



प्रधान महालेखाकार (ले.प.।) का कार्यालय, केरल, तिरुवनंतपुरम  
**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT I),**  
**KERALA, THIRUVANANTHAPURAM**



No.Au./Au./Admn./Co-op Society/Vol.V/

Date: 19.01.2024

**CIRCULAR No. 90**

**Sub: Tripartite Agreement to be executed between Employee, Office and concerned Cooperative Society reg.**

As per the instructions received from Headquarters, vide Circular No. 40-Staff (Disc.-I)/2019 dated: 18.10.2019, the recovery of cooperative dues from the salary of employees will be allowed only in respect of (i) Cooperative Credit & Thrift Societies and (ii) Cooperative Consumer Societies. The deductions of dues will be done by DDOs of IA&AD, strictly in accordance with Rule 79 of the Receipt and Payment Rules 1983. Further, the deduction of Cooperative dues in such societies will be based on Tripartite Agreement to be executed between (i) Employee, (ii) Office and (iii) concerned Cooperative Society. .

The Cooperative Societies and Stores functioning in this office are hereby directed to formulate the Tripartite Agreement for deduction of cooperative society dues ensuring compliance with the instructions received from Headquarters.

The guidelines for drafting of Tripartite Agreement to be executed between Employee, Office and concerned Cooperative Society mentioning terms and conditions to be included in the Agreement circulated by Hqrs. Circular No. 30-Staff (Disc.-I)/2020 dated: 15.07.2020 is enclosed herewith for necessary action in the matter.

The Tripartite Agreement between the Employee, Office and concerned Cooperative Society/Store is to be executed on or before 15 March 2024 failing which recovery of Society/Store dues from the salary of employees will not be permitted from the month of April 2024.

DDOs are directed to ensure compliance regarding the Tripartite Agreement in line with the guidelines issued by Headquarters office before executing the same.

*(Vide orders dated 17.01.2024 of PAG (Audit I), PAG (Audit II), AG(A&E))*

**Deputy Accountant General (Admn.)**

To,

1. All Cooperative Societies & Stores functioning in this Office/ Branch Offices
2. DDOs concerned
3. DD (CS/GST)-II, Office of the PDA(C), Chennai, Branch Kochi, for information.

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**By Speed Post**  
**Office of the Comptroller & Auditor General of India**  
**New Delhi**

(For exclusive use in IA&AD and not  
to be quoted or published elsewhere)  
Circular No. 30 -Staff (Disc.-I)/2020  
No.55- Staff (Disc.-I)/24-2018 Vol-II  
Dated 15.07.2020

To

1. All Heads of Department in IA&AD  
(as per mailing list)
2. Principal Director (Headquarters)

Subject: Draft Tripartite Agreement.

Sir/Madam,

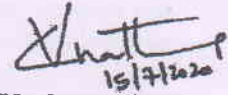
Reference is invited to this office Circular No. 16-Staff (Disc-1)/2020 issued under letter No. 439-Staff (Disc.I)/24-2018 dated 19.03.2020, forwarding therewith guidelines for drafting of Tripartite Agreement; mentioning terms and conditions to be included in the Tripartite Agreement to be executed between employee, office and concerned cooperative society.

2. Now Legal Section of this office has forwarded the revised **Tripartite Agreement** to be executed between employee, office and concerned cooperative society in respect of (i) Cooperative Credit and Thrift Societies and (ii) Cooperative Consumer Societies. The same is enclosed for appropriate action in the matter.

3. These instructions supersede the instructions issued vide aforesaid Circular No. 16-Staff (Disc-1)/2020 dated 19.03.2020.

Encl: As above.

Yours faithfully,



(V. S. Venkatanathan)

Assistant Comptroller & Auditor General (N)

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**TRIPARTITE AGREEMENT**

This Tripartite agreement dated..... (dd/mm/yyyy) executed at..... (Place)

Between

Mr/Ms.-----S/o/D/o-----employed as ----  
---(Designation of the employee) (Society Membership No. -----) at the office of the  
(name of the IA&AD office) bearing Employee No.-----herein after referred  
to as "First Part/Employee".

And

The .....(Name of the Cooperative Society) registered under.....(Name of  
the Cooperative Societies Act under which society is registered) (Registration No-----  
---) represented by its Secretary having their office at ..... (Name of the Place  
at which Society has its address in the records of the Registrar Cooperative Societies)  
herein after referred to as "Second Part/Society".

And

The ..... (Name of the IA&AD office) represented by the Drawing and  
Disbursing Officer of office of the (Name of the IA&AD office) headquartered at  
.....( Place) herein referred to as "Third Part/Employer".

The terms of the Parties of First Part, Second Part and Third Part being the Employee,  
Employee Society and the Employer respectively wherever mentioned shall in the  
context so permits mean and include their legal Representatives, Administrators,  
Successors, Executors and Nominees and legal heirs.

Whereas, the Society was formed and registered under the provisions of .....  
(Name of the Cooperative Societies Act under which society is/was formed) and the  
Employees of the ..... (Name of the IA&AD office) are  
members of the Society. The society shall advance Loan, only after the signing of the  
Tripartite Agreement and subject to the conditions given in this Tripartite Agreement,  
to the Employees who are the members of the Society and the said loans shall be  
recovered from the salaries of the Employees by the Employer and paid to the Society.

Whereas the Employee of ..... (Name of the IA&AD office) having become the  
member of the Society has expressed his/ her consent and empowered the Employer to  
deduct the dues to the Society towards the instalments of loan pending/ interest/  
subscription/ thrift, etc payable by the employee to the Society as per the demand raised  
by the Society on month after month basis from the salary of the Employee.

It is hereby agreed to by and between the parties hereto, the terms and conditions set forth  
below:

1. The Employee assures that he/ she does not have any objections in making such  
deductions from his /her salary on the demand made by the Society as he/she has  
benefited from and out of the Society.
2. The Society confirms and agrees that the Employee has not availed of loan of not more  
than 40 percent to 60 percent of his salary (basic pay plus DA as on that date).(40 percent  
to 60 percent depending upon the length of service remaining with the government)
3. The Society and Employee confirm and agree that the Employee has not availed of any  
other loan from any other source – bank, housing bank, cooperative credit society or any  
other source. If availed of any loan from any other source, then the loan sanctioned by  
the Society shall be restricted in the manner that EMI (Equated Monthly Instalment)  
does not exceed 40 percent of the net salary when taken together with earlier loan. That  
is, if earlier loan is 20 percent of his salary, the society cannot sanction a loan in excess  
of 20 percent of his salary. The correctness of this will lie on the Employee and Society  
only. Thus, the Society and Employee only will be responsible for any outcome owing



to incorrectness of such an undertaking. In such a situation where employee has furnished wrong information, the Employer will be well within its rights to proceed against him/her under CCS (Conduct) Rules.

4. The Employer confirms and agrees to deduct from the salary of the Employee on month after month basis the amount demanded by the Society towards the repayment of the loan and subscriptions of the Employee and pay the same directly to the Society.
5. The Employer, however, explicitly states that deduction towards statutory dues from the Employees will be given preference and only after such deduction, dues demanded by the Society will be deducted from the Employee on month after month basis.
6. Through this Agreement the Employer shall have no other obligation except deducting the Society dues from the Salary of the Employees as per the demand made by the Society.
7. The Society agrees that they shall make the demand based on the dues for the respective month from the employee and the employer shall deduct from the salary of the employee and pay the society on the basis of such demand made by the Society.
8. The Society shall obtain the guarantees of two guarantors who shall be liable to pay the remaining loan in case the employee, who availed the loan, quits the job or is removed from the job or in case of his/her demise.
9. No recoveries towards payment of loan shall be made from DCRG and other pensionary benefits. However, recoveries may be made from leave encashment payment, if any, made at the time of retirement.
10. Employer shall not be responsible for the correctness or otherwise of the demand made by the Society.
11. In the event of any excess demand made by the Society towards the dues from the Employee, the Employee and the Society shall not hold the Employer responsible for deductions so made based on the demand made by the Society.
12. If the Employee is transferred out of the administrative control of the Third part/ Employer, this tripartite agreement shall cease to be operational.

Signed this day..... (dd/mm/yyyy) at..... (place)

**First Part**

**Second Part**

**Third Part**

**Witness**

1.