


MAHAVITARAN
E-mail : eeoandm@mahadiscom.in
Website : www.mahadiscom.in

GAD/O&M/F.No.66/
Maharashtra State Electricity Distribution Co.Ltd.
Estrella Batteries Expansion Buildin
Ground Floor, Plot No. 1, Dharavi Road
Matunga, Mumbai - 400 019.
Telephone No. : 022-24077441
Fax No. : 022-24025763

ADMINISTRATIVE CIRCULAR NO. 319 DATE 19/11/2010

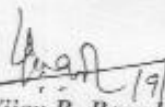
Sub : Deduction of CPF on Encashment of Leave.

Read : Correction Slip No.12 dated 21/02/2007
to G.O. 59 (P) dated 27/06/1970

The leave salary for the period of surrendered leave was made liable for deductions on account of Provident Fund Subscription vide C.S.No.12 dated 21/02/2007 to G.O.59 (P) dt.27/06/1970. The Hon'ble Supreme Court of India in the Appeal (Civil) No.1832/2004 concluded that the basic wage was never intended to include amounts received for leave encashment. The same is conveyed by Regional Provident Fund Commissioner-I (Co-ord.) vide his letter No. Coord/3(4) 2002/Clarification/5801-5951 dt.05/05/2008.

2. Now, the Managing Director in consultation with the Director (Finance) has accorded approval to discontinue deduction of subscription of Provident Fund on Leave Encashment from the employee w.e.f. 01/11/2010. Further the contribution on the part of the employer shall also be discontinued. All the concerned drawing and disbursement Officers are requested to take note of this while making the payment of Leave Encashment.

3. This Administrative Circular is available on the website of the Company i.e. www.mahadiscom.in


(Vijay B. Bagul)
Chief General Manager (P)

To

All as per mailing list of MSEDCL.