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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

REV DEPARTMENT

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Not to be folded or roughly handled

No. 12. Read the following letter from the Deputy Secretary to the Government of India, Marine Department, to the Secretary to Government of Bombay, Marine Department, dated Fort William, 23rd January 1873, No. 111:—

I am directed to acknowledge receipt of your letter, No. 607, of the 6th June last, with its annexure, and to communicate the following replies, in juxtaposition, to the questions raised by the Accountant-General of Bombay, respecting the capitalized pensions of officers of the late Indian Navy who may be re-employed under Government.

Bombay Accountant-General's Questions.

I.

"With reference to letter from the Government of India in the Financial Department, No. 5326, of the 30th October 1863, copy of which was communicated with Government Resolution, No. 1222, of 30th November following, I have the honour to inquire whether the rule therein laid down should be held applicable also to officers who may be temporarily capitalized a part or the whole of their Indian naval pensions. Suppose an officer of the late Indian Navy who capitalized a portion of his pension has been appointed to officiate in an appointment for an absentee, is he to be subjected to a deduction from his acting allowance on account of the capitalized portion of his pension, under the rule laid down in the letter above referred to, and paragraph 11 of the Secretary of State's Despatch, No. 55, of 28th November 1862, if his acting allowance exceeds the amount of his pension by one-fourth?"

"It may be observed that the service rendered by the Officiating Officer will not, by the nature of his appointment, count towards pension, and consequently he will derive no advantage by refunding the value of the commuted pensions, as officers holding permanent posts would do."

Replies.

I.

The Financial Department's letter, No. 5326, of 30th October 1863, intimated that, "According to the despatch of the Secretary of State (No. 55), dated 28th November 1862, no officer of the Indian Navy already in staff employ on the receipt, or nominated to any appointment since the receipt of that despatch, should have been allowed to capitalize his pension." and that "these instructions should be strictly observed in future; the Government of Bombay not being precluded, however, from re-employing officers after they have commuted their pensions, on the understanding that they will be subject to the same deduction from their salaries, on account of their pension, as if they had not commuted it."

A subsequent Resolution of the Financial Department, No. 276, of 22nd January 1868, (paragraph 2), communicated as follows:—

"The Governor-General in Council observes that, under paragraph 11 of Secretary of State's Marine Despatch, No. 55, dated 28th November 1862, regarding the abolition of the Indian Navy, an officer of the Indian Navy in receipt of pension, if taking any appointment under the Indian Government, forfeits pension for the time that he receives salary, if the latter exceed the pension by one-fourth, and that, upon ceasing to hold any such appointment, he is entitled to receive his Indian navy pension and in addition the pension, if any, to which he may be entitled under the regulations applicable to his subsequent employment. In the same despatch of the Secretary of State, it is further

*Proceedings of the Madras Government, Marine Department,
7th February 1873.*

Bombay Accountant-General's Questions.

Replies.

ruled that an officer volunteering for service in India is not to be permitted to commute his pension, or any portion of it, for a capital sum, whilst so employed; and it is further laid down in the orders of this Department, dated 30th October 1863, No. 5326, that an officer of the Indian Navy, if re-employed after having commuted his pension, will be subject to the same deduction from his salary on account of his pension as if he had not commuted it.

It is clear from the orders cited above that the deduction should be made from the acting allowance of an officer of the late Indian Navy who may be temporarily re-employed under Government, the deduction having been prescribed in the case of such officers in receipt of pension, "if taking any appointment under the Indian Government," i.e., whether the appointment be permanent or temporary; but it may be added that naval pensioners may, under the orders of Local Government, be employed without loss of pension in purely temporary duty lasting

or, as prescribed in the Civil

Pension Code.

II.

"Whether an Indian Naval Officer, who does not wish to recover his pension by repaying its commuted value, may be exempted from deductions on its account whilst effectively re-employed?"

II.

If an officer of the late Indian Navy who has capitalized his pension is re-employed under the Indian Government, he is subject to the same deduction from his re-employed pay on account of his pension, as if he had not commuted it (see above extract from Financial Department's letter, No. 5326, of 30th October 1863), and cannot, therefore, be exempted from such deductions whilst effectively (i.e., whether permanently or temporarily) re-employed; but, under the ruling in paragraph 3 of Financial Resolution, No. 276, of 22nd January 1868, on retirement from such re-employment, "he will be allowed any pension or gratuity which the rules for the Uncovenanted Service may entitle him to, and in addition to the said pension or gratuity he will be entitled to draw, from the date he ceases to be borne on the establishment, his Indian navy pension * * * provided, however, that any unpaid balance of the amount of his capitalized pension be refunded before the pension * * * is resumed."

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7th February 1873.*

Bombay Accountant-General's Questions.

Replies.

III.

Whether, after a capitalized pension has been repaid on the resignation or retirement or discharge of the officer, he is entitled to receive back the original amount paid to him as his capitalized pension?

III.

After a capitalized pension has been repaid by an officer of the late Indian Navy who has been re-employed by Government, whether such re-payment has been realized by deductions from his pay while re-employed or refunded by him on his resignation or retirement, he will only be entitled, under the decision in paragraph 3 of Financial Resolution No. 276, of 22nd January 1868, to resume his Indian Navy pension without having any claim to the amount for which it was capitalized.

No. 112.

Copy of the above forwarded to the Chief Secretary to Government, Fort St. George, for the information of the Right Honourable the Governor in Council.

(By Order.)

(Signed) B. E. BACON, Colonel,

Deputy Secy. to the Govt. of India.

No. 13.

ORDER THEREON, 7th February 1873, No. 49.

Communicated to the several Departments of the Secretariat, and to the Accountant-General.

(True Extract.)

Chief Secretary.

To the Revenue Department.
" Military Department.
" Public Works Department.
" Accountant-General.

Ed. J. Wright.

Revenue Office
77-455

of 18731 Adjutants
MARINE.

REVENUE DEPARTMENT
No. 1213

February 12th
G. O. 7th February 1873, No. 49

FEBRUARY.
Nos. 1213.

Concerning the replies of the Government of India to certain questions raised by the Council of the General of Bombay respecting the salaries of persons of officers of the late Indian Army who may be re-employed under Government.

RECORDED.

18 July 1913