

GOVERNMENT OF TAMIL NADU

Letter No.16988/96-2,
Personnel and Administrative
Reforms (FR.II) Department,
Secretariat, Madras-9.

Dated 6.5.1996.

From

Thiru C.K.Sundaravarathan, B.A.,
Joint Secretary to Government.

To

All Secretaries to Government, Madras-9.
All Departments of Secretariat, Madras-9.
All Heads of Departments.
All Public Sector Undertakings/Boards/Corporations.
All Universities in the State.
The Accountant General, Madras-18.
The Accountant General (CAS), Madras-9.
The Accountant General (AE), Madras-35.
The Pay and Accounts Officer (South), Madras-9.
The Pay and Accounts Officer (North), Madras-35.
The Pay and Accounts Officer (East), Madras-79.
The Pay and Accounts Officer, Madurai.

Sir,

Sub : Deputation – Deputation of Government servants to State Owned
Corporations/Boards/Undertakings and to
Co-operative Institutions, Autonomous Bodies, Universities, etc. – Reimbursement of leave
salary contribution –
certain clarification.

Ref : G.o.ms.No.111, Personnel and Administrative Reforms (FR.II) Department, dated
2.5.94.

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I am directed to invite a reference to this Government Order cited.

2. As per the general terms and conditions of deputation of Government servants to State owned Corporations/Boards/Undertakings and Co-operative Institutions issued in the Government Order cited no leave salary contribution is recoverable in the cases of deputation of Government servants to Government of Tamil Nadu Undertakings (para 5(1) of the G.O.) and the leave salary for the entire period of leaving including surrender leave shall entirely be borne by the foreign employer themselves while on deputation. The reimbursement of leave salary arises only in cases of Co-operative Institutions, Universities and Autonomous Bodies, as detailed in para 5(2) of the Government Order cited.

3. A question has arisen whether the reimbursement of leave salary of the Government servant deputed to foreign service, as detailed in para 5(2) of Government Order cited, will include Dearness Allowance along with their basic pay or basic pay alone. I am directed to state that the Dearness Allowance is not treated as compensatory allowance and

also not covered under FR.44, as in the case of House Rent Allowance and City Compensatory Allowance, etc. Further it is classified in Accounts distinctly as Dearness Allowance, whereas the compensatory allowances are classified as other allowances. Hence, the Leave Salary Contribution calculated in foreign service as per rule 116 of FR. In respect of deputation to other institutions indicated in para 5(ii) of the Government Order cited is comprised of basic pay plus appropriate Dearness Allowance thereon.

4. I am further to state that basic pay plus Dearness Allowance appropriate should be paid to the foreign employer towards reimbursement of leave salary, including terminal leave salary.

Yours faithfully,
Sd/xxxx

For JOINT SECRETARY TO GOVERNMENT.

Copy to :

The Finance (BPE) Department, Madras-9.

The Public (Spl.A) Department, Madras-9.

The Co-operation, Food and Consumer Protection (CH) Dept., Madras-9.

The Industries Department, Madras-9.