

1899
Public Works (~~191~~) Department.

G.O. No. 1476 *Ray*

DATED 18-12-191 ¹⁸⁹⁹

Includes.

G.O. no. 126 *Ray* dt 1-2-99
do 1506 *Ray* dt 12-12-98

[Despatch Abstract.]

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
RAILWAY ESTABLISHMENTS.



Corrigendum.

81. page 2
In Rule I of Public Works Department Resolution No. 09 R. E.,
dated 24th January 1899, for the word pay read salary.

CALCUTTA;

The 5th December 1899.

G. H. D. WALKER,
Under Secy. to the Govt. of India.

G. I. C. P. O.—No. 961 P. W. D.—8-12-99—500.—J. N. D.

To. The Secy to the Govt of Madras.
Public Works Dept. Railway Branch.

14c

RAILWAY.

Government (1899) of Madras.
PUBLIC WORKS.

Recd.

Regd.

1899.

Enclosures

Spare copies

G.O., No. 126 Ry., 1st February 1899.

FEBRUARY.

Railway Provident Funds

Communicating to the officers concerned for information and guidance, orders of
the Government of India issuing revised rules regulating —.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following papers :—

From—The Joint Secretary to the Government of Madras, Public Works Dept., Ry. Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—8th December 1898, No. 1506 Ry.

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, Public Works Dept., Railway Branch.
Dated—29th December 1898, No. 3520 R.E.

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W. Dept., Ry. Branch.
Dated—Calcutta, 24th January 1899, No. 09 R.E.

RAILWAY PROVIDENT FUNDS.

Modification of Rules.

READ—

Paragraph 3 of Secretary of State's Despatch No. 40 Ry., dated 26th April 1894.
Letter from the Director-General of Railways, No. 1461 E., dated 7th July 1894.
Despatch No. 82 Ry., dated 19th December 1894, to Secretary of State.
Despatch No. 7 Ry., dated 24th January 1895, from Secretary of State.
Despatch No. 12 Ry., dated 12th February 1896, to Secretary of State.
Despatch No. 28 Ry., dated 26th March 1896, from Secretary of State.
Despatch No. 3 Ry., dated 13th January 1898, to Secretary of State.
Despatch No. 58 Ry., dated 14th July 1898, from Secretary of State.

Resolution—In the correspondence quoted above, the Government of India have had under consideration various suggestions and representations which have been made in connection with the depreciation of the deposits of subscribers to the Provident Funds of State and Companies' lines, resulting from the fall in exchange. They have also noticed the inadequacy, in many cases, of the funds, as at present constituted, to fulfil the purposes for which they were instituted, and have discussed the question of suitable remedies. The conclusions arrived at were that, while the question of the agreement between Government and the depositors to adopt a suggestion, which has been made, that the deposits of non-domiciled employes should be repaid on retirement or death at a privileged rate of exchange, it was desirable and reasonable that depositors, whose intention it was to retire to Europe, America or the British Colonies, should be allowed to convert their subscriptions into sterling at the rate of exchange obtaining in the year in which they were deposited in the fund, subject to the condition that the rate of interest allowed should also be adjusted to that usually obtainable on sterling, as distinguished from rupee transactions; also that steps were necessary to place the funds on a more efficient basis by increasing the rates both of subscribers' deposits and of the Government or Railway contributions; and, lastly, that some special concessions were required to meet the case of subscribers who were too near the end of their service to benefit materially by the reconstitution

of the funds. The following arrangements for giving effect to those conclusions, so far as they affect the Provident Funds of State Railways, have been approved by the Secretary of State, and, except as otherwise provided, will come into force from the date of this resolution.

I. Future entrants, whether married or single, will be required to subscribe to the Provident Fund at an uniform rate of one-twelfth of pay, to which Government will add half yearly—

- (a) a first sum out of the gross revenue of the railway equal to one-half of such subscriptions;
- (b) a second sum not exceeding one-half of such subscriptions; and also not exceeding 1 per cent. of net earnings, calculated before any contributions to the fund have been added to the working expenses.

They will also have the option, to be exercised once for all within six months of joining the fund, of having their Provident Fund account kept in sterling or in rupees, the amount being converted in the case of accounts kept in sterling once a year at the average rate of exchange obtained by the Secretary of State for his remittances for that year, interest being allowed at 3 per cent. only instead of $3\frac{3}{4}$ per cent., which is the rate at present allowed on accounts kept in rupees.

Note.—Liberty is in both cases reserved to the Government to reduce the rate of interest in certain eventualities.

II. As regards subscribers now in the service :

- (a) European and Eurasian subscribers of less than 20 years' service, or less than 40 years of age when the new scheme comes into force, and all other subscribers without respect to their age or service will have the option, to be exercised within six months from the date of this resolution, of coming under the new scheme for the remainder of their service. They will also have the option, whether they elect for the new scheme or not, of having their accounts recast from the commencement on a sterling basis, and kept for the future in sterling as in rule I; this option must also be exercised within six months from the same date.
- (b) European and Eurasian subscribers of 20 years' service and upwards, or of 40 years of age and upwards, on the 1st January 1898, that being the date from which the new scheme comes into force, will remain on the old scale and have their Provident Fund balances (compulsory subscriptions with bonus on those subscription and interest) paid to them on retirement to Europe, America, or the Colonies, or in the event of death before retirement, to their heirs or assigns, if the latter reside or intend to reside in Europe, America or the Colonies, at 1s. 6d. per rupee; unless they elect within six months as above, to come under the new scale for the rest of their service, in which case they will be treated in the same way as men of less than 20 years' service or 40 years of age who elect to come under the new scale as in rule II (a). The difference of cost between the actual market value of the rupee and 1s. 6d. will be chargeable to the working expenses of the railway as additional contributions to the Provident Fund.

III. The following supplementary rule will apply to all persons :—

An employé with under 20 years' service, who may leave the Railway voluntarily, otherwise than on medical certificate that he is unfit for further service, or on transfer to another railway with the consent of his employer, or who may be dismissed for ordinary misconduct or negligence, will be liable to forfeit the whole or a portion of the railway contributions and interest thereon, subject to any orders that may be passed on specific cases by Government on the recommendation of the Managers, or to any general rules on the subject that may be laid down hereafter.

The cases of employés dismissed for gross misconduct or fraud will be governed by the present rule, Public Works Code, Volume IV, Chapter X, paragraph 29.

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V. In the case of employés already in the service who elect for them under the option allowed in rule II, the new rates of subscriptions and contributions specified in rule I will come into operation with effect from the 1st January 1898. In individual cases, however, in which the Manager considers that there will be difficulty or hardship in collecting arrear subscriptions from that date, he may defer the application of the rules to the 1st January 1899.

2. It must be clearly understood that subscribers who do not elect the new rules will remain wholly under the old rules; that is to say, they will receive, as at present, a bonus of 50 per cent. of their compulsory subscriptions, and a second bonus not exceeding 50 per cent. of their compulsory subscriptions and calculated on one-half per cent. of the net earnings only, instead of on one per cent. as under the new rules.

3. The concession regarding payment of their deposits at the rate of 1s. 6d. per rupee to employes with 20 years' service and over, or 40 years of age and above [rule II (b)], extends to all persons who, during the years 1897 or 1898, or during the current year, before the issue of this resolution, may have been or may be compelled, by the operation of the 55 years' rule, to retire from the service.

4. Should it appear hereafter that the contributions made by Government to the deposits of subscribers under this scheme, with interest, are either generally or in particular cases, in excess of the value of the pension admissible to pensionable officers of similar standing and on corresponding pay, Government reserves the right either to modify the rates, or to reduce the amounts payable in individual cases.

5. The question how far the arrangement above notified can be adopted to the Provident Funds of Companies' lines is under separate consideration and will be dealt with hereafter.

Ordered that a copy of this resolution be forwarded to the Government
Managers, North of Assam, the Resident at Hyderabad, the Consulting Engineer,
State Railways, for information and guidance.
Lucknow and Assam, and the
Walkhand, East Coast and Eastern Bengal
Works Department, for information, and that it be published in the Gazette of India.

ORDER—No. 126 Ry., dated 1st February 1899.

Communicated to the officers concerned for information and guidance.
(True Extract.)

FRANCIS J. E. SPRING,
Joint Secretary

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

Exd. Md. Pahlwan.

[illegible]

FURTHER PAPERS.

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