

No.14028/1/2004-Estt.(L)  
Government of India  
Ministry of Personnel, Public Grievances & Pensions  
Department of Personnel & Training

New Delhi, Dated <sup>12</sup>13 February, 2006

OFFICE MEMORANDUM

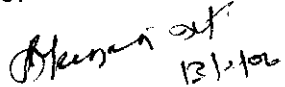
Subject:-Cash payment in lieu of unutilized earned leave on the date of retirement to the Central Government employees who are compulsorily retired as a measure of punishment under the disciplinary rules.

In terms of the instructions issued by this Deptt. vide OM No.14028/8/86-Estt.(L) dt.22.6.87, a Government servant, who is compulsorily retired as a measure of punishment under disciplinary rules and the disciplinary authority has imposed any reduction in the amount of his pension (including gratuity) under Rule 40 of the CCS (Pensions) Rules, 72, he is not being allowed encashment of leave on such retirement.

2. The demand of the Staff Side to allow encashment of unutilized earned leave to those Central Government employees, who are compulsorily retired as a measure of punishment and in whose case a cut in pension (including gratuity) has been imposed by the Disciplinary authority, has been re-considered in consultation with the Ministry of Finance. It has now been decided that in such cases 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 shall be allowed. It has accordingly been decided to delete the relevant Rule 39(5-A) of Central Civil Services (Leave) Rules, 1972.

3. In so far as persons serving in the Indian Audit and Accounts Department are concerned, this issues after consultation with the Comptroller and Auditor General of India.

4. These orders will be effective from the date of issue.

  
(S. Meenakshisundaram)

Deputy Secretary to the Govt. of India

To

All Ministries/Departments of Govt. of India

Copy also forwarded to:

1. Office of the Comptroller & Auditor General of India.
2. Office of the Controller General of Accounts, Ministry of Finance.
3. Secretaries to Union Public Service Commission/Supreme Court of India/Election Commission/Lok Sabha Sectt./Rajya Sabha Sectt./Cabinet Sectt./Central Vigilance Commission/President's Sectt./Vice-President's/Prime Minister's Office/Planning Commission.
4. All State Governments and Union Territories.
5. Governors of all States/Lt. Governors of all Union Territories.
6. Secretary, National Council of JCM (Staff Side), 13-C, Feroz Shah Road, New Delhi.
7. All Members of Staff Side of the National Council of JCM/Departmental Council.
8. All Officers/Sections of DOPT/Deptt. of Administrative Reforms & Public Grievances/Department of Pensions & Pensioners Welfare/PESB.
9. Ministry of Finance, Department of Expenditure.
10. Official Language Wing (Legislative Deptt.), Bhagwan Dass Road, New Delhi.
11. Railway Board, New Delhi.
12. 200 spare copies.

*S. Meenakshisundaram*  
13/2/06

(S. Meenakshisundaram)  
Deputy Secretary to the Government of India