

<sup>1</sup>[CHAPTER XXIX**PROVIDENT FUND FOR AIDED SCHOOL TEACHERS**

1. The rules in this chapter regulate the contributory provident fund for Aided School Teachers contemplated <sup>2</sup>[in sub-rule (1) of Rule 2 in Chapter XXVII (A)].
2. (1) In this chapter unless the context otherwise requires:-
  - (i) 'contribution' means the amount contributed to the Fund by the Government as per Rule 8 below.
  - (ii) 'family' means
    - (a) In the case of a male subscriber, the wife or wives and children of the subscriber, and the widow or widows, and children of a deceased son of the subscriber:

Provided that if a subscriber proves that his wife has been judicially separated from him or has ceased under the customary law of the community to which she belongs to be entitled to maintenance she shall hence forth be deemed to be no longer a member of the subscriber's family in matters in which the rules in this chapter, relate, unless the subscriber subsequently indicates in writing to the District Educational Officer that she shall continue to be so regarded.

(b) in the case of a female subscriber, the husband and children of the subscriber, and the widow or widows and children of a deceased son of the subscriber:

Provided that if a subscriber in writing to the District Educational Officer expresses her desire to exclude her husband from her family, the husband shall henceforth be deemed to be no longer a member of the subscriber's family in matters to which the rules in this chapter relate, unless the subscriber subsequently cancels formally in writing her desire to exclude him.

**Note:-** 'children' means legitimate children and includes adopted children;

- (iii) 'fund' means the Kerala Aided School Teachers Provident Fund
- (iv) 'pay' means basic pay of permanent or officiating appointment held by a subscriber exclusive of all allowances;
- (v) 'subscriber' means a teacher who subscribes to the Fund;
- (vi) 'subscription' means the amount subscribed to the Fund by a teacher;
- (vii) 'leave' means any kind of leave eligible to the subscriber;
- (viii) 'year' means the financial year.

(2) Any other expression used but not defined in the rules in this chapter which is defined in the Provident Funds Act, 1925 (XIX of 1925) shall have the same meaning as is assigned to them in the above said Act.

3. All contributions to the Fund shall be made by means of deposits in Savings Bank Accounts in Government Treasuries.
4. The scope of the Fund:- It shall be compulsory for the following categories of teachers of aided schools to subscribe to the Fund.

(a) Teachers who as on 30-6-1961:

(i) have been subscribers to the Travancore licenced Teacher's Provident Fund or to the Cochin Aided School Teacher's Provident Fund or to the Travancore Cochin Acceded Secondary School Teacher's Provident Fund or;

(ii) have been governed by the Madras Teacher's Contributory Provident Fund- Insurance - Pension Rules under the G. O. No. 1611. Education dated 30-8-1956 issued by the Madras Government and introduced in Kerala by G. O. No. (Ms) 462/Edn. dated 29-4-1958 and

(iii) have opted for the new rules in pursuance of Rule 1 of Chapter XXVII. within the prescribed time limit.

(b) Teachers who have not joined any of the Provident Funds mentioned in sub-rule (a):

(c) Teachers in the Malabar area to whom the Madras Teacher's Contributory Provident Fund- Insurance- Pension Rules have not been applicable; and

(d) Teachers appointed on or after 1-7-1961.

**Note:-** (1) In the case of teachers mentioned in sub-rule (a) the amounts to their credit in their existing Provident Fund Accounts (including the Government contributions, the Manager's Contributions and interest thereon accrued under the relevant rules up to and inclusive of 30-6-61) shall be credited to their accounts in this New Fund when they are admitted to the same.

(2) In the case of teachers other than those mentioned in sub-rule (a) they shall be admitted to the Fund only if they are confirmed in service or if they are acting, temporary or on probation only if the District Educational Officer is satisfied and certifies that they are likely to continue in service without break.

(3) Teachers who belong to a religious order which imposes vows of poverty on its members may on their specific request in writing be exempted from admission to the Fund by the District Educational Officer.

(4) Part-time teachers are not eligible for admission to the Fund.

5. **Procedure for joining the Fund:-** District Educational Officer shall be competent to admit teachers to the Fund. They shall call on all the teachers who are to be admitted to the Fund to submit to them an application in Form 31 through the Headmaster (through the Headmaster and the Assistant Educational Officer in the case of teachers of Primary Schools). Every subscriber shall on joining the Fund be required to sign a certificate in token of acceptance of the rules. The District Educational officer shall issue to each teacher who is eligible to join the Fund two certificates signed by him one to the effect that he or she is eligible to join the Fund and another to the following effect:-

"On \_\_\_\_\_'s retirement or withdrawal from the Fund for reasonable cause the amount at his or her credit may, subject to the conditions laid down in these rules, be increased by a grant from the Government equivalent to one half of such amount as may be fixed under these rules".

Such certificate shall be attached to the Saving Bank Pass Books to be issued on behalf of the subscribers as laid down in rule 9. The teacher shall subscribe to the Provident Fund with effect from the beginning of the month in which the certificates are issued, except in the case of the subscribers who have exercised option to come to the new rules in pursuance of rule 1 of Chapter XXVII, whose admission to the Provident Fund shall take effect from 1-7-1961. The District Educational Officer shall maintain a card catalogue register in Form 32 showing the names of the subscribers who have been admitted to the Fund and for whom the certificates have been issued by them.

6. **Nomination:-** (1) A subscriber shall, along with his application for admission to the Fund furnish a nomination conferring on one or more persons the right to receive the amount that may stand to his credit in the Fund, in the event of his death before the amount has become payable, or having become payable, has not been paid.

Provided that if, at the time of making nomination the subscriber has a family, the nomination shall not be in favour of any person or persons other than the members of his family.

(2) If a subscriber nominates more than one person under sub-rule (1), he shall specify in the nomination the amount of share payable to each

of the nominees in such manner as to cover the whole of the amount that may stand to his credit in the Fund at any time.

(3) A subscriber may at any time cancel a nomination by sending a notice in writing to the District Educational Officer through the Headmaster (through the Headmaster and the Assistant Educational Officer in the case of Primary Schools);

Provided that the subscriber shall along with such notice send a fresh nomination made in accordance with the provisions of this rule.

(4) A subscriber may provide in a nomination-

(a) in respect of any specified nominee that in the event of his predeceasing the subscriber, the right conferred upon that nominee shall pass on to such other person as may be specified in the nomination-

(b) that the nomination shall become invalid in the event of happening a contingency specified therein;

Provided that if at the time of making the nomination the subscriber has no family, he shall provide in the nomination that it shall become invalid in the event of his subsequently acquiring a family.

(5) Immediately on the death of a nominee in respect of whom no special provision has been made in the nomination under clause (a) of sub-rule (4) or the proviso thereto, the subscriber shall send to the District Educational Officer through the Headmaster (through the Headmaster and the Assistant Educational Officer in the case of Primary Schools) a notice in writing canceling the nomination together with a fresh nomination made in accordance with the provisions of this rule.

(6) Every nomination made and every notice of cancellation given by a subscriber shall to the extent that it is valid take effect, on the date on which it is received by the District Educational Officer.

7. **Rate of subscription:-** (1) Every subscriber shall subscribe to the Fund at the rate of six naya paise per rupee per mensem on the pay drawn by him during the financial year, the subscription in a month being at the rate of six naya paise per rupee on the pay drawn by him for the previous month. Fractions of a rupee in the pay shall be ignored. The amount of subscription shall be expressed in whole rupees, fifty naya paise and above counting as next higher rupees. The first instalment of subscription shall not be less than Rs. 2.

(2) When a subscriber is temporarily on reduced pay on account of absence on leave or for other causes, his subscription shall be reckoned

on the amount of such reduced pay actually paid to him. It shall also be open to the subscriber to cease making payments during such period of absence after giving intimation to the District Educational Officer. No subscription shall be payable for periods of suspension. If however, the subscriber is reinstated and allowed to draw pay for the periods of suspension the subscription shall be deducted from the pay paid to him for the period.

(3) Voluntary subscriptions in excess of the prescribed amount, ie at 6 np. in the Rupee shall not be admissible. If any such subscription have been made the same shall be withdrawn.

<sup>3</sup>[(4) Notwithstanding anything contained in the rules, the Government may by order, direct that the whole or any part of the arrears of pay and allowances or both payable to subscribers under a Scheme of revision of pay or allowance or both implemented with retrospective effect, shall be credited to the Fund and every subscriber to whom such order applies shall comply with such order. There will be no matching contribution by Government in respect of this deposit].

8. Contribution by Government:- (1) The Government shall contribute in respect of each subscriber at the rate of 3 np. per rupee on the pay drawn by such subscriber during a financial year.

(2) Sub-rule (2) of rule 7 shall apply in the case of Government contribution also.

(3) The Government Contribution shall cease from the date on which the teacher retires or <sup>4</sup>[attains the 55<sup>th</sup> year of age] which ever is earlier.

(4) The Government contribution shall take the form of a single lump sum payment at the time the subscriber retires or when for other accepted reasons the account is closed, equivalent to half the amount standing at his credit (excluding amounts of interest credited) on the date of his <sup>4</sup>[completion of 55 years of age] or of closure or the account if earlier, as the case may be. In the case, however, of teachers who had been subscribing to anyone of the earlier Provident Funds referred to in rule for and who have been admitted to this Fund, the Government contribution will be calculated only on that portion of the amount at the credit of the subscriber which represents his subscriptions after the transfer of his balance under his earlier Provident Funds provided for in rule 4. If any advances from the Fund have been withdrawn, the amount of any balance still outstanding and the total amount withdrawn towards the payment of Insurance premia shall be added to the total amount at his credit for purpose of calculating the Government contribution;

Provided that in the case of subscribers who have come under the rules in this Chapter by option the amount to be so added shall not exceed the amount subscribed after admission to the fund.

9. **Management of the Fund:-** The Fund shall be managed by means of the Savings Bank system in the State Government Treasuries. The Teacher's subscription shall be deposited in a Savings Bank Account in the Treasury from which the pay of the School staff is drawn. The following procedure shall be adopted:-

(1) The Treasury shall open an individual account for each subscriber to the Provident Fund. The Pass Book will be kept by the Headmaster under safe custody. The Headmaster of the school shall deduct the subscription to the Fund due from the teachers from their salaries at the time of disbursement of the same each month and shall remit the amounts collected within seven days of collection <sup>5</sup>[x x x x] for the credit in the Treasury Savings Bank Account, accompanied by:

(a) The Savings Bank Pass Books of the subscribers, and

(b) a list in Form 33 showing in detail the amount to be credited to each account and the total amount of the deposits and refunds.

(2) The money received in the treasury should be credited to the different accounts in accordance with the entries in the list and the Treasury Officer after satisfying himself that this has been done and that the amount of the deposit has been correctly entered in each Pass Book, shall sign the list, stamp it with the Treasury stamp and return it with the Pass Books to Headmaster from whom they were received. The Headmaster shall compare the entries made in the Pass Book with the entries in the list to see that the former are correct. Any error that may be detected should be brought at once to the notice of the Treasury Officer, and got rectified.

(3) So far as the treasury is concerned, the list need not be in duplicate as the deposits shall be entered in the usual course in the Treasury Savings Bank Ledger and Journals which will furnish a complete record of the transactions. The Headmaster of the school shall furnish a true copy of the list to the District Educational Officer (and also to the Assistant Educational Officer in the case of Primary Schools within five days of the receipt of the verified list from the Treasury. The Inspecting Officers during their periodical visits to the schools should audit the monthly list of payments into the Savings Bank accounts with reference to the original pay bills and acquittance rolls and satisfy themselves that subscriptions are not received in excess from the teachers. If in the course of such audit it is found that payments have been made into the Savings Bank either in excess of the prescribed rate or in advance of the due date, the District Educational Officer shall

sanction the withdrawal of the excess amount from the Saving Bank with a view to its being refunded to the subscriber. Inspecting Officer other than the District Educational Officer who detects cases of this kind should bring them immediately to the notice of the District Educational Officer. If the subscriptions have not been remitted for any period during which a subscriber was employed in a school, the District Educational Officer may condone such irregularities at any time for satisfactory reasons. The District Educational Officer may also condone belated remittance of subscriptions.

(4) When a Pass Book opened on behalf of a subscriber has been fully used the Headmaster should obtain an application in writing from the subscriber for the return of the used up Pass Book and forward it to the Treasury Officer at the time when a fresh Pass book is to be issued in continuation of the one used - up. On receipt of the used up pass book from the Treasury Officer, the Headmaster should send it to the District Educational Officer for safe custody.

(5) When a subscriber leaves one school and seeks employment in another, the District Educational Officer having jurisdiction over the area in which the former school is located shall be competent to sanction the transfer of his account to the treasury at which the accounts of the school which he has joined stand open. The District Educational Officer shall maintain a register in Form 34 of the transfer of accounts sanctioned by him. The Headmaster shall furnish every subscriber who leaves the school with a certificate which should bear the countersignature of the District Educational Officer specifying period for which subscription to the Fund were made by the subscriber.

**Note:-** In every case of transfer under this rule the District Educational Officer should examine at the time of transfer the title of the subscriber to the Government contribution and record in the order sanctioning the transfer his opinion as to whether the subscriber is entitled to it.

(6) Subscribers to the Fund taking up service in an unaided school shall cease to be subscribers and steps shall be taken to close their accounts.

(7) When a subscriber's account is to be closed, he shall submit an application to the District Educational Officer through the Headmaster (through the Headmaster and the Assistant Educational Officer in the case of Primary Schools) giving his reason thereof. If the District Educational Officer is satisfied with the reasons, he shall sanction the closure of the account and issue a certificate to the Treasury Officer and the Headmaster to the effect that the subscriber has quitted the Fund in the circumstances which give him a title to the Government contribution. The Treasury Officer shall thereupon close the account in

the Savings Bank Pass Book and on receipt of an application for withdrawal signed by the subscriber countersigned by the Headmaster (Assistant Educational Officer in the case of Primary Schools) pay the total amount to his credit to the Headmaster or his authorised agent. Immediately after the money in the Savings Bank is withdrawn, the Headmaster shall report the date of the closure to the District Educational Officer and the latter shall take steps to get from the treasury, the closed Pass Book for preparing the Bill for Government contribution. The Headmaster shall after receiving the amount from the treasury, disburse it to the subscriber concerned on obtaining a payee's receipt which shall be forwarded to the Accountant-General through the District Educational Officer. The District Educational Officers shall maintain a register in Form 35 of closure of accounts sanctioned by them.

(8) Every subscriber should, once in every financial year, be permitted to look into his account, satisfy himself as to its correctness and sign a certificate in token of his acceptance of it. The certificate obtained under this rule should be forwarded to the District Educational officer before the end of the financial Year for check and record in his office.

**10. Control of the Fund:-** (1) The control of the Fund in each educational district shall rest with the District Educational Officer concerned.

(2) If the monthly subscription is not paid the savings Bank account [within seven days of the date on which the salary is disbursed] and / or the verified treasury list is not forwarded by the Headmaster to District Educational Officer and to the Assistant Educational Officers as Provided for in rule 9, the pay bill of the Headmaster for the month shall not be passed by the District Educational Officer or the Assistant Educational Officer, as the case may be, without the prior sanction of the Director, who shall take such steps as may be necessary in the matter.

(3) No withdrawal of any part of the deposit or payment of any Government contribution shall be allowed without the sanction of the District Educational Officer.

**11. Interest:-** Interest shall be allowed at such rate as may from time to time be admissible for deposits in Treasury Savings Bank.

**12. Withdrawal of advances:-** (1) Withdrawal of advances from the Fund shall be sanctioned by the District Educational Officer for satisfactory reasons such as to pay expenses in connection with the illness of a subscriber or a member of his family, to pay expenses in connection with marriages, funerals or ceremonies which it is incumbent on the subscriber to perform. Such advances shall be permitted only when



the deposit to the credit of the subscriber exceeds six month's spay of the subscriber. The amount of the advance sanctioned at any time shall not exceed three month's pay of the subscriber. Withdrawal of advances from the Fund shall be in whole rupees. Advances from the Fund shall be repaid in not more than 24 equal monthly instalments but no recovery shall be made from a subscriber while he is on leave of any kind.

**Explanation:-** Though, ordinarily, advances from the Fund are permissible only when the deposit to the credit of the subscriber exceeds six months pay the rule may be relaxed in special cases of hardship where the amount at the credit of the subscribe is a little less than six months pay and advances may be sanctioned by the District Educational Officer concerned.

Note:- An advance is permissible to meet the expenses on account of "confinement" (1) in cases necessitating prolonged medical attention, prolonged stay in a hospital or protracted treatment, and (2) in other circumstance involving expenditure disproportionate to the subscriber's income.

(2) District Educational Officers shall maintain a register in Form 36 of advances sanctioned by them. No fresh advance from the Fund shall be sanctioned if there is any balance still to be refunded out of any advance already drawn from the Fund or twelve month have not elapsed since repayment of the previous advance.

(3) A subscriber shall also be at liberty to refund the advance drawn by him in a shorter period than that prescribed by the District Educational Officer if he chooses to do so.

(4) Withdrawal of any advances sanctioned shall be made on an application signed by the subscriber and countersigned by the Headmaster (Assistant Educational Officer in the case of Primary School teachers) and endorsed in favour of a person proposed by the Headmaster. The application must be supported by the District Educational Officer's sanction in original. The Headmaster shall, after receiving the money, disburse it to the subscriber concerned on acquittance rolls.

**7[12A. Non-refundable withdrawals from the Fund:-** (1) Subject to the conditions specified herein, non- refundable withdrawals from the amount standing to the credit of a subscriber in the Fund may be sanctioned by the authority competent to sanction an advance under rule 12, at any time.

(a) after the completion of 20 years of service (including broken periods of service, if any) of the subscriber or within 10 years of the

date of his attainment of the age of superannuation, whichever is earlier, except during the month in which he retires or proceeds on leave preparatory to retirement from service on superannuation, for one or more of the following purpose, namely:-

(i) meeting the cost of higher education, including, where necessary, the traveling expenses of any child of the subscriber and he has no child, of any other relative actually dependent on him in the following cases namely:-

(A) for education outside India for academic, technical, professional or vocational course beyond the high school stage, and (B) for any medical, engineering, or other technical or specialised course in India beyond the high school stage, provided that the course of study is for not less than three years.

(ii) meeting the expenditure in connection with the marriage of a son or daughter of the subscriber, and if he has no daughter, of any other female relative dependent on him, or repaying any outstanding amount on account of a loan expressly taken for this purpose:

(iii) meeting the expenditure in connection with the illness including where necessary, the traveling expenses of the subscriber or any person actually dependent on him, or repaying any outstanding amount on account of a loan expressly taken for this purpose;

(iv) purchasing a house site in the name (s) of the subscriber and/or his wife or repaying any outstanding amount on account of a loan expressly taken for this purpose from the Government or any other source before the date of application for the withdrawal.

Provided that house to be constructed on the site so purchased is for the actual residence of the subscriber and/or his family.

(v) building a suitable house on a site owned or acquired by the subscriber and/ or his wife or without any assistance from the Provident Fund, or acquiring a house together with the site thereof in the name (s) of the subscriber and/ or his wife, or repaying any outstanding amount on account of a loan expressly taken by the subscriber and /or his wife from the Government or any other source for any of these purposes before the date of application for withdrawal:

Provided that the house is for the actual residence of the subscriber and / or his family; and

(vi) making addition or alterations to, or reconstructing, or completing or repairing a house owned or acquired by the subscriber and/or his wife without any assistance from the Provident Fund, or

repaying any outstanding amount on account of a loan expressly taken by the subscriber and /or his wife from the Government or any other source for any of the said purposes before the date of application for the withdrawal:

Provided that the house is for the actual residence of the subscriber and /or his family.

Note:- In respect of a female subscriber the words 'his' and 'wife' occurring in sub-clauses (iv), (v) and (vi) shall be read as 'her' and 'husband' respectively.

(b) after the completion of twenty- five years of service (including broken periods of service, if any] of a subscriber or within three years before the date of his retirement on superannuation, whichever is earlier, from the amount outstanding to his credit in the Fund for the purpose of purchasing a motor car for his own use or repaying any outstanding amount on account of a Government loan expressly taken for this purpose before the date of application for the withdrawal:

Provided that the subscriber draws, on the date of application, a pay as defined in rule 12 (23) Part I Kerala Service Rules of not less than Rs. 550 per mensem:

Provided further that the amount of withdrawal shall in no case exceed the actual cost of the car or the balance outstanding against the loan taken for the purpose:

Provided also that no withdrawal for the purpose shall be allowed more than once.

(2)(a) Any sum withdrawn by a subscriber at anyone time for one or more of the purposes specified in Sub-rule (1) from the amount standing to his credit in the Fund shall not ordinarily exceed one-half of such amount or six month's pay, which ever is less. The Director may however, sanction the withdrawal of an amount in excess of this limit up to 3/4 of the balance at his credit in the Fund having due regard to the object for which the withdrawal is being made, the status of the subscriber and the amount to his credit in the Fund.

Provided that-

(i) in the case of a subscriber who has availed himself of a loan under any of the schemes sponsored by the Government for the grant of advances for house building purpose or has been allowed any assistance in this regard from any other Government source a non-refundable withdrawal by him from the Provident Fund will be permitted if the amount withdrawn from the Fund, together with the amount of a loan taken under the housing scheme sponsored by the

Government or the assistance taken from any other Government source, does not exceed Rs. 75,000 or five years pay of the subscriber, whichever is less;

(ii) a subscriber who has been permitted a non-refundable withdrawal from the Fund for the purpose of building or acquiring a suitable house for residence at any place will not be permitted to make another non-refundable withdrawal from the Fund for any of these purpose or for the purchase of a house site at the same or another place;

(iii) in the case of a subscriber who has been permitted a non-refundable withdrawal under sub clause (iv) of clause (a) of sub-rule (i) to purchase a house site, he will not be permitted to make another withdrawal for acquiring another house site or a house together with site at the same or another place;

(iv) a subscriber who has been permitted under sub- clause (iv) or sub-clause (v) of clause (a) of sub section (i) to withdraw money from the amount standing to his credit in the Fund shall not part with the possession of the house so built or acquired or house site so purchased by way of sale, mortgage, gift, exchange or lease for a term exceeding three years, without the previous permission of the sanctioning authority.

(b) A subscriber referred to in paragraph (iv) of the Provision to clause (a) shall submit a declaration not later than the 31<sup>st</sup> day of December of every year to the effect that the house or, as the case may be, the house site continues to be in his possession and shall, if so required, produce before the sanctioning authority on or before the date specified by that authority in that behalf, the original sale deed and other documents, on which his title to the property is based. If at any time before retirement, he parts with the possession of the house or house site without obtaining the previous permission of the sanctioning authority the sum withdrawn by him shall forth with be repaid in one lump together with interest thereon by the subscriber to the Fund and in default of such repayment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in lump or in such number of monthly instalments, as may be determined by the Government:

Provided that those subscribers, whose deposits in the Fund carry no interest shall not be required to pay any interest.

(3) A subscriber who has been permitted to withdraw money from the Fund under sub-rule (1) shall satisfy the sanctioning authority within a reasonable period as may be specified by that authority that the money has been utilized for the purpose for which it was withdrawn, and if he

fails to do so, the whole of the sum so withdrawn or so much there of as has not been applied for the purpose for which it was withdrawn shall forthwith be repaid in one lump together with interest thereon by the subscriber to the fund and in default of such payment, it shall be ordered by the sanctioning authority to be recovered from his emoluments either in a lump or in such number of monthly instalments, as may be determined by the Government.

(4) Nothing in sub rule (3) shall be deemed to require a subscriber whose deposits in the Fund carry no interest, to pay any interest on any sum repayable by him under that sub-rule.

(5) A subscriber who has drawn an advance under Rule 12 for any of the purpose specified in the sub clauses (i), (ii) and (iii) of clause (a) of sub-rule I may convert, at his discretion, by written request addressed to the sanctioning authority, the balance of the advance outstanding (against it) into Non refundable withdrawal on his satisfying the conditions laid down in sub-rule (1) to (4).

**12B.** (1) Only one non-refundable withdrawal can be allowed for the same purpose. in this context, the marriage/ education of different sons/ daughters relatives actually dependent on the subscriber and the illness of the subscriber or dependent, on different occasions will not be treated as the same purpose. Regarding educational expenses, a withdrawal will be permitted for meeting the expenses for each year of Education (of the kind mentioned in the Provident Fund Rules). Similarly a further non-refundable withdrawal can be allowed for a second or subsequent marriage of the same son or daughter or relative actually dependent on the subscriber. In the case of marriage, the amount should not be drawn earlier than three months of the date of marriage and if for any reason the marriage is postponed beyond 3 months from the date of drawl of the amount, it should be refunded. In such cases a fresh withdrawal can be allowed when the need actually arises.

(2) When a non-refundable withdrawal is sanctioned for medical treatment of the same person within six months of the previous sanction, it should be specified in the sanction that the non refundable withdrawal is for illness on a different occasion.

(3) In respect of the grant of non-refundable withdrawals for purchasing house site, if the payment is required in instalments through house building co-operative societies or similar agencies, a subscriber shall be permitted to make non-refundable withdrawals as and when he is called upon to pay on installment and each call for payment of instalment will be treated a different purpose.

**Note:-**1. The cost of electrification and sanitary arrangements, etc. Shall be treated as part of the expenditure for building a suitable house.

2. The various purposes specified in sub clause (vi) of rule 12A shall be treated as the same purpose for the grant of non refundable withdrawal.

3. The amount of part final withdrawal for any of the purposes in sub-clause (vi) of clause (1) of Rule 12 A shall be fixed with reference to the net estimated amount for such purposes after deducting the provision for electrification etc., if any, included in the estimate and a certificate to the effect that the cost of additions, alterations, repairs etc. for which the part final withdrawal is sanctioned does not include cost of electrification, sanitary arrangements etc. should also be furnished by the sanctioning authority at the time of sanctioning the withdrawal.

4. A temporary advance should not be granted when a previous non-refundable withdrawal was granted for the same purpose, within a period of four months. Similarly a non-refundable withdrawal should not be granted when a previous temporary advance was granted for same purpose. Further the temporary advance which is subsequently converted into a non-refundable withdrawal should be treated as a non-refundable withdrawal and in such cases another non-refundable withdrawal should not be granted for the same purpose. A temporary advance for the same purpose is permissible after a period of four months and within a period of six months only when the previous advance sanctioned to the subscriber is a non-refundable withdrawal.

5. In the case of a subscriber under suspension, his period of suspension will also be taken into account for the purpose of reckoning the minimum service of 20 years].

**13. Withdrawal from the Fund towards payment of premia for Life Insurance Policies:-** (1) Withdrawal from the Fund is also permissible to meet the payment towards premia for the Policy of Life Insurance. Such withdrawal shall be permitted only when the amount to be withdrawn does not exceed the subscriber's own subscription and when the payment of premia to the policy is annual.

(2) (a) No amount shall be withdrawn before the details of the proposed policy or the policy actually taken by the subscriber as the case may be have been furnished to the District Educational Officer and accepted by him as suitable and an intimation to that effect is received from him. A policy to be acceptable shall be one effected by the subscriber on his own life and shall, unless it is a policy effected by a male subscriber which is expressed on the face of it to be for the

benefit of his wife and children or any of them be such as may be legally assigned by the subscriber to the Government.

(b) The Policy should be assigned in favour of Government in Form 37 and should be submitted to the District Educational Officer for safe custody. Notice of assignment of the Policy shall be given by the subscriber to the Life Insurance Corporation and the acknowledgment of the notice by the Life Insurance Corporation shall be sent to the District Educational Officer within three months of the date of assignment, or within three months after the first withdrawal from the Fund in respect of the policy or such other period as may be considered necessary by the District Educational Officer.

(c) The amount to be withdrawn shall not exceed the amount required to meet payment of premia and it shall be rounded to the nearest rupee.

(d) Government will not make any payments on behalf of the subscribers to the Life Insurance Corporation nor take steps to keep a policy alive.

(e) The subscriber shall not during the currency of the policy, draw any bonus the drawal of which during such currency is optional under the terms of the policy, and the amount of any bonus which under the terms of the policy, the subscriber has no option to refrain from drawing during its currency, shall be paid forthwith into the Fund by the subscriber or in the case of default, be ordered by the District Educational Officer to be recovered by deduction from the emoluments of the subscriber by instalments or other wise, as may be directed by the District Educational Officer.

(3) (a) The subscriber who desires to withdraw from the Fund to meet payments towards insurance premia will address the District Educational Officer through his Headmaster (through the Assistant Educational Officer in the case of Primary Schools) at least 30 days in advance of the due date with an application in Form 38 and enclosing the premium notice. The Savings Bank Pass Book shall be forwarded by the Headmaster, along with the application to the District Educational Officer.

**Note:-**The subscribers may also be permitted to withdraw from the Fund for the payment of the first premium on production of the acceptance letter issued by the Life Insurance Corporation and also on receipt of a letter from subscriber that the policy will be assigned to Government, as soon as it is issued by the Life Insurance Corporation. The subscriber should address the District Educational Officer through the Headmaster (through the Assistant Educational Officer in the case of Primary Schools) with an application in Form 38. The proposal

number may be noted in the place of policy number against item 3 of the application.

(b) The District Educational Officer shall, on receipt of the application, order the sanction of the withdrawal of the amount applied for and the Headmaster shall draw the amount from the Treasury and disburse the same to the subscriber as in the case of sanction and payment of temporary advance from the Fund.

(c) Immediately after the payment of the premia or in any case within thirty days from the date of withdrawal of the amount, the subscriber shall produce the premium receipt issued by the Life Insurance Corporation to the District Educational Officer through the Headmaster or the Assistant Educational Officer in the case of Primary Schools.

(d) The District Educational Officer shall after the scrutiny of the premium receipt return the same to the subscriber through the Headmaster or the Assistant Educational Officer, as the case may be, with an endorsement "Scrutinised and returned" No abatement of income tax after making a note in the register maintained in his office for the purpose in Form 39.

(4) If the policy is not assigned and submitted to the District Educational Officer within the said period of three months or such further period as the District Educational Officer may under clause (b) of sub-rule (2) have fixed, any amount withdrawn from the Fund in respect of the policy shall forthwith be paid by the subscriber to the Fund or in case of default be ordered by the District Educational Officer to be recovered by deduction from the emoluments of the subscriber by instalments or otherwise.

(5) When the subscriber quits the service and applies to the District Educational Officer for reassignment or return of the policy, the District Educational Officer shall reassign the policy in Form 40 in favour of the subscriber together with a signed notice of re-assignment addressed to the Life Insurance Corporation.

**14. Withdrawal of deposits:-** (1) Withdrawals will be permitted on the death or complete retirement or for any other special reasons accepted by the Director as satisfactory.

(2) A subscriber who resigns his post before the end of the tenth year from the date of admission to the scheme and applies for closure of his account shall be entitled only to the subscriptions made by him <sup>8</sup>[with interest thereon] but in exceptional cases with sanction of the Government for reasons which should be recorded in writing, he may also be paid the Government contribution.



(3) If a subscriber is disable or becomes invalid otherwise than by his own fault, he shall receive all the deposits to his credit at whatever stage of service he is disabled or becomes invalid and he may also with the sanction of the District Educational Officer receive the Government contribution. When a subscriber is incapacitated by his own fault, he shall receive only his own subscriptions with interest thereon.

(4) If a subscriber,

(a) is dismissed or removed from service; or

(b) tenders his resignation to avoid such dismissal or removal; or

(c) quits his employment after having been convicted of an offense involving moral turpitude, the Government contribution is to be with held and such a subscriber shall receive only his own subscription with interest thereon, but in exceptional cases with the sanction of the Government for reasons which should be recorded in writing, he may also be paid the Government contribution.

(5) If the services of a subscriber are dispensed with for no fault of his own, he shall receive all the subscriptions to his credit and also, with the sanction of the District Educational Officer the Government contribution; or if he seeks re-employment may continue to participate in the scheme with out subscriptions until the date of reemployment.

(6) If a subscriber at whatever stage of his service takes up employment in a Government School his account shall be closed and he shall be given all subscriptions to his credit together with the Government contribution provided there is no reasonable chance of his reverting to aided school service.

- 15. Payment of Government Contribution:-** (1) On a subscriber quitting his employment in the circumstances which give him a claim to the Government contribution, such claim shall be preferred to the Accountant General by the District Educational Officer. Necessary application for the payment of the Government contribution shall be made by the Headmaster of the School from which the subscriber quitted the Fund to the District Educational Officer accompanied by a bill (Form 41) for the amount due drawn up and signed by the Headmaster (Assistant Educational Officer in the case of Primary School Teachers) the subscribers Pass Book, the certificate of his eligibility to join the Fund granted to him by the District Educational Officer at the time of his admission and certificate to the effect that no amounts in excess of the authorised subscription by the subscriber have been deposited and that the subscriber quitted the service in the circumstances which gives him a claim to the Government contribution under the rules. The application for Government contribution should

be supported also by the subscriber's application for admission containing the declaration in Form 31 and by all relevant correspondence showing that the amount in the Saving Bank account has been disbursed to the proper person or persons. If any balance of advance drawn by the subscriber from the Fund has not been repaid, the amount of such balance also shall be certified. The total amount withdrawn towards payment of insurance premia should also be furnished in a statement and certified. The bill drawn by the Headmaster (Assistant Educational Officer in the case of Primary School Teachers) should, after scrutiny be countersigned by the District Educational officer. The Accountant General will pass one half of the total at the credit in the Savings Bank (excluding interest credited) plus any balance of advance plus amount withdrawn for payment of insurance premia as provided in rule 8, as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the Headmaster (Assistant Educational Officer in the case of Primary Schools) and disbursed to the subscriber. The acknowledgments of the payees in support of the disbursement of the Governments contribution drawn by the Headmaster (Assistant Educational Officer in the case of Primary Schools) should be forwarded to the Accountant General immediately after the disbursements have been made. The pass books received by the Accountant General, the used - up pass books and the closed pass books shall be finally retained by the Accountant General after cancellation.

**Note:-** Should the Savings Bank Pass book be accidentally lost, a copy of the ledger entries relating to the book duly authenticated by the Treasury Officer may be accepted in place of the lost pass book. An explanation of the circumstances under which the pass book was lost, should also be furnished to the Accountant General.

(2) In the event of death of the subscriber while his Fund Account is open, the total amount standing to his credit in the Fund as well as the Government contribution due to him shall be drawn by the Headmaster (Assistant Educational Officer in the case of Primary Schools) and shall be payable by him as follows:-

(a) If the subscriber has survivors in anyone or more of the following categories;

(i) widow or widows

(ii) minor sons, and

(iii) unmarried daughters, and in their absence:

(iv) widow or widows and children of a deceased son: the amount shall be paid to such one or more of them and in such proportions as may be specified in the nomination or if no such nomination has been left by

the subscriber (i.e. if the nomination purports to leave the amount to any one other than one or more of these surviving relations or if no nomination in accordance with these rules is subsisting at the time of the death of the subscriber) the amount or such portion thereof as has not been left to anyone or more of these relation shall be divided in equal shares among:

(i) the widow or widows, minor sons and unmarried daughter and in their absence among the widow or widows and children of a deceased son;

(ii) in the absence of all such relations, among the major sons and married daughters.

(b) If the subscriber has no survivors in any of the categories mentioned in sub-rule (2) (a), the amount shall be paid to the person or persons specified in the nomination and in such proportions as may be specified thereon, or if no nomination is subsisting at the time of the death of the subscriber or if the nomination subsisting at such time does not cover the entire amount, the amount or such portion thereof as is not covered by the nomination shall be paid to the subscriber's legal representatives or such other person or persons as may be determined by a Civil Court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the District Educational Officer considers on production of indemnity bond or heir ship certificate to be the proper person or persons to receive it. Government will not be bound by, or recognise any assignment or encumbrance executed or attempted to be created which affects the disposal of the accumulations of a subscriber who dies before retirement.

(3) If a husband has made a written application under sub-clause (a) of clause (ii) of sub-rule (1) of rule 2 for the exclusion of his wife from taking a share on the ground that she has been judicially separated from him or has ceased under the customary law of the community to which she belonged to be entitled to maintenance, the amount shall be distributed under the said clause as if the widow did not exist and the nomination, if any, made, by the subscriber shall be deemed to have been modified accordingly. In the absence of such an application, the widow shall retain her rights under that clause.

(4) The deposits made and the Government contributions payable under this scheme are not attachable under any decree or order of any Civil, Revenue or Criminal Court.

**Explanation:-** These rules shall apply mutatis mutandis to women subscribers also.

**16. Registers to be kept by the Headmasters:-** The under mentioned register shall be maintained by the Headmasters;

(1) A card catalogue register in Form 32 showing the names of the subscribers to the Fund.

(2) A register in Form 36 showing advances sanctioned from the Fund and their refunds.

(3) A register in form 34 showing the transfer of accounts sanctioned by the District Educational Officer of subscribers who have left the school and the certificates issued to them the amounts subscribed by them to the Fund.

(4) A register in Form 35 showing the names of the subscribers whose accounts have been closed and the Government contribution paid to them on their leaving the Fund.

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1. Introduction by G. O. (P) 148/63 dt. 7-3-1963 published in gazette dt. 19-3-1963 with effect from 1-7-61.
  2. Substituted for 'sub-rule (i) of Rule 2 in chapter XXVII' by G.O (P) No. 327/68/Edn. dated: 11-07-68 published in Gazette dated: 6-8-68.
  3. Added by G. O. (P) 89/75/G. Edn dated 5-4-75 in Gazette dated 20-5-75.
  4. Substituted with effect from 25-7-67 for "attains the 58th year of age" by G.O (P) 326/Edn. dated: 25-07-67 published notification in gazette dated: 1-8-1967.
  5. The word " or before the 15th of the month, whichever is earlier" omitted by G.O (P) o. 816/63/Edn. dated: 17-12-63 and published in Gazette dated: 24-12-63. The change was made by Legislative Assembly.
  6. Substituted by G.O (P) 816/63/ Edn. dated: 17-12-63 and published in Gazette dated 24-12-63. The change was made by Legislative Assembly.
  7. Inserted Rules 12A and 12B by G. O. (P) 94/81/G. Edn. dated: 22-5-1981 published in gazette dated 21-7-1981.
  8. Inserted by G.O (P) 816/63/Edn. dated: 17-12-63 and published in Gazette dated: 24-12-63 as directed by the Legislative Assembly.