Government of Madras.

PUBLIC WORKS DEPARTMENT.
RAILWAYS.

Recd. } 1907. *Enclosures*
Regd. } *Spare copies*

G.O., No. 893 Ry., 29th May 1907.

Rule 17 of the Madras Railway Company's Provident Fund rules

Recording a memorandum from the Railway Board communicating the sanction of the Secretary of State to a further modification in —.

Government of Madras.

PUBLIC WORKS DEPARTMENT.
RAILWAYS.

Recd. } 1907. *Enclosures*
Regd. } *Spare copies*

G.O., No. 893 Ry., 29th May 1907.

Rule 17 of the Madras Railway Company's Provident Fund rules

Recording a memorandum from the Railway Board communicating the sanction of the Secretary of State to a further modification in —.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

RAILWAYS.

Read—the following papers:—

I

G.O., No. 65 Ry., dated 10th January 1907.

Abstract.—Recording a memorandum from the Railway Board communicating the sanction of the Secretary of State to the addition of a provision to rule 17 of the rules of the Madras Railway Provident Institution allowing advances to depositors proceeding to hill stations in India on account of ill-health.

II

Letter—from Lieut-Col. C. A. R. Browne, R.E., Secretary to the Railway Board.
To—the Secretary to the Government of Madras, P.W. Dept., Railways.
Dated—Simla, the 4th September 1906.
No.—R.E. 1023-B/1.

I am directed to invite attention to rule 17 of the Madras Railway Company's Provident Fund rules under which the Fund loans money to depositors from the general account of the fund, and to say that in connection with the adoption of a similar rule by another line, the question was raised as to whether in the event of the recipient of a loan dying before refunding the advance thus made, the balance of the amount advanced would form a first charge against his deposits, or would merely reckon as an ordinary debt to be paid out of the deceased's estate along with any other debts to be met therefrom.

2. The question was referred to the Honourable the Advocate-General, and I am to forward herewith a copy of his opinion, and to request that the attention of the Agent, Madras Railway, may be called to the point with a view to proposals being submitted for modifying the rules of the Company's fund, in the manner indicated, should this be thought necessary by the Agent.

Enclosure.

The Honourable the Advocate General's Opinion.

Rule XIV (3) (*b*) of the rules proposed for introduction on the . . . . . does not deal with withdrawals of the balance of compulsory deposit or bonus standing to the credit of a depositor in the Provident fund, but merely the advances made to a depositor from the general account of the fund. It ought, therefore, to be made a separate rule and not a portion of section XIV at all.

In redrafting it as a separate rule a clause should be added that all such advances are made on the security of compulsory deposits or bonuses standing to the credit of the depositors and may be deducted from the amount of such compulsory deposits or bonuses before any portion of the same is withdrawn.

9th February 1906.

P. O'Kinealy.

III

Memorandum—from Mr. G. A. Anderson, Consulting Engineer for Rys., Madras.
To—the Agent and Manager, Madras Railway.
Dated—the 13th September 1906.
No.—815/O. Mis.

IV

Letter—from Mr. G. A. Anderson, Consulting Engineer for Railways, Madras.
To—the Agent and Manager, Madras Railway.
Dated—the 24th May 1907.
No.—1082-Rou.

V

Memorandum—from Mr. R. C. F. Volkers, Secretary to the Railway Board.
To—the Secretary to the Government of Madras, P.W. Dept., Railways.
Dated—Simla, the 16th May 1907.
No.—351 R.E.

The undermentioned paper is forwarded to the Secretary to the Government of Madras, Public Works Department (Railway Branch), for information, in continuation of this office No. R.E. 1023-B/1., dated 4th September 1906 and R.E.-348-A/6, dated 21st December 1906.

Enclosure.

Despatch—from His Majesty's Secretary of State for India.
To—His Excellency the Right Honourable the Governor-General of India in Council.
Dated—India Office, London, the 5th April 1907.
No.—37 Ry.

In continuation of my Railway Despatch No. 74, * of the 16th November last, I forward herewith copy of correspondence † with the Madras Railway Company, from which it will be seen that I have sanctioned a further modification in rule 17 of the Madras Railway Provident Institution.

* R. E. February 1907, Nos. 32–50-A.

Madras Railway Provident Institution. Further modification in Rule 17.

† From Madras Railway Company, dated 15th March 1907.
To Do. do. „ 3rd April 1907.

Sub-Enclosure No. 1.

Letter—from Mr. W. H. Cole, Secretary, Madras Railway Company.
To—the Under Secretary of State for India.
Dated—London, E.C., the 15th March 1907.
No.—132.

In continuation of previous correspondence ending with India Office letter P.W. 1670, dated the 8th November 1906, I am directed by the Board to state that they regret to have to trouble the Secretary of State in Council again on the subject of rule 17 of the Madras Railway Provident Institution.

The bonus portion of the amounts at credit of an employé being liable to forfeiture in certain cases defined in the rules, it is necessary that advances made from the fund under rule 17 shall be "out of," and secured on, "the compulsory deposits," and a further modification of rule 17 becomes necessary.

Rule 17, as revised, will, therefore, stand as follows:—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide."

And the Board would be glad to receive the Secretary of State's approval of the rule as now revised.

Copies of paragraph 5 of the Board's letter to their Agent and Manager, No. 1202 of the 8th November 1906, and Agent's reply, paragraph 10 of his No. 2821, of the 14th February 1907, which explain the position, are enclosed for ready reference.

Annexure No. 1.

Letter—from Major H. Bonham-Carter, R.E., Agent and Manager, Madras Ry.
To—the Secretary to the Madras Railway Company.
Dated—Madras, the 14th February 1907.
No.—2821.

* * * * *

10. With reference to paragraph 5 of your letter No. 1202, dated 8th November 1906, regarding the alteration of clause 17 of the Provident Institution rules, I beg to inform you that the deletion of the words "in twenty monthly instalments" has been accepted by the Committee. In regard to the second point raised in your letter, whether the advances should not be made on the security of compulsory deposits alone, the Committee agree with the Board's suggestion, and the draft has been revised accordingly. Further, by providing that the advances may be paid "*out of*" instead of "*on the security of*" compulsory deposits, the addition to rule 17 suggested in paragraph 8 of my letter No. 2805, dated 25th October 1906, becomes unnecessary. In this connection the Chief Auditor writes to me as follows:—

Rule 17 of Provident Institution rules.

"It will then be unmistakeable that the advance has been made 'out of' and not 'on the security of' the members' own contributions, and as the compulsory deposits are kept separate from the revenue contributions in each member's account in the ledgers, any advance will, as indeed it is at present, be posted as a deduction from the total of the former which will be credited with the amount of each instalment when recovered."

The Committee have approved of this alteration and the draft clause 17 revised as above, reads as follows:—

"If and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide".

If the Board approve, I shall be obliged if the sanction of the Secretary of State can be obtained thereto.

* * * * *

Annexure No. 2.

Letter—from Mr. W. H. Cole, Secretary to the Madras Railway Company.
To—the Agent and Manager, Madras Railway.
Dated—London, the 8th November 1906.
No.—1202.

* * * * *

5. With paragraph 13 of your letter, dated 11th October 1906, you enclose copy of the Consulting Engineer for Railway's letter No. 815/O., Mis., dated 13th September, forwarding to you, for information and report, copy of the Railway Board's No. R. E. 1023-1, * dated 4th September, and of the Advocate-General's opinion that a separate clause should be inserted in the Madras Railway Provident Institution rules, providing that any advance under rule 17 should be made on the security of the compulsory deposits or bonuses standing to the credit of the depositors, and be deducted from the amount of such compulsory deposits or bonuses before any part of these is withdrawn. You also submit a re-draft of rule 17, including a clause to this effect.

Madras Railway Provident Institution, rule 17.

* R.E., July 1906, Nos. 16-27 A.

The Board do not propose to ask the Secretary of State to sanction this revision of the rules until they have had the benefit of your further opinion on the subject. As advised in paragraph 4 of this office letter No. 1200, addressed to you on the 26th October 1906, the Board, in submitting your draft alteration of rule 17 to the Secretary of State for sanction, deleted the words "in twenty monthly instalments," and they would be glad to be informed if this alteration is accepted by the Committee. In further revising the rules, the question arises whether the advances should be made on the security of the compulsory deposits alone, and therefore limited by their amount, the bonuses being liable to forfeiture in certain cases defined in the rules. It is also a matter for consideration whether the required change in the rules would be more satisfactorily made, not by your proposed further addition to rule 17, but simply by the insertion of the words "or the Madras Railway Provident Institution" after "Company" in rule 26A. The Board would like to hear further from you on these points before submitting to the Secretary of State for sanction, such addition to the rules as may be finally agreed upon.

* * * * *

Sub-Enclosure No. 2.

Letter—from Mr. C. G. Campbell,
To—the Secretary, Madras Railway Company.
Dated—India Office, the 3rd April 1907.
No.—474 P.W.

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 15th March 1907, No. 132, in which you propose a further modification of rule 17 of the Madras Railway Provident Institution.

As, proposed to be revised, the rule will stand as follows:—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England or of proceeding to Europe on medical certificate, or returning after absence on such certificate, or of sending any of his family to Europe or a Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature, and must be repaid as the Committee may decide."

I am to inform you that the Secretary of State in Council sanctions the revised rule as above quoted.

Order—No. 893 Ry., dated 29th May 1907.

Recorded.

(True Extract.)

G. A. Anderson,
Secretary to Government.

To the Examiner, Guaranteed Railway Accounts,
" Consulting Engineer for Railways.
" Agent and Manager, Madras Railway.

All communications should be addressed to the Secretary, Railway Board, by title NOT by name.

RAILWAY BOARD.

No. R.E.1023 B/1.

S I M L A,

Dated the 4th of September 1906

To

The Secretary to the Government of Madras,

Public Works Department, Railway Branch.

SIR,

I am directed to invite attention to rule 17 of the Madras Ry. Company's Provident Fund Rules under which the Fund loans money to depositors from the General Account of the Fund, and to say that in connection with the adoption of a similar rule by another line, the question was raised as to whether in the event of the recipient of a loan dying before refunding the advance thus made, the balance of the amount advanced would form a first charge against his deposits, or would merely reckon as an ordinary debt to be paid out of the deceased's estate along with any other debts to be met therefrom.

2. The question was referred to the Hon'ble the Advocate General, and I am to forward herewith a copy of his opinion, and to request that the attention of the Agent, M a d r a s Railway, may be called to the point with a view to proposals being submitted for modifying the rules of the Company's Fund, in the manner indicated, should this be thought necessary by the Agent.

I have the honour to be,

Sir,

Your most obedient servant,

for Secretary, Railway Board.

D.A.-Opinion of the Hon'ble the Advocate General dated the 9th February 1906.

G I, C. P. O.—No. 2365 R. B.—3-4 1906.—5,000.

3882

THE HONOURABLE THE ADVOCATE GENERAL'S OPINION.

-x-x-x-x-x-x-

Rule XIV (3) (b) of the Rules proposed for introduction on the x x x does not deal with withdrawals of the balance of Compulsory Deposit or bonus standing to the credit of a Depositor in the Provident Fund, but merely the advances made to a Depositor from the General Account of the fund. It ought, therefore, to be made a separate rule and not a portion of Section XIV at all.

In re-drafting it as a separate rule a clause should be added that all such advances are made on the security of Compulsory Deposits or bonuses standing to the credit of the Depositors and may be deducted from the amount of such Compulsory Deposits or bonuses before any portion of the same is withdrawn.

Sd/- P. O'KINEALY.

The 9th February 1906.

Form No. 19.
200—4-4-0.

OF THE CONSULTING ENGINEER FOR RAILWAYS.

Madras, 13th September 1906

No. 815/5 Mis

815/5 Mis Dy 11.5.07.
1 & Afrs

MEMORANDUM.

CPV 11.5.07.

fwd R Letter from the Railway Board No. R.E. 1023 B/1 dated 4th September 1906.

Copy forwarded to the Agent and Manager Madras Railway for information and favour of report.

Cav 12/Sept
for ER

Issd 12/9

Despd 13.9.06

Form No. 1.
2,000—20-6-06.

4

OFFICE OF THE CONSULTING ENGINEER FOR RAILWAYS,

Madras, 24-5- 190 7.

No. 1052 Rotine Confine

From

THE CONSULTING ENGINEER FOR RAILWAYS,

Madras,

Reminders.

To

The Agent and Manager,
Madras Railway

SIR,

Reply No.

Dated p3d.

I have the honour to invite your attention to this office memo No 815/G. mis dated 13th September 1906 forwarding for information and favour of report a copy of Railway Board's letter ~~No 815/G~~ No R.E. 1023 B/1 dated 4th September 1906 with enclosure, on the subject of Rule 17 of the Madras Railway Provident Fund Rules and to enquire if you wish to submit any proposals in ~~intend to reply to the reference~~.

Enclosures. p. 1 of

CPV 23.5.07 23/5/07

Despatched on 24/5/07.

All communications should be addressed to the Secretary, Railway Board, by title NOT by name.

RAILWAY BOARD.

No. 351 R.E.

Simla,

Dated the 16th of May 1907.

SECRETARY TO
RECEIVED
21 MAY 1907
C. No. 763
GOVT. OF MADRAS RYS.

The under-mentioned paper is forwarded to the Secretary to the Government of Madras, Public Works Department, (Railway Branch), for information, in continuation of this office No. R.E.1023 B/1 dated 4th September 1906 and R.E.348/A-6 dated 21st December 1906.

By order,

B Stanley

for Secretary, Railway Board.

Document referred to.

Copy of His Majesty's Secretary of State's Despatch No. 37 Railway dated 5th April 1907 and enclosures.

N.

G. I. C. P. O.—No. 1746 R. B.—19-4-1907.—5,000.—A. M.

India Office, London,
5th April 1907.

Railway,
No. 37.

To His Excellency the Right Honourable the Governor General of India in Council.

My Lord,

In continuation of my Railway Despatch No 74, * of the 16th November last, I forward herewith copy of correspondence † with the Madras Railway Company, from which it will be seen that I have sanctioned a further modification in Rule 17 of the Madras Railway Provident Institution.

*R. E. February 1907, Nos. 32-50—A.

Madras Railway Provident Institution. Further modification in Rule 17.

† From Madras Railway Company, dated 15th March 1907.
To ditto, dated 3rd April 1907.

I have the honour to be,
My Lord,
Your Lordship's most obedient humble Servant,
(Signed) E. Grey.

ENCLOSURES.

Enclosure No. 1.

Madras Railway Company to India Office.

No. 132. 1, Broad Street Place, Finsbury Circus,

Sir, London, E.C., 15th March 1907.

In continuation of previous correspondence ending with India Office letter P. W. 1670, dated the 8th November 1906, I am directed by the Board to state that they regret to have to trouble the Secretary of State in Council again on the subject of Rule 17 of the Madras Railway Provident Institution.

The bonus portion of the amounts at credit of an employé being liable to forfeiture in certain cases defined in the rules, it is necessary that advances made from the fund under Rule 17 shall be "out of," and secured on, "the compulsory deposits," and a further modification of Rule 17 becomes necessary.

Rule 17, as revised, will, therefore, stand as follows :—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a Hill Station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a Hill Station.

"The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide."

And the Board would be glad to receive the Secretary of State'e approval of the rule as now revised.

Copies of paragraph 5 of the Board's letter to their Agent and Manager, No. 1202 of the 8th November 1906, and Agent's reply, paragraph 10 of his No. 2821, of the 14th February 1907, which explain the position, are enclosed for ready reference.

I have, &c.,

The Under Secretary of State for India. W. H. Cole, Secretary.

Annex 1.

No. 2821. Madras,

14th February 1907.

* * * * * * *

Rule 17 of Provident Institution Rules.

10. With reference to paragraph 5 of your letter No. 1202, dated the 8th November 1906, regarding the alteration of Clause 17 of the Provident Institution Rules, I beg to inform you that the deletion of the

words "in twenty monthly instalments" has been accepted by the Committee. In regard to the second point raised in your letter, whether the advances should not be made on the security of compulsory deposits alone, the Committee agree with the Board's suggestion, and the draft has been revised accordingly. Further, by providing that the advances may be paid "*out of*" instead of "*on the security of*" compulsory deposits, the addition to Rule 17 suggested in paragraph 8 of my letter No. 2805, dated 25th October 1906, becomes unnecessary. In this connection the Chief Auditor writes to me as follows:—

> "It will then be unmistakeable that the advance has been made 'out of' and not 'on the security of' the members' own contributions, and as the compulsory deposits are kept separate from the revenue contributions in each members' account in the ledgers, any advance will, as indeed it is at present, be posted as a deduction from the total of the former which will be credited with the amount of each instalment when recovered."

The Committee have approved of this alteration and the draft Clause 17 revised as above, reads as follows —

> "If and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a Hill Station on account of sickness, subject to the condition that the application for advance is accompanied by a medical certificate recommending the change to a Hill Station.
>
> "The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide."

If the Board approve, I shall be obliged if the sanction of the Secretary of State can be obtained thereto.

* * * *

G. W. GILES,

The Secretary. for Agent and Manager.

Annex 2.

London,

No. 1202. 8th November 1906.

* * * * *

5. With paragraph 13 of your letter dated 11th October 1906, you enclose copy of the Consulting Engineer for Railway's letter No 815—0, Mis., dated 13th September, forwarding to you, for information and report, copy of the Railway Board's No. R.E. 1,023-1,* dated 4th September, and of the Advocate-General's opinion that a separate clause should be inserted in the Madras Railway Provident Institution Rules, providing that any advance under Rule 17 should be made on the security of the compulsory deposits or bonuses standing to the credit of the depositors, and be deducted from the amount of such compulsory deposits or bonuses

Madras Railway Provident Institution, Rule 17.

* R.E., July 1906, Nos. 16-27-A.

before any part of these is withdrawn. You also submit a re-draft of Rule 17, including a clause to this effect.

The Board do not propose to ask the Secretary of State to sanction this revision of the rules until they have had the benefit of your further opinion on the subject. As advised in paragraph 4 of this office letter No. 1,200, addressed to you on the 26th October 1906, the Board, in submitting your draft alteration of Rule 17 to the Secretary of State for sanction, deleted the words "in twenty monthly instalments," and they would be glad to be informed if this alteration is accepted by the Committee. In further revising the rules, the question arises whether the advances should be made on the security of the compulsory deposits alone, and therefore limited by their amount, the bonuses being liable to forfeiture in certain cases defined in the rules. It is also a matter for consideration whether the required change in the rules would be more satisfactorily made, not by your proposed further addition to Rule 17, but simply by the insertion of the words "or the Madras Railway Provident Institution" after "Company" in Rule 26A. The Board would like to hear further from you on these points before submitting to the Secretary of State for sanction, such addition to the Rules as may be finally agreed upon.

* * * *

W. H. COLE,
Secretary.

The Agent and Manager.

Enclosure No. 2.

India Office to Madras Railway Company.

India Office,
3rd April 1907.

P.W. 474.

Sir,

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 15th March 1907, No. 132, in which you propose a further modification of Rule 17 of the Madras Railway Provident Institution.

As, proposed to be revised, the rule will stand as follows:—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after absence on such certificate, or of sending any of his family to Europe or a Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a Hill Station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a Hill Station.

"The advances referred to in this rule are of a temporary nature, and must be repaid as the Committee may decide."

I am to inform you that the Secretary of State in Council sanctions the revised rule as above quoted.

I am, &.,

COLIN G. CAMPBELL.

The Secretary,
Madras Railway Company.

Enc to Rly Cir 75.3
907

10

PUBLIC WORKS DEPARTMENT, RAILWAYS.

FORM No. P.-R.
2,000—[illegible] 07.

Papers to be read in Proceedings:—

1 F
2 p1 No. 85 Ry dated 10 January 1907. abstract
3 p3 Letter from the Railway Board No. RE. 1023-B/1 24.9.06
4 p4 Memo to Sec'y No. 815-Misc dated 13.9.06 (4 Sep quote)
5 Letter to Sec'y No. 1082 Com'l 24.5.07
Memo from the Railway Board No. 351-RE & 16.5.07

ORDER. No. 893 Ry & 29 May 1907.

Recorded

Cow
29/5/07

DR

Sal
28/5

DR
29.5.07

Ju CR ✓ 3
ER ✓
AM ✓ 18

ab-bad-
(2) ✓ (5) in full

Despatched on 22/6/07

to be placed on E.Y.

Form No. 7 R.
5,000—8-3-07.

PUBLIC WORKS DEPARTMENT, RAILWAYS.

R. Receipt No 1229.
From the Railway Board.
No R.E.1023 B/H dated 4.9.06.
Subject: The Madras Ry. Company's Provident Fund Rules.

Action taken in letter No 815/S Mis dated 13.9.06, to A.H.m.

The Railway Board in the above letter invited our attention to Rule 17 of the Madras Railway Company's Provident Fund Rules, under which, loans were advanced to depositors from the General Account of the Fund. The question was elsewhere raised as to whether in the event of the recipient of a loan dying before refunding the advance thus made, the balance of the amount advanced, would form a first charge against his deposits, or would merely rank as an ordinary debt to be paid out of the deceased's estate along with any other debts to be met therefrom. The Railway Board therefore requested that the attention of A.H.m. may be invited to the point with a view to proposals

Form No. 7 R.
A 000—8-3-07. A.

being submitted for modifying the rules of the company's fund, in the manner indicated, should this be thought necessary by the Agent.

A copy of this letter from the Railway Board, together with a copy of the opinion of the Hon'ble the Advocate General, received therewith was sent to Adm. on 13-9-06, for favour of report; and no reply has till now been received.

Submitted that the Adml. may be asked to state if he intends to ~~make any~~ reply.

CDV 18.5.07. Vk 18/5/07

Draft to Adml. accordingly

Ca 22.5.07.

---

p 4 4

Action taken in letter No. 1082 Rly dated 24/5/07 to Adm

Receipt No. 753.
from the Railway Board
No. 351 RE of 16. May 1907.

Draft submitted

Vak 29/5/07

Jmm Core

R 29/5/07

p 2o 29/5/07

Form No. 7 R.
5 000—8-3-07. A.

PUBLIC WORKS DEPARTMENT, RAILWAYS.

Action taken in G.O. No. 893 Ry
dated 29/5/07

1st proof
Dnl
13/6/07

Please see to queries marked

Checked.
Dnl
14.6.07.

D2 For approval. This GO must not be placed on Editor's Table.
Dnl 14/6/07

14.6.07.

2

No. 893 Ry., 29TH MAY 1907.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

RAILWAYS.

READ—the following papers:—

I

G.O., No. 65 Ry., dated 10th January 1907.

ABSTRACT.—Recording a memorandum from the Railway Board communicating the sanction of the Secretary of State to the addition of a provision to rule 17 of the rules of the Madras Railway Provident Institution allowing advances to depositors proceeding to hill stations in India on account of ill-health.

II

Lieut. Col. H.C.A.R. Browne R.E.

Letter—from L , Secretary to the Railway Board.
To—the Secretary to the Government of Madras, P.W. Dept., Railways.
Dated—Simla, the 4th September 1906.
No.—R.E. 1023-B/1.

I am directed to invite attention to rule 17 of the Madras Railway Company's Provident Fund rules under which the Fund loans money to depositors from the general account of the fund, and to say that in connection with the adoption of a similar rule by another line, the question was raised as to whether in the event of the recipient of a loan dying before refunding the advance thus made, the balance of the amount advanced would form a first charge against his deposits, or would merely reckon as an ordinary debt to be paid out of the deceased's estate along with any other debts to be met therefrom.

2. The question was referred to the Honourable the Advocate-General, and I am to forward herewith a copy of his opinion, and to request that the attention of the Agent, Madras Railway, may be called to the point with a view to proposals being submitted for modifying the rules of the Company's fund, in the manner indicated, should this be thought necessary by the Agent.

ENCLOSURE.

The Honourable the Advocate General's Opinion.

Rule XIV (3) (*b*) of the rules proposed for introduction on the . . . . . does not deal with withdrawals of the balance of compulsory deposit or bonus standing to the credit of a depositor in the Provident fund, but merely the advances made to a depositor from the general account of the fund. It ought, therefore, to be made a separate rule and not a portion of section XIV at all.

In redrafting it as a separate rule a clause should be added that all such advances are made on the security of compulsory deposits or bonuses standing to the credit of the depositors and may be deducted from the amount of such compulsory deposits or bonuses before any portion of the same is withdrawn.

9th February 1906. P. O'KINEALY.

E/2

Press Please carry out the corrections & print off copies as noted below:—
Above Copies — 50
Separate Copies — 3
53

Dnl 15/6/07

III

Memorandum—from the Consulting Engineer for Railways, Madras.
To—the Agent and Manager, Madras Railway.
Dated—the 13th September 1906.
No.—815/O. Mis.

IV

Letter—from the Consulting Engineer for Railways, Madras.
To—the Agent and Manager, Madras Railway.
Dated—the 24th May 1907.
No.—1082-Rout.

V

Memorandum—from , Secretary to the Railway Board.
To—the Secretary to the Government of Madras, P.W. Dept., Railways.
Dated—Simla, the 16th May 1907.
No.—351 R.E.

The undermentioned paper is forwarded to the Secretary to the Government of Madras, Public Works Department (Railway Branch), for information, in continuation of this office No. R.E. 1023-B/1., dated 4th September 1906 and R.E.-348-A/6, dated 21st December 1906.

Enclosure.

Despatch—from His Majesty's Secretary of State for India.
To—His Excellency the Right Honourable the Governor-General of India in Council.
Dated—India Office, London, the 5th April 1907.
No.—37 Ry.

In continuation of my Railway Despatch No. 74, * of the 16th November last, I forward herewith copy of correspondence † with the Madras Railway Company, from which it will be seen that I have sanctioned a further modification in rule 17 of the Madras Railway Provident Institution.

* R. E. February 1907, Nos. 32-50-A.

Madras Railway Provident Institution. Further modification in Rule 17.

† From Madras Railway Company, dated 15th March 1907.
To Do. do. ,, 3rd April 1907.

Sub-Enclosure No. 1.

Letter—from Mr. W. H. Cole, Secretary, Railway Board.
To—the Under Secretary of State for India.
Dated—London, E.C., the 15th March 1907.
No.—132.

In continuation of previous correspondence ending with India Office letter P. W. 1670, dated the 8th November 1906, I am directed by the Board to state that they regret to have to trouble the Secretary of State in Council again on the subject of rule 17 of the Madras Railway Provident Institution.

The bonus portion of the amounts at credit of an employé being liable to forfeiture in certain cases defined in the rules, it is necessary that advances made from the fund under rule 17 shall be "out of," and secured on, "the compulsory deposits," and a further modification of rule 17 becomes necessary.

Rule 17, as revised, will, therefore, stand as follows:—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide."

And the Board would be glad to receive the Secretary of State's approval of the rule as now revised.

Copies of paragraph 5 of the Board's letter to their Agent and Manager, No. 1202 of the 8th November 1906, and Agent's reply, paragraph 10 of his No. 2821, of the 14th February 1907, which explain the position, are enclosed for ready reference.

ANNEXURE No. 1.

Letter—from the Agent and Manager, Madras Railway.
To—the Secretary to the Railway Board.
Dated—Madras, the 14th February 1907.
No.—2821.

* * * * * *

10. With reference to paragraph 5 of your letter No. 1202, dated 8th November 1906, regarding the alteration of clause 17 of the Provident Institution rules, I beg to inform you that the deletion of the words "in twenty monthly instalments" has been accepted by the Committee. In regard to the second point raised in your letter, whether the advances should not be made on the security of compulsory deposits alone, the Committee agree with the Board's suggestion, and the draft has been revised accordingly. Further, by providing that the advances may be paid "*out of*" instead of "*on the security of*" compulsory deposits, the addition to rule 17 suggested in paragraph 8 of my letter No. 2805, dated 25th October 1906, becomes unnecessary. In this connection the Chief Auditor writes to me as follows:—

Rule 17 of Provident Institution rules.

"It will then be unmistakeable that the advance has been made 'out of' and not 'on the security of' the members' own contributions, and as the compulsory deposits are kept separate from the revenue contributions in each member's account in the ledgers, any advance will, as indeed it is at present, be posted as a deduction from the total of the former which will be credited with the amount of each instalment when recovered."

The Committee have approved of this alteration and the draft clause 17 revised as above, reads as follows:—

"If and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England, or of proceeding to Europe on medical certificate, or returning after such absence, or of sending any of his family to Europe or Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature and must be repaid as the Committee may decide".

If the Board approve, I shall be obliged if the sanction of the Secretary of State can be obtained thereto.

* * * * * *

ANNEXURE No. 2.

Letter—from Mr. W. H. COLE, Secretary to the Railway Board.
To—the Agent and Manager, Madras Railway.
Dated—London, the 8th November 1906.
No.—1202.

* * * * * *

5. With paragraph 13 of your letter, dated 11th October 1906, you enclose copy of the Consulting Engineer for Railway's letter No. 815-O., Mis., dated 13th September, forwarding to you, for information and report, copy of the Railway Board's No. R. E. 1023-1,* dated 4th September, and of the Advocate-General's opinion that a separate clause should be inserted in the Madras Railway Provident Institution rules, providing that any advance under rule 17 should be made on the security of the compulsory deposits or bonuses standing to the credit of the depositors, and be deducted from the amount of such compulsory deposits or bonuses

Madras Railway Provident Institution, rule 17.

* R.E., July 1906, Nos. 16-27 A.

before any part of these is withdrawn. You also submit a re-draft of rule 17, including a clause to this effect.

The Board do not propose to ask the Secretary of State to sanction this revision of the rules until they have had the benefit of your further opinion on the subject. As advised in paragraph 4 of this office letter No. 1200, addressed to you on the 26th October 1906, the Board, in submitting your draft alteration of rule 17 to the Secretary of State for sanction, deleted the words "in twenty monthly instalments," and they would be glad to be informed if this alteration is accepted by the Committee. In further revising the rules, the question arises whether the advances should be made on the security of the compulsory deposits alone, and therefore limited by their amount, the bonuses being liable to forfeiture in certain cases defined in the rules. It is also a matter for consideration whether the required change in the rules would be more satisfactorily made, not by your proposed further addition to rule 17, but simply by the insertion of the words "or the Madras Railway Provident Institution" after "Company." in rule 26A. The Board would like to hear further from you on these points before submitting to the Secretary of State for sanction, such addition to the rules as may be finally agreed upon.

* * * * *

SUB-ENCLOSURE No. 2.

Letter—from Mr. C. G. CAMPBELL,
To—the Secretary, Madras Railway Company.
Dated—India Office, the 3rd April 1907.
No.—474 P.W.

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 15th March 1907, No. 132, in which you propose a further modification of rule 17 of the Madras Railway Provident Institution.

As, proposed to be revised, the rule will stand as follows:—

"If, and whenever, the amount of compulsory deposits with added interest standing to the credit of a member and unassigned under the next following rule, shall reach or exceed the sum of Rs. 600, and such member shall be desirous of bringing his wife or family out from England or of proceeding to Europe on medical certificate, or returning after absence on such certificate, or of sending any of his family to Europe or a Colony on account of sickness or other urgent cause, an advance not exceeding Rs. 600 may be made to him out of the said amount to enable him to do so. Under similar circumstances an advance not exceeding Rs. 500 will be allowed if the member or any of his family desire to proceed to a hill station on account of sickness, subject to the condition that the application for the advance is accompanied by a medical certificate recommending the change to a hill station.

"The advances referred to in this rule are of a temporary nature, and must be repaid as the Committee may decide."

I am to inform you that the Secretary of State in Council sanctions the revised rule as above quoted.

Order—No. 893 Ry., dated 29th May 1907.

Recorded.

(True Extract.)

G. A. ANDERSON,
Secretary to Government.

To the Examiner, Guaranteed Railway Accounts.
" Consulting Engineer for Railways.
" Agent and Manager, Madras Railway.

Forwarded to the

(By order.)

First Assistant.

RAILWAYS.

Rule 17 of the Madras Railway Company's Provident Fund rules

Recording a memorandum from the Railway Board communicating the sanction of the Secretary of State to a further modification in —.

Ex. No. 893 Regd 29/5/07

Copies Not distributed

Gen —— 18 ✓
CR —— 3 ✓
Off —— 7 ✓
Cavly Offrs — 3 ✓
Orpl —— 1 ✓
——— 32
Record —— ✓ 18
———
50
Sepd Copies —— ✓ 3
———
53
———

Sve
15/6/07

Dated
22/6/07.

✓
893 Regd
6.07

36
1640