

GOVERNMENT OF TAMIL NADU

Personnel and Administrative Reforms (Per-A) Department

Letter No. 83726/Per-A/94-1, dt. 5.7.94

Sub : Public Services - Government servants - Availing of Consumer loan from private agencies through office - Modification - Issued.

- Ref : 1. Government Letter No. 92440/90-1, Personnel and Administrative Reforms (Per-A) Department, dated 1.11.1990.
2. Govt. Letter No. 5557/Per-A/91-1, dated 25.1.1991.
 3. Govt. Letter No. 15373/Per-A/92-2, dated 26.2.1992.
 4. Govt. Letter No. 3234/Per-A/92-7, dated 26.5.1993.

As per the instructions issued in the Government letter first cited, the Departments of Secretariat/ Heads of Department should ensure that Office Procedure/Establishment Sections under them do not involve themselves in financial transactions of Government servants by giving undertakings, etc., for recovery of monthly instalments, to the private/nationalised banks/ financial/commercial institutions except in the case of loans obtained from Co-operative Banks, Co-optex and Tamil Nadu Khadi and Village Industries Board which are extending credit facilities. Subsequently in the Government letter second and third cited, it was ordered that the instructions issued in para 2 of the Government letter first cited will not apply to Tamil Nadu small Industries Corporation Ltd., and to housing loans afforded by the Public Sector undertakings including companies and Banks for construction of house or for purchase of flat. In the Government letter 4th cited, it was further clarified that the drawing officer could not give any undertaking to the Chengai-Anna District Public Servants Co-operative Society by way of signing applications of Ministerial staff or any other staff for sanction of loan.

2. Various associations of Government employees have represented that the instructions issued by the Government have affected them very much as the Departmental Co-operative Societies are the only source for the employees to get loan to meet unforeseen expenses. The Associations have therefore requested the Government to revise the instructions issued in Letter

No. 3234/Per-A/92-7, dated 26.5.1993 so as to enable all drawing officers to sign "undertakings" in the loan applications in respect of Employees' Co-operative Credit Societies/Co-operative Thrift Societies/Co-operative Banks.

3. The Government after careful consideration have decided to exempt the Employees' Co-operative Societies from the instructions issued in Letter No. 92440/Per-A/90-1, dated 1.11.1990 so as to enable all pay disbursing officers to recover and remit the dues payable by the Government servants to the Employees Co-operative Societies concerned, and give appropriate undertaking to the Co-operative Societies.

4. Accordingly, in partial modification of para 3 of the Government letter first cited, the Government direct that the instructions mentioned therein will not apply to Employees' Co-operative Societies including Employees' Co-operative-Thrift and Credit Societies which are extending credit facilities to Government servants.

Yours faithfully,

(A. SURIYAKUMARI)

For Secretary to Government.