



FINANCE (PAY CELL) DEPARTMENT

G.O. Ms. No. 428, DATED: 8th SEPTEMBER, 2007
(Servajith, Aavani--22, Thiruvalluvar Aandu 2038)

Official Committee, 1998 -- 60% Pay Commission Arrears consequent on revision of scale of pay with retrospective effect from 1—1—1996 – Payment of interest on Pay Commission Arrears beyond 31—03—2003 – Implementation of the Orders of the Hon'ble High Court dated: 12—04—2007 in W.P. Nos. 28349, 28350 and 29180 of 2004 – Orders – Issued.

READ:--

1. G.O.Ms.No.162, Finance (PC) Department , dated :13—04—1998.
2. G.O.Ms.No.213, Finance (PC) Department , dated :15—05—1998.
3. G.O.Ms.No.413, Finance (PC) Department , dated :31—07—2004.
4. G.O.Ms.No.414, Finance (PC) Department , dated :31—07—2004.
5. G.O.Ms.No.490, Finance (PC) Department , dated :31—07—2006.
6. Judgement Orders of the Hon'ble High Court dated: 12—04—2007 in W.P. Nos. 28349, 28350 and 29180 of 2004.
7. Judgement Orders of the Hon'ble Supreme Court of India, dated: 06—08—2007 in Special Leave Petition Nos.12748 to 12750 of 2007.

ORDER:--

In the Government Order third read above, orders were issued to the effect that in respect of employees who retired between 1—1—1996 and 31—3—2004, 60% of Pay revision arrears calculated with interest upto 31—3—2003 shall be transferred to a non-interest bearing public deposit account and shall be released in three equal annual instalments in the form of Small Savings Scrips either as Post Office Time Deposit for three years or National Savings Certificate VIII Issue for which option shall be obtained from the individual employees for payment of first instalment in 2004-05, second instalment in 2005-06 and the third instalment in 2006-07.

2. In the Government Order fourth read above, orders were issued to the effect that in respect of employees who retire from service after 1—04—2004, 60% Pay revision arrears computed with interest upto 31—03—2003 shall be transferred to a non-interest bearing public deposit account and shall be released in three equal annual instalments starting from the year of retirement of the employee, second and third instalments in two subsequent years in the form of Small Savings Scrips as Post Office Time Deposit for three years or National Savings Certificate VIII issue for which option shall be obtained from the individuals.

/ p.t.o. /

3. The Madras High Court Staff Association and the Government College Teachers' Manram have filed W.P. Nos. 28349, 28350 and 29180 of 2004 to quash the orders issued in G.O. Ms. Nos. 413 and 414, Finance(PC) Department, dated: 31—07—2004 and to direct the respondents to pay interest upto the date of payment with 12% interest applicable to General Provident Fund account.

4. In the Government Order fifth read above, orders were also issued in supersession of the earlier orders issued in the Government Orders third and fourth read above to the effect that the balance 60% Pay revision arrears for the period from 1—1—96 to 31—3—98 along with interest upto 31—3—2003 in respect of employees who are in service on 1—08—2006 and those employees who retire subsequently shall be paid in three equal annual instalments in cash commencing from the financial year 2006-07. In respect of employees who have already retired from service, the balance instalments due to such employees shall also be paid in cash.

5. The Hon'ble High Court in its Order dated: 12—04—2007 has directed the Government to re-transfer the arrears of the Pay Commission of the employees to an interest bearing account and pay interest, according to General Provident Fund interest rates prevailing on the date of due .

6. The Government filed Special Leave Petitions against the above orders of the Hon'ble High Court dated:12—04—2007 in W.P. Nos. 28349, 28350 and 29180 of 2004. The Hon'ble Supreme Court of India in its Order dated:06—08—2007 in Special Leave Petition Nos.12748 to 12750 has dismissed the Special Leave Petitions filed by Government.

7. The above issue has been carefully examined by Government in detail in the light of the orders of the Hon'ble High Court and it is observed that as the General Provident Fund of the retired employees have already been closed by the Accountant General and that in respect of the serving personnel the entire arrears have already been transferred to a non-interest bearing deposit account and in as much as two instalments have already been paid to the employees, there is no practical feasibility to re-transfer the Pay Commission arrears to an interest bearing account as directed by the Hon'ble High Court. The intention of the Hon'ble High Court is to allow interest at the rates applicable to General Provident Fund prevailing on the date of due on the outstanding 60% Pay Commission Arrears of employees instead of restricting the interest till 31—03—2003.

8. The Government has therefore decided to implement the orders of the Hon'ble High Court. Accordingly, in partial modification of the earlier orders issued on the payment of 60% Pay Commission Arrears in the Government Orders third and fourth read above, the Government direct that the interest shall be paid at 8% as applicable to the General Provident Fund interest rates prevailing on the date of due on the 60% arrears of Pay Commission beyond 31—03—2003 till the date of issue of orders for the release of arrears indicated as due by the concerned sanctioning authorities.

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9. The modalities on the payment of interest on the 60% Pay Commission Arrears beyond 31—03—2003 in respect of retired employees/ serving employees will be issued separately.

(BY ORDER OF THE GOVERNOR)

K.GNANADESIKAN,
SECRETARY TO GOVERNMENT.

To

All Secretaries to Government,

The Secretary, Legislative Assembly, Secretariat, Chennai – 600 009.

The Comptroller, Governors Household, Raj Bhavan, Chennai-32.

The Secretary to the Governor, Chennai--32.

The Governor's Secretariat, Raj Bhavan, Guindy, Chennai- 600 032.

All Departments of Secretariat (OP) / Bills, Chennai--9.

All Heads of Departments.

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

The Principal Accountant General (A&E), Chennai-600 018 (By Name)

The Principal Accountant General (A&E) Chennai- 600 018.

The Accountant General (Audit.I) Chennai-600 018(By Name)

The Accountant General (Audit.I) Chennai-600 018.

The Accountant General (Audit.II), Chennai-600 018 (By Name).

The Accountant General (Audit.II), Chennai-600 018.

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

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

The Director of Pension, DMS Complex, Chennai-600 006.

The Pension Pay Officer, Chennai- 600 006.

The Pay and Accounts Officer, Secretariat, Chennai-9.

The Pay and Accounts Officer,(South / North / East, Chennai-35 / 79 / 5).

The Pay and Accounts Officer, Madurai-625 001.

All Treasury Officers / Sub-Treasury Officers.

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

The Commissioner of Tribunal for Disciplinary Proceedings,

No.6, Manickeswari Road, Chennai-10.

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

The Registrar of all Universities in Tamil Nadu.

All State Owned Corporations and Statutory Boards.

The Commissioner, Corporation of Chennai /Madurai /Coimbatore/

Tiruchirapalli/Salem/Tirunelveli.

All Divisional Development Officers / Revenue Divisional Officers/ Tahsildars.

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All Block Development Officers / Municipal Commissioners
All Panchayat Union Commissioners / Chief Educational Officers.
The Project Co-ordinator, Tamil Nadu Integrated Nutrition Project,
No.570, Anna Salai, Chennai-18.

Copy to:

The Secretary to Chief Minister, Chennai-9.
The Senior Personal Assistant to Minister for Finance, Chennai-9.
The Private Secretary to Chief Secretary to Government, Chennai-9.
All Officers in Finance Departments, Secretariat, Chennai-9.
The Director of Local Fund Audit, Chennai- 600 108.
The Madras High Court Staff Association, C/o M/s. Namasivayam, S. Rajkumar and
R. Harishankar, No.26F Pandu Klix Plaza, 330, Thambu Street, Chennai-1.
The General Secretary, Government College Teachers' Manram (Tamil Nadu)
No.4/8, Lenin Street, Chitlapakkam, Chennai-600 064.
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// Forwarded / By Order//

SECTION OFFICER.