

F.No. 2(23)11-DPE(WC)  
Government of India  
Ministry of Finance  
Department of Public Enterprises

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Block No.14, CGO Complex,  
Lodi Road, New Delhi-110003  
Dated the 6<sup>th</sup> June, 2022

**OFFICE MEMORANDUM**

Subject: Purchase, use, entitlement and other instructions regarding Staff Car in CPSEs - regarding

The undersigned is directed to refer to DPE O.M. of even number dated 21<sup>st</sup> January, 2013 and 4<sup>th</sup> November, 2013 on the subject mentioned above and state that keeping in view the overall Government policy to encourage use of electric vehicles (EVs) and gradual switch over to EVs, the extant guidelines on the subject matter have been revised and consolidated as under:

**(A) Types of cars for use as Staff Car:** CPSEs may purchase latest model (s) of cars (AC/Non-AC), manufactured in India excluding SUVs/MUVs, not exceeding 2000 cc, which are not expensive, for staff car purpose. The type of car(s) to be selected for purchase would depend upon factors like the schedule of the CPSE, ratna status, pay scales adopted, financial prudence, sustainability etc., The car should also be fuel efficient, environment friendly, etc. Non-airconditioned cars/vehicles should not be converted into airconditioned cars. Number plates of staff car must adhere to the motor vehicle Rules prevalent in the city. Staff cars shall display/paint in the front and at the rear the name of CPSE which owns the car. Purchase of new car for replacement of existing cars should have the prior approval of the Board of Directors of the CPSEs concerned, and should be in accordance with the austerity measures issued by DPE from time to time.

In line with overall Government policy to promote use of Electric Vehicles (EVs) and also recognizing the fact that EV technology is still evolving and limited number of EV models are presently available in the Indian market, the Board of Directors of CPSEs may, therefore, consider purchase/use of EVs keeping in view the financial position of the CPSE.

**(B) Entitlement of Cars:** The company car (AC/Non-AC) would be provided to the Directors and MD/CMD of CPSEs. The Executive Directors (E-9 Grade)/General Managers (E-8 Grade) heading the projects of CPSEs may also be provided with the company car (AC/Non-AC). For purpose of calculating an executive's cost to the company (CTC), the expenditure on car provided to him/her should be excluded. The status/grade of the 'executive' may be taken into consideration to determine the type of car to be provided to him/her.

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**(C) Ceilings on non-duty journeys:** Non-duty journeys by staff car is permitted to Board level executives only. The ceilings on non-duty journey would be as follows:

Name of the city	Ceiling of the non-duty journey
i) Delhi, Mumbai, Kolkata, Chennai, Bangalore, and Hyderabad	1000 Km. per month
ii) All other cities	750 Km. per month

It is clarified that journeys between residence and office/place of employment would be treated as duty runs.

**(D) Recovery for the private use/non-duty runs of the Staff car:** The recovery amount (AC/Non-AC) for private use/non-duty runs would be Rs.2000/- per month.

**(E) Use of Staff Car during leave of absence:** The facility of exclusive use of the staff car to the entitled executives could also be availed of during the period of leave not exceeding two months provided that period is spent at the headquarters. The members of the family of the concerned executive who remains absent from his/her headquarters continuously for a period of fortnight could also avail of the facility of the staff car allotted to the concerned executive subject to his/her agreeing to pay the rates specified for private use as also the cost of propulsion.

**(F) Facility of Staff Car for private use/non-duty runs at places other than headquarters:** Private use of the staff car allotted to the entitled executive should normally be restricted to the limits of the headquarters town where the concerned executive has been stationed. If an executive takes a staff car out of headquarters while on temporary duty to another station he/she could be permitted the private use of the staff car within the overall ceilings for private use/non-duty runs referred to above.

2. All the administrative Ministries/Departments of the Government of India are requested to bring the foregoing to the notice of the CPSEs under their administrative control for necessary action.

  
(Dr. Nitin Aggrawal)  
Joint Director  
Tel : 2436-0258

To Secretaries of all administrative Ministries/Departments

Copy to :- Chief Executives of CPSEs