

GOVERNMENT OF KERALA

**Finance (Rules) Department**

CIRCULAR

No. 3/77/Fin.

Dated, Trivandrum, 17<sup>th</sup> January 1977

Sub:- Earned Leave ---Surrender of earned leave at the time of retirement.

Ref:- G.O.(P) 567/75/Fin. Dated 20-12-1975.

In the G.O. cited it was ordered that the State Government employees and the All India Service Officers borne on the cadre of the State will be permitted to encash the Earned Leave at credit at the time of retirement subject to a maximum of 120 days. It was also ordered that the leave salary for the leave surrendered shall be reduced by pension and pension equivalent of Death –cum Retirement Gratuity. Doubts have been raised from many quarters regarding the calculation of pension equivalent at Death Cum Retirement Gratuity. The pension equivalent of Death Cum-Retirement Gratuity is to be calculated applying the following method.

According to Annexure III Appendix 'X' of Part III, Kerala Service Rules, Commutation value of a pension of Rs. 1 in respect of an officer whose age next birthday is 56 years is Rs. 11.42X12X1. Conversely for such an officer who is entitled to a gross Death Cum Retirement Gratuity of Rs.1000, the pension equivalent of Death Cum Retirement Gratuity will be 1000. The Pension equivalent of Death-Cum-Retirement

11.42X12

Gratuity is to be worked out on the gross Death-Cum-Retirement Gratuity i.e., on the gross amount of gratuity before deducting the 2 months emoluments towards family pension.

The following further instructions are issued for the guidance of all offices.

- (1) The benefit of encashing the leave at credit as per the G.O. read above will be available for all kinds of retirements viz., retirement on superannuation, in Public interest, voluntary, by invalidation and compulsory retirement.
- (2) The maximum limit of 120 days of earned leave that is permitted to be encashed is in addition to the leave availed of and surrendered under other schemes, subject in the limit in exception to rule 70 Par I, Kerala Service Rules.
- (3) The Dearness Allowance on the actual leave salary that is after deducting the pensionary elements alone is admissible.
- (4) The application for encashment of leave should be submitted before the actual date of retirement as retrospective surrender of earned leave is not permissible.
- (5) The benefit is available only to those All India Service Officers serving in connection with the affairs of the State and not to all borne in the cadre of the State.

K.J.THOMAS  
Deputy Secretary

To

The Accountant General, Kerala, Trivandrum  
All Heads of Departments and Offices  
All Departments and Sections of Secretariat  
The Secretary, Public Service Commission (with C.L)  
The Registrar, High Court of Kerala (with C.L)  
The Registrar, University of Kerala/Calicut and Cochin (with C.L)  
All Officers of the Secretariat  
The Secretary to Governor  
The Private Secretary to Chief Minister  
The Private Secretaries to other Ministers  
The Stenographer to the Chief Secretary.