New Delhi, the 23rd April, 2009

Subject:- Acceptance of Recommendation of the Sixth Central Pay Commission relating to encashment of leave.

To

The Chief Secretaries of All States/Union Territories.

Sir/Madam,

I am directed to enclose herewith a copy of the instructions of the Government of India regarding encashment of leave in respect of Central Government civilian employees and to state that the instructions contained in this Department’s Office Memorandum No.14028/3/2008-Estt.(L) dated 25th September, 2008 will be applicable to members of the All India Services.

Yours faithfully,

(G.C. Pandey)
Under Secretary to the Government of India

Copy for information and similar action to:

1. All Ministries/Departments of the Government of India
2. The Ministry of Home Affairs (Joint Secretary-Police), North Block, New Delhi
3. The Ministry of Environment and Forests (Joint Secretary-IFS), Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi.
4. Accounts General of all the State Governments.
5. All Officers/Sections of the Department of Personnel and Training.

Website of the Ministry of Personnel, Public Grievances and Pensions (www.persmin.gov.in) for putting vide path (circulars>service>leave/study leave)
Subject:- Recommendations of the Sixth Central Pay Commission relating to encashment of leave in respect of Central Government civilian employees.

Consequent upon the decisions taken by the Government on the recommendations of the Sixth Central Pay Commission relating to encashment of leave in respect of Central Government civilian employees, the President is pleased to decide that in supersession of all earlier orders on the subject, both Earned Leave and Half Pay Leave shall be considered for encashment of leave subject to overall limit of 300 days. The cash equivalent payable for Earned Leave shall continue unchanged. However, cash equivalent payable for Half Pay Leave shall be equal to leave salary as admissible for Half Pay Leave plus Dearness Allowance admissible on the leave salary without any reduction being made on account of pension and pension equivalent of other retirement benefits payable. To make up the shortfall in Earned Leave, no commutation of Half Pay Leave shall be permissible. The Cash equivalent for half pay leave component shall, henceforth, be calculated in the manner indicated below:-

\[
\text{Cash payment in lieu of half pay leave component} = \frac{\text{Half pay leave salary admissible on the date of retirement plus Dearness Allowance admissible on that date}}{30} \times \text{Number of days of half pay leave at credit subject to the total of earned leave and HPL at credit not exceeding 300 days.}
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2. These orders shall take effect from 1\textsuperscript{st} September, 2008.

3. Formal amendments to the Central Civil Services (Leave) Rules, 1972 are being issued separately.

4. In so far as persons serving in the Indian Audit & Accounts Departments are concerned, these orders are issue in consultation with the Comptroller & Auditor General of India.

5. Hindi version will follow.

(Simmi R. Nakra)
Director(P&A)

To
All Ministries/Departments of the Govt. of India, etc. (As per standard mailing list).