

**GOVERNMENT OF KERALA**

**Finance Department**

**CIRCULAR**

No. 99/79/Fin.

*Dated, Trivandrum, 21<sup>st</sup> December 1979.*

Sub:- Premature repayment of the balance of interest in Compulsory Deposit accounts- Regarding.

Ref:- Government of India letter No. E4(1)CD/79 dated 29-8-1979 and 4-12-1979 from the Ministry of Finance, Department of Economic Affairs.

The practice being followed by some Heads of Departments in sanctioning premature repayment of Compulsory Deposit is to specify the amounts at credit of the employees both under 'Principal' and 'Interest' (interest worked out as on the last day of a particular month). In many cases due to administrative delays, the amounts thus sanctioned could be drawn only after one or two months and the amounts of interest accrued for these months could not be drawn since the amount of interest shown in the sanction alone could be cashed at the time of drawal. Thus, the individuals are deprived of the interest for these months. Having examined this aspect in consultation with the Government of India, Government are pleased to order that the short-payment of interest because of the time-lag between the sanction of premature repayment by the competent authority and the drawal of funds by the drawing and disbursing officer may be made good by drawing supplementary bills. The difference interest can be sanctioned by the D.D.O. himself and a copy of the sanction attached with the bill. However, the need for such claims should be avoided by prompt action on sanctions for premature repayments.

**K.V.HARIKRISHNAN NAIR,**  
*Joint Secretary (Finance)*

GPT.4/4638/MC

To

The Accountant General, Kerala, Trivandrum.

The Secretary, Kerala Public Service Commission, Trivandrum (with C.L.)

All the Heads of Departments and Offices.

The Registrar, University of Kerala/Cochin/calicut (with C.L.)

The Registrar, Kerala Agricultural University, Trichur (with C.L.)

The General Manager, Kerala State Road Transport Corporation, Trivandrum  
(with C.L.)

The Secretary, Kerala State Electricity Board, Trivandrum (with C.L.)

The Registrar of high Court, Ernakulam (with C.L.)

All Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries and  
Under Secretaries to Government.

The Under Secretary to the Chief Secretary.