

**Quantum of accumulation  
and Encashment of Earned  
Leave**

Government of Gujarat,  
Finance Department  
Resolution No. PGR-1009- 16- Pay Cell (M),  
Sachivalaya, Gandhinagar.  
Dated the 15<sup>th</sup> January, 2010.

- Read :- (1) Government Resolution, Finance Department  
No.PGR-1098/ 20 -M, dated the 19<sup>th</sup> February, 1998.
- (2) Government of India, Ministry of Personnel, Public  
Grievances & Pensions (Department of Personnel &  
Training), New Delhi, Office Memorandum  
No.14028/3/2008- Estt.(L), dated the 25<sup>th</sup> September,  
2008.
- (3) Government of India, Ministry of Personnel, Public  
Grievances & Pensions, Department of Personnel &  
Training, New Delhi, Office Memorandum F.No.  
31011/4/2008 - Estt.(A), dated the 23<sup>rd</sup> September, 2008.

**RESOLUTION**

Consequent upon the introduction of the revised pay structure under the Gujarat Civil Service (Revision of Pay ) Rules, 2009 with effect from 1-1-2006 and on the basis of Government of India's orders referred to above, State Government is pleased to issue the following modifications in the existing Revised Leave Rules, 2002 :-

- (a) The existing ceiling of 300 days on accumulation of earned leave provided under Government Resolution, Finance Department No. PGR-1098 / 20- M, dated the 19<sup>th</sup> February, 1998, shall remain unchanged.
- (b) The existing ceiling of 300 days for availing of the benefit of encashment of unutilized earned leave at the credit of Government Servant provided vide Government Resolution, Finance Department, dated the 19<sup>th</sup> February, 1998, shall be 300 days. It has now decided that 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:-

**Cash payment in lieu of half pay leave component**

|   |   |  |   |   |
|---|---|--|---|---|
| Cash payment<br>in lieu of half<br>pay leave<br>component | = | Half pay leave salary<br>admissible on the date of<br>retirement plus Dearness<br>Allowance admissible on<br>that date | x | Number of days of<br>half pay leave at<br>credit subject to the<br>total of earned leave<br>and HPL at credit<br>not exceeding 300<br>days. |
|   |   | 30   |   |   |

These orders are applicable in respect of the following categories :-

- (i) retirement on attaining the age of superannuation;
- (ii) case where the service of a Government Servant has been extended, in the interest of public service, beyond the date of retirement on superannuation;
- (iii) voluntary retirement;
- (iv) pre-mature retirement;
- (v) where the services of a Government Servant are terminated by notice or by payment of pay and allowances in lieu of notice, or otherwise in accordance with the terms and conditions of his appointment;
- (vi) in the case of death of Government Servant while in service, to the family of the deceased;

- (vii) in the case of leave preparatory to retirement;
  - (viii) on absorption of a Government Servant in the State Public Sector Undertaking / autonomous body wholly or substantially owned or controlled by the Central / State Government.
  - (c) 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.
2. Government has also decided that all employees may be permitted to encash 10 (ten) 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 at least an equivalent duration is also availed of 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 at the time of LTC will not be deducted from the quantum of leave that can be normally encashed by him at the time of superannuation.

Accordingly, encashment of earned leave may be allowed by the Administrative Department / Heads of Department / Heads of Office subject to the prescribed conditions. The total encashment of Earned Leave allowed to a Government Servant along with Leave Travel Concession while in service and as per the provisions of the Revised Leave Rules, 2002 should not exceed the maximum limit / ceiling of 300 days or 150 days, as the case may be.

- 3 These orders shall take effect from the date of issue of the orders.
- 4. The orders as per paragraph 1 to 4 above shall also apply to Government Servants serving in Vacation Departments.
- 5. The orders regarding grant of benefit of leave encashment issued under Government Resolution, Finance Department

No.PGR-1098 / 20 -M, dated the 19<sup>th</sup> February,1998 stands partially modified accordingly.

6. Three *illustrations* for the computation of Encashment of Earn Leave are given in the Annexure -A appended to this GR.
7. Necessary amendments to the Gujarat Civil Services Rules, 2002 and Revised Leave Rules, 2002 will be issued hereafter.

By order and in the name of the Governor of Gujarat,



( P. B. DARJI )

Deputy Secretary to the Government,  
Finance Department

To,

- \* The Secretary to the Hon. Governor, Raj Bhavan, Gandhinagar.  
The Principal Secretary to the Chief Minister,  
Personal Secretaries to all Ministers/State Ministers,
- \* The Registrar, Gujarat High Court, Ahmedabad,
- \* The Secretary, Gujarat Legislature Secretariat, Gandhinagar,
- \* The Secretary, Gujarat Public Service Commission,  
Ahmedabad.
- \* The Secretary, Gujarat Vigilance Commission, Gandhinagar,  
The Secretary, Gujarat Civil Service Tribunal, Gandhinagar,  
The Accountant General (Audit), Gujarat State,  
Ahmedabad/Rajkot,  
The Accountant General-II (A&E), Gujarat State,  
Ahmedabad/Rajkot,  
All Departments of Secretariat,  
All Heads of Departments/Offices,  
All Collectors/District Development Officers  
Director of Accounts & Treasuries  
Director of Pension & Provident Funds/Examiner, LFA  
The Pay and Accounts Officer, Ahmedabad/Gandhinagar,  
The Resident Audit Officer, Ahmedabad/Gandhinagar,  
All Officers/Branches in Finance Department.  
Select File: Pay Cell, M, Ch, P & Z Branch,  
'B' Distribution.

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\* By letter

**Annexure-A**

Illustration :

(1) On the date of retirement, suppose an employee's basic pay is Rs.20,000/- + 27% Dearness Allowance thereon and if 300 Earned Leaves are at his credit on his leave account, the calculation shall be as under.

|                    |            |
|--------------------|------------|
| Basic Pay          | Rs. 20,000 |
| Dearness Allowance | Rs. 5,400  |

Rs. 25,400 X 300 days = Rs. 2,54,000/-  
(i.e. 10 months)

(2) On the date of retirement, suppose an employee's basic pay is Rs.20,000/- + 27% Dearness Allowance thereon and if 240 Earned Leaves and 200 Half Pay Leaves are at his credit on his leave account, the calculation shall be as under.

|                    |            |
|--------------------|------------|
| Basic Pay          | Rs. 20,000 |
| Dearness Allowance | Rs. 5,400  |

Rs. 25,400 X 240 days = Rs. 2,03,200/-  
(i.e. 8 months)

|                       |            |
|-----------------------|------------|
| Half Pay Leave Salary | Rs. 10,000 |
| Dearness Allowance    | Rs. 2,700  |

Rs. 12,700 X 60 days = Rs. 25,400/-  
(i.e. 2 months)

Total Rs. 2,28,600/-

(3) On the date of retirement, suppose an employee's basic pay is Rs.20,000/- + 27% Dearness Allowance thereon and if 180 Earned Leaves and 90 Half Pay Leaves are at his credit on his leave account, the calculation shall be as under.

|                    |            |
|--------------------|------------|
| Basic Pay          | Rs. 20,000 |
| Dearness Allowance | Rs. 5,400  |

Rs. 25,400 X 180 days = Rs. 1,52,400/-  
(i.e. 6 months)

|                       |            |
|-----------------------|------------|
| Half Pay Leave Salary | Rs. 10,000 |
| Dearness Allowance    | Rs. 2,700  |

Rs. 12,700 X 90 days = Rs. 38,100/-  
(i.e. 3 months)

Total Rs. 1,90,500/-

