

No. 20062/1/75-LIS (II)  
Government of India/Bharat Sarkar  
Cabinet Secretariat/Mantrinandal Sachivalaya  
Department of Personnel & Admn. Reforms.  
(Karnik Aur Prashasnik Sudhar Vibhag )

New Delhi-110001, Dated, 17 July, '75.

To

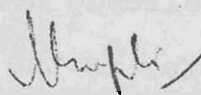
The Chief Secretaries to the  
Governments of all States.

Subject:- Fees, Travelling allowance etc. of members of the  
All India Services appointed as Directors or nominees  
of the Government on Industrial Undertakings, etc.

Sir,

I am directed to refer to this Department's letter of even number dated the 6th February, 1975, and subsequent correspondence, on the subject cited above, and to say that the matter has been considered further in the light of the replies received from the State Governments. In order to ensure uniformity in the matter, the Government of India have decided, in terms of the provisions contained in clause (b) of rule 2 of the All India Services (Conditions of Service-Residuary Matters) Rules, 1960, that the payment of fees, travelling allowances, etc. to the members of the All India Services, serving in connection with the affairs of the States, appointed in their official capacity as Directors, representatives or nominees of the Government on the various industrial undertakings/institutions, shall be regulated in accordance with the instructions contained in the Ministry of Finance O.M.No.5(47)-E.IV(B)/6463, dated the 5th July, 1965 and No.7(1)EII(B)/71, dated the 16th April, 1971 (copies enclosed).

Yours faithfully,

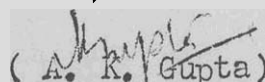


( A. K. Gupta )

Under Secretary to the Government of India.

No. 20062/1/75-LIS (II) Dated, 17 July, '75.

- 1 copy is forwarded for information and necessary action to :-
1. The Ministry of Home Affairs (UTS Section).
  2. The Comptroller and Auditor General of India.
  3. All Accountants General, including the A.G.C.R. and A.G., C.W.&M., New Delhi.
  4. The Ministry of Home Affairs (Pers II Section)
  5. The Ministry of Agriculture (LIS Section).



Under Secretary to the Government of India.

Copy of O.M. No.7(1)-E.II (B)/71 from the Ministry of Finance, Department of Expenditure, dated the 16th April, 1971, addressed to all Ministries/Departments of the Government of India.

Subject: Fees, travelling allowance etc, of Government servants, appointed as Directors, representatives or nominees of Government on private companies etc.

...

The undersigned is directed to refer to this Ministry's Office Memorandum No.F.5(47)-E.IV(B)/63, dated the 5th July, 1965 on the subject mentioned above, which lays down the manner in which the grant of Travelling Allowance, fees etc. to the Government servants, appointed in their official capacity as Directors etc. on the various industrial undertakings/institutions is required to be regulated. A question has now been raised whether a Government servant appointed in a similar capacity in connection with the affairs of a private company, which does not receive any financial assistance from the Central Government or in which Central Government funds are not invested, can receive and retain fee for attending meetings etc. of the Board of Directors of that company. It is, hereby clarified that, even in such cases, the intention is that such a Government servant shall draw only Travelling Allowance under the rules applicable to him and from the source from which he draws his pay and he should credit to Government whatever fees, travelling allowance or other remuneration which may be received by him from such bodies under their rules and regulations. Such credits will be treated as the revenue of the Department concerned.

2. In cases in which Government officers already on foreign service are required to work in some capacity for a third party and receive fees from that party, such fees less the amount of expenditure incurred on them by the foreign employer by way of Travelling Allowance (which should be reimbursed to the foreign employer) should be credited to Government.

3. Cases already decided otherwise need not be reopened.

4. In so far as the persons working in the Indian Audit and Accounts Department are concerned, these orders issue after consultation with the Comptroller and Auditor General.

Sd/-

( J. B. P. Sinha )

Under Secretary to the Government of India.

Copy of O.M.No.5(47)-EIV(B)/63, dated 5th July, 1965 addressed to all Ministries of the Government of India etc. etc.

Subject: Fees, travelling allowance etc. of Government servants, appointed as Directors, representatives or nominees of Government on industrial undertakings etc.

(1)Min. of  
Fin.O.M.  
No.12(12)  
/Estt.III/  
48 dated  
2.7.48

The undersigned is directed to say that, in supersession of this Ministry's orders noted in the margin, the President is pleased to decide that the grant of travelling allowance, fees etc. to the Government servants appointed in their official capacity as Directors, representatives, or nominees of Government on the various industrial undertakings/institutions will henceforth be regulated in the matter laid down in the following paragraphs:-

(2)F.O.M.  
No.5(126)-  
Est.IV/56  
dt.28.2.57

2. Fees or other remuneration

Fees in respect of Government servants attending meetings or for doing other work in connection with the affairs of Statutory organisations, Corporate bodies, industrial and commercial undertakings (not departmentally run) will be recoverable only if these are not wholly owned by the Central Government but in which Central Government funds are invested or which are financed partly by such funds. The cases of semi-Government/non-Government institutions receiving grants from the Central Government should, however, be considered on merits, in consultation with the Associate Finance. No fees or other remuneration should be directly accepted by Government servants unless they are specially permitted to receive such fees under F.R.46 and S.Rs.I11 and 12.

(3)M.F.O.M.  
No.11(15)  
E.II(B)/  
57 dt.  
3.4.59

(4)M.F.O.M.  
No.5(126)  
E.IV/56  
dt.17.6.59

3. Travelling and Daily allowance

i) Travelling and daily allowance of the Government servants for journeys performed in connection with the affairs of the organisations, institutions etc. mentioned in para 2 above will be regulated under Government rules applicable to them and should be drawn from the source from which their pay is drawn. No part of the expenses or on travelling or halts should be accepted by them from the undertakings, direct.

ii) If the journey is solely or mainly in connection with the affairs of the undertakings etc., the whole expenditure on the travelling and daily allowance of the Government servants, which is initially borne by the Ministry/Department concerned, should be recovered from the undertakings etc. In case, however, the journeys of and halts are mainly in connection with the affairs of Government, and only partly for the work of the undertakings etc., no part of such expenditure should be recovered from the undertakings etc.

iii) The authority controlling the allotment of funds for the travelling and daily allowance of the Government servants concerned shall be the sole judge for determining whether recovery should be made or not from the undertakings etc.

4. Mode of recovery of Tl./Dl. fees or other remuneration.

The claims in regard to Tl./Dl., fees or other remuneration referred to in paragraphs 2 and 3 above, should be preferred against the undertakings etc. by an officer not below the rank of an Under Secretary of the Ministry/Department hereinafter referred to as "authorised officer". The claims shall be preferred by the authorised officer against the undertakings etc. "for and on behalf of" the Government servants concerned, for which purpose the latter shall execute in favour of the former a power of attorney authorising the claim and receipt of the amount from the undertakings etc. The amount recovered shall be credited to the revenues of the Ministry/Department concerned by the authorised officer, who shall also at the time of preferring claims, endorse a copy thereof to the Audit Officer concerned to enable him to watch the actual recovery from the undertakings etc. and its credit to Government. Further, the travelling allowance bills preferred by Government servants attending the meetings etc. of the organisations mentioned in para 3 above should be supported by a certificate to the effect that no travelling expenses, fees or other remuneration has been claimed or drawn by them from the said organisations.

5. In so far as the persons working in the Indian Audit and Accounts Department are concerned, these orders issue after consultations with the Comptroller and Audit General.

Sd/-

( R. K. Agrawal )

Deputy Secretary to the Government of India.