CIRCULAR NO.2/2011


In the above context, it is reiterated that Income Tax exemption limit for Earned Leave encashment at the time of retirement as provided under Section 10(10AA) of Income Tax Act is Rs.3,00,000/- (Rupees three lacs only). The amount paid or payable to the employee over and above specified limit will be included in the income of the employees subject to TDS.

Necessary action may be taken accordingly.

(R.K. Maindiratta)
General Manager (Finance)

Distribution:

1. All ED (Zones)/GM (Region)/Area Manager, FCI,
2. GM (F&A)/DGM (F&A)/FCI, ZO/RO,
3. Director (IFS), Gurgaon.
4. All EDs, FCI, Headquarters
5. All CGM, FCI, Headquarters
6. PS to CM.D.
7. AGM (Bills), FCI, HQ, New Delhi.