

No.16013/1/79-Estt.(AL)  
Government of India  
Ministry of Home Affairs  
Department of Personnel and Administrative Reforms

New Delhi, the 11<sup>th</sup> February, 1980.

OFFICE MEMORANDUM

Subject: Consolidated instructions relating to acceptance of fees by Central Government Employees (other than acceptance of fees by medical officers in civil employ).

The undersigned is directed to say that certain anomalies in the existing rules and orders regulating the acceptance of fees by Central Government Employees (other than acceptance of fees by medical officers in civil employ for services other than professional attendance) have come to the notice of the Government of India. The matter has been reviewed carefully and it has been decided to issue the following consolidated instructions in replacement of the OMs listed in margin.

Ministry of Finance

1. Letter No.F.16(2)-E.IV/53 dated 11<sup>th</sup> June, 1953
  2. Letter No.4810-E.VI/54 dated 4<sup>th</sup> October, 1954
  3. Letter No.9(22)-E.II(13)/56 dated 3<sup>rd</sup> October, 1956
  4. Memo No.15(45)-E.I/59 dated 6<sup>th</sup> Nov., 1959
  5. Memo No.15(8)-E.II(B)/60 dated 4<sup>th</sup> May, 1960
  6. Memo No.11(1)-E.II(B)/63 dated 1<sup>st</sup> April, 1963
  7. Memo No.11(2)-E.II(B)/63 dated 6<sup>th</sup> May, 1963
  8. No.12(4)-E.II(B)/64 dated 22<sup>nd</sup> October, 1964
  9. No.12(7)-E.II(B)/68 dated 16<sup>th</sup> April, 1968
  10. Memo No.11(14)-E.II(B)/68 dated 23<sup>rd</sup> December, 1968
  11. Memo No.11(1)-E.II(B)/69 dated 25<sup>th</sup> June, 1970
  12. Memo No.7(7)-E.II(B)/70 dated 14<sup>th</sup> October, 1970
  13. Memo No.11(1)-E.II(B)/69 dated 31<sup>st</sup> August, 1974
  14. Memo No. 16011/2/E.II(B)/75 dated 28<sup>th</sup> August, 1975
  15. Memo No.16012/3/78-E.II(B) dated 16<sup>th</sup> Sept., 1978.
2. In accordance with F.R.48, except as otherwise provided by general or special orders, a government servant is eligible to receive and retain without special permission:
    - (a) the premium awarded for any essay or plan in public competitions;
    - (b) any reward offered for the arrest of a criminal or for information or special services in connection with the administration of justice;
    - (c) any reward payable in accordance with the provisions of any Act, Regulation or Rule framed thereunder;
    - (d) any reward sanctioned for services in connection with the administration of the Customs and Excise laws;
    - (e) any fee payable to a Government servant for duties which he is required to perform in his official capacity under any special or local law or by order of Government.
  3. According to the definition of fees contained in FR 9(6-A), fees do not include the following payments and, therefore, no special sanction is necessary for acceptance of these payments.
    - (a) unearned income such as income from property, dividends and interest on securities; and
    - (b) income from literary, cultural, artistic, scientific or technological efforts.

Further, fees do not include honorarium which is a recurring or non-recurring payment granted to a Government servant from the Consolidated Fund of India, or the Consolidated Fund of a State or the Consolidated Fund of a Union Territory as remuneration for special work of an occasional or intermittent character. Thus, a Government servant may be in receipt of honorarium or fee or payments of the nature indicated in paragraphs (a) and (b) above which are neither fee nor honorarium. The instructions contained in this OM mainly seek to regulate the acceptance of "Fees" by Government servants. It is clarified that income from occasional participation in sports, games and athletic activities as players, referees, umpires or manager of teams would be covered by (b) above. However, in case a Govt. servant is permitted to participate in such support activities and accept payment as professionals, the income derived therefrom would continue to be subjected to deduction prescribed in SR-12. Acceptance of fees mentioned below would not be covered by (b) above:-

(i) Sale procedure or royalties on a book which is a mere compilation of Government rules, regulations and procedures. However, the provisions contained in SR-12 can be relaxed, with the concurrence of Department of Personnel and Administrative Reforms, provided that a certificate is furnished by the Ministry/Department concerned at the level not below the rank of Joint Secretary to the effect that 'such a book is not a mere compilations of Government rules, regulations, and procedure but it reveal the author's scholarly study of the subject. If the officer in whose cases the exemption under SR-12 is sought is himself of the status of a Joint Secretary, the Certificate should be furnished by the next higher officer.

(ii) Income derived by performing clerical, administrative or technical functions for private bodies including those engaged in literary, cultural, artistic, scientific, charitable or sports activities.

4. Before acceptance of any payment other than those exempted under paragraphs 2 and 3 above, a Govt. servant should obtain prior sanction of the competent authority under SR-11. Request for permission for acceptance of fees, wherever necessary, should be made along with the request for permission for undertaking the outside work or activity, where the latter permission is also necessary in terms of SR 11. The authorities which can exercise the power of the competent authority for this purpose have been indicated in Serial No.3 of Appendix-A under supplementary rule 2(6) which is extracted and enclosed to this O.M. as annexure. Before granting the sanction, the competent authority should satisfy itself that the work or service could be performed by the Govt. servant during his spare time without detriment to his official duties and responsibilities.

5. (a) In respect of occasional and casual work performed outside the office hours, unless otherwise provided, a Govt. servant may retain the full fee received by him up to a limit of Rs.500/-. If the fee exceeds these limits, one-third of the fee received subject to the condition that the fee retained by him does not fall short of Rs. 500/-, should be credited to the Government. Non-recurring and recurring fee should be dealt with separately and should not be added for the purpose or crediting one-third to the general to revenues. In the case of the former, the limit of Rs.500/- prescribed should be applied in each individual case, and in the case of the latter, the limit should be applied with reference to the total recurring fee received in the financial year.

5. (b) For taking up part-time or full time employment while on study leave abroad would require the permission of the authority which sanctioned the study leave. However, crediting 1/3<sup>rd</sup> of the remuneration to government revenues would not be necessary in such cases.

6. The following payments received by Government servants will not be subject to crediting one-third of the amount to the general revenues:

- (i) payments which do not require prior permission of the competent authority in terms of paragraphs 2 and 3 above;
- (ii) scholarship or stipend received during study leave or otherwise by a Government servant from a source other than the Consolidated Fund of India or that of a State/Union Territory for the purpose of prosecuting a course of study or receiving specialized training in professional or technical subjects;
- (iii) writing of reports, papers or study reports on selected subjects for international bodies like the UNO, UNESCO, etc.;
- (iv) fees received by a Government servant from recognized universities and other statutory bodies like Institute of Chartered Accountants for the performance by the Government servants of work connected with the examination conducted by these bodies or for delivering lectures. Fees received by the Government servant in connection with similar services from public sector undertakings or autonomous bodies which are wholly or substantially owned or controlled by the Government;
- (v) fees received in the form of travelling conveyance, daily, or subsistence allowance etc. if the competent authority is satisfied that the amounts received by the government servant are not a source of profit;
- (vi) income derived by a Government servant from exploitation of patent or invention taken out by him with the permission of competent authority;
- (vii) when a Government department undertakes the work for a non-Government organization and, in its turn, assigns the work to the officials suited for the purpose and pays them at the rates approved by Government;
- (viii) income from books, articles, papers and lectures on literary, cultural, artistic, technological and scientific subjects including management sciences; and
- (ix) income from occasional participation in sports, games and athletic activities as players, referees, umpires or managers of the team.

7. Where a Government servant accepts a fee other than those listed above, with or without specific permission of the competent authority, it will be subject to the restriction indicated in paragraph 5 above. By way of illustration, this restriction will apply in the following cases:-

- (i) Where a Government servant receives sale proceeds or royalties on a book which is a mere compilation of Government rules, regulations and procedures.
- (ii) Where a Government servant is permitted under S.R.11 to perform a clerical, administrative or technical work of an occasional or casual nature for a purely private body and accepts fee therefrom. The words 'private body' would include all cooperative societies and societies registered under the Societies Registration Act which are not subject to administrative control by Government.
- (iii) Income received by a Government servant from a regular remunerative occupation in the nature of part-time employment permitted by the Government or the competent authority under Conduct Rule 15, and
- (iv) Income received from publishing a book or contributing an article on subjects other than those mentioned in para 6 (viii) above.

8. Scientists, technologists and medical specialists working under the Central Government, who, in the overall interest of research and development, are permitted by Government to take full time assignment either in foreign countries or within the country, as visiting professors, students, etc., in universities or scientific/medical institutions, may be allowed to retain *in toto* the remuneration received by them, subject to the following conditions:-

- a) They may be granted extraordinary leave during the period of such assignments;
- b) The assignments should not be of more than two years duration at a time; and
- c) They shall pay pension contribution to the Government of India, as payable under the provisions of Fundamental Rules by Government servants sent on deputation on foreign service. In the case of those who are governed by the Contributory Provident Fund Rules, they should themselves contribute the employer's share of contribution with reference to the emoluments which the official would have drawn had he been on duty in India.

This benefit will, however, not be applicable to (i) temporary employees with less than three years continuous service; and (ii) re-employed pensioners. Persons appointed on contract will also be not eligible unless they have put in not less than three years of service under the Central Government and they give undertaking to serve the Government on return from foreign assignment for a period of at least three years whether on contract or otherwise. In order to secure compliance with this undertaking a bond on stamped paper of an appropriate value may be got executed in consultation with Ministry of Law.

9. Private consultancy work should not be accepted by the staff working in any Government institution including Indian Institute of Technology etc. However, the institutions concerned can take up consultancy work from private parties and entrust the work to selected staff members. The fees received for rendering consultancy work should be credited to the funds of the institution and suitable honorarium may be sanctioned to the members of the staff entrusted with this work. The honorarium paid to all the members of the team taken together should not exceed  $2/3^{\text{rds}}$  of the fees received by the institution. Appropriate provision should be incorporated in the terms of contract where an officer is employment on contract basis.

10. All Government servants who accept any outside work in return for fees should ensure that their official work does not thereby suffer. They shall not undertake or shall discontinue such work if so directed by the Government.

11. A Government servant on foreign assignment who earns his fees in foreign exchange and pays one-third of his fees to the general revenues in rupees, would be required to show proof of having surrendered equal amount of foreign exchange at any bank authorized to convert foreign exchange into rupees. The competent authority sanctioning the acceptance of fees should make a stipulation to this effect in the sanction itself.

12. In so far as the personnel of the Indian Audit and Accounts Department are concerned, these order issue after consultation with the Comptroller and Auditor General of India.

13. Hindi version of this OM will follow.

Sd/-  
(R. C. Gupta)

Deputy Secretary to the Government of India

To

All Ministries/Departments of the Government of India as per standard distribution list etc. etc.

No.16013/1/79-Allowance Unit New Delhi, the 11 Feb., 1980.

Copy (with spare copies as per standard endorsement) forwarded to:-

1. Comptroller & Auditor General of India, New Delhi, with 200 s/c w.r.t. their U.O.No. 44-A/142-79 dated 18.1.1980.
2. Union Public Service Commission, New Delhi.
3. Election Commission, New Delhi.
4. Rajya Sabha Sectt. (Administration Branch), New Delhi.
5. Lok Sabha Sectt. (Administration Branch), New Delhi.
6. Shri D. D. Bhagwala, Senior Personnel and Executive Officer, Lok Sabha Secretariat, New Delhi.
7. Supreme Court of India, New Delhi.
8. All State Govts. and Union Territory Administrations.
9. Central Vigilance Commission, New Delhi.
10. Commission for Scheduled Castes & Scheduled Tribes.
11. Ministry of Finance (Defence Division).
12. Shri Mohinder Singh, Deputy Secretary (A.G.) Ministry of Defence, New Delhi.
13. Railway Board, New Delhi.
14. Secretary, Staff Side, National Council, 9-Ashoka Road, New Delhi.
15. All Members of the Staff Side of the National Council of J.C.M.
16. India Red Cross Society, 1-Red Cross Road, New Delhi.
17. All India Services Division, Department of Personnel and Administrative Reforms, New Delhi.
18. All Integrated Financial Adviser of Administrative Ministries.
19. All Officers/Branches in the Department of Personnel and Administrative Reforms and Ministry of Home Affairs.
20. Controller General of Accounts, Ministry of Defence.
21. All Controller of Accounts/Pay and Accounts Officers of all Ministries/Departments.

Sd/-

( R. C. Gupta )

Deputy Secretary to the Government of India