

Law Education (1926) Department.

Mis SERIES. *Δ*

G.O. No.

1241

DATED

5. 7. 26

(7)

[Despatch Abstract.]

Provident Fund - Advances from the fund - Post Office Cash

Certificates purchased with deposits - note to be discharged.

BACK PAPERS.

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

FURTHER PAPERS.

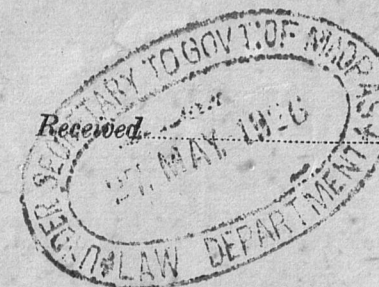
G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

CF. 30

L a w (Education)

DEPARTMENT.

2



192 . Registered . 192

H. An 1648 C
27/5/26

Subject.

Government Provident Fund rules for teachers in
non pensionable service - interpretation of rules 9-(b)(1)
and 11 (a)

ENCLOSURES.

No.

R.O.C. No. 636 D/26

Spare copies

Station Madras Dated the 22nd May 1926

From (Name) R.G. Grieve Esq., M.A.,
(Designation) Ag: Director of Public Instruction

To The Secretary to the Government of Madras
L a w (Education) Department.

Sir,

Rule 9 (b) (1) of the Government Provident
Fund Rules for teachers in non-pensionable service permits
the subscribers to the fund to invest in the Post Office
five year cash certificates the whole or any part of the
deposits standing to their credit in the Post Office Savings
Bank. Under the provisions of this rule, the subscribers to
the scheme invest almost the entire amount ⁱⁿ 5 year cash
certificates leaving little or no balance to their credit
in the Post Office Savings Bank. After investing the amount
at their credit in this manner, they apply for an advance
under Rule 11.a. of the Government Provident Fund Rules.

2. Rule 11 (a) of Government Provident Fund Rules
lays

H. 3 of
K. No 16518
29.10.24 (V)

H. 6 of (V)

2
lays down that an advance not exceeding 3 months' pay of the subscriber can be sanctioned when the deposit to the credit of the subscriber exceeds six months' pay. It is not, however, clear from the rules whether in the case of a subscriber who has invested the whole or a part of his deposits in Post Office cash certificates, the advance is to be sanctioned out of the balance of deposit, if any, left over in the Post Office Savings Bank, or the whole deposit including the amount invested in Post Office cash certificates. If it is the latter, it may be necessary to arrange for the discharge of some or all of the cash certificates, before the expiry of the full five-year period, in case there is no balance of deposits in the Post Office Savings Bank account of the subscriber, or the amount left therein is not sufficient to meet the demand.

p. 4 ufa
3. So far as the post office is concerned, there is no objection to Post Office cash certificates being discharged at any time after purchase. Please see letter of Deputy Accountant General, Post and Telegraphs No. 163 M. dated 20th October 1925, copy of which is herewith enclosed. It would appear therefrom that the amount invested in Post Office cash certificates by subscribers to the Government Provident Fund may be realized at any time for the purpose also of sanctioning advance.

p. 5 of Ga
4. It may however, be pointed out that Rule 9 of Government Provident Rules does not contemplate the discharge of the Post Office cash certificates before the expiry of the full period. Para (v) of the rule quoted above provides for the realisation of the amount only at the end of the five year period, to be credited again to the account of the subscriber. Further, the discharge of Post Office cash certificates, whenever a subscriber applies for an advance, will involve no small amount of work at the office of the District Educational Officer, who is responsible for administering the fund, and for arranging the purchase and discharge of the cash certificates, at the requisition of the subscriber.

5. I therefore consider that the provision for the discharge of Post Office cash certificates before the expiry

3
of the full period, ^{may be awarded} ~~be awarded~~ ^{only} ~~if~~ only for closing the accounts of subscribers, who die or retire or are obliged to retire from the teaching profession during the above said period, and in all other cases where the Government Provident Fund deposits have been wholly or partially invested in Post Office Cash Certificates, the amount so invested be realised only at the end of the full period, application for advances being considered under Rule 11 with reference to the balance of deposits, if any, left to the credit of the applicants in their Post Office Savings Bank accounts. The deposit invested in Post Office cash certificates may, however, be taken into account in calculating the amount of deposit required under Rule 11(a) for sanctioning advances.

p. 6 of (v)
6. I have therefore the honour to request you to be so good as to have the relevant portions of the Government Provident Fund Rules, modified with reference to the points discussed above. If Government concur in the views expressed in paras 4 and 5 of this letter a paragraph to the following effect may be added to Rule 9 viz.,

"Deposits invested in Post Office Cash Certificates under this rule shall not ordinarily be available for ^{sanctioning} withdrawal of advances ^{before the expiry of the five year period.} ~~that may be sanctioned under Rule 11.~~"

I have the honour to be,

Sir,

Your most obedient servant,

J. C. Chumappa
For Director of Public Instruction

25/5
T.R. 25/5

4
Copy of letter No.163-M/C.C. dated 20-0-25 from the Deputy Accountant General, Posts and Telegraphs, Madras to the Director of Public Instruction.

With reference to your letter R.O.C.No.1295 D/25 dated 31-8-25 addressed to the Accountant General, Posts and Telegraphs Calcutta and forwarded to this office for disposal I have the honour to state that so far as the Post Office is concerned, there is no objection to post office 5 Year Cash Certificates being discharged at any time after purchase. It is not necessary that the full period of 5 years should expire.

2. The procedure to be adopted in cases of cash certificates discharged before the expiry of the 5 years is the same as that prescribed for discharged after the expiry of the said period. Reference is invited to Rule 6(1) of "Post Office 5 year cash certificates" pages 123 and 124 of the Post and Telegraph Guide.

3. A copy of G.O.No.1651 Law (Education) dated 29-10-24 may kindly be sent to this office as the one stated to have been sent by you to the Accountant General, Posts and Telegraphs has not been received from him.

(True copy)

C.No.1648 C - From the D.P.I., R.O.C. No. 636 D/26 dated 22-5-26.

Subject.- Provident Fund for teachers -Withdrawal of deposits.

Under rule 9 (b) of the rules relating to the Provident Fund for teachers in non-pensionable service, subscribers to the fund have the option of investing in post office five-year cash certificates the whole or any portion of the amount to their credit in the fund. Rule 11 (a) permits the grant of advances up to an amount not exceeding three months' pay of the subscriber when the deposit to the credit of the subscriber exceeds six months' pay.

2 The Director suggests that the amount to the credit of the subscriber in the post office savings bank and the amount invested in post office five-year cash certificates ^{which} ~~may~~ be taken into account for determining the eligibility of a subscriber to an advance, ~~but that~~ the advance actually sanctioned should be limited to the amount to the credit of the subscriber in the savings bank.

In cases where the amount in the savings bank is not sufficient to make up the advance, the Director is not in favour of post office cash certificates being discharged because

- (i) this is not contemplated in the rules; and
- (ii) the discharging of cash certificates involves heavy work in the ~~R.O.C.~~ offices of S.E.s

3 District Educational Officers are touring officers and a good deal of the responsibility for discharging certificates and realising cash may fall on their head clerks. It is desirable that the occasions for conversion of the certificates should be minimised. The Director's proposal is reasonable and may be accepted. No doubt some subscribers may

P. 5 of G.O. No. 1651
29.10.24 (V)

P. 6 ibid

P. 3 of

P. 2 of
-x- (These are the officers who administer the fund)

not get the full amount of the advance for which they are ~~eligible~~ under the rules, but this cannot be helped. If they are prudent, they should have in the post office savings bank an amount sufficient to meet their requirements in cases of necessity for an advance.

4 The addition suggested ^{to the Provident fund rules} may perhaps be placed as follows and ~~be~~ inserted after the penultimate sentence of rule 11 (a) instead of under rule 9.

"In calculating the deposit to the credit of the subscriber the amount invested in post office five-year cash certificates shall be taken into account, but no portion of the amount so invested ~~in post office cash certificates~~ shall be available for sanctioning advances before the expiry of the five-year period."

7.6.26. 8.6.26

9.6.26

Will Fin kindly advise on the above?

V.T. 10.6

Fin 11.6

Finance (G.R.)

Finance may agree with the view expressed in the

Law Dept. note above.

The last part of the addition to the Rules as drafted by Law Dept. reads "on very obscurely, would it not be clearer to say" but no portion



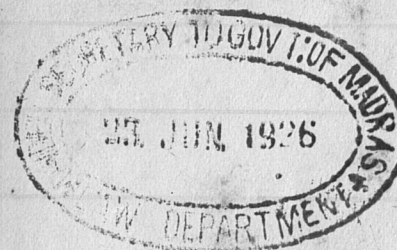
Leon 10/6/26 12.6.26



17274 G8P 12-6-26



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For 0.0.10.17274 G8P-1
23-6-26



of the amount so invested shall be withdrawn upon the expiry of the 5 year period?

22.6.26

Law (G.R.)

The draft has been below for approval... as suggested by Finance. For orders as to circulation before issue.

28.6.26

29/6

30/6

M2

1/7.26

For orders as to issue of the draft.

3.7.26

3/7

Sectt. II-5 (a) -28,703-6-12-24. (6)

Law (Education)

DEPARTMENT.

	Date.	Initials.
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Provident Fund - Advances from the fund -

Post Office Cash Certificates purchased

with deposits - Not to be discharged.

READ AGAIN G.O. No....., dated.....192

” ” ” ” ” 192

READ ALSO:—

C. No. 16481, From the D. P. S., R. O. No. 636-D, dated 22.5.1926.
1943), 26,

” ” ” ” ” ” 192

” ” ” ” ” ” 192

ORDER.

No. 1241, dated 5. 7. 1926

Mis.

The following amendment is made

to the rules relating to the Provident

Fund for teachers in ~~non~~-pensionable

service contained in G.O.No.1651 Law

(Education), dated 29-10-1924 as sub-

sequently amended:-

Amendment

Delete the last sentence in rule

41(a) and substitute the following:-

"In calculating the deposit to the

credit of the subscriber the amount in-

vested in post office five-year cash

certificates shall be taken into account,

but no portion of the amount so invested

shall be withdrawn before the expiry of

the

p. 67 - 20.01651 50.

(v) 29.10.24

Finance Secy's note
- pp 2 & 3, N. 2

the five-year period. Advances from the fund shall be repaid in not more than 24 equal monthly instalments but no recovery ^{shall} ~~will~~ be made from a subscriber while he is on leave of any kind."

28.6.26 *29/6*

To

The D.P.I. ✓

" A.G. thro' the Finance Dept. ✓

" P.M.G. (with C.L.). ✓

" Senior Translator to Govt. ✓

" L.S.G. Dept. ✓

" S.G.P. for publication in the Gazette. ✓

DESPATCHED

6th JUL 1926

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192

READ AGAIN G.O. No. _____ DATED _____
192

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT .. A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DUTY.

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