

## **CHAPTER IV**

### **WAGE POLICIES & RELATED MATTERS**

#### (d) Others

**9. DPE/Guidelines/IV(d)/9  
Recommendations of Ad-hoc Group of Experts on empowerment of Central Public Sector Enterprises (CPSEs) – guidelines regarding foreign tours of Chief Executives and Functional Directors of CPSEs.**

The undersigned is directed to refer to this Department's O.M. No. 2(41)/93-DPE (WC)-GL-XI dated 13.8.99 which prescribed that prior approval of the Minister of the Administrative Ministry/ Department would be required in regard to foreign tours of Chief Executives and part-time as well as full time Directors of the CPSEs. These provisions were further relaxed vide O.M. Nos. 18(24)/2003 GM-GL, 64/ 65/ 66 dated 5th August, 2005 that Chief Executives of Navratna, Mini Ratna and profit making CPSEs will have the power to approve emergency business tours abroad of Functional Directors upto 5 day's duration.

2. The Adhoc Group of Experts on empowerment of CPSEs recommended that there should be detailed procedural guidelines including limits of financial expenditure on foreign travel of Chief Executives and broad guidelines formulated by the Board of Directors and that no reference to the Government for approval would be necessary unless deviation is required.

3. The issue of foreign tours of Board level executives of CPSEs has been reconsidered in the light of recommendations of Adhoc Group of Experts (AGE) and it has been decided that DPE will lay down only broad principles for foreign travel of Board level executives. The Board of Directors of the respective CPSEs will frame the guidelines according to their business needs within the principles laid down by DPE and obtain approval of their Administrative Ministry/ Department. In pursuance of this, the following broad guidelines are laid down with respect to foreign tours of Chief Executives and Functional Directors of CPSEs:

3.1. For Navratna, Miniratna and other profit making CPSEs, and CPSEs which do not depend on budgetary support for payment of salary/ wages etc., the Chief Executive may be permitted to undertake foreign tours with prior approval of Secretary of the Administrative Ministry. Functional Directors of such companies may be permitted foreign tours with the approval of Chief Executive.

3.2 For CPSEs that are sick and/or loss making, or have got budgetary support for salary/ wages in any of the last three years or that are referred to BIFR or BRPSE, foreign tour of Chief Executives as well as Functional Directors will require prior approval of the Administrative Ministry.

3.3 Generally no Chief Executive/Functional Director should undertake more than 6 (six) visits abroad in a year. If the nature of business demands a larger number of visits, a calendar of visits for the entire year should be prepared in advance and visits prioritized. For proposals relating to visits exceeding 6 (six) by a Chief Executive/ Functional Director, detailed justification would need to be furnished and such visits would be allowed only in exceptional cases, with the prior approval of Secretary in the Administrative Ministry/Department.

3.4 Chief Executive/ Functional Director may, subject to the exigencies of work in the respective CPSE, be granted leave while on tour abroad for a period not exceeding 50% of the actual period of duty abroad (excluding the transit time from India to the country of deputation and back and enforced halt) or a fortnight, whichever is less, for personal reasons. Sanction of leave has to be obtained before proceeding on tour. Cases involving grant of leave in excess of limits indicated above should be decided with the prior approval of the Administrative Ministry.

3.5 Chief Executives of Schedule-A Companies which have not received budgetary support for salaries and wages during last three years, and which are not sick/ loss making or referred to BIFR/BRPSE may travel by First Class while going abroad. However, it is expected that utmost economy would be observed. Even when one is entitled, travel by

First Class should be eschewed unless considered absolutely necessary. Board level functionaries may be entitled to various classes of air travel depending on the category of company they belong to, but will not be permitted for a higher class, than which is eligible, for protocol or any other reasons. As far as possible, efforts should be made to make use of modern communication technology like video conferencing, etc. and visits abroad should be undertaken when absolutely necessary.

2. The Board of Directors may frame guidelines for foreign tours of Chief Executives and Functional Directors according to their business needs with the approval of Administrative Ministry keeping the above principles in mind. The Administrative Ministry may approve the guidelines depending upon the sector, the performance of the CPSE and the business environment in which it operates.

3. All Administrative Ministries and Departments are requested to take note of the above decision and to advise the CPSEs under their administrative control suitably in the matter.

**(DPE OM No. 2(23)/07-DPE (WC) GL-IX dated 24th August 2007)**

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