

Government of Madras.

EDUCATIONAL DEPARTMENT.

Recd.

Regd.

} 1907.

Enclosures

Spare copies

G.O., No. 826, 10th December 1907.

Lawrence Asylum, Ootacamund.

Accepting the suggestion of the Committee of the — to institute a Provident Fund for the benefit of its employes and issuing rules for the working of the Fund.

[B.]
500-21-11-07

Educational (1907) Department.

ORDINARY PRINTED.

G.O., No. 826

DATED 10th Dec. '07

[Despatch Abstract.]

Lawrence Asylum, Colacamund

Issuing revised rules for the payment of
gratuities to persons in the service of
the _____

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government of Madras.

EDUCATIONAL DEPARTMENT.

Recd.

Regd.

} 1907.

Enclosures

Spare copies

G.O., No. 826, 10th December 1907.

Lawrence Asylum, Ootacamund.

Accepting the suggestion of the Committee of the — to institute a Provident Fund for the benefit of its employes and issuing rules for the working of the Fund.

GOVERNMENT OF MADRAS.
EDUCATIONAL DEPARTMENT.

READ—the following papers:—

I

G.O., No. 778, Educational, dated 30th November 1906.

II

Letter—from the Rev. A. W. ATKINSON, Principal and Secretary, Ootacamund
Lawrence Asylum, Lovedale.

To—the Director of Public Instruction, Madras.

Dated—the 23rd March 1907.

No.—3218.

I have the honour to submit herewith the proceedings of the Sub-Committee appointed to consider G.O., No. 778, Educational, dated 30th November 1906, on the proposed Provident Fund scheme. These proceedings were approved and confirmed by the General Committee at its meeting on the 15th instant and I was directed to forward a copy to you for submission to Government and to solicit early orders thereon.

ENCLOSURE.

*Report of the Sub-Committee appointed to go into the question of the
Provident Fund scheme.*

Resolution No. XI, dated 21st December 1906, appointing the Sub-Committee was read as also circular of the Acting Principal and Secretary, dated 19th December last and notes thereon; and Resolution No. VIII, dated 25th January, communicating to the Sub-Committee the report of the Principal and Secretary that the whole of the present staff of the Asylum have refused to join the Provident Fund as constituted under the rules laid down by Government. The Sub-Committee makes the following remarks and suggestions:—

In rule 2, line 1, the words "by the Principal" should be inserted after the word "monthly," and there should be a comma after the word "paid".

2. With reference to the portion of this rule which lays down that the amount of subscription paid by any servants of the Asylum shall be lodged in his name in the Savings Bank, the Sub-Committee would invite attention to (i) paragraph 6, page 142 of the Indian Postal Guide, with the remark that this would prohibit any contributor to the fund having also a private account in the Savings Bank.

3. The concluding portion of rule 3 appears to be under the existing rules for Postal Savings Bank unworkable. The Sub-Committee is of opinion that if the Postal Rules will permit the simplest method of dealing with the banking of the subscriptions paid, would be that there should be one pass book in the name of the Principal as Manager of the Fund, and that he should keep one account of the individual payments made—vide rule 44, section VI—of the Indian Postal Guide. If the suggestion made above is adopted, sections 5, 7, 8, 10 and 11 of the rules will require alteration.

4. The Sub-Committee considers that rule 6 conflicts with the concluding portion of rule 9; as the word "shall" in line 2 of the former renders the payment of a gratuity compulsory under certain circumstances.

5. The Sub-Committee is of opinion, that it is not advisable to bring the establishment of the Lawrence Asylum Press under the Provident Fund scheme, as doing so would be a source of considerable expense and would involve the keeping of a large number of separate accounts. Further, it appears that there is already provision for the payment of pensions to retired employees of the Press.

6. It appears to the Sub-Committee that the staff of the Asylum have in refusing to join the Provident Fund not clearly appreciated the position, which briefly is that if they become members of it, their claim for a gratuity in addition to payments made by them, arise only from the time of their joining; but that Government will nevertheless be ready to consider recommendations for gratuities on account of past services. The Sub-Committee considers that if this is clearly explained, the objections made by the staff would be removed.

7. With reference to paragraph 2 (3) of G.O., No. 778, Educational, dated 30th November 1906, the Sub-Committee would observe that no contract or agreement is entered into with any one employed in the Lawrence Asylum. It would suggest that a form embodying the conditions applying to the Pension Fund should be obtained from a qualified legal practitioner.

R.C. No. 2243/7, dated 9th April 1907.

Submitted to Government with reference to G.O., No. 778, Educational, dated 30th November 1906.

T. T. LOGAN,
Ag. Director of Public Instruction.

III

Memorandum No. 885-1, Educational, dated 30th May 1907.

The Committee of the Lawrence Asylum are requested to be good enough to obtain and submit a copy of the rules relating to the Superannuation fund connected with the Lawrence Asylum Press, Madras, and to quote the number and date of the Government order, if any, sanctioning the establishment of that fund.

(By Order.)

H. D. TAYLOR,
Ag. Secretary to Government.

To the Committee of the Lawrence Asylum, Ootacamund.

IV

Letter—from H. D. TAYLOR, Esq., I.C.S., Acting Secretary to Government,
Educational Department.

To—the Postmaster-General, Madras.

Dated—the 30th May 1907.

No.—885-2, Educational.

I am directed to address you on the subject of opening a general account in the Post Office Savings Bank in connection with a Provident Fund to be established for the benefit of the servants of the Lawrence Asylum, Ootacamund.

2. The scheme provides for a monthly deduction of one anna in the rupee from the salary paid to the servants and for lodging the amount so deducted in the name of the servant concerned in the Post Office Savings Bank, the pass books remaining in the custody of the Principal of the Asylum who alone is to be authorized to operate on the accounts opened in the Savings Bank.

3. It has been pointed out that the proposal to lodge in the servants' name in the Savings Bank the monthly deduction made from his pay will prevent him from opening a private account in his own name, and that the proposal to authorize the Principal alone to operate on the accounts is unworkable under the existing rules of the Post Office Savings Bank. It has therefore been suggested that the Principal should open a general or conjoint account with the bank.

4. I am accordingly to enquire whether individual accounts opened in the name of the servants of the Asylum as is proposed in the scheme can be so conditioned as not to be operated upon except on the signature of the Principal and if they can be so conditioned, whether they will prevent the servants concerned from opening separate private accounts in their own names. If on the other hand a general or conjoint account is opened by the Principal with the bank, I am to enquire whether any exception could be made in this case to the rule under which no interest will be charged on deposits exceeding Rs. 10,000.

V

Memorandum No. 885-3, Educational, dated 5th June 1907.

The Committee of the Lawrence Asylum are requested to be good enough to state whether they consider it desirable that the provisions of the proposed Provident Fund should be extended to the Principal of the Institution.

If they are of opinion that the Principal should participate in the fund, they are requested to favour Government with their views on any alterations that may be necessary in the rules to meet his case.

(By Order.)

C. A. SOUTER,
Assistant Secretary to Government.

To the Committee of the Lawrence Asylum, Ootacamund.

VI

Letter—from Major-General G. SIMPSON, C.B., Acting Principal and Secretary, Ootacamund Lawrence Asylum, Lovedale.

To—the Secretary to Government, Educational Department.

Dated—the 14th June 1907.

No.—658.

[Reference.—Your Memorandum No. 885-1, Educational, dated 30th May 1907.]

I have the honour to forward herewith letter, in original, from the Trustees of the Lawrence Asylum Press, Madras, No. 1876, dated 12th June 1907, on the subject of your enquiry.

ENCLOSURE.

Letter—from Lieut.-Colonel R. F. R. FORMBY, I.A., one of the Agents to the Trustees, Lawrence Asylum Press, Madras.

To—the Acting Principal and Secretary, Lawrence Asylum, Lovedale, The Nilgiris.

Dated—the 12th June 1907.

No.—1876.

As requested in your docket No. II to Memorandum No. 885/1, Proceedings of Government, Educational Department, I have the honour to refer you to G.O., No. 350 (Educational) of the 11th June 1898, for information respecting the Superannuation Fund of the Press.

There is apparently no Government Order originally sanctioning the establishment of such a fund, but from the Government Order above referred to it will be seen that it was at the instance of Government that a share of the annual profits of the Press was first set apart to form a Reserve Fund, the interest of which was to be utilized for pensions.

It will also be seen from the above Government Order that the pension rules followed were such as were in force for Government servants. There is no record of any other rules.

Memorandum No. 885/1 is herewith returned.

VII

Letter—from C. H. HARRISON, Esq., I.C.S., Postmaster-General, Madras.

To—the Secretary to Government, Educational Department.

Dated—the 20th June 1907.

No.—17189.

With reference to your letter No. 885-2, dated 30th May 1907, I have the honour to say that, under the existing rules of the Post Office Savings Bank, the Principal of the Lawrence Asylum, Ootacamund, cannot open individual accounts in the names of the servants of the Asylum and have the accounts so conditioned as not to be operated upon except on his own signature. He can, however, open a public account on behalf of the proposed Provident Fund and retain in his own hands the power of operating on the account.

2. The opening of a public account by the Principal of the Asylum will not prevent the servants from opening separate private accounts in their own names.

3. I regret to say that the rule, under which no interest will be allowed on deposits exceeding Rs. 10,000 in the case of a public account, is absolute and does not admit of any relaxation.

VIII

Memorandum No. 1726, Educational, dated 20th July 1907.

The Committee of the Lawrence Asylum, Ootacamund, are requested to be good enough to send an early reply to Memorandum No. 885-3, Educational, dated 5th June 1907.

(By Order.)

C. A. SOUTER,
Asstt. Secretary to Government.

To the Committee of the Lawrence Asylum, Ootacamund.

IX

Letter—from Rev. Canon J. W. FOLEY, Acting Principal and Secretary, Ootacamund Lawrence Asylum, Lovedale.

To—the Assistant Secretary to Government, Educational Department.

Dated—the Nilgiris, the 24th July 1907.

No.—971.

[Reference.—Your Memorandum No. 1726, Educational, dated 20th July 1907.]

I have the honour to forward herewith three extracts from the resolutions of the Committee of the Ootacamund Lawrence Asylum, and a copy of the proposals made by the Sub-Committee.

ENCLOSURES.

Extract from the Proceedings of the Committee of Management of the Ootacamund Lawrence Asylum.

Item No. 14 of 12th June 1907. Memorandum No. 685-3 from the Assistant Secretary to Government of the 5th June 1907, enquiring if the provisions of the proposed Provident Fund should be extended to the Principal.

Resolution No. 1.—To lie over.

Meeting, 27th June 1907.

Item No. 5. (Item No. 14 of last meeting). Enquiry by Assistant Secretary to Government, if, in the opinion of the Committee, the Principal should participate in the proposed Provident Fund.

Resolution No. 2.—The Committee considers that the Principal should have the option of joining the Fund.

Sir Frederick Price, Major-General, G. Simpson and Mr. Schmidt kindly consent to see what amendments of the rules will be required.

Meeting, 9th July 1907.

(Item 5 of last meeting). Laid on the table Proceedings of the Sub-Committee, dated 1st July 1907.

Resolution No. 3.—The proposals of the Sub-Committee are approved.

Proceedings of the Sub-Committee appointed under Resolution No. 5 of a meeting of the Committee of the Lawrence Asylum held on Thursday, the 27th June 1907.

The Sub-Committee is of opinion that all the alteration in the rules, that is rendered necessary by the decision of the Committee, is that the Principal shall be permitted to join the Provident Fund, and that paragraph 2 of rule 2 should run—

“The Principal shall be allowed the option of joining the scheme and, if he elects to do so, must bind himself in the manner specified in paragraph 3 below.”

And that in rule 3, line 1, the words “which shall not apply to any menial servants” shall be inserted between the words “scheme” and “will.”

Order—No. 826, Educational, dated 10th December 1907.

The Government accept the suggestion of the Committee of the Lawrence Asylum that the Principal of the Asylum should also be admitted to the benefits of the proposed Provident Fund. It appears, however, to be unnecessary to extend the scope of this fund so as to include the establishment of the Lawrence Asylum Press. A separate fund may, if necessary, be started for the benefit of these servants.

2. In view of the objections raised by the Committee to the proposed rules 2 and 3 on the ground that they are unworkable with reference to the Post Office Savings Bank Rules, the difficulties pointed out by the Committee will be met if contributions on account of the fund are paid into the Post Office Savings Bank and a public account is opened in the name of the Provident Fund. When the deposits exceed Rs. 4,000, the excess in complete sums of Rs. 500 or multiples thereof may be invested in Government securities or in approved Municipal or District Board Railway debentures.

3. With reference to the objections of the present staff of the Asylum to joining the proposed Provident Fund, it will be made clear to them that by so doing they will not forfeit any claim they may have for gratuities on account of their past services and that in the case of such of them as have rendered approved service up to the date of the introduction of the Provident Fund scheme Government will be prepared to consider any recommendations for gratuities on their behalf which may be made by the Committee of the Lawrence Asylum.

4. The rules as revised with reference to the foregoing remarks are appended to this order. The Committee will be requested to state if they accept the rules, and if so, to bring the scheme into force from 1st January 1908.

(True Extract.)

H. D. TAYLOR,
Ag. Secretary to Government.

To the Committee of the Lawrence Asylum
(through the Director of Public Instruction).
“ Director of Public Instruction.
“ Accountant-General.

ANNEXURE.

Rules for the working of the Provident Fund for the servants of the Lawrence Asylum at Ootacamund.

1. Subject to the exception specified in rule 11, all persons entering the service of the Lawrence Asylum at Ootacamund shall be required to bind themselves to contribute to the Provident fund one anna in the rupee of salary and to abide by these rules.

2. The contribution shall be levied monthly by the Principal on each whole rupee of the salary paid and shall be lodged in the Post Office Savings Bank in a public account to be opened in the name of the Provident fund. When a servant is on leave, the contribution shall be levied on the leave allowances actually paid to him.

3. The names of the contributors and the amounts contributed monthly shall be entered in a register to be kept specially for the purpose under the signature of the Principal. The register should also show the interest on the contribution paid by each servant.

The total interest accrued during the year shall be apportioned at the close of each financial year and added to the individual accounts in proportion to the sum standing to the credit of each account at the close of such year.

4. If a servant contributing under these rules is dismissed or otherwise leaves the service of the Asylum, the amount standing to his credit in the register kept under the previous rule shall be returned to him. If he dies, the amount shall be paid to his heir or legal representative on production of an heirship certificate entitling him thereto.

5. If a servant has completed five years' service and retires on medical certificate, or on superannuation or on abolition of appointment, he shall, subject to the conditions hereinafter specified, be eligible for a gratuity from the Asylum funds.

6. The amount of such gratuity shall be calculated at so many thirtieths of the total amount standing to the credit of the servant in the register kept under rule 3 as correspond with the number of years during which deductions have been made from his pay.

Illustration.—In the case of a servant in receipt of Rs. 100 per mensem and from whose pay deductions have been made, say, for fifteen years.

Amount in Savings Bank—

	RS.
Total monthly deductions	1,125
Interest up to date	X
Total to credit	1,125 + X.
Gratuity payable on retirement $\frac{15}{30}$ (Rs. 1,125 + X).	

The servant will also receive back his contributions and interest thereon, viz., Rs. 1,125 + X.

7. The maximum amount of gratuity payable shall not exceed the amount to the credit of the servant in the register maintained under rule 3. No gratuity shall be payable on contributions paid and on interest accrued after thirty years from the date of commencement of deductions from a servant's pay.

8. To meet the gratuities payable a sinking fund shall be established, formed out of a monthly contribution from Asylum funds of an amount equal to three-fourths of the total contributions paid to the Provident fund by deduction from the salaries of the servants. This contribution shall be remitted monthly to the Accountant-General to be invested by him in Government securities or in other securities approved by Government. The interest derived from these investments will be similarly invested and the trustees of the Asylum appointed under rule 62 of rules of the Lawrence Asylum shall alone be authorized to operate on the fund. The servants of the Asylum contributing under these rules shall have no claim, right or title to any bonus whatever from the trustees and the giving or withholding the whole or part of a bonus will be a matter resting entirely with the trustees on the recommendation of the Committee of the Asylum after taking into consideration whether the service after the commencement of payment of contribution has been wholly or partially approved or not.

9. When the amount of contributions made by a servant is returned to him or to his heir or legal representative, a receipt shall be taken therefor and if any gratuity is payable at the same time a separate receipt shall be obtained for the payment.

11. All menial servants of the Asylum will be excluded from the operation of these rules.

12. These rules shall come into force with effect from 1st January 1908. Persons now in the service of the Asylum shall be at liberty to bring themselves under the operation of these rules. In their case the claim for a gratuity will arise only from the date of joining the fund. It will, however, be open to Government on the recommendation of the Committee to sanction the enhancement of the gratuity payable under these rules by such addition thereto in respect of past service as they may see fit, but whether any, and if so what, additional gratuity shall be so granted shall be a matter entirely in the discretion of Government.

11. All menial servants of the Asylum will be excluded from the operation of these rules.

12. These rules shall come into force with effect from 1st January 1908. Persons now in the service of the Asylum shall be at liberty to bring themselves under the operation of these rules. In their case the claim for a gratuity will arise only from the date of joining the fund. It will, however, be open to Government on the recommendation of the Committee to sanction the enhancement of the gratuity payable under these rules by such addition thereto in respect of past service as they may see fit, but whether any, and if so what, additional gratuity shall be so granted shall be a matter entirely in the discretion of Government.

I.—Register of subscriptions levied from the servants of the Asylum for the year

Notes.—(1) The total balance shown in column 23 will be made up of the balance in the Savings Bank as stated in the Pass Book *plus* the cost of the investments made of the Savings Bank balance, when it exceeds Rs. 4,000. These two sets of figures should be tallied monthly and also at the end of each year when the Post Office interest is added. In making the agreement, allowance must be made for the interest on investments which will be paid into the Savings Bank on realization, but which cannot be apportioned to the several accounts until after the close of the year.

(2) In column 24 should be noted any alteration in the scale of pay drawn by the employee, leave allowance and the like.

Notes.—(1) The total balance shown in column 23 will be made up of the balance in the Savings Bank as stated in the Pass Book *plus* the cost of the investments made of the Savings Bank balance, when it exceeds Rs. 4,000. These two sets of figures should be tallied monthly and also at the end of each year when the Post Office interest is added. In making the agreement, allowance must be made for the interest on investments which will be paid into the Savings Bank on realization, but which cannot be apportioned to the several accounts until after the close of the year.

(2) In column 24 should be noted any alteration in the scale of pay drawn by the employee, leave allowance and the like.

LAWRENCE ASYLUM PROVIDENT FUND.

II.—Register of Government and other Securities purchased and sold during the year.

Date of purchase.	Value of securities purchased.	Actual cost of securities purchased.		Particulars of securities purchased.	Value of securities sold.	Amount realized by sale.		Particulars of securities sold.	Date of sale.	Remarks.
		Net cost.	Interest paid.			Net cost.	Interest received.			
1	2	3		4	5	6		7	8	9
		RS. A. P.	RS. A. P.		RS. A. P.	RS. A. P.	RS. A. P.			

Note.—Details of the nominal and cost value of each kind of security remaining on hand at the end of each year should be entered in this register.

III.—Register of contributions made from the funds of the Lawrence Asylum on account of the Sinking fund for the year (Rule 8).

Month.	Amount of subscriptions levied from servants of the Asylum.	Amount of contribution from the Asylum funds (1/3 of amount in column 2).	Date of remittance to the Accountant-General.	Details of Government securities purchased.	Actual cost of securities.	Balance.
1	2	3	4	5	6	7
	RS. A. P.	RS. A. P.			RS. A. P.	RS. A. P.
April	100 0 0	75 0 0	..	..	..	..
May	120 0 0	90 0 0	..	..	..	..
June	..	..	..	..	..	..
July	..	..	..	..	..	..
August	..	..	..	..	..	..
September	..	..	..	..	..	..
October	..	..	..	..	..	..
November	..	..	..	..	..	..
December	..	..	..	..	..	..
January	..	..	..	..	..	..
February	..	..	..	..	..	..
March	..	..	..	..	..	..
Total ..	..	..	..	..	..	..

EDUCATIONAL DEPARTMENT.

NOTES CONNECTED WITH G.O., No. 826, EDUCATIONAL, DATED 10TH DECEMBER 1907.

[SUBJECT.—Rules for the payment of gratuities to employes of the Lawrence Asylum, Ootacamund.]

From the Director of Public Instruction, dated 9th April 1907, No. 2243.

In G.O., No. 778, Educational, dated 30th November 1906, the Government approved the proposal of the Committee of the Ootacamund Lawrence Asylum to introduce a scheme for the payment of gratuities to employes of the Asylum and modified the rules suggested by the committee in certain respects and requested the committee to state whether it would accept the modified rules.

2. The Committee of the Lawrence Asylum appointed on the 21st December 1906 a sub-committee to consider the rules as modified by Government and this sub-committee considered the rules and submitted a report upon them on the 7th February 1907. The general committee considered and confirmed the sub-committee's report at its meeting held on the 15th March 1907. A copy of the sub-committee's report is now submitted to Government for orders, with reference to G.O., No. 778, Educational, dated 30th November 1906.

3. Rule 2 of the rules framed by Government says:—

"The contribution shall be levied monthly on each whole rupee of the salary paid and lodged in the name of the servant concerned in the Post Office Savings Bank. When a servant is on leave the contribution shall be made on the leave allowances actually paid to him."

The sub-committee suggests that in line 1 of the above rule the words "by the Principal" should be inserted after the word "monthly" and that there should be a comma after the word "paid" in line 2.

Also "shall be" before "lodged".

C. A. SOUTER.

H. D. TAYLOR.

Submitted that these alterations may be approved.

4. With reference to the portion of the above rule which lays down that the amount of subscriptions paid by any servant of the Asylum shall be lodged in his name in the Post Office Savings Bank, the sub-committee invites attention to rule 6 (i) of the Post Office Savings Bank rules on page 173 of the Postal Guide (April 1907), which says:—

Not, I think, if the pass-book is to be regarded as "pledged" to the Principal. We may ask Postmaster-General.

Page 181 of the Postal Guide.

But apparently the Principal could open the account as a public account (rule 42). The difficulty would be in regard to the limit of rupees 10,000.

The same difficulty as to limit would occur in individual accounts.

H. D. TAYLOR.

"Any person may open an account in his own name, but may not have more than one such account open" and points out that this rule would prohibit any contributor to the Provident Fund having also a private account in the Savings Bank.

This appears to be correct and the rule will have therefore to be altered.

5. Rule 3 of the Provident Fund rules says—

"The Savings Bank Pass book shall be in the custody of the Principal of the Asylum, who shall give a receipt therefor, but the Pass Book Account will be in such a form that it cannot be operated upon except upon the signature of the Principal."

The sub-committee says that the concluding portion of the above rule appears to be unworkable under the existing rules for Post Office Savings Bank. The sub-committee is of opinion that, if the Savings Bank rules will permit, the simplest method would be that there should be one pass-book in the name of the Principal as Manager of the fund, and that he should keep one account of the individual payments made. This seems permissible—please see rule 44 on page 182 of the Postal Guide. The

But is there no limit?

H. D. TAYLOR.

But the total will be comparatively small.

H. D. TAYLOR.

Deputy Superintendent of the Reformatory School, Chingleput, has thus a single account for all the pupils of the Reformatory—*vide* rule 33 (ii) on page 7 of G.O., No. 743, Educational, dated 16th December 1904.

If this suggestion to open a conjoint account is accepted, rule 2 and rules 5, 7, 8 and 10, which refer to contributors' pass-books, will require alteration and rule 11 will have to be omitted altogether.

C. A. SOUTER.

Submitted that the committee may be asked to revise the rules accordingly.

6. Rule 6 runs;—

"If he (servant) has completed five years' service and if he retires on medical certificate, or on superannuation or on abolition of appointment, a gratuity shall be paid to him from Asylum funds."

The sub-committee states that the word "shall" in line 2 of the above rule conflicts with the concluding portion of rule 9 saying that "the servants of the Asylum contributing under these rules shall

A | This can easily be altered to "he shall, subject to the conditions hereinafter specified, be eligible for a gratuity."

H. D. TAYLOR.

"have no claim, right or title to any bonus whatever from the trustees and the giving or withholding the whole or part of a bonus will be a matter resting

"entirely with the trustees on the recommendation of the committee of the Asylum after taking into consideration whether the service after the commencement of payment of contribution has been wholly or partially approved or not."

Vide supra.

C. A. SOUTER.

Submitted that the committee appears to be right and that for the word "shall" in rule 6 the word "may" may be substituted.

7. Rule 13 says that the benefit of the rules may be extended to the servants of the Lawrence Asylum Press at Madras and the Branch Press at Ootacamund. With reference to this the sub-committee submits that it is not advisable to bring the establishment of the Lawrence Asylum Press under the Provident Fund scheme, as doing so would be a source of considerable expense and would involve the keeping of a large number of separate accounts and that there appears to be already provision for the payment of pensions to retired employés of the Press.

It is not understood how the bringing of the establishment of the Lawrence Asylum Press under the Provident Fund scheme would be a source of greater expense than the payment of pensions is. As regards the objection to keeping a large number of separate accounts, the committee seems to apprehend that the accounts will have to be kept by the Principal. Submitted that the accounts of the establishment of the Press may be kept by the Superintendent of the Press and that, if so, it would not add to the work of the Principal of the Asylum.

H. D. TAYLOR.

C. A. SOUTER.

Submitted that the accounts of the establishment of the Press may be kept by the Superintendent of the Press and that, if so, it would not add to the work of the Principal of the Asylum.

8. In paragraph 3 of G.O., No. 778, Educational, dated 30th November 1906, the Government stated that the present employés of the Asylum would be at liberty to join the Provident Fund, but that no gratuities would be paid them under the

scheme in respect of past service prior to its coming into force. It was further stated that it would be open to Government to sanction the enhancement of the gratuity so payable by such addition thereto in respect of past service as they might see fit; but that whether any and, if so, what additional gratuity should be so granted, would be a matter entirely in the discretion of the Government.

With reference to this statement the whole of the present staff of the Asylum have, it appears, refused to join the Provident Fund. The sub-committee observes that this action of the staff is due to their not having clearly appreciated the position, which briefly is, that if they become members of the fund, their claim for a gratuity in addition to payments made by them, arises only from the time of their joining; but

Yes. It must also be borne in mind that the amount of gratuity payable under the old rule to the present staff is purely discretionary and subject to a maximum of nine months' pay.

H. D. TAYLOR.

that Government will nevertheless be ready to consider recommendations for gratuities on account of past services. If this is clearly explained to the staff they will, the sub-committee believes, withdraw their objections to joining the fund.

C. A. SOUTER.

Submitted that the committee may be told to explain the position to the Asylum staff as proposed.

9. In paragraph 2 (3) of G.O., No. 778, Educational, dated 30th November 1906, the Government said:—

"All other employés (than the Principal) should on entering the service of the Asylum be required to bind themselves to contribute an anna in the rupee of salary and to abide by the rules for the payment of gratuities from Asylum funds. This should be made a condition of service and such of the rules as form part of the contract should be endorsed on the back of the agreement obtained from each employé when he is employed and incorporated into the contract by reference thereto in the body of the agreement."

With reference to this the sub-committee observes that no contract or agreement is entered into with any one employed in the Lawrence Asylum and suggests that a form embodying the conditions applying to the Pension Fund should be obtained from a qualified legal practitioner.

It is for consideration whether the Government Solicitor may be asked to prepare a form of agreement for the employés of the Lawrence Asylum.

C. A. SOUTER.

T. KANAKASUNDARAM PILLAI—29-4-07.

C. A. SOUTER—29-4-07.

Please put up G.Os., No. 217, Educational, dated 28th May 1900, No. 368, Educational, dated 18th August 1900; No. 420, Educational, dated 22nd June 1902; and No. 423, Educational, dated 22nd June 1905.

Are gratuities payable to the present employés limited to nine months' emoluments under Civil Service Regulations, and is the amount purely in the discretion of Government? Are similar rules in force in regard to Press employés?

2. What would be the total monthly deduction on the present pay of Asylum employés who, under the scheme, are entitled to contribute. What would be the highest amount recoverable monthly from any single employé?

It seems to me that whether individual accounts or a general account is maintained the maximum limit entitling to interest will be exceeded in the course of time.

The maximum for individuals appears to be Rs. 5,000 and for a general account Rs. 10,000. The Postmaster-General might be consulted on this point. Also as to whether individual accounts opened in the name of individuals, but operated on only by the Principal would bar separate private individual accounts.

H. D. TAYLOR—3-5-07.

Paragraph 1 of the Secretary's note.—(1) The following Government orders have been obtained from Madras and are put up:—

G.O., No. 217, Educational, dated 28th May 1900.
 " " 368 " " 18th August 1900.
 " " 420 " " 22nd July 1902.
 " " 428 " " June 1905.

(2) Gratuities payable to the present employes of the Asylum are not limited to 9 months' emoluments—*vide* G.O., No. 428, Educational, dated 22nd June 1905, where Mr. S. Atkinson, Telegraph Inspector, whose pay was Rs. 100 a month, was paid a gratuity of Rs. 1,200, being 12 months' pay. Please see also G.O., No. 420, Educational, dated 22nd July 1902, in which a gratuity of only 3 months' wages was paid, and G.O., No. 368, Educational, dated 18th August 1900, where a gratuity of only six months' pay was sanctioned.

(3) There are no rules about the amount of gratuity payable; the amount appears to be left to the discretion of the Committee subject to the sanction of Government.

(4) No Provident Fund rules appear to be in force as regards the Lawrence Asylum Press employes. The Madras office has not been able to trace any. There appears to be, however, a superannuation fund in existence for the benefit of the Press employes. This fund seems to have been created by setting aside a portion of

the annual profits of the Press—*vide* paragraph 9 of the Rev. Mr. Dene's memorandum in G.O., No. 846, Educational, dated 4th November 1891, and now amounts to Rs. 37,500—please see the statement B on page 7 of G.O., No. 607, Educational, dated 17th September 1906. The Committee of the Lawrence Asylum may, it is submitted, be asked for a copy of the rules governing the fund. A draft memorandum is placed below for approval.

Paragraph 2 of the Secretary's note.—(1) The total monthly salaries of the Lawrence Asylum employes who are entitled to contribute to the Provident Fund amount to Rs. 2,865—*vide* statement on page 15 of K.W. G.O., No. 778, Educational, dated 30th November 1906. The total monthly deductions on this amount at one anna per rupee amount to Rs. 179-1-10 or to Rs. 2,148-12-0 per annum—*vide* the Accountant-General's note on page 14 of the same notes.

(2) The highest amount recoverable monthly from any single employe of the Asylum will be Rs. 18-12-0 from the Headmaster who gets a pay of Rs. 300.

(3) As the total annual deposit to be made in the Post Office Savings Bank on account of all the servants of the Asylum contributing to the Provident Fund will be Rs. 2,148-12-0, the maximum limit of deposits for which interest will be allowed in a general account, viz., Rs. 10,000, will be exceeded in five years.

A draft reference to the Postmaster-General on the points referred to at A above is submitted for approval.

T.K.—27-5-07.

K. RANGASWAMI AIYANGAR—28-5-07.

C. A. SOUTER—29-5-07.

Issue.

H. D. TAYLOR—30-5-07.

[Memorandum No. 835-1, Educational, dated 30th May 1907.]

[Letter No. 885-2, Educational, dated 30th May 1907.]

Extract from the Notes relating to the appointment of the Principal, Lawrence Asylum, Ootacamund.

The question of including the Principal in the Provident Fund benefits might be looked into again. I believe the Committee of the Lawrence Asylum are anxious to secure the Principal some pensionary benefit.

G. S. F[ORBES]—30-5-07.

Extract this and add to the file regarding Provident Fund sent back to Office to-day. Also draft a reference to the Committee asking whether they consider it desirable that the provisions of the proposed Provident Fund should be extended to the Principal.

H. D. TAYLOR—30-5-07.

The draft reference placed below is for approval.

K. RANGASWAMI AIYANGAR—31-5-07.

It would seem that special rates of contribution and so on would be necessary for the Principal. He can't very well subscribe in the usual way.

C. A. SOUTER—1-6-07.

I do not see how any special exception to the ordinary rules can be made in favour of the Principal, so long as he is brought on to the fund. The rules must, it is submitted, be general; it is not possible to introduce exceptions without confusion.

The rules may, of course, be made *applicable* to the Principal separately with such modifications as may be deemed necessary, but then he would not come under the *general* scheme. The sinking fund can be operated on only by the trustees and not by the Principal. The difficulty will arise with reference to rules (3) and (4).

H. D. TAYLOR—3-6-07.

I don't see any difficulty in draft rules (3) and (4) which is not of the most formal character. In the case of the Principal his book can easily be kept by two of the trustees and operated on only under their signature? We can do that with a slight addition. The real question is, I imagine, whether it would be worth while bringing in the Press; but let us hear their representations.

G. S. F[ORBES]—4-6-07.

Issue.

H. D. TAYLOR—5-6-07.

[O.M., No. 885-3, Educational, dated 5th June 1907.]

From the Principal and Secretary, Lawrence Asylum, dated 14th June 1907, No. 658.

From the Postmaster-General, Madras, dated 20th June 1907, No. 17189.

In paragraph 1 of his note on page 3 *supra*, the Secretary enquired whether any Provident Fund rules similar to those framed for the employes of the Lawrence Asylum were in force in regard to the employes of the Lawrence Asylum Press.

2. In clause (4) of the office-note on page 4 *supra*, it was pointed out that no Provident Fund rules were in force in regard to the employes of the Lawrence Asylum Press, but that a superannuation fund existed which was formed by setting aside a portion of the annual profits of the Press. The Committee which was asked to submit a copy of the rules relating to this fund and to quote the number and date of the Government Order sanctioning the fund, now submits a letter from Lieutenant-Colonel Formby, one of the agents to the Trustees of the Lawrence Asylum Press.

3. Lieutenant-Colonel Formby invites reference to Mr. Firth's letter in G.O., No. 350, Educational, dated 11th June 1898, from which it is observed that prior to the introduction of the superannuation fund in 1876, it had been the rule at the Lawrence Asylum Press to grant pensions to its employes and to charge the expenditure to revenues. In 1876 the Government suggested that a share of the annual profits might be set apart to form a reserve

Vide G.O., No. 390, Public, dated 6th April 1876. fund the interest on which was to be utilized towards pensions. The Directors of the Press adopted this suggestion and in 1882 the fund thus formed stood at Rs. 32,000. The interest realised from this amount covered all the pensions payable and left a

surplus. The Directors of the Press therefore considered that further contributions to the superannuation fund from the profits of the Press were unnecessary and proposed to add to the capital of the fund only the balance of the interest which remained after the payment of pensions. This proposal was approved in G.O., No. 1506, Public, dated 2nd December 1882. The fund then gradually increased until in 1886 it reached the figure at which it now stands, viz., Rs. 37,500.

G.O., No. 607, Educational, dated 17th September 1906.

4. In G.O., No. 350, Educational, dated 11th June 1898, the Government ordered that the practice of granting pensions at the Lawrence Asylum Press should cease "as regards all future employes". All the employes of the Press whose service commenced after 11th June 1898, are not therefore entitled to any pensions and it seems desirable that the benefit of the proposed Provident Fund rules should be extended to them.

5. With reference to paragraph 2 of the Secretary's note on pages 3 and 4 *supra* the Postmaster-General was asked to state—

(1) whether individual accounts opened in the name of the servants of the Lawrence Asylum could be so conditioned as not to be operated upon except on the signature of the Principal and, if they could be so conditioned, whether they would prevent the servants concerned from opening separate private accounts in their own names; and

(2) whether in the event of a conjoint account being opened by the Principal with the bank, any exception could be made to the rule under which no interest is allowed on deposits exceeding Rs. 10,000.

6. In reply the Postmaster-General states—

(1) that under the existing rules of the Post Office Savings Bank, the Principal of the Lawrence Asylum cannot open individual accounts in the names of the servants of the Asylum and have the accounts so conditioned as not to be operated upon except on his own signature, and

(2) that the rule, under which no interest is allowed on deposits exceeding Rs. 10,000 in the case of a public account, is absolute and does not admit of any relaxation.

7. No reply has yet been received from the Committee of the Lawrence Asylum to the reference made on the 5th June 1907, asking them to state whether they consider it desirable that the provisions of the proposed Provident fund should be extended to the Principal of the institution. This may, it is submitted, be awaited.

T.K.—17-7-07.

K. RANGASWAMI AIYANGAR—17-7-07.

C. A. SOUTER—18-7-07.

Yes. We may ask the Committee for an early reply.

H. D. TAYLOR—19-7-07.

The draft memorandum placed below is for approval.

K. RANGASWAMI AIYANGAR—20-7-07.

Issue.

C. A. SOUTER—20-7-07.

[Memorandum No. 1726-1, dated 20th July 1907.]

From the Principal and Secretary, Lawrence Asylum, Ootacamund, dated 24th July 1907, No. 971.

The Committee of the Lawrence Asylum consider that the Principal should have the option of joining the Provident fund and suggest the following alterations in the proposed * rules:—

* On page 8 of G.O., No. 778, Educational, dated 30th November 1906.

(1) The following to be added as second paragraph to rule 2:—

"The Principal shall be allowed the option of joining the scheme and, if he elects to do so, must bind himself in the manner specified in paragraph 3 below."

By paragraph 3 in the proposed addition is apparently meant "rule 3."

(2) In rule 3, line 1, the words "which shall not apply to any menial servants" to be inserted between the words "scheme" and "will."

K. RANGASWAMI AIYANGAR—30-7-07.

C. A. SOUTER—1-8-07.

But rule 3 refers to the custody of, and operation on, the pass book. I do not follow the proposed alteration in rule 3.

H. D. TAYLOR—2-8-07.

It is submitted that the Sub-Committee refers to paragraphs 2 (2) and 3 of G.O., No. 778, Educational, dated 30th November 1906, and not to rules 2 and 3 of the Provident Fund rules appended to the Government Order.

T.K.—7-8-07.

That seems to be the case, but it is not clear. In any case G.O., No. 778, Educational, dated 30th November 1906, will have to be superseded so far as the Principal is concerned.

C. A. SOUTER—8-8-07.

It would have been better if the Committee had dealt with amendments to the scheme as set out in the appendix to G.O., No. 778, Educational, dated 30th November 1906, instead of with the Government Order recommending the rules for acceptance.

2. Rule 12 will have to be amended by the omission of the Principal, and may run as follows: "all menial servants will be excluded from the operation of these rules."

G. S. F[ORBES].

3. As to bringing in the Lawrence Asylum Press employes on to the fund, there would, I think, be no objection to applying the same rules to the press; but it seems doubtful whether the two funds could be combined in one. It is true that the Committee of the Lawrence Asylum are trustees of the Lawrence Asylum Press (*vide* paragraph 1 of G.O., No. 315, Educational, dated 26th July 1900); but the powers of the Committee have been delegated to their Agents in Madras, and, if all Press employes are to be included, it would seem desirable also to include the menial servants of the Asylum.

4. In any case, having reference to the postal regulations, it seems very doubtful whether the Post office savings bank system can be adopted in the case of the more highly-paid servants, as the limit would be exceeded—both annual and total—though it would suffice for servants in receipt of salaries up to Rs. 100 per mensem.

5. It would perhaps be better for sake of uniformity to have a general register as in the case of Local Fund and Municipal Provident funds, and to invest all receipts both by way of deduction from salaries and by way of bonus in the general fund under rule 9. This would be more profitable to the parties, as they could get a higher rate of interest than the Post office allows. But I would allow the investments of the general fund to the extent of one half at least to be invested, if admissible, in the form of Municipal debentures of Presidency Towns, or of District Board Railways. This would give a better return.

6. It would perhaps be better for sake of uniformity to have a general register as in the case of Local Fund and Municipal Provident funds, and to invest all receipts both by way of deduction from salaries and by way of bonus in the general fund under rule 9. This would be more profitable to the parties, as they could get a higher rate of interest than the Post office allows. But I would allow the investments of the general fund to the extent of one half at least to be invested, if admissible, in the form of Municipal debentures of Presidency Towns, or of District Board Railways. This would give a better return.

H. D. TAYLOR—9-8-07.

I agree as to the proposed rule about the Principal.

I would not include the Press establishment in the Asylum Fund. If any fund should be started for them, it had better be a separate fund.

As to investment perhaps when the deposits exceed Rs. 4,000 (say), the excess, in complete sums over Rs. 500, might be invested in $3\frac{1}{2}$ per cent. Government paper C or approved Municipal or District Board debentures.

G. S. F[ORBES]—14-8-07.

Please examine whether the proposed investment as at C is legally admissible and draft for approval. I understand that the Honourable Member accepts the suggestion that the system of individual pass-books should be dropped, and that employes' contribution also should go into a general fund. Except the Principal, the headmaster (Rs. 300) alone appears to receive a salary in excess of Rs. 250. Contribution on salaries of Rs. 250 would be only Rs. 187½ per annum or less than the annual limit of Rs. 200, but in a few years the total limit would be exceeded.

H. D. TAYLOR—15-8-07.

Page 13 of G.O., No. 689, Educational, dated 22nd December 1900.

Rule 62 of the Lawrence Asylum rules says—

All moneys belonging to the institution shall be lodged with the Bank of Madras or with the Post Office Savings Bank in the names of the Chairman and Vice-Chairman, one of whom, or, in the absence of both of them, the Assistant Adjutant-General, Madras Command, shall countersign all drafts thereon which are signed by the Principal. The Committee shall invest all surplus income, after providing a sufficient cash balance, in Government securities in the names of the trustees appointed by Government, viz., the Director of Public Instruction and the Collector of the Nilgiris.

The rules can, if necessary, be altered.

H. D. TAYLOR.

will govern also the investment of the accumulations of the Provident fund, which is not a part of the funds of the Asylum and for which separate rules are to be framed. Nor does it appear that there is any objection to providing in these rules that the funds may be invested in Municipal or District Board debentures. In this connection attention is invited to rule 9 of the rules for the Municipal Provident institutions under which the funds of the institution may be invested in Government securities or in Municipal and Port Trust debentures or in other securities approved by Government.

G.O., No. 188 M., dated 31st January 1907.

2. As the Principal of the Asylum is also to be admitted to the benefits of the Provident fund scheme, it is for consideration whether the public account to be opened in the Post Office Savings Bank should be in his name, or in that of the Chairman or Vice-Chairman of the Asylum, as in rule 62 of the Asylum rules.

G.O., No. 689, Educational, dated 22nd December 1900.

3. A draft is submitted for approval.

T.K.—29-8-07.

The draft rules printed as an appendix to G.O., No. 778, Educational, dated 30th November 1906, have been modified with reference to the orders in these notes, and copy of the rules as revised is appended to the draft order.

2. The following are the chief alterations made:—

(1) *Rules 2 and 3.*—The Principal has been admitted to the benefits of the fund, and the system of depositing the investments in the name of the individual subscribers has been omitted, it being provided that a public account should be opened in the name of the Provident fund. *Vide rule 42 (e) of the Post Office Savings Bank rules—page 181 of the Postal guide.*

The revised rule 2 takes the place of these two rules.

(2) *Rule 4.*—This is now rule 3. The second sentence of this rule, "the register should also show the interest on the contribution paid by each servant," has been newly put in, as reference to interest is made in rule 7 (revised rule 6).

(3) *Rule 5.*—Some slight alterations have been made in this rule with reference to the change in the system of deposits provided in rule 2.

(4) *Rule 6* has been altered as suggested by the Secretary at A on page 2 *supra*.

(5) *Rule 12.*—The first part of this rule has been omitted.

(6) *Rule 13.*—This rule has been omitted with reference to Honourable Member's orders.

The draft of the revised rules is also for approval.

K. RANGASWAMI AIYANGAR—30-8-07.

I see no legal difficulty to rule 10. This fund is entirely separate from the general funds of the Asylum. Under rule 8 the sinking fund can be invested only in Government securities which is correct.

C. A. SOUTER—2-9-07.

Rule 4.—It appears necessary to provide that the payment to heirs or legal representatives should be made only on the production of an heirship certificate granted by a competent civil court.

Rule 6—Illustration.—Now that the separate pass-book system has been given up in favour of a general fund, it will be necessary to arrange that the interest accrued during the year to the general fund be apportioned in the register to each individual account, in proportion to the amount standing to the credit of each account at the close of the year. In the case of a person retiring in the middle of the year the interest for such portion might be calculated at 3 per cent.

The illustration is hardly appropriate without a further explanation. To the end of rule 3 therefore may be added: "The total interest accrued during the year shall be apportioned at the close of each financial year and added to the individual account in proportion to the total sum standing to the credit of each account at the close of such year."

Rule 10.—Similarly in rule 10 provision will have to be made for crediting to the general deposit all sums of interest as they accrue from investments on securities—other than savings bank deposits—purchased from the monies of the general fund.

In this rule I have inserted also *Rangoon* Municipal debentures. No special reference has been made to Port Trust funds.

A separate account of securities so purchased must be kept distinct from those appropriated to the sinking fund under rule 8.

It seems also desirable to draw up forms of register both for the public Post Office deposit fund, for the sinking fund and for noting the securities purchased from each fund. Please draft forms for approval.

2. As to the question whether—as the law now stands—the funds of the Asylum or of the Provident fund or sinking fund can be invested in debentures of District Board railways, the legal question has not been properly examined by the office. The office has merely referred to the Asylum rules. But the question would appear to be governed by the provisions of the Indian Trust Act II of 1882. Please see sections 4 to 7 of the Act as to the creation of Trust, and section 20 as to the limitations on investment of Trust funds, which exclude District Board railways. It appears however to be in contemplation to modify the Act so as to admit of the investment of Trust funds in this class of securities—G.O., Nos. 358-59, Financial, dated 29th May 1906.

But see section 20 (f).

H. D. TAYLOR—3-9-07.

With reference to the Secretary's remarks at K above, forms have been drafted and appended to the draft order. The draft Government Order and the rules, and the annexure to the Government Order have been put in type for the sake of convenience in going through them.

K. RANGASWAMI AIYANGAR—26-9-07.

C. A. SOUTER—30-9-07.

In form I, provision should be made for a column for *total* both under opening and closing balance.

Forms IV and V as drafted do not provide for the *sale* of securities purchased. The *numbers* should be noted in each case so that the transaction and securities in hand can be seen at a glance. The remarks of the Accountant-General will be invited on the proposed forms, so that any suggestions may be considered.

In *form I* separate pages should, I think, be assigned to each individual subscriber. There should be a separate column for *year*. The remarks column will contain entries as to alteration in scale of pay, leave allowances, etc.

Will the Accountant-General kindly advise as to any alterations in, or addition to the forms.

H. D. TAYLOR—1-10-07.

To the Accountant-General u.o.

OFFICE OF THE ACCOUNTANT-GENERAL.

I submit for the orders of Government the following remarks regarding the proposed forms of account.

Form I.—This is not merely a register of subscriptions, but also the personal account of each of the subscribers to the fund. None of the other registers can serve the purpose of the personal account. But in order that this register should fully serve the purpose of a personal account, it should provide for disbursements as well as for receipts. As the disbursements, however, are very rare it will not be necessary to provide monthly columns for them, but 3 columns for month, purpose and amount will suffice.

This register will then give the balance of each subscriber's account, and the total of these separate balances will be the balance of the Provident fund account. This total balance will be made up of the balance in the savings bank as stated in the pass book *plus* the cost of the investments made of the savings bank balance when it exceeds Rs. 4,000. This agreement should be made monthly and of course at the end of each year, when the Post Office interest is added. In making this agreement, allowance must be made for the interest on investments which will be paid into the savings bank on realisation, but which cannot be apportioned to the several accounts until after the close of the year.

I would suggest that a copy of his account should be sent to each subscriber annually and that he should be required within a month of its receipt to certify to its correctness or to point out any errors in it.

Form II.—Seems to be hardly necessary. Forms I and IV and the pass book will together sufficiently serve the purpose for which Form II is intended. If the form is retained, I would suggest that the amount entered under investments on the payment side should not be the round sum of Rs. 1,000 as such an entry may lead to the supposition that the nominal value of the Government or other paper purchased should be entered. The amount that should be entered is the cash paid for the investment.

Form III.—This register too seems unnecessary as its purpose is fully served by Forms I and IV and the pass book. It is not possible to divide the closing balance in the Post Office Savings Bank into subscription and interest except in a purely

True.

H. D. TAYLOR.

fictitious way. The withdrawals for investment must be entered here, and these withdrawals are not necessarily from the

subscriptions paid, but also from the interest received, but how much is on account of each it is impossible to say.

Form IV.—In order to arrive at the balance of the securities of the Provident fund it will be necessary to provide in the form for sales. It is hardly necessary to provide separate columns either on the purchase or sale side for the several classes of securities. A column on each side for particulars of security will suffice, and it should be required that details of the balance showing the nominal and cost value of each kind of security should be recorded annually. I think the actual cost and sale proceeds columns should be sub-divided into two columns each, one for interest paid

to date of purchase or interest received to date of sale and the other for net cost or net sale-proceeds. The interest paid or realised does not form a portion of the cost or of the sale-proceeds, and it is necessary to distinguish this in order to determine when sales are effected what has been the loss or gain by the sale and this will need to be separately adjusted. When the half-yearly interest is realised any recovery on account of interest paid at time of sale must be adjusted not as interest received, but as an advance refunded.

It is for consideration whether the rules should not provide for the Provident Fund investments to be made through, and for the securities to be forwarded for safe custody to, the Accountant-General. Would a remittance transfer receipt be issued at par in such cases? I think this would be a beneficial procedure. Separate accounts would, of course, be kept in my office for the Provident Fund and the Sinking Fund. The interest realizations of the former would be remitted to the Principal or the Trustees for payment into the Savings Bank.

W. DOBBIE—16-10-07.

The suggestions of the Accountant-General are dealt with below.

2. *Form I.*—The Accountant-General suggests that as this register is also the personal account of each of the subscribers to the Provident Fund, it should provide for recording disbursements also and that for this purpose three more columns showing month, purpose and amount of disbursements should be opened. Submitted that the

H.D.T. | Accountant-General's suggestion may be approved. The form has been revised accordingly.

3. In connection with this form, the Accountant-General suggests that a copy of his personal account should be sent to each subscriber annually and that the subscriber should be required within a month of its receipt to certify to its correctness or to point out any errors in it. This suggestion may also be approved. The following may be added as rule 4, rules 4 to 12 of the existing rules being renumbered:—

“As soon as possible after the close of each year, every subscriber will be furnished with a statement showing the amount of his subscription inclusive of interest and he will be required within a month of its receipt to certify to its correctness or to point out any errors in it.”

Cf. rule 18 of the Municipal Provident Fund rules—page 5 of the annexure to G.O., No. 188 M., dated 31st January 1907. H.D.T.

4. *Forms II and III.*—The Accountant-General states that these forms are unnecessary, as forms I and IV and the pass book will together sufficiently serve the purpose for which they are intended. The Accountant-General's recommendation may be accepted and the forms omitted.

H.D.T.

5. *Form IV.*—The Accountant-General considers that in order to arrive at the balance of the securities it will be necessary to provide in the form for sales; that separate columns are not necessary for the different classes of securities purchased, and that the actual cost and sale-proceeds columns should be sub-divided into two columns each, one for interest and the other for net cost, as it is necessary to distinguish this in order to determine the loss or gain by the sale. A revised form, as suggested by the Accountant-General, is submitted for approval. This will be Form II and the Form V will then become Form III.

The form is attached to the draft.

H.D.T.

K.R.—7-11-07.

6. Draft rule 8 provides for the Sinking Fund investments to be made through the Accountant-General, but rule 10 does not state by whom the Provident Fund investments should be made. The Accountant-General suggests that the Provident

H.D.T.

Fund investments should also be made by him and that the securities should remain with him for safe custody. This suggestion may also, it is submitted, be accepted.

Draft rule 10 has been altered in pencil accordingly.

7. In his marginal note *supra* the Secretary asks whether remittance transfer receipts would be issued at par for remitting interests realised from the securities to the Principal or Trustees of the Lawrence Asylum. It does not appear that remittance transfer receipts would in these

This question may be raised separately. Apart from the rules, special exemption being applied for.

H. D. TAYLOR.

cases be issued at par, although under item (2) of article 143-B of the Civil Account Code, Volume I, such receipts will be issued at a premium.

T.K.—3-11-07.

K. RANGASWAMI AIYANGAR—5-11-07.

C. A. SOUTER—8-11-07.

Please print the notes, Government Order and rules and forms as revised, and resubmit early please.

H. D. TAYLOR—9-11-07.

The Government Order and its annexures have been put in type and are resubmitted.

K. RANGASWAMI AIYANGAR—18-11-07.

C. A. SOUTER—19-11-07.

Please see correction made in rule 6, illustration, as to amount of gratuity payable.

2. Please put up copy of the Indian Trusts Act and of the proposed amendment thereto. Will these funds be trust funds within the meaning of the Act? If so, until the Act is amended so as to provide for investment of such funds in District Board Railway debentures, the balances either of deposits or of the sinking fund cannot legally be invested in District Board Railway debentures?

H. D. TAYLOR—21-11-07.

A copy of the Indian Trust Act, 1882, and a copy of the recent Bill to amend the same are submitted. It does not appear that a Provident fund is a trust fund within the meaning of the Indian Trust Act.

T. K.—23-11-07.

A "trust" is defined in section 3 of the Indian Trusts Act, 1882, as "an obligation annexed to the ownership of property and arising out of a confidence reposed in and accepted by the owner, or declared and accepted by him, for the benefit of another or of another and the owner."

2. Sections 4 to 7 of the Trusts Act prescribe the manner in which a trust may be created. It is not clear whether, having regard to the provisions of section 5 of

* (1) By a written non-testamentary instrument registered.

(2) By the will of the author of the trust.

(3) By the transfer of the ownership of the property to the trustee.

the Act specifying the manner* in which a trust may be created, the payments made by the servants of the Lawrence Asylum towards the Provident fund, or rather the amounts deducted from their salaries and credited to the Provident fund, may be regarded as pro-

perty in respect of which a trust is created. As the point is doubtful, perhaps a reference to the Advocate-General may be made u.o.

K. RANGASWAMI AIYANGAR—23-11-07.

C. A. SOUTER—25-11-07.

To the Advocate-General for favour of opinion.

H. D. TAYLOR—3-12-07.

ADVOCATE-GENERAL'S OFFICE.

Opinion re Lawrence Asylum Provident Fund Rules.

I take it that my opinion is required with reference to the character of the Provident fund for the purpose of determining whether the moneys can be invested in the manner pointed out by draft rule 10 or can be invested only in the modes prescribed by section 20 of the Indian Trusts Act. I am of opinion that the Provident fund cannot be regarded as trust property. The relation between the trustees of the Lawrence Asylum and the employes for whose benefit the Provident fund is established is not that of trustee and *Cestui que Trust*. It is a purely contractual relation between the parties. It is not, however, necessary to determine whether it is that of debtor and creditor or of depository and depositor, as in neither view will the provisions of the Trust Act be applicable.

P. S. SIVASWAMI AIYAR—7-12-07.

EDUCATIONAL DEPARTMENT.

For approval of draft.

The rules have been carefully examined and I do not think that any exception can now be taken to them.

H. D. TAYLOR—8-12-07.

A reference should not have been made to the Advocate-General in this way, I think, but by regular official memorandum and *through the Government Solicitor*. Apparently this last course was not taken, which is a grave irregularity.

It would have been better if the rules had been examined by the Government Solicitor, but as the Accountant-General has passed them, they may be accepted.

G. S. F[ORBES]—9-12-07.

The rules have already been u.o. to the Advocate-General—*vide* his opinion on page 19 of K W., G.O., No. 778, dated 30th November 1906.

It has been the practice to send *by-laws* u.o. to the Advocate-General direct. In future, please see that all references go to him with separate memorandum through the Government Solicitor.

Issue sharp. The Committee, Lawrence Asylum, should have the Government Order and rules in their hands by the end of this week, or by Monday next at latest. A copy may go *direct*. Other copies with six spare copies may go through the Director of Public Instruction.

H. D. TAYLOR—10-12-07.

[G.O., No. 826, Educational, dated 10th December 1907.]

CURRENT FILE.

CONTENTS.

	From	Number.	Date.	Pages.
[885]	D.P.I.	2243/7	9-4-07	1
	Memo to L. A. Committee	885-1	30-5-07	2
	Letter to the Post-Master-General	885-2	30-5-07	2
	Memo to L. A. Com.	885-3	5-6-07	2
[1435]	The Principal & Secy. L. A.	658-	14-6-07	3
[1478]	The Post-Master General	17189	20-6-07	3
[1757]	The Principal & Secy. L. A.	971	24.7-07	5 1/8

Sent to Pres 12/11/07
 7/4
 12-11-07

PAPERS PUT UP WITH CURRENT No. _____

Papers of the department to which the current belongs.

Number.	Date.	Original (=O) or spare copy (=S. C.).	Remarks. (In this column such of the papers as have been removed for copying, printing, etc., should be marked with a cross.)	Initials of Referencer with date in token of return to Reference department.

Papers of other departments.

Department.	Number.	Date.	Original (=O.) or spare copy (=S. C.).	Despatcher to note the return of the papers to the departments concerned.

CURRENT FILE.

CONTENTS.

From	Number.	Date.	Pages.
[885] The S.P.I.	2243	9-4-07	1 to 5
V. Cb Press Please put Current file & the notes file in type and send proofs at an early date CS 7-6-07 7/6 my			

Papers of the department to which the current belongs.

Papers of other departments.

Steel Form No. 135
3,700-17-6-05.

EDUCATIONAL DEPARTMENT

Received 13. 4. 1907, Registered 15. 4. 1907

Submitting for orders of Government a
communication from the Principal & Secretary
Lawrence Augustus Doxatamund in connection
with the proposed Provident Fund
Scheme.

ENCLOSURES.

No.

Spare copies

Report for No. 2243 of 07
Station Madras, Dated the 9th April 1907

From (Name) Honorable Mr J. J. Logan Esq
(Designation) Director of Public Lands
MADRS

To The Secretary to the Government of Madras,
Educational Department.

Sir,

2
POTACAMUND LAWRENCE ASYLUM.

LOVEDALE P. O.,

Nilgiri District, 23rd March 1907.

FROM

THE PRINCIPAL AND SECRETARY,

POTACAMUND LAWRENCE ASYLUM,

LOVEDALE,

TO

The Director of Public Instruction

M A D R A S.

SIR,

I have the honour to submit herewith the Proceedings of the Sub)Committee appointed to consider G.O. No. 778 Educational, dated 30th November 1906, on the proposed Provident Fund Scheme. These Proceedings were approved and confirmed by the General Committee at its meeting on the 15th inst: and I was directed to forward a copy to you for submission to Government and to solicit early orders thereon.

I have the honour to be,

Sir,

Your most obedient Servant,

Augustus H. Benson

Principal and Secretary.

3 19 25.8.
Report of the Sub-Committee appointed to go into the question
of the Provident Fund scheme.

Resolution No. XI, dated 21st December 1906 appointing the Sub-Committee was read as also circular of the Acting Principal and Secretary dated 19th December last and notes thereon; and Resolution No. VIII dated 25th January communicating to the Sub-Committee the report of the Principal and Secretary that the whole of the present staff of the Asylum have refused to join the Provident Fund as constituted under the rules laid down by Government. The Sub-Committee makes the following remarks and suggestions:-

1. In rule 2, line 1, the words "by the Principal" should be inserted after the word "monthly", and there should be a comma after the word "paid".
2. With reference to the portion of this rule which lays down that the amount of subscription paid by any servants of the Asylum shall be lodged in his name in the Savings Bank, the sub-committee would invite attention to (i) para 6 page 142 of the Indian Postal Guide with the remark that this would prohibit any contributor to the Fund having also a private account in the Savings Bank.
3. The concluding portion of Rule 3 appears to be under the existing rules for Postal Savings Bank unworkable. The Sub-Committee is of opinion that if the Postal Rules will permit the simplest method of dealing with the banking of the subscriptions paid, would be that there should be one Pass Book in the name of the Principal as Manager of the Fund, and that he should keep one account of the individual payments made. (vide Rule 44, section VI.) of the Indian Postal Guide. If the suggestion made above is adopted, sections 5, 7, 8, 10 and 11 of the Rules will require alteration.
4. The Sub-Committee considers that Rule 6 conflicts with the concluding portion of Rule 9; as the word "shall" in line 2 of the former renders the payment of a gratuity compulsory under certain circumstances.
5. The Sub-Committee is of opinion, that it is not advisable to bring the establishment of the Lawrence Asylum Press under the

4 20 35.8
Provident Fund Scheme, as doing so would be a source of considerable expense and would involve the keeping of a large number of separate accounts. Further, it appears that there is already provision for the payment of pensions to retired employees of the Press.

6. It appears to the sub-committee that the staff of the Asylum have in refusing to join the Provident Fund not clearly appreciated the position, which briefly is that if they become members of it, their claim for a gratuity in addition to payments made by them, arise only from the time of their joining; but that Government will nevertheless be ready to consider recommendations for gratuities on account of past services. The Sub-Committee considers that if this is clearly explained, the objections made by the staff would be removed.

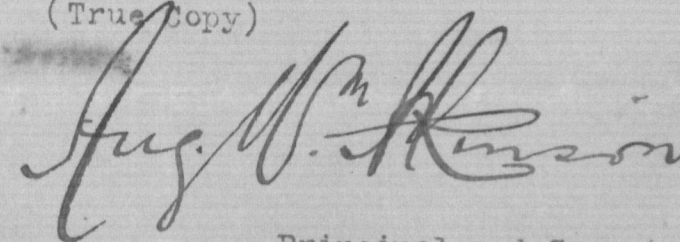
7. With reference to para 2 (3) of G.O No. 778 Educational, dated 30th November 1906 the sub-committee would observe that no contract or agreement is entered into with any one employed in the Lawrence Asylum. It would suggest that a form embodying the conditions applying to the Pension Fund should be obtained from a qualified legal practitioner.

sd. Frederick Price

Presiding Member

7-2-1907.

(True Copy)

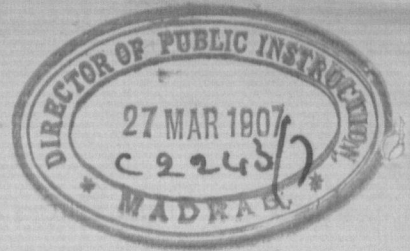


Lovedale. Nilgiris.

Principal and Secretary

23rd March 1907.

Ootacamund Lawrence Asylum.



R.C. No. 2243/7 dated 9th April 1907.

W Submitted to Government with reference to G.O. No. 778,
Educational, dated 30th November 1906.

A. H. Anantachari

For Director of Public Instruction.

V.P.
2-4-07

K.P.D.

Encl. 1
885-Edl.

Rev.

22

Educational Department.

58

MEMORANDUM:-- 885-18 30.5.07

Two drafts

Sp
30/5/07

The Committee of the Lawrence Asylum
are requested to be good enough to obtain
and submit a copy of the rules relating to
the Superannuation Fund connected with
the Lawrence Asylum Press, Madras, and
to quote the number and date of the G.O.,
if any, sanctioning the establishment of
that fund.

Z.H.
27.5.07

RD
28.5.07

CLW
28.5.07
30.5.07

To

The Committee of the Lawrence Asylum,
Ootacamund,

through the M.A.S.

deposited
30/5

LETTER:--

885-28 30.5.07

To

The Postmaster-General,

Madras.

Sir,

I am directed to address you on the subject of opening a general account in the Post Office Savings Bank in connection with a Provident Fund to be established for the benefit of the servants of the Ootacamund Lawrence Asylum.

2. The scheme ^{provides for} ~~is to make~~ a monthly deduction of one anna ^{in the} ~~per~~ rupee ^{from} the salary paid to the servants and ^{for} ~~lodging~~ the amount so deducted in the name of the servant concerned in the Post Office Savings Bank, the pass books remaining in the custody of the Principal of the Asylum who alone ^{is} ~~to~~ be authorized to operate on the accounts opened in the Savings Bank.

3. It has been pointed out that the proposal to lodge in the servants' name in the Savings Bank the monthly deduction made from his pay will prevent him from opening a private account in his own name, and that the proposal to authorize the Principal alone to operate on the accounts

Sp
30/7/07
Despatched
30/7/07

accounts is unworkable under the existing rules of the Post Office Savings Bank. It ^{has} ^{been} therefore suggested that the Principal should open a general or conjoint account with the Bank.

4. I am accordingly to enquire whether individual accounts opened in the name of the servants of the Asylum as is proposed in the scheme can be so conditioned as not to be operated upon except on the signature of the Principal and if they can be so conditioned, whether they will prevent the servants concerned from opening separate private accounts in their own names. If on the other hand a general or conjoint account is opened

by the Principal with the bank, I am to enquire whether ^{any exception could} ~~the amount of deposits~~ ^{in this case to the rule under which no interest} ~~will be charged on deposits exceeding Rs. 10,000,~~ ^{will be charged on deposits exceeding Rs. 10,000,} ~~for which interest will be paid will be~~ ^{with the bank} ~~Limited to Rs. 10,000.~~

I have etc.

7H.
27.5.07

800
28.6.07

24.5.07
3000

E.
12.
1,000-6-12-06.

READ AGAIN G.O., No. , dated 190 .

" " " " " " 190 .

READ ALSO:-

C. No. , From the , No. , dated 190 .

" " " " " " 190 .

" " " " " " 190 .

Memo.
~~ORDER.~~

No. 885-3 dated 5-6-1907.

Sp.
5.6.07
Please print off in the
Meanline - R.R.
5.6.07

The Committee of the
Lawrence Asylum are requested
to be good enough to state
whether they consider it desirable
that the provisions of the proper
Provident fund should be extended
to the Principal of the institution.
If they are of opinion
that the Principal
should participate in
the fund, they are requested
to favour Govt with their
views on any alterations that
may be necessary in the rules
to meet his case.
Ces.
1-6-7.

for special reference
to the rules 3 & 4.

The Committee of the Lawrence Asylum
despatched 5/6/07 Octacammund

No. 426 EDUCATIONAL, 10th NOVEMBER 1907.

V

Letter—from Major-General G. SIMPSON, C.B., Acting Principal and Secretary,
Ootacamund Lawrence Asylum, Lovedale.

To—the Secretary to Government, Educational Department.
Dated—the 14th June 1907.

No.—658.

[Reference.—Your Memorandum No. 885-1, Educational, dated 30th May 1907.]

I have the honour to forward herewith letter, in original, from the Trustees of the Lawrence Asylum Press, Madras, No. 1876, dated 12th June 1907, on the subject of your enquiry.

ENCLOSURE.

Letter—from Lieut.-Colonel R. F. R. FORMBY, I.A., one of the Agents to the Trustees, Lawrence Asylum Press, Madras.

To—the Acting Principal and Secretary, Lawrence Asylum, Lovedale, The Nilgiris.

Dated—the 12th June 1907.

No.—1876.

As requested in your docket No. II to Memorandum No. 885/1, Proceedings of Government, Educational Department, I have the honour to refer you to G.O., No. 350 (Educational) of the 11th June 1898, for information respecting the Superannuation Fund of the Press.

There is apparently no Government Order originally sanctioning the establishment of such a fund, but from the Government Order above referred to it will be seen that it was at the instance of Government that a share of the annual profits of the Press was first set apart to form a Reserve Fund, the interest of which was to be utilized for pensions.

It will also be seen from the above Government Order that the pension rules followed were such as were in force for Government servants. There is no record of any other rules.

Memorandum No. 885/1 is herewith returned.

VI

Letter—from C. H. HARRISON, Esq., I.C.S., Postmaster-General, Madras.

To—the Secretary to Government, Educational Department.

Dated—the 20th June 1907.

No.—17189.

With reference to your letter No. 885-2, dated 30th May 1907, I have the honour to say that, under the existing rules of the Post Office Savings Bank, the Principal of the Lawrence Asylum, Ootacamund, cannot open individual accounts in the names of the servants of the Asylum and have the accounts so conditioned as not to be operated upon except on his own signature. He can, however, open a public account on behalf of the proposed Provident Fund and retain in his own hands the power of operating on the account.

2. The opening of a public account by the Principal of the Asylum will not prevent the servants from opening separate private accounts in their own names.

3. I regret to say that the rule, under which no interest will be allowed on deposits exceeding Rs. 10,000 in the case of a public account, is absolute and does not admit of any relaxation.

VII

Memorandum No. 1726, Educational, dated 20th July 1907.

The Committee of the Lawrence Asylum, Ootacamund, are requested to be good enough to send an early reply to Memorandum No. 885-3, Educational, dated 5th June 1907.

(By Order.)

C. A. SOUTER,
Asstt. Secretary to Government.

To the Committee of the Lawrence Asylum, Ootacamund.

4

27

Educational Sept

Memo. No. 1726 of 20-7-07

Dep & return form

Please

20-7-07

on page 2 of 4

The Committee of the
Lawrence Ogilvie Oshacammund
are requested to be good enough
to send an early reply to
Memo No. 885-3 28th dated
5th June 1907.

20-7-07

Chd
20-7-7.

To

The Committee of the Lawrence
Ogilvie, Oshacammund. 22-7-07

Recd at 5-55 P.M.

20-7-07

OOTACAMUND LAWRENCE ASYLUM.

Regd 24-7-07

LOVEDALE P. O.,

Nilgiri District, 24th July 1907.

FROM

29.

THE PRINCIPAL AND SECRETARY,

OOTACAMUND LAWRENCE ASYLUM,

LOVEDALE,

TO

The Assistant Secretary to Government,

Educational Department,

Stone House Hill.

SIR,

Reference- Your memorandum No. 1726 dated 20th July.

I have the honour to forward herewith three Extracts from the Resolutions of the Committee of the Ootacamund Lawrence Asylum, and a copy of the proposals made by the Sub-Committee.



Chd
24-7-07

I have the honour to be,

Sir,

Your most obedient Servant,

J. W. Foley
Principal and Secretary.

6 / 68P

Extracts from Proceedings of the
Committee of Management
of the Cota Camund Lawrence
Asylum.

I.

Item no 14 of 12th June 1904. Memorandum
no 685-3 from the Assistant Secretary
to Government of the 5th June 1904,
enquiring if the provisions of the
proposed Provident Fund should
be extended to the Principal.

Resolution — To be over.

II.

Meeting 27th June 1904

Item no 5. (Item no 14 of last meeting).
Enquiry by Assistant Secretary to
Government, if, in the opinion
of the Committee, the Principal
should participate in the proposed
Provident Fund.

Resolution. — The Committee considers
that the Principal should have the
option of joining the Fund.

Lieut. Frederick Price, Major General
G. Simpson & Mr. Schmidt kindly
consent to see what amendments of
the rules will be required.

Meeting 9th July 1907.

III.

(Item V of last meeting). Laid on the table Proceedings of the Sub-Committee dated 1st July 1907.

Resolution - The proposals of the Sub-Committee are approved.

/J. W. Foley/

Londale.
24th July 1907.

J. W. Foley
As Principal Secretary
Lawrence Asylum

8 31 888
Proceedings of the Sub-Committee appointed under Resolution No.5 of a meeting of the Committee of the Lawrence Asylum held on Thursday, the 27th June 1907.

Present. Sir Frederick Price K.C.S.I

Major General G. Simpson C.B

and W.E. Schmidt Esq:

The Sub-Committee is of opinion that all the alteration in the Rules, that is rendered necessary by the decision of the Committee is, that the Principal shall be permitted to join the Provident Fund, and that para 2 of Rule 2 should run-

"The Principal shall be allowed the option of joining the scheme and , if he elects to do so, must bind himself in the manner specified in para 3 below."

And that in Rule 3, line 1, the words "which shall not apply to any menial servants" shall be inserted between the words "scheme" and "will."

Signed. Frederick Price.

Chairman.

Ootacamund

Signed. W.E. Schmidt.

1st July 1907.

Signed. G. Simpson M.G.

(True Copy).

Lovedale. Nilgiris.

24th July 1907.

J. W. Foley

Ag. Principal and Secretary.

Lawrence Asylum.

Encl 1 to C. 17.5.10

APPENDIX.
working of the Provident Fund for the servants of the
Rules for the ~~payment of gratuities to persons in the service of the~~
Lawrence Asylum at Ootacamund.

No of corresponding
existing rule

1. Subject to the exceptions specified in rule ~~12~~ 11 all persons entering the service of the Lawrence Asylum at Ootacamund shall be required to bind themselves to contribute one anna in the rupee of salary and to abide by these rules.

to the Provident Fund

243

2. The contribution shall be levied monthly by the Principal on each whole rupee of the salary paid and shall be lodged in the Post Office Savings Bank in a public account to be opened in the name of the Provident Fund. When a servant is on leave the contribution shall be levied on the leave allowances actually paid to him.

4

3. The names of the contributors and the amounts contributed monthly shall be entered in a register to be specially kept for the purpose under the signature of the Principal. The register should also show the interest on the contribution paid by each servant.

See note.
The fund above has been suggested by the key-managers of the notes.

The total interest accrued during the year shall be apportioned to the close of each financial year, added to the individual account in proportion to the sum standing to the credit of each account at the close of the year.
4. If a servant contributing under these rules is dismissed or otherwise leaves the service of the Asylum, the amount standing to his credit in the register kept under the previous rule shall be returned to him. If he dies the amount shall be paid to his heir or legal representative.

on production of a certificate entitling him to it

6

5. If a servant has completed five years' service and retires on medical certificate, or on superannuation or on abolition of appointment, he shall, subject to the conditions hereinafter specified, be eligible for a gratuity from the Asylum funds.

7

6. The amount of such gratuity shall be calculated at so many thirtieths of the total amount standing to the credit of the servant in the register kept under rule 3 as correspond with the number of years during which deductions have been made from his pay.

Serial 2 to Am N. 1757
07

No of Corresponding existing rule.

4 33 486
Illustration.--In the case of a servant in receipt of Rs.100 per mensem and from whose pay deductions have been made, say, for fifteen years.

Amount in savings bank--	Rs.
Total monthly deductions	1,125
Interest up to date	X
Total to credit	1,125+X
Gratuity payable on retirement $\frac{15}{30} \times (\text{Rs.} 1,125 + X)$.	

The servant will also receive back his contributions and interest thereon, viz., Rs.1,125+X.

8

7. The maximum amount of gratuity payable shall not exceed the amount to the credit of the servant in the register ~~mentioned~~ maintained under rule 3. No gratuity shall be payable on contributions paid and ~~on~~ interest accrued after 30 years from the date of commencement of deductions from a servant's pay.

9

8. To meet the gratuities payable a sinking fund shall be established, formed out of a monthly contribution from Asylum funds of an amount equal to three-fourths of the total contributions from the salaries of the servants. This contribution shall be remitted monthly to the Accountant General to be invested by him in Government securities. The interest derived from these investments will be similarly invested and the Trustees of the Asylum appointed under rule ~~62~~ 62 of rules of the ~~Asylum~~ Lawrence Asylum shall alone be authorized to operate on the fund. The servants of the Asylum contributing under these rules shall have no claim, right or title to any bonus whatever from the Trustees and the giving or withholding the whole or part of a bonus will be a matter resting entirely with the Trustees on the recommendation of the Committee of the Asylum after taking ~~into~~ into consideration whether the service after the commencement of payment of contribution has been wholly or partially approved or not.

No. 4 corresponding
existing rule:

10

withdraw and

11

A separate account
shall be kept of
securities so purchased.

12

(13 omitted)

14

The interest on these
securities shall be
deposited, as
received in the
public account into
the Post Office Savings
Bank.

9. When the amount of contributions made by a servant is returned to him or his heir or legal representative a receipt shall be taken therefor and if any gratuity is payable at the same time a separate receipt shall be obtained for the payment.

10. When the deposits in the Post Office Savings Bank exceed Rs.4,000, the excess in complete sums of over Rs.500 shall be invested in Government securities, or in Debentures issued by the Municipal Corporations of the three Presidency towns ^{and Rangoon} or in Debentures of District Board Railways, or in such other securities as Government may, from time to time, specially authorize.

11. All menial servants of the Asylum will be excluded from the operation of these rules.

12. These rules shall come into force with effect from 1st January 1908. Persons now in the service of the Asylum shall be at liberty to bring themselves under the operation of these rules. In their case the claim for a gratuity will arise only from the date of joining the fund. It will, however, be open to Government to sanction the enhancement of the gratuity payable under these rules by such addition thereto in respect of past service as they may see fit but whether any and if so what additional gratuity shall be so granted shall be a matter entirely in the discretion of Government.

T.H.
29.8.07 R.D.
30.8.07

Ces
29.7.07 H.D.
29.07.

Amesbury

NOTES.

Note connected with G.O. No. 806-8 - 6-27-35

C. No. 885, from the Director of Public Instruction, No. 2242, d/9-4-1907.

Subject.

Rules for the payment of gratuities
to employes of the Lawrence Asylum,
Ootacamund.

W

In G.O. No. 778, Educational, dated 30th November 1906, the Government approved the proposal of the Committee of the Ootacamund Lawrence Asylum to introduce a scheme for the payment of gratuities to employes of the Asylum and modified the rules suggested by the Committee in certain respects and requested the Committee to state whether it would accept the modified rules.

Page 3 of C.F.

2. The Committee of the Lawrence Asylum appointed on the 21st December 1906 a Sub-Committee to consider the rules as modified by Government and this Sub-Committee considered the rules and submitted a report upon them on the 7th February 1907. The General Committee considered and confirmed the Sub-Committee's report at its meeting held on the 15th March 1907. A copy of the Sub-Committee's report is now submitted to Government for orders with reference to G.O. No. 778, Educational, dated 30th November 1906.

Page 2 of C.F.

W

W. p. 8

3. Rule 2 of the rules framed by Government says—
"The contribution shall be levied monthly on
"each whole rupee of the salary paid and lodged in
"the name of the servant concerned in the Post.

over

"Office Savings Bank. When a servant is on leave
"the contribution shall be made on the leave allow-
"ances actually paid to him."

The Sub-Committee suggests that in line 1 of
the above rule the words "by the Principal" should
be inserted after the word "monthly" and that there
should be a comma after the word "paid" in line 2.

Submitted that these alterations may be
approved.

4. With reference to the portion of the above
rule which lays down that the amount of subscrip-
tions paid by any servants of the Asylum shall be
lodged in his name in the Post Office Savings Bank,
the Sub-Committee invites attention to rule 6(i) of
the Post Office Savings Bank rules on page 164 of
the Postal Guide (Edition No. 74 - January 1907)
which says

"Any person may open an account in his own
"name; but may not have more than one such account
"open"
and points out that this rule would prohibit any
contributor to the Provident Fund having also a
private account in the Savings Bank.

This appears to be correct and the rule will
have therefore to be altered.

5. Rule 3 of the Provident Fund Rules says
"The Savings Bank Pass Book shall be in the
"custody of the Principal of the Asylum who shall
"give a receipt therefor but the Pass Book Account
"will be in such a form that it cannot be operated
"upon except upon the signature of the Principal."

The Sub-Committee says that the concluding
portion of the above rule appears to be unworkable
under

Page 3 of C. b. para. 1

Also "of all be" before "of all"

as "make" *Ces*
Page 3 of C. b. para. 1 *KB*

Id, I think, if the bank book is
to be regarded as "Held" by
the Principal. he may ask

P.M.C.
But apparently (the Principal
could open the account as a
Public Account - (Rule 42). The
difficulty would be in regard
to the limit of £210000.
The same difficulty as to limit
would arise in a individual
account *KB*

Page 3 of C. b. para. 3

under the existing rules for Post Office Savings Bank. The Sub-Committee is of opinion that, if the Savings Bank rules will permit, the simplest method would be that there should be one pass book in the name of the Principal as Manager of the Fund, and that he should keep one account of the individual payments made. This seems permissible - please see rule 44 on page 173 of the Postal Guide. The Deputy Superintendent of the Reformatory School, Chingleput has thus a single account for all the pupils of the Reformatory - vide rule 33(ii) on page 7 of G.O. No. 743, Educational, dated 16th December 1904.

If this suggestion to open a conjoint account is accepted, rule 2 and rules 5, 7, 8 and 10, which refer to contributors' pass books will require alteration and rule 11 will have to be omitted altogether.

Submitted that the Committee may be asked to revise the rules accordingly.

6. Rule 6 runs

"If he (servant) has completed five years' service and if he retires on medical certificate, or on superannuation or on abolition of appointment a gratuity shall be paid to him from Asylum funds."

The Sub-Committee states that the word 'shall' in line 4 of the above rule conflicts with the concluding portion of rule 9 saying that "the servants of the Asylum contributing under these rules shall have no claim, right or title to any bonus whatever from the Trustees and the giving or withholding the whole or part of a bonus will be a matter resting entirely with the Trustees on the recommendation of the Committee of the Asylum after taking into consideration whether the service after the commencement

But is there no limit?
M2

But the total will be comparatively small
M2 V

Cas

W. page 8

Page 3 of 4 from 4

He can say he is allowed to
"to state, subject to the conditions herein after specified, to be eligible for a gratuity"
M2

"commencement of payment of contribution has been
"wholly or partially approved or not."

Submitted that the Committee appears to be
right and that for the word 'shall' in rule 6, the
word 'may' may be substituted.

7. Rule 13 says that the benefit of the rules
may be extended to the servants of the Lawrence Asyl
Press at Madras and the Branch Press at Ootacamund.
With reference to this the Sub-Committee submits
that it is not advisable to bring the establishment
of the Lawrence Asylum Press under the Provident
Fund scheme, as doing so would be a source of con-
siderable expense and would involve the keeping of
a large number of separate accounts and that there
appears to be already provision for the payment of
pensions to retired employes of the Press.

It is not understood how the bringing of
the establishment of the Lawrence Asylum Press
under the Provident Fund scheme would be a source
of greater expense than the payment of pensions.
As regards the objection to keeping a large number
of separate accounts, the Committee seems to appre-
hend that the accounts will have to be kept by the
Principal. Submitted that the accounts of the
establishment of the Press may be kept by the
Superintendent of the Press and that if so, it would
not add to the work of the Principal of the Asylum.

8. In paragraph 3 of G.O.No.778, Edl., dated
30th November 1906, the Government stated that the
present employes of the Asylum would be at liberty
to join the Provident Fund but that no gratuities
would be paid them under the scheme in respect of
past service prior to its coming into force. It

Vide supra

Cas

W. p. 8

Page 3 of C. f. p. 5

H.S.

Cas

W. p. 7

was further stated that it would be open to Government to sanction the enhancement of the gratuity so payable by such addition thereto in respect of past service as they might see fit; but that whether any and if so what additional gratuity should be so granted would be a matter entirely in the discretion of the Government.

With reference to this statement the whole of the present staff of the Asylum have, it appears, refused to join the Provident Fund. The Sub-Committee observes that this action of the staff is due to their not having clearly appreciated the position, which briefly is, that if they become Members of the Fund their claim for a gratuity in addition to payments made by them, arises only from the time of their joining; but that Government will nevertheless be ready to consider recommendations for gratuities on account of past services. If this is clearly explained to the staff they will, the Sub-Committee believes, withdraw their objections to joining the fund.

Submitted that the Committee may be told to explain the position to the Asylum staff as proposed

9. In paragraph 2 (3) of G.O. No. 778, Educational, dated 30th November 1906, the Government said

"All other employees (than the Principal) ^{should} on entering the service of the Asylum be required to bind themselves to contribute an anna in the rupee of salary and to abide by the rules for the payment of gratuities from Asylum funds. This should be made a condition of service and such of the rules as form part of the contract should be endorsed on the back of the agreement obtained from each employee when he is employed and incorporated into the

Page 3 of C.F.

Page 4 of C.F. para 6

Yes. It must also be borne in mind that the amount of gratuity payable under the old rule to the present staff is purely discretionary and subject to the discretion of the Govt. pay.

to

Yes

W 17

Also

40 6P

"the contract by reference thereto in the body of
"the agreement."

Page 43 c. b. Jan. 7

With reference to this the Sub-Committee observe
that no contract or agreement is entered into with
any one employed in the Lawrence Asylum and sug-
gests that a form embodying the conditions applying
to the Pension Fund should be obtained from a quali-
fied legal practitioner.

Cas

It is for consideration whether the Government
Solicitor may be asked to prepare a form of agree-
ment for the employes of the Lawrence Asylum.

7.H.
29.4.07

Lee
Cas
29.4.7.

Please put up 9.0. 217 E.S. 36 28th May 1900 -
1.0 365 C.S. 52. 8. 1900. 420 28th 22 July 02
and 425 28th 22 June 05

~~to be~~ Are gratuities payable to the
present employes limited to 9 months
contribution under C.S.R. and is the amount
purely ^{in the} discretion of Govt.? Are similar rules
for a regard to these employes?

2. What would be the monthly deduction
on the present pay of Asylum employes
who, under the scheme are entitled to
contribute. What would be the ^{least} amount
remissible monthly from any single
employee.

It seems true that whether individual
about a general account is maintained
the maximum limit entitling to interest

7
2.11.1905-800

7 41 7 P
will be exceeded in the course of time.

The maximum for individual appears to be Rs 5000, and for a general account Rs 10000. The P.M. might be connected on this point. Also a list of individual accounts opened ^{at the name of} ~~private~~ individuals, but operated on off the Principal would have separate private individual accounts

A |

400
3 11 07

Para. 1 of the Secretary's note.--

(1) The following G.Os. have been obtained from Madras and put up:--

- C. 217, Edl., dated 28th May 1900. ✓
- D. 368, Edl., dated 13th August 1900. ✓
- E. 420, Edl., dated 22nd July 1902. ✓
- F. 428, Edl., dated 22nd June 1905. ✓

(2). Gratuities payable to the present employees of the Asylum are not limited to nine months' emoluments - vide G.O. No. 428, Edl., dated 22nd June 1905, where Mr. S. Atkinson, Telegraph Inspector, whose pay was Rs. 100 a month, was paid a gratuity of Rs. 1,200, being twelve months' pay. ^{Please see also} vide G.O. No. 420, Edl., dated 22nd July 1902, in which ^{a gratuity of} only three months' wages ^{was} were paid and G.O. No. 368, Edl., dated 13th August 1900, where a gratuity of only six months' pay was sanctioned.

F.

E.

D.

These papers were not immediately available, they were found after some search & repeated correspondence with Madras office.

(at only)

24/11/07

page 8 of the file - 0

N

(3) There are no rules about the amount of gratuity payable; the amount appears to be left to the discretion of the Committee subject to the sanction of Government.

(4) No ~~similar~~ Provident Fund rules appear to be in force as regards the Lawrence Asylum Press employees. The Madras Office has not been able to trace any. There appears to be, however, a superannuation fund in existence for the benefit of the Press employees. This fund seems to have been created by setting aside a portion of the annual profits of the Press - vide paragraph 9 of the Reverend Mr. Dene's Memorandum in G.O. No. 846, Edl., dated 4th November 1891, and now amounts to Rs. 37,500. Please see the statement B on page 7 of G.O. No. 607, Edl., dated 17th September 1906. The Committee of the Lawrence Asylum may, it is submitted be asked for a copy of the rules governing the fund. Memorandum
A draft is placed below for approval.

Para. 2 of the Secretary's note.--

(1) The total monthly salaries of the Lawrence Asylum employees who are entitled to contribute to the Provident Fund amount to Rs. ²⁸⁶⁵ ~~27143-12-0~~ - vide ~~xxx~~ statement on page 15 of K.W. G.O. No. 778, Edl., dated 30th November 1906. The total monthly deductions on this amount at one anna per rupee amount to Rs. 179-1-10 or to Rs. 2,143-12-0 per annum. Vide the Accountant General's note on page 14 of the same notes.

(2) The highest amount recoverable monthly from any single employee of the Asylum will be Rs. 18-12-0 from the Headmaster who gets a pay of Rs. 300.

(3) As the total annual deposit to be made in the Post Office Savings Bank on account of all

the

9.

43

98

the servants of the Asylum contributing to the Provident Fund will be Rs.2,148-12-0, the maximum limit of deposits for which interest will be allowed in a general account, viz., Rs.10,000 will be exceeded in five years.

A draft reference to the Postmaster-General on the points referred to at A on page 7 supra is submitted for approval.

74.
27.5.07
28.5.07

Lec
Cos
28.5.07
300.7

Extract from the notes relating to the appointment of the Principal, Lawrence Asylum, Ootacamund.

x

x

The question of including the Principal in the Provident Fund benefits might be looked into again. I believe the Committee of the Lawrence Asylum are anxious to secure the Principal some pensionary benefit.

G.S.F.
30-5-07.

The proposal to appoint Canon Foley for six months has been received and circulated to day. Extract this and add to the file regarding Provident Fund sent back to Office to-day. Also draft a reference to the Committee asking whether they consider it desirable that the provisions of the proposed Provident Fund should be extended to the Principal.

H.D.T.
30-5-07.

The draft reference placed below is for approval.

Sec.

It would seem that special rates of contribution also on would be necessary for the Principal. He can't very well subscribe in the usual way.

Col
1.6.7.

11 11 11
I do not see how any special exception to the
ordinary rules can be made in favour of the
Principal . . . so long as he is brought on to the
fund. The rules must, as I submitted,

be general - it is not possible to introduce
exceptions, without confusion.

The rules may, of course be made
applicable to the Principal separately,
with such modifications as may be deemed
necessary, but then he would not come
under the general scheme. The ^{sinking} fund
can be operated on only by the Trustees
and not by the Principal - the difficulty
will arise with reference to rules (3) & (4)

W. P. S.

W. P. S.

3-6-69

I don't see any difficulty in
drafting rules 3 & 4 which is not
of the most formal character.
In the case of the Principal
his book can easily be kept
by ^{two} the Trustees & operated on
if under their signature? he can
do that with a slight addition.
The real question is I imagine
whether it would be worth while
braving in the Press; but let us
hear their representations first
Wm. M. Stor

5 50
46
y/
Extract this and add to the file regarding Provident Fund sent back to Office to-day. Also draft a reference to the committee asking whether they consider it desirable that the provisions of the proposed Provident Fund should be extended to the Principal.

H. D. TAYLOR—30-5-07.

The draft reference placed below is for approval.

K. RANGASWAMI AIYANGAR—31-5-07.

It would seem that special rates of contribution and so on would be necessary for the Principal. He can't very well subscribe in the usual way.

C. A. SOUTER—1-6-07.

I do not see how any special exception to the ordinary rules can be made in favour of the Principal, so long as he is brought on to the fund. The rules must, it is submitted, be general; it is not possible to introduce exceptions without confusion.

The rules may, of course, be made *applicable* to the Principal separately with such modifications as may be deemed necessary, but then he would not come under the general scheme. The sinking fund can be operated on only by the trustees and not by the Principal. The difficulty will arise with reference to rules (3) and (4).

H. D. TAYLOR—3-6-07.

I don't see any difficulty in draft rules (3) and (4) which is not of the most formal character. In the case of the Principal his book can easily be kept by two of the trustees and operated on only under their signature? We can do that with a slight addition. The real question is, I imagine, whether it would be worth while bringing in the Press; but let us hear their representations.

G. S. F[ORBES]—4-6-07.

Issue.

H. D. TAYLOR—5-6-07.

[O.M., No. 885-3, Educational, dated 5th June 1907.]

From the Principal and Secretary, Lawrence Asylum, No. 658,

dated 14th June 1907.

From the Postmaster-General, Madras, No. 17189, d/20-6-07.

In para. 1 of his note on page 3 *supra*, the Secretary enquired whether any provident fund rules similar to those framed for the employes of the Lawrence Asylum were in force in regard to the employes of the Lawrence Asylum Press.

2. In clause (4) of the office note on page 4 *supra*, it was pointed out that no provident fund rules were in force in regard to the employes of the Lawrence Asylum Press, but that a superannuation fund existed which was framed by setting aside a portion of the annual profits of the Press. The Committee which was asked to submit a copy of the rules relating to this fund and to quote the number and date of the G.O. sanctioning the fund, now submits a letter from Lieutenant Colonel Formby, one of the Agents to

the

the Trustees of the Lawrence Asylum Press.

T

3. Lieutenant Colonel Formby invites reference to Mr. Firth's letter in G.O. No. 350, Edl., dated 11th June 1898 from which it is observed that prior to the introduction of the superannuation fund in 1876, it had been the rule at the Lawrence Asylum Press to grant pensions to its employes and to charge the expenditure to revenues. In 1876, the Government suggested that a share of the annual profits might be set apart to form a reserve fund the interest on which was to be utilized towards pensions. The Directors ^{of the Press} adopted this suggestion and in 1882 the fund thus formed stood at Rs. 32,000. The interest realized from this amount covered all the pensions payable and left a surplus. The Directors of the Press therefore considered that further contributions to the superannuation fund from the profits of the Press were unnecessary and proposed to add to the capital of the fund only the balance of the interest which remained after the payment of pensions. This proposal was approved in G.O. No. 1506, ^{Public} dated 2nd December 1882. The fund then gradually increased until in 1886 it reached the figure at which it now stands - viz., Rs. 37,500.

B

8667 23, 4 17-9-06. N.

T

4. In G.O. No. 350, Edl., dated 11th June 1898, the Government ordered that the practice of granting pensions at the Lawrence Asylum Press should cease "as regards all future employes". All the employes of the Press whose service commenced after 11th June 1898, are not therefore entitled to any pensions and it seems desirable that the benefit of the proposed provident fund rules should be extended to them.

5. With reference to paragraph 2 of the Secretary's note on pages 3 and 4^{Supra} the Postmaster-General was asked to state

- (1) whether individual accounts opened in the name of the servants of the Lawrence Asylum could be so conditioned as not to be operated upon except on the signature of the Principal and, if they could be so conditioned, whether they would prevent the servants concerned from opening separate private accounts in their own names; and
- (2) whether in the event of a conjoint account being opened by the Principal with the bank, any exception could be made to the rule under which no interest is allowed on deposits exceeding £10,000.

Vide letter to Postmaster General on Page 2 of C.F.

Page 3 of C.F.

6. In reply the Postmaster-General states

- (1) that under the existing rules of the Post Office Savings Bank, the Principal of the Lawrence Asylum cannot open individual accounts in the names of the servants of the Asylum and have the accounts so conditioned as not to be operated upon except on his own signature, and
- (2) that the rule, under which no interest is allowed on deposits exceeding £10,000 in the case of a public account, is absolute and does not admit of any relaxation.

Page 2. cf.

7. No reply has yet been received from the Committee of the Lawrence Asylum to the reference made on the 5th June 1907, asking them to state whether they consider it desirable that the provisions of the proposed provident fund should be extended to the Principal of the institution. This may

7/4. it is submitted, be awaited.

17.7.07

Lec
18.7.7.

Gen. be report the Committee for an early reply.

19.7.07

The draft memo placed below for approval

20.7.07

20.7.7.

8
19 8P
CRO. 1759. from the Principal and Secretary,
Lawrence Asylum, Ootacamund.

The Committee of the Lawrence Asylum
Consider that the Principal should have the
option of joining the Provident fund and
suggest the following alterations in the
proposed rules:—

(1) The following to be added as second
paragraph to Rule 2:—

"The Principal shall be allowed the
option of joining the Scheme and if he elects
to do so, must bind himself in the manner
specified in paragraph 3 below."

By paragraph 3 in the proposed
addition is apparently meant Rule 3.

(2) In Rule 3, line 1, the words "which
shall not apply to any menial servants"
to be inserted between the words "Scheme"
and "will."

30.7.07

See Chs
1.8.7.

But rule 3 refers to the custody of, and signature
on the Pass book. I do not follow the proposed
alteration in rule 3

It is submitted that the Sub-Committee
refers to paragraphs 2(2) and 3 of G.O. No. 773,
Edl., dated 30th November 1906, and not to Rules

on page 8 of G.O. 773 Edl.
30.11.06

Pages of cf.

W page 7

W page 8

2 and 3 of the Provident Fund Rules appended to the G.O.

7.7.
7.8.07

Sec.

That seems to be the case, but it is not clear in any case § 10-118 Ed 1730.11.07 will have to be amended in so far as the Principal is concerned.

As

8.8.7.

W. 10.8.

It would have been better if the Committee had dealt with amendments to the scheme as set out in the appendix to 26778 Ed 5304 Nov. 6, instead of into the G.O. recommending the rules for acceptance.

2 Rule 12 will have to be amended by the opinion of the Principal, and may run as follows "All manual servants will be excluded from the operation of these rules".

3. As to bringing in the L.A. Press employees on to the fund, there would, I think, be no objection to applying the same rules to the Press - but it seems doubtful whether the two funds could be combined in one. It is true that the Committee of the L.A. Press are Trustees of the L.A. Press (in para 1 of G.O. 315 Ed 56 26 July 1900.)

At this notice at 'H' on p 8
supra.

but the powers of the Committee have been delegated to their Agents in Madras, and, if all Press employees are to be included, it would seem desirable also to include the menial servants of the Asylum.

4. In any case, having reference to the postal regulations, it seems very doubtful whether the post office savings book system can be adopted in the case of the more highly paid servants, as the limit would be exceeded - both annual & total - though it would ~~it would~~ suffice for servants in receipt of salaries up to Rs 100 per annum.

5. ~~It would~~ perhaps be better for sake of uniformity to have a general register as in the case of the L. 7 and Municipal Provident funds - and to invest all receipts both by way of deduction from salaries and by way of bonus in the general fund ^{under rule 9}. It would be more profitable to the parties, as they could get a higher rate of interest than the Post office allows. But I would allow the investments of the general fund to the extent of one Laif at least to be in the form of Municipal debentures of Pondicherry Town, or of S. R. railways. This would give a better return.

HM
ABJ

Sub Rs 200

1/11 100/- = Rs 100/-
250/- = Rs 107 1/2/-

266

Rs 57

Wanted. of admissible

I agree as to the proposed rule about the Principal

I would not include the Press Estab^{ts} in the Asylum Fund. If any fund sh^d. be started for them, it had better be a separate fund.

As to investment perhaps when the deposits exceed \$4000 (say) the excess, in complete sums over \$500, might be invested in 3 1/2 % Govt paper or approved Mun. or B^o R^o Debts.

S. J. F.
14

Please examine whether the proposed investment as at A. is legally admissible - a draft for approval I understand ~~that~~ the ~~Board~~ the ~~Board~~ the suggestion that the ~~order~~ of individual reports sh^d. be ~~dropped~~ dropped, & that entire contribution also sh^d. go into a special fund. Except the Purchase, the Heavens (R200) also appear to mean a salary ~~under~~ of R250.

Contribution on ~~an~~ salary of R250 would be at R107 1/2 p. a or under the annual limit of R200, but a few more the total limit sh^d. be exceeded.

Page 13 of 60 no. 689 Ed. 1, 22nd December, 1900.

8

Rule 62 of the Lawrence Asylum Rules says--

"All moneys belonging to the institution shall be lodged with the Bank of Madras or with the Post Office Savings Bank in the names of the Chairman and Vice-Chairman, one of whom, or, in the absence of both of them, the Assistant Adjutant General, Madras Command, shall counter-sign all drafts thereon which are signed by the Principal. The committee shall invest all surplus income, after providing a sufficient cash balance, in Government securities in the names of the trustees appointed by Government, viz., the Director of Public Instruction and the Collector of the Nilgiris."

The rule can - if necessary - be altered *for*

The question is whether the funds are to be regarded as endowment or trust funds. *It is suggested that the funds are to be regarded as endowment funds.*

for 188. M. d. 31 January 07 15.

For other accounts approved by Govt.

for 689 Ed. 1, 22nd December, 1900.

8.

7th
29.9.07

3. A draft is submitted for approval.

The draft rules printed as an appendix to

As the rules stand at present, it does not appear that any portion of the funds of the Asylum can be invested in Municipal or District Board debentures. It is, however, not clear whether these rules will govern also the investment of the accumulations of the Provident Fund, ~~for~~ which is not apart of the funds of the Asylum and for which separate rules are to be framed. Nor does it appear that there is any objection to providing in these ~~rules~~ that the funds may be invested in Municipal or District Board debentures. In this connection attention is invited to rule 9 of the Rules for the Municipal Provident institutions under which the funds of the institution may be invested in Government securities or in Municipal and Port Trust Debentures.

2. As the Principal of the Asylum is also to be admitted to the benefits of the Provident Fund scheme, it is for consideration whether the public account to be opened in the Post Office Savings Bank should be in his name, or in that of the Chairman or Vice-Chairman of the Asylum, as in Rule 62 of the Asylum Rules.

W

* The reference here is to
the rules as printed on
pages of No. 778 Est. W
30-11-06

Vide Rule 42 (e) of
the Post office
Savings Bank rules.
page 181 of the Postal Guide

Vide for main matters A.

To G.O. No. 778 Est., Dated 30th November 1906,
have been modified with reference to the
orders in these notes, and copy of the
rules as revised is appended to the
draft order.

2. The following are the Chief alterations
made. —

(1) Rules 2 & 3. The Principal has been
admitted to the benefits of the fund,
and the system of depositing the investments
in the name of the individual subscribers
has been omitted, it being provided that
a public account should be opened in the
name of the Provident Fund. The revised
rule 2 takes the place of these two rules.

(2) Rule 4. This is now ~~no~~ Rule 3. The
second sentence of this rule "The register
should also show the interest on the
contribution paid by each servant" has
been newly put in, as reference to interest
is made in Rule 7 (revised Rule 6).

(3) Rule 5. Some slight alterations have
been made in this rule, with reference to
the change in the system of deposits
provided in Rule 2.

(4) Rule 6. has been altered as suggested by the Secretary on
pages of the notes.
(5) Rule 12. The first part of this rule
has been omitted.

(6) Rule 13. This rule has been omitted
with reference to the orders on page 11
of

145
55 14P

of the notefile.

The draft of the revised rules ^{also} for approval.

30-8-07

Lee

+ I see no legal difficulty to rule 10. This fund is entirely separate from the general fund of the Akhram. Under rule 8 the sinking fund can be invested only in Govt. Securities which is correct.

Col

2.9.7.

+ Vise the annexure to the draft order

Rule 4. It appears necessary to provide that the payment to him is a legal representation of the name only on the production of a kinship certificate granted by a competent civil Court.

Rule 6. Illustration.

Now that the separate fund both of Akhram has been given up in favour of a general fund - it will be necessary to arrange that the interest accrued during the year to the general fund be apportioned in the register to each individual account, in proportion to the amount standing to the credit of each account at the close of the year. In the case of a person retiring in the middle of the year

*Vide note 2 to rule 31
on page 178. Printed under

the interest for such portion may be
calculated at ³/₄ percent.

The illustration is hardly appropriate without
a further illustration - To the end of rule
3 therefore may be added "The ^{total} interest
~~also~~ accrued during the year shall be
apportioned at the close of each ^{financial} year
and added to the individual accounts
in proportion to the total sum standing
to the credit of each account at the
close of such year.

Rule 10. Similarly in rule 10 provision
will have to be made for crediting to the
general deposit - all sums of
interest as they accrue from investments
on securities - other than savings bank deposits -
~~and of those made~~ purchased from
the monies of the general fund.

In this rule I have inserted
also Rangoon Municipal debentures
No special reference has been made
to Port Trust funds.

A separate account of securities so
purchased must be kept, distinct from
those appropriated to the sinking fund
under rule 8.

It seems also desirable to draw up a
form of register both for the ~~the~~ public
P.O. deposit fund, for the ordinary fund

and for noting the securities purchased from each fund. Please draft forms for approval.

A

2. As to the question whether - as the law now stands, the funds of the Asylum or of the Prudent fund or sinking fund can be invested in debentures of S.R. railways, the legal question has not been properly examined by the office. The office has merely referred to the Asylum rules. But the question would appear to be governed by the provisions of the India Trusts Act II of 1882. Please see section 46 of the Act as to the creation of trusts, and see 20 as to the limitations on investment of trust funds, which exclude S.R. railways. It appears however to be ^{in contemplation} ~~under consideration~~ to modify the Act so as to admit of the investment of trust funds in this class of securities.

(See G.O. 358-9 L.S. Dtd. 29/5/06)

AS?
39.09

With reference to the Secretary's remarks at A above, forms have been drafted and

but see Sec 20(f).

May 23.

7 58 17P

and appended to the draft order. The draft go + the rules, and the annexure to the go. have been put in type for the sake of convenience in going thro' them.

26.1.07

See go.

In form I. Provision to be made for a column for Total both under opening & closing balance

Form II - a register to be provided for the sale of securities purchased. The numbers to be noted in each case so that the transaction & securities to hand can be seen at a glance.

The remarks of the A.G. will be invited on the proposed forms, so that every suggestion may be considered

+ In form I. separate pass should, I think, be assigned to each individual subscriber. There should be a separate column for year. The remarks col. will contain entries as to alterations & scale of pay, leave allowances etc

Will the A.G. kindly advise as to any alterations in addition to the forms

A.G. 110

1.10.07

I submit for the orders of Government the following remarks regarding the proposed forms of account.

Form I. This is not merely a register of subscriptions



No. 1759-1
1-10-07

subscriptions, but also the personal account of each of the subscribers to the Fund. None of the *other* registers can serve the purpose of the personal account. But in order that this register should fully serve the purpose of a personal account, it should provide for disbursements as well as for receipts. As the disbursements, however, are very rare it will not be necessary to provide monthly columns for them, but 3 columns for month, purpose and amount will suffice.

This register will then give the balance of each subscriber's account, and the total of these separate balances will be the balance of the Provident Fund account. This total balance will be made up of the balance in the Savings Bank as stated in the Pass Book plus the cost of the investments made of the Savings Bank balance when it exceeds Rs.4000. This agreement should be made monthly and of course at the end of each year, when the Post Office interest is added. In making this agreement, allowance must be made for the interest on investments which will be paid into the Savings Bank on realisation, but which cannot be apportioned to the several accounts until after the close of the year.

I would suggest that a copy of his account should be sent to each subscriber annually and ^{that} he should be required within a month of its receipt to certify to its correctness or to point out any errors in it.

Form II. seems to be hardly necessary. Forms I and IV and the Pass Book will together sufficiently serve the purpose for which Form II is intended. If the form is retained, I would suggest that

Note
This has been embodied
in a note to Form I

20

that the amount entered under Investments on the payment side should not be the round sum of Rs.1000 as such an entry may lead to the supposition that the nominal value of the Government or other paper purchased should be entered. The amount that should be entered is the cash paid for the investment.

Form III. This register too seems unnecessary as its purpose is fully served by Form I, IV and the Bass BOOK. It is not possible to divide the closing balance in the Post Office Savings Bank into subscription and interest except in a purely fictitious way. The withdrawals for investment must be entered here, and these withdrawals are not necessarily from the subscriptions paid, but also from the interest received, but how much on account of each it is impossible to say.

Form IV. In order to arrive at the balance of the securities of the Provident Fund it will be necessary to provide in the form for sales. It is hardly necessary to provide separate columns either on the purchase or sale side for the several classes of securities. A column on each side for particulars of security will suffice, and it should be required that details of the balance showing the nominal and cost value of each kind of security should be recorded annually. I think the actual cost and sale proceeds columns should be subdivided into two columns each, one for interest paid to date of purchase or interest received to date of sale and the other for net cost or net sale proceeds. The interest paid or realised does not form a portion of the cost or of the sale proceeds, and it is necessary to distinguish this in order to determine when sales are affected what has been the loss or gain by the sale and this will need to be separately adjusted.

When

This has been marked as
a note to Form II.

AD

U. O.

When the half-yearly interest is realised any recovery on account of interest paid at time of sale must be adjusted not as interest received, but as an advance refunded.

It is for consideration whether the rules should not provide for the Provident Fund investments to be made through and for the securities to be forwarded for safe custody to the Accountant-General. I think this would be a beneficial procedure. Separate accounts would, of course, be kept in my office for the Provident Fund and the Sinking Fund. The interest realizations of the former would be remitted to the principal or the Trustees for payment into the Savings Bank.

*Wald a R. T. Receipt be
issued at par in usual
case 1/10*

A. G. O. No. 9207. 16-10-1907

B. D.
16.10.07
A. G.

17/10/07

The suggestions of the Accountant General are dealt with below:-

2. Form I. The Accountant General suggests that as this register is also the personal account of each of the Subscribers to the Provident Fund, it should provide for recording disbursements also and that for this purpose three more columns showing month, purpose and ^{amount} of disbursements should be opened. Submitted that the Accountant General's suggestion may be approved. ~~The~~ The form has been revised accordingly.

3. In connection with this form, the Accountant General suggests that a copy of his personal account should be sent to each subscriber annually and that ^{Subscriber} ~~the~~ should be required within a month of its receipt to certify to its correctness or to point out any errors in it. This suggestion may also be approved. ~~the~~ ^{maybe} following added as rule 4, Rules 4 to 12 of the existing rules being renumbered:-

"As soon as possible after the close of each year, every subscriber will be furnished with a statement showing the amount of his subscription inclusive of interest and he will be required within a month of its receipt to certify to its correctness or to point out any errors in it."

4 Forms II & III. The Accountant General states that these forms are unnecessary, as forms I and IV and the Pass Book will together sufficiently serve the purpose for which they are intended. The Accountant General's recommendation may be accepted and the forms omitted.

5. Form IV. The Accountant General considers that in order to arrive at the balance of the securities it will be necessary to provide in the form for sales; that separate columns are not necessary for the different classes of securities purchased, and that the actual cost and sale proceeds columns should be sub-divided into two columns each-one for interest and the other for net cost, as it is necessary to distinguish this in order to determine the loss or gain by the sale. A revised form, as suggested by the

Accountant

Ch. Rules of the
Municipal Provident
Fund rules - pages
of the annexure to
Go. 188 m 531-1-07-5

The form is attached to
the draft. *LD*
7.11.07

Accountant General is submitted for approval. This will
be Form II and the proper Form V will then become
Form II.

Draft rule 8 provides for the Sinking
Fund investments to be made through the Accountant
General, but Rule 10 does not state by whom the
Provident ^{Fund} investments should be made. The Accountant
General suggests that the Provident Fund invest-
ments should also be made by him and that the
securities should remain with him for safe custody.
This suggestion may also it is submitted be
accepted. ^{Rule 10} ~~Draft~~ has been altered in pencil
accordingly.

7. In his marginal note on page 20 of note
file, the Secretary asks whether Remittance
Transfer Receipts would be issued at par for
remitting interests realised from the securities
to the Principal or Trustees of the Lawrence
Asylum. It does not appear that Remittance
Transfer receipts would in these cases be issued
at par, although under item (2) of Article 143-B
of the Civil Account Code, ^{Vol I} such receipts will be
issued at a premium.

T.K.
3-11-07.

K.R.
5-11-07.

See
Cal
9.11.7.

Then print the notes, S.O. and
rule - from a revised - resultant
Ely then

W. H. H. H.

The question may be
raised separately.
apart from the rule -
special exemption being
applied for

The form is attached to
the draft. *7.11.07*

Accountant General is submitted for approval. This will
be Form II and the proper Form V will then become
Form III.

Draft rule 8 provides for the Sinking
Fund investments to be made through the Accountant
General, but Rule 10 does not state by whom the
Provident ^{Fund} investments should be made. The Accountant
General suggests that the Provident Fund invest-
ments should also be made by him and that the
securities should remain with him for safe custody.
This suggestion may also it is submitted be
accepted. ^{Rule 10} Draft has been altered in pencil
accordingly.

7. In his marginal note on page 20 of note
file, the Secretary asks whether Remittance
Transfer Receipts would be issued at par for
remitting interests realised from the securities
to the Principal or Trustees of the Lawrence
Asylum. It does not appear that Remittance
Transfer receipts would in these cases be issued
at par, although under item (2) of Article 143-B
of the Civil Account Code, ^{Vol I} such receipts will be
issued at a premium.

T.K.
3-11-07.

K.R.
5-11-07.

Sec.
Cas
9.11.7.

Then print the notes, 9.0 and
rule - from a revised - resultant
Ex. 1000

W. H. H.

The question may be
raised separately.
apart from the rule -
special exemption being
applied for

Not-82631
10-12-07

12
69 128

The go. and its annexes have been put
in type and are resubmitted.

RD
18-11-07

See
Cal
(1911)

Offici

Please see correction made in Rule 6
illustration - as to acct. of patients payable
2. Please put up copy of the
Indian Trust Act, and of the proposed
amendment thereto - Will these
funds be Trust Funds within the
meaning of the Act? If so, until the
act is amended so as to provide for
investment of such funds in U.S.
Railway debentures, the balances
either of deposits or of the sinking
fund cannot legally be invested in
U.S. Railway debentures!

RD
21-11-07

H

A copy of the Indian Trust Act, 1882 and
a copy of the recent bill to amend the same
are submitted. It does not appear that a
Provident Fund is a trust fund within the
meaning of the Indian Trust Act.

T.A.
21/11

74
23-11-07

P.T.O.

Noted.
RD
23-11-07

A "trust" is defined in Section 3 of the Indian Trusts Act, 1882, as "an obligation annexed to the ownership of property and arising out of a Confidence reposed in and accepted by the owner, or declared and accepted by him, for the benefit of another or of another and the owner."

2. Sections 4 to 7 of the Trusts Act prescribe the manner in which a trust may be created. It is not clear whether, having regard to the provisions of Sec. 5 of the Act specifying the manner in which a trust may be created, the payments made by the Servants of the Lawrence Asylum towards the Provident fund, or rather, the amount deducted from their Salaries and Credited to the Provident fund, may be regarded as property in respect of which a trust is created. As the ~~matter~~ ^{point} is doubtful, perhaps a reference to the Advocate General may be made u.o.

AD
23.11.07

Chd
25.11.7.

Adv. Gen. u.o. for favour of opinion.

2d Nov 1753-2
3.12.7

Ad
3.12.07

- (1) by a written non-testamentary instrument registered
- (2) by the will of the author of the trust
- (3) by the transfer of the ownership of the property to the trustee.

14
Opinion

Re Lawrence Asylum
Provident Fund Rules

I take it that my opinion is required only with reference to the character of the Provident Fund for the purpose of determining whether the moneys can be invested in the manner pointed out by draft rule 10 or can be invested only in the modes prescribed by Sec 20 of the Indian Trusts Act. I am of opinion that the Provident Fund cannot be regarded as Trust property. The relation between the Trustees of the Lawrence Asylum and the employees for whose benefit the Provident Fund is established is not that of Trustee and Beneficiary Trust. It is a purely contractual relation between the parties. It is not however necessary to determine whether it is that of debtor and creditor or of depositor and depositor, as in neither view will the provisions of the Trust Act be applicable.

7th December 1907
M. S. Swamy aiyer
Acting Advocate-General

For approval of Dept.

The rules have been carefully examined and I do not think that any objection can now be taken to them

Revised 9/12/07.
Dy. Secy.

AM

8.12.07

A reference should have been made to the Ad. Sec. in this way I think but by regular Div. & thru the for Solr. Apparently this last course was not taken, wh. is a grave irregularity.

It would have been better if the Rules had been exam'd by the for Solr, but as the Ad. Sec. has passed them, they may be accepted
 R. G.

The rules have already been used by the Ad. Sec. - now he opens on p 12 of M.W. 26.778 & 308 Nov 1906.

~~It~~ It has been the practice to send by law no. to the Ad. Sec. direct. I presume please see that all reference go to him with separate letters, thru the for Solr Solicitor.

True there. The Committee L. House, should have the for Solr rules & then send by the end of the week, or by Monday next at latest a copy may go direct. But come with 3 spare copies by for the for Solr.

R. G.
 10/12/07

No. 826, EDUCATIONAL, 10 NOVEMBER 1907.
GOVERNMENT OF MADRAS.
EDUCATIONAL DEPARTMENT.

READ—the following paper:—

G.O., No. 778, Educational, dated 30th November 1906.

Order—No. 826 Educational, dated 10 November 1907.

The Government agree with the Committee of the Lawrence Asylum that the Principal of the Asylum should also be admitted to the benefits of the proposed Provident Fund. It appears, however, to be unnecessary to extend the scope of this fund so as to include the establishment of the Lawrence Asylum Press. A separate fund may, if necessary, be started for the benefit of these servants.

2. In view of the objections raised by the Committee to the proposed rules 2 and 3 on the ground that they were unworkable with reference to the Post Office Savings Bank Rules, the difficulties pointed out by the Committee will be met if contributions on account of the fund are paid into the Post Office Savings Bank and a public account is opened in the name of the Provident Fund. When the deposits exceed Rs. 4,000, the excess in complete sums over Rs. 500 may be invested in Government securities or in approved Municipal or District Board Railway debentures.

3. With reference to the objections of the present staff of the Asylum to joining the proposed Provident Fund, it will be made clear to them that by so doing they will not forfeit any claim they may have for gratuities on account of their past services and that in the case of such of them as have rendered approved service up to the date of the introduction of the Provident Fund scheme Government will always be prepared to consider any recommendations for gratuities on their behalf which may be made by the Committee of the Lawrence Asylum.

4. The rules as revised with reference to the foregoing remarks are appended to this order. The Committee will be requested to state if they accept the rules, and if so, to bring the scheme into force from 1st January 1908.

(True Extract.)

To the Committee of the Lawrence Asylum
(through the Director of Public Instruction).
" Director of Public Instruction.
" Accountant-General.

H. D. TAYLOR,
Ag. Secretary to Government.

[Annexure. 8. 12. 07]

ANNEXURE.

Rules for the working of the Provident Fund for the servants of the Lawrence Asylum at Ootacamund.

1. Subject to the exception specified in rule 11, all persons entering the service of the Lawrence Asylum at Ootacamund shall be required to bind themselves to contribute to the Provident fund one anna in the rupee of salary and to abide by these rules.

2. The contribution shall be levied monthly by the Principal on each whole rupee of the salary paid and shall be lodged in the Post Office Savings Bank in a public account to be opened in the name of the Provident fund. When a servant is on leave, the contribution shall be levied on the leave allowances actually paid to him.

3. The names of the contributors and the amounts contributed monthly shall be entered in a register to be kept specially for the purpose under the signature of the Principal. The register should also show the interest on the contribution paid by each servant.

The total interest accrued during the year shall be apportioned at the close of each financial year and added to the individual accounts in proportion to the sum standing to the credit of each account at the close of such year.

4. If a servant contributing under these rules is dismissed or otherwise leaves the service of the Asylum, the amount standing to his credit in the register kept under the previous rule shall be returned to him. If he dies, the amount shall be paid to his heir or legal representative on production of an heirship certificate entitling him thereto.

5. If a servant has completed five years' service and retires on medical certificate, or on superannuation or on abolition of appointment, he shall, subject to the conditions hereinafter specified, be eligible for a gratuity from the Asylum funds.

6. The amount of such gratuity shall be calculated at so many thirtieths of the total amount standing to the credit of the servant in the register kept under rule 3 as correspond with the number of years during which deductions have been made from his pay.

Illustration.—In the case of a servant in receipt of Rs. 100 per mensem and from whose pay deductions have been made, say, for fifteen years.

Amount in Savings Bank—

Total monthly deductions	Rs.
Interest up to date	1,125
Total to credit	X
Gratuity payable on retirement $\frac{15}{30}$ (Rs. 1,125 + X).	1,125 + X.

The servant will also receive back his contributions and interest thereon, viz., Rs. 1,125 + X.

7. The maximum amount of gratuity payable shall not exceed the amount to the credit of the servant in the register maintained under rule 3. No gratuity shall be payable on contributions paid and on interest accrued after thirty years from the date of commencement of deductions from a servant's pay.

8. To meet the gratuities payable a sinking fund shall be established, formed out of a monthly contribution from Asylum funds of an amount equal to three-fourths of the total contributions paid to the Provident fund by deduction from the salaries of the servants. This contribution shall be remitted monthly to the Accountant-General to be invested by him in Government securities or in other securities approved by Government. The interest derived from these investments will be similarly invested and the trustees of the Asylum appointed under rule 62 of rules of the Lawrence Asylum shall alone be authorized to operate on the fund. The servants of the Asylum contributing under these rules shall have no claim, right or title to any bonus whatever from the trustees and the giving or withholding the whole or part of a bonus will be a matter resting entirely with the trustees on the recommendation of the Committee of the Asylum after taking into consideration whether the service after the commencement of payment of contribution has been wholly or partially approved or not.

9. When the amount of contributions made by a servant is returned to him or to his heir or legal representative, a receipt shall be taken therefor and if any gratuity is payable at the same time a separate receipt shall be obtained for the payment.

10. When the deposits in the Post Office Savings Bank exceed Rs. 4,000, the excess in complete sums of over Rs. 500 shall be withdrawn and remitted to the Accountant-General to be invested by him in Government securities, or in debentures issued by the Municipal Corporations of the three Presidency towns and of Rangoon, or in debentures of District Board Railways, or in such other securities as Government may, from time to time, specially authorize. A separate account shall be kept of securities so purchased. The interest on these securities shall be deposited as received in the public account with the Post Office Savings Bank.

11. All menial servants of the Asylum will be excluded from the operation of these rules.

12. These rules shall come into force with effect from 1st January 1908. Persons now in the service of the Asylum shall be at liberty to bring themselves under the operation of these rules. In their case the claim for a gratuity will arise only from the date of joining the fund. It will, however, be open to Government on the recommendation of the Committee to sanction the enhancement of the gratuity payable under these rules by such addition thereto in respect of past service as they may see fit, but whether any, and if so what, additional gratuity shall be so granted shall be a matter entirely in the discretion of Government.

1910/1911

I.—REGISTER of subscriptions levied from the servants of the Asylum for the year

[illegible]

Note—(1) The total balance shown in column 23 will be made up of the balance in the Savings Bank as stated in the Pass Book *plus* the cost of the investments made of the Savings Bank balance, when it exceeds Rs. 4,000. These two sets of figures should be tallied monthly and also at the end of each year when the Post Office interest is added. In making the agreement allowance must be made for the interest on investments which will be paid into the Savings Bank on realization but which cannot be apportioned to the several accounts until after the close of the year.

(2) In column 24 should be noted any alteration in the scale of pay drawn by the employee, leave allowance and the like.

II.—REGISTER of Government and other Securities purchased and sold during the year

Note.—Details of the nominal and cost value of each kind of security remaining on hand at the end of each year should be entered in this register.

Month.	Amount of subscriptions levied from servants of the Asylum.	Amount of contribution from the Asylum funds ($\frac{1}{4}$ of amount in column 2).	Date of remittance to the Accountant-General.	Details of Government securities purchased.	Actual cost of securities.	Balance.
1	2	3	4	5	6	7
	RS. A. P.	RS. A. P.			RS. A. P.	RS. A. P.
April	100 0 0	75 0 0	..	..	..	..
May	120 0 0	90 0 0	..	..	..	..
June	..	..	..	..	..	..
July	..	..	..	..	..	..
August	..	..	..	..	..	..
September ..	..	..	..	..	..	..
October	..	..	..	..	..	..
November ..	..	..	..	..	..	..
December ..	..	..	..	..	..	..
January	..	..	..	..	..	..
February ..	..	..	..	..	..	..
March	..	..	..	..	..	..
Total ..	..	..	..	..	..	..

Read

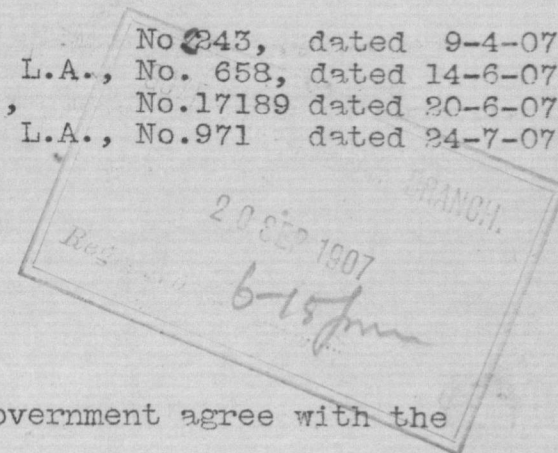
Again G.O. No.778, Ed1., dated 30-11-1906.

Also--

C. No. 885, from the D.P.I.,
 C. No.1435, from the Principal & Secy., L.A.,
 C. No.1478, from the Postmaster General,
 C. No.1759, from the Principal & Secy., L.A.,

No. 243, dated 9-4-07.
 No. 658, dated 14-6-07.
 No.17189 dated 20-6-07.
 No.971 dated 24-7-07.

ORDER:--
 P.S.



The Government agree with the Committee of the Lawrence Asylum that the Principal of the Asylum should also be admitted to the benefits of the proposed Provident Fund. It appears, however, to be unnecessary to extend the scope of this fund so as to include ~~also~~ the establishment of the Lawrence Asylum Press. A separate fund may, if necessary, be started for the benefit of these servants.

2. In view of the objections raised by the Committee to the proposed rules 2 and 3 on the ground that they were unworkable with reference to the Post Office Savings Bank Rules, the Government consider that the difficulties pointed out by the Committee will be met if contributions on account of the fund are paid into the Post Office Savings Bank and a public account is opened in the name of the Provident Fund. When the deposits exceed Rs.4,000, the excess in complete sums over Rs.500 may be invested in Government securities or approved Municipal or Board Railway Debentures.

Vide Rub 42(e) of the Postal Savings Bank rules - Page 181.
 of the Guide book

His remarks on page 11 of
 note file

.79

if

vide para-6 of the subcommittee
report on pages of cf

In the case of such of them as
Lawrence's approved service
up to the date of the introduction
of the Provisional Fund scheme
vide Secy's remarks on page 3 of
Note file

3. With reference to the objections
~~made by~~ the present staff of the Asylum
to ~~submitting~~ ^{joining} the proposed Provident Fund,
it will be made clear to them that by so
doing they will not forfeit any claim
they may have for gratuities on account of
their past services and that Government
will always be prepared to consider any
recommendations for gratuities on their
behalf which may be made by the Committee
of the Lawrence Asylum.

4. The rules as revised with reference
to the foregoing remarks are appended to
this order. The Committee will be re-
quested to state if they accept the rules
and if so, to bring the scheme into force
from 1st January 1908.

T.A.
29.8.07

29
30.8.07

2.9.7.

29

2.9.07.

To

The Committee of the Lawrence Asylum,
through the D.P.I.

" D.P.I.

" Accountant General.

First copy sent to Press.

Returned for signature.

Despatched in print.

NUMBER OF COPIES
REQUIRE.

Order complete. 50
Letter only.
Order complete with Letter

READ AGAIN G.O., No.
190

DATED

PRINT No.

ORDER TO G. No.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL.

N.B.—

- A = Print in full.
- B = Not to be printed.
- P = Print abstract only.
- Q = Print heading only.

98
not 1-15P