

**HIGH COURT OF MADHYA PRADESH : JABALPUR**

**// CIRCULAR //**

**No. D/4348**  
**III-8-6/23 XIII**

**Jabalpur, dated the 23<sup>rd</sup> October, 2020**

This is to inform to all concerned that the High Court of Madhya Pradesh has adopted the following Office Memorandums issued by the Government of India, Ministry of Finance, Department of Expenditure **for availing special cash package equivalent in lieu of Leave Travel Concession** for all the Judicial Officers of Madhya Pradesh:-

- (1) Office memorandum F.No. 12(2)2020-EII(A), dated 12<sup>th</sup> October, 2020 of Shri B.K. Manthan, Deputy Secretary to the Government of India, Ministry of Finance, Department of Expenditure, EII(A) Branch, New Delhi.
- (2) Office memorandum No. 12(2)2020-EII(A), dated 20<sup>th</sup> October, 2020 of Shri S. Naganathan, Deputy Secretary to the Government of India, Ministry of Finance, Department of Expenditure, North Block, New Delhi.

Enclosures:- As above.

**BY ORDER OF**  
**HON'BLE THE ACTING CHIEF JUSTICE**

*sd /-*  
**(SANAT KUMAR KASHYAP)**  
**REGISTRAR (W&I)**

**Endt.No. D/4349**  
**III-8-6/23 XIII**

**Jabalpur, dated the 23<sup>rd</sup> October, 2020**

**Copy forwarded to :-**

- 1- The Registrar-cum-P.P.S. to Hon'ble the Acting Chief Justice, High Court of M.P., Jabalpur for information of His Lordship;
  - 2- P.A. to the Registrar General, High Court of M.P., Jabalpur;
  - 3- The Principal Secretary, Department of Law & Legislative Affairs, Govt. of M.P., Bhopal;
  - 4- The Principal Registrar, High Court of M.P., Bench Indore and Bench Gwalior;
  - 5- The District Judge, (Inspection), Jabalpur/Indore/Gwalior;
  - 6- The Principal Registrar, Exam/Vigilance/Judicial, Principal Seat, High Court of M.P., Jabalpur;
  - 7- The Director, MPSJA, Jabalpur;
  - 8- The Member Secretary, SALSA, Jabalpur;
  - 9- The District & Sessions Judges in the State of M.P. with request to circulate the information amongst the Judicial Officers at their Establishment;
  - 10- The Principal Judges, Family Courts in the State of M.P. with request to circulate the information amongst the Judicial Officers at their Establishment;
  - 11- Registrar, D.E./Admin/Vigilance/I.L./D.E./J-I & J-II/W&I/Exam High Court of M.P., Jabalpur;
  - 12- Registrar, Dharamshastra National Law University, Jabalpur;
  - 13- Member Secretary/O.S.D., SCMS, High Court of M.P.;
  - 14- The O.S.D. (Computer)/ High Court of M.P., Jabalpur;
  - 15- The O.S.D. (Accounts) High Court of M.P., Jabalpur,
- for information & necessary action.**

*sd /-*  
*23.10.2020*  
**(SANAT KUMAR KASHYAP)**  
**REGISTRAR (W&I)**

F.No.12(2)/2020-EII(A)  
Ministry of Finance  
Department of Expenditure  
EII(A) Branch

North Block, New Delhi  
12<sup>th</sup> October, 2020

Office Memorandum

**Sub: Special cash package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the Block 2018-21.**

In view of Covid-19 pandemic and resultant nationwide lockdown as well as disruption of transport and hospitality sector, as also the need for observing social distancing, a number of Central Government employees are not in a position to avail themselves of LTC for travel to any place in India or their Hometowns in the current Block of 2018-21.

2. With a view to compensate and incentivise consumption by Central Government employees thereby giving a boost to consumption expenditure, it has been decided that cash equivalent of LTC, comprising Leave Encashment and LTC fare of the entitled LTC may be paid by way of reimbursement, if an employee opts for this in lieu of one LTC in the Block of 2018-21 subject to the following conditions:-

- a) The employee spends the money of a larger sum than the entitlement on account of LTC on actual expenditure.
- b) Cash equivalent of full leave encashment will be allowed, provided the employee spends an equal sum. This will be counted towards the number of leave encashment on LTC available to an employee.
- c) The deemed LTC fare for this purpose is given below :-

Category of employees	Deemed LTC fare per person (Round Trip)
Employees who are entitled to business class of airfare	Rs. 36,000
Employees who are entitled to economy class of airfare	Rs. 20,000
Employees who are entitled to Rail fare of any class	Rs. 6,000

- d) The cash equivalent may be allowed if the employee spends a sum **3 times** of the value of the fare given above.

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e) The amount both on account of leave encashment and fare shall be admissible if the employee spends (i) an amount equal to the value of leave encashment and; (ii) an amount 3 times of the cash equivalent of deemed fare, as given above on purchase of such items / availing of such services which carry a GST rate of not less than 12% from GST registered vendors / service providers through digital mode and obtains a voucher indicating the GST number and the amount of GST paid.

f) The admissible payment shall be restricted to the full value of the package [leave encashment as admissible for LTC and deemed fare] or depending upon the spending as per example given at **Annexure-A**.

g) While TDS is applicable in the case of leave encashment, since the cash reimbursement of LTC fare is in lieu of deemed actual travel, the same shall be allowed exemption on the lines of existing income-tax exemption available to LTC fare. The legislative amendment to the provisions of the Income-Tax Act, 1961 for this purpose shall be proposed in the due course. Hence, TDS shall not be required to be deducted on the reimbursement of deemed LTC fare.

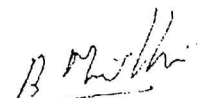
3. Head of the Departments / DDOs may make reimbursement under this package as per the details given above on receipt of invoices of purchases made / services availed during the period post the issuance of this order from the employees who are desirous to avail this package. **It may be noted that in order to avail this package an employee should opt for both leave encashment and LTC fare.**

4. An amount upto 100% of leave encashment and 50% of the value of deemed fare may be paid as advance into the bank account of the employee which shall be settled based on production of receipts towards purchase and availing of goods and services as given in Para 2(e). The claims under this package (with or without advance) are to be made and settled within the current financial year. Non-utilization / under-utilization of advance is to be accounted for by the DDOs in accordance with the extant provisions relating to LTC advance i.e. immediate recovery of full advance in the case of non-utilisation and recovery of unutilized portion of the advance with penal interest.

5. These orders will take effect from the date of issuance of this Office Memorandum and will be in force during the current financial year till 31<sup>st</sup> March, 2021.

6. All the Ministries/Departments are requested to bring the contents of this OM to the notice of all its Attached and Subordinate offices for their information.

Hindi version of this Office Memorandum will follow.



(B.K. Manthan)

Deputy Secretary to the Govt. of India

To

- All the Ministries/ Departments of the Government of India.

## Annexure-A

### Example:

**Pay of an employee: Rs 1,38, 500 and has family of 4 eligible for economy class air travel.**

$$\text{Leave Encashment} := \frac{(1,38,500 \times 1.17) \times 10}{30} = \text{Rs. } 54,015$$

$$\text{Fare Value} : \text{Rs. } 20,000 \times 4 = \text{Rs. } 80,000$$

$$\text{Total Value} = \text{Rs. } 1,34,015$$

$$\text{Amount to be spent for full cash benefit} = \text{Rs. } 54,015 + 2,40,000^* = \text{Rs. } 2,94,015$$

$$\text{(a) Share of Leave Encashment in total} = \frac{54,015 \times 100}{2,94,015} = 18\%$$

$$\text{(b) Share of Fare in total} = \frac{80,000 \times 100}{2,94,015} = 27\%$$

\* 3 times of notional airfare (80,000 x 3 = 2,40,000)

• Thus, if an employee spends Rs. 2,94,015 or above, he will be allowed cash amount of Rs. 1,34,015.

• However, if the employee spends Rs. 2,40,000 only, then he may be allowed 18 % on account of Leave Encashment (Rs. 43,200) and 27% on account of fare value (Rs. 64,800). The total amount payable shall be Rs. 1,08,000.

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*B. M. R.*

No. 12(2)/2020-E.II(A)  
Government of India  
Ministry of Finance  
Department of Expenditure

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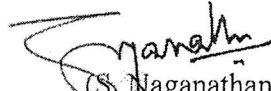
North Block, New Delhi  
Dated 19<sup>th</sup> October, 2020

**OFFICE MEMORANDUM**

Subject: Clarification regarding queries being received in respect of Special cash package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the Block 2018-21.

The undersigned is directed to refer to this Department's O.M of even no. dated 12<sup>th</sup> October, 2020 and to say that this Department has been receiving queries seeking clarification relating to Special Package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the Block 2018-21 announced by the Government. A statement giving answers/clarifications to the queries is attached as annexure to this O.M.

2. This issues with the approval of Secretary (Expenditure).

  
(S) Naganathan  
Deputy Secretary, E.II(A)

All Ministries/Departments of the Government of India

**FAQ on LTC Cash Voucher Scheme**

<b><u>S.No.</u></b>	<b><u>Queries</u></b>	<b><u>Reply</u></b>
1	Whether the individual employee is required to take leave to avail this LTC- Cash Voucher Scheme? Whether an employee is required to undertake any travel?	An individual need not take leave for this purpose nor undertake any travel. This is a scheme in lieu of LTC travel.
2	If a particular LTC which is meant to be used for the scheme has been partially availed by either self or members of the family, whether this scheme is available and to what extent?	This scheme is applicable to the LTC fare left unutilized during the Block Year as mentioned in the O.M. dated 12.10.2020.
3	If an employee has already exhausted the prescribed limit of leave encashment for LTC, whether he will be eligible for the scheme? Whether an employee can only avail LTC fare without claiming leave encashment	An employee can avail this scheme utilizing the applicable LTC fare without leave encashment. The expenditure should be in accordance with the ratio as prescribed for LTC fare.
4	As per the scheme, an amount of upto 100% leave encashment and 50% of the value of deemed fare is to be paid as an advance to the employee opting for the scheme. It has also been stated that non-utilization / under-utilization of advance is to be accounted for by the DDOs in accordance with extent provisions relating to LTC advance. If an employee spends only the advance amount and makes a claim, how this claim will be regulated?	If as per the calculation suggested in O.M. No. 12(2)/2020-E.IIA dated 12 <sup>th</sup> October, 2020, the reimbursable amount is less than the advance drawn, this would be treated as under-utilization. However, after calculation of the claim, balance amount, if any may be recovered from the employee.
5	Newly joined Government employees are entitled for three Home Town and one Anywhere in India in a Block of four year. How this will be regulated?	The employee may use any one of the LTC available in a Block Year.
6	As per Special LTC provisions, an employee irrespective of his eligibility can travel by Air to places like Andaman & Nicobar, J&K and North-East under anywhere in India fare. In this case what will be the deemed fare?	The deemed fare has been calculated based on the normal eligibility of an employee and the special packages would not be applicable for this scheme.

7	Whether a single bill of purchase of goods or services is to be submitted or multiple bills can be submitted?	Multiple Bills are accepted. The purchase should have been done from the date of issue of the O.M. till the end of the current Financial Year. The purchase should carry a GST of 12% and above and payment should have been made to digital mode.
8	Whether there is any prescribed format for applying for this scheme.	There is no prescribed format. A simple application conveying the desire of the employee for availing the scheme, if advance is required for the purpose the same is to be mentioned.
9	What are the items which will qualify for reimbursement under this scheme?	Any goods and services which attract GST of 12% and above would qualify. The invoice with GST details should be submitted and payment should have been made through digital mode.
10	An employee having four family members eligible for LTC wants to avail this facility for less than 4 members. Further he wants to avail LTC for rest of the Members later.	As replied to query at S.No. 2, an employee can avail the scheme in partial, i.e. of the LTC of part of the eligible family. Since this is an optional scheme, if the LTC fare of any member of the family has not been utilized for this purpose, those members can avail LTC subject to extent instructions under LTC rules.
11	An employee incurs the expenditure on or before 31/3/2021 on the basis of invoice. Actual product or service received in April, 2021.	The reimbursement is based on production of invoice with details of GST. As far as possible, the claim should be made and settled well before 31 <sup>st</sup> March, 2021 to avoid any last minute rush and resultant lapse.
12	For digital payment an employee uses credit card of his / her spouse or any family members.	It is clarified that the invoice which is being submitted for reimbursement under the scheme should be in the name of the employee who is availing the scheme.
13	Can services like interior decoration and phone bills be included?	Any service which is having a GST component of more than 12% is permissible.
14	Any limit of number of transaction?	As far as possible, the number of transactions may be limited to a minimum extent to avoid any difficulty / delay.
15	Is it allowed to do purchase from e-commerce platform?	Procurement from e-commerce platform is also permissible provided the relevant invoice / details are submitted.

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