

GOVERNMENT OF ODISHA
FINANCE DEPARTMENT

No. 7493 /F., dated 26.03.2015

FIN-CS2-LV-0006-2015

OFFICE MEMORANDUM

Sub: Payment of Cash equivalent of Unutilised Leave Salary to Government Servants in Case of death in Service, retirement on superannuation, voluntary retirement etc. – Clarification regarding.

The benefit of cash equivalent of Unutilised Leave Salary is admissible to Government Servants in case of death in Service, retirement on superannuation, voluntary retirement etc. subject to conditions prescribed under the Odisha Leave Rules, 1966.

In Finance Department Office Memorandum No.46545/F., dt.17.12.1991 it has been clarified that the authority competent to grant leave may, in case of Government Servant who ceases to be in Government Service by death/retirement or otherwise and for which the benefit of cash payment in lieu of unutilised leave is permissible, withhold whole or part of the cash equivalent of unutilised leave salary if in the opinion of such authority there is a possibility of some money becoming recoverable from him/her on conclusion of the disciplinary/criminal proceedings against him/her or on regularisation of the period of suspension during service. On conclusion of the proceedings or the regularisation of the period of suspension, such a Government servant will, however, become eligible to the amount so withheld after adjustment of Government dues, if any.

In spite of that, proposals have been received from different quarters regarding admissibility of encashment of leave salary and powers of the leave sanctioning authority to withhold whole or part of cash equivalent of unutilised leave salary if there is a possibility of some money becoming recoverable from the Government Servant before or after retirement.

After careful consideration Government have been pleased to clarify as follows : -

- i) If there is departmental/judicial proceeding pending against the Government Servant as on the date of retirement which in the

opinion of the leave sanctioning authority will culminate a recovery to be effected, such amount may be withheld from the leave salary.

- ii)** In case, a period of suspension during his employment in Government has not been decided and the regularisation of the suspension period in the opinion of the Leave Sanctioning Authority will culminate a recovery to be effected, such amount may be withheld from the leave salary.
- iii)** In case no departmental / judicial proceeding is pending against a Government servant on the date of retirement or no undecided suspension period is pending against him, then the cash payment in lieu of unutilised leave salary should be released.

Sd/-

(A.K. Mishra)

Special Secretary to Government