

CHAPTER-I
ACCOUNTBILITY

1. Restrictions on dealings by Public Enterprises with private firms where former top executives of the concerned enterprises have joined after retirement.

There are at present restrictions on employment of retired officers of Government in private commercial undertakings. Thus if a pensioner, who immediately before his retirement was holding post of a sufficiently senior level in Government, wishes to accept any commercial employment before the expiry of two years from the date of his retirement, he has to obtain the prior sanction of the Government to such acceptance. Pension for a specified period is not payable to the pensioner who accepts a commercial employment without such sanction. The question has been under consideration for some time whether the restrictions at present applicable to officers of Government should apply to officers of Public Enterprises also. After considering all the aspects of the question, it has been decided that if a top executive (and not only the Chief Executive) of a Public Enterprise on his retirement joins a private firm, no contract should be placed with that firm, without the approval of the Board of Directors of the concerned enterprise, for a period of two years following the retirement of that officer.

2. In cases where a Government officer after retirement from Government service accepts re-employment in a commercial undertaking within a period of two years from the date of his retirement, the following procedure will be followed:

a) As far as the retired officer is concerned, the existing procedure, under which the period of two years as laid down under Article 531-B, CSRs, would commence from the date of retirement of the officer concerned, would continue to apply; and

b) So far as giving contracts to the private firm which employs the officer in question after his retirement from the Public Enterprise is concerned, contracts with such firms should be entered into by the Public Sector Enterprise in question only after approval from the Board of Directors of the enterprise is obtained—this restriction will be effective for a period of two years from the date of retirement of the officer concerned from the public sector enterprise.

3. Ministry of Steel and Heavy Engineering etc, are requested to suitably address the enterprises under their control in this regard.

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