

No.EP.38 (3)/2017
FOOD CORPORATION OF INDIA
HEADQUARTERS
16-20, BARAKHAMBA LANE
New Delhi

Dated 01stDecember,2017

(Circular No.EP-04-2017-37)

Subject:-Cash payment in lieu of unutilized earned leave on the date of compulsorily retirement as a measure of punishment under the disciplinary rules-Clarification reg.

Ministry of Personnel, Public Grievances and Pensions Department of Personnel and Training has issued O.M. No. 14028/1/2004-Estt.(L) Dated 13 February, 2006 (copy enclosed) on the subject cited above.

2. As per the said O.M., where the government servants are compulsorily retired as a measure of punishment and in whose cases even if a cut in pension (including gratuity) has been ordered, the benefit of encashment of earned leave at the time of such retirement has been decided to be allowed and accordingly the Rule 39(5-A) of Central Civil Services (Leave) Rules, 1972 has been deleted.
3. Rule 39 (5-A) of Central Civil Service (Leave) Rules, 1972, which was deleted by the OM dated 13.02.2006 states that "Where a Government servant is compulsorily retired as a measure of penalty under the provisions of the Central Civil Services (Classification, Control and Appeal) Rules, 1965, and the disciplinary authority has not imposed any reduction in the amount of his pension (including gratuity) under Rule 40 of the Central Civil Services (Pension) Rules, 1972, the authority competent to grant leave shall suo motu issue an order granting cash equivalent of leave salary for earned leave, if any, at credit of the Government servant on the date of such retirement, subject to a maximum of 300 days."
4. Further, even as per 8 (a) of appendix -5 of FCI Staff Regulation, 1971, it does not include compulsorily retirement as a case where earned leave can't be encashed. Compulsorily retired cases are covered by the clause 8 (b) of appendix-5 of FCI Staff Regulation, 1971.
5. Hence as on date there is no bar on encashment of earned leave in case an employee is compulsory retired as a measure of punishment under the disciplinary rules. All are directed to adhere to CCS leave rule position as explained above.

This issue with the approval of Competent Authority.

Encl: As above.


(Ruchi Govil)
General Manager (PE)

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