

From,

Rekha Dikshit,  
Senior Registrar (Judicial) (Budget)  
High Court, Allahabad .

To,

All the District Judges,  
Subordinate to High Court of  
Judicature at Allahabad.

No. 5036 /IVF-82/ Admin. (A-II) / Dated:Allahabad: 08.04.2015

Subject:- Shetty Commission's recommendation regarding encashment of leave.

Sir/Madam,

I am finding enclosed herewith a copy of letter No. L-19018/03/2012-Jus dated 19.02.13 (copy enclosed) issued by Ministry of Law & Justice (Department of Justice), Government of India on the above subject and to say that under recommendations of Shetty Commission issued in view of orders dated 20.07.2006 passed by Hon'ble Supreme Court of India in I.A. 223 of 2007 in W. P. (C) No. 1022 of 1989- All India Judges Association & others Vs. UOI & others, Judicial Officers of Higher Judicial Service & Judicial Service were made entitled to tax free encashment of leave.

Now, Hon'ble Supreme Court of India has, on 03.12.2012 recalled its order dated 20.07.2006 and hence, the encashment of leave admissible to Judicial officers in the States shall continue to be subject to applicable Taxes accordingly. the concerned be informed accordingly.

Encl. As above.

*16/4/15*  
Senior Registrar (Judicial) (Budget)

No. 5036 /IVF-82/ Admin. (A-II) / Dated:Allahabad:

Copy, alongwith a copy of letter no. L-19018/03/2012-Jus dated 19.02.13 forwarded for information to :-

1. Senior Registrar (Judicial), High Court, Lucknow Bench, Lucknow.
2. Joint Registrar (Inspection), High Court, Allahabad.
3. Registrar (Accounts) High Court, Allahabad for information.
4. Additional Director Treasuries, Camp office, 1st floor, New Treasury Building, Kutechary Road, Allahabad.

Encl:- As above.

7- C.S.M.  
8- C.J.(S.D.)-  
9- A.P.J.M.-  
10- C.J.(S.D.)-  
11- J.M.-  
12 A.P.J.(S.D.) Tandra -  
13- A.P.J.(S.D.) I -

14- A.P.J.(S.D.) II -  
15- A.P.J.(S.D.) III -

Deputy Registrar (Admin.)

*16/4/15*  
Count  
IV - 8

No.L-19018/03/2012-Jus  
Government of India  
Ministry of Law and Justice  
(Department of Justice)

Jaisalmer House, Mansingh Road,  
New Delhi, the 19<sup>th</sup> February, 2013.

To

1. The Chief Secretaries,  
All State Govts./UT of Delhi and Chandigarh.
2. The Registrar Generals, all High Courts.
3. Accountant Generals of all States.
4. The P.A.O., (No. XIV), Fire Station Building, Shanker Road, New Delhi.

Subject: Shetty Commission's recommendation regarding encashment of leave.

Sir,

I am directed to say that the Shetty Commission vide para.19.172 of its Report had recommended leave encashment to judicial officers as under:-

- 19.172. (i) Benefit of availing encashment of leave be extended to all Judicial officers in all the States/UTs without insisting on the availment of leave simultaneously.
- (ii) Judicial Officers in all the States/UTs be allowed to encash leave not exceeding one month in a block period of two years.
- (iii) The encashment of leave be made tax-free.

The Hon'ble Supreme Court of India has considered the recommendation at (iii) above regarding the encashment of leave be made tax-free in I.A. No.223 of 2007 in W.P.(C) No.1022 of 1989 - All India Judges Association & Others Vs UOI & Others. The Court vide its order dated 20.07.2006 had, inter-alia, directed that "In Paragraph 19.172, the Shetty Commission recommends that encashment of leave be made tax free. The Central Government is directed to consider issuing appropriate orders/exemption, the recommendation having been accepted by this Court in paragraph (37) of All India Judges Association & Ors.(supra)."

2. On an application filed by the Central Government, the Supreme Court has, on 03.12.2012, recalled its order dated 20.07.2006 in so far as it directs the Central Government to implement the recommendation of the Justice Shetty Commission as contained in para 19.172 of its Report.
3. Accordingly, the encashment of leave admissible to judicial officers in the States shall continue to be subject to applicable Taxes.
4. The above is for information and necessary action.

Yours faithfully,

(Y.M. Pandey)

Deputy Secretary to the Government of India

Tel: 23072135

Registrar (G)

JR (Admin) / JR (A/C) / JR (L)

Regd. (B)  
05/3/13

R.G.  
4/3/13

Sp. Secy (H)  
Pl. put up this doc. in file no. 11-4-01  
3/13/13