

Notification or orders of a specific character or of particular interest to the Public issued by Government Secretariat Departments (Other than Education Department and Health and Family Planning Department and Local Administration Branch of Rural Development and Local Administration Department.

NOTIFICATION BY GOVERNMENT  
LABOUR DEPARTMENT

Vesting Order and Scheme relating to Post War Services Reconstruction Fund and Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen.

(G.O.Ms.No.42, Labour, 16th January 1970)

II-I No.472 of 1970

(In the matter of the Charitable Endowment Act, 1890 (Central Act VI of 1890) and in the matter of the Tamil Nadu Shares of the post-war services Reconstruction Fund and the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen.

I. Vesting of properties:

Whereas the Government of India have constituted a fund called the Special fund for Reconstruction and Rehabilitation of Ex-servicemen with a view to augmenting and perpetuating funds for resettlement of ex-servicemen;

And whereas the said Government have suggested that one Post-War Services Reconstruction Fund constituted for the collective benefit of those who have served in the ranks or as non-combatants in the Defence Services during the war of 1939-46 and administered by the Government of Tamil Nadu the Charitable Endowments Act 1890 (Central Act VI of 1890) may be merged with the Tamil Nadu Shares of the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen;

And whereas both the Committees of the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen and the Post-War Services Reconstruction Fund have agreed to amalgamate the Post-War Services Reconstruction Fund with the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen;

And whereas application has been made to the Government of Tamil Nadu under clause (A) of sub-section (1) of section 6 of the said Act by the Honorary Secretary for the Post-War Services Reconstruction Fund who is also the Secretary for the Post-War Services Reconstruction Fund who is also the

Secretary for the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen, for vesting the money specified in the schedule below in the Treasurer of Charitable Endowments, Tamil Nadu appointed under the said act for the State of Tamil Nadu;

Now, therefore, in exercise of the powers conferred by Section 4 of the said Act and in super session of the Public (Resettlement) Department Notification No.12, dated the 14<sup>th</sup> August 1946, published at page 560 of Part-I of the Fort St.George Gazette, dated the 20<sup>th</sup> August 1946, and Industries, Labour and Housing Department Notification No.2691 of 1967, dated the 22<sup>nd</sup> May 1967 published at pages 1202 to 1205 of Part-II Section- 1 of the Fort St. George Gazette, dated the 28<sup>th</sup> June 1967, the Governor of Tamil Nadu hereby orders that the said money be vested in the Treasurer aforesaid and be held by him and his successors in office subject to the provisions of the said Act and to any rules which, from time to time, may be or shall be deemed to have been made thereunder, upon trust for purposes and subject to the conditions, set forth in the scheme settled under section 5 of the said Act for the administration of the said Fund.

II. Scheme for administration: II-I No. 473 of 1070

Whereas the Government of India have constituted a fund called the Special Fund for Reconstruction and Rehabilitation of Ex-serviceman with a view to augmenting and perpetuating funds for resettlement of ex-servicemen and directed that the share of Tamil Nadu of the said Fund shall be administered under the Charitable Endowments Act, 1890 (Control Act VI of 1890);

And whereas both the Committees of the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen and the Post-War Services Reconstruction Fund have agreed to amalgamate the Post-War Services Reconstruction Fund with the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen.;

And whereas application has been made to the Government of Tamil Nadu under clause (a) of sub-section (1) of section 6 of the said Act by the Honorary Secretary for the Post-War Services Reconstruction Fund who is also the Secretary for the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen, for settling a scheme for the administration of the said Amalgamated Fund ;

Now, therefore, it is hereby notified that the Governor of Tamil Nadu has in exercise of the powers conferred by section of the said Act settled the scheme set forth in the schedule below for the administration of the said Fund and appointed the date of the publication of this notification in the Fort St.George Gazette as the date on which the scheme so settled shall come into operation.

The Schedule:

1. This Fund shall be called the Amalgamated Tamil Nadu Shares of the Post War Services Reconstruction Fund and the Special Fund for the Reconstruction and Rehabilitation of Ex-servicemen.

2. Definitions – In this scheme, unless the context otherwise requires:-

(a) 'Fund' means the Amalgamated Tamil Nadu Shares of the Post-War Services Reconstruction Fund and the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen.

(b) 'Ex-servicemen' means a person who has been released from the Armed Forces after having served in any rank or a non-combatant (enrolled) and includes a person who has died during such service;

(c) 'dependant' means the wife, non-earning sons below the age of 21 years, unmarried or widowed daughters, non-earning brothers below the age of 21 years and non-earning unmarried sisters and non-earning parents, of the Ex-servicemen who are wholly dependant on the Ex serviceman.

3. Objects of the fund:- The objects of the Fund are:-

(i) to award stipends to the ex-servicemen for technical, managerial, vocational or agricultural training at recognised training institutions;

(ii) to sanction grants or loans to Co-operative Societies or other associations of the ex-servicemen for schemes and projects of resettlement that is to say, horticulture, animal husbandry, industry, transport and the like;

(iii) to sanction scholarships or grants to the dependants to the dependants of the Ex-servicemen, for higher studies in India beyond high school or higher secondary education in technical, vocational or agricultural education;

(iv) to sanction expenditure on special measures of a collective nature for the maintenance of the old and the destitute ex-servicemen or widows of ex-serviceman;

(v) to grant loans to individual ex-servicemen for starting industries or business undertakings;

(vi) to promote all possible measures for the benefit of the ex-servicemen and their dependants;

(vii) generally to administer the Fund in the like manner as notified in the Gazette Notification of the Government of India, Ministry of Defence, S.R.O. No. 224, dated the 27<sup>th</sup> September 1966 which is hereto annexed and is part of the scheme as subsequently amended.

4. Administration of the Fund : (1) The Fund shall be administered by a Committee of Administration consisting of the following persons, namely:-

- |                       |   |   |
|-----------------------|---|---|
| Chairman              | – | The Governor of Tamil Nadu.   |
| Vice Chairman (First) | - | The Minister incharge of Ex-servicemen  |
| Second Vice Chairman  | - | The General Officer Commanding for Tamil Nadu, Mysore and Kerala Area, Madras.  |
| Members               | - | (1) The Chief Secretary to Government of Tamil Nadu<br>(2) Two Ex-Service Officers residing in Tamil Nadu nominated by the Chiefs of Staff Committee;<br>(3) Persons not exceeding two in number having interested in the Welfare of Ex-Servicemen nominated by the Government of Tamil Nadu. |

Provided that the Committee shall have powers to co-opt any other person as member but such co-opted member shall have no right to vote.

(2) The members nominated by the Chiefs of Staff Committee and the State Government shall hold office for two years and shall be eligible for re-nomination.

5. Subject to the provisions of clauses (1) to (4) the Committee may make bye-laws for the regulation, managements and other purposes connected with the administration of the Fund and may alter, vary or rescind the same, from time to time as it thinks fit for the conduct of the business of the Committee.

6. The Private Secretary to the Governor and the Secretary, Tamil Nadu Soldiers', Sailors', and Airmen's Board shall be the Secretary and the Joint Secretary of the Committee respectively. The Committee may appoint any other officer as the Secretary with the previous approval of the State and Central Government, and if may determine the functions of such officer.

7. Delegation of powers: The Committee may delegate all or any of its powers to any sub-committee formed from among its members for the purposes of running the day to day affairs of the Fund. The Committee may also delegate its power to the Secretary as it may consider fit and proper.

## ANNEXURE

Copy of the Ministry of Defence Notification S.R.O. No.234, dated the 27<sup>th</sup> September 1966 as amended.

S.R.O. No.234 - Whereas the Secretary of the Indian Soldiers', Sailors' and Airmen's Board and of the Special Fund for Reconstruction and Rehabilitation of Ex-servicemen who proposes to apply the Fund described in schedule 'A' annexed thereto (hereinafter referred to as the Fund) in trust for charitable objectives, has applied for vesting the Fund in the Treasurer of Charitable Endowments for India and for the settlement of a Scheme for the administration of the Fund.

It is hereby notified that in exercise of the powers conferred by sections 4 and 5 of the Charitable Endowments Act, 1890 (6 of 1890) and upon the application as aforesaid and with the concurrence of the said Secretary, the Central Government hereby order that the Fund shall, as from the publication of this notification vest and be henceforth vested in the Treasurer of Charitable Endowments for India to be held by him and his success in office (subject to the provisions of the said Act and the rule made thereunder) upon trust to hold the Fund and the income therein. In accordance with the trusts and terms set out in the Scheme set forth in Schedule "B" annexed hereto for the administration of the Fund.

And it is hereby further notified that the said scheme has been settled for the administration of the fund under sub-section (1) of section 5 of the said Act, and that it shall come in to force on the 1<sup>st</sup> October, 1966.

### Schedule "A"

Rupees one crore only to be invested in the trustee securities.

### Schedule "B"

Scheme for the administration of the fund.

1. Definitions – in this Scheme, unless the context otherwise requires –
  - (a) 'Fund' means the special fund for reconstruction and rehabilitation of ex-servicemen. 'Central Fund' means the portion or the fund which is retained, and is managed by, the Central Managing Committee; 'State Fund' means the portion of the fund which is set apart for expenditure on schemes of State and is managed by State Managing Committee; "Union Territory Fund" means the portion of the fund which is set apart for expenditure on schemes of union territory and is managed by the Union Territory Managing Committee".

(b) 'Ex-servicemen' means any person, who has been released from the Armed Forces after having served in any rank or as non-combatant (enrolled) including a person who has died during such service.

(c) 'Dependant' means the wife, non-earning sons below the age of 21 years, unmarried or widowed daughters, non-earning brothers below the age of 21 years and unmarried sisters of the ex-servicemen, actually dependant on the Ex-Servicemen.

2. Objects of the Fund – The objects of the Fund are -

- (i) to award stipends to ex-servicemen for technical, managerial, vocational or agricultural training at recognised training institution;
- (ii) to sanction grants or loans to co-operative societies or other associations of ex-servicemen for schemes, and projects of resettlement that is to say, horticulture, animal husbandry, industry, transport and the like;
- (iii) to sanction scholarships or grants to dependants of ex-servicemen for higher studies in India beyond high school or higher secondary stage in technical, vocational or agricultural education;
- (iv) to sanction expenditure on special measures of a collective nature for the maintenance of old and destitute ex-servicemen or widows of Ex-Servicemen;
- (v) to grant loans to individual ex-servicemen for starting industries or business undertakings; and
- (vi) to do all other things to promote measures for the benefit of ex-servicemen on their dependants.

Assets of the Fund: (a) The Fund will be constituted with

- (i) an initial contribution of Rs.5 crores from the National Defence Fund; and
- (ii) an initial contribution of rupees one crore from the Central Government
- (iii) the assets of the Fund at any time shall include, in addition to the above
- (vi) further contributions to the Fund from the National Defence Fund or from the Central Government;

- (v) the contributions received from the State Governments or Union Territory Governments or Administration from time to time
- (vi) any other donations of voluntary endowments which may be received and
- (vii) Income from the assets of the Fund.

Provision of the Fund: (a) Eighty percent of the contributions from the National Defence Fund and from the Central Government shall be diverted for distribution to the States and Union Territories on the basis of number of service personnel in the Armed Forces recruited from the respective States or Union Territories as on the 1<sup>st</sup> day of January 1965 in regard to the initial contribution and on the basis of the strength of such personnel is on the 1<sup>st</sup> day of January of the year in which subsequent contributions as aforesaid are received.

(b) The share of a State or Union Territory from the contributions from the Central Government shall be distributed thereto only if a contribution equal to such share is made to the Fund by the State Government or, on the case may be by the Union Territory Government or Administration. Any such shares not distributed within a period of three calendar years starting from the calendar year in which it is due to be distributed for want of matching contribution will be kept at the disposal of the Central Managing Committee for being spent in accordance with sub-paragraph (c) below.

(c) The balance of the Fund will be available for expenditure on the management of the Fund and in furtherance of its objects under the directions of the Central Managing Committee.

(d) The shares of Nepal, Bhutan and Sikkim on the basis of the number of recruits from these countries in the Armed Forces of India as on the 1<sup>st</sup> January 1965 and also of subsequent years will be placed at the disposal of the Central Managing Committee for utilisation on account of the welfare of Ex-Servicemen of these countries for such purposes and in such manner as it may deem fit.

(e) The Central Managing Committee may also, at its discretion allot such funds out of the funds placed at its disposal to Nepal, Bhutan and Sikkim as it may considered necessary for the Welfare of Ex-Servicemen released from the Indian Armed Forces and belonging of these territories.

5. Vesting of assets :- The assets of the Central Fund and those of the Union Territories Fund shall be vested in the Treasurer of Charitable Endowments for India and those of a State Fund in the Treasurer of Charitable Endowments of the State.



6. Management:- The Treasurer of Charitable Endowments shall not act in the management or administration of the Fund but subject to any general or special directions given by the Central Government, the management and administration shall be vested in and shall rest with the Central-State or Union Territory Managing Committee, as the case may be.

7. Central Managing Committee:- (i) For the management and administration of the Fund, a Central Managing Committee shall be constituted. It shall consist of

Chairman:  
Minister of Defence

Vice Chairman:  
Minister of Defence Production

Members:  
Secretary, Ministry of Defence  
Chief of the Army Staff  
Chief of the Naval Staff  
Chief of the Air Staff

Financial Adviser, Ministry of Finance (Defence), Joint Secretary Incharge of Resettlement of Ex-servicemen, Ministry of Defence.

Two Ex/Service Officers nominated by the Central Government, Director General of Resettlement, Ministry of Defence.

Secretary:

Secretary, Indian Soldiers', Sailors' and Airmen's Board

8. State / Union Territory Managing Committee:

(a) Subject to the general policy and directions of the General Managing Committee which will inter alia specify the type of schemes which will qualify for grants and loans from the Fund. State / Union Territory Managing Committees shall be constituted for the management and administration of the State / Union Territory Funds. A State / Union Territory Managing Committee shall consist of:

Chairman

(i) Governor / Lt. Governor / Chief Commissioner/ Administrator.

### First Vice Chairman

(ii) Chief Secretary or a Senior Officer of the State Government or administration of the status of Secretary deputed by him as his representative.

### Second Vice Chairman

(iii) G.O.C. of. an Area or an Army Officer of the same rank, or Commander of an Independent Sub Area, or an Officer or corresponding rank in the Navy or in the Air Force to be nominated by the Chiefs of the Staff Committee.

### Members:

(iv) Two Ex-service Officers, residing in the State / Union Territory nominated by the Chiefs of State Committee.

(v) Persons not exceeding two in number having interest in the welfare of Ex-servicemen nominated by the State Government administration.

The State / Union Territory Managing Committee shall have powers to co-opt any other person as member but such co-opted member will have no right to vote.

(b) The Secretary to the State / Union Territory Soldier's, Sailors' and Airmen's Board shall be the Secretary to the State / Union Territory Managing Committee. Any other Officer may be appointed as the Secretary with the previous approval of the Central Government.

(c) Changes in the composition of the State / Union Territory Managing Committee may be made with the previous approval of the Central Government.

9. Tenure: - (a) when a person becomes member of the Central or State / Union Territory Managing committee by virtue of the Office or appointment be held, his membership will terminate when he ceases to hold such office or appointment.

(b) Subject to clause (a) the tenure of nominated members shall be two years. A member shall be eligible for re-appointment.

10. Application of the Fund :- (i) Subject to the provisions of the Charitable Endowments Act 1890, the Central, State or Union Territory Managing committee shall have the power to control and administer the Fund and to apply the same or any part thereof as they may consider necessary having regard to the objects of the Fund provides that -

- (a) Only loans shall be granted to Ex-service Officers and their dependants.
- (b) the rate of interest for loans shall be the rate fixed by the respective Government / Administration each year;
- (c) The Fund shall not be used to finance any scheme, the provision of which is normally the responsibility of the Central or State or Union Territory Government or Administration.

Provided further that any such scheme may be financed from the Fund with the previous approval of the Central or State of Union Territory Government or Administration, as the case may be.

ii) The State or Urban Territory Managing Committee shall forward in February each year a statement giving a brief account of its activities during the year indicating the manner in which the funds have been spent on the objects of the Fund, the balance at the disposal of the Fund and the manner in which the assets of the Fund are proposed to be spent in the succeeding year.

iii) The Central Managing Committee may communicate their comments on the proposals to the State or Union Territory Managing Committee and the State or Union Territory Managing Committee shall take such comments into consideration into consideration before finalising their proposals.

11. Conduct of Business:- (a) The Central, State or Union Territory Managing Committee may meet for the conduct of business adjourn and otherwise regulate its meetings and proceedings as may be determined by the bye-laws.

(b) The quorum for a meeting of the Managing Committee shall be three members personally present at the meeting and a meeting of the Managing Committee at which a quorum is present shall be competent to exercises all or any of the functions of the Committee.

(c) The meeting shall be presided over by the Chairman or in his absence by the First Vice-Chairman of the Managing Committee. In case, the Chairman and the First Vice-Chairman are not present in a meeting, it shall be presided over by the Second Vice-Chairman. If none of them is present in a meeting the members present in person shall before the commencement of the proceeding, elect the Chairman of the meeting.

(d) Every matter shall be determined by a majority of voters of the members present and voting. The Secretary, unless he is also a member, shall have no right to vote. In case of equality of votes the matter shall be decided according to the easting vote of the Chairman of the Committee or meeting, as the case may be.

12. Framing Bye-laws:- The Central, State or Union Territory Managing Committee may make bye-laws for the detailed regulation, management and any other purpose connected with the execution of the Fund and the trusts thereof and may alter, vary or rescind the same from time to time.

13. Appointment of Sub-Committees:- The Central / State / Union Territory Managing Committee may appoint an Executive Sub-Committee formed from amongst its members to which it may delegate such powers as it may deem fit. It may also appoint an Advisory Sub-Committee formed from amongst its members or their representatives to scrutinize Schemes or other proposals for assistance from the Fund and submit them with its recommendations to the Managing Committee and to advise the Managing committee on other matters connected with the administration of the Fund.

14. Right to transfer the Fund:- (i) The Central / State or Union Territory Managing Committee shall have the right to transfer the respective Fund or any part thereof to any other society or association established for the promotion of objects similar to the objects of the Fund provided that prior approval of the Central Government or the concerned State / Union Territory Government / Administration as the case may be has been obtained in that regard.

(ii) The Central Government may if it deems necessary on account of the re-organisation of a State distribute the Fund of that State to other States or Union Territories for management by the Managing Committees of such States or Union Territories.

15. Members of the Managing Committee not entitled to remuneration – Members of the Managing Committee shall not be entitled to any remuneration.

16. Appointment of staff:- The Resettlement Directorate, Ministry of Defence shall provide the necessary staff for the clerical work of the Central Managing Committee and the Office of the State / Union Territory Soldiers', Sailors' and Airmen's Board shall provide the staff for the clerical work of the State / Union Territory Managing Committee concerned.

17. Deposit and investment of moneys:- The Central, State or Union Territory Managing Committee shall invest a portion of the moneys of the Fund in trustee securities as may be considered appropriate by it and then transfer to the Treasurer of Charitable Endowments for India or the concerned State, as the case may be. It may keep the balance of the moneys in one or more accounts at the State Bank of India or any of its subsidiaries or any Scheduled Bank, the deposits in which according to the last annual balance sheet are not less than Rs.10 cores.

18. Operation of Accounts:- (i) The accounts of the Central Fund shall be operated jointly by the Director General of Resettlement and the Secretary of the Central Fund on behalf of the Central Managing Committee.

(ii) The accounts of the State Fund / Union Territory Fund shall be operated jointly by the Chief Secretary of the concerned State / Union Territory Government of Administration or his representative on the State / Union Territory Managing Committee and the Secretary of the State / Union Territory Fund on behalf of the State / Union Territory Managing Committee.

19. Accounts and Audit:- Regular accounts shall be kept of all moneys and properties belonging to the Fund and shall be audited by a firm of chartered accountants or any other reorganised auditor as may be appointed by the Central, State or Union Territory Managing Committee for the Central Fund, the State Fund, or Union Territory Fund, as the case may be. The auditor shall also certify that the expenditure from the Fund has been correctly incurred in accordance with the objects of the Fund.

20. Periodical Reports:- Annual Reports showing the schemes financed from the Fund, and the annual audited statement of accounts shall be rendered to the Central Government (Ministry of Defence) to the State Government and to the Union Territory Government or Administration, by the Secretary to the Central, State or Union Territory Managing Committee, as the case may be, after the close of the financial year, but not later than six months thereof.

/True copy/

Superintendent