



FINANCE (I.F.) DEPARTMENT.

G. O. No. 304, 20th April 1983

Interest—Rates of interest on loans and advances by the State Government Interest for the year 1983–84—Orders issued.

READ—the following paper :—

G.O. Ms. No. 472, Finance, dated 22nd July 1982.

Order—No. 304, Finance (I.F.), dated 20th April 1983.

Government direct that the rates of interest to be charged on various kinds of loans and advances by Government during the year 1983–84 be as shown below. These rates will take effect from the 1st April 1983.

<i>Class/Loan/Advance.</i>	<i>Per cent per annum for the year 1983–84.</i>
(1)	(2)
(1) Advances to cultivators—	
(i) For small farmers	10.5
(ii) For others	12
(2) Loans to Tamil Nadu Electricity Board—	
(i) Plan Schemes	8.5
(ii) Other Schemes	11
(3) Loans to Tamil Nadu Housing Board—	
(i) Schemes for economically weaker sections	7
(ii) Low income group and other low cost housing scheme	9
(iii) Middle-income group and other loans	12
(iv) Life Insurance Corporation assisted Housing Schemes	8
(4) Loans to Corporations of Madras, Madurai, Coimbatore Municipalities and all other local bodies—	
(i) For development purposes	8.5
(ii) For Ways and Means advances, advances including loans to cover deficits	12
(iii) For remunerative enterprises	12
(iv) Life Insurance Corporation assisted Water-supply Schemes	8.5

<i>Class of Loan/Advance.</i>	<i>Per cent per annu for the year 1983-84.</i>
(1)	(2)
(5) Loans to State-owned Industrial/Commercial undertakings/ Corporations, etc., including financial corporations—	
(a) For Financial Corporations—	
Working capital loans/ways and means advances/loans to to cash deficits	15
For other purposes	12.5
(b) For other Corporations—	
Working capital loans/ways and means advances/loans to cash deficits	15
For other purposes	12.5
For purpose of promotional activities	7.5 to 9 (depending upon the period of loan)
(6) Loans to Co-operative Institutions and Banks—	
(i) Co-operative Marketing Societies and Rural Credit Societies for construction of godowns	10.5
(ii) Co-operative Societies and individual acquisition of house- sites sanctioned by the Harijan Welfare Department	10.5
(iii) Co-operative Societies (other than societies for communities eligible for help by the Harijan Welfare Department) including loan to Co-operative Banks and Land Develop- ment Banks	11.5
(7) Loans to Government Servants—	
* (i) For House Building Advances—	
(a) For loans up to Rs. 25,000	7
(b) For loans from Rs. 25,001 to Rs. 50,000	8
(c) For loans from Rs. 50,001 to Rs. 75,000	9
(d) For loans from Rs. 75,001 to Rs. 1,50,000	10
(ii) Conveyance Advance—	
(a) For purpose of motor car	9.5
(b) For purchase of motor cycles, scooters and bicycles	8
(8) Loans for food procurement—	
(i) Tamil Nadu Civil Supplies Corporation	11
(ii) Tamil Nadu Co-operative Milk Producer's Federation	11

* A rebate of 1 per cent will be admissible on the interest if the house is constructed or bought in places to which the City Compensatory Allowance is not extended.

2. The rates of interest are general and will not apply to cases where reduced rates of interest have been sanctioned specially by Government or where loans have been sanctioned by Government free of interest. Government may also sanction Ways and Means Advances at special rates of interest taking into account the cost of borrowing of Government.

3. The penal interest on all over due instalments of principal and interest will be 2 per cent more than the normal rates per annum. There shall be no penal interest for takkavi loans.

4. The rates of interest for 1983-84 for loans under special laws (State Aid to Industries Act) will be fixed by Government in the Industries Department and communicated separately.

5. Except in the case of loans to Government servants interest in all cases unless specifically indicated otherwise should be paid every calendar quarter on the outstanding balance.

6. Even at the stage of sanction of loan, the period of repayment and rate of interest should be indicated if it is a loan which Government expects to be repaid. In case it is a permanent loan a specific mention of this fact should be made in the sanction order itself.

(By order of the Governor)

K. J. M. SHETTY,
Commissioner and Secretary to Government.

To the Accountant-General, Tamil Nadu Madras-18 (10 copies),
,, the Accountant-General II, Tamil Nadu, Madras-18, (10 copies).
,, the Pay and Accounts Officer (North), Madras-1.
,, the Pay and Accounts Officer (South), Madras-35.
,, the Pay and Accounts Officer (East), Madras-5.
,, all Treasury Officers.
,, all Heads of Departments.
,, all Departments of Secretariat.
,, all State-owned Corporations, Boards, etc.
,, the Commissioners, Corporation of Madras.
,, the Commissioners, Corporation of Madurai.
,, the Commissioner, Corporation of Coimbatore.
,, all Collectors.

Copy to:

Industries Departments, Madras-9 (with reference to paragraph 4)
,, all officers in Finance Department.
,, all sections in Finance Department.

Forward.

(by order.)


Section Grade Section Officer