

Law (1921) Department.

(Education)

adding SERIES.

G.O. No.

782

DATED

19-3-21

INDEXED

[Despatch Abstract.]

Provident Fund deposits---Investment in co-operative central
banks- orders passed.

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.

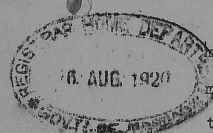
Department.	Number	Date.	Original (= O.) or spare copy (= S.C.).	Initials with date of (1) Referencer acknowledging returns of the paper concerned or (2) Despatcher to denote the return of the papers to the department concerned.



CO-OPERATIVE DEPARTMENT.

19 Registered 24 7 1920

Co-operative Central Banks Subject.



Proposing for the consideration of Government the desirability of permitting the investment in ~~such~~ banks of the provident funds of teachers in aided schools and institutions also.

ENCLOSURES.

No.

R.C. No. 3139/20

Spare copies

Station Egmore, Madras. Dated the 19th July 1920 19

From (Name) M. R. Ry. Rao Bahadur A. Vedachala Ayyar

Avl. B. A.,

(Designation) Ag: Registrar of Co-operative

Societies, Madras

To The Secretary to the Government of Madras,

REVENUE (SPECIAL) Department.

Stone House Hill,

Ootacamund.

Sir,

In continuation of my letter Gt. 220 of 20,

dated 16th June 1920 about the investment in co-operative central banks of provident fund deposits of Municipal and Local Fund employees, I have the honour to propose for the consideration of Government the desirability of permitting the investment in such banks of the provident funds of teachers

in

Home (Edn) Dept. No. 1252 21/7/20 4133-1

in aided schools and institutions also.

I have the honour to be,

Sir,

Your most obedient servant,

M. S. Ghale

AG: REGISTRAR.

cc

3/ Home (Est) Dept.

CNR 2457A.

Encl 2457A-1
13. 10. 20

Referred to the D.P.S

for remarks.

SK
9.10.20.
NY
9/10/20

Q
13.10.20

DESPAT LED
14 OCT. 1920
CNR 2457A
14.10.20
CNR 2457A
14.10.20

The D.P.S
(with CNR 2457A
in orig. to be returned)
+ copy of 70 no 7096 K
14.10.20.

(Reminders after 1 month)

U

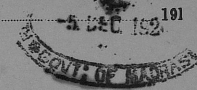
Home/Educational DEPARTMENT.

C.F.-29.

Received



Registered



Subject.

Resubmitting with remarks papers in connection with the investment of the Provident fund subscriptions of teachers in aided schools in Co-operative Banks.

ENCLOSURES

No.

Spare copies

Ref on C. No. D is

706 or 20

Station Madras, Dated the 17 November 191 20

From (Name) The Hon'ble Mr. R. G. Grieve, M.A.,
(Designation) Acting Director of Public Instruction
Madras

To The Secretary to the Government of Madras,
Home/Education/Department.

Sir,

In resubmitting herewith the enclosures received with endorsement No. 2457 A - 1 dated 13th October 1920 I have the honour to state that permission has already been granted by me in some cases after consultation with the Registrar of Co-operative Societies for the investment of provident fund subscriptions of teachers employed in aided schools ^{in Co-operative Banks} and that I have therefore no objection to the proposal.

I have the honour to be,
Sir,

Your most obedient servant,

R. G. Grieve

For Director of Public Instruction

n.v.s. 11/20

L a w (Education)

DEPARTMENT.



191 .

Registered

24.3.1921

Subject.

Submitting a report about the investment of Provident Fund deposits in Cooperative Central Banks.

ENCLOSURES

No.

Ref. on Current No. 12955 of 1920

Spare copies

Station M a d r a s, Dated the 22 M a r c h 1921

From (Name) R.G.Grieve Esq., M. A.,

(Designation) Ag. Director of Public Instruction,
M a d r a s.

To The Secretary to the Government of Madras,

L a w (Education) Department.

Sir,

In connection with the letter to Government of the Registrar of Cooperative Societies, Ref. on Cur.No.3139 of 20 dated 19th July 1920 suggesting the desirability of permitting the investment in Cooperative Central Banks of the Provident Fund of teachers in aided schools and institutions, I have the honour to state that it is understood that Government have suggested that the interests of Government should be safeguarded by an express ~~declaration~~ declaration that the deposits in Cooperative Banks are on the request and at the risk of the management or teachers. I have consulted the Registrar of Cooperative Societies in the matter and he reports that the central banks are absolutely safe and the worst that need be feared at all is delay. The bulk of the

loans given to primary societies with unlimited liability and the loans have in the past been strictly limited to a submultiple, generally one-eighth of the estimated value of the assets of the members of the society. And I think it is reasonable to hold that apart from the question of being able to find the money given at a given moment there is no reasonable doubt that such banks would always pay sixteen annas in the rupee of course if they do their business badly, they might find that they could not repay the deposit exactly when it was required. And if they manage their business very badly indeed, they might put the --- depositors to a very great deal of inconvenience; and perhaps ultimately might have to close their doors. But even if they were rendered bankrupt, it seems to me hardly possible to believe that they would ever pay less than sixteen annas in the rupee in liquidation.

The above considerations deal with the question of safety under the worst possible conditions. I may say however that our Central banks are generally speaking efficiently conducted --- always keep quite adequate fluid resource and are not in the least likely to delay the payment of deposits.

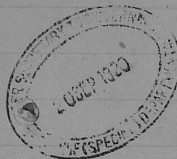
In the light of the Registrar's remarks I have the honour to request the orders of Government as to whether sanction for permission to invest Provident Fund monies in Cooperative banks may not be given unconditionally.

2. In this connection it must be remembered that under the Government of India Provident Fund Rules all contributions will be invested in the Post Office Savings Bank.

I have the honour to be,
Sir,
Your most obedient servant.

John Smith
for Director of Public Instruction.

SAR.



Home (Secy) Dept.
CN 2457A. From the Registrar of Cooperative Societies, Coimbatore, 3139
8.19.20.

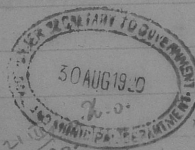
Subject - Investment in Cooperative central banks of the provident funds of teachers in aided schools.

Submitted that the Ld. Secy may be requested to put up for reference for No. 7092, dated 17.7.20, ~~passing~~ orders on the letter of the Registrar of Cooperative Societies, dated 16th June 1920, which is quoted in his present letter.

8th
25.8.20.
16/9/20

25.8.20
L. M. M.

Let No. 4638-1K
18/9/20
From No. 2457A-1
30.8.20



22.10.20
14.9.20
17.9.20
18.9.20

Local and Muz. Dept.

No. 7092 of 17.7.20 was put up for CN 3576 L of 1920 which was sent us to Rev Spl. on 17.8.20. Submitted that that Dept. may be requested us to put up that for in this file and pass it on to Home (Secy), no.

17.9.20
Rev Spl (no)

17.9.20
Home (Secy) no through Rev

No. 1366-III
20.9.20
4.8.20
9th
18.9.20

Rev. J. H. B. M.

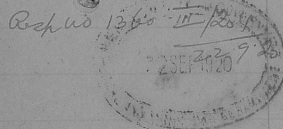
20-2-8-

The file referred to by item was returned to them on the 4th inst. (Rev. J. H. B. M. 1221-1222)

RL
20-9-20

RL
21-9-20

L+M W.O.



Letter 57091

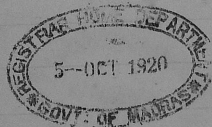
20/9/20

The original is
replied for C.A.
35762.

RL
20-9-20

Letter 5709-12

1-10-20



20/9

Local and Rural Dept

Reg^r

A copy of L.R. No. 7092, of 17.9.20 together with an extract from the Co-operative Registrar's letter No. 220 of 10.6.20 is submitted at flag (T). The file may now be returned to Home (L.R.).

RL
20-9-20

Home (L.R.)

Home (L.R.) Department

Submitted that the D.P.S. may be consulted on the Registrar's letter. A draft endorsement is submitted.

RL
13-10-20

RL
13-10-20

[End^t No 2457A-1 of 13.10.20]

CR 3382A. From the D.P.S. D.D. 7706 of 17.11.20.

p. 4 of cf.

The D.P.I. states that he has already granted permission in some cases to invest in cooperative banks the provident fund subscriptions of teachers in aided institutions. It is submitted that no orders have been issued by Govt in regard to the ~~subscriptions~~ ^{working} of the provident fund schemes ~~established by managers of~~ ^{of} ~~aided institutions~~. The D.P.I. has however, laid down certain rules for the guidance of managers in this matter. If he himself ^(has) grants permission to invest the provident ~~fund~~ ⁽ⁱⁿ⁾ fund subscriptions ⁽ⁱⁿ⁾ in cooperative banks, orders of Govt are not necessary. The D.P.I.'s letter may be ~~sent~~ ^{sent (to)} ~~to~~ ^{(through Secy (Sd) to Govt)} to the Registrar of Coop. Societies. It may be mentioned here that when the Govt provident fund scheme for the teachers in aided institutions is introduced most of the existing provident funds ~~will~~ ^{will} be merged in it. ~~Under the rules framed by the Govt of India, contributions to the Govt Fund should be deposited in Post Office Savings Bank and no deviation from the rule is permissible.~~

8th
25.11.20.

M
28/11/20

Contributions to the Govt Fund should be deposited in Post Office Savings Bank and no deviation from the rule is permissible. 28.11.20



3385-1
2.12.20
(white file)

283. Co. 3574 A
6.12.20

Has the D.P. sufficiently safeguarded the interests of Govt. by express declaration that the deposit is on the request of the risk of the management or better in event of loss - not like - there will be no claim against Govt.?
2/12/20

5/12/20

Trans 346 D. 4-12-20

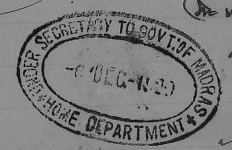
I have taken no special steps to safeguard the interests of Govt. It has been assumed that Cooperative Banks approved by the Registrar were safe. If desired, I will look into the question.

NAQ
4/12/20

(N)

Submitted. Home (Est.) Dept.
These per instructions 19 on page 12 of 3000 1116 of 30-5-19
~~Subscribed~~ The permission already granted by the D.P. may stand.

8th
7-12-20



In view of the contemplated absorption of these private funds in the Govt. policy, it does not appear desirable

to extend the concession still further.)

AM
8/12/20

8/12/20



3385-2

13.12.20



ES. CN. 3797A

22.12.20

It will take some time before the General Movement fund Scheme matures. Will be safer if the D.P.D. condones his sanction as shown above.

11/12/20

D.P.D. (W) 3708/20.12.20.

I have consulted the Registrar of Co-operative Societies & will advise for: officially on receipt of his reply.

NA9 20.12.20.

How (E. or) Deph

The receipt of the official letter may be awaited.

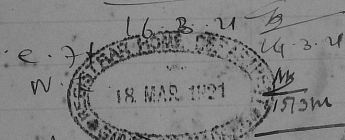
As:
22/12/20
NA9
22.12.20

As:
23.12.20

The D. P. D. may be

requested who to state whom his official

letter may be expected.



As:
16.3.21
S P. H.

ES. CN. 3797A
17.3.21
18.3.21

I shall be advising for: officially in a few days.

NA9 17.3.21.

11 6
Law (Feb 27) Dept. H.

Many awaits receipt of
D. P. D. official letter. If not received
by the 15th April next the
Director may again be reminded.

B
20.3.21

A
21.3.21

pp 5-6, c. f. C. 1421/A, from the D. P. D., R. O. C. 12955/30, 223/21

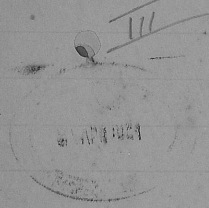
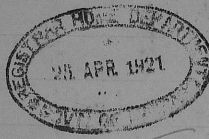
~~From~~ In his current
letter the Director has given convincing
reasons which show that investment of
president fund monies in ~~the~~ ~~and~~ co-
operative central banks is free
from risk. ~~It is therefore~~ for consideration
whether the permission already given
by the Director for such investments
may stand without any new condition
such as the one suggested by the Secy. at
p. 4 ~~and~~ being now tagged on. ~~Added~~

B
12.4.21

In this case it is perhaps
different to send the file w/o
for the perusal of the Registrar
of co-operative Societies through the
Development Dept.

B
14.4.21

A
14.4.21



I am decidedly of opinion that the Central banks at present are quite safe institutions. But that is not my main point. The provident fund money belongs to the depositor & the deposit will be ours. So if the bank fails, we lose as we must pay the depositor in full. In these circumstances I believe it is usual to get a declaration from the depositors. In the case of central banks this will be formal but the usual course must be followed. But for remarks to

A

27.4.21/A-1
vs. 4.21
1060.111
26.4.21

111
22/4/21

also 707

Dev. Dept.

To Under Secy.

The file may be sent up to the Registrar of Cooperative Societies for remarks. He may be asked to furnish information ^(if any) as to A above.

La.
27.4.21

This ref^y is not necessary. The principle referred to by the Home Secretary was already accepted and adopted in the

* Vile last sent, q. no
 4000-10 to 10
 5642 (B)
 25754
 Vide fair sent, q. no 19
 903 Home (C)
 1-4-20 (H)

Case of deposits by the roll-past contractors
 and by the tail contractors. In both these
 cases, it was specially provided for that
 a formal application from the contractor,
 requesting the President of the Local Board
 to invest the amounts of their deposits
 in Corp. Control or Provincial Banks at their
risk should be obtained. In this manner
 the responsibility of the Local Body has been
 safeguarded. It is suggested that the same pro-
 cedure may be adopted in the case of provident-
 funds of teachers in aided schools. With
 these remarks the file may be transmitted to
 Home (Eds) sept

5/10/21
 28/4/21

3 aqm J
 4.5.21

Home (Eds) 1 w/o

done (Eds) Dept.

Please see the Develop-
 ment Dept's note above. The
 General Provident fund for teachers
 affd. in G.O. No. 14 Sd. 3, dt 4.1.21 may
 be expected to come into working
 order ere long and under it the
 deposits have to be invested in Postal
 Savings Bank. In the meanwhile they
 may not be many occasions for

Dev. no. 1060-III/21-1
 6.5.21

Ed 2293A
 7.5.21
 MAY 1921

Sal par. 5- p. 4
 of G.O. at
 (S)

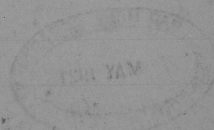
for investment of the contributions
question by aided school managers
2 Subject to appl: a date
order is dated:

to
10.5.21

10.5.21

10/5/21

16/5/21



Have (S) D

Read:-

c. 24 57/10 from the Regt. of Cooperative Societies,
R.C. 3139/20, d) 19.7.20.

c. 338 85/10 from the D.F.S. Ins. 7706/20, 17 ⁴/₂₀.

c. 14 21/10 from the D.F.S., R.C.C. No. 12955, 22 ³/₂₁.

~~c. 24 57/10 from the Regt. of Cooperative Societies,~~

President funds deposits R.C. 3139/20, 19.7.20.

Investment in cooperative
central banks - orders
passed.

Order Nos. 7825) 19 ⁵/₂₁

In view of the
facts that the president funds
of aided schools will be
merged in the general president
fund for teachers in non-
pensionable service sanctioned
in G.O. No. 14 dated 4.1.21
and ~~that~~ the latter is to be
managed through the agency
of the Post Office Savings Bank,
the Govt. do not consider
that there is ^{any} need ~~to~~ ^{issue a}
general order as suggested by
the Registrar of Cooperative
Societies. For the meantime
any ~~proposed~~ aided school
management decisions of
investing the president fund

Ph. c. f

deposits of its employees in
 Co-operative central banks
 may be permitted to do so
 by the D. P. S. on the distinct
 understanding that such investment
 is at the special ^{written} request and
 at the risk of the management
 concerned.

B
 10.5.21
 10.5.21

A
 14/5/21
 16/5/21

X P
 18.11.1921

Copies 19
DESPATCHED
 19 MAY 1921
 To the D. P. S.
 Regt. of Co-operative
 Societies
 Thru the Development Dept.

When given for copying
 When copied
 When examined 18/11/5 1921
 When signed

READ AGAIN G.O. No. 102 DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT.

STATEMENT WITH DETAIL.

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

N.E.-

A = Copy in full.
 B = Not to be copied.
 P = Copy abstract only.
 Q = Copy heading only.

A A A A A A A