



पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड
Power Grid Corporation of India Limited



सूचना का अधिकार अभिनियम 2005 के अंतर्गत केन्द्रीय लोक सूचना अधिकारी
Central Public Information Officer under the RTI Act, 2005
केन्द्रीय कार्यालय, 'सौदामिनी', प्लॉट नं.2, सेक्टर-29, गुडगांव, हरियाणा-122007
Corporate Centre, 'Saudamini', Plot No. 2, Sector-29, Gurgaon, Haryana-
122007

CP/RTI/2016/39

Date: 9th May, 2016

Shri Sunil Kumar Johar
R/o-317, SFS Flats, Ashok Vihar
Phase-IV, Delhi-110052

Sub: **Information under Right to Information Act, 2005 (Application No. 39 dated 22.04.2016.)**

Dear Mr. Johar,

This has reference to your online RTI request dated 22nd April, 2016, seeking information under RTI Act, 2005.

The information sought is attached at **Annex-I**.

First Appeal, if any, against the reply of CPIO may be made to the first appellate Authority within 30 days of the receipt of the reply of CPIO. Details of Appellate Authority at Corporate Centre, Gurgaon, under RTI Act, 2005 is as below:

Shri B. Mishra
Executive Director (CP & IT) & Appellate Authority
Corporate Centre, Power Grid Corporation of India Limited
"Saudamini", Plot No. 2, Sector-29, Gurgaon – 122007, Haryana.
Email ID: bmishra@powergridindia.com
Phone No. 0124-2571960

Thanking you,

भवदीय,

सतीश
9/5

(सतीश कुमार जे.)

उप महाप्रबंधक (.आ.के) एवं के.लो.सू.अधिकारी

Phone No. 0124-2822746

Email ID: cpio.cc@powergrid.co.in

Information pertaining to Power Grid Corporation of India Ltd. in respect of information sought under RTI Act, 2005 by Shri Sunil Kumar Johar, resident of 317, SFS Flats, Ashok Vihar, Phase-IV, Delhi -110052.

S.No.	Information sought under RTI	Reply
1	Refer point No.1 of the RTI application.	CAG had printed an Audit Para No.12.1 in their Report No.13 of 2013 titled "Irregular payment towards encashment of Half Pay Leave and Sick Leave". The Report is available on CAG website. However, a copy the Audit Para is attached herewith.
2	Refer point No.2 of the RTI application.	A copy of POWERGRID Reply and MOP's comments, for the Audit Para No.12.1 of CAG Report No.13 of 2013 is attached herewith.
3.	Refer point No.3 of the RTI application. Ref. Point No.3 (a) Ref. Point No.3 (b)	In respect of POWERGRID, the subject Audit Para, has been dropped. CAG vide their communication dated 20.3.2015 had dropped /settled the Audit Para.

मि. सुनील कुमार जोहार
317/18

CHAPTER XII: DEPARTMENT OF PUBLIC ENTERPRISES

Bharat Electronics Limited, Bharat Heavy Electricals Limited, Bokaro Power Supply Company Power Limited, Cochin Shipyard Limited, Dredging Corporation of India Limited, Ferro Scrap Nigam Limited, Hindustan Petroleum Corporation Limited, Mangalore Refinery and Petrochemicals Limited, MECON Limited, National Hydro Power Corporation Limited, NTPC Limited, Neyveli Lignite Corporation Limited, NTPC SAIL Power Company Private Limited, NMDC Limited, Power Finance Corporation Limited, Power Grid Corporation of India Limited, Rashtriya Ispat Nigam Limited, Rural Electrification Corporation Limited, SJVN Limited and Steel Authority of India Limited

12.1 Irregular payment towards encashment of Half Pay Leave and Sick Leave

Encashment of half pay leave/sick leave in deviation from DPE guidelines, resulted in irregular payment of ₹ 413.98 crore from January 2007 to November 2012.

According to the Department of Public Enterprises (DPE) instructions of April 1987¹, an individual central public sector enterprise (CPSEs) may frame leave rules for its employees keeping the broad parameters of the policy guidelines laid down in this regard by the Government of India (GoI).

GoI allowed encashment of half pay leave (HPL) and earned leave (EL) put together within the overall ceiling of 300 days with effect from 1-1-2006, on superannuation, which was an enhancement to the earlier ceilings on encashment of EL up to 240 days. Thus, in terms of DPE instructions of April 1987 *ibid*, CPSEs were also required to follow the overall ceiling of 300 days for encashment of EL and HPL for their employees on retirement.

On a reference made by Ministry of Shipping DPE clarified to all CPSEs on 26 October 2010² that, they were not permitted to encash leave beyond the overall ceiling of 300 days. In a further clarification of 17 July 2012³, referring to its instructions of April 1987, DPE reiterated that sick leave could not be encashed, though EL and HPL could be considered for encashment of leave on retirement subject to the overall limit of 300 days.

A. Audit observed that the following CPSEs deviated from the DPE guidelines and made irregular payment of ₹ 391.31 crore to their employees towards HPL encashment on superannuation over and above the ceiling of 300 days.

Sl. No.	Administrative Ministry	Name of CPSE	Period	Amount (₹ in crore)
1	Ministry of Coal	Neyveli Lignite Corporation Limited (NLC)	January 2007 to September 2012	6.46
2	Ministry of	Bharat Heavy Electricals	January 2007 to September	150.01

¹ OM No. 2(27)85-BPE(WC) dated 24 April 1987

² OM No. 2(32)10-DPE(WC) GL-XXIII dated 26 October 2010

³ OM No. 2(14)/2012-DPE(WC) dated 17 July 2012

Report No. 13 of 2013

	Heavy Industries	Limited (BHEL)	2012	
3	Ministry of Petroleum and Natural Gas	Hindustan Petroleum Corporation Limited (Visakh Refinery) (HPCL)	April 2007 to March 2012	0.50
4	Ministry of Power	NTPC Limited	April 2007 to September 2012	43.61
5	Ministry of Power	Power Grid Corporation of India Limited (PGCIL)	April 2007 to November 2012	13.28
6	Ministry of Power	NHPC Limited	April 2007 to September 2012	10.97
7	Ministry of Power	Rural Electrification Corporation Limited (REC)	November 2008 to September 2012	1.67
8	Ministry of Power	Bokaro Power Supply Company Private Limited	January 2007 to March 2012	1.22
9	Ministry of Power	Power Finance Corporation Limited (PFC)	April 2007 to March 2012	0.60
10	Ministry of Power	NTPC SAIL Power Company Private Limited	January 2007 to March 2012	0.39
11	Ministry of Power	SJVN Limited	April 2007 to September 2012	0.14
12	Ministry of Shipping	Dredging Corporation of India Limited (DCI)	April 2007 to March 2012	1.19
13	Ministry of Steel	Steel Authority of India Limited (SAIL)	January 2007 to March 2012	144.19
14	Ministry of Steel	MECON Limited	January 2007 to March 2012	6.40
15	Ministry of Steel	Rashtriya Ispat Nigam Limited (RINL)	April 2007 to March 2012	6.13
16	Ministry of Steel	NMDC Limited	April 2007 to March 2012	4.19
17	Ministry of Steel	Ferro Scrap Nigam Limited (FSNL)	January 2007 to March 2012	0.36
TOTAL				391.31

BHEL stated (November 2012) that Chairman & Managing Director had approved the provision of HPL encashment and that the service conditions of Central/State Government and the CPSEs were different.

SAIL, NTPC, NTPC SAIL Power Company, FSNL stated (October 2012/February 2013) that encashment of HPL was as per the Company's leave rules. **PGCIL** stated that scheme was adopted from NTPC and continued in PGCIL and approved by Board of Directors which comprised representation from Ministry of Power also.

MECON stated (January 2013) that DPE directives of 26 October, 2010 related to encashment of EL and separate instructions for encashment of HPL on superannuation was not issued by DPE.

NHPC, SJVN, Bokaro Power Supply Company, REC, PFC, NMDC, RINL, DCI and HPCL (Visakh Refinery) stated (October-December 2012/February 2013) that HPL encashment scheme was introduced with the approval of the Board of Directors, in conformity with the policy followed by several other CPSEs, and it was not obligatory to strictly adopt GoI leave rules.

NLC did not provide reply to the above audit observation.

Replies of CPSEs are not acceptable as the leave encashment beyond the overall policy of Government of India was not permitted as per the DPE instructions of April 1987. Further, DPE's circular of 26 October 2010 clarified that CPSEs were not permitted to

encash leave beyond the overall ceiling of 300 days. In another clarification issued in July 2012, referring to instructions of April 1987, DPE reiterated that EL and HPL could be considered for encashment on superannuation subject to overall limit of 300 days. Therefore, encashment of HPL to employees on retirement beyond the overall ceiling of 300 days was in violation of DPE guidelines and was, thus, irregular.

B. Audit further observed that the following CPSEs deviated from the DPE guidelines as they paid to their employees towards sick leave, which resulted in irregular payment of ₹ 22.67 crore, as per details given below:

Sl. No.	Administrative Ministry	CPSE	Period	Amount (₹ in crore)
1	Ministry of Defence	Bharat Electronics Limited	April 2007 to June 2012	21.49
2	Ministry of Shipping	Cochin Shipyard Limited	December 2007 to November 2012	0.94
3	Ministry of Petroleum & Natural Gas	Mangalore Refinery and Petrochemicals Limited (MRPL)	November 2010 to March 2012	0.24
Total				22.67

BEL stated (September 2012) that by implementing such encashment it was able to achieve lower attrition rate and recruit/retain trained manpower for production.

Cochin Shipyard Limited stated (February 2013) that DPE's clarification on sick leave encashment was issued only in July 2012 and, as they proposed to obtain further directives from DPE, the employees who retired from service since November 2012 had not been paid encashment of sick leave. MRPL did not furnish the reply (March 2013).

The above replies are not acceptable as DPE's clarification of July 2012 specifically disallowed encashment of sick leave and the clarification was applicable to all CPSEs.

In sum, the above CPSEs' leave rules/policy for encashment of sick leave or of EL with HPL exceeding 300 days, on superannuation, violated the DPE guidelines and resulted in extra expenditure of ₹ 413.98 crore for the period January 2007 and November 2012.

United India Insurance Company Limited, The New India Assurance Company Limited, National Highways Authority of India and Food Corporation of India.

12.2 Recoveries at the instance of audit

During test check, several cases relating to non-recovery, short recovery excess payment, short charging of premium etc. were pointed out. In 21 cases pertaining to four CPSUs audit pointed out, that an amount of ₹ 152.97 crore was due for recovery. The management of PSU's had recovered an amount of ₹ 121.86 crore during the period 2011-12 as detailed in Appendix-I.

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

<p>Audit Para No.12.1 of CAG Reprt No.13 of 2013</p>	<p>POWERGRID Reply/ATN</p>	<p>Comment of Ministry of Power</p>
<p>Audit Para No.12.1 titled "Irregular payment towards encashment of Half Pay Leave and Sick Leave".</p> <div style="border: 1px solid black; padding: 5px;"> <p>Encashment of half pay leave/ sick leave in deviation from DPE guidelines, resulted in irregular payment of Rs. 413.98 crore from January 2007 to November 2012.</p> </div> <p>According to Department of Public Enterprises (DPE) instructions of April 1987, an individual central public sector enterprise (CPSE) may frame leave rules for its employees keeping the broad parameters of the policy guidelines laid down in this regard by Government of India (GoI).</p> <p>GoI allowed encashment of Half Pay Leave (HPL) and Earned Leave (EL) put together within the overall ceiling of 300 days with effect from 01.01.2006, on superannuation, which was an enhancement to the earlier ceilings on encashment of EL up to 240 days. Thus, in terms of DPE instructions of April 1987 <i>ibid</i>, CPSEs were also required to follow the overall ceiling of 300 days for encashment of EL and HPL for their employees on retirement.</p>	<p><i>Audit in essence observed that Leave rules/policy for encashment of sick leave or of EL with HPL exceeding 300 days, on superannuation, violated the DPE guidelines.</i></p> <p>POWERGRID point wise reply/ATN to various issued raised by Audit is furnished below for consideration of Audit :</p> <p>The main theme of the DPE instruction communicated through their OM dated April 1987 is in respect of enhancement in ceiling limit for accumulation of Earned Leave from 180 days to 240 days. The said OM of DPE did not state any thing about the restriction on encashment of leave at the time of retirement.</p> <p>GoI, pay scale, allowances, service rules, CDA etc. including the leave rules applicable to Government servant are not directly applicable to CPSE employees. The two set of employees are governed by different sets of rules, regulation and policies. So when GoI allowed encashment of HPL and EL put together with the overall ceiling of 300 days on retirement with effect from 01.01.2006 for their Government servants, the same cannot be construed that it will automatically be applicable on CPSE employees also.</p> <p>Public Sector Enterprises have their own sets of rules and policies which are framed within the overall guidelines provided by DPE. Prior to clarification dated 17th July 2012 to Deputy Director-Audit Board, DPE has never issued any guidelines whereby, it has been categorically mentioned that encashment of leave will be allowed (both HPL and EL put together) within the overall ceiling of 300 days on superannuation.</p>	<p><i>The Replies Submitted by PGCIL are in order.</i></p>

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013

On a reference made by the Ministry of Shipping, DPE clarified to all CPSEs on 26th October 2010 that they were not permitted to encash leave beyond the overall ceiling of 300 days. In a further clarification of 17th July 2012, referring to its instructions of April 1987, DPE reiterated that sick leave could not be encashed, though EL and HPL could be considered for encashment of leave on retirement subject to overall limit of 300 days.

POWERGRID Reply/ATN

The DPE, OM dated 26.10.2010 refers about encashment of leave. It states that
 "(a) O.M Dated 05.08.2005 provides for a maximum ceiling of Earned Leave that can be accumulated. CPSEs are not permitted to encash leave beyond 300 days at the time of retirement of an employee of CPSE. The employees are not permitted to accumulate more than 300 days as specified under DPE guidelines.
 (b) Casual leave must not be encashed at all and shall lapse at the end of the calendar year."

**Comment of
Ministry of
Power**

Audit observed that the following CPSEs deviated from the DPE guidelines and made irregular payment of Rs.391.31 crore to their employees towards HPL encashment on superannuation over and above the ceiling of 300 days.

Sl. No	Administrative Ministry	Name of CPSE	Period	Amount (Rs. In crore)
1.	Ministry of Coal	Neyveli Corporation Limited (NLC)	January 2007 to September 2012	6.46

If OM dated 26.10.2010 is read with DPE OM dated 05.08.2005, it can be inferred that encashment of EL beyond 300 days is not permitted at the time of retirement of an employee of CPSE. Further, the OM dated 05.08.2005 also puts a condition that the additional expenditure on this account of enhancement of EL to 300 days will be met by CPSE from their own internal resources without any budgetary support from the Government. It is submitted that no budgetary support for encashment of leave has been ever taken by POWERGRID from Government.

As submitted in detail in preceding paras there were no specific guidelines on encashment of HPL prior to July, 2012. Basically the DPE OM issued in 1987, 2005, and 2010 were regarding enhancement of Earned Leave limits and its encashment.

Besides, Hon'ble High Court of Delhi in a case regarding transfer of NTPC employees to POWERGRID had ordered that

"The terms and conditions of service applicable to these employees after transfer and absorption shall not, in any way, be less favourable

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled "Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013					POWERGRID Reply/ATN	Comment of Ministry of Power
2.	Ministry of Heavy Industries	Bharat Electricals Limited (BHEL)	Heavy Limited	January 2007 to September 2012	150.01	<p><i>than those applicable to them immediately before the transfer".</i></p> <p>The rules on encashment of HPL and EL (Both separately) were in existence in NTPC on retirement and the same were continued in POWERGRID.</p> <p>On receipt of DPE communication of July 2012, POWERGRID has amended its Leave Rules restricting the encashment of leave on retirement to an overall ceiling of 300 days (EL and HPL) put together.</p> <p>In view of above submission it may be seen that POWERGRID had not made any irregular payment on account of leave encashment.</p>
3.	Ministry of Petroleum and Natural Gas	Hindustan Petroleum Corporation Limited (Visakh Refinery) HPCL)	Petroleum Corporation Limited	April 2007 to March 2012	0.50	
4.	Ministry of Power	NTPC Limited	NTPC Limited	April 2007 to September 2012	43.61	
5.	Ministry of Power	Power Corporation of India Limited (PGCIL)	Grid Corporation of India Limited (PGCIL)	April 2007 to November 2012	13.28	
6.	Ministry of Power	NHPC limited	NHPC limited	April 2007 to September 2012	10.97	
7.	Ministry of Power	Rural Electrification Corporation Limited (REC)	Rural Electrification Corporation Limited (REC)	November 2008 to September 2012	1.67	
8.	Ministry of Power	Bokaro Supply Private Limited	Bokaro Power Supply Company Private Limited	January 2007 to March 2012	1.22	
9.	Ministry of Power	Power Corporation (PFC)	Power Finance Corporation Limited (PFC)	April 2007 to March 2012	0.60	
10.	Ministry of Power	NTPC SAIL Company Limited	NTPC SAIL Power Private Limited	January 2007 to March	0.39	

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013				POWERGRID Reply/ATN	Comment of Ministry of Power
11.	Ministry of Power	SIVN Limited	2012 April 2007 to September 2012	0.14	
12.	Ministry of Shipping	Dredging Corporation of India Limited (DCI)	April 2007 to March 2012	1.19	
13.	Ministry of Steel	Steel Authority of India Limited (SAIL)	January 2007 to March 2012	144.19	
14.	Ministry of Steel	MECON Limited	January 2007 to March 2012	6.40	
15.	Ministry of Steel	Rashtriya Ispat Nigam Limited (RINL)	April 2007 to March 2012	6.13	
16.	Ministry of Steel	NMDC Limited	April 2007 to March 2012	4.19	
17.	Ministry of Steel	Ferro Scrap Nigam Limited (FSNL)	January 2007 to March 2012	0.36	
<p>BHEL stated (November 2012) that Chairman & Managing Director had approved the provision of HPL encashment and that the service conditions of Central/ State Government and the CPSEs were different.</p>					No Comments

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013	POWERGRID Reply/ATN	Comment of Ministry of Power
<p>SAIL, NTPC, NTPC SAIL Power Company, FSNL stated (October 2012/ February 2013) that encashment of HPL was as per the Company's leave rules. PGCIL stated that scheme was adopted from NTPC and continued in PGCIL and approved by Board of Directors which comprised representation of Ministry of Power also.</p>	<p>It is mentioned that, POWERGRID was formed by transfer of all transmission assets and liabilities including manpower from the erstwhile Central sector power generating companies, viz. NTPC, NHPC, NEEPCO, NLC, NEC, THDC etc. After incorporation in 1989, all Policies rules and regulations of NTPC including the Leave Rules were adopted by POWERGRID. The rules on encashment of HPL and EL (Both separately) was in existence in NTPC on retirement and same continued in POWERGRID. Consequently, any modification in enhancement limit of leaves has approval of Board of Directors.</p> <p>It is also relevant to mention here that in pursuance of Ministry of Power's instructions dated 12th July, 1991 regarding transfer of assets, liabilities and manpower, NTPC issued circular dated 18th July, 1991 in conformity with the aforesaid instructions of GOI. However, the association of Corporate Executives of NTPC filed a Writ Petition in Delhi High Court for invalidating the above instructions of GOI. Based on the undertaking given by GOI through Attorney General, Hon'ble High Court of Delhi on 14th August, 1991 had inter alia passed an order .</p> <p><i>"The terms and conditions of service applicable to these employees after transfer and absorption shall not, in any way, be less favourable than those applicable to them immediately before the transfer".</i></p> <p>In line with the above order (Annexure-I) of Hon'ble High Court of Delhi, NTPC employees were transferred and absorbed into POWERGRID (NPTC) in conformity with the terms and conditions of service which had also included encashment of leave being received by them in their present employment.</p>	

POWERGRID Reply/ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013	POWERGRID Reply/ATN	Comment of Ministry of Power
<p>MECON stated (January 2013) that DPE directives of 26th October, 2010 related to encashment of EL and separate instructions for encashment of HPL on superannuation was not issued by DPE.</p>	<p>No Comments.</p>	
<p>NHPC, SJVN, Bokaro Power Supply Company, REC, PFC, NMDC, RINL, DCI and HPCL (Visakh Refinery) stated (October- December 2012/ February 2013) that HPL encashment scheme was introduced with the approval of the Board of Directors, in conformity with the policy followed by several other CPSEs, and it was not obligatory to strictly adopt GoI leave rules.</p>	<p>No Comments.</p>	
<p>NLC did not provide reply to the above audit observation.</p>	<p>No Comments.</p>	
<p>Replies of CPSEs are not acceptable as the leave encashment beyond the overall policy of Government of India was not permitted as per the DPE instructions of April 1987. Further DPE's circular of 26th October 2010 clarified that CPSEs were not permitted to encash leave beyond the overall ceiling of 300 days. In another clarification issued in July 2012, referring to instructions of April 1987, DPE reiterated that EL and HPL could be considered for encashment on superannuation subject to overall limit of 300 days. Therefore, encashment of HPL to employees on retirement beyond the overall ceiling of 300 days was in violation of DPE guidelines and was, thus, irregular.</p>	<p>DPE instruction of April 1987 did not specify any thing about restriction of leave encashment at the time of retirement. Rather, it only states about enhancement of Earned Leave from 180 to 240 days.</p> <p>DPE OM dated 26th October 2010 also refers about OM dated 05.08.2005. When read in conjuncture with O.M dated 26.10.2010 it can be construed that encashment of EL beyond 300 days is not permitted at the time of superannuation to CPSE employee.</p> <p>Only in the clarification issued by DPE on 17th July 2012 it was clearly specified that EL and HPL together can be considered for encashment of leave on retirement subject to over all limit of 300 days. Based on the said clarification, the Company has modified the leave rules, restricting the encashment of leave to an overall ceiling of 300 days (EL and HPL</p>	

POWERGRID Reply/ ATN to Audit Para No.12.1 of CAG Report No.13 of 2013 titled " Irregular payment towards encashment of Half Pay Leave and Sick Leave".

Audit Para No.12.1 of CAG Reprt No.13 of 2013	POWERGRID Reply/ATN	Comment of Ministry of Power																									
<p>Audit further observed that the following CPSEs deviated from the DPE guidelines as they paid to their employees towards sick leave, which resulted in irregular payment of Rs.22.67 crore, as per the details given below:</p> <table border="1" data-bbox="635 1288 1002 2011"> <thead> <tr> <th>Sl. No</th> <th>Administrative Ministry</th> <th>CPSE</th> <th>Period</th> <th>Amount (Rs. In crore)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Ministry of Defence</td> <td>Bharat Electronics Limited</td> <td>April 2007 to June 2012</td> <td>21.49</td> </tr> <tr> <td>2.</td> <td>Ministry of Shipping</td> <td>Cochin Shipyard Limited</td> <td>December 2007 to November 2012</td> <td>0.94</td> </tr> <tr> <td>3.</td> <td>Ministry of Petroleum & Natural Gas</td> <td>Mangalore Refinery and Petrochemicals Limited (MRPL)</td> <td>November 2010 to March 2012</td> <td>0.24</td> </tr> <tr> <td colspan="4">Total</td> <td>22.67</td> </tr> </tbody> </table> <p>BEL stated (September 2012) that by implementing such encashment it was able to achieve lower attrition rate and recruit/retain trained manpower for production.</p> <p>Cochin Shipyard Limited stated (February 2013) that DPE's clarification on sick leave encashment was issued only in July 2012 and, as they proposed to obtain further directives from DPE, the employees who retired from service since November 2012 had not been paid encashment of sick leave.</p>	Sl. No	Administrative Ministry	CPSE	Period	Amount (Rs. In crore)	1.	Ministry of Defence	Bharat Electronics Limited	April 2007 to June 2012	21.49	2.	Ministry of Shipping	Cochin Shipyard Limited	December 2007 to November 2012	0.94	3.	Ministry of Petroleum & Natural Gas	Mangalore Refinery and Petrochemicals Limited (MRPL)	November 2010 to March 2012	0.24	Total				22.67	<p>together) at the time of retirement</p> <p>Not related to POWERGRID.</p>	
Sl. No	Administrative Ministry	CPSE	Period	Amount (Rs. In crore)																							
1.	Ministry of Defence	Bharat Electronics Limited	April 2007 to June 2012	21.49																							
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Audit Para No.12.1 of CAG Reprt No.13 of 2013	POWERGRID Reply/ATN	Comment of Ministry of Power
<p>MRRPL did not furnish the reply (March 2013).</p> <p>The above replies are not acceptable as DPE's clarification of July 2012 specifically disallowed encashment of sick leave and the clarification was applicable to all CPSEs.</p> <p>In sum, the above CPSEs' leave rules/policy for encashment of sick leave or of EL with HPL exceeding 300 days, on superannuation, violated the DPE guidelines and resulted in extra expenditure of Rs.413.98 crore for the period January 2007 to November 2012.</p>	<p>Action Taken Note (ATN)</p> <p>As mentioned in the preceding paras, upon receipt of clarification from DPE vide communication dated 17.7.2012, POWERGRID has modified the leave rules, restricting the encashment of leave to an overall ceiling of 300 days (EL and HPL together) at the time of retirement. Relevant extracts of the circular issued in this regard is reproduced below for ready reference of Audit.</p> <p><i>'In view of clarification issued by the Department of Public Enterprise on the above subject, it is clarified that on retirement/separation on account of death, the encashment of leave will be allowed subject to overall ceiling limit of 300 days (both Earned leave & Half-Pay leave clubbed together). Further, to make up the shortfall in Earned Leave, no commutation of Half-Pay Leave will be permissible. To illustrate: if an employee has 100 days of Earned Leave and 300 days of HPL then encashment of HPL is restricted to 200 days.'</i></p> <p>In view of the reply /ATN furnished above it is requested that the subject Audit Para may please be settled.</p>	