

GOVERNMENT OF ORISSA
FINANCE DEPARTMENT

No.36380—SS-I-11-76/F

FROM,

SHRI K.C. MISRA,

JOINT SECRETARY TO GOVERNMENT

To

ALL DRAWING & DISBURSING OFFICERS

Bhubaneswar, 17th August 1976

SUBJECT—Formation of Pay Roll Savings Group in all State Government/Central Government Offices, Public Sector undertakings and Private sector Undertakings in Orissa.

REFERENCE—This Department letter No.35578 (1214), dated 13-9-1962, No. 791 (1250), dated 26-9-1963 and No.1264, dated 29-8-1966.

Sir,

I am directed to invite a reference to this Department letter referred to above and to say that with a view to facilitate investment in various small savings schemes on the Pay-Day by deduction from the salaries of employees of State Government/Central Government and Industrial and Mining Establishment of Odisha, the detailed procedure has been laid down in pursuance of the orders communicated by Government of India in their O.M. No. F-3(19)-NS/61, dated the 30th May 1962 and No. F-31 (22)-NS /65, dated the 14th April 1966. This will help expansion of those Pay Roll Groups in establishments where the Groups have already started functioning and introduction of new Groups in all such establishments where it has not been started at all till to-day.

The objective of the National Savings Organizations was to cover 40 percent of the salaried employees by the close of the financial year 1975-76. Good many Pay Roll Groups already exist in most of the State Government /Central Government Offices. The salaried population outside the Government and Public Sector is spread out in large number of small establishments throughout the State. It is necessary to make sincere efforts in the next 3 years to make a good percentage of them regular saver.

I am enclosing statistical information (Annexure A) about the number of State Government employees, employees under Local Bodies, employees of Aided Institutions other than the primary school teachers in different grades of pay as on 31-3-1975. It will be seen that till now only 5% of the employees of different categories mentioned above have been covered under the Pay Roll Group. So there is sufficient scope to cover appreciable percentage of employees of the above categories by the close of the Fifth Plan. Out of the total savings, a portion of personal savings which consist of true savings as distinct from institutional sources, e.g., Provident Fund, etc., are still not up to expectation.

The State Government in active co-operation with National Savings Organization, Government of India are trying their best to mop up marginal and surplus savings of salaried class and to increase propensity of the savings. The collection available under Pay Roll Scheme helps to full fill the target of personal savings.

The State Government sincerely hopes that all salaried class employees will take full advantage of this scheme.

The scheme will be introduced with the specific approval of each Head Office allowing deductions to be made at the time of the monthly disbursement of salaries. The Cashier or other Disbursing Officer will make the necessary deductions against specific consent slips given by the Government servant for making deductions from his salaries. The deduction so made will not be entered in the Pay Bills but will be shown in a separate column to be opened in Acquittance Rolls or office copy of the Pay Bills by opening a separate column for this purpose as per Finance Department circular letter No. 31403 (110), dated 6-8-1975, a copy of which is enclosed as Annexure K or any column convenient to you.

The consent slips will be in pro forma annexed as Annexure B which will indicate the amount and the particular type of investments desired by the Government servant, namely, Cumulative Time deposit, Recurring Deposit or National Savings Annuity Certificate. Government employees are at liberty to modify, amend or revoke the consent slips at any time. On the date of disbursement of salaries, the cashier or the disbursing authority will make the agreed deduction from the salaries of the employees concerned, complaints are received from time to time that Post Masters do not accept C.T.D Pass Books with the amounts to be deposited, if presented in bulk. This matter was taken up with the Director-General of Posts & Telegraphs who has issued circular No.83, dated 18-3-1964 regarding acceptance of CTD Deposits in bulk under P.R.S. scheme, copy of which is enclosed as Annexure C. Monthly deductions schedules in the pro forma annexed as Annexure D (4 copies if the Group stands registered at a Head Post Office and 5 copies if it stands registered at a Sub-Post Office) shall be sent to the Post Office every month with the amount to be remitted either in cash or by cheque. Pass Books should be sent to the Post Office with monthly schedule. Separate schedules are to be prepared for each type of account, namely, Five-Year CTD, 10 –Year CTD, 15-Year CTD, 5-Year R.D., etc.

The Post Office will receive the amount entered in the statement, give a receipt on the duplicate and triplicate copies of the statement and return to the employer. The triplicate copy of the statement will be exhibited by the employer/cashier on the notice board of the office for information of the employees. Any difficulty experienced in consolidated deposit of Pass Books of the P.R. Savings Groups in the Post Office may be taken up with the Superintendent of Post Offices of the area. In this connection a copy of D.O. No.SB/38-41/76, dated the 20th July 1976 of Director of Postal Services addressed to all Superintendent of Post Offices is enclosed as Annexure M.

The Cashier or the Disbursing Authority will be responsible for the prompt remittance of the moneys recovered by him to the Post Office. The Money collected should be deposited in the treasury within 3 working days, if the cashier is stationed at a place where the Treasury exist and 7 days in all other cases. Pending remittance the amount collected should be kept in the cash chest of the office.

The amount so collected should be entered in the Cash Book O.T. C. form No.4 as a "receipt" and its remittance to the deposit accepting office, i.e. Post Office should be shown as disbursement. By such arrangement, the accounts of deductions would be opened to proper check and inspection.

NOTE—In case of Public Works, Forest and other Department officers who have been authorized to withdraw on cheques and remit in lump sum the entries regarding the amounts collected towards the Pay Roll Savings Schemes and remitted to deposit- accepting offices will not be entered in the main Cash Book, as it will imply routing them through Government account, but in a subsidiary Cash Book.

The Drawing Officer will verify the cash balance in the Cash Book at the end of each month and record a signed and dated certificate to that effect as provided in S. R. -37 of the Orissa Treasury Code, Vol.I.

The Drawing Officers will make arrangement for verification of pass Books by the respective depositors periodically.

The cashier or other Disbursing Officer entrusted with the work of affecting deductions from the salaries of the members of the P.R. Group and thereafter making investment in small savings securities will be remunerated for doing this work. He will be paid commission @ 2.5% of the investment made through the P.R.Group in C.T.D., R.D.,P.O.T.D. accounts and in National Savings Annuity Certificates with effect from 1.7.1976.

The Political & Services Department have permitted the Account clerks or such other employees of Government who deal with Pay Roll Savings Scheme to draw commission as envisaged in the scheme in relaxation of rule -17 of the Orissa Government Servants Conduct Rules, 1959 and rule 117 of the Orissa Service Code, Vol. I, in their Memo. No. 23682 (112) – 2R. 1-41/65-Gen., dated 6-12-1965 copy of which is enclosed as Annexure E.

DRAWAL OF COMMISSION

The accountant/cashier will submit his claim of commission every month to the Drawing and Disbursing Officer. Such claims should be supported by the prescribed deduction schedules. The schedule will contain the Post Master's certificate duly stamped with postal date and stamp to the effect that the amount has been received and credited to the respective amounts of members of the P. R. Group concerned. The Drawing Officer concerned will scrutinize the claim with reference to the deduction schedules. If the claim is found to be in order, the Drawing Officer will draw the amount of commission from the Treasury or Sub-Treasury in a contingent bill (Form No. OTC—31 so far the offices of the State Government are concerned in the usual manner and pay the same to the cashier against proper receipt. Expenditure on account of commission to cashier/accountant is debitable under the head "249—Interest Payments—A.5—Interest on other obligations—A.5(2)- Miscellaneous—A.5(2) (3)-Expenses in connection with Small Savings Schemes". Appropriation for the current year and figures of progressive expenditure on the contingent bill will not be necessary as per letter No.F.31 (4) NS-67, dated 13-9-1967 of the Under Secretary to Government of India, Ministry of Finance (Department of Economic Affairs) addressed to the National Savings Commissioner, Nagpur. Copy of the said letter along with copy of a letter No. C.A.—MD—SANC—2893,dated 16-2-1968 from the Accountant-General, Orissa addressed to all Treasury Officers, Orissa are enclosed (Annexure F). Copies of letter No.F.31(4)—NS/67 dated 17-9-68 from the Under- Secretary to Government of India, Ministry of Finance, Department of Economics Affairs, New Delhi addressed to National Savings Commissioner, Nagpur and letter No.8636 (71)-DTI, dated 1-8-1968 from the Director of Treasuries & Inspection, Orissa are also enclosed in this connection as Annexure G & H respectively for your information and record.

The drawing officer may give a certificate in the contingent bill as follows;

“Since the entire fund is centrally controlled by A.G.C.R., New Delhi, no budget appropriation is necessary as decided by the Government of India, Ministry of Finance, Department of Economics Affairs in their letter No. F-31 (4)—No. 67, dated 13-9-1967”. In case of Non-Government Offices, Industrial and Mining Establishment, Private and Public Limited Companies, Corporations, Local Bodies, Local Self-Government, Institutions, Electricity Board, Non-Government Schools & Colleges and Panchayat Samities detailed procedure meant for State Government Offices will be equally applicable for them. Only in matters of payment of commission, they will send the claim of commission to the Regional Director, National Savings, Government of India, Cuttack, along with deduction schedules duly acknowledged by the Post Office.

Such of the (Gazetted) officers whose salaries are drawn in non-gazetted pay-bills or who do not generally draw their salaries under their own authority may also be covered under the Pay Roll Savings Scheme for the purpose of affecting monthly deductions with their prior approval for deposit in Small Savings Securities of their choice. Cashiers or disbursing officers will be entitled to be remunerated at the rate of 2.5% of the deposit and on the same terms and conditions as indicated above with effect from 1-7-76. In this connection, circular No. F.31 (2) NS/74, dated 30-5-74 of the Ministry of Finance, Government of India, is enclosed as Annexure-I for information.

Most of the Gazetted Officers are Income –tax assesses. They may be persuaded to deposit some amount in 10-Yr Cumulative Time Deposit and 15-Yr. Public Provident Fund account so that they can avail of the Income-tax rebate.

Government of India have allowed further facilities to the R.D. account holders. The account-holders whose accounts have matured may continue to make monthly deposits as usual for a further period of 5 years or may now avail of the facility of keeping the maturity value of the deposit in their accounts for a further period of 5 years. They will find it quite profitable to do so. The amount payable to them in such cases have been shown in the tables A & B enclosed as Annexure L. This may be brought to notice of all R.D. account-holders.

State Government have announced revised scales of pay per recommendation of Third Pay Commission for all categories of State Government employees, teachers of Non-Government Schools & Colleges and Primary School teachers. In view of the need for encouraging thrift and habit of saving, all the employees of the State Government working under you may please be persuaded to join the Pay Roll Group. It is essential that Pay Roll Savings Groups are formed immediately on receipt of consent slips from the employees. In case where such Group is already functioning, there should not be any delay in enrolling new members. Government of India desire that all State Government Offices should show an example in the enthusiastic and efficient functioning of the Pay Roll Savings Scheme.

The whole idea of organizing the Pay Roll Group is that the depositors will not have to run to the Post Offices and stand in the queue for depositing monthly deposit but on the basis of their authorization, the amount consented for, will be regularly deducted from their monthly pay bills and deposited by the cashier of the office in their respective Pass Books.

At the end of the Financial year, each Drawing & Disbursing Officer may send a detailed report in the pro forma enclosed (Annexure-J) about functioning of the Pay Roll Groups, to the Collector of the district under intimation to this department.

The Small Savings Supervisors/Small Savings officers/District Savings Officers of National Savings Organization, Government of India may be requested as and when necessary to visit the subordinate offices and to render necessary assistance for organization of P.R. Groups under intimation to the respective Collectors, Sub-Divisional Officers and Regional Director, National Savings, Government of India, Cuttack.

Yours Faithfully

K. C. MISRA
Joint Secretary to Government

MEMO. No. 36381 (124) F.

Dated the 7th August 1976

Copy with copy of enclosures forwarded to all Collectors/all Sub-Divisional Officers/Small Savings Supervisors/Small Savings Officers for information and necessary action with a request to persuade all the Government employees in different offices to join the Pay Roll Group.

K. C. MISRA

Joint Secretary to Government.

MEMO. No. 36382(28)—F.

Dated the 7th August 1976

Copy with copy of enclosures forwarded to Regional Director, National Savings, Government of India, Cuttack/all Assistant Regional Directors of National Savings Organization/all District Savings Officers of National Savings Organization, for information and necessary action with a request to Organize P. R. Groups in all State Government Offices/Central Government Offices and in all Industrial and Mining Establishments.

K. C. MISRA

Joint Secretary to government

MEMO. No. 3638(2) F.

Dated the 7th August 1976

Copy with copy of enclosures forwarded to Under-Secretary to the Government of India, Ministry of Finance (Department of Economic Affairs), New Delhi/National Savings Commissioner, Nagpur, for information.

K. C. MISRA

Joint Secretary to Government

MEMO NO. 36384- F

Dated the 7th August 1976

Copy with copy of enclosures forwarded to Managing Directors of all Corporations, General Managers of all Industrial & Mining Establishments, for information and necessary action.

K. C. MISRA

Joint Secretary to Government

ANNEXURE B

LETTER OF AUTHORISATION

To

.....
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SIR,

I, Shri/Srimati.....hereby authorize you to deduct from my salary/ wages, every month a sum of Rs..... (Rupees.....only) and to remit the amount as under:--

- (i) Rs.....for credit to my 10- Year Cumulative Time Deposit Amount No.....which will mature in..... (month and year).
- (ii) Rs.....for credit to my 5-Year Post Office (Recurring Deposit) Account No.....which will mature in..... (month and year).
- (iii) Rs.....for purchase of National Savings Annuity Certificates.

This authority will remain in force until it is modified or revoked by me.

I also authorize you take delivery from the Post Office, my Cumulative Time Deposit/Recurring

Deposit N.S. Annuity Certificate Pass Book on my behalf.

After maturity of the said account, the amount may be deposited in 1-Year/2-Year/3-Year/5 – Year Post Office Time Deposit Account or in P.O.S.B. Account to avail the benefit of Incentive Prize Scheme.Reinvestment of maturity amount to be made in consultation with the undersigned.

Yours Faithfully

Signature.....

Full Permanent Address

Name.....

.....

Deptt/Office.....

.....

Date.....

ANNEXURE-D

Deduction Schedule for deposit in Post Office Savings Bank/C.T.D/T.D. Accounts.

Name of Office.....Branch Unit.....Month 197

Sl. No.	Name of Employee	Designation	Amount Deducted	Type of Deposit- P.O.S.B./C.T.D./ R.D./T.D.	Pass Book No.	Date of remittance of deposit to P.O.	Date of return of Pass Book by the Post Office
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

—
Certificate of Cashier / Disbursing authority---

Certified that the deductions made are covered by the consent slips of each employee

Cashier/Disbursing

Authority.....

Date.....

CERTIFICATE BY POST OFFICE

It is Certify that a total sum of Rs.....(in figure).....in words)

Has been received and the deposits credited as shown above in the Post Office Savings Bank/C.T.D./R.D./T.D Pass Books of the employees concerned.

Date Stamp

Signature of Post Master

Note—No commission is payable in regard to investment in the Post Office Savings Bank Accounts.

Note II—In case of Pay Roll Savings Group running in Private and Public Sector Undertaking following certificates should also be recorded in the schedules of deposits----

1. The amounts were not invested through an authorized agent or agents.
2. The amounts do not include Provident Funds or other funds representing accumulation of past savings.
3. The Pass Book will be delivered to the investors or kept to the safe custody of investor's request.

ANNEXURE M

OFFICE OF THE POSTMASTER-GENERAL, ORISSA

Bhubaneswar—751001

The 20th July 1976

M.THOMAS VARGHESE,
DIRECTOR OF POSTAL SERVICES (WEST)
D.O. No.—S.B/38-41/76
DEAR SHRI

SUBJECT—Accepting of Deposits under Pay Roll Savings Scheme.

Instances have come to notice that Postmasters/Sub-Postmasters are not readily accepting the deposits under Pay Roll Savings Schemes under one pretext or the other, i.e. heavy rush in the counter, shortage of staff and the like. Instruction in this regard have been clearly in the past that under no circumstances such deposits should be refused and the procedure laid down in Appendix II of P. & T. Man Vol. VI, Part II should be followed meticulously excepting that the schedule will be presented in quadruplicate instead of in duplicate. One of the schedules duly receipted will be returned to the employer while another will be the office copy and two copies will be sent to the H.O.—one for the H.O. and other for the S.B.C.O. These instructions do not appear to have been meticulously followed with the result that there are several complaints from the employees as well as from the National Savings Organization. It is again impressed on all concerned that when C.T.D./R.D. Pass books along with amounts are presented by the employees for deposit under the Pay Roll Savings Scheme, they should not be refused on the plea that it is not possible for the post master to complete the entries in the Pass Book and to prepare the list of transactions on the same day. The Divisional Superintendents will please see that additional staff wherever necessary after ascertaining the date on which the Pass Books to be presented by the employees should be provided. For this purpose suitable dates can be fixed and it should be possible to accept all the C.T.D. Pass Books and to complete the transactions on the same day. Where, however, the staff cannot be strengthened in time and a large no of C.T.D./R.D. Pass Books are presented, the procedure as laid down under rules of Appendix II cited above should be followed.

There should not be any complaint on this score and the in attention to this type of important work is likely to give a set back to the small savings movement in the state. The receipt of this letter should be acknowledged and the date of issue of instructions to the Postmasters by you should be intimated.

With regards,

Yours sincerely

M.THOMAS VARGHESE

(All Superintendents of P.Os. in Orissa
Circle including Sr. S. P., Cuttack).

Copy forwarded for information and necessary action to---

1. Shri R. N. Panigrahi, Deputy Director, Small Savings, Finance Department Government of Orissa, Bhubaneswar with reference to his D. O. No.33031/SS-1-91, dated the 17th July 1976.
2. Shri J. N. Talukdar, Regional Director, National Savings, Government of India, Cuttack.
3. Rly. File.

M.THOMAS VARGHESE
Director of Postal Services (West), Orissa

N.B.:-- In case of any postal difficulty the Drawing and Disbursing Officers are requested to write to the Superintendent of Post Offices of their area under intimation to Finance Department.