



**FINANCE (PENSION) DEPARTMENT**

**G.O. No.409, DATED 31st July, 2004**

*( Tharana, Aadi-16, Thiruvalluvar Aandu 2035)*

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**Retirement benefits - Encashment of Leave at the time of Retirement - Revised Orders - Issued.**

**Read the following:**

1. G.O.Ms.No.488, Finance (Pension) Department, dated 12.8.1996
2. G.O.Ms.No.72, Finance (Pension) Department, dated 19.3.2003
3. High Court of Judicature at Madras Judgment dated 23.10.2003 in W.Ps.11228, 11666 to 11668, 18903, 18905 to 18907 of 2003
4. Supreme Court order dated 27.4.2004 in Special Leave Petition(c ) Nos.3648-3651/2004.

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**ORDER:**

**In the Government Order second read above, orders have been issued directing that at the time of retirement, encashment of leave upto a maximum of 300 days shall be allowed and that the encashment of leave salary at the time of retirement shall be based on Pay plus Dearness Allowance only and other allowances will not be taken into account. The decisions in the references third and fourth read above have been noted.**

**2. The Government have, therefore, decided to implement the orders passed by the High Court of Madras. Accordingly they direct the following:**

**(i) The orders issued in the Government Order Second read above shall be treated as cancelled.**

**(ii) At the time of retirement encashment of leave upto a maximum of 330 days shall be allowed. For this the Earned Leave accumulated upto 240 days shall be allowed for encashment and Unearned Leave on Private Affairs of 180 days which shall be converted into 90 days of full pay shall be allowed for encashment.**

**(iii) The Encashment of Leave Salary at the time of retirement shall be based on Pay, Dearness Allowance, House Rent Allowance and City Compensatory Allowance.**

**(iv) These orders shall take effect from 1.4.2003**

**3. The Heads of Departments and Head of Offices are requested to re-calculate the encashment of the leave salary of those employees who were already retired from 1.4.2003 and to pay the difference amount to them.**

**4. These orders shall also apply to the following categories of employees:**

**a. those retiring on medical invalidation.**

**b. those retrenched from Government Service.**

**c. those permitted to retire from service without prejudice to the disciplinary proceedings pending against them.**

**d. to those going on voluntary retirement and**

**e. those sent on compulsory retirement**

**5. Necessary amendment to Tamil Nadu Leave Rules 1933 will be issued separately from Personnel and Administrative Reforms Department.**

**(BY ORDER OF THE GOVERNOR)**

**N. NARAYANAN,**

**DEVELOPMENT COMMISSIONER &**

**PRINCIPAL SECRETARY TO GOVERNMENT.**

**To**

**All Secretaries to Government.**

**All Departments of Secretariat.**

**The Secretary, Legislative Assembly Secretariat, Chennai - 600 009.**

**The Legislative Assembly Secretariat, Chennai - 600 009.**

**The Governor's Secretariat, Raj Bhavan, Chennai - 600 025.**

**All Heads of Departments.**

**The Accountant General (A&E), Chennai - 600 018. (By name)**

**The Accountant General (A&E), Chennai - 600 018**

**The Principal Accountant General (Audit-I), Chennai - 600 035.**

**The Accountant General (Audit-II), Chennai - 600 006.**

**The Accountant General (CAB), Chennai - 600 009.**

**The Pay and Accounts Officer (Sectt.)/(North)/(South)/(East), Chennai-9/1/35/5.**

**The Pay and Accounts Officer, Madurai / Delhi.**

**The Registrar, High Court, Chennai - 600 104.**

**The Secretary, Tamil Nadu Public Service Commission, Chennai - 600 002.**

**The Director of Pension, D.M.S. Complex, Chennai - 600 006.**

**The Commissioner of Treasuries and Accounts, Chennai-600 015.**

**All District Collectors / District Judges / Chief Judicial Magistrates.**

**The Commissioner, Corporation of Chennai / Madurai / Coimbatore / Tiruchirappalli / Salem / Tirunelveli**

**The Pension Pay Officer, Chennai - 600 006.**

**All Treasury officers / Sub-Treasury Officers.**

**All State Government owned Boards / Corporations.**

**Copy to:**

**The Finance ((OP.I)/(OP.II)/(OP.III)/(OP.Misc.), Chennai - 600 009.**

**The Finance (PGC/PC) Department, Chennai - 600 009.**

**All Sections in Finance Department.**

**The Director of Local Fund Audit, Chennai - 600 108.**

**The President, Tamil Nadu Retired Officials Association, D.P.I. Complex, Chennai-6.**

**The President, Tamil Nadu Secretariat Retired Officers Association, No.70, Medavakkam Tank Road, Kilpauk, Chennai-10.**

**The President, All India Federation of Pensioners' Association, No.22, Kavarai Street, Saidapet West, Chennai-15.**

**The President, The Retired Teachers Association,**

**No.12, Abayambalpuram, Mayiladuthurai, Nagapattinam District.**

**The State President, All Bharat Confederation of Senior Citizens and Pensioners, No.7 Bharathidasan Street, Avinashi, Coimbatore District.**

**The President, The Indian Officers Association, No.35, Thiru Vi Ka High Road, Royapettah High Road, Chennai-14.**

**The President, Tamil Nadu Senior Citizens' Association, No.V.95, Annanagar, Chennai-40.**

**The President, Tamil Nadu Senior Citizens' and Pensioners' Welfare Association,**

**No.38-B, Main Road, Perumalpuram, Tirunelveli-7.**

**The President, Retired Officials Association, No.158, Bells road,  
Triplicane, Chennai -5.**

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**Forwarded**

**// By order //**

**SECTION OFFICER**