

**ENCASHMENT OF PRIVILEGE LEAVE IN CASE OF OFFICER / WORKMEN EMPLOYEES
RESIGNING FROM BANK'S SERVICES UNDER UNION BANK OF INDIA (OFFICERS') SERVICE
REGULATIONS, 1979**

In terms of Regulation 38 of Officers' Service Regulations an Officer is eligible to be paid a sum equivalent to the emoluments of any period, not exceeding 240 days of Privilege Leave that he had accumulated if he retires from the services of the Bank. If he dies while in service, his legal heirs are entitled to receive a sum equivalent to the emoluments for the period not exceeding 240 days of PL to the credit of the officer as on the date of his death. Where cessation of service takes place on account of the officer's resignation or his dismissal / termination from service, all leave to his credit shall lapse.

The matter was examined by the working group of IBA at its meeting held on 18/04/2000 and it was recommended to the Govt. that an Officer employee who resigns from the services for whatever reasons after giving prescribed notice may be permitted to encash PL to his credit to the extent as is permissible to those retire from the service.

The Govt. of India conveyed its approval for providing encashment of PL to an Officer who resigns from the Bank's services after complying with the rules / regulations governing resignation to the extent of half of such leave at his credit on the date of cessation of service subject to a max. of 120 days.

The above facility will be extended to all the Officer employees who resigned from services on or after 01/04/2001.

Staff Circular No.4740

Dated 06.06.2011

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CALCULATION OF TERMINAL BENEFITS

Encashment of P/L on A/c of Retirement

ENCASHMENT = GROSS SALARY X DAYS / 30
EXEMPTION = AVERAGE BASIC + DA X DAYS / 30
TAXABLE = ENCASHMENT-EXEMPTION

Income Not included under the Head "Salaries"(Exemptions)

Any payment received by an employee of the Central Government or a State Government as cash equivalent of the leave salary in respect of the period of earned leave at his credit at the time of his retirement, whether on superannuation or otherwise, is exempt under Section 10(10AAA) (i). In the case of other employees, this exemption will be determined with reference to the leave to their credit at the time of retirement on superannuation, or otherwise, subject to the a maximum of ten months' leave. This exemption will be further limited to the maximum amount specified by the Government of India Notification No. S.O.588(e), dated 31.5.2002 at Rs.300000/- in relation to such employees who retire, whether on superannuation or otherwise, after 01.04.1998.

PENSION CALCULATION

AVERAGE MONTHLY EMOLUMENTS (LAST 10 MONTHS) / 2 X Number of years of qualifying service with a maximum of 33 years / 33