



FINANCE (PAY CELL) DEPARTMENT

G.O. Ms. No. 484, DATED: 8th OCTOBER, 2007
(Servajith, Puratasi--21, Thiruvalluvar Aandu, 2038)

60% Pay Commission Arrears -- Payment of interest beyond 31--03--2003 -- Modalities on the payment of interest -- Orders -- Issued.

READ:

1. G.O.Ms.No.413, Finance (PC) Department, dated: 31--07--2004.
2. G.O.Ms.No.414, Finance (PC) Department, dated: 31--07--2004.
3. G.O.Ms.No.490, Finance (PC) Department, dated: 31--07--2006.
4. G.O.Ms.No.428, Finance (PC) Department, dated: 08--09--2007.

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ORDER:

In the Government Orders first and second read above, orders were issued transferring the 60% Pay Commission Arrears along with interest upto 31--03--2003 to a non-interest bearing account for payment 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 based on the option of the individual employees commencing from 2004-05.

2. In the Government Order third read above, orders were also issued for the payment of the 60% Pay Commission arrears in respect of employees who were in service as on 1--8--2006 and those employees who retire subsequently in cash in three equal annual instalments commencing from the year 2006-07 and the first instalment was ordered to be paid in August 2006. In the Government Order fourth read above, orders were issued for the payment of interest as applicable to General Provident Fund account on the 60% Pay Commission Arrears beyond 31--03--2003 till the date of issue of orders for the release of arrears indicated as due by the concerned sanctioning authorities based on the orders of the Hon'ble High Court. It has also been ordered therein that the modalities on the payment of interest will be issued separately.

3. Accordingly the following modalities on the payment of interest on the 60% Pay Commission Arrears are issued:-

(i) In the case of employees retired between 1--1--1996 and 31--3--2004, the 60% Pay Commission Arrears along with interest arrived as on 31--03--2003 is entitled

for interest for the year 2003--2004. The amount so arrived as on 1--04--2004 shall carry interest applicable to General Provident Fund till the date of issue of orders for release of 1st instalment in 2004--05 (September, 2004). The balance amount outstanding as on 1--10--2004 is entitled for interest for the year 2005--06 upto the date of issue of orders for release of 2nd instalment in 2005--06 (April, 2005). The balance amount outstanding after payment of 2nd instalment in April, 2005 is entitled for interest for the year 2005--06 till the date of issue of orders for release of 3rd instalment in the year 2006--07 (April, 2006). The amount outstanding after release of third and final instalment in 2006--07 shall be the interest amount due for payment to the retired employees concerned. (An illustration is annexed in Annexure - I assuming that the release of first instalment of 60% Pay Commission Arrears had been made in September 2004 and second and third instalments in April of the subsequent financial years).

(ii) In the case of employees retired after 1--4--2004, for an employee retired in 2005--06, the 60% Pay Commission Arrears along with interest arrived as on 31--03--2003 is entitled for interest for the years 2003--04 and 2004--05. The amount so arrived after payment of 1st instalment in April, 2005 shall carry interest applicable to General Provident Fund till the date of issue of orders for the release of 1st instalment in 2005--06 (April, 2005). The balance outstanding is entitled for interest for the year 2005--06 upto the date of issue of orders for release of 2nd instalment in 2006--07 (April, 2006). The balance outstanding after payment of 2nd instalment is entitled for interest for the year 2006--07 till the date of issue of orders for release of 3rd instalment in 2007--08 (April, 2007). The amount outstanding after release of third and final instalment shall be the interest amount due for payment to the retired employees concerned. (An illustration is annexed in Annexure - II assuming that the release of all the three instalments of 60% Pay Commission Arrears would have been made in April of each financial years commencing from 2005--06).

(iii) In the case of employees who were in service as on 1--08--2006, the 60% Pay Commission Arrears along with interest arrived as on 31--03--2003 is entitled for interest for the years 2003--04, 2004--05 and 2005--06. The amount so arrived as on 1--04--2006 shall carry interest applicable to General Provident Fund till the date of issue of orders for the release of 1st instalment in 2006--07 (assuming that the release of first instalment was made in September, 2006). The balance outstanding after release of first instalment as on 1--10--2006 is entitled for interest for the year 2006--07 for six months from October, 2006 to March, 2007 upto the date of issue of orders for release of 2nd instalment in 2007--08 (April, 2007). The balance outstanding after release of second instalment is entitled for interest for the year 2007--08 till October, 2007 assuming that payment of interest is made in October, 2007. Out of this, interest amount shall alone be paid during 2007--08 (October, 2007) and the balance third and final instalment along with interest upto 31--3--2008 shall be paid in 2008--09 as per the orders issued earlier in G.O. Ms. No. 490, Finance (PC) Department dated: 31--07--2006 (An illustration is annexed in Annexure- III assuming that the release of first instalment had been made in September, 2006 and second instalment in April, 2007 and the accrued interest payable in October, 2007 and the third and final instalment along with interest upto 31--3--2008 payable in April, 2008).

(iv) In respect of death cases, earlier it was ordered that the entire 60% Pay Commission Arrears shall be released in one lumpsum along with interest upto 31—3—2003 or the date of death of the retired employees whichever is earlier. However in death cases which occurred after 31—03—2003, the claim for interest would have been restricted to 31—03—2003. As per the revised orders issued in G.O. Ms. No. 428, Finance (PC) department dated: 8—9—2007, interest in such cases shall be allowed beyond 31—03—2003 till the date of issue of orders sanctioning the 60% Pay Commission Arrears to the legal heirs. However in the case of unclaimed death claims, the interest shall be permitted upto 31—03—2008 only.

(v) Interest shall be allowed for the full month irrespective of the date of issue of orders releasing the instalments of Pay Commission Arrears already issued.

(vi) The Drawing and Disbursing officers concerned shall work out the interest on the 60% Pay Commission Arrears beyond 31—03—2003 as per the illustration applicable to each case and arrange to make payment of the same to all the retired employees/serving employees forthwith.

4. The expenditure on payment of interest on the 60% Pay Commission Arrears shall be debited to the following head of accounts:-

(i) “ 2049 – Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits – ER. Interest on 60% Pay Commission Arrears to Tamil Nadu Government servants– 25. Interest” (DPC 2049 60 101 ER 2503)

(ii) “ 2049 – Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits – ES. Interest on 60% Pay Commission Arrears to Teaching / Non-teaching Staff of Aided, High / Higher Secondary / Anglo Indian Schools– 25. Interest” (DPC 2049 60 101 ES 2501).

(iii) “ 2049 – Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits – ET. Interest on 60% Pay Commission Arrears to Teaching / Non-teaching Staff of Panchayat Union Schools/ Aided Schools / Municipal Schools– 25. Interest” (DPC 2049 60 101 ET 2509).

(iv) “ 2049 – Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits –EU. Interest on 60% Pay Commission Arrears to Teaching / Non-teaching Staff of Aided Colleges– 25. Interest” (DPC 2049 60 101 EU 2507).

(v) “ 2049 –Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits – EV. Interest on 60% Pay Commission Arrears to Teaching / Non-teaching Staff of Aided Polytechnic and Aided Engineering Colleges– 25. Interest” (DPC 2049 60 101 EV 2505).

(vi) “ 2049 – Interest payments – 60. Interest on other Obligations –101 . Interest on Deposits –EW. Interest on 60% Pay Commission Arrears to Teaching / Non-teaching Staff of Aided Special Schools for the Disabled.– 25. Interest” (DPC 2049 60 101 EW 2503)

5. The above expenditure shall be brought to the notice of the Legislature by inclusion in the First Supplementary Estimates for the year 2007--08.

6. Necessary funds will be provided in Revised Estimate / Final Modified Appropriation 2007—08. Pending provision of funds in Revised Estimate / Final Modified Appropriation 2007—08 and inclusion of the expenditure in the First Supplementary Estimates 2007--08, the Pay and Accounts Officers, Treasury Officers and Sub-Treasury Officers are requested to admit the interest bills relating to 60% Pay Commission Arrears, if otherwise found in order.

7. The Estimating, Reconciling and Controlling Authority for the head of accounts indicated below shall be as follows:-

HEAD OF ACCOUNT

(i)	2049	60	101	ER	2503	..	Accountant General (A & E).
(ii)	2049	60	101	ES	2501	..	Director of School Education.
(iii)	2049	60	101	ET	2509	..	Director of Elementary Education
(iv)	2049	60	101	EU	2507	..	Director of Collegiate Education.
(v)	2049	60	101	EV	2505	..	Director of Technical Education
(vi)	2049	60	101	EW	2503	..	The Special Commissioner for Disabled

8. All the Head of Departments / Head of Offices are instructed to issue necessary instructions to all the Drawing and Disbursing Officers under their control to work out the interest on the 60% Pay Commission Arrears beyond 31—03—2003 and arrange to make payment of the interest amount to all the retired employees / serving employees forthwith since interest on the 60% Pay Commission Arrears shall not be permitted beyond 31—3—2008.

9. The above order is applicable to all the Teaching and Non-teaching staff of Aided Educational Institutions including Aided Colleges, Special Schools for the Disabled, Teachers and Employees of Local Bodies including Corporation and Municipalities. The expenditure in respect of the staff of Local Bodies including Corporation and Municipalities shall be met from the funds of the respective Local Bodies.

10. The additional sanction ledger number assigned is 1078.

(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 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.

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.
Finance (BG.II) / (W & M), Department, Chennai – 9.
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// Forwarded / By Order//

SECTION OFFICER.

ANNEXURE-I

Calculation of interest @ 8% on 60% Pay Commission Arrears in respect of persons retired between 01--01--1996 and 31--03--2004 as ordered in G.O. Ms. No. 413, Finance (PC) Department, dated: 31--07--2004

Total amount of arrears transferred to non-interest bearing account along with interest upto 31--03--2003	Rs. 30,000/-
Balance as on 31--03--2003	30,000
Interest @ 8% for 2003--2004	2400
Balance as on 1--04--2004	32,400
Interest @ 8% for 6 months till payment of 1st instalment in September, 2004 (from April, 2004 to September, 2004)	1296
Balance as on 1--10--2004	33,696
1st instalment paid in September 2004	10,000
Balance after payment of 1st instalment	23,696
Interest @ 8% from October, 2004 to March, 2005	948
Balance as on 1--04--2005	24,644
2nd instalment paid in April 2005	10,000
Balance after payment of second instalment	14,644
Interest @ 8% for 2005--06	1172
Balance as on 1--04--2006	15,816
Third instalment paid in April 2006	10,000
Total interest amount due for payment	5,816

Note:-- Interest should not be calculated for the month of April, if the instalments have been released in April of the respective financial years.

ANNEXURE--II	
Calculation of interest @ 8% on 60% Pay Commission Arrears in respect of persons retired after 1--04--2004 as ordered in G.O. Ms. No. 414, Finance (PC) Department, dated:31--07--2004 - (persons retired in 2005--06)	
Total amount of arrears transferred to non-interest bearing account along with interest upto 31--03--2003	Rs. 30,000/-
Balance as on 31--03--2003	30,000
Interest @ 8% for 2003--2004	2400
Balance as on 1--04--2004	32,400
Interest @ 8% for 2004--05	2592
Balance as on 1--04--2005	34,992
1st instalment paid in April, 2005	10,000
Balance after payment of 1st instalment	24,992
Interest @ 8% for 2005--06	1999
Balance as on 1--04--2006	26,991
2nd instalment paid in April, 2006	10,000
Balance after payment of second instalment	16,991
Interest @ 8% for 2006--07	1359
Balance as on 1--04--2007	18,350
Third instalment paid in April, 2007	10,000
Total interest amount due for payment	8,350

Note:-- Interest should not be calculated for the month of April, if the instalments have been released in April of the respective financial years.

ANNEXURE--III	
Calculation of interest @ 8% on 60% Pay Commission Arrears in respect of persons who were in service as on 1--08--2006 as ordered in G.O. Ms. No. 490, Finance (PC) Department, dated:31--07--2006.	
Total amount of arrears transferred to non-interest bearing account along with interest upto 31--03--2003	Rs. 30,000/-
Balance as on 31--3--2003	30,000
Interest @ 8% for 2003--2004	2400
Balance as on 1--04--2004	32,400
Interest @ 8% for 2004--05	2592
Balance as on 1--04--2005	34,992
Interest @ 8% for 2005--06	2799
Balance as on 1--04--2006	37,791
Interest @ 8% for 2006-07 till payment of 1st instalment in September, 2006 (from1--4--2006 to 30--9--2006)	1512
Balance as on 01--10--2006	39,303
1st instalment paid in September, 2006	10,000
Balance as on 1--10--2006 after payment of first instalment	29,303
Interest @ 8% for 6 months (from October-2006 to March 2007)	1172
Balance as on 1-4-2007	30,475
Second instalment paid in April, 2007	10,000
Balance after payment of second instalment	20,475
Interest @ 8% for 2007--08 from April--2007 to October--2007 (assuming that sanction of interest is made in October, 2007).	956
Balance as on 1--11--2007	21,431
Interest due for payment in October, 2007 after deducting the third instalment to be paid in 2008--09 (Rs.21,431 - Rs.10,000).	11,431
Balance amount as on 1--11--2007 after release of accrued interest	10,000
Interest @ 8% for 2007--08 from 1--11--2007 to 31--3--2008	333
Total amount to be paid in 2008--09.	10,333

Note:- Interest should not be calculated for the month of April, if the instalment due has been released in April of the respective financial year.