

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:4487
ANSWERED ON:06.08.2009
REIMBURSEMENT OF EXPENDITURE
Muttemwar Shri Vilas Baburao

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether employees of the Public Sector Undertakings are entitled for reimbursement of the expenditure incurred by them on maintenance and repair of their houses;
- (b) if so, the details thereof;
- (c) whether the office of Comptroller and Auditor General of India has raised objections to the payment of such expenses to the employees; and
- (d) if so, the steps taken in this regard?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) & (b) The executives of the Central Public Sector Enterprises (CPSEs) are entitled to House Rent Allowance (HRA), if they are not staying in the accommodation provided by the CPSEs. Where CPSEs provide the leased residential accommodation, the responsibility of repair and maintenance lies with the lessor, in terms of the lease deed.

(c) & (d) Earlier Central Vigilance Commission had brought to the notice of the government certain irregularities in the matter of allowing leased accommodation, etc. by the CPSEs in respect of their executives. In view of this, instructions were issued vide O.M. dated 05.06.2003, which inter-alia, provided that self leased accommodation should not become a source of additional income for the executives.

The Comptroller and Auditor General of India (C&AG) had also raised the issue of reimbursement of expenditure to the executives of CPSEs towards repair and maintenance of leased accommodation provided to them, over and above the lease rent paid to lessor. Government after considering C&AG's observations issued instructions vide O.M. dated 20.05.2009, prohibiting reimbursement of any amount to executives towards repair and maintenance of leased accommodation provided to them.