

No. 2(30)09-DPE (WC)
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex,
Lodi Road, New Delhi-110003
Dated: 30th December, 2009

OFFICE MEMORANDUM

Subject: - Standard Terms and Conditions for 2007 IDA pay scales in respect of Board level executives of CPSEs.

The undersigned is directed to state that orders on revised pay scales etc. in respect of executives of CPSEs following IDA pattern of pay scales, w.e.f. 01.01.2007 have been issued vide DPE O.Ms. dated 26.11.2008, 09.02.2009 and 02.04.2009. Based on the Government policy declared in these O.Ms. 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 2007 pay scales may be forwarded to DPE for vetting along with draft terms and conditions in the revised format.
3. Cases, where DPE has already approved the pay fixation based on 2007 IDA pay scales in respect of Board level executives of CPSEs, the terms and conditions of such Board level executive may be finalized as per the enclosed standard terms & conditions. A copy of the terms & conditions so finalized may be endorsed to DPE, by quoting the DPE's reference No. given in the pay fixation case of the respective Board level executive.
4. This issues with the approval of Secretary in this Department.


(Rajendra Kumar)
Director

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.

Copy also to :-
i) NIC for uploading on DPE website.
ii) Dir (R), DPE

**STANDARD TERMS AND CONDITIONS FOR 2007 PAY SCALES IN
RESPECT OF BOARD LEVEL EXECUTIVES OF CPSEs**

MINISTRY OF _____

DEPARTMENT OF _____

To _____

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

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: His/her appointment will be for a period of five 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, 1956 as
amended. 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 tenure.

1.3 Headquarters: His/her headquarters will be at _____ where
the registered 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. _____ 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 O.M. dated 26.11.2008 & 02.04.2009.

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 appointment in the scale 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 O.M. dated 26.11.2008.

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 either in township or is not able to provide residential accommodation out of the residential flats & purchased by it in the Headquarter, suitable accommodation could be arranged by the CPSE by taking the premises on lease basis at headquarter of the company. The Boards of Directors may decide the size, type and locality of such accommodations as per DPE O.Ms. dated 05.06.2003, 26.11.2008 and 02.04.2009. For purposes of CTC, 30% of basic pay may be considered as expenditure on Housing.

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

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 26.11.2008 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 of 10% of basic pay from (date of Joining) _____ or the standard rent fixed by the company whichever is lower. Where the CPSE has prescribed flat rates of recovery in respect of accommodation in its townships depending on each type of accommodation i.e. recovery of rent on uniform basis for each type of accommodation, then rent would be paid by him/her as prescribed by the CPSE.

1.9.2 Leased accommodation: In respect of leased accommodation arranged by the CPSE, rent would be recovered from him/her at the rate of 10% of revised basic pay from (date of Joining) _____ or the actual rent which ever is lower.

1.10 Conveyance: He will be entitled to the facility of staff car for private use as indicated below:

<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	750 KM/PM

Monthly rate of recovery for non-duty journeys would be as follows:

<u>Non-air conditioned cars</u>	<u>Rupees per month</u>
Below 16 HP	325/-
Above 16 HP	490/-

Air-conditioned cars (The Chief Executive of Schedule 'A' PSE may be allowed air-conditioned cars)

Below 16 HP	520/-
Above 16 HP	780/-

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

1.12 Other Allowances / Perks : The Board of Directors will decide on the Allowances and Perks subject to a maximum ceiling of 50% of his/her basic pay as indicated in O.M. dated 26.11.2008 and 02.04.2009.

1.13. Performance Related Payment: He / She shall be eligible for approved PRP as per O.Ms. dated 26.11.2008, 09.02.2009 and 02.04.2009.

1.14. Superannuation Benefits: He/She shall be eligible for superannuation benefit based on approved schemes as per O.Ms. dated 26.11.2008 & 02.04.2009.

1.15. Conduct, Discipline & Appeal Rules:

1.15.1 The Conduct, Discipline and Appeal Rules framed by the CPSE in respect of their non-workmen category of staff 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.

1.15.2 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.

1.16 Restriction on Joining Private Commercial Undertakings after Retirement/Resignation

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.

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/Government.

3. This issues with the concurrence of the Finance Division vide their U.O. No. _____ dated _____ and Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises (DPE) vide their U.O. No. _____ dated _____.

Yours faithfully

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Copy to Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Wage Cell, Block No. 14, CGO Complex, Lodhi Road, New Delhi, w.r.t. U.O. Note No. _____ dated _____