further as suggested above.

8.123. At present, advances from the Provident Fund are being sanctioned up to a limit of 80 per cent and withdrawals are allowed up to 50 per cent of the total amount to the credit of the subscriber. The Commission considers that while the limit of 50 per cent is very low, the limit of 80 per cent is rather too liberal, and therefore recommends that the maximum limit both in respect of advances and withdrawals may be fixed at 75 per cent of the accumulations as on the date of sanction. As regards the withdrawal, there is no need to limit it to pay for particular number of months.

8.124. Many witnesses have suggested that a Government servant should take out insurance policies for adequate amounts and that he should be permitted to utilise a certain percentage of his subscriptions to the Provident Fund towards the payment of premia. The scheme of financing insurance policies from the accumulations of the Provident Fund was not in vogue in the old Mysore area. Such of the subscribers as were actually financing their policies from the accumulations from the Provident Fund as at the time the new scheme was introduced were permitted to continue to finance them even after the new Rules came into force (*vide* Rule 17 of the Rules). As insurance has been made compulsory for all the officials, the State Government may consider the question of introducing the system of financing the insurance policies from the accumulations in the Provident Fund of the employees.

*(viii) Age of Superannuation*

8.125. According to the existing rules, the age of superannuation of a Government servant is 55 years, except in the following cases :—

- (a) Persons allotted or deemed to be allotted to serve in connection with the affairs of the State of Mysore under Section 115 of the States Reorganisation Act, 1956, to whom protection has been given regarding their service conditions ;
- (b) Primary and Secondary School Teachers for whom Government have specially raised the age of superannuation to 58 years with effect from 5th April 1966 by their Order No. GAD 11 SRR 66 dated 14th April 1966.

Even prior to the Reorganisation of States the age of superannuation of all Government servants, except Class IV servants, was uniformly 55 years, in all the



areas comprised in the new State of Mysore including the Mysore area. In respect of Class IV servants, however, the age was 55 years for the employees coming from the Mysore Area, while it was 60 years for the employes coming from the other areas. The benefit of protection up to 60 years is, therefore, enjoyed only by those Class IV servants who came from the non-Mysore areas. All the rest of the Government servants are having 55 years as the age of retirement. The Service Rules however permit the retention of a Government servant in service up to 60 years of age on public grounds which must be recorded in writing subject to the conditions that (1) the official concerned is physically fit and (2) specific sanction of Government is obtained in such cases.

8.126. Heads of Departments, distinguished retired public servants and Service Associations, with but a few exceptions have advocated that the age of retirement should be raised to 58 years or even 60 years. Public men are, however, divided in their views on whether the present age of retirement should be raised or the *status quo* should be maintained.

8.127. One of the main arguments put forward in support of the enhancement of the age of superannuation is that the average life of an Indian citizen has increased in view of the welfare measures taken by Government; that with the increase in the expectation of life resulting from the improved public health conditions and achievements of medical science, most of the officials would be efficient both mentally and physically at the age of 55 years and would continue to be so even a few years beyond that period; that it would, therefore, be a national waste of talent to send men into enforced idleness while they are still capable of rendering efficient service to the State.

8.128. That there has been improvement in public health in the country since the year 1911 is amply borne out by the statistics published in the decennial Census Reports. The Second Central Pay Commission, while quoting figures in support of this position, has come to the conclusion that it would be reasonable to infer that the standard of health of those in the fifties is ordinarily better now than it used to be, particularly in the case of Government Servants to whom reasonable medical facilities are available.

8.129. As indicated in paragraph 8.18 the expectation of life has risen from 32.5 years in respect of males and 31.7 years in respect of females in 1941 to 48.7 years and 47.4 years respectively in 1963. It is further expected to increase to 53.2 years in respect of males and 51.9 years in respect of females in 1968. In these circumstances, it has to be conceded that the dividing line between health and efficiency on the one side and marked physical deterioration and decline in efficiency on the other, which was hitherto fixed at 55 years can safely be moved a few years upwards.

8.130. It is argued that there is imperative need to evolve a national policy regarding the age of retirement applicable to all Government employees as there is no uniformity at present in this regard. The reasons given in support of the request for raising the age of retirement are, that the age of retirement of the

employees of the State Government is 55 years while that for (i) the Central Government employees is 58 years, (ii) the Judges of the Supreme Court is 65 years, (iii) the Judges of the High Court is 62 years, (iv) the members of the Public Service Commission is 60 years, (v) the teaching staff of the Universities is 60 years (extensible up to 65 years), (vi) the teachers in the Education Department is 58 years; and (vii) the officers of the Indian Administrative Service and the Indian Police Service is 58 years. Such a difference, it is maintained, would amount to discrimination, violative of Articles 14 and 16 of the Constitution. It is, therefore, urged that the age of retirement should be raised suitably so that the benefit is shared by all the Government employees equally. Prescribing different ages of retirement taking into consideration the nature and responsibilities of service of different classes of employees does not certainly violate the fundamental rights of a citizen regarding equality before law or equality of opportunities in matters of public employment as contemplated in Articles 14 and 16 of the Constitution.

8.131. It is suggested that the scientific and technical personnel should be retained in service even beyond 55 years as there is a shortage of such personnel. There is no doubt that the requirement of such personnel is growing rapidly in view of the increased tempo of developmental activities of Government with the advent of the Five Year Plans. However, at the same time, it is seen that there is surplus of Engineering graduates, and even in regard to Medical graduates, the point of saturation is fast approaching.

8.132. Yet another argument put forward in favour of increasing the age of superannuation is that due to late marriages which are coming into vogue nowadays, the official will have many children studying in schools and colleges and many responsibilities to discharge in respect of these children by the time he attains the age of 55 years and that therefore it will have some desirable effect in reducing the tendencies to corruption, if the age of superannuation is raised to 60 years provided, of course, that the person continues to be sound in mind and body. Alternatively, if it is found undesirable to continue the person beyond the age of 55 years, it is suggested that some financial aid might be given to him to meet the cost of the education or marriage of his children. This aspect has found favour with the Second Central Pay Commission also who have observed as follows :—

“Moreover, with later marriages, an increasing proportion of Government servants now have children not settled in life, when they retire; and this is another reason why in many cases compulsory retirement from Government service only means the beginning of some other employment or occupation. These along with the feeling of frustration caused by compulsory severance from work while an employee is still in the fullness of his powers, are also the main reasons why there is a strong, and widespread, demand for raising the age of retirement.”

8.133. Coming to the other aspect of the issue, equally forceful and valid arguments have been advanced against raising the present age of superannuation of

55 years of a Government servant. Views which are typical and fairly representative of the salient points expressed against the raising of the age of retirement are extracted below :

“.....the question of raising the age of retirement has to be considered from the point of view of the country and not from the point of view of services. In our country, the population is increasing at the rate of about 2.3 per cent per annum. But the growth of gainful employment is very slow and is not keeping pace with the growth of population. There is unemployment and under-employment to an alarming extent. Especially during the last two years there has been stagnation in the growth of industrial activity. The Government is also slowing down the execution of its huge projects and very few new projects are commenced for lack of finances.....

Every year about 10,000 students are coming out of the portals of the four Universities in the State. About 1,80,000 students take the S.S.L.C. examination in the State. Government service continues to be the main field of employment for educated youth in the State, in spite of the growth of industries in the country during the last 20 years. In private employment, the employees generally ask for previous experience. But how can young men gain experience unless they are employed ? It is not unnatural that young people fresh from Schools and Colleges look to Government service, where previous experience, apart from educational qualifications, is not insisted upon.

If the age of retirement in the State Services is raised from 55 to 58 years, there will be few or no vacancies in Government services for the next 3 years. What should happen to large number of young people coming out of schools and colleges and seeking employment during the next 3 years ? If the doors of Government service are closed, there will be acute unemployment and distress and the frustrated youth may resort to anti-social activities.

Quite a large number of retired civil servants are able to secure employment in private sector after retirement. Their knowledge and experience place them at an advantage over fresh entrants, in securing jobs in private employment.

There is a feeling among Civil servants in lower ranks that there are not enough number of higher posts to which they can look to for promotion. By raising the age of retirement, promotion to higher posts will be postponed by three years. Longer stagnation in lower ranks may dampen the enthusiasm of officials in lower ranks.

The retirement age in this State is 58 years for teachers and 55 for all other categories of employees. There is a general feeling among the employees that enhanced age of retirement is likely to reduce the chances of promotion and block the way for new entrants. There is also a view that in view of the improved standards of health and the longer span of life on account of advancement of medical science, there is a need to

enhance the age of retirement. The argument of the younger generation of employees that the enhancement in the age of retirement will reduce the chances of promotion may not be true particularly in view of the developmental activities which are bound to throw open more chances of employment and promotion. This view of retiring the Government employees at the age of 55 years was taken in 1917 and reaffirmed in 1937-38. The view taken is that when a man attains the age of 55 years he loses the keenness and initiative at this age due to marked physical deterioration and decline in efficiency. The Second Pay Commission made its recommendation to move the retirement a few years upwards and suggested the of age 58 as the retirement age. The Government of India and many of the States raised the age of retirement to 58 on the ground of improved standards of health and longevity. Recently, the Government of Kerala have reduced the age of retirement from 58 to 55 years.

Considering these two points of views and the subsequent developments that are taking place regarding the retirement age, we are of the view that until this issue is examined in detail from purely administrative point of view on an All-India basis, the present age of retirement of 55 years may continue." .....

....."With improvement in medical facilities, the average longevity of the person has increased and there is a general agreement that the age of retirement should be revised to 58. Whatever may be the merits or demerits, a point which has missed the attention of many is that the flow of talent in the services will be upset if the age of retirement is increased. We are in a fast growing and complex society. With the passage of time whatever may be the health, the ideas are likely to be worn out ..... The argument for increasing the age of retirement is purely based on economic poverty and maintaining the family. The employees cannot expect the State to feed them for ever. Hence, without increasing the age of retirement, State should think of utilising the services of the retired personnel in some other fruitful ways ..... The Government should have a standing list of healthy and active pensioners who can be drafted to emergent work."

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8.134. The Mysore Pay Committee—1961 and the Mysore Resources and Economy Committee—1962 which considered this issue came to the conclusion that the existing age limit of 55 years for compulsory retirement may remain taking into consideration the employment position at that time. The position has deteriorated since then in spite of the developmental activities of Government and the question of unemployment is now posing a much bigger problem than it did to previously.

8.135. It is also significant to note in this context that other State Government, viz., Kerala, Orissa, Madhya Pradesh and Rajasthan which had raised the age of superannuation from 55 years to 58 years on the lines of the Central

Government have retraced their steps recently and reduced the age from 58 years to 55 years. From the reports appearing in the Press, the Government of India have also commenced re-thinking on this issue.

8.136. There is no doubt that there is a fairly good case for enhancing the age of retirement from 55 years to 58 years, if conditions of health and longevity of life of the service personnel are to be the sole criteria for determination of the age of retirement. It is also true that there are some officers of mature experience with wide knowledge who are fit to continue in service much to the benefit of the public cause. But, Government still continues to be the largest employer and the impact of sudden enhancement to the age of retirement cannot be underestimated. There is bound to be stagnation amongst the officers in the lower ranks and the postponement of expected chances of promotion is sure to create a sense of frustration. The flow of new talent into the service will receive a setback for some time. The Commission has bestowed full thought on all aspects of the question and has come to the conclusion that the present time is not opportune for raising the age of retirement and accordingly recommends maintenance of the "*status quo*" regarding the age of superannuation of Government servants.

8.137. The age of retirement of Primary and Secondary School Teachers was raised to 58 years in the context of a situation in which the number of schools was increasing rapidly and the number of trained teachers to man these schools could not, however, be stepped up at a corresponding rate. This arrangement would have to be treated as a purely temporary one and efforts will have to be made to normalise the situation as soon as possible. There is no dearth of candidates for appointment as school teachers; the only bottleneck is in getting them trained. It has been suggested in Chapter 35 that the facilities available for training the teachers should be increased suitably. If this suggestion is accepted, adequate number of trained personnel would become available within the next five years or so. The age of retirement in respect of the school teachers could therefore be reviewed after a period of five years or so and if possible brought on par with the age of retirement prescribed for other Government servants.

#### *Premature Retirement*

8.138. Closely connected with this issue is the question of premature retirement of Government servants. At present, a Government servant may retire from service any time on completion of 30 years of qualifying service, after giving notice of at least three months. In special cases, Government are empowered under Rule 285 of the Mysore Civil Services Rules to retire an employee any time after he has completed 25 years of qualifying service or on attaining 50 years of his age, if such retirement is considered necessary in public interest, after giving him notice of three months. On this question of premature retirement, differing views have been expressed by witnesses and they fall under the following categories:—

- (i) Government should have the right to retire an employee from service and reciprocally, the employee should also have the right to retire from service at the end of 15 20 or 25 years of service.

- (ii) The employee alone should have the right to retire from service at the end of 15, 20 or 25 years of service without Government having a corresponding right to retire the employee at the end of such period.
- (iii) Government should have the right to require an employee to retire from service at the end of 15, 20 or 25 years of service without giving a corresponding right to the employee to retire from service at the end of such period.

8.139. The majority of the witnesses are in favour of conferring reciprocal rights both on Government and the employees to retire or be retired from service at the end of 15, 20 or 25 years of service with proportionate pension. It is represented that if Government alone are vested with this power as at present, it might be used to the disadvantage of the Government servants. As regards the number of years of service at which this right could be conceded, 15 years is considered to be too short a period as Government would not have received adequate return for the expenditure incurred on the training of the employee. Yet another view is that it would not be in the interest of Government and the employees to retire or be retired prematurely since such a provision in the rules is likely to develop an attitude of indifference leading to inefficiency on the part of employees. It is but appropriate to quote in this context the views expressed by the Second Central Pay Commission which examined this issue exhaustively :—

“ It had been represented before the Varadachariar Commission that voluntary retirement on full pension should be permitted after 20 or 25 years' service. The Commission expressed surprise at the representation and observed ‘ that it would be a serious wastage of manpower and would impose an unconscionable burden on the State to retire, in their prime, employees still capable of good work.’ The Commission also expressed the view that a civil servant seeks Government service as a life career, and as such should have no claim to retire prematurely to take up more lucrative post on the strength of experience gained in Government employment when he is still of an age at which his full faculty can be usefully employed in the service of the State. In spite of this, sharp—and well-merited—dismissal of their demand by [the Varadachariar Commission, it has again been asked on behalf of several employees' organisations that voluntary retirement on full pension should be allowed after 25 years of service. Indeed, some have asked the right of voluntary retirement even after 15-20 years of service, and further that voluntary retirement on proportionate pension and gratuity should be permissible without any conditions as to minimum service. It is odd that while seeking greater security for employees in one matter and another, and side by side with the proposal to raise the age of superannuation, demands should have been made which would have the obvious effect of reducing the Government's assurance that its employees would normally serve it through practically the whole of their working life. In other words, what is asked is the maximum security for the employees and the minimum for the

Government. There is no logic or equity in this combination of demands ; those who have asked for the right of voluntary retirement after 15-25 years' service or even earlier with proportionate retirement benefits, would, in all probability, be bitterly opposed to the Government taking, and exercising the power to retire an employee whenever it wished to. The whole system of retirement benefits is built on the conception that the civil service is a life career ; in fact, the entire system of mutual rights and obligations between the Government and its permanent employees is greatly influenced by that conception. The practice in other countries also does not lend support to the employees' demands ; on the other hand, it confirms the soundness of the present arrangement under which an employee may retire, with retirement benefits, after 30 years' qualifying service, or may be retired by the Government. In the United Kingdom, for instance, the maximum retirement benefits admissible are now earned by a civil servant only at the age of 65 ; and though he may retire any time after reaching the age of 50 without forfeiting any pension and lumpsum for which his service qualifies him, these are not payable, except on compassionate ground, until he reaches the age of 60. In the United States Federal Service, optional retirement is permitted on reaching the age of 55, with minimum of 30 years, but the employee is not eligible for the full annuity which is admissible only on reaching the age of 60. In Sweden also, voluntary retirement is permitted five years before the lower limit of the prescribed retirement period ; but such retirement involves some reduction of pension."

8.140. The Commission is in full agreement with these views and sees no reason whatsoever for recommending a change in the existing provision regarding premature retirement.

#### *Weekly Offs and Public Holidays.*

8.141. In addition to Sundays and Second Saturdays, there are 19 General Holidays in a year at present. This follows the recommendation of the Pay Committee of 1960 which based its recommendations more or less, on the report of the Second Central Pay Commission. Prior to this, in addition to Sundays there were 16 General Holidays and 11 Partial Holidays and all the Saturdays were half-working days. With the drastic reduction in the number of holidays, the general charge that the holidays, and particularly religious holidays, are too many and that they are only an excuse for idleness, will no longer be valid.

8.142. Of the 19 General Holidays, 3 are National Holidays, viz., the Republic Day, the Independence Day and Mahatma Gandhi's Birthday, and the rest are days of religious significance. It may not be possible to cut them down without wounding the susceptibilities of the persons belonging to the concerned persuasions. Some witnesses have suggested that the number of general holidays should be cut down to 6 or 9 as in the Western countries. This comparison is not either fair or apt since most of the Western countries give two Off Days in a week

or two Week-End Holidays, unlike here, where we have only one day Off in a week, *i.e.*, on Sunday, apart from the additional holiday on the Second Saturday in every month.

8.143. Some of the Service Associations have represented that instead of only the Second Saturday, alternate Saturdays or alternatively the Second and last Saturdays in a month may be declared as holidays so as to afford them more leisure and facility to attend to their domestic and social needs. This suggestion, if accepted, would only add to the number of holidays which is already large in the view of some.

8.144. Some of the witnesses have stated that the less important religious holidays relating to each of the communities could be cut down, and casual leave entitlements of Government servants which is now 15 days in a year may be enhanced correspondingly so that the members of the communities concerned could avail themselves of casual leave on such occasions and all the offices could work as usual on such days.

8.145. At present, the following are declared as General Holidays :-

1. New Year's Day
2. Kutub-e-Ramzan
3. Makara Sankranti
4. Republic Day
5. Mahashivarathri
6. Bakrid
7. Chandramana Ugadi
8. Last Day of Moharram
9. Good Friday
10. Id-e-milad
11. Independence Day
12. Ganesh Chaturdashi
13. Mahalaya Amavasya
14. Ayudha Pooja
15. Vijayadashami
16. Gandhi Jayanthi
17. Narakachaturdasi
18. Balindra Pooja
19. Christmas

8.146. This list covers only the days of great religious significance and it may be difficult to decide as to which of them are more important than others. Besides, deletion of some and retention of others may arouse communal sentiments. In the circumstances, the only alternative seems to be, either to maintain the *status quo* or to declare only the 3 National Holidays, *viz.*, the Republic Day, the Independence Day and the Mahatma Gandhi's Birth-day as General Holidays and to increase the casual leave entitlement of Government servants to 30 days in a year, so that on days of religious significance to a particular community the



members of that community could be granted Casual Leave. The latter system, however, suffers from an inherent defect in that, while it would work excellently in respect of holidays which have religious significance to the persons who are in a minority in any office, there would be real difficulty in respect of such of the religious holidays which are of importance to the persons in majority in any office since such days will virtually become general holidays for the office. After examining all aspects of the case the Commission considers that the best course is to maintain the *status quo* in respect of the General Holidays.

8.147. Since most of the holidays now sanctioned by the State Government are also the holidays sanctioned by the Central Government and adopted by most of the State Governments, the Commission considers that a unilateral reduction in the number of holidays is likely to create discontent amongst the State employees and therefore suggests that the matter may be taken up, if necessary, with the Central Government to rationalise the total number.

8.148. The Government of Kerala have issued orders enhancing the casual leave entitlements of their employees from 15 to 20 days per year. The number of days of casual leave allowed to the employees of the Government of Mysore is 15 days per year. When the Government of Kerala issued the orders referred to above, the Mysore Government Non-Gazetted Officers' Association requested the State Government to enhance their casual leave entitlements from 15 days to 20 days per year and Government referred the matter to the Commission. After taking into consideration the Sundays, the second Saturdays and the number of General Holidays sanctioned to Government servants in the State in addition to the earned leave to which they are eligible, the Commission does not consider it necessary to enhance the casual leave entitlements of Government Servants and accordingly recommends that *status quo* in regard to casual leave entitlements may be maintained.

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## CHAPTER 9

### Efficiency and Workload

9.1. Efficiency in public services is an integral and important aspect of public administration. It may be defined as potential capacity to perform satisfactorily the duties of the position held by an employee. Education and experience normally form the backbone of such capacity but they are not enough by themselves. They should be combined with aptitude for work and devotion to duty. For the proper maintenance of normal standard of efficiency, it is the duty of the employer to ensure congenial surroundings about the place of work and conditions of service, guaranteeing a reasonable standard of living in comfort and freedom from anxiety. Good service conditions engender amongst employees such contentment as would conduce to "production of normal work". A fair load of work is an obvious counterpart of fair terms and conditions of employment. Heavy expenditure involved in running an administration is intended to ensure efficient services in all fields of public services to the taxpayer for whose benefit the administrative machinery is set up and who bears the burden of the expenditure thereon. The Commission has recommended payment of higher emoluments to almost all classes of employees and it is now the moral, more than the legal, obligation of all Government Servants to render unstinted services in all fields of Governmental activities so that the average citizen can feel that he is getting adequate services in return for all the taxes paid by him. Few subjects have received greater attention from the Governments at the Centre and in the States since Independence than that of administrative reforms. The subject has been examined and reported upon by distinguished Civil Servants like the late Sir N. Gopaldaswamy Iyengar, Late Sir Girija Shankar Bajpai, Mr. Gorwalla and Dr. Appleby. Several Committees appointed by the State Governments have also gone over the same grounds and given their reports.

9.2. 'Administration', in its narrow sense, *viz.*, working of a Department of Government, prompt disposal of business in Offices, courteous and sympathetic attention to the problems of the individual citizen, accessibility to all members of the public, impartiality in administration, observance of strict discipline are all matters which properly belong to the domain of the Civil Servant. Governments expect the Civil Servants to act with integrity, honesty and efficiency and exhibit a high standard of rectitude in the discharge of the duties assigned to them. It is, therefore, quite essential that there should be periodical assessment by Government of the extent to which Civil Servants have been able to ensure this. Objectives of organisation undergo change in content and emphasis with time; operational techniques change; organisational structure, standards of performance and methods of work require continuous review in the light of these changes.

9.3. The Mysore State as now constituted is an amalgam of five different units of administration and has inherited five different types of administration, each with its own traditions and patterns of administration though not very much different from one another. The Civil Servants who worked in the several parts of the State have been conditioned by the circumstances in which they "lived, moved and had their being". To consolidate all of them into a "homogeneous whole" with the same outlook on life and guided by the same principles is not an easy task. Much patience and hard work are necessary to achieve a sound and efficient administration, inspired by common ideals and devoted to the welfare of the people as understood in a democracy. Although the administration in the State is now placed on a sufficiently firm footing, there is still a widespread feeling of dissatisfaction, if not discontentment, in the performance of their duties by many of the servants of the State. It has been represented to the Commission that there is deplorable slackness in the disposal of business in almost every office of Government and that the average Government Servant is lacking in initiative and hard work. There is, no doubt, considerable scope for improvement in most of the fields of administration, particularly those that pertain to public utility services.

9.4. It is represented to the Commission that there is an ever-increasing tendency on the part of the Government servants to evade the work entrusted to them to the extent they can manage and to shift responsibility to some other level; it is also represented that indiscipline is on the increase. Evasion or shifting of responsibility has become so widespread in the administration that it is a difficult job to suggest a remedy. It is unfortunate that the employees of Government should have given, by their conduct, room for such criticism which is largely justified. The purpose of administration is to secure optimum utilisation of human and material resources in achieving the socio-economic goals set by Government before them. Administrative research including work study is a service designed to help the administration to maximise the utilisation of these resources. Organisation and Methods studies furnish a technique to the Government for conducting a systematic review of work operations by assessment of the nature of work and the time required to discharge it and for promoting organisational efficiency.

#### *Organisation and Methods Division*

9.5. There is a small 'Organisation and Methods' Wing in the Secretariat but this wing has not been able to undertake Organisation and Method studies in all the offices, owing to its limited size and relatively minor importance attached to its work. Work-study is the most accurate means of evolving normal standards of performance and would afford an effective means of controlling growth of surplus staff and of detecting the "inefficient". It is "like a surgeon's knife" laying bare the standard of functioning of every officer, good or bad. It is the systematic analysis and critical examination of the existing modes of doing works, an efficient "work study" can help the development of proper methods of work and eliminate wastage of time over unnecessary passage of files from hand to hand.

In view of its importance and utility, the Government of Maharashtra have recently created a new post in the General Administration Department designated as Commissioner (Administrative Re-organisation) with the rank of a Secretary to Government with the necessary supporting staff. He has been entrusted with the duty of conducting an enquiry into the size of the existing administrative machinery in general administration and development administration, in order to determine the minimum staff necessary to carry out the assigned tasks and responsibilities efficiently and effectively to assess the excess or surplus in each office and to recommend how the size of the office could be reduced to the minimum size consistent with efficiency and effectiveness, without causing undue personal hardship. The vastness and complexity of modern organisations necessitate the creation of a separate agency to attend to the task of improving the administration in Government offices at all levels. Work study has got to be a continuous process as it is the main-stay of systematic study of organisations. It is also necessary to undertake, at the same time, regular inspections of offices to ensure that the business of Government is attended to promptly and efficiently. The Heads of Departments undertake inspection of their offices and the offices subordinate to them whenever it is convenient for them, but these inspections are of a cursory nature and are not of much help to the administration except to set right procedural errors or rectify breaches of codal rules. The Commission, therefore, considers it necessary to create an independent department in the Secretariat. The new department to be constituted might be designated as the Department of "Administrative Reforms" and may be in charge of both Inspections of Offices and Organisation and Methods. The Secretary in charge of the Department may be a senior officer in the Indian Administrative Service having aptitude and flair for such work. He may be assisted by four Deputy Secretaries and two Under Secretaries and the necessary subordinate staff. It would be necessary to have four Deputy Secretaries in the initial stages as the new Department would have to organise its affairs and attend to several items of work during the first few years. The Secretary (Administrative Reforms) as the Head of the Inspectorate would have to inspect the Offices of the Heads of all Departments and such subordinate offices of the various Departments as he considers necessary and to ensure that the Heads of Departments undertake regular and effective inspections of their own offices and the offices subordinate to them. Such inspections may be surprise inspections or may be regular inspections according to administrative needs. He could frame a check-list of the points on the basis of which the Heads of Departments could undertake inspections of their own offices and give them all guidance and necessary instructions in this regard. He could also obtain copies of the notes of inspection so as to satisfy himself that inspections are being carried out properly.

9.6. Regular, systematic and detailed inspections to be conducted by the Departmental Officers may be classified as follows :—

- (1) Inspection by the Presiding Officer of his own office ;
- (2) Inspection of an Office by an Officer who is in immediate supervisory control of the Office ;

- (3) Inspection of an Office by very senior officers of the Department ; and
- (4) Inspection of an Office by the Secretary (Administrative Reforms) and the Officers of his Department.

9.7. The first two categories of inspections have necessarily got to be done at least once every year. It is, however, not necessary that such inspections should be conducted at one stretch for the entire office. In fact, it may be more advantageous for a Presiding Officer to inspect his office by Sections so that he could get into the details of the working of each Section and rectify its shortcomings. The Commission desires to emphasise that it should be enjoined on every Head of the Department at taluk, sub-division and district levels to inspect his own office at regular intervals at least once a year and forward a note of his inspection to his immediate superior officer so that the latter may be enabled to adjust the nature and extent of supervisory control over subordinate offices as distinguished from his overall supervision in the implementation of general plans and programmes of his department. Likewise, it would be advantageous for an outside inspecting authority also to inspect an office by sections instead of at a stretch.

9.8. The other two categories of inspections need not necessarily be conducted every year in respect of each office. They could be conducted according to a suitable triennial or quinquennial programme so that overtime it should be possible for the superior authorities or for the officers of the Administrative Reforms Departments to inspect the offices at reasonable intervals.

9.9. Any formal inspection of an office would throw some burden on the establishment of that office but it is a welcome burden inasmuch as it alerts every official to set his own branch or section in order and gives the head of the office a fair chance to know where the efficiency of his office stands. It is, however, unnecessary to have more than one inspection in any one year. The programme of inspections should, therefore, be so drawn up as to regulate the inspections by the superior authorities suitably ; when one superior authority proposes to inspect an office during any year; another authority need not undertake such an inspection during that year. Government have already issued instructions in this regard in their Order No. GAD 35 OMP 58, dated 1st April 1959 in so far as the Heads of Departments and Officers subordinate to them are concerned. These instructions may be followed strictly. The same principles may generally apply to inspections to be conducted by the Department of Administrative Reforms also.

9.10. It is often found that the Notes of Inspection are merely a catalogue of the various acts of omission and commission on the part of the office inspected and clear instructions are not issued as to what should be done for disposing of the pending items of work. Inspections have, therefore, come to be looked up as fault finding devices. If inspections are to serve their real purpose, detailed instructions should be given by the Inspecting Officer on the steps to be taken to improve the efficiency of the office inspected and to dispose of matters pending disposal for inordinately long periods and to the extent possible such matters

should be got attended to. The Inspecting Officer should, wherever necessary, advise the officials as to how they could avoid commission of mistakes and irregularities and instruct them as to their future course of work. If this procedure is followed, the physical bulk of the Notes of Inspection would get reduced and at the same time the business of the office would be cleared and the inspections will serve a salutary purpose.

9.11. There are two different kinds of systems that can be adopted for ensuring due compliance with the instructions issued at the time of inspections. The first is the system of having "Minute Books" and the second is the system of obtaining "Periodical Compliance Reports". Both the systems are equally good if only it is ensured that the principles governing these systems are faithfully followed. The Commission considers that a compromise of the two systems would ensure more effective compliance with the instructions. It is, therefore, suggested that 'Inspection Minute Books' may be prescribed, that all the observations and instructions contained in the notes are duly entered in the Book and due compliance verified by the head of the office inspected once or twice a month as it suits him. The head of the office should send a report to the Inspecting Officer by the middle of each month indicating the extent of compliance with the instructions and the officer to whom these reports are submitted may verify the action taken, satisfy himself that the observations have been complied with and intimate by the end of the month his views thereon. This system would ensure that both the officer in charge of the office inspected and the officer who inspected it would be able to see that the instructions given at the time of inspection are really carried out.

9.12. If the system of compliance is, however, treated as a routine matter and compliance is not seriously verified, it is more than possible that the type of observations or instructions given at any particular inspection would have to be reiterated at the subsequent inspections also defeating the very purpose of the inspection.

9.13. The recommendations made in respect of the inspections of offices cover more or less the types of inspections that are already being conducted and the observations made are primarily to ensure that they are purposive. The suggestion that the Secretary, Administrative Reforms Department should inspect the offices of the Heads of Departments requires particular consideration as the Heads of Departments have, more often than not, not been able and no outside authority has also been able, to inspect their offices for various reasons. It is high time that at least now a machinery is set up to rectify this defect in the system of inspections of offices at various levels.

9.14. The Secretariat, being the highest office in the State, there is always a risk that the work of the various Departments of the Secretariat will not be inspected by any authority. The Commission is, however, glad to observe that so far as the Secretariat is concerned a system of internal inspection has been introduced, that statements of pendency of references are being put up and reviewed every month, that the Special Secretary, General Administration

Department, (Organisation and Methods) and the Secretaries of the Administrative Departments discuss specific cases or categories of cases in which delays have occurred and bring to disposal some of the old cases. This is a very good system and may be continued.

9.15. Apart from formal inspections, it is necessary that a specialised body like the Organisation and Methods Division should examine the working of each office and ensure that the work that is being done in such office is strictly in accordance with the principles laid down in respect of both organisation and methods. The Administrative Reforms Department as contemplated would be in a position to undertake time and motion studies in the offices of the several departments at different levels in the course of at least a few years. It would be for the Secretary of the Department to decide on the points at which the study should be initiated and to draw up an annual programme in respect of the Departments and the offices in which the studies are to be conducted. It would, however, be difficult for an outside organisation to conduct such studies all by itself without the assistance and co-operation of the Departments, themselves. Irrespective of whether a specialised body like the Organisation and Methods Division or Administrative Reforms Department undertakes such studies or not, it is the responsibility of the Head of each Department and the Head of each Office to apply his mind continuously to the improvement of the standards of work in his Department or Office as the case may be. It is equally his responsibility to see that the work that is being handled by his Department or Office is not only handled efficiently and promptly, but also by the minimum number of functionaries required for the purpose. The Commission had occasions to observe that many of the officers who appeared before it stated that the staff in their departments was just adequate and that there was scope for retrenchment in departments other than their own. The Commission would have appreciated such stand if it had been taken after a detailed and considered study of the work load but it did not appear to be so. Such statements were made on the general assumption that the work in their respective Departments was heavy and that the increased strength of the staff was justified. This most unhelpful attitude has left the Commission with the impression that had the senior officers taken the trouble of assessing the workload with reference to the existing staff in each branch or office under their control, Government would have saved considerable expenditure on establishment. In order to remedy continuance of such situations, the Commission recommends that the Head of each Department should set up in his Office a small ' Organisation and Methods Cell ' which should study the methods and techniques applicable to the work of that Department and tender advice to him as also to the officers subordinate to him. These Cells may be permitted to have direct contact so far as the technical aspects of the Organisation and Methods work are concerned with the Administrative Reforms Department.

9.16. Even in the United Kingdom, the work of departmental organisation and Methods Divisions in promoting efficiency is found to be often inadequate. In their report published in June 1968 the Fulton Committee on the Home Civil Services (in the United Kingdom) have observed that the reasons for the

Organisation and Methods Divisions in not being able to help the departments are as follows :—

“(a) Organisation and Methods staff tend in practice to focus on methods to the exclusion of organisation, and too rarely question whether a particular task actually needs to be done at all. Normally, there is little, if any, investigation of work above the lower and middle levels of a department. There is, too, the serious weakness that the staff employed on this work (nearly always members of the Executive Class and not normally above senior Executive Officer) have not the rank or authority to operate effectively at higher levels.

(b) Organisation and Methods investigations begin for the most part only by invitation from the head of an operating division when he decides that he has a problem. Some Departments conduct planned reviews of selected areas but the current emphasis is on *ad-hoc* assignments. And when such assignments (or reviews) have been completed, Organisation and Methods staff usually do not sufficiently participate in seeing their recommendations put into effect.

(c) The separation of staff inspection (assessing the number of staff required for the efficient performance of a given amount of work) and Organisation and Methods (analysing the tasks and the methods by which they are performed as well as the organisation required for the purpose) divides what should be a unified operation. We are aware that these separate responsibilities usually converge at the Under Secretary’s level. It is the separateness of the two actual operations that we are criticising. We acknowledge that there are occasions when a limited rather than a full scale operation is all that is required, for example to investigate a request for one or two additions to a division staff ; but this cannot justify the present separation.

(d) The staff engaged in Organisation and Methods staff inspection work are not sufficiently expert ; they are frequently “ generalists ” who, because they spend too short a time on the job, lack the necessary qualifications and experience”.

9.17. The Fulton Committee has suggested that each major department should contain a management services unit with wider responsibilities and functions than are given to the Organisation and Methods Divisions to-day. In particular, they have suggested the following changes :—

“(a) Efficiency audits should be introduced involving all departments’ work at all levels. This should take place as part of a constant and phased review of the total operation of the Department. In particular, special attention should be paid to studies designed to improve organisational efficiency.

(b) The management services unit should be fully and clearly responsible for promoting throughout the department the use of the best management techniques.

(c) Organisation and Methods should be equipped to operate effectively at all levels in a department and not just at the middle and lower levels.

(d) The functions of Organisation and Methods staff inspection should be assimilated and combined in the same unit ; this would mount operations of varying scope and depth according to the nature of the problem”.



9.18. There appears to be considerable overstaffing in many of the Government Offices. No doubt, the high pressure of plan implementation, the need for controls arising from scarcity of resources and materials and the problems of food and unemployment necessitated feverish recruitment but no systematic attempt seems to have been made to study the work load in different offices. As a result, recruitment has gone all along in an *ad-hoc* way particularly in view of the unprecedented large allotment of plan and other funds. Standards of work have not been prescribed for many posts and where such standards have been prescribed, they are not scientifically evolved.

9.19. As observed earlier almost every Department appears to be proceeding on the assumption that not only the members of the staff in the Department have got adequate work but that they are actually over-worked. It is, therefore, necessary that standards of work should be prescribed after conducting time and motion studies for officials at each level in each Department. It is no doubt true that persons who are well above the average would be able to handle their work more quickly than others and those who are below average or are indolent would take much longer time to do so. If the standards of work are prescribed with reference to the very competent officials it might result in most of the staff in the Department having to work over-time every day to clear the work allotted to them and if the standard of work is prescribed with reference to the incompetent or indolent most of the staff would have inadequate work. These standards of work would, therefore, have to be prescribed on the basis of the work which an official of average ability, but duly qualified for the post which he holds, could handle and the staffing pattern would have to be evolved on this basis.

9.20. Once the standards of work have been laid down, it should be incumbent on the part of every official to attend to the work that is allotted to him. In practice, it happens that in the interest of work some portion of the work allotted to the incompetent or indolent is tagged on to the more competent or willing workers. This in effect would be placing a premium on incompetency or indolence. The proper course of action to take would be to see that every official attends to the work allotted to him and if he is incompetent, he would have to work overtime and discharge the duties allotted to him. If he is indolent he would naturally become a little more active and attend to the duties within the prescribed time as otherwise he would have to stay overtime and complete the work. Attending to the work allotted to an official involves both disposal and a right disposal. If the work of an official is to be judged by the mere disposal of work without reference to the quality, the quality is bound to suffer. It is, therefore, necessary that both while prescribing the standards of work and while judging the work of officials with reference to such standards, not only the quantity of work attended to but the manner in which it is attended to should be taken into consideration.

9.21. So far as the Secretariat is concerned, the existing Organisation and Methods Wing has made some study and it has stated in its report that each Case Worker in the Secretariat is expected to deal with about 8 receipts per day

on the average, the workload being at a slightly lower level in the special sections. The existing Organisation and Methods Wing also undertook a study of the working of the Office of the Deputy Commissioner, Bangalore, at the instance of the Commission as a sample study and it has observed that the average workload in the district office for every case worker per day comes to about 10 receipts. It might be possible to step up the rate of disposal by simplifying the mode of working, such as use of standard forms, use of printed reminder cards, printed acknowledgment cards, etc., which would reduce scriptory work considerably.

9.22. The Capital City of Bangalore presents special problems for the Office of the Deputy Commissioner because of certain special features such as the Races, Dasara Celebrations, Republic Day, Independence Day Celebrations, etc. Therefore, the work-load for the district office at Bangalore cannot be taken as the standard work-load for other district offices which would have no such special problems.

9.23. The Department of Administrative Reforms might, therefore, undertake time and motion study of groups of offices and fix the work-loads for different categories of staff. The workload to be fixed should be realistic and practicable and it should be based on actual tests.

9.24. The Department of Administrative Reforms should assess the excess or surplus in the existing staff in relation to the optimum standards of work and recommend the extent to which the administrative staff could be reduced to the requisite size consistent with efficiency and effectiveness. If the new department undertakes a systematic time and motion study in the several offices, it is expected that at least 20 per cent of the staff, if not more, would be found to be surplus to the actual requirements. In this view, the Organisation and Methods work of the new Department assumes considerable importance and this work should be undertaken in right earnest. The Department should prepare detailed lists of surplus posts and surplus staff in each department and office and send such lists to Government indicating the period over which the surplus category of posts could be eliminated and the procedure to be adopted to ensure that the personnel on the surplus lists are deployed in the vacancies which may arise in the reduced administrative set up over a specified period. On the basis of the reports of the Department of Administrative Reforms, Government may take immediate action and issue necessary instructions to the Heads of the Departments concerned.

9.25. The Commission has pointed out in Chapter 3, that about 30 to 35 per cent of the work that is being handled in the Secretariat need not be handled by it as the powers of disposing of such work have been delegated to the Heads of Departments or other subordinate authorities. This observation generally applies to the Heads of Departments and the senior officers in each department also, as there is a wide spread tendency to take on work which should rightly be done by the subordinate authorities either because the superior authority has no confidence in the integrity, honesty or impartiality of the subordinates or because he considers that he should know almost every detail of the business

transacted in the offices under his control. The extent to which unnecessary work is being done and the extent to which the staff in each office is really surplus to the requirements could be determined with greater precision only after time and motion studies are conducted.

9.26. It would be prudent not to increase the staff any further even when additional items of work are entrusted to any office or department, if such work merely results in a marginal increase in the quantum of work to be handled in such office or Department. The position would, of course, be different if an altogether new item of work which throws heavy responsibility or burden on the office at various levels were to be entrusted to it. In these cases, it is suggested that test studies may be conducted by the Administrative Reforms Department, norms of work determined and staff sanctioned with reference to such norms. The tendency on the part of departments to ask for staff without adequate justification or without detailed examination of the work involved requires to be severely checked and the first step in this direction would be for Government to refuse to sanction staff unless each proposal is properly supported by the details of the work already being handled by the staff of the Department, the additional quantum of work involved in the proposed additional functions and the increased staff that would consequently be required.

### **Conferences and Meetings**

9.27. Conferences and meetings have now-a-days become too many with the result that the conscientious officers do not get enough time to attend to their legitimate duties. Sometimes the reason for holding such conferences/meetings is a dis-inclination on the part of the officer to accept responsibility for the course of action which he wants to adopt. While many of the witnesses have stated that conferences and meetings are a waste of time and effort and produce no tangible results, some of them have expressed the view that a conference or a meeting is the best way to decide where issues are many, but that before such conferences are convened definite agenda should be prepared, the persons attending the conferences should come prepared with the subjects proposed for discussion and decisions should be taken and recorded at the conclusion of the conferences.

9.28. Discussions, meetings or conferences which are held at present may be classified as :

- (1) Intra-Departmental or Inter-Departmental Discussions ;
- (2) Meetings of Officers of different Departments ;
- (3) Conferences of officers of either the same Department or of different Departments.

9.29. So far as the Intra-Departmental discussions are concerned, it is not necessary to prepare any note for the agenda since all the concerned officers would have seen the papers in the original when they had passed through them. The officer who desires to initiate the discussion should note on the file itself the points for discussion so that the other officers who attend the conference are ready to participate actively in the discussion and be in a position to make some contribution to the deliberations.

9.30. In so far as inter-departmental meetings are concerned, no note for the agenda is necessary if all the officers concerned have seen the original papers. In those cases, however, in which it is not practicable to circulate the papers in the original, a detailed note will have to be prepared giving the background, the points which have arisen for consideration, the views of the Department or Departments which have already seen the papers and the points on which decisions are to be taken.

9.31. The same procedure regarding the preparation of the note for the agenda would apply in the case of meetings and conferences but with greater force.

9.32. In so far as the Intra-departmental discussions are concerned, it would be adequate if firm decisions are reached and the decisions are indicated in unambiguous terms to the officer who is handling the file so that he could record the result of the discussions on the relevant papers; the officer who took the meeting would then have to confirm in writing the minutes of the discussions so prepared.

9.33. Coming next to the question of Inter-Departmental discussions, the officer, who takes the meeting should dictate, before the meeting concludes, a summary of the discussions indicating faithfully the points of view expressed by each of the officers on the points at issue and the decision or decisions taken on each point. If any of the officers present at the meeting desires any modifications to be made, the modifications so proposed may also be taken into account before finalising the summary record. Once the summary record has been prepared on this basis, not only the officers attending the meeting but the departments which they represent should be bound by the decisions taken after the discussions. Each Department should, therefore, decide the level of the officer who should represent it at the meeting and brief him fully regarding the views of the Department; once an officer is deputed to attend the meeting with full instructions and authority, no further examination of the proposal at any other level need be made in the Department.

9.34. This procedure cannot in the very nature of things apply *mutatis mutandis* to the meetings and conferences which are attended by large number of officers. In these cases it may not be practicable to reduce to writing the gist of the discussions that have taken place at the meeting or the conference. In addition to the notes that might be taken down by the Stenographer, the senior most officer of each department attending the conference should prepare a note of the decisions taken on each of the points pertaining to his department and discussed at the meeting. A few hours of the last date of the meeting should be devoted to discussion of the decisions as noted and the same should be confirmed with or without modifications as the consensus of the meeting or conference might indicate. The Commission considers that such procedure would be effective and serve the object of the conference or meeting in full measure. The method of circulation after the conference and inviting suggestions within a short time after the conclusion of the conference will liquidate the purpose of the conference. It is common

experience that where decisions are not taken in the conference and the decision recording is postponed to a later date, each officer busies himself with his office work on his return and passes on the conference file to the next officer with or without remarks.

9.35. It may be added in this connection that on occasions, meetings, conferences or discussions are arranged at short notice and without indicating to the participants the full import of the points that are coming up for consideration. Such discussions or conferences will not really serve the purpose for which they have been called, as the officers concerned would not have enough time to make a detailed study of the problems on hand and take instructions from their superior officers where such instructions are required ; such conferences serve no purpose except that of wasting the time of high-ranking officers and involving the Government in avoidable heavy expenditure. It would, therefore, be advisable to avoid such meetings.

9.36. It also happens on occasions that such meetings, conferences or discussions are held to consider one or two subjects as and when the subjects come up for consideration. Decisions could be taken by circulation of the file amongst the senior officers concerned with the subject or subjects. It is not desirable to call such meetings or conferences unless a reasonable number of very important subjects involving questions of State-wide implications are tabled for discussion. This would save the State from wastage over unnecessary meetings and conferences and leave the officers ample and undisturbed time to attend to their own work. The Commission desires to draw the attention of Government that at present there are too many conferences and meetings with no proportionate benefit to the State ; meetings and conferences should be reduced to the minimum, and if and when they are called, they should be purposeful and the subjects discussed should be of very wide importance.

#### *Confirmation of temporary Government servants*

9.37. It has been represented to the Commission that in several cases there has been considerable delay in issuing orders of confirmation, that several Government servants have not been confirmed even though they have put in more than 15-18 years of service and that for want of confirmation, it has not been possible for them to get the advantage of facilities like House Building Advances, etc.

9.38. In the normal course, when there is a clear vacancy, a Government servant appointed against that post has to be confirmed, but it has apparently not been possible for Government to issue orders of confirmation in a large number of cases since 1956 mainly because—

- (a) a large number of posts are treated as temporary ; and
- (b) the inter-State seniority lists have not been finalised.

9.39. As regards the position of temporary posts, it may be safely assumed that nearly 40 per cent of the posts in all the Departments are temporary and they are continued from year to year ; some of the departments themselves are

temporary. Most of these temporary posts have been there for the past several years and they are likely to continue for some years more. Even excluding from computation purely temporary posts which are created for short periods and for particular jobs, there should not be any difficulty in making at least 50 per cent of such temporary posts permanent so that these posts could be available for confirming temporary Government servants. It may not be possible to issue orders of confirmation until the inter-State seniority lists of each of the departments are finalised but for the purpose of considering claims for certain benefits of the type mentioned above, it may not be difficult to issue general orders that at least 50 per cent of the temporary posts may be treated as permanent.

9.40. Although nearly 12 years have passed since the States' Re-organisation, it has not been possible for the State Government and the Central Government to finalise the Inter-State seniority lists in respect of certain departments. It is understood that Inter-State seniority lists have been finalised in respect of Gazetted and non-Gazetted officers to the extent indicated below :—

	<i>No. of Officers</i>	<i>I.S.S. lists finalised in respect of</i>
(1) Gazetted ..	2,858	2,032
(2) Non-Gazetted	36,188	21,349

The delay in the finalisation of all the lists appears to be due not only to the complicated nature of the work but also due to the fact that Government have to examine in each case the extent to which the action that they propose to take in respect of any cadre in any Department is affected by the several judicial pronouncements on the subject. The Commission hopes that the Government could take expeditious steps to finalise all the Inter-State seniority lists by the end of the current official year.

9.41. So far as the difficulties experienced by the temporary Government servants are concerned, it may not be correct to say that facilities like Government loans, advances, etc., are denied to them merely on the ground that they are not confirmed. According to the orders of Government, a temporary Government servant, if he has put in more than three years of service, is to be treated as quasi-permanent and on this basis all the facilities meant for permanent employees are extended to such temporary Government servants also. As regards the pensionary benefits for the Government servants who are not confirmed, the question has been examined in Chapter 8 and recommendations have been made to ensure that Government servants who have not been confirmed are not denied the benefits which a confirmed Government servant normally enjoys. A Government servant is not, therefore, put to any hardship as a result of the unavoidable delay in issuing orders of confirmation.

9.42. It is conceded that such "temporary" employees will not have the psychological satisfaction that they are regular Government servants. Government service attracts good candidates mainly because of the sense of security which Government service engenders. Once a person joins Government

service he expects that he would be confirmed within one or two years and would continue as a permanent Government servant till he retires. While Government may ensure that no discrimination is made in regard to pension, gratuity, etc., payable to temporary and permanent employees, they may also make concerted efforts to see that the Inter-State Seniority lists are finalised by April 1969 at the latest. One post of Deputy Secretary in the General Administration Department has been created exclusively for attending to matters pertaining to Inter-State Seniority lists. The Government should take such steps as are suggested in the judgments of the High Court for expediting the finalisation of the Inter-State Seniority lists.

9.43. As soon as the position is stabilized by the final settlement of the inter-State Seniority of officials, Government and the Heads of Departments should review the position in regard to confirmation of temporary employees at least once in 6 months and ensure that Government servants who are treated as temporary are confirmed without undue delay as and when clear vacancies occur.

#### *Incharge Arrangements*

9.44. Allied to the question of confirming Government servants is the other question of "incharge" arrangements. It has been brought to the notice of the Commission that several Government servants are placed in charge of higher posts for months and in some cases even for over a year. In the normal course, immediately a vacancy in a higher cadre occurs the next person according to the final or the provisional seniority list has got to be promoted. Placing an employee incharge of a higher post for long periods creates uncertainty in the minds of the Government servants and is not conducive to administrative efficiency. Unless a vacancy is of the duration of less than a month, the Commission recommends that in charge arrangements should be avoided. Government may, therefore, take steps to discontinue the practice of making incharge arrangements and ensure that regular promotions are made against vacancies in higher cadres

#### *Proper Utilisation of Services of Trained Personnel*

9.45. The need for providing training facilities has been dealt with in Chapter 8. The Commission would like to emphasise that once a Government Servant is given training in a particular field of activity, the knowledge and experience gained by him through training should be put to proper use. Several Government Servants are deputed now and then for training outside the State and even outside the Country in specialised subjects under the various schemes. The Commission has, however, noticed that in a few cases the Government servants have been given assignments in which they cannot utilise the specialised knowledge acquired by them either at Government expense or under some scheme; this would only result in waste of talent. Before sending a Government Servant for training, the sponsoring authority should prepare in advance the career plan of the officer concerned and ensure that the officer has sufficient grounding in or

special aptitude for the subject so that on his return from training, he could be posted to a job where the specialised knowledge or skill acquired by him would be fully utilised and that he would even on promotion to the next higher cadre be given a post in which he could continue to make use of his specialised knowledge. Government may obtain such utilisation reports on the trained personnel regularly once in 6 months at least and make sure that the specialised knowledge or skill of the trained personnel is made use of for the benefit of the administration.

#### *Re-employment of Government Servants*

9.46. It has been represented to the Commission that Government have been giving extension of service or re-employment to several officers with the result that the inservice men have lost their promotional opportunities. In view of this representation, statistics relating to the number of posts filled by officers to whom extension of service or re-employment was given during the last five years in the various categories were collected. It is seen from the statistics obtained by the Commission that the percentage of re-employed officers against Class I posts comes to 7.5 per cent while the percentage of re-employed officers against class II posts comes to 5.4 per cent.

9.47. In 1962 Government re-considered the policy regarding grant of extension of service to Government Officers and also of re-employment of retired Government servants and they then decided that in future, extension of service or re-employment of retired officers should be confined only to Government servants belonging to technical Departments where special difficulty was experienced in getting qualified persons to fill particular posts. The decision of Government was communicated to all the Secretaries to Government and the Heads of Departments. It was also then made clear that cases need go up to Government only where special difficulty was experienced in getting qualified persons for filling up a post, with full particulars regarding the attempts made to fill that post and that other proposals for extension of service or re-employment would not be considered.

9.48. In spite of clear instructions issued in 1962 retired officers were re-employed in several departments including the Secretariat. Talatis, I Grade Revenue Inspectors, Watch and Ward staff, stock-men and even office peons were re-employed for certain periods after retirement. Having regard to the un-employment problem facing the educated youth, the matter was again considered by Government in December 1967 and they directed that as a matter of policy, re-employment of retired Government servants after superannuation should be rarely resorted to and that in every such case justifying re-employment the matter should be brought before the Cabinet for a decision.

9.49. Even after issue of all these instructions, retired persons are being re-employed. Recently in June 1968 Government have issued instructions to all the Secretaries to Government that they should bear the following observations of the Chief Minister in mind while dealing with cases of re-employment :

“ It is very strange that every officer is found indispensable just at the time of superannuation or towards the end of his period of service



and there are none sufficiently trained to succeed him. All work including the very ordinary type of routine work becomes specialised work and there is none to take up except the retiring officer. I think this is mainly due to the efforts of the retiring officer to get into the good books of the superior officer or officers and some times of the Ministers. I am definitely of the view that on no account should this be done. We may stop it once and for all. Nothing is going to happen. Heavens certainly do not fall.

What I have said above applies to extension of services and re-employment, etc."

During all these years certain retired officers have been given re-employment and as could be judged from the observations made in the preceding paragraphs, not always on grounds of specialised or technical work done by the officer or his exceptional ability. Various other factors appear to have influenced the decision to re-employ officers in particular cases. It would therefore be difficult to meet the criticism that grant of extension of service or re-employment is a matter of patronage. In this state of affairs, an officer who is to retire shortly is bound to look to his superior officer and the Ministers concerned for re-employment and many a time he is tempted to go out of the way to please the authorities who are in a position to recommend and/or grant him such re-employment. This is certainly not conducive to efficient administration.

9.50. In view of the acute un-employment problem facing the educated youth and in order to ensure that promotional opportunities are not denied to the inservice men, the Commission recommends that action may be taken to give full effect to the observations of the Chief Minister which enunciate the correct policy and extension of service or re-employment beyond the age of superannuation, should be refused in all cases.

9.51. Even if re-employment or grant of extension is refused in any particular case, the principle underlying the restriction could still be nullified if a retired officer is appointed on contract. Even in such cases, promotional opportunities would be denied to the officers in the lower cadre and the problems created by grant of extension of service or re-employment of retired officers would still face the administration. An exception may be made in cases when competent substitutes are not immediately available to replace retiring officers with technical qualifications and such officers on retirement, may be employed purely on a contract basis for not more than 3 years.

9.52. When an Officer is re-employed on this basis, he should be given the salary last drawn minus the pension admissible to him. It has been brought to the notice of the Commission that in certain cases the re-employed officer is given the salary last drawn plus his pension. The principle underlying Rule 313(b) of the Mysore Civil Services Rules should be followed strictly and no exception should be made to this rule.

*Watch and Ward for Government Offices*

9.53. It has been brought to the notice of the Commission that in some Departments, the subordinate officers are located either in the Taluk Office or in different premises according to availability of accommodation, in the mofussil. While it is necessary to sanction separate posts of watchmen for the subordinate offices which are not located in the premises of the Taluk Office, it was suggested that in respect of offices which are located in the premises of the Taluk Office, the Police who guard the Treasury may also guard such offices as are located in the same building. The Police Department, has not agreed to this proposal on the ground that it is not practicable for the Treasury Guards to watch the other offices located in the same building.

9.54. There are several cases in which 2-3 offices are housed in the same building. A large number of offices have been located for example in the Multi-storeyed Building in Bangalore and it is understood that each office has its own Watchman. The proper course would be to entrust the responsibility of maintaining Watch and Ward, to the head of the office which has the largest staff and which has occupied the greater portion of the building. The head of such office should arrange for the Watch and Ward in respect of all the offices located in the same building. So far as the offices which are located in the Taluk Office premises are concerned, the Watchman appointed to guard the Taluk Offices should also be made responsible for guarding the other offices located in the same building. No additional allowance need be paid to the Watchman for this work. Such arrangements for Watch and Ward might be made where 2-3 offices or more are located in the same building.

*Maintenance of Duplicate Service Registers*

9.55. The Resources and Economy Committee had recommended that arrangements should be made for maintenance of duplicate service registers by Government servants. The maintenance of duplicate Service Registers is necessary both in the interest of the Government Servants as well as of Government as the Duplicate Register would be of real value in case the Original Service Register is lost. Another advantage is that once the Duplicate Service Register is duly certified by the authority concerned, it would not be possible to tamper with the entries in the original by a person who has access to it unless he could get at both the original and the Duplicate. After considering the recommendation of the Resources and Economy Committee, Government issued orders in O.M. No. GAD 79 OOM 63, dated 10th June 1963 that duplicate Service Registers may be maintained by Government Servants provided that the entries therein are got attested by the Officers in charge. It is left to the Government Servant to maintain duplicate Service Register and maintenance of such Service Register is not compulsory.

9.56. Subsequently it was found that the work involved in copying out all the entries in the duplicate Register, checking the entries and attesting them, etc., was voluminous. Government then decided to levy a fee of Rs. 5 for the

supply of the duplicate Service Register (*vide* O.M. No. GAD 111 OOM 63, dated 19th August 1963 and No. GAD 111 OOM 63, dated 28th October 1963).

9.57. It has been observed that in some pension cases there is considerable delay in sanctioning pensions particularly because the original Service Register is misplaced or is not readily available. In such cases maintenance of duplicate Service Register would be of considerable help. Even in cases where leave has to be granted, the duplicate Service Register would expedite the disposal of the matter. It would, therefore be necessary to insist on the maintenance of duplicate Service Registers. In this view, it may be helpful to dispense with the levy of any fee for this purpose, although the Service rendered in copying out entries in the Duplicate Registers, attesting them, etc., might involve some expenditure on the part of Government.

9.58. The Commission, therefore recommends that duplicate Service Registers may be given to all the employees without levying any fee and the entries therein got verified and attested at the end of each Calendar year. Every official should be held responsible for seeing that the entries in his Register are kept up-to-date.

#### *Administrative Tribunal*

9.59. Several witnesses have expressed their views on whether it would be necessary or desirable to provide for Judicial determination of the correctness of disciplinary orders by an Administrative Tribunal but the views are sharply divided. The main points in favour of providing for a judicial determination by an Administrative Tribunal are :

(1) the existence of an Administrative Tribunal will give a sense of security to the staff ;

(2) the Tribunal would appreciate evidence properly and award right and just punishments ;

(3) an Administrative Tribunal headed by a Judge would be in the interest of Government as well as of employees ; and

(4) such a Tribunal would check the excesses of Departmental Officers and assure judicial determination.

9.60. The main argument against the setting up of such a Tribunal is that it might foster the spirit of challenge and affect the loyalty of Government servants to their immediate superiors and to the Department in which they are serving. It is also stated that judicial determination of the correctness of the disciplinary orders passed by Administrative officers is detrimental to smooth functioning of the administration ; that the present laws provide adequate safeguards to protect officials who are wrongly punished ; that Administrative Tribunals are not necessary in this country since fundamental rights of the citizen are guaranteed under the Constitution and Government servants even now approach the High Court and in some cases the Supreme Court where orders passed in disciplinary proceedings are alleged to violate Article 311 or the procedure prescribed under the law.

9.61. The Commission understands that except in the States of Andhra Pradesh and Orissa, no other State has constituted such Tribunals.

9.62. In order to assess the strength of the demand for establishment of an Administrative Tribunal, the Commission has collected the particulars of Writ Petitions relating to departmental enquiries filed before the High Court of Mysore during the years 1962-1967 which are as follows :—

1962 :	Allowed	..	41
	Dismissed	..	66
	Heard-rejected	..	38
	Total	..	<u>145</u>
1963 :	Allowed	..	22
	Dismissed	..	52
	Heard-rejected	..	6
	Abated	..	1
	Total	..	<u>81</u>
1964 :	Allowed	..	13
	Dismissed	..	40
	Total	..	<u>53</u>
1965 :	Allowed	..	10
	Dismissed	..	25
	Compromised	..	1
	Heard-rejected	..	1
	Total	..	<u>37</u>
1966 :	Allowed	..	6
	Dismissed	..	19
	Withdrawn	..	9
	Heard-rejected	..	6
	Orders in terms of Memo		3
	Pending	..	28
	Total	..	<u>71</u>
1967 :	Allowed	..	2
	Dismissed	..	15
	Withdrawn	..	9
	Rejected	..	2
	Pending	..	31
	Total		<u>59</u>

These figures disclose that the number of Writ Petitions relating to departmental enquiries filed in the High Court is small and the number of Writs

allowed is much smaller. It is also necessary to note that the number of Writ Petitions allowed has dwindled down from 41 in 1962 gradually to 2 in 1967. If an Administrative Tribunal were to be constituted for looking into matters relating to disciplinary proceedings, it would have to be the highest tribunal with the final powers of disposal and no appeal or revision should lie against the orders passed by it, as otherwise, such a disciplinary Administrative Tribunal will not infuse a sense of confidence in the minds of the employees of Government that their cases will be examined impartially. If the powers of the Governor and the powers of Government are interfered with Government may not be able to exercise proper disciplinary control over the employees. Such an administrative tribunal could, therefore, be given powers only to hear appeals against the orders passed by Heads of Departments exercising original jurisdiction or appellate jurisdiction. Orders passed by the Tribunal even in such cases would still be subject to revision by the Governor and a judicial review by the High Court, if approached, under Article 226. Judged by the number of Writ Petitions allowed by the High Court against the orders passed in disciplinary proceedings, there is no case whatsoever for establishment of an Administrative Tribunal. It can be inferred from the figures given above that in most of the cases, the correct procedure is being followed. In order, however, to guard against procedural defects, a Digest of the decisions of the High Court and the Supreme Court in respect of all administrative matters including service matters has been prepared for the period from 1962 up to the end of 31-12-1967, and the Commission trusts that Government would make arrangements to ensure that this Digest is maintained up-to-date. Copies of the Digest should be supplied to all the Administrative officers for their guidance and this might in a large measure meet the difficulties experienced by them in regard to the procedure to be followed in all cases including disciplinary cases.

9.63. Taking all these points into consideration, the Commission considers that there is no justification for creation of an Administrative Tribunal.

#### *Class IV Institutions.*

9.64. One of the wasteful features of the administration is the practice of employing peons in Government Offices. In the United States of America and the United Kingdom there is nothing like the scheme of peons as we have in our country. In the Vidhana Soudha itself, there are nearly 630 Class IV employees. In Government Order No. FD 124 SRP (2) 62 dated 29th May 1963, Government have prescribed the following scale of Class IV servants in Government Offices :

- |   |    |         |
|---|----|---------|
| 1. For Offices employing 5 or less than 5 Clerks                  | .. | 1 Peon  |
| 2. For Offices employing more than 5 but not more than 10 Clerks. |    | 2 Peons |
| 3. For Offices employing more than 10 Clerks :                    |    |         |
| (i) First 10 Clerks   | .. | 2 Peons |
| (ii) For every additional 10 Clerks                               | .. | 1 Peon  |

The strength of the Class IV cadre could be reduced considerably if amenities such as telephones, PBX, Telex, franking machines, etc., are provided. Such mechanical aids could replace to some extent atleast the human element involved in some of the conventional items of work such as carrying messages, etc. It is suggested that these facilities may be provided atleast in the Secretariat and in the Offices of the Heads of Departments including Deputy Commissioners of Districts, as early as possible, according to a phased programme. It may be difficult to provide some of the facilities in the mofussil or for the smaller offices. In such cases, the number of Class IV officers cannot perhaps be reduced to any appreciable extent.

9.65. The work that is being done by the officials of this Class now and after the facilities as suggested are provided, may be assessed by the Organisation and Methods Wing of the Department of Administrative Reforms and the new scale prescribed. Pending such examination the strength of Class IV staff could be re-fixed at the following scale :

For Offices employing 8 Clerks or less	..	1 Peon
For Offices employing more than 8 and less than 16 Clerks		2 Peons
For Offices employing more than 16 Clerks:		
First 16 Clerks	..	2 Peons
Every additional 12 Clerks	..	1 Peon

The Government Order dated 29th May 1963 may therefore be suitably amended so as to provide for the appointment of peons at the reduced scale.

9.66. The Commission has already recommended in Chapter 4 that such of the Class IV employees who have passed the S.S.L.C. Examination may be promoted as II Division Clerks. Vacancies which may arise in the Class IV cadre either by such promotion or otherwise need not be filled as far as possible and the posts might be abolished as and when vacancies occur. The Commission therefore recommends that steps might be taken to reduce the strength of Class IV employees in all administrative offices on the lines indicated above by stages.

#### *Identity Cards.*

9.67. The issue of Identity Cards to Government employees is now restricted only to those employees who are working in the Vidhana Soudha. This system was introduced when the emergency was declared in 1962 as a "security measure". The issue of Identity Cards could be extended to all the Offices with considerable advantage. An employee who desires to avail himself of the medical facilities provided by Government has now to obtain a Certificate from his superior officer that he is a Government servant. He could establish his identity with the help of the Identity Card. Similarly while taking passes for bus transport as recommended by the Commission in Chapter 6, the Identity Cards would be useful to the employees. The Commission, therefore, considers that it would be of great help to the employees if identity cards with the photographs of the employees attached thereto are given to them in all the offices. The employee

himself would have to affix the photograph at his own cost. Government, may, therefore, make arrangements for supply of such identity cards to all the employees in all Government Offices in the State.

*Maintenance of Motor Transport.*

9.68. Most of the Departments of Government have a large number of motor vehicles at their disposal but adequate arrangements have not been made for their maintenance in good condition. Some of the Departments like the Department of Fire Force represented to the Commission that it had not been possible to attend to the maintenance of all the vehicles under its control, as it had not got a properly equipped workshop of its own and as the Mysore State Transport Corporation which was consulted in the matter, had stated that it was not possible for the Corporation to give priority to the vehicles of that Department. It was, therefore, suggested that a full-fledged Workshop might be sanctioned for this Department in order to ensure that all the vehicles were kept in perfect condition at all times. Similar is the case with the vehicles of other Departments as well. Whenever any vehicles goes out of order, it has to be sent to a recognised Workshop according to the present arrangements. While this arrangement entails heavy expenditure, it does not at the same time ensure regular maintenance of Government vehicles. The Commission, therefore, considers that it would be desirable to establish 'maintenance workshops' in each of the four regions in Bangalore, Mysore, Hubli-Dharwar and Gulbarga for attending to the major repairs of Government vehicles in each region. "Service Stations" may also be opened at each District Headquarters for attending to the servicing and minor repairs of all Government vehicles. The vehicles, which require repairs could be sent either to the Service Station at the District Headquarters or the maintenance workshop at the Regional Centre according to the nature of the repairs needed and the services available and it is expected that such an arrangement would reduce the overall expenditure incurred by Government at present on the maintenance of Government vehicles.

9.69. Another allied point which has to be considered in this context is about the proper use of Government vehicles. It has been brought to the notice of the Commission that in some cases Government vehicles are put to private use as well, even though they are intended only for Government work. Most of the Development Departments have each a fleet of Government vehicles under their control and they are used by the officers of the respective departments. Sometimes the officers of one department may not go on tour or use the vehicles while at the same time the officers of another department may require additional vehicles for the time being. In order to ensure that all Government vehicles are put to official use only most economically and in a really business-like manner, and that they are really made available to the officers of all the Departments in times of need, it would be convenient if all the Government vehicles in the District are placed in a 'pool' under the control of the Deputy Commissioner. Officers who require the use of Government Vehicles for undertaking intensive tours could indent on the common 'pool' or the 'Transport Unit' and obtain

the vehicle in consultation with the Deputy Commissioner. In Bangalore City there are a large number of Government vehicles in charge of several departments ; such a common pool could, with great advantage, be formed in Bangalore City also. The vehicles of all the departments in Bangalore City could be pooled together and placed under the control of the officer in charge of the Regional Workshop at Bangalore. Even after forming such a transport unit, if a vehicle has to be allotted to any particular officer exclusively for his official use, the specific orders of Government should be obtained as such an arrangement would be a departure from the principle enunciated above.

9.70. It has been brought to the notice of the Commission that some of the officers who are given Government vehicles for official work make free use of them for personal journeys as well, and for journeys between residence and the place of work. In the Industries Department, officers of certain category are permitted to use Government vehicles both for official and private journeys and for this purpose they are required under Government Order No. C1. 48-GJC-66, dated 13th December 1967 to pay Rs. 150 per month for big cars (above 16 Horse Power) and Rs. 100 per month for small cars (up to 16 Horse Power). The concession given to the officers of the Industries Department as per this Government Order can be extended to other Departments also so that there may be no objection to their using these vehicles for private purposes. These concessions would no doubt apply to only those few officers who might be permitted to have Government vehicles exclusively for their use.

9.71. Government may, however, impress on all the Heads of Departments and other Officers that they should use Government vehicles only for official journeys and that failure to do so would entail disciplinary action.

#### *Transfer of Government Servants.*

9.72. Transfer is a management device for achieving several purposes, some of them being :

- (i) Imparting versatility in experience to Government Servants ;
- (ii) Utilising in some cases very specialised knowledge and experience of problems of particular areas and fields ;
- (iii) Bringing about a freshness in their outlook and approach to their tasks by change of the surroundings ; and
- (iv) Shifting persons from jobs for which they may not have aptitude to those for which they may be considered suitable ;

Periodical transfers of certain categories of Government servants are also made, lest they entrench themselves in particular areas or jobs, or develop personal relationships and cultivate undue contacts which may affect adversely their impartial functioning or may not be conducive to public good. Such cases are generally found in Departments like Police, Revenue, Food Supplies, Excise, etc. These transfers should continue to be made according to the accepted principles



9.73. Transfer creates certain problems. In the first place it dislocates Government work initially because the new incumbent takes some time to settle down to his new job ; secondly in view of the housing shortage and difficulties in the way of education of the children, Government servants are in many cases put to lot of hardship. In order to minimise the difficulty caused by transfers in educating the children of Government servants, the Commission has recommended in Chapter 7 that there should be uniform curricula at least up to undergraduate level and that the children of Government servants who are transferred should be admitted to Schools and Colleges without raising any difficulty whatsoever.

9.74. Transfer should not be regarded as a possible way of punishing Government servants for lapses on their part, as such a measure would only amount to shifting a bad element from one place to another and it may have no corrective effect. It is a recognised fact that a transfer is not a punishment as it does not find mention as such in any of the rules of discipline concerning Government servants. It is only an administrative act. While administrative requirements are supreme, it is necessary to ensure that such requirements take into account the personal circumstances of the transferees. In consideration of the facts that officers under orders of transfer may like to proceed on leave before rejoining duty at the station to which they are posted and that officers might be reluctant to go on leave at periodical intervals apprehending premature transfers, the Commission has considered it appropriate to deal with these two questions together and has made its recommendations on this aspect of the question in Chapter 8.

#### *Career Planning.*

9.75. The Fulton Committee has made the following observations on Career Management :

“ During the early years of a man’s career we expect him to remain within the specialism or group for which he is trained. This does not mean that he must stay in one job in one department ; he should move between jobs and perhaps between departments but usually within the area of his specialism. As far as the administrator is concerned, he should move at much less frequent intervals than he does now. While there will be a great variety of individual career patterns, the basic principle of career management should be a progressive development within a specialism and between fields of activity that are related to each other. While the needs of the service must come first in this, nevertheless the personal interests and wishes of the individual should be taken into account more positively than appears to be the usual practice at present. This increased attention to personnel management and individual career planning should apply to specialist no less than to administrative staff ; in our view much too little of the limited effort that has been put into personnel management in the past has been devoted to the specialists. This

will clearly place much greater demands on the personnel and organisation branches of departments, which will need to be expanded to meet them."

9.76. Career Planning has to be devised by the appointing authority in consultation with the head of the department concerned for each post. For example an officer selected as a Probationary Tahsildar is given training in several branches according to the present syllabus. The syllabus has to be revised taking into consideration the functions and nature of duties of the various posts to which he is likely to be posted and is expected to discharge during the period he works as a Tahsildar and on promotion as Assistant Commissioner. In respect of Departments having provision for promotion from Class III Cadre to Class II Cadre, career planning has to be properly devised so that even when the official is working in the Class III Cadre itself, he would be appointed to posts which would give him training in the discharge of functions and duties of the Class II posts. This could be achieved by posting the personnel from clerical to executive lines and *vice versa*. There is a provision for promotion of executive and ministerial officials of Class III Cadre to Class II Cadre in the Survey, Settlement and Land Records Department. In actual practice, executive officials promoted to Class II Cadre might be found lacking in the experience of ministerial work and the ministerial officials promoted to Class II Cadre might lack in the experience of executive work. Inter changeability from executive to ministerial and *vice versa* might be provided for wherever necessary, in order to ensure that the officer in one line when promoted to a post in the other may be able to discharge the functions on his promotion effectively.

9.77. Some witnesses who appeared before the Commission expressed the opinion that comparatively junior officers should not be posted as Deputy Commissioners and that some of the younger Deputy Commissioners had yet to attain maturity in administrative experience. The Commission has observed that by and large the Deputy Commissioners in the State have been doing quite well ; yet there seem to have been occasions when some of them have failed to exhibit high standards of personal leadership expected of an Officer holding charge of a District. Age is not the deciding factor for official life. In official life, one finds young men who are 'mature' and older persons who are 'immature'. The Commission, considers that what is important is experience and that a Deputy Commissioner should be a person who has put in sufficient years of service and gathered a fund of experience which will enable him to play the varied roles expected of him.

9.78. It has been represented to the Commission that it would be desirable to post officers of the Indian Administrative Service to the Districts after they have put in about 10 years of service, so that they would be able to function effectively as the leaders of the District teams of Development and other Officers. Government have undertaken numerous schemes of development pertaining to different departments of Public Service and utility like Agriculture, Animal Husbandry, Co-operation, Public Health, etc. Besides, there are urgent measures,

both short-term and long-term, to meet the challenges of drought and scarcity. Leadership to co-ordinate all efforts at the district level is essential if the schemes are to be worked out expeditiously and with effective benefits to the poor. The Commission, therefore, recommends that officers with drive, experience and maturity of understanding should be selected from amongst senior officers and posted to Districts where important and big schemes have been undertaken. Such a course will ensure efficiency of work and eliminate the need for constant supervision and guidance from the top. They would be able to shoulder heavy responsibility and take quick decisions in the execution of works. It is as much in the interest of the officers as in the interest of the administration that officers should be given adequate opportunity of working in several Departments of Government before they are expected to discharge duties attached to administrative heads of districts. Normally every recruit to the Indian Administrative Service gets his promotion to the senior time scale within about 4 to 5 years after joining service and in some cases a little earlier. Their promotions need not be withheld or delayed; the promotions should be ordered in accordance with the present rules and systems governing the promotional prospects of these officers. It would be desirable to keep an officer in charge of only one sub-division from the time he completes the period of probation till he gets his promotion; on promotion he may be posted to the Secretariat as Deputy Secretary to work under a Senior Secretary for a period of about 2 or 3 years; he may then be attached to the Finance and Planning Departments in the capacity of a Deputy Secretary (if necessary by creating supernumerary posts if regular posts are not available) for a period of one year and then posted as Deputy to the Head of a Major Department for a further period of two years. The posting to the Secretariat and to the office of the Head of the Department cannot always be made in that order for want of vacancies but may have to be suitably adjusted. The only point is that every officer should put in about 3 years in the Secretariat and about 3 years in the field before he is considered for the charge of a District. It would also be necessary and desirable to see that as far as possible each officer works in the Secretariat Department and in the Field Department which are related to each other in their work, so that he could develop at least up to a point expertise in a particular discipline. All these postings may be treated in effect as 'on the job training' to enable the officers to function effectively in the District and later at the higher levels in the Administrative set-up. By the time these items of 'on the job training' are completed the officer would have put in about 10 years of service and he could then be posted to a District. In the normal course an officer may be posted to one or two districts and then sent on deputation to the Government of India. By the time he completes the period of deputation he would have become sufficiently senior to be appointed as the Joint Secretary/Secretary or the Head of a Major Department. In giving him the posting, the Department or Departments in which he had earlier worked as Deputy Secretary or Deputy to the Head of the Department should be taken into consideration and as far as possible he must be placed in charge of the Department with which he was associated earlier in his career.

9.79. These suggestions in respect of the Indian Administrative Service are purely illustrative. The same principles may be followed with suitable modifications in respect of the Mysore Administrative Service also. In the very nature of the service the period to be spent in the sub-division, in the Secretariat and in the Field Departments may have to be correspondingly longer than has been indicated in respect of the officers of the Indian Administrative Service.

9.80. The careers of officers of other Departments and of the officers at the lower levels of the Administrative service would also have to be worked out more or less on this basis with a view to ensure that they would be really effective when they are called upon to hold the higher posts in their respective departments.

*Direct Recruitment against permanent vacancies*

9.81. It was represented to the Commission that at present temporary posts are also filled by direct recruitment to the extent of the direct recruitment quota, that even when some of the temporary posts are abolished the persons directly recruited against such temporary posts are retained and counted against permanent promotional vacancies reducing the promotional opportunities available to the staff at the lower levels; it was further requested that direct recruitment should be restricted to permanent vacancies only. If direct recruits are appointed against temporary posts and the temporary posts are discontinued, the services of the persons appointed against such posts would have to be dispensed with according to the quota reserved under the recruitment rules. To avoid such situations, it is advisable that no direct recruitments are made against purely temporary posts. It is essential that in filling up permanent vacancies, the ratio between the promotees and the direct recruits as prescribed by the relevant rules must be maintained. If temporary vacancies are likely to continue long or be made permanent within a reasonable time, then only direct recruitment should be thought of. The Commission has recommended in Para 39 that at least 50 per cent of the temporary posts may be made permanent. In this view there should not be any objection to restricting the direct recruitment quota provided in the Cadre and Recruitment Rules of the respective Departments to permanent posts only. A suitable provision may be made in the General Recruitment Rules to this effect. Direct recruits could then be appointed only against the direct recruitment quota of permanent vacancies.

*Confidential Reports*

9.82. One of the methods usually followed in making promotions is assessing suitability of the Government servant concerned on the basis of his past performance. The vital importance of Confidential Reports both to Government servants and the administration does not require much elaboration. Confidential reports should be of value in personnel administration in many ways, for instance as indicating the suitability or unsuitability of a Government servant for a particular appointment, further training or education or for diversification of experience. Selection of persons for promotion on the basis of merit requires

an assessment of the performance of the employees in their assignments and has to be done meticulously to maintain the confidence of the employees in the fairness of the assessment. Confidential Reports are written up for each employee by his immediate superior and countersigned by the authority immediately superior to the reporting officer. The performance report is designed for providing information about the employee's qualifications, ability, performance, integrity, capacity for leadership, judgment, initiative, resourcefulness and co-operation. The form of Confidential Reports prescribed by Government contains several items which are intended to give a full picture of the employees' performance, ability, integrity, etc. The selecting authorities have been permitted to examine these confidential records and prepare the selection lists. Dissatisfaction in regard to the way these reports are written is universal. While there is general agreement that these reports cannot altogether be dispensed with, there is dissatisfaction in some quarters regarding the present methods of writing these reports. The Second Central Pay Commission made the following observations :—

“ Criticisms of the annual confidential reports run on the following lines. They are generally not an objective assessment based on careful observation, but reflect the personal prejudices and predilections of the reporting officers ; that even when a report is not vitiated by such feelings, it is apt to be too vague, cryptic or non-committal to do justice to the employees reported upon ; and that the reporting officers differ widely in their standards of judgment, some being far more exacting or generous than others—with the result that when a common grading is made, it does not correspond to the relative abilities and performance of the Government Servants concerned. There is a further criticism that though the orders of Government are that an adverse report should be communicated to the employees concerned, this is not always done or done promptly enough to enable the employee to make a representation before occasion arises for his being considered for promotion. Representations, it is added, are also not often properly considered, and thus the chances of an employee having an unmerited adverse remarks expunged are, in practice, small. ”

9.83. These remarks apply with equal force to the “ Confidential Report ” made by officers in this State also.

9.84. Government have issued instructions in regard to the manner of writing these reports. The need for making these reports objective and fair has been recognised, but the reports continue to be written in a sketchy way and are not of much help in judging the comparative merits of Government servants. Some Officers do not make a really objective and honest assessment for fear of offending the officers reported upon while some others are not able to get over their personal bias occasioned by subjective feelings. Many reporting officers just make formal non-committal entries in the Confidential Reports which do not give any clear indication of the qualities of the officer reported upon.

9.85. The question whether the existing Confidential Reports meet the requirements of Government and whether they provide fair and objective assessment to ensure that promotions are not given as a matter of routine but are

confined only to those officers who have worked efficiently and honestly was considered at the Conference of Heads of Departments convened by the Chief Minister in July 1968. The Working Group constituted by the Conference was of the opinion that the form of confidential report, so far as non-gazetted officers were concerned was adequate for the purpose, but that with regard to Gazetted Officers, the Confidential Reports should be in two parts; the first part should form a detailed questionnaire of the different items of work that an officer is required to handle while the second part should give a general assessment of his work. The working group has observed that so far as the detailed questionnaire is concerned it would be necessary for the head of each Department to prepare a separate questionnaire detailing the duties which the officer is required to perform such as touring, inspection, collection of dues, etc., where applicable so that on the basis of facts and figures stated, an objective assessment of the officer's performance can be reasonably arrived at.

9.86. Several Officers who appeared before the Commission have made suggestions for improving the system of writing Confidential Reports. One of the suggestions is that the form of Confidential Reports might be in four parts in respect of Gazetted officers, namely,—

First Part may contain the statistics of the work done by the officer and may be filled up by the officer himself;

Second Part may contain an account of the development work turned out by the officer and may be filled up only in the case of officers of the development departments, by the Deputy Commissioner, if the officers are working in the District;

Third Part may contain the assessment by the official superior of the officer concerned and cover the special field of activity relating to the department; and

Fourth Part may contain the personal assessment of the official superior of the officer concerned.

9.87. The Commission considers that the suggestion may be usefully adopted so that Forms for Confidential Reports might be split up into four parts as indicated above. It follows from this that each department should devise standard forms so as to include in Parts II and IV questions like those indicated in the forms appended to this Chapter. Parts I and III will have to be drawn up separately to cover the needs and requirements of each Department. Some of the Heads of Departments have indicated the items which could be included in these parts so far as their departments are concerned. Government may consult the Heads of Departments and draw up Parts I and III in respect of each department.

9.88. As a first step reports in this form may be prescribed for officers of the Mysore Administrative Service Class I, officers of the All India Services and officers corresponding to Executive Engineers, Deputy Registrars of Co-operative

Societies, Deputy Directors of Agriculture, Deputy Directors of Public Instruction, etc., in the various departments. Maintenance of reports in this form would ensure that a complete record of the officer's work is available when his fitness for promotion to a higher post has to be considered.

9.89. After gaining some experience of this new system of writing Confidential Reports, say for about two years, Government may extend this form of Confidential Reports in respect of all the Gazetted Officers in the State. The Commission considers that the existing form of Confidential Reports ought to be suitably modified so as to include identical information and details even as regards the non-gazetted officers.

9.90. Another point that needs mention in this context is about the communication of adverse remarks to the officer concerned. Though the existing rules provide for communication of adverse remarks, there is no provision enabling the officer to whom the adverse remarks are communicated to make a representation against such remarks. The absence of such provision has created considerable discontent amongst the officers; and acting on adverse remarks, without a reasonable opportunity to make representations against such remarks, might sometimes result in injustice to the concerned officials.

9.91. The Commission recommends that provision should be made to show the remarks of the superior officer to the rated officer before it is submitted to the higher authority. The rated officer should be asked to sign the report in acknowledgement of his having seen it and where he does not accept the correctness of the remarks, he may make a representation in writing against them so that the report along with the representation, if any, could be submitted to the next authority who may take the representation into consideration and record his own remarks.

9.92. The Commission desires to emphasise that unless the officers making the report in assessment of an employee's performance are perfectly frank in their views and opinions as to the excellence, shortcomings, or unsatisfactory nature of the employee's services, the service ratings will be of little or no value. Prescription of forms or issuing of instructions are only intended to guide them in the performance of this task. Fear of offending an employee's sensitivity ought to be eschewed. They ought to remember that performance of this task justly, objectively and fearlessly is a part of their duty to the State as also towards the official. If the latter is apprised of his shortcomings in time, he will have sufficient chance to improve; very often, the knowledge that his superior is aware of his defects is likely to act also as a deterrent and pave the way for improvement.

#### *Delegation*

9.93. Government system of administration depends upon the exercise of authority to accomplish pre-determined social and economic goals. For any organisation of Government to function effectively, it is not possible for the Head

of the Department to take all decisions himself and implement them by himself. The burden would be too heavy and the matters to be implemented would be too many. Such centralization would be an impediment in the way of efficient, smooth and expeditious administration. In order to minimise, if not eradicate the evils of centralization of decision-making and exercise of power, decentralization of authority or delegation of powers is one solution universally recognised in law and in practice. In considering the question of delegation, there ought to be a marked distinction between the grant of authority to make decisions and grant of authority for executing the same. At certain levels, it is possible that the authority to decide and the authority to execute may be vested in the same officer. Such delegation of powers lends flexibility to administration and enables the public to approach the nearest agency of Government or authority to get relief or redress with least delay and at minimum expenditure. It also helps the central authority to share its responsibility of administration with other authorities of differing status and capacity occupying defined positions in the hierarchy. While the device of delegation frees the top-executives from the burden of taking decisions on routine matters, it enables the subordinates to train themselves in the art of making decisions and in developing greater sense of responsibility to shoulder the burden of administration.

9.94. The practical exercise of such authority to achieve these goals depends upon effective delegation, that is, the functional division of such powers, the specific assignment of authority to different organisations and officers and the downward projection of power and authority to act at the lowest possible level. The division, distribution and assignment of power and authority depend upon other considerations too, such as checks and balances, decision making processes, degree of centralisation or decentralisation of political and administrative powers and geographical divisions of power. Delegation of authority is an important subject in political theory and public administration practice.

9.95. Delegation of powers can be classified under three categories, *viz.* :—

1. Statutory,
2. Administrative,
3. Financial.

Certain principles bearing on the delegation of powers are reflected in the Constitution, and the Laws. The pattern of this legal framework of delegation influences greatly the way that all Government officers discharge the responsibilities assigned to them. Although statutory delegation is decided at the political level and is outside the direct control of Government officers, they still can make constructive suggestions for modification of legal provisions when administrative effectiveness is at stake. If it is found that laws or regulations unnecessarily handicap an officer in the discharge of his duties, he could suggest their amendment. Proposals for changes in legal provisions provide an excellent example of the kind of constructive advice which Government officers can give.



9.96. So far as administrative powers are concerned, each department has its own system of delegation and the powers exercised by the officers differ from department to department. It has been represented to the Commission that in some departments even simple matters like transfer of ministerial staff have to be ordered by the Head of the Department even though there are several intermediate officers. The Commission, therefore, considers that administrative powers might be delegated to the Heads of Departments to make transfers, postings etc., of all the officers in their departments except of officers immediately below the Heads of Departments. At present postings, transfers etc., of all gazetted officers come upto Government. It would be desirable to delegate these powers to the Heads of Departments on the lines suggested above. Similarly, the Heads of Districts could be given powers to arrange postings, transfers etc., of all the non-gazetted staff working under them. Administrative powers which can be delegated to the officers at different levels are indicated in the statement appended to this chapter. This statement is only illustrative and it is open to the Government to add further administrative powers to the list so as to ensure that adequate powers are given to officers at all levels.

9.97. So far as the delegation of the financial powers is concerned, the Mysore Manual of Financial powers specifies the powers which can be exercised by the Heads of all the departments and other controlling officers. In this Manual several items of delegation are grouped under two broad classifications, *viz.*, powers common to all departments and special powers applicable to particular departments. Under the latter category whatever further powers are to be delegated have been indicated in the respective chapters.

9.98. So far as the powers common to all departments are concerned, the Commission considers that it would be desirable to enhance the existing powers of the Heads of Departments and the controlling officers generally. The Commission has examined some of the items which come under this category and the powers which could be enhanced are indicated in the list appended to this chapter. This list is only illustrative and Government may keep these recommendations in view and suitably enhance the other powers of the Heads of Departments and controlling officers.

9.99. All the officers should be encouraged to exercise the enhanced powers given to them, as delegation helps the officer in the distribution of work and the proper use of time and talent. It is important to remember that delegation is just one of the devices which the officers have to adopt for discharging the responsibilities of the high office, the administration of which is entrusted to them. It is not sufficient if Government delegate their powers to the Heads of Departments ; powers have to be further delegated all along the line. The Department of Administrative Reforms could verify the extent to which the delegation has been effective and whether the officers are exercising the powers which are delegated to them.

*Tea/Coffee service at places of work*

9.100. At present the employees waste much time in visiting the Canteens or the nearest Hotels for Tea or Coffee and remain away from their tables for more time than is warranted. The Canteen/Hotel has encouraged loitering and indulgence in useless talks. In order to remedy this situation, the Commission considers that during the working hours of the office, Tea/Coffee might be served to the employees at their working desks at stated hours. This is in practice in many offices including large factories in the private sector and could be introduced in Government offices with advantage.

*Mechanical Aids*

9.101. In consideration of the increasing volume and complexity of the work that is now being done by Government, the conventional systems of work may not be able to ensure efficiency and promptness in the disposal of the business of Government. While in the past, the nature and the volume of work handled were well within limits with adequate time to collect and collate data and to take decisions on policies after a thorough and detailed examination of such data, it is becoming more difficult to do so in view of the fact that Government are taking on more and more responsibilities and the people are anxious to see that new schemes and new policies are implemented as quickly as possible. It is now necessary for Government to introduce mechanisation (not necessarily automation) in order to make the work of the officials at various levels more expeditious and more purposeful than it is to-day so that even at short notice Government may secure adequate material on which to base their line of action. The Bureau of Statistics and Economics has already made a beginning in the direction of mechanisation and it is functioning as a service department for the other Administrative Departments of Government which require its assistance. It would be necessary to strengthen this wing of the Bureau and the Commission has accordingly made its recommendation in this regard in Chapter 67 dealing with the Bureau.

9.102. In course of time, however, it may become necessary for Government to introduce mechanical aids of the more elementary nature in each of the larger offices to save time and labour as there would be economy of both, if such work could be done in the concerned offices instead of the matter being referred to a specialised unit like the Bureau. Government may have to consider at that stage the extent to which equipment like Tabulators, Calculators, Punchers and Verifiers and perhaps even Computers should be installed.

9.103. Apart from such sophisticated equipment which might be provided to a few of the larger offices in due course, there are other less sophisticated items of equipment like franking machines, electrically-operated duplicators, "adding machines" and so on which could with advantage be introduced straightaway in most of the larger offices and groups of smaller offices. In sanctioning such equipment for groups of smaller offices all such offices need not necessarily be

of the same department but it is necessary that they must be physically located in close proximity to one another. It would, of course, be an added advantage if these offices are also of the same Department.

9.104. It has been represented to the Commission by several witnesses that there is considerable difficulty in securing the services of competent Stenographers and in some cases of any Stenographers at all. It is true that Stenographer's work is of a specialised technical nature and requires considerable training and skill for a Stenographer to become proficient in his work. Even if the scales of pay offered for Stenographers are reasonably high as compared with the scales of pay for posts carrying comparable duties and responsibilities under the State Government, it would be difficult to secure the services of sufficient number of Stenographers. It is, therefore, suggested that to the extent possible 'Dictaphones' or 'Tape Recorders' may be provided to the officers who have to dictate Judgements or orders or long notes and letters so that even an ordinary typist would be able to play back the matter and type it out. There are certain offices which necessarily require the services of Stenographers on account of the nature of work attended to in such offices. The available Stenographers could be deployed in such offices and where the services of the Stenographers are not very essential, it would be advantageous to provide Dictaphones or Tape Recorders on an experimental measure and give the arrangement a fair trial.

9.105. The Commission accordingly recommends that apart from strengthening the relevant sections in the Bureau of Economics and Statistics as recommended in Chapter 67, Government may consider the question of providing facilities even in other offices for the disposal of Government business more expeditiously and smoothly than at present.

#### *Level Jumping*

9.106. In the Secretariat, the normal routing of a paper under submission is for the Assistant to put it up to the Section Officer, the Section Officer to the Under Secretary, the Under Secretary to the Deputy Secretary, the Deputy Secretary to the Secretary and on to the Minister/Chief Minister. In order to minimise delays in the disposal of cases, it has been provided in Rule 22 of the Secretariat Manual that a system of 'level jumping' may be introduced in each department depending on the nature of cases and the personnel. It has also been suggested in this Rule that Senior Assistants and Select Assistants who have gained sufficient experience to deal with cases may be permitted to submit files direct to the Under Secretary and the Under Secretary to the Secretary. In such cases papers on their return journey will pass through the normal channel to keep the officers at all levels informed of the action taken.

9.107. While the principle of level jumping has been recommended in Rule 22 of the Secretariat Manual, in practice very few officers at the higher levels accept papers directly either from the Assistants or from the Under Secretaries. The Secretary of every department should issue clear instructions indicating the Assistants or the Under Secretaries who should submit papers

directly to the Under Secretary or the Secretary as the case may be as also the types of papers or the subjects in respect of which the files should be so submitted directly. All the officers should be encouraged to adopt the system of level jumping as this system increases the pace of disposal and at the same time avoids duplication of work.

9.108. Similarly even in the offices of the Heads of Departments and in the subordinate offices, the system of level jumping could be usefully adopted. It was brought to the notice of the Commission that in some of the subordinate offices every paper has to be submitted to the Head of the Department through the Gazetted Assistant. In such cases, the Head of the Department concerned could specify the types of papers which may be put up to him by the Branches or Sections directly instead of routing every paper through the Gazetted Assistant.

9.109. Government may issue directions to all the Heads of Departments that level jumping should be resorted to as a rule in every office.

9.110. The Department of Administrative Reforms which is proposed to be set up should ensure that the directions of Government in this regard are implemented in every department or office.

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## FORM FOR CONFIDENTIAL REPORTS

## Part II—Development Work

(TO BE FILLED UP BY DEPUTY COMMISSIONER)

*I Interest evinced in Development work—*

- (i) Deficient both as regards work of his own Department and work requiring co-ordination with other Departments. (1)
- (ii) Progress of work of his own Department satisfactory but inadequate in regard to work requiring co-ordination with other Departments. (2)
- (iii) Made substantial contribution not only in his own Department but also in co-ordination with other Departments. (3)

*II. Responsiveness—*

How does he react to ideas from : (a) Colleagues,  
(b) Institutions of Democratic Decentralisation,  
(c) General Public.

- (i) Regards them as uncalled for interference in his special field and adopts a hostile attitude. (1)
- (ii) Makes an unwilling examination and implementation. (2)
- (iii) Is prepared to examine any idea or suggestion on merits and take action irrespective of source. (3)

*III. Contribution as a member of the Development Team of District*

- (i) Inadequate .. (1)
- (ii) Functions well when he undertakes any work but has a tendency to evade responsibility on technical grounds. (2)
- (iii) Substantial .. (3)
- (iv) Outstanding both in his own work and as example to officers of other Departments. (4)

*IV. What is the attitude towards him of —*

- (a) Colleagues of other Development Departments.
- (b) Office bearers of Institutions of Decentralisation.
- (c) General Public.

Has a reputation that he—

- (i) Is generally inclined to shirk responsibility and postpone action on technical grounds ? (1)
- (ii) Is willing to co-operate and assist when approached ? (2)
- (iii) Can be relied upon to play a positive role by offering assistance and suggestions both in planning and in execution.

**V. General Remarks.—**

(Throw as much light as possible on his commitment to development work, with special reference to his initiative, inventiveness, improvisation and his capacity to understand the needs of the area and mobilise resources of Government Departments and Local resources for developmental activities).

**PART IV**

**To be completed by the individual's immediate superior**

**INSTRUCTIONS TO REPORTING OFFICERS**

(i) *General Instructions.*—(To be read by the reporting officer before making this report). The purpose of these reports is to provide the Government with records from which to evaluate individuals for promotions, postings, appointments, etc., in particular, the selection of the best officers to fill the higher ranks and consequently the efficiency of the whole Administration, will largely depend upon the accuracy with which the reports are made. To overstate the good qualities of an individual, or to suppress his faults through a sense of goodwill spoils the value of these reports as a means of comparison, and thus tends to defeat their purpose. For this reason, reporting Officers are in honour bound to do their utmost to complete them with impartiality. They must realise that :—

(a) **Over Assessment of the good, leaves no scope for the brilliant.**

(b) **Consistent over Assessment by any particular officer will weaken his own reputation for Judgment, and will prejudice the opportunities of all individuals reported upon by him.**

(ii) *Adverse and unsuitability reports.*—Reports which are sufficiently adverse to raise any doubt as to an individual's fitness to retain his rank or reports on an officer's unsuitability for his current employment are NOT to be made on this form. Such reports are to be made separately.

(iii) *Personal Failings.*—It is always the duty of a superior officer to bring to the immediate attention of a junior, any failings he may discern in him. Among the character traits in paragraphs (3) to 18), the starred statements are considered as failings which lie definitely within the power of the individual being reported upon to correct. The reporting officer is, therefore, required to complete the certificate in paragraph 19. If it is noted that an individual has any of these failings, the Superior Officer is to keep him under observation. If he does not improve, the superior officer is to interview him and either take such corrective action as he feels necessary or arrange for a special report to be rendered.

(iv) *Administrative Ability.*—When assessing the individual's proficiency in his appointment, full weight must be given to the administrative ability (i.e., his ability to manage the men and affairs connected with his appointment).

(v) *Insufficient knowledge.*—Where for any reason the reporting Officer has insufficient knowledge to assess fairly, he is to mark the particular paragraphs "I.K."

(1) TEMPERANCE	..	* Intemperate
		Normally temperate
		Always moderate.
(2) FITNESS FOR PROMOTION	..	Fit for immediate promotion
.. ..	..	Fit for promotion in turn
.. ..	..	Not yet fit
.. ..	..	Definitely unfit.

## PERSONAL ASSESSMENT.

(ENCIRCLE THE ONE NUMBER IN EACH PARAGRAPH MOST APPROPRIATE TO THE INDIVIDUAL)

**(3) Sense of Duty—**

(Does he place service before personal affairs)			
Leaves something to be desired; inclined to place self before duty*	..	..	1
Has a high sense of duty ; places duty before self	..	..	2
Upto the highest traditions of Service in every way	..	..	4

**(4) Welfare**

(How actively does he work to maintain sound social, and working conditions for his juniors.)			
Takes little interest	..	..	1
Active when reminded	..	..	2
Does all which is expected of a good superior	..	..	4
Outstanding, works energetically and successfully for the good of his juniors.			6

**(5) Discipline—**

(Consider his willingness and ability to maintain good discipline)			
Unsatisfactory	..	..	1
Personal discipline satisfactory, but reluctant to insist on it from others.			2
Well disciplined personally and insists on sound standards at all times			4
A very good and successful disciplinarian	..	..	6

**(6) Physical Fitness—**

(Consider what steps he takes to keep himself fit for duty)			
Should take more exercise*	..	..	1
Takes enough exercise to keep fit for all normal duties	..	..	2
Keeps fit for the most arduous duties	..	..	4

**(7) Ethical standards—**

(Consider his sense of right and wrong)			
Somewhat lacking in principles and moral outlook	..	..	1
Of average moral standards	..	..	2
Possess the highest principles and lives upto them	..	..	4

**(8) Reliability**

(Can be relied upon to produce results)			
Irresponsible, cannot be trusted with important duties*	..	..	1
Makes more mistakes than most*	..	..	2
Can depend upon him to complete all ordinary duties successfully	..	..	4
Most reliable ; he will succeed where it is humanly possible	..	..	6

**(9) Intelligence—**

(How readily does he grasp a situation)			
Rather slow	..	..	1
Requires more than ordinary explanation	..	..	2
Grasps normal situations without difficulty	..	..	4
Very quick on the uptake	..	..	6

**(10) Powers of Expression—**

(How clearly does he express himself)

	<i>Verbal</i>	<i>Written</i>
Not very well .. .. .	1	1
Fairly well .. .. .	2	2
Clearly and without ambiguity .. .. .	4	4
Excellently ; has a gift of lucid expression .. .. .	6	6

**(11) Improvement of Professional Knowledge—**

(What steps does he take to improve, and keep up to date)

Appears satisfied with his present knowledge .. .. .	1
Makes an effort .. .. .	2
Energetic ; goes out of his way to gain knowledge .. .. .	4
Exceptionally vigorous and resourceful in keeping abreast of modern developments.	6

**(12) Initiative**

(Consider the extent to which he does the right thing without being told)

Lacks originality of thought .. .. .	1
Routine worker and thinker .. .. .	2
Can think and act on his own initiative .. .. .	4
Exceptional resourcefulness and initiative .. .. .	6

**(13) Self-Confidence—**

(How confident is he of his own ability)

Definitely over-rates his own ability .. .. .	1
Under-confident .. .. .	2
Inclined to be over-confident .. .. .	4
Justifiably confident of his own ability .. .. .	6

**(14) Leadership—**

(To what degree does he inspire others to follow him)

Has little influence over others .. .. .	1
Occasionally takes the lead .. .. .	2
Always takes the lead when the situation demands .. .. .	4
A born leader who inspires confidence .. .. .	6

**(15) Power of Command—**

(Consider how successful he is in getting the best from those under him)

Inclined to bully or nag* .. .. .	1
Inclined to be familiar and too easygoing* .. .. .	1
Fair .. .. .	2
Good ; Junior Officers trust him and work well for him .. .. .	4
Excellent, and highly respected by his juniors .. .. .	6

**(16) Co-operation—**

(How smoothly does he work with others in a common cause)

Difficult to work with ; apt to be obstructive* .. .. .	1
Inclined to upset others by tactlessness .. .. .	2
Good individualist but poor team worker .. .. .	4
Works well in harmony with others .. .. .	6
Outstandingly successful in working with others .. .. .	8



**(17) Judgment—**

(Consider his ability to draw sound conclusions)

Has difficulty in reaching conclusions reluctant to make decisions ..	1
Frequently makes unsound decisions .. .. .	2
Fairly sound in all routine matters .. .. .	3
Has plenty of common sense .. .. .	5
Unusually keen perception and good judgment .. .. .	7

**(18) Organising Ability—**

(Consider his ability to plan and arrange matters in a systematic way)

A poor organiser .. .. .	1
Can organise routine and normal matters satisfactorily .. .. .	2
A very good organiser .. .. .	4
Has outstanding organising ability .. .. .	6

**REPORTING OFFICER'S CERTIFICATE AND REMARKS**

*Note* :—Throw as much "additional" light as possible on his personality, talents, qualifications, etc.

Characteristics already referred to may be stressed or new ones remarked upon *e.g.* ;

Sense of honour. Receptivity to new ideas.

Ability at games, music, arts and crafts.

Hobbies

Knowledge of world affairs, foreign countries, etc.

Temperamental or moral weakness

Punctuality.

Remarks on following, ONLY if so pronounced or lacking that value to the service is affected, or special consideration necessary when posting :—

Physical ability,

Strength,

Stature, stamina, etc.

Defects such as deafness.

Social conduct.

Financial or family affairs.

I CERTIFY that the assessments on this report have been made from personal knowledge and represent my honest opinion. He has served under me for..... years ..... I have informed him of the failings shown in the starred statements. In addition I have the following remarks to make :—

*Signature :*

*Designation,*

*Signature reproduced in Block Capitals.*

*Date :*

**Administrative powers which might be delegated to the Heads of Departments, their deputies and the Officers in-charge of Districts.**

<i>Powers to be exercised by the Head of Department.</i>	<i>Power to be exercised by the Deputy to the Head of Department.</i>	<i>Powers to be exercised by the Officers in-charge of Districts.</i>
(1) To sanction all kinds of leave except special disability leave to all <i>Gazetted</i> Officers, except for officers immediately below the Head of the Department, in accordance with the rules.	To sanction all kinds of leave except special disability leave to the staff in the head office except <i>Gazetted</i> officers.	To sanction all kinds of leave except special disability leave to all non- <i>Gazetted</i> Staff in the district in accordance with the rules.
(2) Transfer of <i>Gazetted</i> Officers except for officers immediately below the Head of the Department.	Transfer of officers in the Head office except the <i>Gazetted</i> officers.	Transfer of non- <i>Gazetted</i> officers within the District.
(3) Promotion of Non- <i>Gazetted</i> officials to <i>Gazetted</i> Class II cadre in accordance with the rules.	Promotion of officials in Non- <i>Gazetted</i> cadre in the Head office and also in the State-wise cadre upto <i>Gazetted</i> rank.	Promotion of Non- <i>Gazetted</i> officers in the District-wise cadre upto <i>Gazetted</i> rank.
(4) Shifting of non- <i>Gazetted</i> posts from one unit to another within the State.	....	Shifting of non- <i>Gazetted</i> posts from one unit to another within the District.

FINANCIAL POWERS COMMON TO ALL DEPARTMENTS.

Sl. No.	Nature of Financial Powers	Heads of Departments		Joint Directors etc.		Controlling Officers		District and other officers	
		Existing	Recommended	Existing	Recommended	Existing	Recommended	Existing	Recommended
1	2	3	4	5	6	7	8	9	10
1.	To declare stores as obsolete, surplus or unserviceable and dispose them of subject to fixing responsibility for the loss where they have become obsolete, surplus or unserviceable owing to negligence or fraud, etc., on the part of individual Government Servants.	Rs. 500 each time	Rs. 1,000 each time	Rs. 100 each time	Rs. 200 each time	Rs. 100 each time	Rs. 200 each time	..	Rs. 100 each time
		Rs. 2,500 per annum	Rs. 5,000 per annum	Rs. 500 per annum	Rs. 1,000 per annum	Rs. 500 per annum	Rs. 1,000 per annum		Rs. 500 per annum
2.	To sanction writes off of values of stores, etc., subject to quarterly statements of such writes off being submitted to Government in the case of Head of Department and to heads of departments in other cases for review.	Rs. 500 each time	Rs. 1,000 each time	Rs. 100 each time	Rs. 200 each time	Rs. 100 each time	Rs. 200 each time	..	Rs. 100 each time
		Rs. 2,500 per annum	Rs. 5,000 per annum	Rs. 500 per annum	Rs. 1,000 per annum	Rs. 500 per annum	Rs. 1,000 per annum		Rs. 500 per annum
3.	To sanction the employment of unskilled part-time menials payable out of contingencies in subordinate offices for a total period not exceeding 3 years (all heads of Departments).	Rs. 15 per month	Rs. 30 per month	..	..	..	..	..	..
4.	To sanction the purchase of clocks, time-pieces, furniture and other articles of office equipment.	Rs. 500 each time	Rs. 1,000 each time	..	..	Heads of offices Rs. 100 each time	Rs. 250 each time	Heads of offices Rs. 100 each time	Rs. 250 each time
5.	To sanction repairs of clocks, time-pieces, furniture and other articles of office equipment	Rs. 500 each time	Rs. 1,000 each time	..	..	Rs. 100 each time	Rs. 100 each time	Rs. 200 each time	Rs. 200 each time

Sl. No.	Nature of Financial Powers	Heads of Departments		Joint Directors etc.,		Controlling officers		District and other officers	
		Existing	Recommended	Existing	Recommended	Existing	Recommended	Existing	Recommended
1	2	3	4	5	6	7	8	9	10
6.	To sanction repairs to typewriters, duplicators and calculating machines of offices.	Rs. 100 each machine per annum	Rs. 200 each machine per annum						
7.	To sanction temporary advances or withdrawals from General Provident Fund for other than special reasons (V Schedule to General Provident Fund Rules). (ii) For special reasons	Rs. 1,000 each case	Rs. 2,000 each case	Rs. 600 each case	Rs. 1,000 each case	Rs. 600 each case	Rs. 1,000 each case	Rs. 60 each case	Rs. 1,000 each case
8.	To order the casual and emergent purchase of stores (which should normally be purchased through the Stores Purchase Department) without reference to Stores Purchase Department.	Rs. 1,000 each time	Rs. 2,000 each time.						
9.	To accept tenders for purchase of stores ordered directly by the Department. (a) Where the lowest tender is accepted and the prescribed terms of tender are followed.  (b) In other cases	(a) Full power.	(a) Full power.						
		(b) Rs. 25,000 each case	(b) Rs. 50,000 each case						

## CHAPTER 10

### Municipalities, City Municipal Corporations and City Improvement Trust Boards.

10.1. There are 2 Municipal Corporations, 13 City Municipalities, 163 Town Municipalities, 5 Notified Areas and 2 City Improvement Trust Boards in the State. The Municipalities and the Notified Areas are constituted under the Mysore Municipalities Act, 1964. The Municipal Corporation for the City of Bangalore is constituted under the provisions of the City of Bangalore Municipal Corporation Act, 1949, while the Municipal Corporation for the City of Hubli-Dharwar is constituted under the Bombay Provincial Municipal Corporation Act, 1949. The City Improvement Trust Boards of Bangalore and Mysore are constituted under the City of Bangalore Improvement Act, 1945 and the City of Mysore Improvement Act, 1903 respectively.

10.2. The Mysore Municipalities Act, 1964 also provides for constitution of Improvement Boards for other Cities and Towns.

10.3. Taking into account the terms of reference to the Commission and the views expressed on behalf of the various Local Bodies, the following and allied points require consideration at the hands of the Commission :

(i) Whether there should be parity between the scales of pay of the posts in various categories of employment under Local Bodies and the comparable posts under Government ;

(ii) Whether the service conditions as applicable to Government servants should be made applicable to the employees of Local Bodies ;

(iii) Whether it is necessary for Government to extend or to increase their assistance to Local Bodies by means of grants-in-aid.

#### *Municipalities*

10.4. The Mysore Municipalities Act, 1964 has repealed the several enactments relating to the Municipalities that were in force in the various areas in the new State of Mysore. Normally, any local area with a population of 50,000 or more is constituted into a City Municipality while that having a population of more than 10,000 but less than 50,000 into a Town Municipality. The functions to be performed by the Municipalities are classified into three categories, viz., obligatory, special and discretionary. The nature of these functions are enumerated in Sections 87, 88 and 91 of the Mysore Municipalities Act, 1964. The Municipalities are empowered to levy the taxes enumerated in Section 94 of the Act. Section 141 of the Act empowers Government to require the Municipal Councils to impose taxes.

10.5. The Municipalities are also charged with the duty to collect certain cesses like (i) the education cess leviable under the Mysore Primary Education Act, 1941 ; (ii) the health cess under the Mysore Health Cess Act, 1962 ; and (iii) the library cess leviable under the Mysore Public Libraries Act, 1965. Ten per cent of the amounts collected as education and health cess are retained by the Local Bodies as collection charges and the balance paid to Government. The percentage of collection charges to be paid to the Local Bodies in respect of Library Cess is stated to be under the consideration of Government. The Commission suggests that the collection charges in this case may also be 10 per cent of the amount collected.

10.6. Entertainment Tax leviable under the Mysore Entertainment Tax Act, 1958, is now being collected by the officers of the Department of Commercial Taxes ; 10 per cent of the amount is being retained as collection charges and the balance of 90 per cent is being paid to the Local Authorities within whose jurisdiction the tax is collected. Representatives of some local bodies submitted to the Commission that there was considerable leakage of tax and a steady fall in receipts as the officers of the Department of Commercial Taxes had not got the time to attend to the work and that collections would improve if the work were handed over to the Local Bodies concerned. It is found on examination that the receipts under this head have not been falling but have in fact been increasing steadily as evidenced by the following figures :

*Collection of Entertainment Tax excluding  
Show Tax from 1957-58 to 1966-67.*

Year	Entertainment Tax	Surcharge	
Commercial Taxes Department	1957-58	34,78,662	..
	58-59	39,15,594	..
	59-60	59,03,705	..
	60-61	66,40,433	..
	61-62	75,56,693	..
	62-63	82,53,031 from 1-10-62	10,83,848
	63-64	89,84,275	23,69,827
	64-65	96,25,378	25,23,985
	65-66	1,10,96,632	29,16,058
	66-67	1,19,66,696	54,53,465*

\* Due to 10 per cent rise in the rate of surcharge.

The Commission accordingly recommends that the existing practice of collection of Entertainment Tax may continue.

10.7. Apart from the sources of revenue by way of taxes, cesses and fees prescribed under the Act, the Municipal Councils have been empowered under Section 86, to borrow money for certain purposes.

10.8. The staff in every Municipality consists of-

- (i) administrative/executive,
- (ii) ministerial,
- (iii) technical,
- (iv) teaching,
- (v) Class IV, etc., officers and officials.

10.9. The Chief Executive Officer of a Municipality is the Commissioner, the Secretary (in the Bombay area) or the Chief Officer (in other areas) as the case may be. In the Hyderabad area, the Chief Officers are stated to be Government servants, presumably because their services were lent by Government to the Municipalities.

10.10. The Chief Executives are assisted in the discharge of their duties by the other categories of staff comprising I Division Clerks, II Division Clerks, Bill Collectors, Health and Sanitary staff, administrative and technical officers, etc. Section 323 (ii) of the Mysore Municipalities Act, 1964, provides *inter alia* for determining the staff of officers and servants to be employed by the Municipalities, their respective designations, their duties, etc., and for regulating the recruitment and conditions of service of officers and servants.

10.11. Government have recently framed rules determining the strength of the staff to be employed by the Municipal Councils. The strength of the staff is determined on the basis of the income of the Municipalities. The income would be an indicator of the ability of the Municipality to maintain the staff but would not be an appropriate guide for this purpose. The strength of the staff should really depend on the work load in each Municipality. The Commission accordingly recommends that the standard strength of staff in each cadre may be redetermined on this basis.

10.12. Section 365 of the Mysore Municipalities Act, 1964 provides for constitution of the Mysore Municipal Administrative Service and Section 367 of the Act provides for constitution of the Mysore Municipal Administration Fund. Neither the Service nor the Fund has been constituted so far. The Commission was informed that rules regarding the constitution of the Service and the Fund had been framed and were being finalised. It would be desirable to finalise and issue these Rules early. The Commission suggests that the Service might comprise Class II and Class III Services of all categories in the general executive and ministerial line ; that the Class I Officers in the general line and all classes of technical officers in the Engineering and Health Branches may be taken on deputation from the concerned Departments of Government and that the Class IV officers may be recruited by the concerned Municipality/Notified Area locally. The Commission also suggests that the rules may provide for the initial constitution of the cadre by the absorption of such of the Class II and Class III officers now working in the various Municipalities and Notified Areas as have the qualifications to be prescribed for the new entrants and are willing to join the service ; that the future recruitment may be made from among the persons duly qualified for the

posts ; that the qualifications to be prescribed for the various posts may be the same as are prescribed for corresponding posts under Government, that persons who are now occupying Class II and Class III posts and are not qualified for absorption in the service or though qualified are not willing for such absorption may be permitted to continue in their present posts till they retire from service and that the future recruitment may be made by a central body like the Public Service Commission or by Special Committees to be constituted for the purpose. The Commission considers that the constitution of the service would help to achieve uniformity in municipal administration and suggests that the scheme should be finalised without delay.

10.13. It has been represented by the representatives of the majority of the Local Bodies that there should be parity in the scales of pay and other conditions of service between employees of Government and the employees of Local Bodies. On the other hand, it has been also represented by the representatives of other Local Bodies that the question of scales of pay has to be decided by the employer with reference to his paying capacity and that as the officials at the lower levels are drawn from the local field and are not liable for transfer to other places, they may be given scales of pay lower than those for the employees of Government holding corresponding posts as the Municipalities cannot afford to pay them at the same rates as Government.

10.14. In this connection, the following views of the Madras Pay Commission 1959-60 on this question would be of interest :

“ The argument that Municipal employees may be allowed lower scales of pay as they are not liable to transfer and generally work near their native places cannot be pressed too far since not an insignificant number of employees of the State Government are also not liable to transfer. It is well known that staff in the lower grades are generally posted to work in their own districts and quite often near their native places. Further, the employees of local bodies do not have the same prospects of promotion as the State Government employees and it can be legitimately argued that on these grounds their scales of pay should be at least the same as those of Government employees. We cannot also attach any weight to the argument that since the service under Local Bodies attracts only personnel of lower standards, a lower scale of pay would suffice for them. For, if the assumption about the standards of recruitment to Local Body services is valid, the remedy will then be surely to raise the emoluments of employees of Local Bodies to the level of State Government employees and thus also improve the standards of recruitment to Local Bodies. Perhaps, the only serious argument in favour of fixing the emoluments of employees of Local Bodies at a somewhat lower level than for corresponding grades of State Government employees is the one based on the practical consideration that the Local Bodies with their inelastic and meagre resources cannot in



any case bear the additional burden involved in assuring their employees parity in emoluments with the employees of the State Government”.

As the officers borne on the cadre of the Municipal Administrative Service are deemed to be the employees of Government, it is but proper that the persons absorbed in or recruited to this service should get the same scales of pay as those holding comparable posts under Government. It would likewise be necessary to pay to the officers of Government on deputation to the Municipalities/Notified Areas, the same scales of pay as they would have got had they continued in their parent Departments.

10.15. This principle would mean that all the employees of the Local Bodies other than the Class II and Class III officers now working in such Bodies who are not absorbed in the service and the Class IV officers recruited locally should get the same scales of pay as the employees of Government holding comparable posts. It follows from this position that the work-load for the employees of the different classes other than the excepted categories should be fixed on the same basis as it is fixed for the employees of Government and the number of employees might then get reduced, leading to economy in administrative expenditure.

10.16. In so far as the Class II and Class III employees of the Local Bodies who are not absorbed in the service are concerned, it may have to be assumed that the work-load to be fixed for them may have to be a little lower and the scales of pay to be fixed for them may also have to be correspondingly lower than in the case of employees belonging to the service. The number of such persons is not likely to be large and it may not be equitable to make any distinction between these two classes of personnel. They may also be given the same scales of pay as the employees of Government holding comparable posts and the same work-load prescribed for them but in case they are not found fit for work in the new set up, they may be compulsorily retired as early as possible under the rules applicable to the Municipal Administrative Service analogous to Rule 285, Note 1 of the Mysore Civil Services Rules.

10.17. As far as Class IV officials are concerned, it is appropriate that all of them should get the minimum wage as prescribed for Government employees. The Commission, therefore, recommends that the scales of pay for all the posts in the Municipalities (those encadred in the Municipal Administrative Service and others) should be the same as those for comparable posts under Government. While posts in the Class IV cadre may be filled by local recruitment against posts created in accordance with the scales laid down by Government, there should be no local recruitment whatever to the higher posts and all vacancies in the higher cadres should be filled strictly by taking on deputation officers of the appropriate rank from the Municipal Administrative Service or other Departments of Government.

10.18. At present, it is understood that in some Local Bodies scavengers are getting higher pay than the supervisory staff as the former come under the

Minimum Wages Act while the pay of the latter is fixed on different principles. It should be ensured in the interest of maintaining efficiency in administration that the supervisory staff (Sanitary Maistry, etc.) should get slightly more than the scavengers.

10.19. It has been urged that the service conditions as applicable to Government servants should be made automatically applicable to the employees of Local Bodies. The Commission considers that when parity in the scales of pay has been conceded in respect of municipal employees with employees of Government, it naturally follows that their service conditions should also be similar.

10.20. It is possible that when the work study is conducted, the norms of work are prescribed and the strength of staff required for each Municipality is determined on the basis of these norms, the number of posts required for each Municipality would be less than the present strength. The temporary staff which is surplus to the requirements may be retrenched and the permanent staff which is surplus to requirements allowed to continue till they retire without, however, filling the posts when they so fall vacant. In this view of the matter, while the expenditure on staff eventually may be the same as at present (even with the higher scales of pay), there may be a sudden increase in expenditure initially by adopting the new scales of pay. This cannot, however, be made a ground for denying higher scales of pay to the staff. If the financial resources of any Municipality do not admit of this change, without seriously impairing the discharge of the obligatory duties of such Municipality, Government may have to give it assistance by way of *ad hoc* grants for a period of five years or so, within which period, the Municipality should improve its resources.

10.21. The Municipal Fund consists of both the revenues of the Municipal Council and moneys obtained from other sources like loans, grants, etc. The Commission was informed that large sums of money which were granted as loans to carry out works necessary for performing the obligatory functions under the Act have not yet been repaid. A review should be made of the loans outstanding repayment by each Municipal Council to see whether those bodies have been raising taxes to the extent necessary to enable them to repay the loans. Every effort should be made to recover the loans wherever possible but where Government are satisfied that there is no scope for recovery without affecting the Municipal Council's capacity to perform its obligatory functions, the recovery may, if necessary, be waived. It is incumbent on the part of the various controlling authorities to ensure that the Municipalities improve their resources to the maximum possible extent so as to be self-sufficient and if any loans are granted to them in future their capacity should also be taken into consideration and recovery effected within the specified time. Suggestions were made that a Municipal Finance Corporation should be established through which loans to Municipalities should be channelised. The Municipalities raise loans from the Life Insurance Corporation of India and Government also stand guarantee for such loans. The Commission considers that there is no difficulty in securing loans under the existing arrangement and that the establishment of a Municipal Finance Corporation may be unnecessary.

10.22. Compensation for the loss of tolls and vehicles tax, by the Municipalities, is being paid under the Mysore Motor Vehicles Taxation Act, 1957. This has been fixed on an *ad hoc* basis years ago and for want of certain particulars, only provisional compensation is being paid to most of the Municipalities. The rate of compensation appears to be quite inadequate considering the present position of vehicle strength and the number of vehicles using the roads and considering the actual expenditure incurred by the Municipalities on the maintenance and repairs of roads. A review of the cost of maintenance of roads as well as the taxes collected under the Motor Vehicles Taxation Act should be made and the compensation fixed on a realistic and well-defined basis. The compensation should be revised at least once in five years, after reviewing the position in regard to vehicle strength, the road mileage within the limits of each Municipality and the cost of maintenance of roads per mile.

10.23. It is understood that no or inadequate grant is being given to the Municipalities for the maintenance of even the national highways passing within their jurisdiction. Suitable grants should be given to Municipalities for maintenance of National Highways lying within the municipal limits after taking into consideration—(a) the mileage grant given by the Government of India to the State Government; and (b) the expenditure to be incurred on their maintenance at the required standards.

10.24. It was represented that a portion of Sales Tax should be made over to the Municipal Councils, particularly as there was a likelihood of the levy of octroi being abolished and of the rates of sales tax being enhanced to include an element of octroi resulting in the depletion of the resources of the Municipalities.

10.25. The Commission considers that as matters now stand, there is no justification for any portion of the sales tax being made over to the Municipalities, but that in the event of abolition of the levy of octroi, a reasonable proportion of the sales tax collected within the Municipal limits may have to be made over to the Municipalities.

10.26. Water Supply and Drainage are major schemes involving obligatory functions on the part of the Municipalities. There is no staff in the Municipalities for this purpose and the Public Works Department carry out the work and charge the Municipality 17½ per cent of the cost of the works towards the E.T.P. (Establishment, Tools and Plant) charges. The Commission considers that no change in the present arrangement is called for.

10.27. It has been suggested that certain percentage of the estimated cost on developmental work undertaken by the Municipalities should be paid as grant-in-aid. The cost of developmental projects or non-remunerative schemes undertaken by the Municipalities should normally be accommodated within the income of the Municipalities. If in any particular case it is not possible to do so, it might be necessary to justify the necessity for such expensive projects or schemes and the need for assistance of Government. No general principle can be enunciated in this regard.

10.28. The Municipalities have also requested that grant-in-aid may be given to various developmental projects undertaken by them and that a grant-in-aid code may be prepared and that a Commission may be constituted for ensuring that grants and loans are given to the various Municipal Bodies on an equitable basis. It is not necessary either to have a separate grant-in-aid code or to constitute a Special Commission as suggested as very few grants are being given and even these are being given on an *ad hoc* basis and are meant for specific purposes.

10.29. Government have been assisting the Municipalities in meeting the expenditure incurred on dearness allowance given to their employees. The percentage of grant is 50 in the case of larger Municipalities and 60 in the case of smaller Municipalities.

10.30. It has been represented by the representatives of Local Bodies that the entire liability for the payment of dearness allowance should be borne by Government since the Local Bodies would not be able to meet this expenditure without starving the developmental and public utility works. The official view in this regard is that Local Bodies should not take the position that Government should be responsible for meeting the enhanced dearness allowance payable to employees of Local Bodies, that if any authority is permitted to pass on the financial liability of increasing the remuneration of its employees from time to time to any other higher authority, the result is likely that the employing authority will not act with the necessary sense of responsibility in its employment policies and that the Local Bodies must therefore regulate their employment policies in such a way as to be able to retain only that establishment which they can maintain out of their own resources without detriment to their other obligatory duties, and that if this is done properly, there will be no room for asserting that the increase in expenditure on dearness allowance results in starving the development and public utility works. The Commission considers that it would be adequate if Government continue to give assistance to the Local Bodies towards meeting the dearness allowance of the employees on the present basis and that there is no justification for modifying the pattern of assistance.

*The City of Bangalore Municipal Corporation*

10.31. A Corporation was constituted for the City of Bangalore in the year 1949. The Municipal Administration of the City vests in the Corporation. Government may supersede the Corporation and appoint an Administrator under certain circumstances. At the moment, the Corporation has been superseded and an Administrator has been appointed. Government may appoint an officer in the senior time scale of the Indian Administrative Service/Mysore Administrative Service as the Commissioner for a renewable period of three years. Government may also appoint Deputy Commissioners. All other appointments in the Office of the Corporation are made (i) by the Corporation, if the maximum salary of the Officer exceeds two hundred and fifty rupees ; and (ii) by the Commissioner in all other cases. Section 94 of the Act empowers the Standing Committee to make regulations prescribing service conditions and other matters

generally relating to services. The Commissioner is empowered to prescribe the duties of the Corporation establishment and dispose of all questions relating to their conduct, service, pay and allowances, leave, pension, etc.

10.32. In regard to Government servants employed under the Corporation, the Corporation has to make contributions towards leave allowances, pension and provident fund according to the rules made in this behalf in that branch of Government service to which the servant belongs ; the leave and other privileges enjoyed by these officers being in accordance with the rules and regulations made by the Government.

10.33. The expenditure on establishment of the Corporation is about 1.15 crores which the Commission feels is excessive compared to the resources of the Corporation estimated at about Rs. 5 crores per year. No assessment of work seems to have been made at any time before. It is understood that such a study has now been taken in hand in respect of some of the important branches and is in progress. The study may be completed early and the strength of the staff regulated suitably with reference to the work load at the various levels.

10.34. It is represented that rules regulating the conditions of service and allied matters have for the first time been framed by the Corporation and sent to Government for approval, that appointments to various intermediate cadres were being made hitherto on the basis of seniority in the immediate lower cadres but that the new rules provide for direct recruitment to certain intermediate cadres as also for promotion of persons belonging to one cadre to posts under other cadres impairing the promotional chances available to the officials in the lower cadres. The Commission does not propose to make any detailed examination of the proposed regulations but would only like to observe that it would be desirable to so frame the regulations as to ensure that adequate promotional opportunities are available to the staff at the various levels without at the same time sacrificing efficiency.

10.35. Under the explanation to section 365 of the Mysore Municipalities Act, 1964, the Corporation would also be a Local Authority for purposes of the Section. The Commission considers that it would be desirable to absorb the establishment under the Corporation in the Mysore Municipal Administrative Service and to take officials on deputation from the Service so that the officials in the Corporation may not develop local ties and loyalties detrimental to the interests of the Corporation. The Commission suggests that both Government and the Corporation may examine this aspect of the matter and take a suitable decision. If it is decided to take action as suggested, the recommendations made with reference to absorption of qualified staff in the Municipal Service, retention of the unqualified staff outside the Service and appointment of the officers belonging to the Mysore Municipal Administrative Services in Municipal Offices should apply *mutatis mutandis* to the staff now working in and appointments to be made by the Corporation.

10.36. The Commission was informed that the provisions of the Mysore Civil Services Rules have been made applicable to the employees of the Corporation. No further change in this regard would be necessary if the present suggestion in regard to the Municipal Administrative Service is accepted.

10.37. The scales of pay for persons employed by the Corporation, may be on par with those for comparable posts under the Government as in the case of other municipal employees.

10.38. The major sources of revenue of the Corporation are those on account of levy of taxes, cesses and fees. The Act also empowers the Corporation to borrow by way of debentures on the security of taxes any sum of money required for carrying out the purposes of the Act. The Corporation has been levying all taxes including the professional tax (tax on profession, trades, calling and employment) which, it has decided recently to abolish. In addition, the Corporation receives grant-in-aid from Government on account of the following schemes :—

(1) Family Planning	..	3.14 lakhs—Central Aid.
(2) Urban Community Development Project.		50 per cent of the cost of the Project by Central Government. 25 per cent by the State Government.
(3) Loans under slum clearance scheme		37½ per cent of the cost of project as loan with interest at 6 per cent per annum. 62½ per cent subsidy.
(4) Loans under intensive manufacture of compost manure.		Loan of Rs. 3 lakhs with interest at 6 per cent per annum.
(5) Loans for better road Scheme	..	Loan of Rs. 20 lakhs with interest at 5 per cent per annum. (Repayable in 10 instalments).
(6) Road Maintenance—Grants.—		
(a) Military Roads :	..	Rs. 25,000 received from Military Authorities for the period from the year 1949-50.
(annual).		
(b) National and State Highways :		
(annual).		
(i) National	..	Rs. 24,750
(ii) State	..	Rs. 8,120
		(sanctioned on the basis of mileage)
(c) Other than State Highways	..	Rs. 9,840
(d) Railway bridge	..	50 per cent assistance.
(as and when taken up).		
(7) Compensation under—		
(i) Motor Vehicle Tax	..	Rs. 2,76,249.59
(ii) Loss of Service Tax	..	Rs. 1,85,506.50
		(Every year from 1st January 1958).

(8) Education Cess	..	10 per cent of the collection as collection charges.
(9) Health Cess	..	do
(10) Scheme to Eradicate Mosquito Nuisance.		50 per cent of the cost of Rs. 9,20,566.
(11) Education Grants—		
(a) Fee Compensation Grants	..	(i) Freeships to students whose parent's or guardian's income is less than Rs. 2,400. (ii) Freeships to students belonging to Scheduled Castes and Scheduled Tribes.
(b) Building Grants	..	50 per cent of the estimated cost of school building.
(12) Amenities to newly added villages.		Rs. 20 lakhs (loan).

10.39. It was mentioned in particular that no grant-in-aid was being given on account of payment of enhanced dearness allowance to its employees and on account of the works undertaken by the Corporation on layouts formed by the City Improvement Trust Board and transferred to the Corporation. The Commission having considered the impact on the resources of the Corporation on account of the cost involved in carrying out its everincreasing obligatory functions feels that grants on certain accounts should be liberalised. It is accordingly recommended as follows :—

(1) There is need for assisting the Corporation in the matter of payment of dearness allowance to its employees. Such assistance may be limited to 25 per cent of the cost incurred by the Corporation in that behalf.

(2) The compensation payable to the Corporation under the Mysore Motor Vehicles Taxation Act, 1957 may be revised on the lines suggested in general for the Municipalities.

(3) At least 50 per cent of the expenditure incurred by the Corporation on widening of the roads in the city of Bangalore should be borne by Government in view of the need to widen the roads for taking not only the local traffic but also the 'transit' traffic and the huge expenditure incurred by the Corporation.

(4) When new areas are brought under the jurisdiction of the Corporation by Government under Section 3A of the Act, Government should give to the Corporation an initial grant to cover the bulk of the expenditure to be incurred on bringing the level of amenities in these areas to those available to the other citizens of the Corporation. Once the necessary amenities are provided to these areas, the Corporation should proceed to levy property tax on the residents of these areas, improve the revenues and continue to provide these amenities without approaching Government for further grants for continuing these amenities.

(5) Government lands given to the Corporation for unremunerative purposes like, formation of parks, burial grounds, swimming pools, etc., should be free of cost.

(6) A reasonable proportion of health cess should be given to the Corporation as assistance for meeting expenditure on the malaria eradication scheme, running maternity homes and schemes for taking prophylactic measures against epidemics.

*Corporation—Hubli-Dharwar*

10.40. The Corporation for the City of Hubli-Dharwar functions under the provisions of the Bombay Provincial Municipal Corporations Act, 1949, as in force in the Bombay area. The Commission considers that the various recommendations relating to the City of Bangalore Municipal Corporation should apply *mutatis mutandis* to matters connected with the Corporation of the City of Hubli-Dharwar.

*Enactments dealing with Municipal Corporations*

10.41. The Commission also considers that there should be one uniform Law for the two corporations as well as those which may be established in the State in future. If any city presents special problems it is open to the Government to make appropriate special provisions in the uniform Act for the purpose.

*City Improvement Trust Boards at Mysore and Bangalore*

10.42. The Board at Mysore was constituted under the Statute of 1903 for undertaking improvement schemes within the City of Mysore and schemes involving expansion of the City from time to time. The Board has very limited functions and limited staff.

10.43. The Board at Bangalore was constituted under another Statute passed in the year 1945. The functions of this Board are similar to those of the Board at Mysore. There is a large technical, executive and administrative staff and the activities of the Board are also considerable. Most of the staff has been drawn from several Departments of Government. Only the posts of I and II Division Clerks and those in Class IV service have been filled by the Board by direct recruitment. Although the Board has been in existence for the past 22 years, it is, in its very nature, an *ad hoc* organisation. The Commission considers that no direct recruitment should be made to any posts under the Board in future ; and that the staff should be drawn from other Government Departments or from the Mysore Municipal Administrative Service which might be constituted under the Mysore Municipalities Act, 1964. The scales of pay for the various categories of posts should, in the case of officers taken on deputation, be the same as those for the posts held by them in their parent Departments and in the case of the staff employed by the Board they should be equivalent to those for the comparable posts under Government.



10.44. As the expression 'local authority' for the purpose of the Mysore Municipal Administrative Service, used in Section 365 of the Mysore Municipalities Act, 1964 includes the City Improvement Trust Board, no special pay need be given to the officers belonging to the Service working under the Board.

10.45. Officers in technical and executive posts in the Board are in receipt of conveyance allowance. Similar staff working in the Corporation offices are also in receipt of conveyance allowance. The rates of this allowance are stated to be equal to those attached to comparable posts under Government. The Commission suggests that the continuance or otherwise of this allowance should be examined by Government in the light of the general principles evolved by the Commission in Chapter 6 for the grant of such allowance.

10.46. No basis seems to have been adopted in the appointment of staff in various categories. The Commission considers that on the administrative side there is no rational proportion between supervisory/clerical posts. It is possible to reduce certain supervisory posts if the work is properly assessed. Such an assessment should be done early and the number of supervisory posts adjusted suitably. The strength of Class IV posts should be regulated in accordance with the recommendations of the Commission for modifying the scale laid down in Government Order No. FD 124 SRP (1) 62, dated 29th May 1963.

10.47. The Board has, on hand, seventy-one schemes undertaken on various dates after 1957 and some of them have progressed substantially. The Commission considers that the staffing position on the technical side should be reviewed having due regard to the volume of work involved and anticipated. There are three Land Acquisition Officers in the Board. The average disposal by the three is not uniform. For instance, during the past three years, the disposal by each of the three Officers was 490, 297 and 110 cases. The total number of cases relating to Land Acquisition pending in the Board is 1,178. Two Land Acquisition Officers should be sufficient for handling this work and the third post may be abolished. In future, no additional post of Land Acquisition Officers should be created unless there is sufficient number of cases which would provide adequate work for the additional officer.

10.48. The main function of the Board is forming layouts in the lands acquired and allotting sites for residential and other purposes. The citizen has to approach the Corporation, the Water Supply and Sewerage Board, the Mysore State Electricity Board, the Town Planning Department, etc., for obtaining their clearances in respect of various matters before he can utilise the sites for the purpose for which he purchased them. At times the working of the Mysore Housing Board is also likely to conflict with that of the City Improvement Trust Board and cause inconvenience to the citizen. The Commission has recommended in Chapter 27 that the Heads of these Local Authorities should periodically meet and discuss common problems affecting the interests of citizens and take decisions promptly. The Commission also considers that a suitable machinery should be devised under the control of one of those authorities to assist the citizen to get

clearance from all authorities in respect of the various matters connected with the use of the sites allotted by the Trust Board. Such a machinery could with advantage be established in the Corporation Offices and a suitable fee levied to cover expenses incurred on the services.

*Bangalore Water Supply and Sewerage Board*

10.49. This Board was established under the Bangalore Water Supply and Sewerage Act, 1964 for the improvement of the supply and distribution of drinking water and improvement of the underground drainage system. The scheme was originally intended to be financed by the World Bank. It has, however, been stated that recently Government have decided to proceed with the scheme without such assistance.

10.50. Till the establishment of the Board the work relating to maintenance of water works was done by the Public Works Department and the distribution by the Corporation. The work relating to the underground drainage system was also done by the Corporation. The staff engaged for these projects works has been transferred to the Board.

10.51. The work on the various schemes appears to have just begun. The Commission does not consider it necessary to make any observations or recommendation in regard to the structure and other matters connected with the Board, but would only like to observe that it would be better if a single agency is made responsible for the maintenance of the water works and for the distribution of water within the city.

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## CHAPTER 11

### Community Development Organisation and Panchayat Raj institutions

#### *Community Development Programme*

11.1. The Community Development Programme was launched on 2nd October 1952 throughout the country. This Scheme covered all aspects of rural life including Agriculture, Animal Husbandry, Social Education, Communications, Village Industries and so on. This scheme was first introduced in a few selected areas and later extended by stages throughout the country. So far as the Mysore State is concerned the entire area was covered by the Community Development Blocks by 1963. There are now 268 Community Development Blocks covering the entire State, some in Stage I, some in Stage II and others in post-Stage II.

#### *Panchayati Raj Institutions*

11.2. The Mysore State established the three-tier Panchayati Raj Institutions, viz., Village Panchayats, Taluk Development Boards and District Development Councils under the Mysore Village Panchayats and Local Boards Act, 1959. While there is direct election to the Village Panchayats and Taluk Development Boards including the offices of Chairmen and Presidents respectively, the Deputy Commissioners of Districts are the Chairmen of the District Development Councils in their respective districts. As Community Development and democratic decentralisation are intimately connected with one another, the Commission has thought it fit to examine these two aspects together.

#### *Entrustment of Functions*

11.3. Several functions of a developmental nature have already been entrusted to the Panchayatiraj Institutions and many more could also be entrusted to them. These Bodies can therefore look after development work if requisite funds, facilities and staff are provided to them. It has been suggested that in consideration of the fact that these Institutions can attend to the all-round development of the areas in their charge, there is no need to have a Community Development Department as such for attending to works of a developmental nature and that it would be adequate if Community Development is treated as an Organisation for assisting these Institutions in the discharge of their responsibilities. While the Commission agrees with the principle underlying this suggestion, it considers that the Department has to continue as some of the posts in the Organisation now existing have necessarily to be borne on its establishment but recommends that the Cadre and Recruitment Rules may, however, provide for all these posts being filled by taking on deputation officers of appropriate status and rank from other permanent Departments of Government and that there need not be any personnel holding permanent liens on posts in this Department.

*Officers working in the Community Development Department*

11.4. While most of the officers working in the Community Development Organisation are even now treated as officers belonging to their respective parent Departments, there are a few categories of officials who have at the moment no liens on any posts in any of the permanent Departments of Government.

11.5. Matters relating to officers working now in the Community Development Organisation are examined in the following paragraphs :

11.6. There are persons who have liens on posts in permanent departments and are, for all practical purposes, deemed to be on deputation to the Community Development Department. Under this category come all the Extension Officers like those in charge of Agriculture, Animal Husbandry, Engineering, Co-operation, Industries and Fisheries, as also the ministerial staff such as Accountants, I Division Clerks, II Division Clerks and II Grade Typists drawn from the respective parent departments.

11.7. Many of the Officers who are now holding the posts of District Development Assistants, Block Development Officers, Deputy Block Development Officers and Panchayat Extension Officers were formerly working in several permanent departments of Government and were appointed in the Community Development Department by selection by the Public Service Commission, while some others came into this cadre at the time of Reorganisation of States directly to the posts in the Community Development Department. The liens of the officers who were working in other departments of Government and who were taken to the Community Development Department were either suspended by specific orders or they are deemed to have been suspended under note 4 to sub-Rule (f) of Rule 20 of the Mysore Civil Services Rules.

11.8. Such of those in the cadres mentioned above, who came to this Department directly at the time of the reorganisation of States like Director of Training, Social Education Organisers, Mukhya Sevikas, Gramasevaks and Gramasevikas who were originally borne on the cadre of the Community Development Department as such, have no liens on posts in any other permanent Department of Government.

11.9. The first category, viz., persons who have liens in permanent departments and are, for all practical purposes, deemed to be on deputation to the Community Development Department present no problem and the Commission is of the view that in all such cases, the existing position has only to be expressly clarified by declaring that they are on deputation from the concerned departments of Government. The liens of the second category of officers, viz., those who formerly had liens on posts in permanent departments and such liens have been suspended, may now be restored and the officers concerned repatriated either immediately or over time, ensuring that on such repatriation, they would not have to hold posts which are lower in rank than the posts which they are new

holding or would be holding, on the date of their repatriation, in the Community Development Department. In many cases, if such liens are restored and the officers are re-transferred to their parent departments, they would hold posts of a status corresponding to the posts that they are now holding or in some cases they may even hold posts which are higher in rank than the posts which they are now holding. There would be no difficulty in restoring the liens of these officers on the posts which they held in their parent departments. After the liens are restored, they may either be retained in their present posts in the Community Development Organisation so long as their services are required here or they could be repatriated with equal facility. Difficulty, however, arises in the case of those officers whose liens can be restored only against posts in the parent departments which are lower in rank than the posts which they are holding in the Community Development Department at present. In such cases, the liens may be restored but the officers may be retained in the posts which they are now holding or in posts of similar rank in the Community Development Department until such time as they get promotions in their parent departments with reference to the posts against which their liens are to be restored and then repatriated. In the case of the third category of officers, *viz.*, those who have no liens on posts in permanent departments, supernumerary posts equal in rank to the posts which they are now holding will have to be created in other permanent departments and their liens shown against them. Such of them as are in Class II and Class III posts could be absorbed against corresponding posts in the Municipal Administrative Services to be created for the Municipalities. The remaining officers may be transferred to some other departments under Rule 16 of the General Recruitment Rules to posts carrying responsibilities and duties very nearly approximate to those in the Community Development Department.

*Future structure of the Department.*

11.10. The existing set up of the Department is by and large appropriate to the nature of the work entrusted to it. It has been represented to the Commission that more and better quality of work, than could be expected under the existing set up, could be done if a Directorate of Panchayat Raj is set up on the lines indicated. After examining the question in great detail and after hearing the officers connected with the Department, the Commission is satisfied that the present structure of the Department with a few changes as indicated in the succeeding paragraphs would be adequate.

*Development Commissioner.*

11.11. It has been recommended in Chapter 3 that the Development Commissioner should be a whole time Officer in the super-time scale of the Indian Administrative Service dealing only with the Development, Agricultural Production, Coordination and Municipal Administration. He may be assisted in respect of the development work by a Deputy Development Commissioner in the senior time-scale of the Indian Administrative Service or Mysore Administrative Service and in respect of the Municipal Administration work by another

officer in the same scale. Each of the Deputy Commissioners may be supported by two Assistant Commissioners in the Class I Junior time-scale of the Mysore Administrative Service and by requisite supporting staff, the strength of which has to be determined with reference to the work-load in each of these wings.

*Divisional and Deputy Commissioners.*

11.12. The Commission has recommended in Chapter 3 that the posts of the Divisional Commissioners might be abolished. There would, therefore, be no Divisional Commissioners-cum-Joint Development Commissioners in the State and the Development Commissioner would have to operate directly through the Deputy Commissioners-cum-Deputy Development Commissioners. The Deputy Commissioners are now assisted by District Development Assistants of a status comparable with that of the Assistant Commissioners in the Mysore Administrative Service Class I Junior time-scale and by requisite subordinate staff. This arrangement may be continued even hereafter. Government have recently sanctioned posts of Planning Officers and appointed officers in the cadre of Block Development Officers and Deputy Block Development Officers against these posts. These posts may be abolished after the work of drafting of the district plans is completed. There would be no need to continue them for over-seeing the work of the Panchayats as requested by the Department as the work of inspection can be entrusted to the Chief Executive Officer under Section 198 of the Mysore Village Panchayats and Local Boards Act, 1959, the work of the Taluk Development Boards being supervised directly by District Development Assistants.

*District Development Officers.*

11.13. All the District Officers of the Development Departments may be given the additional designation of "District Development Officer" of the respective department. The Deputy Commissioner should be given the authority to Co-ordinate the work of the development departments at the district level. The Deputy Commissioner may meet individually the district Development Officers preferably on different days of the month so that they could concentrate their attention on the difficulties, if any, in the implementation of the activities of the particular department and find solutions to the problems raised by the local officers. Meetings of the District Co-ordination Committee may be held once a month and only matters of general interest pertaining to more than one department taken up for consideration at such meetings. In order that these meetings could be fruitful, there should be a carefully drawn up agenda of subjects proposed to be discussed and circulated to the officers well in time.

*Assistant Commissioners.*

11.14. The Assistant Commissioners in-charge of Sub-Divisions are not, in the view of the Commission, as closely associated with the developmental work, as they could profitably be. It is therefore suggested that Co-ordination Committees may be set up for each Taluk with the Assistant Commissioner as

the Chairman and the Chairman of the Taluk Development Board, the Chief Executive Officer of the Taluk Development Board and the Tahsildar of the Taluk as Members. This Committee may be given the authority co-opt as Members, the officers functioning at the Taluk or sub-divisional level in the various development departments. This Committee may review once a month the progress of works undertaken by the Taluk Development Board and ensure that such assistance and co-operation as are required by the Taluk Development Board for the execution of the works entrusted to them at the hands of the officers of the Development Departments are in fact available and where they are not available adopt necessary remedial measures.

*Chief Executive Officers of Taluk Development Boards.*

11.15. The Taluk Development Boards would have to be, both deliberative and executive bodies at the taluk level. All the officers of the Development Departments working at the taluk level should be brought under the control of the Taluk Development Boards and they should all work in harmony to achieve the common objective of an all-round development of the taluk.

11.16. The Block Development Officer should be designated as the 'Chief Executive Officer' of the Board. The cadre of Deputy Block Development Officers may be abolished excepting an cases in which an officer of that status would be required for assisting the Chief Executive Officer either because the jurisdiction of the Board is vast or because special items of work like intensive agricultural development programmes have been taken up in any particular taluk. It would be adequate if the number of posts in this cadre is limited to twenty and the officers in this cadre are posted to the Taluks which satisfy the criteria indicated above. The Deputy Block Development Officer may be re-designated as 'Taluk Development Officer' and such officer may be placed in independent charge of a specified area of the taluk concerned and may be authorised to exercise all the powers of the Chief Executive Officer subject to the latter's over-all control and subject also to matters of policy being routed to the Taluk Development Board through the Chief Executive Officer.

*Extension Officers*

11.17. There are at present Extension Officers in charge of Agriculture, Animal Husbandry, Co-operation, Engineering, Industries, Panchayats and Fisheries (in some Taluks). All the Extension Officers excepting for the Extension Officer (Co-operation) working at the taluk level may be transferred to the Taluk Development Board and placed under the Administrative control of the Chief Executive Officer. The Extension Officer (Co-operation) may, however, be brought outside the purview of the Taluk Development Board and kept directly under the Departmental Officers, since he has got to discharge certain statutory duties which he may not be able to discharge equally efficiently if he is under the control of a popular body like the Taluk Development Board.

11.18. Consequent on the recommendation made regarding withdrawal of Co-operative Extension Officers from the administrative control of the Chief

Executive Officer and from the purview of the Taluk Development Board, there should be a link between the Taluk Board and the Co-operative sector at the taluk level to ensure proper co-ordination between the two organisations ; and for this purpose, the President of the Taluk Development Board should be an *Ex-Officio* Director of the Taluk Agricultural Produce Marketing Society and the President of the Society should be an *Ex-Officio* member of the Board. The Commission recommends that the Mysore Co-operative Societies Act, 1959 and the Mysore Village Panchayats and Local Boards Act, 1959 may be amended suitably.

11.19. The Social Welfare Inspector is working at present as a member of the team of officers under the control of the Chief Executive Officer. In the new set up also, he may continue to be an officer of the Taluk Development Board and concentrate his attention on the schemes that are of particular significance to the backward classes, the Scheduled Castes and the Scheduled Tribes.

#### *Field Staff*

11.20. The Field Assistants of the Agricultural Department engaged (a) in the soil conservation work and (b) in certain other specific items of work are working outside the Block team and independently of the Agricultural Extension Officers. So far as the former category is concerned, there should be no difficulty in their being brought into the team of officers working under the Taluk Development Board and all the grants now being utilised directly being channelised through the Board; the department may indicate to the Board the various areas which are suitable for soil conservation work and leave it to the Board to decide as to which area should be taken up first, subject, however, to the condition that the provisions of the Land Improvement Act are strictly adhered to. The latter category of Field Assistants may, however, be kept outside the team of officers working under the Boards partly because of the fact that their jurisdiction extends beyond the limits of the Taluk and partly because of the regulatory nature of their work as it is not desirable that an officer entrusted with such work should have to work under Taluk Development Board or under its Chief Executive Officer.

#### *Periodical Returns*

11.21. Over a 100 returns have to be submitted by the Block Development Officer every month and the particulars furnished in several of the forms are over-lapping and some of the forms have now become out-dated and are no longer useful. The Department undertook a cursory examination of the various statements and *pro formae* which have been prescribed and has suggested that the number of statements and periodicals to be sent by the Block Development Officer may be reduced to 26 as per the list appended as Appendix 'A'. The Commission agrees with the proposal and suggests that while the Department may reduce the number of Returns as proposed immediately, it should make a more thorough examination of the question as early as possible and retain only such of them as would be really useful to the Department from the point of view of evaluation of the work done in the field.



### *Need for Multi-purpose Workers*

11.22. A suggestion was made that as the Gramsevaks have now been transferred to the Department of Agriculture and are now wholetime functionaries of the Department, there is need to create another cadre of multi-purpose workers and that Secretaries of Village Panchayats could be appointed as such multi-purpose workers. The Commission has examined the question whether there should be wholetime Secretaries of Panchayats and if so, whether they could function as such multi-purpose workers and in that event whether each Secretary should be in charge of one or more Panchayats. The Commission does not consider it necessary to make the Secretaries of Village Panchayats multi-purpose workers as the jurisdiction of the functionaries of the several Development Departments at the lowest level is small enough to permit them to be in close touch with the villagers who require their services.

### *Confidential Reports*

11.23. As the staff of the Taluk Development Boards under the new set up would be under the direct control of the Chief Executive Officer, the Confidential Reports on their work may be written by him. In case the President of the Board has any remarks to offer he may do so and his remarks may also be placed on record. The Confidential Reports may be sent by the Chief Executive Officer to the Assistant Commissioner of the Sub-Division who in his capacity as the Chairman of the Taluk Co-ordination Committee, may assess the work of all the Extension Officers working in the Taluk Development Board, record his views and pass on the papers to the District Development Officers concerned. The Confidential Reports on the work of the Block Development Officer (Chief Executive Officer in the new set up of Taluk Development Board) and the Taluk Development Officer may be initiated by the Assistant Commissioner and sent to the Deputy Commissioner. The Deputy Commissioner may consult the District Officers of the various Development Departments and then record his remarks along with such comments as the District Officers of the Development Departments may have to make in regard to the work of the Chief Executive Officer (Taluk Development Officer). The Deputy Commissioner may initiate the Confidential Report on the work of the District Development Officers and pass them on to the Heads of Departments. The Commission considers that this arrangement will conduce to efficiency in the revised set up. ●

### *Village Panchayats*

11.24. Under Section 5 of the Mysore Village Panchayats and Local Board Act, the members of the Village Panchayats are elected by direct election and under Section 27, the Panchayat chooses one of the members as the Chairman and another as the Vice-Chairman. Necessary reservations are made for women and for persons belonging to the Scheduled Castes and Scheduled Tribes. The Commission considers that the existing position is satisfactory and may continue.

### *Establishment*

11.25. The panchayats have their own Secretaries and subordinate staff. The future of the establishment under the Panchayats has been examined and suitable recommendations in this regard have been made in para 11.42.

### *Finance*

11.26. The Panchayats are entitled to 3 per cent of the Land Revenue collected in their jurisdiction. They are also entitled to levy and recover various taxes within their local jurisdiction. Such taxes includes :

- (a) tax upon buildings,
- (b) a tax on professions, trades, callings and employments,
- (c) a tax on places where a trade or business is carried on for purposes of profit, payable by the person or persons engaged in the trade or business,
- (d) a tax on fairs, festivals and entertainments,
- (e) a tax on vehicles.
- (f) a tax on bus stands,
- (g) a fee on markets,
- (h) a fee on cart-stands, and
- (i) a fee for supply of water from water works vesting in the Panchayat.

### *Selective Grants.*

11.27. The Village Panchayats are also entitled to a share of 5 per cent of the Land Revenue collected in the State. This share is given taking into consideration the needs of the village and any special items of developmental work. It is suggested that these grants may be given taking into consideration the taxes which the Village Panchayat has raised, the manner in which it has utilised the grants given to it in the previous year and the purpose for which it wants to utilise the grants for the current year. If the system of such selective grants is introduced, the Village Panchayats may discharge their duties efficiently and work with local zeal.

### *Functions.*

11.28. The functions of the Village Panchayats are categorised as obligatory and discretionary and they are specified respectively in Sections 42 and 43 of the Act.

11.29. It is suggested that works of a purely local character which are proposed to be undertaken by Government or the Taluk Development Boards may be entrusted to the Village Panchayats and the amounts earmarked for the purpose placed at their disposal so that they and the people of the village could develop a sense of participation in the developmental activities undertaken in their villages.

### *Taluk Development Boards*

11.30. Under Section 97 of the Mysore Village Panchayats and Local Boards Act, all the members of the Taluk Development Board are elected by direct election. Seats are reserved for women and for persons belonging to the Scheduled Castes and the Scheduled Tribes. Under sub-section (2) of Section 96, the Members of the Legislative Assembly whose territorial constituencies lie within the Taluk and the Member of the Legislative Council ordinarily resident in the Taluk shall be entitled to take part in and vote at the meetings of the Board. The Taluk Development Board shall elect one member as its President and another as its Vice-President.

11.31. The set up and constitution of the Taluk Development Boards may also continue as they are now, but in addition, the Chairmen of all the Village Panchayats in the taluk may be made *Ex-Officio* Members of the Taluk Development Boards so that closer relationship than at present could be developed between the Village level and the Taluk level bodies and the Chairman of the Taluk Agricultural Produce Marketing Society may be appointed as an *Ex-Officio* Member so as to establish closer ties than at present between the two bodies.

### *Establishment*

11.32. The Block Development Officer is now the *Ex-Officio* Chief Executive Officer and the staff working in the Taluk Development Board is also treated for certain purposes as the establishment of the Taluk Development Board. In addition, however, the Taluk Development Board is competent under Section 119 of the Act, to employ such officers and servants as may be necessary for the discharge of the duties entrusted to it. The actual strength and the composition of the establishment vary from one Taluk Development Board to another.

### *Finances*

11.33. The Taluk Development Board is entitled to the assignment of 25 per cent of the Land Revenue recovered in its jurisdiction. The Board is also empowered under Section 164 to levy duty on transfer of immoveable property and taxes on animals brought for sale in the markets established in the jurisdiction of the Board.

### *Selective Grants*

11.34. Five per cent of the Land Revenue collected in the State should be allotted by Government to any of the Taluk Development Boards to be expended on such items of work as Government may direct. It is suggested that the principles indicated in respect of selective grants to be given to the Village Panchayats may be made applicable to the cases of selective grants to be given to the Taluk Development Boards also.

### *Functions*

11.35. The functions of the Taluk Development Boards are classified the 'obligatory' and 'discretionary' and are specified respectively in Sections 130 and 131 of the Act.

### *Entrustment of Functions*

11.36. Development Departments like Agriculture, Animal Husbandry Public Works, Horticulture, etc., have been implementing their departmental programmes in some cases directly through their own officers and in some cases through their officers who are working in the Community Development Organisation.

11.37. Under the Mysore Village Panchayats and Local Boards, Act, 1959, the Taluk Development Boards have also the responsibility of supervising and implementing the work undertaken in their respective jurisdictions by the Community Development Organisation. The Taluk Development Boards are now undertaking schemes financed either by their own funds or financed by funds placed at their disposal by Government. In the result, there are schemes executed directly by the Development Departments and schemes executed by or through the Taluk Development Boards in each local area.

11.38. The Taluk Development Board being a democratic body consisting of the representatives of the people would be in a position to know the requirements of the local area much better than any official agency. It would, therefore be appropriate that all developmental schemes of a local nature should be executed through these bodies only. In view, however, of the limited resources of the Village Panchayats, it may be difficult to entrust to them works which are normally being undertaken by the Departments of Government but such an objection would not be there in respect of entrustment of funds and functions to the Taluk Development Boards.

11.39. The Departments concerned could study the needs of each Panchayat and indicate to the Taluk Development Boards the programmes of works to be undertaken in their jurisdiction, the extent to which such programmes could be implemented year after year consistently with the availability of the funds and the areas in each taluk which are best suited for the execution of similar or different kinds of works and place at the disposal of the Taluk Development Boards the funds earmarked for the purpose and the personnel competent to implement the same. The Taluk Development Boards should discuss the schemes at their annual meetings and decide upon the priorities and get the works executed in accordance with such priorities subject to the guide lines prescribed by the Department. Some functions have already been transferred to the Taluk Developments Boards. On a cursory examination of the position, it appears possible to transfer to these Boards the additional schemes as specified in Appendix 'B' so that this body consisting of persons of the locality having intimate knowledge of the needs and situations at field level can be made to shoulder responsibility to carry out all works honestly and faithfully.

### *Budget*

11.40. It is therefore necessary that the Taluk Development Board should have a single budget covering all the resources made available to them under the assignments of land revenue, the amounts raised by their own taxation and

the amounts placed at their disposal by Government for the execution of specific items of work or specific categories of works. It is seen from the Press Reports that Government have decided that the entire land revenue of the State should be assigned to these Local Bodies. According to the statement made on behalf of Government at the recent session of the Legislature, 50 per cent of the land revenue would be assigned to the Village Panchayats, and 30 per cent to the Taluk Development Boards as direct grants and the balance of 20 per cent would be given to these local bodies as selective grants. Even if there is any slight change in the proportion in which funds are distributed as between the Village Panchayats and Taluk Development Boards, both categories of Local Bodies are bound to get fairly significant amounts for undertaking developmental works in their respective jurisdictions.

*Mysore Local Government Service and Local Government Fund*

11.41. The Mysore Village Panchayats and Local Boards Act, 1959 provides for the constitution of the Mysore Local Government Service and the Local Government Fund. Neither such Service nor such Fund has been created so far.

11.42. The Commission has suggested in Chapter 3 that as a rule, the Village Accountants might be appointed as Secretaries of Village Panchayats and that only in exceptional cases need separate functionaries be appointed to such posts. It is suggested that even in cases in which separate functionaries are appointed as Secretaries of Village Panchayats, the persons to be so appointed may be taken on deputation either from the cadre of Village Accountants or from the cadre of II Division Clerks of any department. The Village Accountants and other officials will have their own cadres.

11.43. The Commission has suggested in Chapter 26 that the posts of Chief Executive Officers of the Taluk Development Boards, Extension Officers and other posts which have been created in the Community Development Blocks might be transferred to the Administrative control of the Taluk Development Boards and that all of them might be filled by taking on deputation officers and officials holding corresponding posts from the concerned Departments of Government. These officers belong to their respective cadres.

11.44. Class IV Officials working in Taluk Development Boards and Panchayats would be locally available candidates recruited directly by the Bodies concerned; they need not be liable to transfer from one Local Body to another and they need not belong to any "service" as such. It would not, therefore, be necessary to have any Service for any of these categories of employees.

11.45. It would leave out only a very few officials in Class III who might have been directly recruited by Taluk Development Boards and who are working in such Bodies. The Commission considers that even if these Officers are encadred in a separate service, it would not be possible to alter the conditions of service governing these officers. It is, therefore, suggested that all such officers might continue to work as employees of the concerned Taluk Development Boards

till they retire from service and that during this period they may continue to be governed by the terms and conditions of service by which they were being governed so far. Their scales of pay may, however, be the same as those for the employees of Government holding corresponding posts. All future vacancies in such cadres may be filled by taking on deputation officials holding corresponding posts in the Revenue and other Departments of Government.

11.46. If these suggestions are accepted, the Commission considers that there would be no need to constitute any Local Government Service or create any Local Government Fund as contemplated under the Act, and recommends that neither the Service nor the Fund need be constituted.

#### *Employees of former District Boards*

11.47. It has been represented to the Commission that the conditions of service of certain Doctors and Vaidyas who were recruited by the former District Boards and whose services were transferred to the Taluk Boards have been altered to their disadvantage. The Commission considers that Doctors and Vaidyas appointed by the former Local Bodies should continue with the same conditions of service as were applicable to them when they were appointed and with suitably revised scales of pay.

#### *Provident Fund*

11.48. Section 210 of the Act empowers the State Government to make Rules providing *inter alia* for authorising payment of contribution to any Provident Fund which may be established by a Panchayat. There is no power to make rules providing for similar authorisation in respect of Taluk Boards. The Mysore Panchayat Bill, 1964, which has since lapsed, however, envisages such power. The Commission considers that a provision as proposed in the Bill should be inserted in the Mysore Village Panchayat and Local Boards Act, 1959 by a suitable amendment.

#### *Zilla Parishads*

11.49. In the view of the Commission, the set up and the Constitution of the Zilla Parishads may be more or less what it is in respect of the existing District Development Councils. The District Development Councils have been established under Section 187 of the Mysore Village Panchayats and Local Boards Act. They consist of :

- (i) The Deputy Commissioner of the District ;
- (ii) Members of the House of the People and the State Legislative Assembly and the State Legislative Council, representing a part or whole of a District whose constituencies lie within the District ;
- (iii) Members of the Council of States and the State Legislative Council, not elected from territorial constituencies ordinarily resident in the District ;

- (iv) Such Officers of Government working in the District not exceeding fifteen in number as may be nominated by Government to be members ; and
- (v) the Presidents for the time being of the Taluk Boards in the district ;
- (vi) a member of the Scheduled Castes nominated by the Government; and
- (vii) A Woman nominated by the Government.

At present the Deputy Commissioner is the Chairman of the District Development Council. But in case it is considered necessary to do so in the interest of Panchayati Raj institutions, the Chairman could be elected from among the non-official members. He need not be, however, a whole-time Chairman but he could be enabled to continue to function in his office or position as a Member of the Parliament or the State Legislature or the President of a Taluk Development Board as the case may be.

11.50. The Commission considers that it is unnecessary to have direct elections to the Zilla Parishad. There are already direct elections at one end to the State Legislature and to the Parliament, which are policy making and Legislative Bodies and at the other, to the Village Panchayats and Taluk Development Boards which are the planning and executive bodies for the implementation of development programme. The Commission also considers that since projects of a "developmental nature" which could be handled by local bodies would be mostly of interest either to a Village or to a group of villages in a taluk, the inter-taluk projects which are bound to be few, may be taken up and executed by the District Development Council.

11.51. The Commission has gone through the constitution and functions of such District Bodies envisaged by the relevant Panchayat Law in the different States in our country. These Bodies are purely deliberative and advisory in character. Their working and meetings entail high expenditure with no corresponding, much less proportionate, benefit to the District. Section 189 of the Village Panchayats and Local Boards Act, 1959, enumerates the functions of the District Development Councils. These Councils have to scrutinise and approve the budgets of the Taluka Boards, review the work of the latter from time to time, afford guidance or assistance to the Taluk Boards whenever the same is sought and co-ordinate the work of the Taluk Boards when the work or the programme pertains to more than one taluk. The works or the programmes under the Act essentially pertain to such areas in each Taluk and their implementation is rightly entrusted by the Act to persons intimately concerned with them. The Commission, therefore, desires to emphasise that creation of a big body at the District level would serve no useful purpose and is sure to result in unproductive and heavy expenditure to the State.

#### *Chief Executive Officer*

11.52. If the Government however decides to have a non-official President, then an officer in the senior-time scale of the Mysore Administrative Service or the Indian Administrative Service will have to be appointed wholetime Chief

Executive Officer of the Zilla Parishad and the District Development Officers of all the Development Departments may be appointed as *Ex-Officio* members of the Parishad. All the developmental activities at the District level may be undertaken by the Zilla Parishad. The staff working under the Parishad may be taken on deputation from among officers holding corresponding posts in departments of Government or in the Local Government Service.

### *Finances*

11.53. Block grants under several heads are channelised directly through the Divisional Commissioners, Deputy Commissioners and so on and under other Heads through the District Development Councils. All grants in future which are of a developmental nature may be channelised through the District Development Councils. These Councils may be given guidelines on the basis which they have got to allot funds among the various Taluks and keeping those guidelines in view, the District Development Councils may distribute the grants among the taluks.

### *General*

11.54. Since democratic decentralisation has been accepted as a "Way of Life", it is but appropriate and proper that the schemes should be implemented without any mental reservations on the part of Government, the Heads of Departments, the local officers or by the democratic bodies themselves. This objective can be secured only if the authorities and the non-official members at all levels are imbued with a sense of dedication and selfless service.

11.55. The first step to be taken in this direction is to ensure that proper relationship is established among the democratic bodies at the various levels, that adequate funds are kept at their disposal, that more and more powers and duties are vested in them, that adequate technical advice and staff are made available to them and that they are encouraged to exercise their authority and to discharge their duties faithfully and impartially.

## APPENDIX A

### LIST OF THE RETURNS TO BE SUBMITTED BY THE TALUK DEVELOPMENT OFFICE

#### I. General Statistics.

1. Block Annual Progress Report—Part I for the year ending 31st March.
2. Block Annual Progress Report—Part II for the Co-operative Agriculture year ending June.
3. Block Quarterly Progress Report for Quarter ending.

#### II. Works.

4. Monthly Progress Report under works other than Block grants for the month of.....
5. Progress Report by N.E.S. Blocks in..... Taluk for the month of.....



**III. Vacancy Position.**

6. Vacancy position statement as on.....in.....Development Blocks.
7. Statement showing the position of Extension Officers and Gramasevikas, Development Block I and II .....

**IV. Accounts.**

8. Form No. I—C.D.P.—Statement showing the monthly expenditure under 37 C.D.P., etc., for the month of .....
9. Form No. II C.D.P.—Statement showing the monthly debits (expenditure) under Major Head “Q Loans and Advances by State Government”—Loans for the month of .....
10. Form No. III—C.D.P.—Statement showing the credits (remittances made into the Treasury) in the Block under Major Head “Q. Loans and Advances by State Government—Loans under the C.D. Programme ” for the month of .....
11. Form No. IV—C.D.P.—Plus and Minus memo proposing ‘Write Back’ entries of expenditure incurred towards subsidy paid for construction of irrigation wells for the month of.....
12. Form No. V—C.D.P.—Remittances made into the Treasury/Bank—Major Head “XXXI, Community Development Projects, N.E.S. and L.D. Works ” for the month of .....

**V. Panchayats.**

13. Statement showing the information regarding the quartely review of the work done by the Village Panchayats for the quarter ending .....
14. Demand, Collection and Balance of Village Panchayats Taxes in ..... Taluk for the quarter ending .....
15. Statement of expenditure on Panchayat Schemes 302 and 304 in Taluk for the quarter ending.....
16. Inspection Notes of the..... Panchayat.

**Agriculture.**

17. Quarterly Progress Report on Demonstration—Proforma I.  
Quarterly Progress Report on Demonstration—Proforma II.  
Quarterly Progress Report on Demonstration—Proforma III.
18. Fertiliser distribution report for the month of .....Proforma I.  
Report regarding Development items such as minor irrigation scheme and supply of Oil Engine, etc., and Irrigation Pump Sets.....Proforma II.
19. Report showing the production and distribution of Registered Seeds for quarter ending .....Proforma I.  
Report showing the quantity of hybrid seeds distributed for general sowings for quarter ending .....Proforma II.
20. Monthly Progress Report I.A.A.P.—Proforma I.  
Montly Progress Report I.A.A.P. (inputs)—Proforma II.  
Monthly Progress Report on I.A.A.P.—Proforma III.  
Monthly Progress Report of I.A.A.P.—Farm Plans and Crop Loans—Proforma IV.

21. Improved Agricultural Practices quarterly Progress Report—Purchase and distribution of various kinds of chemicals free of cost and the area covered thereon for Quarter ending ..... Proforma I.

Improved Agricultural Practices quarterly Report—Improved Agricultural Implements Purchased and distributed at subsidised rates under Kharif and Rabi Campaigns Scheme—quarterly ending ..... Proforma II.

Improved Agricultural Practices Quarterly Report—Crop—Competitions conducted under Kharif and Rabi Campaign Scheme quarter ending..... Proforma III.

22. Plant Protection Scheme—Consolidated Progress Report for the month of ..... Proforma I.

Monthly Report of Plant Protection work done for the month of..... Pro forma II.

23. Monthly Progress Report of High Yielding Varieties Programmes (Area Covered)..... Proforma I.

Monthly Progress Report of High Yielding Varieties Programmes (Inputs)—Proforma II.

Monthly Progress Report of High Yielding Varieties Programmes (Farm Plans and Loans)—Proforma III.

24. Monthly Progress Report of Improved Agricultural Practices—Pro forma I.

Monthly Report of Improved Agricultural Practices Japanese Method of Paddy Cultivation—Proforma II.

25. Monthly Progress Report of I.A.D.P. Mandya—Proforma I.

Monthly Progress Report of I.A.D.P. Mandya—Proforma II.

Monthly Progress Report of I.A.D.P. Mandya—Proforma III.

26. Quarterly Report for Development of Local Manurial Resources—Proforma I.

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*N.B.*—The returns and statements pertaining to the Co-operative Department, now submitted by the Co-operative Extension Officer through the Block agency, are excluded from the above list, as the Commission has recommended in para 11.17 that the Co-operative Extension Officer may be brought outside the purview of the Taluk Development Board and kept directly under the Departmental Officers.

## APPENDIX B

### DEPARTMENTAL SCHEMES THAT CAN BE TRANSFERRED TO THE TALUK DEVELOPMENT BOARDS FOR IMPLEMENTATION, ETC .

*Schemes that have already been transferred under G.O. No. P. & D. 93 D.C.C. 60, dated 4th May 1961.*

#### Agriculture Department.

1. Development of Local Manurial resources.
2. Distribution of seeds (through the Co-operatives wherever they are established).
3. Plant Protection.
4. Crop Competition.
5. Counter Bunding in so far as the supplying of Community Labour is concerned.

**Animal Husbandry.**

1. Free Bull scheme.
2. Cattle Shows.
3. Sheep and Wool Development Scheme.
4. Loans to private farmers.

**Forest.**

Development of Village Forests or Farm Forestry.

**Minor Irrigation.**

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Construction of new tanks</li> <li>2. Restoration of tanks including breached tanks</li> <li>3. Desilting and reclamation of tanks.</li> <li>4. Percolation tanks.</li> </ol> | .. } Whose atchkat does not exceed<br>.. } ten acres. |
|---|---|

**Industries.**

1. Pottery Centre, Madike Beedu, Coorg.
2. Conducting Exhibitions under non-Plan Schemes.
3. Organisation of Industrial Exhibitions and Rural Museums.

**Sericulture.**

1. Supply of Chandrikes to Rearers in Seed Areas.
2. Grant of loans and subsidies for sinking wells in Community Development areas and renovated areas.

**Indian Medicine.**

1. Opening of Rural Ayurvedic Dispensary.

**Education.**

1. Pre-Primary Education.
2. Mid-day Meal Scheme.
3. Sanitary Provision for Girls in Schools.
4. Library Service.
5. Running of Adult Literacy classes and Rural Libraries under Social Education except those managed by the Mysore State Adult Education Council.

**Welfare of Backward Classes.**

Welfare of Backward and Scheduled Classes Housing.

**Publicity.**

Installation of Community Receiving Sets.

**Panchayats.**

1. Seminars for Members of Village Panchayats and Taluk Boards.
2. Rural Water Supply and Drainage.

Apart from the schemes mentioned in the Government Order, dated 4th May 1961, Government have also proposed to transfer the following 11 schemes, to the control of Taluk Development Boards as per letter No. DPC 18 ITS 68, dated 13th August 1968.

**Name of the Schemes.**

1. Primary Education.
  2. Hospitals and Dispensaries.
  3. Primary Health Units.
  4. Family Planning Centres.
  5. Veterinary Hospitals and Dispensaries.
  6. Development of Poultry, Fisheries and Horticulture under Applied Nutrition Programme.
  7. Minor Irrigation works with an atchkat of less than 100 acres.
  8. Welfare of Scheduled Castes, Denotified Tribes, Scheduled Tribes and Nomadic and Semi-Nomadic Tribes.
  9. Famine Relief Works.
  10. Community Development Programme.
  11. Drinking Water Wells.
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## CHAPTER 12

### Retired Employees of Government

12.1. In the fourth interim report, the Commission considered the representations received from individual pensioners and Associations of Pensioners all over the State and made the following recommendations for affording relief to the pensioners :

#### *Reliefs recommended*

12.2. (i) The Dearness Allowance paid to pensioners may be increased by 50 per cent on an *ad hoc* basis. The maximum limit upto which the Dearness Allowance is paid on pensions may be increased from Rs. 100 per month to Rs. 200 per month.

(ii) The minimum pension may be raised from Rs. 20 per month (inclusive of Dearness Allowance) to Rs. 30 per month (inclusive of Dearness Allowance).

(iii) The pensioners and their wives may be given facilities of getting free medical treatment both as in-patients and as out-patients in all Government hospitals. (The question of affording other facilities was reserved for consideration at the time of the final report).

(iv) The benefit of family pension may be extended to persons who retired from service prior to 1964, provided that they opt to come under the Family Pension Scheme, subject to the conditions indicated in the interim report.

(v) Benefits like Dearness Allowance and right of commuting a portion of pension may be extended to teachers and other staff (except menial servants) coming under the Triple Benefit Scheme.

12.3. Amongst the various other matters represented on behalf of the Pensioners and rejected for various reasons by the Commission, mention may be made of the following as illustrating their trend :—

(i) It is not necessary to amend the Pension Act, as it has in no way affected the interests of pensioners.

(ii) The representation that there are large balances under the pension Fund and that better pensionary benefits could be given to the pensioners out of this Fund is based on a misapprehension of facts.

(iii) It has been an accepted principle in India, even in respect of the in-service officers, that the scales of pay need not be linked to the cost of living and that any increase in the cost of living should be neutralised by the payment of dearness allowance. The same principle would apply in the case of pensioners also. The Commission does not therefore consider it necessary that pension should be increased consistently with the rise in the cost of living.

(iv) As the in-service officers are not getting any educational facilities, apart from what the members of the Public are getting, it is not considered necessary to concede the request of pensioners for grant of free educational facilities to their children.

(v) The Commission does not consider it necessary to give any special facilities to pensioners in respect of matters like provision of foodgrains, the grant of lands or house sites and grant of loans for construction of houses and so on.

(vi) As the pensioners could settle down in any place of their choice where the cost of living is low, it is not reasonable to expect the Government to pay them any house rent allowance or City Compensatory Allowance.

(vii) The Commission does not consider it necessary or equitable to amend the rules regarding the commutation of pensions. The scheme is wholly optional and intended for the benefit of pensioners. They have secured the benefit and retained it for years; neither law nor equity can help them in their demand for *status quo ante*.

12.4. Government have accepted all the recommendations made by the Commission in regard to the pensioners and they are under different stages of implementation.

12.5. Subsequent to the presentation of the interim report, several representations have been received from individual pensioners and Associations of Pensioners for granting further reliefs to the pensioners. A brief outline of the various representations made in this connection is given below :—

(a) *Dearness Allowance on pension*.—The increase in the dearness allowance now granted by Government as a result of the recommendation of the Commission is very meagre in the context of the unprecedented rise in the cost of living. Dearness allowance may be on par with that given to in-service officers. Some have suggested that the limit of Rs. 200 per month for entitlement to Dearness Allowance at present may be enhanced to Rs. 500.

(b) *Pension*.—The reasons for increasing the quantum of pension whenever the pay scales of the in-service officers are revised upwards have been reiterated quoting the precedents in the western countries.

It has been represented that the increase in the minimum pension from Rs. 20 to Rs. 30 granted recently is inadequate and that the minimum should be increased to Rs. 50 per month (inclusive of Dearness Allowance).

(c) *Commutation of Pension*.—The commuted portion of pension should be restored after (i) the amount advanced and (ii) an equal amount towards interest have been recovered by way of difference between the normal pension and the pension due after commutation of a portion thereof.

(d) *Family Pension*.—The recovery of 25 per cent of pension for two years for entitlement to the benefits of Family Pension works a hardship to those who retired under the old pension Rules with 50 per cent of the average pay as pension. It is requested that 1/6th of the pension may be recovered for 24 months, instead of 25 per cent as at present for getting the benefit of Family Pension.

(e) *Paigah Pensioners*.—The Paigah Pensioners may be given the same rate of Dearness allowance as is admissible to other pensioners of the State.

(f) *Triple Benefit Scheme* :—The Triple Benefit Scheme was revised with effect from 1st April 1967 and the pensionary benefit to the teaching and the non-teaching staff (other than menial servants) was increased from 30/120th to 30/80th of the average emoluments, and made applicable to those in service on and after 1st April 1967. It is requested that the benefit of the revised scheme may be extended to the teaching and non-teaching staff (except menial servants) who came to be governed by the Triple Benefit Scheme when it was introduced for the first time on 1st April 1963.

12.6. The benefit of the scheme may also be extended to the Class IV employees of the aided schools.

#### *Dearness Allowance on Pension*

12.7. As already stated in the interim report, the principles governing the payment of dearness Allowance to in-service officers cannot in the very nature of things, apply *mutatis mutandis* to the case of pensioners and at no stage has this principle been accepted in the past. The increase in the rates of dearness allowance recommended by the Commission, which has since been implemented by Government, was suggested taking into consideration the resources of the State and the rates of Dearness Allowance granted to the pensioners by the Central and other State Governments in respect of their employees. The Commission does not, therefore, consider it necessary to propose either any further increase in the rates of dearness allowance to pensioners or the enhancement of the present limit of Rs. 200 for entitlement to Dearness Allowance.

#### *Pension, Commutation of Pension and Family Pension*

12.8. As the points made out in the representations on the subject have already been dealt with at length in the interim report and as no fresh ground has been raised now, the Commission does not propose to make any further recommendations in the matter.

#### *Paigah Pensioners*

12.9. Paigahs are certain categories of jagirs of the former Hyderabad State. When the administration of the Jagirs, including paigahs was taken over by the former Hyderabad Government, the employees of the Jagirs whose services were utilised exclusively by the Jagirdars for administrative work of Jagirs and who were not absorbed in Government service thereafter, were given certain benefits under the "The Jagir Employees Pension and Gratuity Rules, 1950". Pension or gratuity was granted under these Rules to whole-time permanent employees of only such Jagirs, in which it was customary to grant pension or gratuity to the employees prior to the date of transfer of the administration of these units to Government. Pensions under these Rules were granted to the employees of (i) The three former Paigahs namely, Paigah Asmanjahi, Paigah Khurshidjahi and Paigah Vicar-ul-mulkh, (ii) Salar Jung Estate, and (iii) Surya Jung Estate.

12.10. The Pensioners of the three Paigahs and the Salar Jung Estate were given Dearness Allowance on pension ranging from Rs. 4 per month to Rs. 6 per month. The pensioners of Surya Jung Estate, however, get Dearness Allowance at the rates payable to Government servants who retired before 1st November 1956. The pensioners of other ex-jagirs are not entitled to any Dearness Allowance on their pensions. The Government of Andhra Pradesh have also subsequently clarified that the pensioners of these estates and Paigahs will not be eligible to the higher rates of Dearness Allowance sanctioned to the employees of Government from time to time. The Government of Mysore have accordingly clarified this point to the Accountant General when the question of authorisation of Dearness Allowance to this class of pensioners came up for consideration. In this view, these employees of the former Jagirs cannot strictly be brought on par with retired employees of Government. However, on grounds of equity and justice, Government may consider the question of enhancement of Dearness Allowance by 50 per cent in the cases of those who are in receipt of such allowance on an *ad hoc* basis and purely as a matter of grace in view of the increase sanctioned in the Dearness Allowance paid to the retired employees of Government.

#### *Medical facilities*

12.11. In the interim report, the Commission recommended that the pensioners and their wives may be given facilities of getting free medical treatment both as in-patients and out-patients in all the Government hospitals. The question whether any other facilities should be given in respect of medical aid to pensioners was reserved for later consideration, along with the cases of in-service officers. Taking into consideration the recommendations made in respect of in-service officers, the Commission recommends that the following concessions in regard to medical aid may be extended to the pensioners.

(i) The facility of free medical treatment both in-patient and out-patient in all the Government hospitals as already recommended may be provided.

(ii) In the case of hospitalisation of the pensioner or his wife, all aspects of medical treatment including diet in the case of pensioners drawing a pension of less than Rs. 100 per month may be provided free. All medicines required in connection with the treatment may be given free from the stores attached to Government hospitals as in the case in-service officers.

(iii) A sum of Rs. 2 per month may be given to a retired Class IV employee, and a sum of Rs. 3 per month may be given to a retired Class III employee towards meeting the cost of medicines purchased in connection with minor ailments without insisting on the production of vouchers or certificates that this amount was in fact spent on the purchase of medicines.

#### *Triple Benefit Scheme*

12.12. The Triple Benefit scheme was introduced for the first time with effect from 1st April 1963. It envisaged the grant of three types of service benefits namely, Contributory Provident Fund, Insurance and Pension. Every



employee governed by the scheme became eligible for a pension equal to  $1/120$ th of the average emoluments for every year of qualifying service (minimum service of 10 years) subject to a maximum of  $30/120$ ths of the average emoluments. The pension was limited to Rs. 900 per annum in the case of Headmasters of Secondary Schools and Rs. 720 per annum in the case of others. In addition, every such employee was required to subscribe towards the Contributory Provident Fund and to insure his life. The scheme was amended twice ; once on 24th October 1966 and on the second occasion on 27th September 1967 (*vide* Government Order No. ED 23/SBS/65, dated 24th October 1966 and No. ED 23/SBS, dated 27th September 1967). Under the first amendment, the ceiling on pension of Rs. 900 per annum in the case of Headmasters was raised to Rs. 1,200 per annum and it was removed in other cases. Gratuity, subject to a maximum of fifteen months' pay under certain conditions was also sanctioned under this amendment. Under the second amendment, the maximum pension admissible was raised from  $30/120$ ths of the average emoluments to  $30/80$ ths of average emoluments and the quantum of pension was brought on par with that of Government pensioners. The pensioners governed by the Triple Benefit Scheme who retired prior to 1st April 1963 have represented that the liberalisation of the scheme effected by the two Government Orders referred to above, might be extended in their cases also *i.e.*, it may be given effect to from 1st April 1963, as the original scheme itself came into force from that date.

12.13. Even though this scheme was introduced on 1st April 1963, the fact that it was amended and liberalised from time to time until the scheme was modified ultimately so as to extend to the beneficiaries under the Scheme, the same concessions as were available to the retired employees of Government with effect from 1st April 1967, obviously shows that Government were themselves satisfied that the scheme as originally introduced and even the modifications made until then, did not do full justice to the employees of the aided schools. The question of giving similar concessions to the employees of the aided schools who retired before 1st April 1963, the date on which the Scheme was first introduced, does not arise as the scheme itself had not been introduced then ; any such step would lead to reconsideration of innumerable cases which were disposed of with reference to the rules in force prior to that date. Considerations of equity, however, would justify the grant of these concessions, (*i.e.*, concessions available to persons who retired on or after 1st April 1967) prospectively, that is, with effect from 1st November 1968, to the employees of aided schools who retired from service between 1st April 1963 and 1st April 1967. The Commission, accordingly, recommends that the benefit of liberalisation brought about by the amendment of the scheme with effect from 1st April 1967 may be extended to such pensioners of aided schools prospectively that is from 1st November 1968 without any claim for arrears, for the back period.

12.14. At present the facility of the Triple Benefit Scheme is available only to the teaching and non-teaching staff of the State Aided Schools except Class IV servants. The question of extending the benefit of the scheme to the Class IV servants of the aided schools has been referred to the Commission for consideration.

12.15. The circumstances under which the Class IV servants were not admitted to the benefit of the scheme are not known. It would appear that the menials of the aided schools in the Madras State are not admitted to the benefits of the scheme, and the same pattern seems to have been followed here also. It is understood that these officials are contributing to the "Aided School Provident Fund" and that the share of contribution of the management is being credited to their accounts, as in the case of teachers and others admitted to the Triple Benefit Scheme. In these circumstances, the Commission recommends that this class of employees may also be admitted to the benefits of the scheme. It has only to be ensured that the entire contribution of the management towards the Provident Fund is credited to Government before giving effect to the scheme.

12.16. It has been represented that the teachers of the South Kanara District governed by the Madras Teachers' Contributory Provident Fund, Insurance and Pension Rules 1955, similar to the Triple Benefit Scheme that is in vogue in Mysore State, have not been given the benefit of dearness allowance which was extended by Government to the teachers and other staff governed by the Triple Benefit Scheme introduced in the State of Mysore with effect from 1st April 1963. In the Interim Report the Commission has observed as follows :—

"Once the principle that these persons also should have the benefit of pension has been accepted by the Government, the Commission considers that such pensioners should also be entitled to the benefits of Dearness Allowance and the right of commuting a portion of the pension. The Commission accordingly recommends that they may be given these and other benefits that are being given and are proposed to be given to the employees who retire from Government service."

12.17. It is clear from the above, that it is the intention of the Commission to treat the teachers governed by the Madras Teachers' Contributory Provident Fund, Insurance and Pension Rules 1955, on par with the staff of the Mysore State governed by the Triple Benefit Scheme 1963, for purposes of entitlement to Dearness Allowance, the right of commuting a portion of the pension and such other pensionary benefits as are available to retired employees of Government.

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## CHAPTER 13

### IMPACT ON THE FINANCIAL RESOURCES OF THE STATE

13.1. In appointing the Commission, Government requested it to make its recommendations after taking into account their impact on the resources of the State and the economic and social objectives of the State. These principles have been kept in view in making the recommendations regarding the minimum wages, the scales of pay and the payment of other emoluments to the employees of Government. In consonance with the rising cost of living and the economic and social objectives of the State, the Commission has had to recommend scales of pay which are distinctly higher than the scales of pay sanctioned under the Revision of 1961.

13.2. The Commission has suggested the creation of the Administrative Reforms Department for undertaking 'Time and Motion Studies' at all levels in the administrative set-up. The test studies which were got conducted by the Commission in some of the Secretariat Departments disclosed that about 30-35 per cent of the staff was superfluous, if the Secretariat attended to only those items of work which it ought to likewise, the study of the working of the Stores Purchase Department disclosed that 40 per cent of the clerical staff could be retrenched. The Commission is, therefore, satisfied that if the Administrative Reforms Department is set up and it undertakes detailed studies of the working of the various Departments and identifies the areas in which and the extent to which the existing staff could be retrenched, at least 20 per cent of the existing staff could, on a conservative estimate, be retrenched. Such studies, however, take quite a long time and even the Fulton Committee which went into the question of Civil Services in the United Kingdom has considered it necessary to give at least five years for the Organisation and Methods Divisions in that country to complete their studies of the different departments of the Civil Service. The situation in our country or State is in no way better than what it is in the United Kingdom. It, therefore, follows that retrenchment which can be effected in the establishments under the State Government will take considerable time, for precise assessment and implementation. But, it is inevitable that the implementation of the recommendations of the Commission regarding the revision of scales of pay should inflate the wage bill immediately, as it is not possible to postpone it under the present situation.

13.3. The Commission has not been called upon to suggest ways and means by which resources are to be found for meeting the extra expenditure to be incurred by Government if they accept its recommendations. Nor has the Commission considered it necessary to make any thorough or detailed examination of this question. But the Commission considers that the recommendations would be incomplete without an appraisal of the financial implications of its recommendations. It is, therefore, considered appropriate to make a general assessment of the capacity of the State and its existing liabilities and obligations

in respect of claims emanating from various sectors and to assess how far it would be possible to accommodate additional expenditure resulting from the recommendations of the Commission.

13.4. The broad trends of the receipts and expenditure on Revenue Account of the State Government since the Reorganisation of States have already been indicated in Chapter 2 of the Report. In the present Chapter, it is proposed to confine the examination only to the impact of the recommendations of the Commission on the Financial Resources of the State.

13.5. Table I appended to this chapter presents at a glance the overall budgetary position of the State Government since the year 1957-58 after the New State of Mysore was formed on 1st November 1956.

13.6. It could be seen from the statement that during the period of these twelve years, there were Revenue surpluses for eight years, capital surpluses for two years and overall surpluses for four years. This means that the overall Budgetary position was not satisfactory during eight years. In the Budget year 1968-69 now current, the State Finance Department has anticipated an overall deficit of about Rs. 12 crores. This, it is understood, is mainly due to short collections anticipated under Land Revenue, Water Rate etc., and increased commitment on account of Dearness Allowance not accounted for in the main Budget presented to the Legislature.

13.7. A detailed analysis of the growth of Revenue and Expenditure under each of the major components thereof, since the year 1961-62 is presented in the Tables II and III appended to this Chapter.

13.8. A study of the budgetary trends as depicted above would indicate that (i) the share of Central Taxes and Grants-in-aid account for nearly a third of the total revenue receipts, (ii) there has been larger devolution of Revenue from the Centre to the State with the award of every Finance Commission and Plan assistance fixed by the Planning Commission and (iii) the State has also raised resources by taxation, loans etc., to meet the State's share of the Plan, though there has been a shortfall in the anticipated resources.

13.9. The relevant points for consideration in this discussion are—

(a) whether the present level of expenditure on administrative services is reasonable in relation to the total revenues of the State ;

(b) what are the prospects of the State Government raising additional resources; and

(c) whether it would be possible to accommodate the additional expenditure arising from the recommendations of the Commission without curtailment of essential outlays on development.

13.10. The trends in the expenditure of Government on administrative services in the State has been discussed in Chapter 2. It could be seen from the tables given therein that the *per capita* expenditure on civil administration in this State is comparatively lower than in many other States in the country.

TABLE I

## Overall Budgetary Position of the State Government since 1957-58.

(Rupees in lakhs)

Year	Opening Cash Balance	Revenue	Expenditure met from Revenue	Revenue Surplus (+) or Deficit (—)	Capital Receipts	Capital disburse- ments	Surplus (+) or Deficit (—) in Capital Budget	Overall Surplus (+) or Deficit (4+7)	Closing Cash Balance
1	2	3	4	5	6	7	8	9	10
1957-58 ..	+753.95	5,814.75	5,310.89	+503.86	2,528.82	2,774.25	-245.43	+258.43	+1,012.38
1958-59 ..	+1,012.38	6,888.90	5,898.09	+990.81	976.53	2,693.02	-1,716.49	-725.68	+286.70
1959-60 ..	286.70	7,374.18	6,697.10	+677.08	2,346.47	3,167.27	-820.80	-143.72	+142.98
1960-61 ..	142.98	9,207.35	8,979.53	+227.82	4,313.09	4,542.05	-228.96	-1.14	+141.84
1961-62 ..	+141.84	9,101.86	9,568.85	-466.99	6,694.31	5,535.66	+1,158.65	+691.66	+833.50
1962-63 ..	+833.50	9,181.48	9,389.71	-208.23	4,613.61	5,256.14	-642.53	-850.76	-17.26
1963-64 ..	-17.53	10,208.82	9,879.04	+329.78	6,399.37	6,279.37	+120.00	+449.78	+432.25
1964-65 ...	+432.25	11,106.21	10,815.32	+290.89	5,883.13	5,984.12	-100.99	+189.90	+622.15
1965-66 ..	+622.15	12,048.72	12,546.47	-497.75	8,091.99	8,183.44	-91.45	-589.20	+32.95
1966-67 ..	+32.95	15,640.01	15,144.19	+495.82	7,875.99	8,699.41	-823.42	-327.60	-294.75
1967-68 (Revised Estimates) ..	-294.75	17,662.22	16,576.04	+1,086.18	7,044.59	9,115.22	-2,070.63	-984.45	-1,279.20
1968-69 (Budget Estimates) ..	-1,279.20	19,474.13	18,276.34	+1,197.79	7,258.49	8,617.02	-1,358.53	-160.74	-1,439.94

TABLE II

## Revenue.

*(Rupees in lakhs)*

<i>Revenue from</i>	1961-62	1963-64	1965-66	1966-67	1967-68 (R)	1968-69 (B)
1	2	3	4	5	6	7
State Taxes .. ..	2,703.77	3,968.82	4,644.65	5,300.61	6,290.83	7,403.18
Central Taxes .. ..	901.06	1,334.46	1,417.73	1,904.41	2,163.82	2,186.69
Grant-in-aid from Government of India ..	1,457.75	1,587.60	1,825.23	3,184.60	3,358.30	3,682.90
Debt Services .. ..	606.31	687.38	979.76	1,110.83	1,405.28	1,327.37
Administrative Services .. ..	139.97	153.73	149.50	116.50	131.14	114.36
Social and Developmental Services ..	1,982.83	1,211.15	1,621.26	1,731.78	1,926.49	2,195.24
Irrigation and Electricity .. ..	62.13	52.02	95.82	842.72	765.93	1,097.00
Public Works .. ..	88.57	145.84	128.21	143.50	143.00	150.00
Transport and Communications .. ..	255.31	6.82	9.07	8.90	8.67	10.07
Miscellaneous .. ..	904.16	1,061.00	1,177.49	1,296.16	1,468.76	1,307.32
<b>Total Revenue ..</b>	<b>9,101.86</b>	<b>10,208.82</b>	<b>12,048.72</b>	<b>15,640.01</b>	<b>17,662.22</b>	<b>19,474.13</b>

TABLE III.

## Expenditure.

*(Rupees in lakhs)*

<i>Expenditure on account of</i>	1961-62	1963-64	1965-66	1966-67	1967-68 (R)	1968-69 (B)
1	2	3	4	5	6	7
Collection of Taxes .. .. .	438.01	268.40	324.25	362.10	403.33	497.20
Debt Services .. .. .	857.34	1,136.19	1,563.98	2,900.95	2,961.39	3,386.06
Administrative Services .. .. .	908.07	971.38	1,248.98	1,390.22	1,493.01	1,634.23
Social and Developmental Services .. .. .	4,630.74	4,455.46	5,991.23	6,562.90	7,499.47	8,334.68
Irrigation and Electricity Schemes .. .. .	512.14	561.80	883.81	1,017.75	1,282.41	1,252.89
Public Works .. .. .	1,043.75	1,252.93	1,105.57	1,222.83	1,212.10	1,348.71
Transport and Communications .. .. .	292.24	3.33	7.06	7.57	9.30	9.64
Miscellaneous .. .. .	886.56	1,229.55	1,421.59	1,679.87	1,715.03	1,812.93
<b>Total Expenditure ..</b>	<b>9,568.85</b>	<b>9,879.04</b>	<b>12,546.47</b>	<b>15,144.19</b>	<b>16,576.04</b>	<b>18,276.34</b>

13.11. Many suggestions have been made to the Commission about the manner in which the resources of the State could be raised, the directions in which economy in Government expenditure could be secured, and the fields in which it would be necessary to enforce financial discipline, with a view to conserve the resources available to the State so as to ensure that they are utilized to its best advantage. They are summarised below :—

*(a) Sources for increase in revenue :*

- (i) The land revenue may be increased substantially and the surcharge on land revenue raised from 33 per cent to 50 per cent ;
- (ii) Sales Tax revenue could be improved by suitable amendments to the Central Sales Tax Act. The Sales Tax on tobacco, liquor and other luxury goods might be enhanced ;
- (iii) Agricultural Income-tax may be levied on all food crops also ;
- (iv) The rates at which Stamp Duty and Court Fees are levied may be increased ;
- (v) The value of Revenue Stamp may be raised from 10 paise to 15 paise ;
- (vi) Tax on commercial use of water, power, etc., may be increased ;
- (vii) Fees may be levied for the renewal of the registration under the Mysore Shops and Establishments Act 1961 ;
- (viii) Tuition fees for technical education may be increased ;
- (ix) Taxes on urban immovable property may be introduced ;
- (x) Every marriage should be registered and a fee of Rs. 25 levied in each case ;
- (xi) The machinery for recovery of the arrears of taxes should be tightened up and tax evasion dealt with properly.

*(b) Economy in expenditure*

- (i) The work load in Government offices should be properly assessed by evolving proper norms of work and action taken to retrench the staff found surplus to requirements.
- (ii) Non-Plan expenditure may be curtailed and undertakings which are yielding no returns should be closed.
- (iii) Certain Departments of Government may be amalgamated.
- (iv) Seminars and meetings involving large sums of money on Travelling Allowance and Daily Allowance could be done away with.
- (v) Office procedure should be simplified and forms etc., rationalised and thereby the cost of printing and stationery should be reduced.
- (vi) Big projects may be slowed down and Plan outlay in regard to them reduced as the people are not in favour of additional taxes.
- (vii) Many deputations and foreign trips could be done away with.



- (viii) Offices of the Divisional Commissioners may be abolished ; and Community Development and National Extension services may be merged with the Revenue Department.
- (ix) Advances and loans should be restricted.
- (x) Posts of Peons in all Offices may be reduced by 50 per cent.

(c) *Financial discipline*

- (i) Firm action should be taken in respect of cases brought to light in the Audit Reports and Government should adhere to the instructions given by the Public Accounts Committee.
- (ii) Only such works as are included in the Budget should be executed without any favour being shown to any area or yielding to political pressure.
- (iii) The progress of works should be evaluated not with reference to financial targets but with reference to physical progress.
- (iv) Clean administration, free from interference and influence is necessary in all Departments.
- (v) Estimates for works should be realistic and any deviations from original estimates due to improper planning programme and vision should be viewed seriously.
- (vi) There should be decentralisation of powers so that relatively small matters could be disposed of at the lower levels without giving occasion to the persons concerned to approach the higher authorities.

*Land Revenue*

13.12. It has been suggested that the rate at which land revenue is being levied might be raised, that a surcharge might be imposed on land revenue, that land tax might be levied on urban property and so on. According to Press reports, the State Government have already decided that the entire amount of land revenue that they collect should be distributed among the Taluk Development Boards and the Village Panchayats ; according to the latest statement made on the floor of the House, 50 per cent of land revenue would go to the Village Panchayats and 30 per cent to the Taluk Development Boards as direct grant and the balance of 20 per cent would be given to these local bodies as selective grants. It naturally follows that even if the rate of land revenue is raised, the consequential benefit would reach the local bodies and would not accrue directly to Government. It is understood that while transferring the Land Revenue collections to the Local Bodies, the State Government would themselves meet the cost of collection i.e., pay of Village Accountants and others and that extra commitment to the State would be about Rs. 25 to 26 crores over a five year period both on account of transfer of Land Revenue and on account of meeting the collection charges. The Finance Department has also informed the Commission that there is a proposal to transfer to the Local Bodies some of the functions which are now being discharged by Government and that in any case this extra

commitment would be placed before the Finance Commission for a suitable grant-in-aid. The Commission has recommended in Chapter 10 that the employees of the Local Bodies should be given the same scales of pay and allowances as the employees of Government holding corresponding posts. The Commission expects that the extra expenditure which these Local Bodies have to incur by having to pay such revised pay and allowances could be accommodated within the extra revenues that they get by way of enhanced assignments of land revenue even if some of the functions which are now being attended to by Government are transferred to them. If this expectation is not fulfilled, Government may have to go to their assistance by giving them additional grants, if necessary, expressly earmarked for this purpose.

### *Sales Tax*

13.13. It has been suggested that the rate at which Sales Tax is being levied might be raised generally or at least on luxury articles and non-essential articles, that the tax structure might be rationalised, tax on tobacco and liquor might be enhanced and so on. The rates at which Sales Tax is being levied on various commodities compare favourably with the rates at which such tax is being levied in the neighbouring States. It would not be in the larger interests of the State to raise the rates of Sales Tax unduly, unilaterally in our State, without a corresponding increase in the neighbouring States as such a measure might lead to diversion of commerce and trade in those goods, resulting in loss of the present income even. Moreover, an undue increase in the rate of Sales Tax might encourage people to take to measures for evasion or avoidance of tax and the machinery for enforcing levy and recovery of Sales Tax may have to be strengthened to a point at which the extra income that is likely to be derived will be more than offset by the increased expenditure on the establishment. It has, however, been suggested to the Commission that without unduly disturbing the tax structure but at the same time with a view to increasing the resources, though marginally, some slight changes might be made so as to express the tax in terms of 5 paise and 10 paise where the existing rates do not correspond to these units. The Finance Department brought to the notice of the Commission that the feasibility of increasing the rates of tax on luxury goods and of widening the scope of such goods for levy at some what higher rates than at present requires a thorough examination and that the feasibility of doing so cannot altogether be overruled. The Commission suggests that this aspect of the matter may be examined and the schedule under the Sales Tax Act revised suitably.

13.14. The Commission understands that in spite of various measures that have been taken by Government to tighten up the existing position in regard to the levy and assessment of Sales Tax, there are still instances in which the unscrupulous sections of the business community have been evading or avoiding the payment of Sales Tax. It would be necessary to ensure that such cases are detected and suitable action is taken against the concerned parties promptly. It is understood that Government are considering the appointment of a Committee to review the structure of Sales Tax Law and the administrative set-up

of the Sales Tax Department and it is hoped that these suggestions would be dealt with by that Committee.

### *Agricultural Income Tax*

13.15. Agricultural Income-tax is now being levied on various categories of agricultural produce but excluding food crops. It has been suggested that agricultural income-tax might be levied on food crops also. The arguments in support of the levy of Agricultural Income-tax on the commercial crops would apply with equal force to the levy of such tax on food crops. The argument that by levying Agricultural Income-tax on food crops the agriculturists might change over from food crops to commercial crops does not appear to be sound particularly when the prices of foodgrains are ruling fairly high in the market and the tax would make a very small dent in the economy of the agriculturist. The question of levying agricultural income-tax on food crops may be considered. The Finance Department informed the Commission that while levy of Agricultural Income-tax on food crops might be opposed, there is scope to increase the yield by rationalising the tax structure on the basis of the rates adopted under the Indian Income-Tax Act and by lowering the exemption limit from the present standard of 50 acres of VIII Class of land and by regrouping the classes. The Commission agrees with this suggestion and accordingly recommends that in due course when the agricultural economy develops as it is bound to develop with all the investments made, the entire agricultural income may come under direct taxation ; but this could obviously be done only several years later and may not have any significant impact on the resources of the State in the immediate future.

### *Stamp Duty and Court Fees*

13.16. It has been suggested that the rates at which Stamp Duty and Court Fee are being levied might be raised in view of the fact that the parties to litigation and parties to transfer of property are in a position to bear a higher burden of taxation. The Commission considers that the existing rates of Duties and Court Fees are sufficiently high and do not permit of any increase.

### *Revenue Stamp*

13.17. It has been suggested that the value of Revenue Stamp might be raised from 10 paise to 15 paise. It is a good suggestion and Government may consider the feasibility of implementing it.

13.18. Apart from these suggestions certain others have been made to the Commission which are either patently unacceptable or such as are not deserving of serious consideration in view of the fact that the existing rates of taxation in this regard are fairly high.

### *Increase in the Water Rate and Tariff Rates on commercial use of water, power, etc.*

13.19. The existing level of rate on commercial use of water and power is considered adequate for some years to come as any increase in the rates may have

adverse effects on trade and industry and may result in the reduction of the industrial potential of the State.

*Tuition fees for Technical Education*

13.20. It has been suggested that the tuition fees for Technical Education might be increased.

13.21. As a matter of public policy, Government have introduced free education upto the Higher Secondary Standard. While the Commission has considered it both necessary and desirable to continue the arrangement in respect of Primary Education, it has suggested the levy of fees and in the alternative levy of betterment fees at higher rates than at present in respect of the children of parents who are income-tax payers. The rates at which tuition fees are being levied at present for education above the Higher Secondary Standard are fairly high and any general increase in the rates of tuition fees whether for Technical Education or for General Education would, in effect, reduce the opportunities available to the poor and deserving candidates to acquire knowledge. It might cause hardship even to the relatively richer sections of the community if the fees at this level are enhanced. The Commission, therefore, suggests that the *status quo* may be maintained.

*Fees for renewal of registration under The Mysore Shops and Commercial Establishments Act, 1961*

13.22. It has been suggested to the Commission that fees might be levied for the renewal of registration of Shops and Establishments under the Mysore Shops and Commercial Establishments Act, 1961, as is being done in Maharashtra. At present, the Act provides for the registration of Shops and Establishments and for the levy and recovery of fees therefor. But, there is no corresponding provision either for the renewal of the registration periodically or for the levy and recovery of fees therefor. It is considered desirable to provide for such renewals on recovery of reasonable fees. The Commission, accordingly, recommends that while the registration fees levied under the provisions of Rule 3 (Schedule I) of the Mysore Shops and Commercial Establishments Rule, 1963 may continue to be at the existing rates, the Act may be amended to provide for the renewal of registration every year on payment of a fee of Rs. 4 by an establishment in respect of which registration fee is Rs. 10 and Rs. 2 by one paying registration fee of Rs. 5.

*Registration of Marriages*

13.23. It has been suggested that every marriage should be registered and a fee of Rs. 25 levied in each case. Marriage is a social custom and is performed in accordance with the tradition of each community in this regard. At present, there is no law which requires a compulsory registration of all marriages, in whatever form they might have been performed. The Commission considers that there should be such law and a small fee of Rs. 2 may be charged for registration of every marriage.

## (ii) Economy in expenditure

13.24. The suggestions made in regard to the economy to be secured in the public expenditure and the comments of the Commission thereon are indicated below :—

*(1) Retrenchment of staff by evolving proper norms of work :*

13.25. The Commission is in entire agreement with the suggestion and has made its recommendations in regard to the setting up of a special machinery for undertaking ' Time and Motion Studies ' in Chapter 9. As already indicated, the Commission expects that at least 20 per cent of the staff will be rendered surplus if a realistic assessment is made of the work that is now being transacted in the various offices of Government and if realistic work loads are prescribed for each level.

*(2) Undertakings which are yielding no returns :*

13.26. There are various undertakings like Silk Filatures run by the Department of Industries and Commerce, Seed Farms run by the Department of Agriculture, Cattle Breeding Farms and Poultry Farms etc., run by the Department of Animal Husbandry and Veterinary Services and so on. It is difficult to suggest that these undertakings should be closed down merely because they are yielding no returns to Government and it would be uneconomical to run them. In the case of Silk Filatures, for example, it is a question of policy that the State should encourage an industry which is not only peculiar to the State but is of national interest ; and it has, therefore, to be subsidised if it cannot really be run economically. But even this justification cannot be given in respect of some other Government Undertakings, the performance of which has proved continuously uneconomical to Government. It has been brought to the notice of the Commission that several of the industrial concerns which are owned by Government or in which Government have substantial financial stakes are incurring losses while similar concerns in the private sector are earning profits and that the former are incurring losses primarily because of overstaffing and bad management and that the situation could be remedied if only proper and appropriate steps are taken at least now to overcome these defects.

13.27. As the Commission was not expressly charged with the responsibility of examining the working of industrial concerns and making recommendations for their improvement, the Commission did not consider it appropriate to call for details and make such an examination ; it has, however, had to make a passing reference to this subject in the context of reducing and eliminating wasteful expenditure. Purely in the interests of economy in expenditure the Commission could have suggested that all such industrial concerns might be closed down ; but this would be a negative and defeatist attitude to take. Moreover, it might be possible to put many of these industries on an even keel if only the defects are identified and rectified. The Commission suggests that Government may appoint an expert Committee consisting of two or three private leading industrialists and a representative of Business Management Experts not connected in any way with Government, to undertake an examination of all

such industrial undertakings and take further action in the light of the recommendations of the Expert Committee,

- (a) to make the industries concerned profitable undertakings ;
- (b) to close down such of them as cannot be resuscitated and are not of any national importance or
- (c) to subsidise such of them as are of national importance.

### **(3) Amalgamation of Departments.**

13.28. It has been suggested to the Commission that certain departments might be wound up and certain other departments might be amalgamated with other departments. These questions have been examined in the relevant departmental chapters and the Commission does not consider it necessary to make any general recommendation in this regard.

### **(4) Unnecessary Conferences and Seminars.**

13.29. It is common knowledge that Conferences and Seminars are too many with little or no tangible results. While it is undeniable that Conferences and Seminars judiciously organised with prior preparations are of great assistance in solving intricate problems of public or administrative importance, too many of them result in wasteful expenditure on the part of Government. If they are avoided, there would be a substantial economy. The Commission is sure that the State Government would also consider that at least some of the Conferences and Seminars are unnecessary. The Commission, accordingly recommends that whenever suggestions for holding Conferences or Seminars are received by the Government, the Administrative Departments concerned should examine the proposals with an eye on strict utility and economy and sanction only such of them as are of real benefit to the administration and the State.

### **(5) Simplification of Office Procedure.**

13.30. It has been suggested that office procedure should be simplified, forms etc., should be rationalised and the cost of printing and stationery reduced. As in the previous instance, these are general suggestions and though they could be accepted in principle, it would be difficult to define the exact areas in which economy could be effected. It would be for the Department of Administrative Reforms which, the Commission has suggested should be set up immediately, to examine these aspects of the matter and to ensure that expenditure is reduced as far as possible.

### **(6) Large Projects should be slowed down.**

13.31. It has been suggested that large projects should be slowed down in order to secure economies. The Commission considers that this is a wrong approach to the problem since the large projects, really speaking, should be completed in as short a time as possible and should be made to yield returns.

Expenditure on such projects is not only useful but necessary since they will set in motion chain reactions which would ultimately be conducive to the progress of the State. What is required is that resources available should not be frittered away on too many projects at the same time but utilised for expeditious completion of projects in progress and new projects should be taken in hand, consistent with the availability of resources, only when the projects under progress reach a suitable stage at which the expenditure starts falling off.

13.32. The other suggestions include matters relating to reorganisation of departments, retrenchment of unnecessary posts, reduction of Class IV servants, abolition of intermediary officers and so on. Specific recommendations in respect of such matters have been made in the relevant Chapters relating to each Department. The Commission does not, therefore, consider it necessary to make any specific recommendations in the present context.

### *(iii) Financial Discipline*

13.33. Several suggestions have been made as to how the resources available with the State could be conserved and utilised to the best advantage of the people of the State by enforcing financial discipline at various points.

### *Audit Reports*

13.34. It has been suggested that observations made in the Audit Reports and by the Public Accounts Committee should be given due consideration and to the extent possible should be implemented. This is again an unexceptionable principle which the Commission is sure, even Government will accept. It may be that in certain cases for want of full knowledge of the situation the observations contained in the Audit Reports will not reflect the correct state of affairs. Even assuming that some of the observations in the audit are the result of insufficient data, an opportunity is available to the administration to explain any point that may arise before the Public Accounts Committee. The observations of the Public Accounts Committee would, therefore, be made after taking into consideration not only the points made in the audit report but the explanation given on behalf of the administration. It is incumbent on the part of Government to see that such observations are considered and suitable action is taken without loss of time ; and wherever the recommendations of the Public Accounts Committee cannot be implemented, the reasons therefor should be intimated to the Committee promptly.

### *Execution of projects included in the Budget*

13.35. It has been represented to the Commission that the manner in which the Budgets were prepared gave considerable scope to the administrative authorities to provide token grants in the Budget for schemes that had not fully been examined and cleared ; and on the basis of such token grants, works were

subsequently sanctioned and were proceeded with, without adequate scrutiny of the estimates and plans. It has been brought to the notice of the Commission that very often estimates even for large works were sanctioned on the basis of preliminary data and without waiting for a full report after a detailed examination of the project. These matters have been dealt with at length in Chapter 73 relating to the Public Works Department. Apart from the observations made therein, the Commission would like to impress on Government the need for ensuring that only sanctioned projects (which have been sanctioned after they have been duly scrutinised by the competent authorities) are included in the Budget and that provision is made therefor taking into consideration : (i) the amount that might usefully be spent during the year concerned, (ii) the preliminary arrangements made, and (iii) the availability of lands required for execution of the works.

13.36. A general charge that is made against Government is that in order to give psychological satisfaction to as many people of as many areas as possible, large numbers of projects are started simultaneously even though funds required for the purpose are not available, with the result that works which could probably be completed within three or four years if the full amount required for their execution were available are dragged on for periods ranging from 10 to 15 years and that not only is the benefit to the people concerned indefinitely postponed but the returns which Government should get by spending such large amounts also get correspondingly postponed. It would be necessary to see that in any given year, provision is made initially for proceeding with the sanctioned works on hand to the maximum extent to which such works could be expected to progress and such further amount as might be available, might be concentrated on such other projects as are essential and as could be proceeded with expeditiously during that year. The Commission feels that these general principles should be kept in view in dealing with this question in future.

#### *Evaluation of Progress*

13.37. It has been represented to the Commission that large funds are being utilised some times on works which could be postponed or on items of work which might not be essential, primarily because the progress of works was evaluated not with reference to the physical progress but with reference to the Expenditure. It has been suggested that it would pay dividends if Government were to concentrate on the progress of the works in the true sense of the term namely, the physical progress and not the financial progress or expenditure. The Commission agrees that this is a reasonable suggestion and recommends that evaluation of work of any project should be made with reference to not so much its financial progress as its physical progress.

13.38. It has been brought to the notice of the Commission that efficiency of officers in charge of projects was judged on the basis of the amount spent by them during the year. In the opinion of the Commission, this is an erroneous



standard. The efficiency of an officer should be judged from the manner and methods adopted by him in executing the work. If the extent of expenditure incurred alone is to be the standard of efficiency, officers will indulge in wasteful spending.

13.39. Another point is the theory of "lapse" of amounts unspent at the end of the year. It is found, in many cases that the fear of "lapse" leads in actual practice to placing of orders or resorting to some dubious methods within the last two months of the financial year, to see that the grant does not lapse. The Commission strongly feels that this outlook on the part of the Departments concerned, ought to change. If an officer is really not able to spend the amount placed at his disposal before the close of the financial year, he should be able to foresee the circumstances and surrender the grants, not likely to be utilised before the expiry of the year. If an officer has really economised, he should be encouraged to surrender the balance and not be penalised for not attaining the financial target.

13.40. According to the present system of budgetting the money so surrendered would be lost to the Department permanently and the allotment to be made for the further years will also be reduced, as the allotment is normally based on the actual expenditure for the three previous years.

13.41. In cases in which there are valid reasons for surrendering the grants as suggested above, such "unutilised grants" should be provided in the budget for the ensuing year along with the "normal grants" given for such and similar purposes in the normal course. If this were to be done and if all the officers were to know that the amounts surrendered by them during any year for valid reasons would be given in the subsequent year along with the normal grant, they would have no hesitation in surrendering the amounts and in incurring expenditure in the subsequent year in a proper and appropriate manner.

#### *Preparation of incorrect estimates*

13.42. Matters relating to this subject have been examined in Chapter 73, relating to the Public Works Department. The Commission suggests that the observations made in that Chapter may be considered.

#### *Decentralisation of powers*

13.43. It has been represented to the Commission that considerable delays occur in the disposal of business by the authorities at various levels on account of the fact that powers that have been delegated to them are inadequate and on several occasions the authorities at the higher levels have to be approached for sanction and clearance even in relatively small matters and that in all such matters, adequate powers could be delegated to officers at all levels. The Commission has agreed with this suggestion and has made general recommendations in Chapter 9 and specific recommendations, wherever necessary in the concerned Departmental Chapters.

13.44. The other suggestions that have been made in this regard do not require specific examination and/or have already been considered in the appropriate context.

### *Recovery of Government Dues*

13.45. It is seen from the Audit Report 1968 (page 4) placed before the Legislature that a sum of Rs. 131.12 crores is outstanding recovery at the end of 31st March 1967. The Audit Report also indicates the amounts overdue under the several heads.

13.46. The Commission is informed that out of the total dues to Government referred to above, a sum of about Rs. 12 to 15 crores could safely be treated as overdue. It is also understood that amounts are outstanding under several Revenue heads namely, Land Revenue, Forests, Water Rates, etc. The Chief Controlling and other officers are stated to be not furnishing the details of amounts outstanding and amounts overdue to the Accountant General due to the fact that the loan accounts are not kept up to date. All these go to show that there is laxity on the part of the collection machinery and the beneficiaries who have enjoyed these loans seem to have entertained a feeling that amounts due to Government could be repaid at their own leisure. It is not surprising if some sections hope that the outstanding amount would be written off at some future stage.

13.47. The Commission has given anxious thought to the prompt recovery of these amounts. While it is appreciated that during years of drought and adverse seasonal conditions the agricultural section of the Community in the areas affected by such drought or adverse seasonal conditions would not be able to repay the instalments of loans or advances outstanding payment, it generally happens that even the well-to-do section of the community takes advantage of the situation and asks for postponement of the recoveries. It is not in the interest of the State to allow large amounts due to it to be in arrears, as not only will its ways and means position be affected but its capacity to utilise these amounts for public good will be badly curtailed.

13.48. The Commission has also observed from the Finance Accounts 1966-67 (pages 34 to 39) that the outstanding guarantee as on 31st March 1967 is Rs. 6,138.24 lakhs towards principle and Rs. 4.21 lakhs towards interest as under :—

	<i>Sums guaranteed outstanding on 31st March 1967</i>	
	<i>Principal</i>	<i>Interest</i>
	<i>(Rupees in lakhs)</i>	
(i) Guarantee for working capital and dividend pertaining to a Statutory Corporation.	100.00	..
(ii) Guarantee for loans, Debentures, Bonds, etc., raised and cash credit facilities from certain banks availed by :—		
(1) Statutory Corporations and Boards ..	1,614.40	..
(2) Government Companies ..	215.65	..
(3) Joint Stock Companies ..	111.89	1.91
(4) Co-operative Banks and Institutions ..	3,866.68	0.91
(5) Municipal Corporations ..	220.14	0.16
(6) Private Institutions ..	9.48	1.23
<b>Total ..</b>	<b>6,138.24</b>	<b>4.21</b>

The Commission has also been informed that in respect of many of the Co-operative Banks including Apex Institutions in respect of which Government have stood guarantee, the recovery position is bad and it is understood that the Reserve Bank of India also addressed the State Government to take necessary steps to improve the recovery position. The Commission would like to impress that unless the recovery is improved and the financial position of the Co-operative Banks is strengthened, the entire economy of the State is likely to suffer, as the flow of credit from the financing institutions, particularly the Reserve Bank of India, would naturally get reduced. The Commission is anxious that Government should ensure that the recoveries are effected promptly.

13.49. The Commission, therefore suggests that Government may examine the steps to be taken to organise a systematic collection drive and to ensure that all the amounts due to Government are recovered within a reasonable period and that, in future, the recoveries are effected promptly, in accordance with the conditions subject to which loans or other advances are given. The Commission suggests that Government should take a firm attitude and make the people know that people's money taken as loan and taxes due to the Government have to be paid on the due dates ; and that any default in this regard would result in coercive or other steps being taken for enforcing recovery. It is feared that the beneficiaries, particularly those who take loans in future years, are likely to entertain the hope that Government would take a charitable attitude in recovering Government dues and the Commission would wish to emphasise that this should not happen as it may ultimately lead to a financial crisis.

13.50. The Commission had called for a note from the Finance Department of Government in connection with their resource position. The Secretary to Government, Finance Department and the Budget Officer who appeared before the Commission explained the financial position for the next five years. The Note and Forecast as furnished by the Finance Department are given as Annexure. The rates of growth assumed under Revenue and Expenditure appear reasonable. Without taking into account the commitments on account of certain items, of which the recommendations of the Commission is one, the overall deficit worked out amounts to Rs. 72.25 crores.

			(Rs. in lakhs)
Total Revenue	..	..	87,055
Total Expenditure on Revenue Account	..	..	93,381 *
Net Revenue Deficit	..	..	—6,326
<b>Loans from Public :</b>			
By State Government	..	..	859
By Public Enterprises	..	..	1,548
Shares in Small Savings	..	..	1,200
Unfunded Debt	..	..	1,000
Miscellaneous Capital Receipts	..	..	—5,828
Contribution of Autonomous Public Enterprises	..	..	2,602
Repayment of <i>ad hoc</i> Loans	..	..	—3,080
Total			—7,225

\*(This does not take into account the impact of the recommendations contained in this Report and certain other items.)

13.51. A major portion of the deficit may be expected to be covered by the award of the Fifth Finance Commission. The State Government expect to mobilise further resources by way of increased collection of arrears, larger borrowings, improvement in revenue collections, revision and rationalisation of tax rates, etc., to the extent of about Rs. 50 crores so that the resources for the Plan would be of the order of Rs. 41 crores. This may further improve to the extent of relief that the State may get if the Finance Commission proposes liberalisation in respect of repayment of loans.

13.52. The Finance Department has anticipated that the revenue deficit would be covered by the Award of the Finance Commission. As explained in detail in this report, the State Government cannot but pay salaries at the scales recommended by the Commission if they are to have a reasonably efficient administration. The Commission expects that with the "time and motion" study, it should be possible to retrench 20 per cent of superfluous staff. The contention of the Finance Department that hardly Rs. 50 to 60 crores could be raised even with the entire revenue gap including this Commission's recommendation being covered by the Award of the Finance Commission for implementing a reasonable Plan can be appreciated but the resources of the State can be earmarked for the Plan Schemes only after meeting the expenditure on maintenance at a reasonable level. While the Commission has not accepted unreasonable demands on the part of the employees, it has necessarily had to recommend others which were reasonable and justifiable under present circumstances of rising cost of living. The Commission trusts that the Finance Commission will take into consideration the inevitable increase in expenditure resulting from the acceptance of this Report, while giving its award. While it is difficult to work out a firm estimate of the total cost of the recommendations, a rough estimate of such cost is indicated below :—

13.53. The recommendations contained in the Report cover :

- (a) revision of scales of pay,
  - (b) increase in the rates of Dearness Allowance,
  - (c) increase in the rates of Compensatory and House Rent Allowances,
  - (d) increase in the rates of Travelling Allowances,
  - (e) grant of medical assistance on a more liberalised scale than at present,
  - (f) pensionary and other benefits on a more liberalised scale than at present,
- and
- (g) other benefits.

13.54. The extra cost to Government if all these recommendations are accepted and implemented would be in the order of about Rs. 12 crores per annum, calculated on the basis of average cost. A further expenditure of Rs. 4 crores may have, in addition, to be incurred towards the assistance to be given to Local Bodies and Aided Institutions which might adopt the revised scales of pay and other benefits and on extending to the employees in Government Industrial Concerns, the scales of pay and other benefits proposed in respect of the employees of Government.

13.55. The Commission has, however, suggested the imposition of ceilings and floors in respect of the immediate benefit to be given to the employees of Government in the revised scales of pay. If this recommendation is accepted and is made applicable to the cases of Local Bodies, Aided Institutions and Government Industrial Concerns, the initial expenditure would be much less than the expenditure to be incurred on the basis of average cost. Taking the increased pay as also the other benefits referred to above into consideration, the immediate increase in the cost may be in the order of Rs. 8 crores.

13.56. The expenditure during the next five years would gradually rise from Rs. 8 crores in the first year to Rs. 16 crores in the fifth year and the total extra expenditure to be incurred by the State Government during the next five years may be taken as being in the order of Rs. 60 crores.

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**THE FORECAST OF RECEIPTS AND  
EXPENDITURE  
FOR  
THE NEW FOURTH PLAN  
SUBMITTED TO THE PLANNING COMMISSION  
1968**

**STATE : MYSORE**

**NOTE ON THE RESOURCES FOR THE NEW FOURTH FIVE  
YEAR PLAN COMMENCING FROM 1969-70**

The old Fourth Five Year Plan of the State commencing from 1966-67 was fixed at Rs. 421 Crores with a Central assistance of Rs. 222 Crores, the balance of Rs. 199 Crores representing the resources to be raised by the State as under :—

	<i>(Rs. in crores)</i>	
Balance from Current Revenues .. ..	..	98.3
Additional Taxation .. ..	..	59.5
Share of Central Taxes .. ..	..	18.5
Loans from Public including those raised by M.S.E.B. and Water Supply and Sewerage Board	..	33.0
Small Savings .. ..	..	25.0
Unfunded Debt .. ..	..	6.5
Contributions from Public enterprises .. ..	..	30.0
Miscellaneous Capital Receipts .. ..	..	— 71.7
		199.1
		199.1

A major portion of resources was expected to come from Power Sector and Additional Taxation. The above resource position did not take into account the extra cost on account of dearness allowance increases in the Annual Plan periods *viz.*, from 1966-67 to 1968-69.

2. From the actuals of two Annual Plans 1966-67 and 1967-68 and likely actuals for the current year, it is seen that there is considerable shortfall in State's resources. The State had to raise proportionately a resource of Rs. 120 crores approximately for the three year period but actually the resources raised come to Rs. 54.88 crores exclusive of *ad hoc* loans (net) received from the Centre of Rs. 24.80 crores. The overdraft and ways and means advance was Rs. 40.48 crores at the end of 1965-66, which was reduced to Rs. 14.50 crores at the end of 1967-68. This can be cleared to the extent of Rs. 7.98 crores by another *ad hoc* loan of Rs. 14 crores in the current year included in the total *ad hoc* loan of Rs. 24.80 crores referred to above.

3. Shortfall in resource mobilisation is mainly attributable to :—

- (i) Shortfall in the total resources anticipated from the Power sector due to Industrial sector not being able to absorb power available as anticipated and there being no sufficient demand for Power from neighbouring States. The main contributing factors are Alluminium and fertiliser projects not coming up as originally scheduled ;
- (ii) Shortfall under Land Revenue and water rate due to scarcity conditions prevailing and delay in implementation of Betterment Levy and Water Rate Rules ;
- (iii) Increase in dearness allowance rates to Government employees in each of the years 1966-67 and 1967-68 amounting to about Rs. 14 crores per annum and this had not been taken into account while assessing the resources for the old Fourth Plan ; and
- (iv) Larger outlay under non-plan capital, Loans and advances (Loans to M.S.E.B. Rs. 7 crores not envisaged earlier) and larger repayments to Centre (About Rs. 2 crores) ;

4. For the current year while Planning Commission agreed for a Plan outlay of Rs. 51 crores with a Central assistance of Rs. 36.9 crores and the State had to raise about Rs. 14 crores or so, in the Budget a Plan outlay of Rs. 60.98 crores was actually included, assessing larger receipts under Land Revenue, Water Rates, Power receipts and recoveries of arrears under Loans and Advances. The current year's outlay may, however, be of the order of Rs. 55.68 crores according to resources assessed but may go up to Rs. 60.98 crores if there is no actual cut in the minimum Plan Outlay programmed and overdraft and ways and means advance may again stand at Rs. 11.82 crores inspite of another anticipated *ad hoc* loan of Rs. 14 crores.

5. The forecast for the next five years *viz.*, 1969-70 to 1973-74 has been prepared on the basis of following assumptions :—

- (i) that schemes should be implemented according to priority with reference to resources becoming available ;



- (ii) that seasonal conditions would be normal in the new IV Plan period, giving scope for development of Agricultural economy ;
- (iii) that the commitment on account of increase in emoluments to Government servants as a result of the recommendations of the Pay Commission would be taken care of by the award of the Finance Commission;

6. Growth rates adopted are indicated in Table I. Growth rates in previous years are indicated in Table II. This is on the assumption that there will not be spurt in prices as in the three Annual Plan periods and that prices would be controlled in the new Fourth Plan period. Therefore, the growth rates would not be on par with those in previous three years.

7. Estimates under 'Interest Payments' take into account the borrowings during IV Plan period also but no repayment on these borrowings is included. Even if Fourth Plan borrowing is reduced there will be no effect on resources because the reduction in interest will reduce the Revenue gap to be covered. Provision has also been made for transfer of 100% Land Revenue to Local Bodies and for meeting collection charges also.

8. The following commitments have not been included in the forecast :—

- (i) Recommendations of the Pay Commission as already mentioned ;
- (ii) Land Reforms ;
- (iii) Increased maintenance of assets already built up ; and
- (iv) Creation of All India Services ;

The State Government would have raised during three years from 1966-67 to 1968-69 as much as Rs. 29 crores by way of additional taxation including relaxation of prohibition as against about Rs. 36 crores that had to be raised on a proportionate basis. The increased receipts have been projected in the forecast now prepared. A review was conducted regarding possibility of scope for further taxation and it is seen that there is very little scope for the same. But this is a matter which has to be discussed at Ministerial level. Dearness allowance increases so far given have been included in the forecast as also committed expenditure on account of three Annual Plans to the extent of about Rs. 41 crores.

9. Under 'Appropriation for Reduction or Avoidance of Debt', a special contribution of Rs. 30.80 crores has been included to provide for repayment of outstanding *ad hoc* loans as at the end of 1968-69 with the hope that the Finance Commission would take this also into account while determining the Revenue gap.

10. The Mysore State Electricity Board has programmed for an outlay of Rs. 70 crores in the new IV Plan period their own resources being Rs. 41.50 crores as under and anticipating a loan assistance of Rs. 28.50 crores from the State.

		(Rs. in crores)
Public Loan	.. ..	10.21
Life Insurance Corporation Loans	.. ..	5.27
Drawal from Stores Depreciation Fund, etc	.. ..	26.02
	Total ..	41.50

The Board also anticipates a subsidy of Rs. 28.34 crores from the State to cover their losses. The forecast does not take into account either the subsidy or the loan assistance and it is expected that this would be included within the Plan ceiling for Power.

11. The forecast as finalised now indicates the following resources for the Plan commencing from 1969-70:

		(Rs. in crores)
Balance from Current Revenues	.. ..	-63.26
Loans from Public (State Government)	.. ..	8.59
LOANS BY MYSORE STATE ELECTRICITY BOARD—		
Public	.. ..	10.21
Life Insurance Corporation	.. ..	5.27
Small Savings	.. ..	20.00
Unfunded Debt	.. ..	10.00
Miscellaneous Capital Receipts	.. ..	-58.28
Contribution from autonomous Public enterprises		26.02
	Total ..	-41.45
Repayment of <i>ad hoc</i> loans as at the end of 1968-69.		-30.80
	Total ..	-72.25

Miscellaneous capital receipts take into account repayment of Government of India loans to the extent of Rs. 122 crores.

12. In projections in respect of allocations from Centre (Income tax, Union Excise Duties and Additional Excise Duties, Tax on Railway fares) no increases have been adopted but they are taken at the same level as in the current year. There will certainly be increases under them and if the gap after taking this into account is covered in full by the Finance Commission, the resources for Plan would be Rs. -8.99 crores. Practically we will have no resources for the Plan unless there is further effort of resource mobilisation.

(5)

13. We may expect improvement from the following measures :—

(Rs. in crores).

Collection of arrears under Loans and Advances and Land Revenue.	17	(subject to seasonal conditions being normal and collection drive is taken up).
Increase in borrowings (Public Loan from Rs. 36 to 41 crores).	5	
Betterment Levy ..	3	
Lotteries ..	5	
Agricultural Income-tax (by rationalisation of rates).	2	} Subject to further discussions at Ministerial level.
Revision of Education Cess rates, etc. . .	3	
Improvement in Excise Revenue . .	13	
Savings by way of economy measures	2	
	—	
	50	
	—	

Taking the above into account, resources for Plan may be about Rs. 41 crores on the assumption that we would realise the above in full.

14. Government of India have proposed the consolidation of all loans disbursed upto the end of 1966-67 and outstanding with the State Government as on 31st March 1968 as under :—

(i) Outstanding loans given for Major Irrigation and Multi-purpose River Valley Projects will be consolidated into a single loan repayable in 20 annual equal instalments from 1968-69; principal portion payable in half yearly instalments from 1968-69;

(ii) All loans given for other purposes will be combined into one loan payable in 10 annual equal instalments from 1968-69; principal portion repayable in half yearly instalments;

15. This may not give much benefit to Mysore State because major portion is on other items for which only 10 year period is fixed. We have, therefore, requested the Finance Commission to review the position of debt and recommend liberal terms. If this is done we may at least get a relief of Rs. 30 crores if the repayment of all loans is spread over a period of 25 years. This would add to our resources and we may expect a total resource of about Rs. 66 crores. Even this, as may be seen, involves a very great effort and sacrifice.

(6)

TABLE NO. I.

Growth rates adopted are as under :—

*I. Revenue*

Sales Tax	..	8 per cent
Motor Vehicle Tax	..	} 6 per cent
Entertainment Tax	..	
Tax on Passenger and goods	..	
Tax on Agricultural Income	..	3 per cent
Administration of Justice, Police, Medical, Agriculture, Forest, etc.		2 per cent
Land Revenue, Betting Tax and CDP, NES and LD Works.		No increase taken.
Other heads	..	5 per cent.

*Note* :—Under Animal Husbandry additional receipts anticipated are linked with expenditure on Milk Supply Schemes.

*II. Expenditure*

Education and Forest	..	8 per cent
All other heads	..	5 per cent.

## ANNEXURE II

STATE: MYSORE

Statement showing the Growth Rates in previous years.

(Rupees in lakhs)

Heads	1960-61 Accounts	1965-66 Accounts			1966-67 Accounts			1967-68 Accounts			1968-69 Latest Actuals			Annual growth rate (compound)			
		Including Addl. Taxation	Addl. Taxation	Excluding Addl. Taxation	Including Addl. Taxation	Addl. Taxation	Excluding Addl. Taxation	Including Addl. Taxation	Addl. Taxation	Excluding Addl. Taxation	Including Addl. Taxation	Addl. Taxation	Excluding Addl. Taxation	1965-66/1960-61 Col. 4/Col. 1	1966-67/1965-66 Col. 7/Col. 2	1967-68/1966-67 Col. 10/Col. 7	1968-69/1967-68 Col. 13/Col. 10
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Land Revenue .. ..	441	557	34	523	387	12	375	741	55	686	450	..	450	3.5	-32.7	82	-34.4
Agricultural Income-Tax ..	81	158	30	128	151	..	151	182	..	182	155	..	155	9.6	4.4	20.53	-14.83
State Excise .. ..	319	404	70	334	441	10	431	711	260	451	1,161	698	463	0.9	6.7	4.64	2.68
Stamps .. ..	191	380	90	290	425	..	425	482	..	482	530	..	530	8.7	11.8	13.41	9.66
Registration .. ..	33	59	15	44	64	..	64	72	..	72	75	..	75	5.9	8.5	12.6	4.16
Tax on Motor Vehicles ..	358	569	130	439	610	20	590	689	30	659	740	30	710	4.2	3.7	11.7	7.7
Tax on Passenger and Goods ..	..	157	157	..	182	22	160	203	27	176	216	30	186	..	1.9	10	5.7
Sales Tax .. ..	813	1,954	420	1,534	2,643	450	2,193	2,825	480	2,345	3,213	545	2,668	13.5	12.2	6.9	13.8
Electricity Duty .. ..	85	217	102	115	174	..	174	138	..	138	223	..	223	6.2	-19.8	-20.7	61.6
Entertainment Tax .. ..	72	152	30	122	188	20	168	210	25	185	223	26	197	11.1	10.5	10.1	6.5
Betting Tax .. ..	..	36	..	36	36	..	36	51	..	51	40	..	40	..	..	41.7	-21.6

(L)

## STATEMENT

## ESTIMATES OF

	1964-65 Accounts	1965-66 Accounts	1966-67 Accounts	1967-68	
				Revised Estimates	Preliminary Actuals
	2	3	4	5	6
<b>I. OUTLAY ON STATE PLAN—</b>					
(a) Revenue Accounts ..	1174	1547	1132	1811	1352
(b) Capital Account ..	3823	3758	4336	5115	5145
<b>II. STATE'S BUDGETARY RESOURCES -</b>					
1. Balance from current revenues at 1968-69 rates of taxation (As in Statement II).	876	431	1152 (52)*	2140 (213)*	1812 (312)*
2. Loans from Public (Net)					
(a) By State Government ..	608	532	413	101	92
(b) By Public Enterprises—					
(i) Market Loans ..	} 200	318	110	211	211
(ii) Loans from LIC ..			300	150	150
(iii) Other Loans ..			..	..	..
(c) By Local Bodies—					
(i) Market Loans ..	..	..	..	..	..
(ii) Loans from LIC ..	..	..	..	..	..
(iii) Any Other Loans ..	..	..	..	..	..
3. Share in Small Savings ..	311	363	292	250	250
4. Unfunded Debt (Net) ..	102	115	166	170	123
5. Miscellaneous Capital receipts—net (as in Statement III), exclusive of receipts and re- payments in respect of ad-hoc loans	-1014	-1929	-1031	-665	-1657
6. Contribution of Autonomous Public Enterprises—					
(i) State Electricity Board (As in Statement V).	208	-6	313	748	752
(ii) Road Transport Corporation (as in Statement VI).					
(iii) Others ..					
7. Contribution, if any, of Local Bodies:	..	..	..	..	..
<b>Total II</b>	<b>1291</b>	<b>-176</b>	<b>1715</b>	<b>3105</b>	<b>1733</b>

\* Figures in brackets indicate yield from *additional* resource mobilisation.

I

STATE : MYSORE

## STATE RESOURCES

(Rs. in lakhs)

1968-69		Fourth Plan Period					Total for IV Plan Period (Col. 9 to 13)
Budget Estimates	Latest Estimates	1969-70 Estimates	1970-71 Estimates	1971-72 Estimates	1972-73 Estimates	1973-74 Estimates	
7	8	9	10	11	12	13	14
1615	1640						
4483	3928						
2103 (694)*	790 (754)*	--1482	--1335	--1480	--842	--1197	--6326
119	179	18	38	57	46	700	859
200	150	256	226	200	199	140	1021
100	143	192	182	72	68	13	527
..		..	..	..	..	..	..
400	450	400	400	400	400	400	2000
161	161	180	190	200	210	220	1000
743	-173	--221	--734	--1152	--1890	--1831	--5828
621	340	453	482	507	530	630	2602
..			..	..	..	..	..
2961	2040	--204	--541	--1196	--1279	--525	--4145

F

## STATEMENT

## ESTIMATE OF

	1	2	3	4	5	6
<b>III. WITHDRAWAL FROM RESERVES AND NET INCREASES IN FLOATING DEBT—b/</b>						
(a) Withdrawals from cash balances		-190	589	33	..	-404
(b) Sale of Treasury Bills ..		..	..	..	..	..
(c) Sale of securities (un-earmarked)		216	1	1721	-183	..
(d) Increase in ways and means advances from RBI.		-310	-50	-2869	-1140	
(e) Increase in over-drafts ..		421	1302	295	984	270
Total—III ..		137	1842	-820	-339	-134
<b>IV. Ad-hoc LOANS FROM CENTRE, (IF ANY)—</b>						
(a) Gross receipts ..	..	..	600	1565	1140	1740
(b) Repayments ..	..	..	..	1065	580	380
(c) Net receipts ..	..	..	600	500	560	1360
<b>V. CENTRAL ASSISTANCE—</b>						
(b) Grants ..	..	529	618	472	758	607
(b) Loans ..	..	2980	2421	3601	2842	2931
		3509	3039	4073	3600	3538
<b>VI. AGGREGATE RESOURCES AT 1968-69 RATES OF TAXATION (II—III—IV—V)</b>						
		4937	5305	5468	6926	6497
<b>VI-A. Improvement if Finance Commission completely covers the gap</b>						
<b>VII. ADDITIONAL RESOURCE MOBILISATION PROPOSED FOR THE FOURTH PLAN 1969-70 TO 1973-74</b>						
<b>VIII. AGGREGATE RESOURCES, INCLUSIVE OF ADDITIONAL RESOURCE MOBILISATION—</b>						

(a) Only loans for Plan Schemes are to be shown in the Table.

(b) Figures shown in this statement should tally with those worked out from the data given in Statement XII.



I--(Contd.).

STATE: MYSORE

STATE RESOURCES

(Rs. in lakhs)

7	8	9	10	11	12	13	14
161	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
-50	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	-798	..	..	..	..	..	..
111	-798	..	..	..	..	..	..
..	1400	..	..	..	..	..	..
680	780	1347	967	766	..	..	3080
-680	620	-1347	-967	-766	..	..	-3080
3,706	3706	..	..	..	..	..	..
6,098	5568	-1551	-1508	-1962	-1279	-925	-7225
..	..	1482	1325	1480	842	1197	6326
..	..	800	900	1000	1100	1200	5000
..	..	731	717	518	663	1472	4101

STATEMENT  
DETAILS OF LOANS FROM PUBLIC BY

	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1968-69	
				<i>Revised Estimates</i>	<i>Preliminary Actuals</i>
	2	3	4	5	6
<b>1. BY STATE GOVERNMENT—</b>					
<b>MARKET LOANS</b>					
(a) Gross borrowing					593
(b) Repayments					310
(c) Inter-State Debt					191
(d) Net borrowing					92
<b>2. BY PUBLIC ENTERPRISES—</b>					
<b>(i) Market Loans—</b>					
(a) Gross borrowing					211
(b) Repayments					..
(c) Net borrowing					211
<b>(ii) Loans from L.I.C.—</b>					
(a) Gross borrowing					150
(b) Repayments					..
(c) Net borrowing					150
<b>(iii) Other Loans—</b>					
(a) Gross borrowing					..
(b) Repayments					..
(c) Net borrowing					..

\* Inter State Debt.

*Note:* Loans obtained by the State Government from L.I.C., RBI, etc., are included under "Statement III"

I--A

STATE: MYSORE

STATE GOVERNMENT AND ITS ENTERPRISES

(Rs. in lakhs).

1968-69		Fourth Plan Period					Total for IV Plan Period (Col. 9 to 13)
Budget Estimates	Latest Estimates	1969-70 Estimates	1970-71 Estimates	1971-72 Estimates	1972-73 Estimates	1973-74 Estimates	(Col. 9 to 13)
7	8	9	10	11	12	13	14
600	660	800	700	600	800	700	3,600
424	424	782	552	513	754	.	2,631
57	57		110*				110
119	179	18	38	57	46	700	859
200	150	256	226	503	500	110	1625
..	..	..	..	303	301	..	604
200	150	256	226	200	199	110	1,021
100	150	200	200	100	100	50	670
..	57	8	18	28	32	37	123
100	143	192	182	72	68	13	527
..	..	150	150	50	150	150	750
..	..	150	150	150	150	150	750
..	..	..	..	..	..	..	..

Miscellaneous Capital Receipts and Non-Plan Disbursements\*\*

F

## STATEMENT

## BALANCE FROM CURRENT REVENUE

	1967-68				
	1964-65 Accounts	1965-66 Accounts	1966-67 Accounts	Revised Estimates	Preliminary Actuals
	1	2	3	4	5
<b>I. REVENUE RECEIPTS—</b>					
1. Share of Central taxes*	1314	1418	1904	2164	2173
2. State Taxes* ..	4256	4644	5250	6140	5994
3. Non-tax revenues ..	2202	2412	3306	3824	2971
4. Transfer from funds ..	49	..	..	..	..
5. Grants from the Centre ..	..	..	..	..	..
(i) Statutory Grants ..	675	675	2082	2082	2082
(ii) Grants for Centrally Sponsored Schemes**	192	426	392	483	586
(iii) In lieu of tax on Railway Fares	56	56	65	65	65
(iv) Grants for Natural Calamities	..	..	75	..	..
(v) Other Non-Plan Grants ..	300	66	110	87	111
Total I ..	9044	9697	13184	14845	13982
<b>II. REVENUE EXPENDITURE—</b>					
1. Non-Developmental ..	..	..	..	..	..
(i) Debt Service ..	1295	1564	2901	2961	2507
(ii) Other Non-development expenditure	2206	2405	2819	2891	2903
2. Non-Plan Developmental	..	..	..	..	..
(i) Without taking into account third Plan maintenance Ex- penditure	4465	4900	5962	6573	6476
(ii) Third Plan Maintenance Expenditure	..	..	..	..	..
3. Maintenance expenditure on Plan Schemes taken up since the commitment of 1966-67 and expected to be completed by the end of 1968-69	..	..	..	..	..
4. Outlay on Centrally Spon- sored Schemes***	192	387	392	483	586
5. Transfer to Funds ..	10	10	10	10	10
6. Revision of dearness allowances and pay scales etc., not provided for in the above estimates****	..	..	..	..	..
Total II ..	8168	9266	12084	12918	12482
<b>III. BALANCE FROM CURRENT REVENUES (I-II)</b>					
..	876	431	1100	1927	1500

(\*) At 1968-69 rates of taxation.

(\*\*) Information is required for the years upto 1968-69 only.

(\*\*\*) Information is required for the years upto 1968-69 only.

(\*\*\*\*) Estimates should relate only to the revisions already announced or proposed to be announced by the end of 1968-69.

II

STATE : MYSORE

AT 1968-69 RATES OF TAXATION

(Rs. in lakhs)

1968-69		Fourth Plan Period					Total for IV Plan Period (Col. 9 to 13)
Budget Estimates	Latest Esti- mates	1969-70 Esti- mates	1970-71 Esti- mates	1971-72 Esti- mates	1972-73 Esti- mates	1973-74 Esti- mates	
7	8	9	10	11	12	13	14
2187	2187	2187	2187	2187	2187	2186	10931
6709	6375	7173	7933	8122	8968	9515	42311
4283	4122	4068	4288	4460	4816	5050	22682
2082	2082	2082	2082	2082	2082	2082	10410
835	835	..	..	..	..	..	..
65	65	65	64	64	65	65	323
..	50	..	..	..	..	..	..
91	92	79	79	79	79	79	395
16252	15808	15954	16633	17294	18197	18977	87055
3386	3486	4174	3905	3835	3211	3391	18516
3156	3431	4038	4214	4398	4592	4791	22036
7460	7324	8513	9079	9715	10364	11064	48735
..	..	711	760	826	872	925	4094
835	835	..	..	..	..	..	..
6	6	..	..	..	..	..	..
..	690	..	..	..	..	..	..
14843	15772	17436	17958	18774	19039	20174	93381
1409	36	-1482	-1325	-1480	-842	-1197	-6326

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STATEMENT

ABSTRACT OF STATEMENT HOWING

		1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68	
					<i>Revised Estimates</i>	<i>Preliminary Actuals</i>
		2	3	4	5	6
I. SHARE OF CENTRAL TAXES	..	1314.41	1417.73	1904.41	2163.82	2173.05
II. STATE TAXES	..	4255.59	4644.65	5300.61	6290.83	6306.18
III. NON-TAX REVENUE	..	2224.62	2423.89	3317.20	3906.88	2970.71
IV. TRANSFER FROM FUNDS	..	48.50	..	..	..	..
V. GRANTS FROM CENTRE	..	1729.13	1828.93	3184.60	3359.90	3451.02
TOTAL I TO V	..	9572.25	10315.20	13706.82	15721.43	14900.96

(17)

II—A

STATE: MYSORE

RECEIPTS ON REVENUE ACCOUNT

(Rs. in lakhs)

1968-69		Fourth Plan Period					Total for IV Plan Period (Col. 9 to 13)
<i>Budget Estimate</i>	<i>Latest Estimate</i>	<i>1969-70 Estimates</i>	<i>1970-71 Estimates</i>	<i>1971-72 Estimates</i>	<i>1972-73 Estimates</i>	<i>1973-74 Estimates</i>	
7	8	9	10	11	12	13	14
2186.69	2186.69	2186.69	2186.69	2186.69	2186.69	2186.69	10933.45
7403.18	7128.96	7473.47	7932.52	8421.79	8968.45	9514.88	42311.11
4306.30	4145.30	4067.82	4288.45	4460.35	4815.59	5050.29	22682.50
..	..	..	..	..	..	..	..
3684.65	3734.65	2225.68	2225.68	2225.68	2225.68	2225.68	11128.40
17580.82	17195.60	15953.66	16633.24	17294.51	18196.41	18977.54	87055.46

F

5

## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
<b>I. SHARE OF CENTRAL TAXES—</b>						
(At 1968-69 rates of taxation)						
1. Income-tax ..	634.02	631.80	706.27	900.05	900.05	900.07
2. Union Excise Duties ..	643.00	748.08	1171.86	1191.02	1191.02	1200.23
3. Estate Duty ..	37.39	37.85	26.28	72.75	72.75	72.75
<b>Total I ..</b>	<b>1314.41</b>	<b>1417.73</b>	<b>1904.41</b>	<b>2163.82</b>	<b>2163.82</b>	<b>2173.05</b>
<b>II. STATE TAXES—</b>						
1. Land Revenue—						
(a) Yield at 1964-65 tax rates ..	710.52	556.74	374.67	574.17	574.17	685.54
(b) Net receipts from changes in taxation since 1964-65. ..	..	..	12.27	75.00	75.00	55.26
<b>Total (1) ..</b>	<b>710.52</b>	<b>556.74</b>	<b>386.94</b>	<b>649.17</b>	<b>649.17</b>	<b>740.80</b>
2. Royalty on Crude Oil—						
(a) Yield at 1964-65 tax rates ..	..	..	..	..	..	..
(b) Net receipts from changes in taxation since 1964-65. ..	..	..	..	..	..	..
<b>Total (2) ..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>
3. Agricultural Income-tax—						
(a) Yield at 1964-65 tax rates ..	101.08	158.08	150.51	168.90	168.90	182.46
(b) Net receipts from changes in taxation since 1964-65. ..	..	..	..	..	..	..
<b>Total (3) ..</b>	<b>101.08</b>	<b>158.08</b>	<b>150.51</b>	<b>162.90</b>	<b>162.90</b>	<b>182.46</b>
4. State Excise—						
(a) Yield at 1964-65 tax rates ..	372.87	404.04	430.57	444.63	444.63	451.18
(b) Net receipts from changes in taxation since 1964-65. ..	..	..	10.00	160.00	160.00	260.00
<b>Total (4) ..</b>	<b>372.87</b>	<b>404.04</b>	<b>440.57</b>	<b>604.63</b>	<b>604.63</b>	<b>711.18</b>
5. Stamps—						
(a) Yield at 1964-65 tax rates ..	316.11	380.19	425.16	515.00	515.00	481.77
(b) Net receipts from changes in taxation since 1964-65 ..	..	..	..	..	..	..
<b>Total (5) ..</b>	<b>316.11</b>	<b>380.19</b>	<b>425.16</b>	<b>515.00</b>	<b>515.00</b>	<b>481.77</b>



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II—A (Contd.)

STATE : MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
765.04	765.04	765.04	765.04	765.04	765.04	765.04	3825.20
1375.81	1375.81	1375.81	1375.81	1375.81	1375.81	1375.81	6879.05
45.84	45.84	45.84	45.84	45.84	45.84	45.84	229.20
2186.69	2186.69	2186.69	2186.69	2186.69	2186.69	2186.69	10933.45
854.22	450.00	575.00	575.00	575.00	575.00	575.00	2875.00
50.00	..	..	..	..	..	..	..
904.22	450.00	575.00	575.00	575.00	575.00	575.00	2875.00
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
155.00	155.00	165.00	169.95	175.05	180.30	185.71	876.01
..	..	..	..	..	..	..	..
155.00	155.00	165.00	169.95	175.05	180.30	185.71	876.01
463.32	463.32	1219.39	1280.36	1344.38	1411.60	1482.18	6737.91
638.00	698.00	..	..	..	..	..	..
1101.32	1161.32	1219.39	1280.36	1344.38	1411.60	1482.18	6737.91
530.00	530.00	556.50	584.33	613.55	644.23	676.44	3075.05
..	..	..	..	..	..	..	..
530.00	530.00	556.50	584.33	613.55	644.23	676.44	3075.05

## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
II. STATE TAXES—(contd.)—						
6. Registration—						
(a) Yield at 1964-65 tax rates		48.70	59.26	64.38	71.50	71.58
(b) Net receipts from changes in taxation since 1964-65		..	..	..	..	..
Total (6) ..		48.70	59.26	64.38	71.50	71.58
7. Tax on Motor Vehicles—						
(a) Yield at 1964-65 tax rates		542.87	569.56	590.07	669.50	658.75
(b) Net receipts from changes in taxation since 1964-65		..	..	20.00	30.00	30.00
Total (7) ..		542.87	569.56	610.07	699.50	688.75
8. General Sales Tax—						
(a) Yield at 1964-65 tax rates		1647.64	1953.68	2193.23	2402.00	2344.59
(b) Net receipts from changes in taxation since 1964-65		..	..	450.00	495.00	480.00
Total (8) ..		1647.64	1953.68	2643.23	2897.00	2824.59
9. Tax on Passengers and goods—						
(a) Yield at 1964-65 rates		151.78	156.50	159.56	177.00	175.90
(b) Net receipts from changes in taxation since 1964-65		..	..	22.00	28.00	27.00
Total (9) ..		151.78	156.50	181.56	205.00	202.90
10. Sales Tax on Motor Spirit—						
(a) Yield at 1964 65 Tax rates						
(b) Net receipts from changes in taxation since 1964 65. }				Shown under item 8		
Total (10) ..						
11. Inter-State Sales Tax —						
(a) Yield at 1964-65 tax rates						
(b) Net receipts from changes in taxation since 1964-65. }				Shown under Item 8.		
Total (11) ..						
12. Electricity Duty—						
(a) Yield at 1964-65 tax rates		196.34	217.24	174.29	213.46	138.31
(b) Net receipt from changes in taxation since 1964-65.		..	..	..	..	..
Total (12) ..		196.34	217.24	174.29	213.46	138.31

## II. A—(Contd.)

STATE : MYSORE

## REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
75.00	75.00	78.75	82.69	86.82	91.16	95.72	435.14
..	..	..	..	..	..	..	..
75.00	75.00	78.75	82.69	86.82	91.16	95.72	435.14
690.00	710.00	763.20	808.99	857.53	908.98	963.52	4302.22
30.00	30.00	..	..	..	..	..	..
720.00	740.00	763.20	808.99	857.53	908.98	963.52	4302.22
2668.00	2768.00	3284.17	3546.90	3830.65	4137.10	4468.07	19266.89
545.00	545.00	..	..	..	..	..	..
3213.00	3313.00	3284.17	3546.90	3830.65	4137.10	4468.07	19266.89
186.00	186.00	227.98	241.66	256.16	271.53	287.82	1285.15
30.00	30.00	..	..	..	..	..	..
216.00	216.00	227.98	241.66	256.16	271.53	287.82	1285.15
223.46	223.46	320.00	345.00	370.00	420.00	435.00	1890.00
..	..	..	..	..	..	..	..
223.46	223.46	320.00	345.00	370.00	420.00	435.00	1890.00

## STATEMENT

RECEIPTS ON

	1	2	3	4	5	6
<b>II. STATE TAXES—(concl'd.)—</b>						
13. Entertainment Tax—						
(a) Yield at 1964-65 tax rates	130.51	151.80	167.86	189.87	185.02	
(b) Net receipt from changes in taxation since 1964-65.	..	..	20.00	25.00	25.00	
Total (13) ..	130.51	151.80	187.86	214.87	210.02	
14. Taxes on Urban Property—						
(a) Yield at 1964-65 tax rates	..	..	..	..	..	
(b) Net receipt from changes in taxation since 1964-65. }						
Total (14) ..	..	..	..	..	..	
(a) Yield at 1964-65 tax rates						
(b) Net receipt from changes in taxation since 1964-65. }	4.47	..	..	..	..	
Total (15) ..	4.47	..	..	..	..	
16. Betting Tax—						
(a) Yield at 1964 65 tax rates	30.64	36.36	35.70	47.24	51.23	
(b) Net receipt from changes in taxation since 1964-65.	..	..	..	..	..	
Total (16) ..	30.64	36.36	35.70	47.24	51.23	
17. Other Taxes and Duties—						
(a) Yield at 1964 65 tax rates	2.06	1.20	0.34	2.56	2.59	
(b) Net receipt from changes in taxation since 1964-65.	..	..	..	..	..	
Total (17) ..	2.06	1.20	0.34	2.56	2.59	
Total II—State Taxes ..	4225.59	4644.65	5300.61	6290.82	6306.18	
<b>III. NON-TAX REVENUE—</b>						
1. Forest ..	983.75	1007.68	1096.55	1090.00	1,105.41	
2. Interest Receipts—						
(i) From Commercial Departments ..	551.94	645.24	725.51	802.43	759.31	
(ii) Others ..	321.22	334.52	335.32	602.85	374.90	
3. Administrative Services (Administration of Justice, Jails, Police, etc. ..	147.23	149.50	116.50	131.14	122.61	
4. Social and Developmental Service—						
(i) Education ..	133.91	155.00	136.28	209.61	157.51	
(ii) Med. cal and Public Health	200.29	165.22	171.66	244.56	254.75	
(iii) Agriculture and Animal Husbandry. ..	103.73	161.59	200.91	276.01	239.14	
(iv) Rural Development and Co-operation. ..	22.12	28.84	29.05	39.82	39.65	
(v) Industries ..	25.27	37.06	32.84	44.77	40.22	
(vi) Miscellaneous and Develop- mental Organisation ..	17.40	108.46	113.39	121.06	103.12	
Total 4 ..	502.72	656.17	684.13	935.83	834.39	

II-A—(Contd.)

STATE: MYSORE.

REVENUE ACCOUNT

(Rs. in lakhs.)

7	8	9	10	11	12	13	14
196.70	196.70	235.99	250.14	265.15	281.05	297.92	1330.24
26.00	26.00	..	..	..	..	..	..
222.70	222.70	235.98	250.14	265.15	281.05	297.92	1330.24
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
40.00	40.00	45.00	45.00	45.00	45.00	45.00	225.00
..	..	..	..	..	..	..	..
40.00	40.00	45.00	45.00	45.00	45.00	45.00	225.00
2.48	2.48	2.50	2.50	2.50	2.50	2.50	12.50
..	..	..	..	..	..	..	..
2.48	2.48	2.50	2.50	2.50	2.50	2.50	12.50
403.18	7128.96	7473.47	7932.52	8421.79	8968.45	9514.88	42311.11
1124.00	1124.00	1146.48	1169.41	1192.80	1216.66	1240.99	5966.34
771.43	771.43	740.00	770.00	800.00	830.00	860.00	4000.00
555.94	555.94	570.00	592.00	614.00	636.00	658.00	3070.00
114.36	114.36	111.56	115.10	118.78	122.61	126.58	594.63
237.93	237.93	254.85	263.09	271.74	280.83	290.37	1260.88
262.11*	262.11*	248.19	257.62	267.46	277.73	288.45	1339.45
431.15	431.15	446.50	478.23	509.99	541.79	573.61	2550.12
34.83	34.83	36.57	38.40	40.32	42.33	44.45	202.07
53.39	53.39	50.00	52.50	55.13	57.88	60.78	276.29
117.97	127.97	123.87	130.06	136.56	143.39	150.56	684.44
1137.38	1147.38	1159.98	1219.90	1281.20	1343.95	1408.24	6413.25

\*22.96 (contribution from E.S.I.) not taken into account from 69-70.

## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
<b>III. NON-TAX REVENUES—(Contd.)</b>						
5. Public Works ..	115.26	128.21	143.50	143.00	151.15	
6. Dividends from Commercial Enterprises ..	35.60	47.95	29.63	26.80	42.69	
7. Industrial Schemes—						
(a) Gross receipts ..	906.03	954.27	1,036.94	978.83	915.73	
(b) Working expenses ..	970.56	1,077.18	1,148.81	1,085.69	1,073.86	
(c) Interest charges ..						
Total—7 ..	—64.53	—122.91	—111.87	—106.86	—158.13	
8. Irrigation (Non-Commercial)—						
(b) At 1964-65 rates of irrigation charges ..	1.84	1.81	3.01	16.60	1.58	
(b) Net receipts from changes in Irrigation rates since 1964-65 ..	..	..	..	..	..	
Total—8 ..	1.84	1.18	3.01	16.60	1.58	
9. Irrigation (Commercial)—						
(a) Gross receipts—						
(i) Betterment Levy—						
(1) At 1964-65 rates of levy ..	2.00	..	..	5.00	..	
(2) Net receipts from changes in rates of levy since 1964-65 ..	..	..	..	..	..	
Total—9(a) (i) ..	2.00	..	..	5.00	..	
(ii) Water rates—						
(1) At 1964-65 rates of irrigation charges ..	26.00	4.00	3.00	80.00	7.19	
(2) Net receipts from changes in rates of levy since 1964-65 ..	..	..	..	..	..	
Total—9 (ii) ..	26.00	4.00	3.00	80.00	7.19	
(iii) Other receipts ..	30.41	40.64	36.48	14.33	25.15	
(b) Working Expenses ..	81.65	92.81	120.84	120.71	110.47	
(c) Interest charges ..	450.57	559.46	651.40	716.24	716.24	
NET RECEIPTS—9 ..	—473.81	—607.63	—732.76	—737.62	—794.37	

II-A—(Contd.)

STATE : MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
150.00	150.00	157.50	165.38	173.65	182.33	191.45	870.31
30.62	30.62	32.15	33.76	35.45	37.22	39.08	177.66
1047.81	1047.81	1000.00	1050.00	1102.50	1157.63	1215.51	5525.64
1058.80	1058.80	1000.00	1050.00	1102.50	1157.63	1215.51	5525.64
-10.99	-10.99	..	..	..	..	..	..
32.55	22.55	32.00	32.04	32.08	32.12	32.16	160.40
..	..	..	..	..	..	..	..
32.55	22.55	32.00	32.04	32.08	32.12	32.16	160.40
20.00	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
20.00	..	..	..	..	..	..	..
150.00	80.00	170.00	170.00	170.00	170.00	170.00	850.00
..	..	..	..	..	..	..	..
150.00	80.00	170.00	170.00	170.00	170.00	170.00	850.00
41.45	41.45	40.00	40.80	41.62	42.45	43.30	208.17
130.39	130.39	137.26	144.12	151.33	158.90	166.84	758.45
684.96	684.96	700.00	725.00	750.00	775.00	800.00	3,750.00
-603.90	-693.90	-627.26	-658.32	-689.71	-721.45	-753.54	-3,450.28

## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
III. NON-TAX REVENUE—(contd.)—						
10. Electricity Schemes—						
(a) Gross Receipts—						
1. At 1964-65 rates of Electricity Tariffs ..	1.33	50.00	800.23	650.00	268.75	
2. Net receipts from changes in Electricity Tariffs in 1964-65. ..	..	..	..	..	..	..
Total 10 (b) ..	1.33	50.00	800.23	650.00	268.75	
(b) Working Expenses ..	31.18	4.07	12.14	18.15	15.10	
(c) Interest charges ..	..	..	..	..	..	..
Net Receipts 10 ..	-29.85	45.93	788.09	631.85	253.65	
11. Road and Water Transport Schemes—						
(a) Gross Receipts ..						
1. At 1964-65 rates of fares and freight ..	..	..	..	..	..	..
2. Net receipts from changes in fares and freight since 1964-65 ..	..	..	..	..	..	..
Total 11 (a) ..	..	..	..	..	..	..
(b) Working Expenses ..	..	..	..	..	..	..
(c) Interest charges ..	..	..	..	..	..	..
Net Receipts 11 ..	..	..	..	..	..	..
12. Multi-purpose River Valley Projects.—						
(i) Betterment levy—						
1. At 1964-65 rates of the levy. ..	..	..	..	..	..	..
2. Net receipts from changes in rates of the levy since 1964-65 ..	..	..	..	..	..	..
Total 12 (i) ..	..	..	..	..	..	..
(ii) Water Rate ..						
1. At 1964-65 rates of irrigation charges ..	..	..	..	..	..	..
2. Net receipts from changes in electricity tariffs since 1964-65 ..	..	..	..	..	..	..
Total 12 (ii) ..	..	..	..	..	..	..





## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
<b>III. NON-TAX REVENUE—(Concl'd.)</b>						
12. Multipurpose River Valley Projects—						
(a) Gross Receipts—						
(iii) Electricity Receipts—						
(1) At 1964-65 rates of electricity tariffs.						
(2) Net receipts from changes in electricity tariffs since 1964-65.		..	..	..	..	..
Total—12 (a) (iii) ..		..	..	..	..	..
(iv) Other receipts ..		..	..	..	..	..
Total—12 (a) ..		..	..	..	..	..
(b) Working Expenses ..		..	..	..	..	..
(c) Interest charges if not capitalised.		..	..	..	..	..
Total—12: NET RECEIPTS..		..	..	..	..	..
13. Ports and Pilotage ..	7.46	9.07	8.90	8.67	7.96	
14. C.D.P., N.E.S. & I.D. Works .	9.30	10.82	10.71	11.83	9.36	
15. Extraordinary ..	..	0.06	3.08	170.64	170.63	
16. Miscellaneous—						
(i) Stationery and Printing ..	17.26	14.24	11.40	5.68	7.01	
(ii) Contributions and Assignments.	25.71	34.94	43.54	57.64	39.13	
(iii) Miscellaneous ..	73.52	68.92	120.96	116.40	43.43	
Total—16 ..	116.49	118.10	175.90	179.72	89.57	
TOTAL-III-NON-TAX REVENUE ..	2224.62	2422.89	3317.20	3906.88	2970.71	
<b>IV. TRANSFER FROM FUNDS—</b>						
(1) Famine Relief Fund ..	48.50	..	..	..	..	
(2) Others ..	..	..	..	..	..	
Total—IV ..	48.50	..	..	..	..	

II-A—(Contd.)

REVENUE ACCOUNT

STATE : MYSORE

(Rs. in lakhs)

7	8	9	10	11	12	13	14
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
10.07	10.07	10.57	11.10	11.66	12.24	12.85	58.42
10.05	10.05	10.00	10.00	10.00	10.00	10.00	50.00
0.01	0.01	..	..	..	..	..	..
5.70	5.70	6.00	6.30	6.62	6.95	7.30	33.17
56.84	56.84	59.68	62.66	65.79	69.08	72.53	329.74
88.40	88.40	75.00	75.00	75.00	75.00	75.00	375.00
150.94	150.94	140.68	143.96	147.41	151.03	154.83	737.91
4306.30	4145.30	4067.82	4288.45	4460.35	4815.59	5050.29	22682.50
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..

## STATEMENT

## RECEIPTS ON

	1	2	3	4	5	6
<b>V. GRANTS FROM THE CENTRE—</b>						
1. Under substantive provision of Article 275(i).		675.00	675.00	2082.00	2082.00	2082.00
2. Under provisos to Article 275(i)..						
(a) For Central Sector Schemes		4.45	3.95	5.25	..	5.26
(b) Non-plan Schemes ..		..	..	..	..	..
3. In lieu of loss in income tax ..		..	..	58.32	..	58.32
4. In lieu of tax on railway fares		56.00	56.00	64.68	64.68	64.68
5. Other grants—						
(a) For Plan Schemes—						
(i) State sector .. ..		528.87	617.95	477.20	740.49	606.98
(ii) Central sector .. ..		214.00	409.83	370.43	386.56	580.47
(b) For non plan Schemes—						
(i) Natural calamities .. ..		..	..	75.00	..	..
(ii) Others .. ..		246.22	62.50	51.72	84.57	51.07
6. Miscellaneous adjustments between Central and State Governments .. ..		4.59	3.70	..	1.60	2.24
Total V ..		1729.13	1828.93	3184.60	3359.90	3451.02
<b>IV. AGGREGATE REVENUE RECEIPTS (I to V)—</b>						
		9572.25	10315.20	13706.82	15721.43	14900.96

II-A—(contd.)

STATE : MYSORE

REVENUE ACCOUNTS

(Rs. in lakhs)

7	8	9	10	11	12	13	14
2082.00	2082.00	2082.00	2082.00	2082.00	2082.00	2082.00	10410.00
::	::	::	::	::	::	::	::
64.67	64.67	64.68	64.68	64.68	64.68	64.68	323.40
689.63	689.63	::	::	::	::	::	::
756.94	756.94	::	::	::	::	::	::
::	50.00	::	::	::	::	::	::
89.66	89.66	77.00	77.00	77.00	77.00	77.00	385.00
1.75	1.75	2.00	2.00	2.00	2.00	2.00	10.00
3684.65	3734.65	2225.68	2225.68	2225.68	2225.68	2225.68	11128.40
17580.82	17195.60	15953.66	16633.34	17294.51	18196.41	18977.54	87055.46

## STATEMENT

## EXPENDI

	1	2	3	4	5	6
I. NON DEVELOPMENTAL ..		3502.13	3969.63	5721.07	5853.50	5410.58
II. NON PLAN DEVELOPMENTAL ..		4462.87	4899.45	5960.54	6572.18	6475.90
III. MAINTENANCE EXPENDITURE		..	..	..	..	..
IV. REVISION OF DEARNESS ALLOWANCE		..	..	..	..	..
V. TRANSFER TO FUNDS .. ..		10.00	10.00	10.00	10.00	10.00
IV. TOTAL I TO V .. ..		7975.00	8879.08	11691.61	12435.68	11896.48
VII. PLAN EXPENDITURE—						
(i) State Sector .. ..		1114.07	1547.25	980.53	1477.61	1253.96
(ii) Central Sector .. ..		192.29	386.62	538.86	721.96	683.73
VIII. TOTAL EXPENDITURE ..		9281.36	10812.95	13211.00	14635.25	13834.17

II—A—(Contd.)

STATE: MYSORE

TURE

(Rs. in lakhs)

7	8	9	10	11	12	13	14
6,541.34	6916.54	8212.24	8118.91	8233.23	7862.59	8185.49	40553.46
7,459.93	7323.93	8513.20	9079.12	9714.77	10363.95	11064.33	48735.37
..	..	711.01	759.86	826.08	872.27	924.43	4093.65
..	690.18	..	..	..	..	..	..
6.29	6.29	..	..	..	..	..	..
14,007.56	14936.94	17436.45	17957.89	18774.08	19038.81	20174.25	93381.48
1,510.60	1535.10	..	..	..	..	..	..
864.87	864.87	..	..	..	..	..	..
16383.03	17336.91	17436.45	17957.89	18774.08	19038.81	20174.25	93381.48

F

D

STATEMENT  
EXPENDITURE ON

	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68	
				<i>Revised Estimates</i>	<i>Preliminary Actuals</i>
	2	3	4	5	6
<b>I. NON-DEVELOPMENTAL—</b>					
<b>A. DEBT SERVICE—</b>					
1. Interest Payments—					
(a) On loans outstanding at the end of 1968-69.					
(b) On fresh loans from market during the Fourth Plan period.					
(c) On fresh loans from the Centre during the Fourth Plan period by way of share in small savings.					
(d) On fresh loans from the Centre during the Fourth Plan period for non-Plan purposes including short term Loans					
(e) On loans for Plan Schemes ..					
Total I ..	1044.50	1313.98	1435.95	1661.39	1587.59
2. Appropriation for reduction or avoidance of debt—					
(a) In respect of loans outstanding at the end of 1968-69—					
(i) Market Loans ..					
(ii) Loans from Centre ..					
(iii) Other Loans ..					
(b) In respect of fresh loans indicated at (b), (c) and (d) under Item I above.					
(c) Special Contribution ..					
Total 2 ..	250.00	250.00	1465.00	1300.00	920.00
Total A ..	1294.50	1563.98	2900.95	2961.39	2507.59



II-B

STATE : MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

1968-69		Fourth Plan period					Total for IV Plan period (Col. 9 to 13)
Budget Estimates	Latest Estimates	1969-70 Estimates	1970-71 Estimates	1971-72 Estimates	1972-73 Estimates	1973-74 Estimates	
7	8	9	10	11	12	13	14
		1,918.00	1,711.00	1,524.00	1,339.00	1,183.00	7,675.00
		24.00	69.00	108.00	150.00	195.00	546.00
		12.00	36.00	60.00	84.00	108.00	300.00
		33.00	39.00	45.00	51.00	57.00	225.00
		120.00	363.00	612.00	867.00	1,128.00	3,090.00
1,986.06	1,986.06	2,107.00	2,218.00	2,349.00	2,491.00	2,671.00	11,836.00
720.00	720.00	720.00	720.00	720.00	720.00	720.00	3,600.00
680.00	780.00	1,347.00	967.00	766.00	..	..	3080.00
1,400.00	1,500.00	2,067.00	1,687.00	1,486.00	720.00	720.00	6,680.00
3,386.06	3,486.06	4,174.00	3,905.00	3,835.00	3,211.00	3,391.00	18,516.00

## STATEMENT

## EXPENDITURE

1	2	3	4	5	6
<b>I. NON-DEVELOPMENTAL—(contd.)—</b>					
<b>B. Other Non-Developmental Expenditure—</b>					
1. Tax collection charges ..	288.64	319.18	356.35	398.33	376.61
2. Parliament and State Legislature.	24.12	25.73	45.34	37.22	30.82
3. General Administration ..	297.65	322.74	353.93	400.00	400.24
4. Administration of Justice ..	111.42	125.31	134.28	152.00	145.66
5. Jails and convict settlements ..	48.24	57.87	63.37	69.36	72.71
6. Police ..	472.22	568.16	631.97	657.00	690.76
7. Famine Relief ..	48.50	55.82	257.30	88.00	70.09
8. Refugee Relief ..	..	..	..	..	..
9. Pensions, Privy Purses and Superannuation Allowance.	306.09	300.41	316.47	334.83	330.81
10. Miscellaneous Departments ..	109.77	121.15	134.68	138.17	168.02
11. Miscellaneous (including Miscellaneous contributions and assignments)—					
(a) Transfer to Panchayats and other Local Bodies—					
(i) Share in Taxes ..	103.00	106.60	126.83	145.00	530.47
(ii) Grants ..	238.25	239.18	234.89	268.57	
(b) Other Expenditure ..	103.26	90.37	89.03	116.75	
12. Stationery and Printing ..	56.22	63.37	73.47	85.45	85.18
13. Extra-ordinary Charges ..	..	..	..	..	..
14. Expenditure in connection with Emergency (Civil Defence, etc.).	0.19	9.76	2.21	1.43	1.62
Total B ..	2207.63	2405.65	2820.12	2892.11	2902.99
Total I ..	3502.13	3969.63	5721.07	5853.50	5419.58

II—B—(contd.)

STATE : MYSORE

ON REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
473.98	513.48	757.53	795.36	835.07	876.76	920.55	4185.27
37.72	37.72	36.04	37.84	39.73	41.71	43.80	199.12
399.08	399.08	450.86	473.40	497.07	521.92	548.01	2491.26
164.30	164.30	186.45	195.77	205.56	215.84	226.63	1030.25
74.62	72.12	78.02	81.92	86.02	90.32	94.84	431.12
765.00	756.50	934.26	980.97	1030.02	1081.52	1135.60	5162.37
43.71	293.71	50.00	50.00	50.00	50.00	50.00	250.00
..	..	..	..	..	..	..	..
354.65	354.65	399.55	420.84	443.05	466.22	490.40	2220.06
149.22	145.92	165.97	174.27	182.98	192.13	201.74	917.09
150.00	150.00	150.00	157.50	165.38	173.65	182.33	828.86
294.23	294.23	606.82	612.16	617.77	623.66	629.84	3090.25
147.99	147.99	115.95	121.75	127.84	134.23	140.94	640.71
98.00	98.00	106.79	112.13	117.74	123.63	129.81	590.10
..	..	..	..	..	..	..	..
2.78	2.78	..	..	..	..	..	..
3,155.23	3430.48	4038.24	4213.91	499.23	4591.59	4794.49	22036.46
6,541.34	6916.54	8212.24	8118.91	8233.23	7802.59	8185.49	40552.46

STATEMENT  
EXPENDITURE ON

1	2	3	4	5	6	
<b>II. NON PLAN DEVELOPMENTAL—</b>						
(Excluding maintenance expenditure on Plan Schemes taken up since the commencement of 1966-67 and expected to be completed by the end of 1968-69).						
<b>1. Forests—</b>						
(a) Without taking into account Third Plan maintenance Expenditure.	}	358.73	397.75	385.16	465.65	430.23
(b) Third Plan Maintenance Expenditure.						
<b>2. Irrigation—</b>						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	164.49	225.79	225.94	265.97	207.94
(b) Third Plan Maintenance Expenditure.						
<b>3. Public Works—</b>						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	1104.74	1060.45	1021.82	935.93	958.64
(b) Third Plan Maintenance Expenditure.						
<b>4. Ports and Pilotage—</b>						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	6.79	7.06	7.57	9.30	8.00
(b) Third Plan Maintenance Expenditure						
<b>5. Agriculture including Fisheries—</b>						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	85.52	77.48	148.81	174.54	159.62
(b) Third Plan Maintenance Expenditure.						
<b>6. Animal Husbandry—</b>						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	99.52	130.54	197.43	266.93	297.46
(b) Third Plan Maintenance Expenditure.						

II-B—(contd.)

STATE : MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
469.25	459.25	518.96	560.48	605.32	653.75	706.05	3044.56
311.41	311.41	327.19	343.55	360.73	378.77	397.71	1807.95
1108.27	1108.27	1188.48	1247.90	1310.30	1375.82	1444.61	6567.11
9.64	9.64	10.71	11.25	11.81	12.40	13.02	59.16
177.10	177.10	231.60	238.18	245.09	252.34	259.96	1227.17
439.84	439.84	457.00	492.00	527.00	562.00	591.00	2636.00

STATEMENT  
EXPENDITURE ON

1	2	3	4	5	6	
<b>II. NON-PLAN DEVELOPMENTAL—(contd.)</b>						
7. Rural Development—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	1.25	1.29	1.30	1.49	1.42
(b) Third Plan Maintenance Expenditure.						
8. Co-operation—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	37.70	46.90	71.02	76.60	80.11
(b) Third Plan Maintenance Expenditure.						
9. Industries—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	62.86	73.46	98.13	124.01	113.71
(b) Third Plan Maintenance Expenditure.						
10. Education—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	1754.50	2027.27	2710.65	3015.61	2974.91
(b) Third Plan Maintenance Expenditure.						
11. Scientific Departments—						
(a) Without taking into account Third Plan Maintenance Expenditure.	}	8.85	10.07	10.62	12.94	11.26
(b) Third Plan Maintenance Expenditure.						
12. Public Health—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	209.23	189.67	257.35	306.47	291.08
(b) Third Plan Maintenance Expenditure.						
13. Medical—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	330.36	363.22	441.51	499.27	516.61
(b) Third Plan Maintenance Expenditure.						

II—B (contd.)

STATE : MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
1.50	1.50	1.72	1.82	1.91	2.01	2.11	9.58
83.31	83.31	94.97	99.72	104.71	109.95	115.45	524.80
121.70	115.70	133.09	139.74	146.73	154.07	161.77	735.40
2365.41	3265.41	4027.24	4254.01	4736.93	5121.63	5539.08	13778.89
14.33	14.33	15.69	16.47	17.29	18.15	19.06	86.66
359.37	349.37	404.08	424.28	445.49	467.76	491.15	2232.76
546.42	536.42	603.52	633.54	665.05	695.13	732.87	3333.12

STATEMENT  
EXPENDITURE ON

	1	2	3	4	5	6
<b>II. NON-PLAN DEVELOPMENTAL—(contd.)</b>						
14. C. D., and N.E.S.—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	110.38	149.69	163.31	188.48	193.61
(b) Third Plan Maintenance Expenditure.						
15. Local Development Works—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}					
(b) Third Plan Maintenance Expenditure.						
16. Labour and Employment—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	27.90	29.46	51.01	58.79	54.75
(b) Third Plan Maintenance Expenditure.						
17. Miscellaneous Social and Development Services—						
(a) Without taking into account Third Plan Maintenance Expenditure ..	}	100.05	109.35	168.41	170.20	176.37
(b) Third Plan Maintenance Expenditure.						
Total II ..		4462.87	4899.45	5960.54	6572.18	6475.90
<b>III. Maintenance Expenditure on Plan Schemes taken up since the commencement of 1966-67 and expected to be completed by the end of 1968-69 (Total shown in Statement II-C).</b>						
<b>IV. Revision of D.A., Pay Scales, etc ..</b>						
<b>V. Transfer to Funds.</b>						
1. Famine Relief Fund ..		10.00	10.00	10.00	10.00	10.00
2. Zamindari Abolition Fund ..		..	..	..	..	..
3. Other Funds (Transfers to each Fund are to be indicated separately) ..		..	..	..	..	..
Total V ..		10.00	10.00	10.00	10.00	10.00
<b>VI. Total Non-Plan Expenditure on Revenue Account (I to V) ..</b>						
		7975.00	8879.08	11691.61	12435.68	11896.48
<b>VII. Plan Expenditure—</b>						
(a) State Sector ..		1114.07	1547.25	980.53	1477.61	1253.96
(b) Central Sector ..		192.29	386.62	538.86	721.96	683.73
<b>VIII. Aggregate Revenue Expenditure (VI Plus VII) ..</b>						
		9281.36	10812.95	13211.00	14635.25	13834.17



II-B—(concl'd.)

STATE: MYSORE

REVENUE ACCOUNT

(Rs. in lakhs)

7	8	9	10	11	12	13	14
184.53	184.53	204.00	206.50	211.25	215.75	225.00	1062.50
68.06	68.06	76.03	79.83	83.82	88.01	92.41	420.10
199.79	199.79	218.90	229.85	241.34	253.41	266.08	1209.58
7459.93	7323.93	8513.20	9079.12	9714.77	10363.95	11064.33	48735.37
..	..	711.01	759.86	826.08	872.27	924.43	4093.65
..	690.18	..	..	..	..	..	..
6.29	6.29	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
6.29	6.29	..	..	..	..	..	..
..	..	..	..	..	..	..	..
14007.56	14936.94	17436.45	17957.89	18774.08	19038.81	20174.25	93381.48
1510.60	1535.10	..	..	..	..	..	..
864.87	864.87	..	..	..	..	..	..
16383.03	17336.91	17436.45	17957.89	18774.08	19038.81	20174.25	93381.48

**STATEMENT**  
**MAINTENANCE EXPENDITURE**

	1	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68	
					<i>Revised Estimates</i>	<i>Preliminary Actuals</i>
	1	2	3	4	5	6
1. Forests .. .. .	..	..	..	..	..	..
2. Irrigation .. .. .	..	..	..	..	..	..
3. Civil Works .. .. .	..	..	..	..	..	..
4. Agriculture, including Fisheries .. .. .	..	..	..	..	..	..
5. Animal Husbandry .. .. .	..	..	..	..	..	..
6. Rural Development .. .. .	..	..	..	..	..	..
7. Co-operation .. .. .	..	..	..	..	..	..
8. Industries .. .. .	..	..	..	..	..	..
9. Scientific Department .. .. .	..	..	..	..	..	..
10. Education .. .. .	..	..	..	..	..	..
11. Medical .. .. .	..	..	..	..	..	..
12. Public Health .. .. .	..	..	..	..	..	..
13. Community Development and N.E.S. .. } ..						
14. Local Development Works .. } ..						
15. Ports and Pilotage .. .. .	..	..	..	..	..	..
16. Labour and Employment .. .. .	..	..	..	..	..	..
17. <i>Others Items—</i>						
(i) Miscellaneous Social Developmental Organisations (39) .. .. .	..	..	..	..	..	..
(ii) Land Revenue (9) .. .. .	..	..	..	..	..	..
(iii) General Administration (19) .. .. .	..	..	..	..	..	..
(iv) Miscellaneous Departments (26) .. .. .	..	..	..	..	..	..
(v) Miscellaneous (71) .. .. .	..	..	..	..	..	..

## II—C

## ON PLAN SCHEMES

STATE : MYSORE

(Rs. in lakhs)

1968-69		Fourth Plan Period					Total for IV Plan Period (Col. 9 to 13)
Budget Estimates	Latest Estimates	1969-70 Estimates	1970-71 Estimates	1971-72 Estimates	1972-73 Estimates	1973-74 Estimates	(Col. 9 to 13)
7	8	9	10	11	12	13	14
..	..	2.00	2.16	2.33	2.52	2.72	11.73
..	..	50.00	52.50	55.13	57.89	60.79	276.31
..	..	67.14	70.50	74.03	77.73	81.62	371.02
..	..	222.07	237.17	244.83	252.07	269.92	1227.06
..	..	21.10	22.16	23.27	24.43	25.65	116.61
..	..	..	..	..	..	..	..
..	..	13.00	13.65	14.33	15.05	15.80	71.83
..	..	7.77	8.16	8.57	9.00	9.45	42.95
..	..	10.10	10.61	11.14	11.70	12.29	55.84
..	..	193.14	214.65	252.60	270.06	288.40	1218.85
..	..	12.09	12.60	13.23	13.89	14.58	66.30
..	..	22.02	23.12	24.28	25.49	26.76	121.67
..	..	1.25	2.68	3.75	3.91	7.75	19.34
..	..	..	..	..	..	..	..
..	..	17.13	17.99	18.89	19.83	20.82	94.66
..	..	38.55	40.48	42.50	44.63	46.86	213.02
..	..	5.00	5.25	5.51	5.79	6.08	27.63
..	..	1.00	1.05	1.10	1.16	1.22	5.53
..	..	10.24	10.75	11.29	11.85	12.44	56.57
..	..	17.50	18.38	19.30	20.27	21.38	96.73
..	..	711.01	759.86	826.08	872.27	924.43	4093.65

## STATEMENT SHOWING THE PLAN EXPENDITURE UNDER (i) STATE PLAN AND

<i>Major Heads</i>	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68 <i>R.E.</i>	1967-68 <i>Preliminary Actuals</i>	1968-69 <i>Budget Estimates</i>	1968-69 <i>Latest Estimates</i>
1	2	3	4	5	6	7	8
(i) STATE PLAN							
9—Land Revenue ..	4.13	5.07	5.75	5.00	5.29	5.00	5.00
19—General Administration ..	3.25	5.20	1.24	0.70	0.62	1.92	1.92
26—Miscellaneous Departments ..	1.14	5.65	11.66	12.50	27.42	13.43	13.43
27—Scientific Departments ..	5.07	5.79	4.64	9.10	8.87	12.40	12.40
28—Education ..	281.33	367.82	108.32	169.25	160.82	215.97	215.97
29—Medical ..	25.25	32.17	21.07	34.89	31.51	38.63	38.63
30—Public Health ..	70.97	70.59	28.88	34.82	36.61	36.98	36.98
31—Agriculture ..	209.92	425.81	292.45	375.86	296.73	418.80	418.80
32—Rural Development ..	24.69	33.68	40.97	93.36	96.04	67.50	92.50
33—Animal Husbandry ..	32.10	41.98	44.22	60.75	29.59	90.50	90.50
34—Co-operation ..	36.41	39.79	31.02	32.53	45.76	31.97	31.97
35—Industries ..	41.01	27.86	32.46	47.25	35.94	53.55	53.05
37—Community Development Project, National Extension Service and Local Development Works.	182.71	220.07	181.72	158.45	167.32	147.89	147.89
38—Labour and Employment ..	0.14	0.22	..	..	..	0.52	0.52
39—Miscellaneous Social and Developmental Organisations.	52.93	94.22	48.06	65.20	51.10	75.34	75.34
40—Irrigation, Navigation, Embankment and Drainage Works (Commercial).	0.25	0.43	..	..	..	..	..
44—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial).	..	..	0.84	146.75	85.45	103.97	103.97
50—Public Works ..	33.34	37.89	25.40	77.85	27.59	50.00	50.00
68—Stationery and Printing ..	0.78	..	..	0.40	..	0.40	0.40
70—Forest ..	84.81	87.37	91.71	105.11	99.32	101.50	101.50
71—Miscellaneous ..	23.84	35.64	10.12	47.34	47.98	44.33	44.33
<b>TOTAL: (i) State Plan ..</b>	<b>1,114.07</b>	<b>1,547.25</b>	<b>980.53</b>	<b>1,477.61</b>	<b>1,253.96</b>	<b>1,510.60</b>	<b>1,535.10</b>

## (ii) CENTRALLY SPONSORED SCHEMES

STATE : MYSORE

(Rs. in lakhs)

<i>Major Heads</i>	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68 <i>Revised Estimates</i>	1967-68 <i>Preliminary Actuals</i>	1968-69 <i>Budget Estimates</i>	1968-69 <i>Latest Estimates</i>
1	2	3	4	5	6	7	8
<b>(ii) CENTRALLY SPONSORED SCHEMES—</b>							
9—Land Revenue .. ..	..	..	..	..	..	18.22	18.22
19—General Administration ..	2.01	4.23	0.57	0.80	3.03	1.00	1.00
26—Miscellaneous Departments	11.58	12.94	13.18	25.26	..	27.94	27.94
27—Scientific Departments ..	0.02	0.43	..	0.25	0.10	15.50	15.50
28—Education ..	31.08	65.18	19.24	15.14	11.15	26.74	26.74
29—Medical ..	19.73	16.69	22.80	37.68	30.16	38.84	38.84
30—Public Health ..	16.33	40.96	85.64	147.82	119.22	207.62	207.62
31—Agriculture ..	5.28	69.29	28.54	104.43	151.02	69.73	69.73
32—Rural Development ..	..	..	..	6.64	5.13	..	..
33—Animal Husbandry ..	2.15	39.20	8.83	6.50	5.72	11.00	11.00
34—Co-operation ..	4.19	5.43	12.20	15.39	41.92	13.79	13.79
35—Industries ..	5.90	6.93	11.74	5.60	4.05	4.70	4.70
37—Community Development Project, National Extension Service and Local Develop- ment Works.	20.60	23.05	27.06	16.39	10.57	33.37	33.37
38—Labour and Employment ..	31.91	50.62	25.08	45.36	38.76	57.99	57.99
39—Miscellaneous Social and Developmental Organisation.	14.71	17.4	19.60	35.29	34.74	45.19	45.19
44—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial).	..	1.68	6.59	14.59	12.90	3.00	3.00
50—Public Works ..	4.43	7.23	175.61	198.32	177.31	190.44	190.44
70—Forest ..	22.37	25.32	31.66	46.00	37.95	99.30	99.30
71—Miscellaneous ..	..	..	50.52	0.50	..	0.50	0.50
<b>TOTAL : (ii) Centrally Sponsored Schemes.</b>	<b>192.29</b>	<b>386.62</b>	<b>538.86</b>	<b>721.96</b>	<b>683.73</b>	<b>864.87</b>	<b>864.87</b>
<b>GRAND TOTAL : (i) + (ii).</b>	<b>1306.36</b>	<b>1933.87</b>	<b>1519.39</b>	<b>2199.57</b>	<b>1937.69</b>	<b>2375.47</b>	<b>2399.97</b>

STATEMENT  
MISCELLANEOUS CAPITAL RECEIPTS AND

1	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68	
				<i>Revised Estimates</i>	<i>Preliminary Actuals</i>
	2	3	4	5	6
<b>I. RECEIPTS —</b>					
1. Loans from the Centre —					
(a) for Centrally Sponsored Schemes	146	99	160	105	..
(b) short term loans for fertilisers etc	..	..	..	..	151
(c) Others ..	104	224	316	182	53
2. Loans from RBI, LIC etc	157	550	115	170	212
3. Cash credit advances from the State Bank of India	..	..	..	..	..
4. Recoveries of loans and advances	363 (41)	720 (43)	1088 (52)	1262 (60)	1277 (57)
5. Sinking Funds (net) ..	159	155	425	759	147
6. Depreciation and other funds of departmental enterprises (net)	40	26	18	28	40
7. Other funds (net) ..	-10	13	28	11	12
8. Deposits and Advances —					
(i) Deposit accounts ..	165	133	923 (1065)	710 (580)	843 (200)
(ii) Advances ..	96	359	7	-35	-32
(iii) Suspense ..	236	-228	-126	-5	-40
(iv) Government Account ..	58	103	-1	..	..
9. Remittances ..	-195	-19	166	..	17
10. Others .. (Contingency Fund)	-4	161	-169	214	164
<b>Total I</b>	<b>1315</b>	<b>2296</b>	<b>2980</b>	<b>3502</b>	<b>2844</b>

\* Figures in brackets are recoveries from Government servants.

\*\* Figures in brackets are Special Contributions for clearance of Ad-hoc loans from Centre.

## III

STATE : MYSOR

## NON-PLAN DISBURSEMENTS.

(Rs. in lakhs.)

1968-69		Fourth Plan Period					Total for IV Plan period (Col. 9 to 13)
Budget Estimates	Latest Estimates	1969-70 Estimates	1970-71 Estimates	1971-72 Estimates	1972-73 Estimates	1973-74 Estimates	
7	8	9	10	11	12	13	14
174	174	..	..	..	..	..	..
	700	500	500	500	500	500	2500
78	278	100	100	100	100	100	500
200	200	220	220	220	220	220	1100
..	..	..	..	..	..	..	..
1237 (60)	1787 (60)	1250 (65)	1350 (67)	1450 (69)	1550 (71)	1650 (73)	7250 (345)*
761	761	800	800	800	800	800	4000
-96	-96	20	20	20	20	20	100
8	8	8	8	8	8	8	40
872 (680)	972 (780)	1550 (1347)	1170 (967)	970 (766)	205	205	4100 (3080)**
-26	-26	-30	-30	-30	-30	-30	-150
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
3208	4758	4418	4138	4038	3373	3473	19440

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## STATEMENT

## MISCELLANEOUS CAPITAL RECEIPTS AND

	1	2	3	4	5	6
<b>II. DISBURSEMENTS—</b>						
<b>(a) Repayment of loans :</b>						
(a) Centre ..		1003	1705	1520	1825	1680
(b) R.B.I., L.I.C., etc. ..		69	82	88	97	98
(c) Short term loan for Purchase of Fertilisers.						
2. Cash credit advances from the State Bank of India.		..	..	..	..	..
3. Non Plan Capital Outlay :						
(a) Industries ..		- 562	73	195	112	232
(b) Civil Works ..		257	303	295	282	274
(c) Agriculture ..		..	..	..	..	..
(d) Others— Irrigation ..		40	50	65	50	..
4. Non-Plan loans and advances—						
(i) Agriculturists ..		91	634	740	925	} 2509
(ii) Local Bodies ..		7	8	14	10	
(iii) Others ..		1142	952	297	525	
(iv) Electricity Boards ..		..	..	400	150	..
(v) Government Servants ..		53	83	83	128	132
5. Outlay on Centrally Sponsored Schemes (including loans and advances).		146	99	160	105	..
6. State Trading (Net) ..		26	- 6	125	- 76	- 445
7. Other item :						
(i) Compensation to Zamindars.		60	46	30	35	20
(ii) Commuted value of Pensions.		- 3	- 2	- 1	- 1	1
(iii) Appropriation to Contingency Fund.		..	200	..	..	..
(iv) Capital Outlay on others		..	- 2	..	..	..
Total II ..		2329	4225	4011	4167	4501
<b>III. BALANCE OF MISCELLANEOUS CAPITAL RECEIPTS OVER NON-PLAN DISBURSE- MENTS (I-II).</b>		-1014	-1929	-1031	-665	-1657



III—(contd.)

STATE: MYSORE

NON-PLAN DISBURSEMENTS

(Rs. in lakhs)

7	8	9	10	11	12	13	14
2000	2000	2245	2368	2576	2539	2470	12198
114	114	120	125	130	135	140	650
..	700	500	500	500	500	500	2500
..	..	..	..	..	..	..	..
149	149	100	100	100	100	100	500
346	336	350	350	350	350	350	1750
..	..	..	..	..	..	..	..
51	51	50	50	50	50	50	250
768	768	800	900	1000	1100	1200	5000
3	3	5	5	5	5	5	25
260	250	300	300	300	300	300	1500
128	300	130	135	140	145	150	700
174	128	..	..	..	..	..	..
..	174	..	..	..	..	..	..
-76	-76	..	..	..	..	..	..
35	35	40	40	40	40	40	200
-1	-1	-1	-1	-1	-1	-1	-5
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
3951	4931	4639	4872	5190	5263	5304	25268
-743	-173	-221	-734	-1152	-1890	-1831	-5828

## STATEMENT

## CONTRIBUTION OF STATE ELECTRICITY BOARD/

(Details regarding Receipts and Expenditu

	1964-65 <i>Accounts</i>	1965-66 <i>Accounts</i>	1966-67 <i>Accounts</i>	1967-68 <i>R.E.</i>
	1	2	3	4
1. Block Capital (at the beginning of the year) .. ..	5,881	6,872	7,455	8,333
2. Installed Capacity (in M.W.) .. ..	..	235.8	230.6	230.6
4. Peak Demand (Aggregate in M.W.) .. ..	260	376.5	364.3	450
3. Power—				
(a) Generated by M.S.E.B. in M.K.W.Hr. .. ..	..	910	1,201.37	1,060
(b) Purchased from Government in M.K.W.Hr. .. ..	..	994	1,298.76	1,940
5. Power Sold—				
(a) Within the State in M.K.Hr. .. ..	..	1,632	1,476	1,950
(b) Outside the State in M.K.Hr. .. ..	..	..	625	600
6. Assessed Revenue on—				
(a) Sale of Power in Lakhs of Rupees—				
(i) Within the State .. ..	822	1,225	1,213	1,475
(ii) Outside the State .. ..	..	..	562	..
(b) Arrears due from—				
(i) Within the State .. ..	..	..	..	..
(ii) Outside the State .. ..	..	..	..	..
(c) Miscellaneous Receipts .. ..	26	62	95	25
Total of 6 .. ..	848	1,287	1,870	1,500
7. Revenue Expenditure—				
Working Expenses—				
(i) Purchase of Power .. ..	106	616	805	542
(ii) Fuel Charges .. ..	..	16	5	..
(iii) Other Charges including miscellaneous repairs .. ..	134	160	165	..
(iv) Establishment and Administrative Charges .. ..	225	210	262	400
Total of 7 .. ..	465	1,002	1,237	942
8. Gross Operating Surplus (6-7) .. ..	383	285	633	558
9. Transfer to Reserve Funds—				
(a) Depreciation Reserve Fund .. ..	129	145	214	210
(b) Interest on the balances in the depreciation Fund .. ..	..	..	..	..
(c) General Reserve .. ..	4	..	..	..
(d) Loans redemption Fund .. ..	..	..	..	..
Total of 9 .. ..	133	145	214	210

V

STATE ELECTRICITY DEPARTMENT.  
on Revenue and Capital Accounts)

STATE : MYSORE

(Rupees in lakhs)

1967-68	1968-69		1969-70	1970-71	1971-72	1972-73	1973-74	Total for Fourth Plan Period Col. (8 to 12)
Prely Actuals	B.E.	Latest Estimates	Estimate	Estimate	Estimate	Estimate	Estimate	
5	6	7	8	9	10	11	12	13
8,333	9,544	9,544	12,099	14,141	16,069	17,685	19,182	..
230.6	230.6	230.6	230.6	230.6	230.6	230.6	230.6	..
527	530	530	542	673	702	850	868	..
1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	5,600
1,122	1,620	1,264	1,680	2,355	2,520	3,290	3,650	13,495
1,916	1,800	1,805	2,273	2,848	2,983	3,640	3,949	15,693
	533	225	106	106	106	106	106	530
1,587	1,622	1,444	1,584	1,814	1,943	2,177	2,356	9,874
		122	66	66	66	66	66	330
..	..	175	..	..	..	..	..	..
..	..	..	..	..	..	..	..	..
45	30	30	30	30	30	30	30	150
1,632	1,652	1,771	1,680	1,910	2,039	2,273	2,452	10,354
551	673	607	605	706	756	987	1,095	4,149
..	..	..	..	..	..	..	..	..
454	428	428	472	483	500	525	550	2,530
1,005	1,101	1,035	1,077	1,189	1,256	1,512	1,645	6,679
627	551	736	603	721	783	761	807	3,675
210	240	278	425	495	560	620	670	2,770
..	..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..	..
210	240	278	425	495	560	620	670	2,770

F

	1	2	3	4
10. Gross Surplus (+) or Deficit (—) (8—9) .. ..	(+) 250	(+) 140	(+) 419	(+) 348
11. Interest Charges—				
(a) On loans from Government—				
(i) Outstanding on March 31st of previous years ..	201	231	231	264
(ii) Loans to be obtained during Fourth Plan period	..	..	..	..
(b) Interest on bonds—				
(i) Bonds outstanding on March 31st of pervious year.	48	55	61	78
(ii) Bonds to be issued during the Fourth Plan period (Open Market).	..	..	..	..
(c) Others (Banks)—				
(i) Loans outstanding on March 31st, 1969 (L.I.C.)	1	..	15	22
(ii) Loans to be obtained during Fourth Plan period	..	..	..	..
Total of -11 ..	250	286	307	364
12. Net profit or loss (10—11) .. ..	..	(—) 146	(+) 112	(—) 16
13. Corporation Tax .. ..	..	..	..	..
14. Transfer to State Revenues .. ..	..	..	..	..
15. Collection of Duty on behalf of State Government ..	162	184	201	215
16. Capital Receipts—				
(a) Opening balance .. ..	..	..	..	58
(b) Loans from the State Government—				
(i) Gross Loans .. ..	215	280	550	100
(ii) Repayments, if any .. ..	47	155	69	..
(iii) Net loans .. ..	168	125	481	100
(c) Borrowing from the Market—				
(i) Gross loans .. ..	203	101	110	211
(ii) Repayment, if any .. ..	..	..	..	..
(iii) Net loans .. ..	203	101	110	211
(d) Borrowing from L.I.C.—				
(i) Gross loans .. ..	..	..	300	150
(ii) Repayments, if any .. ..	..	..	..	..
(iii) Net loans .. ..	..	..	300	150
(e) (i) Other borrowings if any (net) loans from Bank ..	..	..	..	100
(ii) Repayments .. ..	..	..	..	..
(iii) Net loans .. ..	..	..	..	100
(f) Withdrawal from Funds—Stores .. ..	..	55	..	266
(i) Depreciation Fund .. ..	147	300	69	210
(ii) General Reserves .. ..	47	..	..	..
(iii) Loan Redemption Fund .. ..	..	..	..	..
(iv) Others .. ..	..	..	..	..
(g) Debt. deposits and remittances (net) .. ..	12	2	..	..
(h) Provident Funds (net) .. ..	..	..	..	..
(i) Subvention from Government, if any .. ..	..	..	..	..
(j) Other Receipts sale of Capital Assets .. ..	..	70	..	14
(k) Inventories carried forward from previous years ..	..	..	..	..
Total of 16 (a to k)	577	653	960	1,109
81. Capital Expenditure—				
(a) Plan Schemes .. ..	577	653	902	1,109
(b) Other Capital Expenditure .. ..	..	..	..	..
17. Closing Balance .. ..	..	..	58	..

\*This loss requires to be reimbursed by the State Government to compensate for low returns from non-remunerative schemes, and low tariff for power intensive industries.



## STATEMENT

## DETAILS OF CONTRIBUTION OF ROAD TRANSPORT CORPORATION AND OTHER

	1964-65	1965-66	1966-67	1967-68
	<i>Accounts</i>	<i>Accounts</i>	<i>Accounts</i>	<i>R.E.</i>
	1	2	3	4
<b>A. Road Transport Corporation—</b>				
1. Block Capital at the beginning of the year .. ..	1,399.71	1,579.79	1,865.84	2,195.49
2. Gross Receipts .. ..	1,047.17	1,246.15	1,455.15	1,605.90
3. Working expenses .. ..	802.65	980.39	1,148.45	1,302.13
4. Interest payments—				
(a) To State Government .. ..	54.24	55.86	109.59	73.37
(b) To others .. ..	16.64	17.21	19.83	18.59
5. Transfer to depreciation Fund .. ..	111.16	121.42	136.81	154.45
6. Other charges, if any, on current revenues .. ..	..	..	..	..
7. Net profit (2—3 to 6) .. ..	62.48	71.27	40.47	57.36
8. Corporation Tax .. ..	43.71	58.22	25.28	33.43
9. Contribution to State revenues .. ..	..	..	..	..
10. Retained profits inclusive of transfers to reserve funds (7—8—9). .. ..	18.77	13.05	15.19	23.93
11. Opening balance .. ..	559.07	565.30	493.39	491.84
12. Closing balance .. ..	565.30	493.39	491.84	274.31
13. Contribution for the Plan—				
(a) Net accretion to depreciation fund (transfers <i>minus</i> current replacement expenditure). .. ..	6.23	..	..	..
(b) Retained profits (inclusive of transfers to reserve funds). .. ..	18.77	13.05	15.19	23.93
<b>B. Other Enterprises*</b> .. ..	..	..	..	..

\*Please give same details as in the case of Road Transport Corporation for each enterprise.

## VI.

## AUTONOMOUS STATE ENTERPRISES (EXCLUDING ELECTRICITY BOARD)

STATE : MYSORE

(Rupees in lakhs)

1968-69			Fourth Plan Period					Total for Fourth Plan period (Col. 8 to 12)
Pre Actuals	B.E.	Latest Estimate	1969-70 Estimate	1970-71 Estimate	1971-72 Estimate	1972-73 Estimate	1973-74 Estimate	
5	6	7	8	9	10	11	12	13
2,040.00	2,227.00	Same as	2,347.00	2,467.00	2,587.00	2,707.00	2,827.00	2,827.00
1,685.00	1,828.00	column	2,030.00	2,165.00	2,300.00	2,440.00	2,580.00	11,515.00
1,290.00	1,483.89	No. 6	1,628.00	1,738.00	1,847.00	1,963.00	2,077.00	9,253.00
73.37	75.25		74.00	79.00	85.00	90.00	96.00	424.00
18.63	19.22		20.00	21.00	23.00	25.00	27.00	116.00
193.00	182.70		227.00	241.00	254.00	267.00	280.00	1,269.00
110.00	66.94	..	81.00	86.00	91.00	95.00	100.00	453.00
60.50	39.01		44.55	47.30	50.05	52.25	55.00	249.15
49.50	27.93	..	36.45	38.70	40.95	42.75	45.00	203.85
491.84	274.31		189.59	189.59	189.59	189.59	189.59	..
374.31	189.59		189.59	189.59	189.59	189.59	189.59	..
..	..	..	..	..	..	..	..	..
49.50	27.93		36.45	38.70	40.95	42.75	45.00	203.85
..	..	..	..	..	..	..	..	..

## STATEMENT VII

STATE : MYSORE

## Additional Taxation

(Rupees in lakhs)

	1964-65	1965-66	1966-67	1968-69		
	<i>Actuals</i>	<i>Actuals</i>	<i>Actuals</i>	<i>Final Budget Estimates</i>	<i>Latest Estimates</i>	<i>Estimates</i>
	1	2	3	4	5	6
<i>A. By State Government including state enterprises)—</i>						
I. Additional Taxation 1964-65 .. .. .	..	..	..	..	..	..
II. Concession or reduction in taxation in 1964-65 ..	..	..	..	..	..	..
III. Additional taxation 1965-66—						
(a) At the time of the presentation Budget ..	..	..	..	..	..	..
(b) Post-Budget measures—						
(1) Sales Tax Amendment Act, 1965 .. ]	..	50.00	140.00	154.00	150.00	170.00
(2) Mysore Sales of Motor Spirit Taxation ]						
(3) Tax on Vehicles .. .. .	..	15.00	20.00	27.00	30.00	30.00
(4) Mysore Sales Tax (Amendment) Act, 1966 ..	..	..	310.00	341.00	330.00	375.00
(5) Mysore Land Revenue Temporary Surcharge Act, 1966.	..	..	12.27	..	55.26	50.00
(6) Mysore Irrigation (Levy of Betterment Contribution and Water Rate) (Amend- ment) Act, 1966.	..	0.01	..	..	..	..
Total III (b) .. .. .	..	65.01	482.27	522.00	565.26	625.00



## STATEMENT VIII.

STATE: MYSORE

## Expenditure on Account of Increases in Dearness Allowances and Revision of Pay Scales since 1964-65.

(Rupees in lakhs)

Details	Cost per annum	1964-65	1965-66	1966-67	1967-68	1968-69
	1	2	3	4	5	6
<b>1. Increase announced in 1964-65—</b>						
(a) Rs. 5 in D.A. upto Pay range of Rs. 400 with effect from 1st April 1964.	150	137	154	158	162	166
(b) Rs. 5 in D.A. upto Rs. 400— <i>ad hoc</i> increase in Compensatory allowance with effect from 1st January 1965.	200	33	205	210	215	220
<b>2. Increases announced in 1965-66—</b>						
(a) Rates of D.A. and compensatory allowance brought on par with Madras and limit extended upto Rs. 1,000 pay in respect of D.A. Increases vary from Rs. 8 to 85 per mensem with effect from 1-4-1965	650 to 700	..	596	666	683	700
(b) Increase of D.A. from Rs. 5 to Rs. 15 per mensem with effect from 1st July 1965.	300	..	200	308	316	324
<b>3. Increases announced in 1966-67—</b>						
(a) Increase of D.A. of Rs. 5 per mensem upto pay of Rs. 210 with effect from 1st April 1966.	150	..	..	137	154	158
(b) D.A. rates on par with Central rates with a small difference with effect from 1st January 1967.	350	..	..	59	359	368
<b>4. Increases in 1967-68</b>						
.. .. ..	..	..	..	..	..	..
<b>5. Increases in 1968-69—</b>						
D.A. rates brought on par with Central rates with a small difference in the pay range of Rs. 90-109 with effect from 1st March 1968.	750 to 800	..	..	..	..	690 (anticipated)

(59)

Note :—The above indicate only estimated figures.

Statement VII (Concl'd.,

	1	2	3	4	5	6
IV. Concession or reduction in taxation in 1965-66 ..	..	..	..	..	..	..
V. Additional Taxation in 1966-67—						
(1) Tax on Passengers and Goods ..	..	..	22.00	27.00	27.00	30.00
(2) Entertainment Tax ..	..	..	20.00	22.00	25.00	26.00
(3) Relaxation of Prohibition ..	..	..	10.00	10.00	10.00	10.00
Total IV ..	..	..	52.00	59.00	62.00	66.00
VI. Concession or reduction in taxation in 1966-67 ..	..	..	..	..	..	..
VII. Additional Taxation in 1967-68—						
Further relaxation of Prohibition ..	..	..	..	..	250.00	628.00
VIII. Concession or reduction in taxation in 1967-68 ..	..	..	..	..	..	..
IX. Additional taxation undertaken or proposed to be undertaken in 1968-69.	..	..	..	..	..	..
X. Concession or reduction in taxation announced or proposed to be announced in 1968-69.	..	..	..	..	..	..
Total A ..	..	65.01	534.27	581.00	877.26	1,319.00
<b>B. Change in Inter-State Sales Tax—</b>						
<b>1. Yield from changes introduced in 1966-67</b>						
Grand Total		65.01	534.27	581.00	877.26	1,319.00

(61)

STATEMENT VII (Concl'd.)

STATE : MYSORE

The particulars of extra cost incurred by the State on account of Dearness Allowance and Compensatory-cum-House Rent Allowance for Government servants and others are briefly summarised below :—

<i>Particulars</i>		<i>Extra Cost</i>
1. G.O. No. FD 26 SRP (1) 64, dated 15th June 1964.	Increase of Rs. 5 in D.A. upto Rs. 400 with effect from 1st April 1964.	Rs. 1.5 crores per annum.
2. G.O. No. FD 61 SRP (1) 64, dated 2nd January 1965.	(1) Rs. 5 increase in D.A. upto Rs. 400 pay. (2) <i>Ad hoc</i> increase in compensatory allowance was also given effect to from 1st January 1965.	Rs. 2 crores per annum. Rs. 6.5 crores per annum.
3. G.O. No. FD 36 SRP (1) 65, dated 3rd May 1965.	Rates of D.A. and Compensatory Allowance were brought on par with Madras and limit extended upto Rs. 1,000 pay in respect of D.A.; increase varied from Rs. 8 to Rs. 85 per mensem with effect from 1st April 1965.	
4. G.O. No. FD 76 SRP (1) 65, dated 22nd July 1965.	Increase of D.A. from Rs. 5 to Rs. 15 per mensem with effect from 1st July 1965.	Rs. 3 crores per annum.
5. G.O. No. FD 20 SRP (1) 66, dated 12th April 1966.	Increase of D.A. of Rs. 5 per mensem upto Rs. 210 with effect from 1st April 1966.	Rs. 1.50 crores per annum.
6. G.O. No. FD 3 SRP (1) 67, dated 27th January 1967.	D.A. rates on par with Central Rates with a small difference with effect from 1st January 1967.	Rs. 3.50 crores per annum.
7. G.O. No. FD 17 SRP (1) 68, dated 20th March 1968.	D.A. rates on par with Central Rates with a small difference in pay range of Rs. 90—109.	Rs. 8 crores per annum.

The above includes the extra cost on account of increased rates of D.A. granted to employees of Local Bodies, Aided Educational Institutions, Work-charged establishment and staff paid from contingencies.

## STATEMENT

## FINANCIAL POSITION

(Position of liabilities)

		<i>As on</i>		
		1961	1962	1963
1		2	3	4
<b>A. INDEBTEDNESS—</b>				
1.	Loans from the Public .. ..	2868.38	4027.19	4697.43
2.	Loans from the Centre .. ..	9060.88	10966.82	12909.61
3.	Long and medium term loans from Reserve Bank of India.	159.25	215.19	245.88
4.	Loans from Life Insurance Corporation ..	604.41	609.19	577.61
5.	Loans from the N.C.D.C. .. ..	95.20	111.99	141.42
5A.	Do C.W. Corporation .. ..	..	..	..
6.	Floating Debt—			
	(a) Over-draft from R.B.I. .. ..	..	..	..
	(b) Ways and Means Advances from Reserve Bank of India.	..	550.00	950.00
	(c) Cash credit advances from the State Bank of India.	..	..	..
7.	Unfunded Debt .. ..	1864.10	2022.54	2161.09
8.	Any other loans (with broad details) J.C.O.C. ..	1.00	0.90	0.88
	K.V.I.C. .. ..	4.30	4.30	4.30
	<b>Total A .. ..</b>	<b>15657.52</b>	<b>18508.13</b>	<b>21688.22</b>
<b>B. CASH BALANCE AND HOLDINGS OF SECURITIES—</b>				
1.	Cash Balance .. ..	141.84	833.50	— 17.26
2.	Un-earmarked securities .. ..	2764.90	1471.69	1501.87
3.	Securities held in Sinking Fund Investment Account.	1859.29	1765.50	1797.87
4.	Other earmarked securities .. ..	215.89	213.11	212.17
5.	Treasury Bills .. ..	..	..	..
		4981.92	4283.80	3494.65
<b>LOANS AND ADVANCES BY THE STATE—</b>				
1.	To Local Bodies .. ..	656.42	762.05	849.88
2.	To Agriculturists for various purposes ..	954.62	1133.99	1455.74
3.	To others (with broad details) .. ..	1499.81	1672.08	5077.57
4.	To Government Servants .. ..	101.61	125.66	160.56
		3212.46	3693.78	7543.75

## D. HOLDING OF STOCK OF ESSENTIAL COMMODITIES—

## XII

## OF THE STATE GOVERNMENT

STATE : MYSORE

assets under some important heads)

(Rs. in lakhs)

31st March

1964	1965	1966	1967	1968	1969 (Estimate)	1969 (Latest Estimate)
5	6	7	8	9	10	11
4104.12	4780.58	5305.25	5713.52	5996.28	6171.91	6231.91
15177.16	17583.24	19557.72	22735.53	25800.44	26724.58	28274.58
250.98	239.94	259.54	228.94			
679.61	790.56	1255.30	1332.47	2191.85	2323.12	2123.13
201.00	318.37	330.19	472.50			
..	4.30	4.00	43.69			
335.35	756.58	2058.45	784.61	1054.93	1054.93	256.93
2350.00	2040.00	1990.00	395.00	395.00	395.00	395.00
..	..	..	..	..	..	..
2267.47	2053.04	2,168.44	2333.91	2457.15	2617.78	2617.78
0.78	0.68	0.58	0.42	0.42	0.42	0.42
4.03	2.50	2.50	2.50	2.50	2.50	2.50
25370.50	28569.79	32931.97	34043.09	37898.57	39290.25	40102.25
432.25	622.15	32.95	-294.75	109.14	-51.60	109.14
1345.41	831.37	851.88	110.42	110.42	110.42	110.42
1707.75	1748.43	1916.99	913.14	986.65	1036.65	986.65
214.16	158.97	158.97	83.08	83.08	83.08	83.98
..	..	..	..	..	..	..
3699.57	3360.92	2960.79	811.89	1289.29	1178.55	1289.29
903.61	943.99	999.27	1044.22	14636.40	14869.11	14602.66
1883.67	2172.09	2795.62	3110.28			
5513.35	6820.34	7990.28	8699.16	333.33	401.52	401.52
174.73	186.60	226.68	258.16			
8475.36	10123.02	12011.85	13111.82	14969.73	15270.63	15004.18

STATEMENT  
FINANCIAL POSITION OF

1	2	3	4
<b>1. To Local Bodies—</b>			
Loans to Presidency Corporations, Port Trust etc.	123.16	145.70	151.64
Loans to Municipalities .. .. .	465.11	547.78	628.41
Loans to District and other Local Fund Committees.	68.15	68.57	59.83
Loans to Panchayats .. .. .	..	..	..
<b>Total ..</b>	<b>656.42</b>	<b>762.05</b>	<b>849.88</b>
<b>2. To Agriculturists for various purposes—</b>			
Loans to Land Holders and other Notabilities	1.15	1.07	0.86
Advances to Cultivators .. .. .	614.68	744.18	1058.03
Loans and Advances under C.D.P. .. .. .	327.44	387.32	395.37
Revenue Advances .. .. .	1.35	1.42	1.48
<b>Total ..</b>	<b>954.62</b>	<b>1133.99</b>	<b>1455.74</b>
<b>3. To Others—</b>			
Advances under Special Laws .. .. .	32.56	28.15	50.23
Miscellaneous Loans and Advances .. .. .	1466.85	1643.58	5027.05 (b)
Loans to Displaced Persons .. .. .	0.40	0.35	0.29
<b>Total: 1 to 3 ..</b>	<b>1499.81</b>	<b>1672.08</b>	<b>5077.57</b>
<b>Total: 1 to 3 ..</b>	<b>3110.85</b>	<b>3568.12</b>	<b>7383.19</b>

(a) A major portion of loans relate to Water Supply and drainage schemes. Most of the Municipalities are defaulters and have come up with requests to write off 50% of loans with interest.

(65)

XII—(Contd.)

STATE: MYSORE

THE STATE GOVERNMENT

(Rs. in lakhs)

5	6	7	8	9	10	11
147.19	145.72	148.15	133.27			
693.13	732.08	777.72	827.89			
63.29	66.19	66.54	75.53			
..	..	6.86	7.53			
903.61	943.99	999.27	1044.22			
0.81	0.76	0.66	0.69			
1438.77	1694.05	2281.56	2587.30	14436.40	14869.11	14602.66
442.54	475.68	511.77	520.66			
1.55	1.60	1.63	1.63			
1883.67	2172.09	2795.62	2110.28			
105.33	120.73	164.31	200.40			
5407.66	6699.26	7825.63	8498.42			
0.36	0.35	0.34	0.34			
5513.35	6820.34	7990.28	8699.16			
8300.63	9936.42	11785.17	12853.66			

(b) Includes Rs 3,078.89 lakhs declared as loan to the Mysore State Electricity Board consequent on the transfer of certain capital assets to the Board on its formation. This is a perpetual loan and therefore not recoverable.