

Public Administration Circular No.26/97 (1)

My No: III/0266/2/68 (LA) VI (5)
Ministry of Public Administration, Home
Affairs and Plantation Industries,
Independence Square,
Colombo 7.

24 March, 1998

To All Ministry Secretaries
and Heads of Departments,

**Leaving interest on Loans - Chapter XXIV
of the Establishments Code**

Your attention is drawn to the Public Administration Circular No. 26/97 of 19.11.97 by which Section 3:8 Chapter XXIV of the Establishments Code was amended in order to reduce the rate of interest on 6 categories of loans to 4.2%.

02. For the purpose of making provision for the payment of salary advances to Public Officers whose immovable properties are damaged and /or who are deprived of movable properties as a result of disturbances occurring in the country, Public Administration Circular No 29/88 dated 30.08.1998 was issued adding a new section i.e. Section 14 to Chapter XXIV of the Establishments Code, according to which the interest rate that should be charged was 7.2%. The Government has now decided that in addition to the six categories of loans referred to in paragraph 1 above, the annual rate of interest that should be charged on advanced granted under Circular No.29/88 should also be 4.2% with effect from 01.12.1997.

03. This new rate of interest will apply also to the balances due on 01.12.1997 on the above advances already obtained.

04. This Circular is issued with the concurrence of the General Treasury.

Sgd./Dixon Nilaweera
Acting Secretary
Ministry of Public Administration, Home
Affairs and Plantation Industries