Subject : Guidelines for fixing of pay of candidates working in Public Sector Undertakings etc. recommended for appointment by the UPSC by the method of Recruitment by Selection - Regarding.

The undersigned is directed to refer to this department's OMs No. 12/1/88-Estt. (Pay.1) dated 7.8.89, 28.2.92 and 8.6.93 on the subject mentioned above which lay down guidelines for protection of pay in respect of the candidates working in Public Sector Undertakings etc. on their appointment as Direct Recruits on selection through a properly constituted authority including Departmental authorities. The O.M dated 7.8.89 was issued on the initiative of the U.P.S.C.

2. This department has received certain cases seeking clarification as to the exact scope of this department's O.M. dated 7.8.89 and the conditions under which benefit under that O.M. is admissible. The matter has been examined in consultation with the UPSC and the position is clarified as under.

3. The benefit of pay protection is available to the Government servants on their recruitment by selection through UPSC, subject to fulfilment of certain conditions. The benefit under the O.M. dated 7.8.89 was extended to the candidates working in central PSUs/State PSUs/Universities/Semi-Government Institutions/Autonomous Bodies etc. with a view to drawing talent, which is available in those organisations. The question whether the objective underlying the above orders could be achieved through open competitive examination in which the employees from Public Sector Undertakings etc. also appear, has been considered. It is clarified that the benefit of pay protection under the above orders is available only if the selection is through interview and not through an open competitive examination. Whenever the protection under the above orders is to be given, the Commission will indicate in its recommendation letter to the Ministry concerned that pay of such candidate(s) should be fixed as per the guidelines laid down in the above orders. Further, the benefit would be available to an officer coming from PSU etc. only if the officer has completed the period of probation successfully for being regularised/confirmed in the post in the parent organisation.
4. The Ministry of Agriculture etc. are requested to keep the above clarification in mind in fixing the pay in such cases. The cases already decided otherwise in consultation with this Department need not be re-opened.

5. In so far as the persons working in the Indian Audit and Accounts Department are concerned, this clarification issues in consultation with the Comptroller & Auditor General of India.

(J. WILSON)
DEPUTY SECRETARY TO THE GOVT OF INDIA

To

All Ministries / Departments of the Govt. of India.
(As per standard list).

No.12/1/96-Estt (Pay I) Dated the 16. 07.1998

Copies also forwarded to:

1. The Comptroller & Auditor General of India and all States under his control (with 400 spare copies).
2. Registrar General, Supreme Court of India.
3. Secretaries to Union Public Service Commission/Election Commission/Lok Sabha Secretariat/Rajya Sabha Secretariat/Cabinet Secretariat/Central Vigilance Commission/President’s Secretariat/Vice President’s Secretariat/Prime Minister’s Office/Planning Commission.
5. Department of Personnel & Training (ADS Division)/JCA/Admn. Section
6. Additional Secretary (Home), Ministry of Home Affairs.
7. Joint Secretary (Union Territories), Ministry of Home Affairs.
8. Secretary, National Council (Staff Side), 13-C, Feroz Shah Road, New Delhi.
9. All Officers/Sections of the Department of Personnel & Training/Department of Administrative Reforms & Public Grievances/Department of Pension & Pensioner’s Welfare.
10. Joint Secretary (Per.) Ministry of Finance, Department of Expenditure.
11. 300 Spare sets.

(J. WILSON)
Deputy Secretary to the Govt of India.