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No. F. 10(24)-E. III/60  
GOVERNMENT OF INDIA  
Ministry of Finance  
(Department of Expenditure)

New Delhi, the 4th May, 1961.

OFFICE MEMORANDUM

Subject:— TRANSFER OF CENTRAL GOVERNMENT EMPLOYEES TO OTHER GOVERNMENTS, DEPARTMENTS, COMPANIES, CORPORATIONS, ETC. — DEPUTATION (DUTY) ALLOWANCE.

The undersigned is directed to say that the President has been pleased to decide that the following orders shall govern the grant of deputation (duty) allowance to Central Government employees transferred on deputation to other Governments, departments or bodies (incorporated or not) wholly or substantially owned or controlled by the Government, provided that the transfer is outside the regular line and is in the public interest:—

(i) The terms 'deputation' will cover only appointments made by transfer on a temporary basis. Appointments of serving Government servants made either by promotion or by direct recruitment in competition with open market candidates, whether on a permanent or temporary basis, will not be regarded as 'deputation'. Similarly permanent appointments made by transfer will not also be treated as 'deputation'. The question whether the transfer is outside the regular line will be one to be decided by the authority which controls the service or post from which the Central Government employee is transferred.

For the purpose of fixing the deputation (duty) allowance the transfer of Government employees on foreign service to bodies (incorporated or not) wholly or substantially owned or controlled by the Government shall also be treated as 'deputation'.

(ii) The deputation (duty) allowance shall be at a uniform rate of 20% of the employees's basic pay and be subject to a maximum of Rs. 300 per mensem, provided that the 'basic pay' plus the deputation (duty) allowance shall, at no time exceed Rs. 3,000 per mensem.

'Basic pay' for the above purpose shall mean the pay drawn in the scale of pay of the substantive appointment held or the pay in the scale of pay of the officiating appointment in an employee's parent cadre, provided that the officiating appointment so held was not in a tenure post and it is certified by the appointing authority that but for the deputation the employees would have continued to hold the officiating appointment indefinitely.

'Special pay' drawn in a particular appointment shall be deemed as part of 'basic pay' only in the following circumstances —

(a) The appointment to which the special pay is attached is not a tenure appointment; and

(b) (i) the special pay has been shown in the Schedule to the Central Civil Services (Revised Pay) Rules, 1960; or (ii) the special pay has been specifically sanctioned for the post, in addition to a scale of pay, in lieu of a separate scale of pay for the post.

- (iii) Any other special pay drawn by an employee in the parent department should not be allowed in addition to the Deputation (Duty) Allowance; provided, however, that Government may, by general or special order, suitably restrict the Deputation (Duty) Allowance where, under special circumstances, the special pay drawn by an officer in a non-tenure post in his parent cadre is allowed to be drawn, in addition to basic pay, in his deputation post.
- (iv) Personal pay, if any, drawn by an employee in his parent department may be allowed in addition. This will not be absorbed in the deputation (duty) allowance, but will be absorbed in other increases in pay e.g., increments or increase of pay by promotion or for any other reason.
- (v) An employee placed on deputation may elect to draw either the pay in the scale of pay of the new post as may be fixed under the normal rules or his basic pay in the parent department plus personal pay, if any, under para (iv) above plus deputation (duty) allowance. For determining the pay under the normal rules for this purpose in case of deputation to autonomous bodies, it may be assumed that the Government rules apply. The option once exercised shall be final except that on each occasion when such an employee receives proforma promotion in his parent department/or is appointed to another grade in the new department, a fresh option shall be allowed to him.

under the next below rule or or is reverted to a lower grade in the parent department

- (vi) The deputation (duty) allowance admissible under the previous clauses shall further be so restricted that the basic pay of the employee in his parent department from time to time plus the deputation (duty) allowance does not exceed the maximum of the scale of pay of the post held on deputation or, where the post on deputation has a fixed pay, that fixed pay. Where, subsequent to deputation this is not possible by virtue of the basic pay of an employee itself exceeding the maximum of the scale of pay of the post or the fixed pay of the post, the deputation of the employee shall be restricted to a period of six months from the date on which his pay thus exceeds such maximum, and the employee should be reverted to his parent department. (It is obvious that under this clause no deputation (duty) allowance will be admissible to an employee from the date that his basic pay either equals or exceeds the maximum of the scale of the post which he holds on deputation).

No employee whose basic pay at the time of his proposed deputation exceeds the maximum of the scale of pay of the new post or the fixed pay of the new post shall be deputed to such a post.

- (vii) The employee on deputation may be given the benefit of the 'next below rule' subject (a) to the application of the conditions mentioned in sub-paragraph (vi) above in regard to the regulation of the deputation (duty) allowance, and (b) the reversion of the employee to the parent department where his basic pay as fixed under the 'next below rule' exceeds the maximum of the scale of pay of the new post.
- (viii) Any project allowance admissible in a project area may be drawn in addition to the deputation (duty) allowance.
- (ix) Where a special rate of deputation (duty) allowance is admissible under separate orders in any area on account of conditions of living there being particularly arduous or unattractive, such special rate being more favourable than that under (ii) above, employees deputed to the area will be given the benefit of the special rate.

2. The administrative Ministries will be competent to sanction the deputation on the terms specified above in respect of their employees and those in offices under them, sanction in respect of individual cases being issued by the Ministry transferring the employee or the Ministry borrowing the services of the employee, as may be appropriate in the circumstances of each case. Any relaxation of these conditions and principles will require the prior concurrence of the Ministry of Finance. (Any orders under para 1(iii) above will also require the concurrence of the Ministry of Finance)

3. With a view to ensuring that no employee receives an abnormal pay increase because of his deputation, the authorities ordering the deputation will ensure that, where an employee is transferred on deputation, the minimum pay of the scale of pay of the post to which such deputation is made is not substantially in excess of his basic pay plus deputation (duty) allowance at 20%. Where such minimum substantially exceeds the emoluments admissible under the alternative of drawing deputation (duty) allowance at 20%, the appointing authorities are expected to apply the provisions of Fundamental Rule 35 and specially restrict the pay of the deputationist to a suitable figure below the minimum pay of the post.

4. The orders contained in this memorandum shall not apply to appointments on deputation to posts in the Central Secretariat such as Under Secretary, Deputy Secretary, Joint Secretary, Additional Secretary or Secretary. For these appointments the existing separate orders, as modified from time to time, will continue to apply.

5. These orders will, however, apply to the cases of appointment of employees of State Governments to posts in the Central Government. The cases of employees of the Central Government appointed on transfer to posts under the State Governments should also be regulated in accordance with these principles. Where however special orders already exist in respect of appointments of a specific category of employees to a specified class of posts, those orders will continue to apply instead of the orders contained in this Memorandum.

6. (a) These orders will apply to cases of deputation commencing hereafter.

(b) Employees already on deputation on the date of issue of these orders will be treated as follows:—

(i) They will all have the option to come over to the terms contained in this Memorandum with effect from the date of these orders, provided that the option must be exercised within three months of the date of this Office Memorandum and once exercised shall be final.

(ii) In respect of those who do not opt for the terms contained in this Office Memorandum, these terms will nevertheless apply in the following circumstances:

A. On the expiry of their present term of deputation, if the existing term is a specified one and is extended hereafter; provided that where the existing terms of deputation is for less than three years, the revised orders will apply on completion of a period of three years from the date of original deputation.

B. On the expiry of a period of three years from the date of original deputation, where the deputation was for an unspecified period.

7. These orders will not apply to members of the All India Services and to appointments to posts whose terms are regulated under specific statutory rules or orders.

8. These orders will not also apply to cases of deputation to posts outside India.

9. These orders, in so far as they are applicable to employees of the Indian Audit and Accounts Department, have been issued in consultation with the Comptroller and Auditor General of India who will exercise the powers of an administrative Ministry for the purpose of these orders, in respect of the employees of that Department.

(Sd.) R. P. Padhi  
Joint Secretary to the Government of India.

To

All Ministries/Departments of the Government of India, etc.