

No. 14028/7/97-Estt.(L)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
(Department of Personnel & Training)

.....  
New Delhi, the 7th October, 1997.

OFFICE MEMORANDUM

Subject: Recommendations of the Fifth Central Pay Commission -  
Decisions relating to Enhancement of the ceiling on  
accumulation and encashment of Earned Leave in  
respect of Central Government employees.

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The undersigned is directed to say that consequent upon the decisions taken by the Government on the recommendations of the Fifth Central Pay Commission relating to leave, the President is pleased to decide that the existing provisions of the Central Civil Services (Leave) Rules, 1972, may be modified as follows in respect of civilian employees of the Central Government:-

- (a) The existing ceiling of 240 days on accumulation of earned leave provided in Rules 26 & 28 ibid shall be enhanced to 300 days;
- (b) The existing ceiling of 240 days for availing of the benefit of encashment of unutilised earned leave shall be increased to 300 days in respect of the following categories:-
  - (i) retirement on attaining the age of superannuation [Rule 39(2)];
  - (ii) cases where the service of a Government servant has been extended, in the interest of public service, beyond the date of retirement on superannuation [Rule 39(4)];
  - (iii) voluntary/pre-mature retirement [Rule 39(5)];
  - (iv) where the services of a Government servant are terminated by notice or by payment of pay & allowances in lieu of notice, or otherwise in accordance with the terms and conditions of his appointment [Rule 39(6)(a)(i)];
  - (v) in the case of termination of re-employment after retirement [Rule 39(6) (a) (iii)];
  - (vi) in the case of death of a Government servant while in service, to the family of the deceased [Rule 39A];

- (vii) in the case of leave preparatory to retirement [sub-rule (1) of Rule 38];
  - (viii) in the case of transfer of a Government servant to an industrial establishment [Rule 6]; and
  - (ix) on absorption of a Government servant in the Central Public Sector Undertaking/autonomous body wholly or substantially owned or controlled by the Central/ State Government [Rule 39-D];
- (c) A Government servant who resigns or quits service shall be entitled to cash equivalent in respect of earned leave at credit on the date of cessation of service, to the extent of half of such leave at his credit, subject to a maximum of 150 days [Rule 39(6)(a)(ii)].

2. The above orders shall take effect from 1st July, 1997.

3. The Fifth Pay Commission has also recommended that all employees may be permitted to encash 10 days earned leave at the time of availing of Leave Travel Concession, subject to the conditions that:-

- (a) the total leave so encashed during the entire career does not exceed 60 days in the aggregate;
- (b) earned leave of atleast an equivalent duration is also availed simultaneously by the employee;
- (c) a balance of at least 30 days of earned leave is still available to the credit of the employee after taking into account the period of encashment as well as leave; and
- (d) the period of leave encashed shall be deducted from the quantum of leave that can be normally encashed by him at the time of superannuation.

This recommendation has also been accepted by the Government and, accordingly, encashment of earned leave may be allowed by the Ministries/Departments subject to the prescribed conditions. The total encashment of Earned Leave allowed to a Government servant alongwith LTC while in service and as per the provisions of the Central Civil Services (Leave) Rules, 1972, should not exceed the maximum limit/ceiling of 300 days or 150 days, as the case may be.

4. The orders in paragraph 3 above shall take effect from the date of issue.

5. The orders as per paragraphs 1 to 4 above shall also apply to Government servants serving in Vacation Departments.

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

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

8. Hindi version is enclosed.



(B. GANGAR)

Under Secretary to the Government of India

To

All Ministries/Departments of the Government of India, etc.

Endorsements as per Standard List.