

सं० W-02/0008/2023-DPE (WC)

वित्त मंत्रालय
लोक उद्यम विभाग

लोक उद्यम भवन , ब्लॉक सं० 14,
सी.जी.ओ. काम्पलैक्स, लोदी रोड,
नई दिल्ली- 110003
दिनांक: 03.11.2023

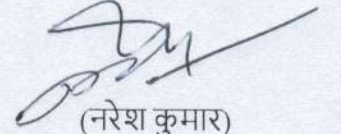
CIRCULAR

विषय: Guidelines issued by DPE – Implementation thereof - reg.

It has come to the notice of this department that its guidelines on leasing of Houses for officers in the Central Public Sector Enterprises (CPSE) are not been strictly followed by CPSEs. Hon'ble Division Bench of Lokpal of India has observed that despite there being clear guidelines of DPE dated 05.6.2003, 04.8.2017 and 23.7.2018 on leasing of houses, the same are not being adhered by CPSEs. It is the responsibility of the CPSEs and their administrative Ministries to ensure that such lapses do not occur.

DPE OMs dated 05.6.2003, 04.8.2017 and 23.7.2018 are enclosed herewith for strict compliance.

This issues with the approval of competent authority.


(नरेश कुमार)
अवर सचिव

To

1. The Secretary of all Administrative Ministries/Department
2. CMD of all CPSEs

Copy to:

NIC DPE with the request to upload this circular on DPE website.

Dated the 5th June, 2003

OFFICE MEMORANDUM

Subject:- Leasing of Houses for officers in the Central Public Enterprises.

Reference is invited to DPE O.M. No.2(49)/98-DPE(WC) dated 25.6.99 in regard to pay revision for the board level and below board level executives of the Central Public Enterprises w.e.f. 1.1.97. Para 10 of the O.M. reads as under:-

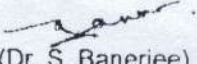
"In respect of leased accommodation, the boards of public enterprises will have the flexibility to review and provide for an adequate level of leased accommodation for the executives who are entitled to this facility."

2. It has come to the notice of the Government that there have been certain irregularities in the matter of allowing leased accommodation, payment of higher rental value of the leased accommodation, allowing leased accommodation to non-entitled officers, allowing bigger accommodation to relatively junior officers etc. Such practices have been seriously viewed by the Central Vigilance Commission.

3. Although the Boards of public enterprises have the flexibility to review and provide for an adequate level of leased accommodation to their executives, the Boards should exercise control meticulously in order to see that no undue advantage accrues to the concerned officers who may be getting their own houses/flats self-leased or even getting company houses/flats on lease basis. In this regard appropriate action on the following lines needs to be taken by the Boards of PSUs while allowing leased accommodation to their executives:-

- (a) The Boards of PSUs may identify the executives who are entitled to leased accommodation and notify the same;
- (b) In case the company's own quarters/flats are given to the executives, these should be of the entitled plinth area. Such entitlement would also need to be specified by the Board of Directors;
- (c) If any officer is allowed to get his own flat/house on self-lease basis, the payment of lease money should in no case be higher than the market rate keeping in view the area/location of the flat/house. The basic point to be seen is that self-leased accommodation should not become a source of additional income by the officer concerned.
- (d) If the company provides leased accommodation after obtaining it from any private owner on lease basis, such decision of taking the flats on lease basis may be taken after following the set procedures such as inviting quotations/opening quotations in the presence of others etc.
- (e) In all cases where the company provides leased accommodation to its executives or even allows self-leased accommodation to its executives, the Board of Directors must fix the plinth area and the ceilings in terms of value which such area might attract keeping in view the categories of the cities the executives are posted i.e. A, B, C & unclassified cities.

4. The administrative Ministries are requested to bring the above to the notice of the Central PSUs under their charge and the PSUs may be advised to follow the above scrupulously. The administrative Ministries may like to monitor the implementation of the above conditions in their periodic review.


(Dr. S. Banerjee)
Joint Adviser

To

The Secretaries of the administrative Ministries

Copy to:- The Chief Executives of the Central Public Enterprises.

No. W-02/0028/2017-DPE (WC)-GL-XIV/17
Government of India
Ministry of Heavy Industries and Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No. 14, C. G. O. Complex,
Lodhi Road, New Delhi-110003
Dated: 4th August, 2017

OFFICE MEMORANDUM

Subject:-Pay Revision of Board level and below Board level Executives and Non-Unionised Supervisors of Central Public Sector Enterprises (CPSEs) w.e.f. 01.01.2017-decision on allowances other than the allowances under 'Cafeteria approach'

The undersigned is directed to refer to para 8 and 10 of this department's O.M. No.W-02/0028/2017-DPE (WC) dated 3rd August, 2017 regarding the issue of separate guidelines in respect of allowances mentioned therein. After due consideration, the Government has decided as follows:

(1) House Rent Allowance:

(i) The house rent allowance to the employees of CPSEs will be at the following rates.

| Classification of cities | Rate of HRA |
|---|------------------|
| X-Class (Population of 50 Lakh and above) | 24% of Basic Pay |
| Y-Class (Population of 5 Lakh to 50 Lakh) | 16% of Basic Pay |
| Z-Class (Population below 5 Lakh) | 8% of Basic Pay |

(ii) The rates of HRA will be revised to 27% 18% & 9% for X, Y and Z class cities respectively when IDA crosses 25% and further revised to 30% 20% and 10% when IDA crosses 50%.

(2) Leased accommodation:

(i) The Board of Directors may decide on the grade-wise lease rental ceilings in a standardized manner for the different level of executives. The amount of lease rental ceilings should be decided on its merit keeping in view / linkage to the HRA amount, classification of cities for HRA purpose, pay-scales of the executives, House Rent Recovery (HRR) rate, etc.

(ii) If an executive is staying in his/her own house then normally he or she should be entitled to the HRA amount but if the said house is taken as lease accommodation for self-occupation purpose, the lease rental ceilings (after adjusting the HRR amount) should not exceed the net applicable HRA amount.

(iii) The HRR in respect of leased accommodation should be at the following rate, or the actual rent, whichever is lower:-

| Classification of cities | Rates of HRR |
|--------------------------|--------------|
| X-class | 7.5% of BP |
| Y-class | 5% of BP |

(iv) For accommodation arranged by CPSE in its own township, the HRR shall be 7.5% of BP (for X-class cities) / 5% of BP (for Y-class cities) / 2.5% of BP (for Z-class cities), or standard rent fixed by CPSE, whichever is lower.

(3) **Other Allowances/Perks:** The following allowances will be outside the purview of Ceiling of 35% of Basic Pay under 'Cafeteria Approach':

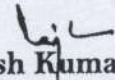
(a) **Work based Hardship Duty Allowances :** The payment of work based hardship duty allowance upto 12% of Basic Pay shall be admissible for the period the executives / non-unionized supervisors has actually performed one of the following hardship duty:-

- i) For performing duty in Underground mines, and
- ii) For performing duty at Offshore exploration site

(b) **Separate guidelines regarding Location based Compensatory Allowance and Non-Practicing Allowance would be issued later.**

2. The additional financial impact in the year of implementing the revised pay-package for Board level executives, Below Board level executives and Non-Unionized Supervisors, as mentioned in para 3 of the DPE O.M. No.W-02/0028/2017-DPE(WC) dated 3rd August, 2017, would be calculated taking into account the OM No. W-02/0028/2017-DPE(WC) dated 3rd August, 2017 and OMs issued on payment of allowances.

3. The allowances specified in this O.M. would be effective from the date of issue presidential directive.


(Rajesh Kumar Chaudhry)
Joint Secretary to the Government of India

Administrative Ministry/Department (Secretary by Name) of the Government of India

Copy to Chief Executives of CPSEs.

Copy also to:

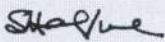
- i) Financial Advisors in the Administrative Ministry/Department
- ii) Comptroller & Auditor General of India, 9 Deen Dayal Upadhyay Marg, New Delhi.
- iii) Department of Expenditure, E-V Branch, North Block, New Delhi
- iv) Department of Personnel & Training(CPC Pay 1), North Block, New Delhi.
- v) Chairman, PESB/Secretary, PESB, CGO Complex New Delhi

Copy also to

- i) Prime Minister's Office (Shri Tarun Bajaj, Addl. Secretary)
- ii) Cabinet Secretariat (Shri S.A.M. Rizvi, Joint Secretary)

Copy for information to

- i) PS to Minister (HI&PE)
- ii) PS to MoS (HI&PE)
- iii) PS to Secretary, PE
- iv) AS & FA (PE)
- v) All Officers of DPE
- vi) NIC Cell, DPE with the request to upload the OM on the DPE website.


(Samsul Haque)

Under Secretary to the Government of India

F. No. W-02/0031/2018-DPE (WC)-GI-XX/18
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

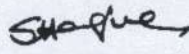
Public Enterprises Bhawan
Block No.14, CGO Complex, Lodhi Road
New Delhi, the 23rd July, 2018

OFFICE MEMORANDUM

Subject:- Standard Terms and Conditions for 2017 IDA pay scales in respect of Board level executives of CPSEs-reg.

The undersigned is directed to refer to DPE's OM dated 14.12.2012 and to state that guidelines on revised pay scales etc. in respect of executives of CPSEs following IDA pattern of pay scales w.e.f. 01.01.2017 have been issued vide DPE OMs dated 03.08.2017, 04.08.2017 and 07.09.2017. Based on the Government policy declared in these OMs, standard terms and conditions in respect of Board level executives of the CPSEs following IDA pay scales have been finalized by DPE. A copy of the standard terms and conditions is enclosed.

2. All proposals for pay fixation and terms & conditions of Board level executives in 2017 pay scales may be finalized in the model format enclosed, as per the procedure prescribed in the aforesaid DPE OM dated 14.12.2012.
3. All the cases where the pay fixation based on 2017 IDA pay scales in respect of Board level executives of CPSEs have already been finalized, the terms and conditions of such Board level executives may be reviewed in light of the enclosed standard terms & conditions.
4. This issues with the approval of the Competent Authority.


(Samsul Haque)
Under Secretary

Encl: As above

To

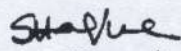
All Administrative Ministries/Departments.

Copy to:-

- i. Secretary, PESB
- ii. Office of the Comptroller & Auditor General, 10, Deen Dayal Upadhyay Marg, New Delhi
- iii. FAs in Administrative Ministries/Departments
- iv. Joint Secretary, Department of Expenditure, North Block, New Delhi
- v. Joint Secretary, Department of Personnel & Training, North Block, New Delhi

Copy also to:

- i. NIC,DPE with a request to upload this OM on DPE website.
- ii. Director, Management Division, DPE
- iii. Director, GM Division, DPE


(Samsul Haque)
Under Secretary

STANDARD TERMS AND CONDITIONS FOR 2017 PAY SCALES
GOVERNMENT OF INDIA

MINISTRY OF _____
DEPARTMENT OF _____

Dated:.....

To
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Subject:- Appointment of Shri/Smt./Kum. _____ as _____ in _____ -terms and conditions thierof.

Sir/Madam,

I am directed to convey the sanction of the President to the appointment of Shri/Smt./Kum. _____ as _____ in _____ w.e.f. _____ on the following terms and conditions:-

1.1 Period: The period of his/her appointment will be for a period of years w.e.f. _____ (date of appointment) in the first instance or till the date of superannuation or until further orders, whichever event occurs earlier and in accordance with the provisions of the Companies Act, 2013 as amended from time to time. The appointment may, however, be terminated even during this period by either side on 3 months' notice or on payment of three months salary in lieu thereof.

1.2 After the expiry of the first year, the performance of Shri/Smt./Kum _____ will be reviewed to enable the Government to take a view regarding continuance or otherwise for the balance period of his/her tenure.

1.3 Headquarters: His/her headquarters will be at _____ where the registered office/corporate office/headquarters of the CPSE is located. He/She will be liable to serve in any part of the country at the discretion of the CPSE.

1.4 Pay: Shri/Smt./Kum. _____ will draw a basic pay of Rs. _____ per month in the scale of Rs. _____ (2017 pay scale as per DPE OM dated 03.08.2017) from the date of assumption of Office (w.e.f. date of pay revision in case appointed earlier than that).

1.5 Dearness Allowance: He/She would be paid DA in accordance with the new IDA scheme as spelt out in the DPE's OM dated 03.08.2017.

1.6 Annual Increment: He/She will be eligible to draw his/her annual increment @ 3% of basic pay on the anniversary date of his/her appointment in the scale referred to in para 1.4 above and further increments on the same date in subsequent years until the maximum of pay scale is reached. After reaching the maximum of the scale, one stagnation increment equal to the rate of last increment drawn will be granted after completion of every two year period from the date he/she reaches the maximum of his/her pay scale provided he/she gets a performance rating of "Good" or above. He/She will be granted a maximum of three such stagnation increments.

1.7 House Rent Allowance: He/She will be entitled to HRA as per the rates indicated in OMs dated 03.08.2017 & 04.08.2017.

1.8. Residential accommodation and recovery of rent for the accommodation so provided.

1.8.1 Company's own accommodation: Wherever the CPSE has built residential flats in the industrial township or purchased residential flats in the cities, arrangements would be made by the CPSE to provide a suitable residential accommodation to him/her.

1.8.2 Leased accommodation: If the CPSE is not able to provide residential accommodation either in township or out of the residential flats, purchased by it in the Headquarters, suitable accommodation could be arranged by the CPSE by taking the premises on lease basis at their headquarters. The Board of Directors may decide the size, type and locality of such accommodations as per DPE OMs dated 05.06.2003, 03.08.2017 and 04.08.2017.

1.8.3 Self-lease: If he/she owns a house at the place of his posting (Headquarters) and is desirous of taking his/her own house on self-lease basis for his/her residential purposes, the CPSE may permit him/her to do so provided he/she executes a lease-deed in favour of the CPSE. The Board of Directors may decide the size, type and locality of such accommodations as per DPE OMs dated 05.06.2003, 03.08.2017 and 04.08.2017.

1.8.4 Repair/maintenance of leased accommodation: The responsibility for repair and maintenance of leased accommodation is that of the lessor. Lease rent will be allowed only for 12 months in a year and no additional amount will be provided towards repair/maintenance of leased accommodation.

1.8.5 Existing lease deeds: The lease agreement signed by the CPSE in respect of the accommodation taken on lease basis for him/her, if any, prior to 03.08.2017 would not be re-opened during the pendency of the lease period. The lease money, in other words, should not be hiked till the expiry of lease period. This proviso would be applicable even if he/she had been permitted to take his/her own house on self-lease basis.

1.8.6 Office accommodation: No office accommodation at the expense of the CPSE would be provided or arranged by the CPSE at his/her residence.

1.9 Rent Recovery:

1.9.1 CPSE's township/own flats: Recovery of rent for the accommodation arranged by the company in its own township or from the pool of flats purchased by it in cities and towns and so allotted to him/her would be made at the rate spelt out in DPE OM dated 04.08.2017 from (date of joining) _____ or the standard rent fixed by the company, whichever is lower.

1.9.2 Lease accommodation: In respect of leased accommodation arranged by the CPSE, rent would be recovered from him/her at the rate spelt out in DPE OM dated 04.08.2017 from (date of joining) _____ or the actual rent, whichever is lower.

1.10 Conveyance: He will be entitled to the facility of staff car for private use as indicated below, in terms of DPE OMs dated 21.01.2013 & 04.11.2013:

| <u>Name of the City</u> | <u>Ceiling on non-duty journeys</u> |
|---|-------------------------------------|
| Delhi, Mumbai, Kolkata, Chennai Bangaluru, Hyderabad | 1000KM/PM |
| All the other cities | 750KM/PM |

Monthly recovery amount (AC/Non AC) for private use/non-duty journeys would be Rs 2000/- PM.

1.11 Leave: He/She will remain subject to the Leave Rules of the CPSE.

1.12 Club Membership: He/She will be allowed the Corporate Club Membership (upto maximum of two clubs), co-terminus with his/her tenure.

1.13 Other Allowances/Perks: The Board of Directors will decide on the Allowances and Perks subject to a ceiling of 35% of his/her basic pay as indicated in OMs dated 03.08.2017, 04.08.2017 & 07.09.2017.

1.14 Performance Related Payment (PRP): He/She shall be eligible for approved PRP as per OM dated 03.08.2017.

1.15 Superannuation Benefits: He/She shall be eligible for superannuation benefits based on approved schemes as per OM dated 03.08.2017.

1.16 Conduct, Discipline & Appeal Rules:

1.16.1. The Conduct, Discipline and Appeal Rules framed by the CPSE in respect of their below Board level Executives would also mutatis mutandis apply to him/her with the modification that the Disciplinary Authority in his/her case would be the President of India.

1.16.2 The Government also reserves the right not to accept his/her resignation, if the circumstances so warrant i.e. the disciplinary proceedings are pending or a decision has been taken by the Competent Authority to issue a charge sheet to him/her.

1.17. Restriction on Joining Private Commercial Undertakings after Retirement/Resignation

1.17.1 Shri/Smt./Kum. _____ after retirement/resignation from the service of this CPSE shall not accept any appointment or post, whether, advisory or administrative, in any firm or company whether Indian or foreign, with which the CPSE has or had business relations, within one year from the date of his retirement/resignation, without prior approval of the Government.

1.17.2 In order to secure compliance of these restrictions, CPSE shall secure a bond from him/her at the time of their employment/retirement/resignation in CPSE for an appropriate sum of money payable by him/her as damages for any violation of these restrictions in terms of DPE OM No.2(22)/99-GM dated 8th August, 2012.

1.18 Lien: In case, he/she was holding a below board level post before his/her appointment to the board level post in a CPSE, he/she will retain lien on their below board level post, if applicable, as per the extant guidelines of DPE/CPSE concerned.

2. In respect of any other item, concerning him/her which is not covered in preceding paras, he/she will be governed by the relevant Rules/instructions of the CPSE concerned/Government.

3. This issues with the concurrence of the Finance Division, Ministry of, vide their U.O. No. _____ dated _____ .

Yours faithfully

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