2.6 Commercial employment after retirement

- i) Every retired Group 'A' officer should take the permission of the Government before he accepts any commercial employment within one year of his retirement.
- ii) The pensioner desire to accept post-retirement commercial employment require to obtain specific approval prior to undertaking the assignment.
- iii) On obtaining the approval he requires to submit Form 25 Application for permission to accept commercial employment within a period of one year after retirement in the form of Affidavit.

- iv) Retired Group 'B' officer should give intimation to the office if he require to take up a commercial employment within 1 years of retirement.
- v) No pension shall be payable to the pensioner who accepts such an employment without prior permission in respect of any period for which he is so employed or such longer period as the Government may direct.
- vi) The Government servant who has been permitted by the Central Government to take up a particular form of employment under any Government outside India during his leave preparatory to the retirement shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

- Rule 10

2.6.1 Definition of Commercial Employment:

- i) An employment in any capacity including that of an agent under a company, co-operative society, firm or individual engaged in trading, commercial, industrial, financial or professional business and also includes directorship of such company and partnership of such firm, but does not include employment under a body corporate, wholly or substantially owned or controlled by the Central Government or a State Government.
- ii) Setting up practice, either independently or as a partner of a firm, as adviser or consultant in matters in respect of which the pensioner
 - a) Has no professional qualifications and the matters in respect of which the practice is to be set up or is carried on are relatable to this official knowledge or experience, or
 - b) Has professional qualifications but the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reason of his previous official position, or

c) Has to undertake work involving liaison or contract with the offices or officers of the Government.

- Rule 10(8)(a)

2.7 Employment after retirement under a Government outside India:

- i) A retired Group 'A' officer should take the prior permission of the Central Government before he accepts any commercial employment outside India.
- ii) If prior permission is not obtained no pension will be paid to him.
- iii) If Government servant has been permitted by the Government to take up the employment outside India during his leave preparatory to retirement, then no subsequent permission is required for continuing the same after retirement.

- Rule 12

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केन्द्रीय सतर्कता आयोग CENTRAL VIGILANCE COMMISSION



सतर्कता भवन, जी.पी.ओ. कॉम्पलैक्स, ब्लॉक-ए, आई.एन.ए., नई दिल्ली-110023 Satarkta Bhawan, G.P.O. Complex, Block A, INA, New Delhi 110023

सं./No....21-VGL-024

Circular No. 07/05/21

Subject:- Procedure for offering/accepting post retirement contractual employments/assignment or consultancy etc.- reg.

It has been observed that sometimes, government organisations, in order to meet their functional requirement, use the expertise of retired government officials by hiring them on contractual basis, in the capacity of advisor/consultant etc. There is no defined procedure for seeking vigilance inputs before engaging retired government officials from the organisations where such retired officials were employed on full time basis, prior to their retirement.

- 2. Central Vigilance Commission has observed that the absence of a uniform defined procedure for obtaining vigilance clearance, before engaging retired officials by government organisations, sometimes lead to a situation where officials with tainted past or having cases pending against them are engaged by the government organisations. Such a situation not only leads to unnecessary complaints/allegations of favouritism, but is also against the tenets of fairness and probity which is the basic principle governing the functioning of government organisations.
- 3. The Commission has therefore decided to formulate a defined procedure before engaging a retired government official on contractual/consultancy basis by government organisations. The procedure to be adopted would include the following steps:-

Contd...2...

- (i) In respect of retired officers belonging to All India Services, Group 'A' officers of Central Govt. or their equivalent in other organizations owned or controlled by Central Govt., before offering employment to them on contractual/consultancy basis, vigilance clearance from the employer organisation, from which the Govt. Officer had retired, should be necessarily obtained.
- (ii) In case a retired officer had served in more than one organisation, vigilance clearance should be obtained from all organisations where the retired officer had served during a period of 10 years prior to his retirement.
- (iii) A communication seeking vigilance clearance may also be sent to Central Vigilance Commission, simultaneously.
- (iv) In case, no reply is received from the erstwhile employer(s) within 15 days of sending communication by Speed Post to them, a reminder may be sent to them for expediting vigilance clearance. However, in case no reply is received from the erstwhile employer within 21 days of sending initial communication to them, it may be considered as 'deemed vigilance clearance' for the person concerned. Later on, if it is found that the ex-employee was involved in any vigilance related matter or was not clear from vigilance point of view, the erstwhile employer organization would be responsible for all consequential actions.
- (v) The retired Govt. officer is to be considered for post retirement engagement only on receipt of vigilance clearance/vigilance inputs, subject to the conditions as given in sub para (i) to (iv) above.
- (vi) All communications regarding vigilance clearance should be sent by Registered Post/Speed Post, followed by emails on official mail ID of the organisation concerned.
- (vii) The procedure for engaging retired government officers should be transparent with equal opportunity to all those, who are willing to offer their services. The post to be filled up on contractual/consultancy basis should at least be advertised on the website of the organisation concerned at appropriate place and should be available in public domain.
- 4. Further, it has been observed that on some occasions, immediately after their retirement from government organisations, retired officials are taking up full time job/contractual assignments in private sector organisations. Quite often, cooling off period, as prescribed under the rules of organisations concerned, is not observed before taking up such offers. Post retirement acceptance of offer by retired government officials without observing cooling off period, constitutes a serious misconduct on their part.

- 5. All government organisations may, therefore, formulate appropriate rules/guidelines for its employees to ensure that post retirement, cooling off period is mandatorily observed by them before accepting any offer from private sector entities. The rules/guidelines should incorporate procedure for seeking/obtaining permission before accepting offer from private sector entities during cooling off period if not in existence. The applicable service/conduct rules should also be revised/modified to ensure that, if required, appropriate action can also be initiated in case of violation of such rules by retired employees.
- 6. The above instructions may be noted for strict compliance.

(Rajiv Verma)
Officer on Special Duty

To

(i) The Secretaries of all Ministries/Departments of GoI

(ii) All Chief Executives of CPSUs/Public Sector Banks/Public Sector Insurance Companies/Autonomous Bodies etc.

(iii) All CVOs of Ministries/Departments of GoI/CPSUs/Public Sector Banks/Public Sector Insurance Companies/Autonomous Bodies etc.

(iv) Website of CVC

No. 27012/3/2014-Estt (A) Government of India Ministry of Personnel, Public Grievances and Pensions (Department of Personnel and Training)

North Block, New Delhi the 19th November, 2014

OFFICE MEMORANDUM

Subject: Procedure for grant of permission to the pensioners for commercial employment after retirement – revision of Form 25.

The undersigned is directed to refer to Rule 10 of CCS (Pension) Rules, 1972 and to say that retired Government servants proposing to take up commercial employment within a year of retirement are required to seek permission from the Government. They are required to apply for permission in Form 25 of CCS(Pension) Rules. Form 25 prescribed under the said rule has since been reviewed with a view to simplify the procedure. The revised Form 25 is enclosed.

- The revised form incorporates the conditions prescribed in clauses (b) to (f) of 2. sub-Rule 3 of Rule 10. There is now no requirement for obtaining an affidavit as prescribed in Para 2(d) of this Department's OM No. 27012/5/2000-Estt.(A) dated 5th December, 2006.
- All Ministries/Departments are requested to bring this to the notice of all 3. concerned.
- Formal Notification of Rules will follow. 4.

G. Jayanth (G. Jayanthi)

Director

To

All Ministries/Departments in the Government of India (As per standard list)

Copy also forwarded to:-

- 1. Secretary General/Registrar General, Supreme Court of India.
- 2. Secretary General of Lok Sabha Secretariat/Rajya Sabha Secretariat.
- 3. Secretary, Department of Administrative Reforms, Public Grievances, Sardar Patel Bhavan, Parliament Street, New Delhi.
- 4. Secretaries in Cabinet Secretariat/Central Vigilance Commission/President's Secretariat/Vice-President's Secretariat / Prime Minister's Office/Planning Commission.
- 5. Controller General of Accounts/Controller of Accounts, Ministry of Finance.
- 6. Governors of all States/Lt. Governors of all Union Territories.
- 7. Secretary, National Council of JCM(Staff Side), 13-C, Feroz Shah Road, New Delhi.
- 8. All Members of Staff Side of the National Council of JCM/Departmental Council.
- 9. All Officers/Divisions/Sections of Department of Personnel and Training/ Department of Administrative Reforms and Public Grievances/Department of Pensions and Pensioners Welfare /PESB.
- 10. Joint Secretary (Pers.), Department of Expenditure, Ministry of Finance.
- 11. Additional Secretary(Home), Ministry of Home Affairs.
- 12. Director, NIC, DOP&T for uploading on the website of the Department under Establishment "Pay Rules" as well as "CCS(CCA(Rules)".
- 13.25 Spare copies.

G.Jayanthi)

Director

FORM OF APPLICATION FOR PERMISSION TO CENTRAL SERVICES OFFICERS TO ACCEPT COMMERCIAL EMPLOYMENT WITHIN A PERIOD OF ONE YEAR AFTER RETIREMENT.

{Rule10(1) of CCS (Pension) Rules,1972}

A. PARTICULARS OF OFFICER

| 1 | Name of the Pensioner (IN BLOCK LETTERS) | • |
|----|--|---|
| 2 | Date of retirement | |
| 3 | Particulars of the Ministry/Department/Offices in which the pensioner served during the last five years preceding retirement (with duration) | |
| 4 | Post held at the time of Retirement and period for which held | |
| 5 | Pay scale / Pay Band & Grade Pay of the post and the Pay drawn by the officer at the time of retirement. | |
| 6. | Pensionary benefits (a) Gross monthly Pension sanctioned/expected. (b) Commutation, if any. (c) Gratuity, if any. | |

B. PARTICULARS OF PROPOSED EMPLOYMENT

| 7 | Details regarding commercial employment proposed to be taken up:- | |
|---|---|-------------------|
| | (a) (i) Name of organization/firm/company/co- operative society. | |
| | (ii) Brief nature of the organizations. | · |
| | (iii) Full address of the registered office of the organization. | |
| | (iv) Permanent Account Number (PAN/Tax Identification Number (TIN)/Registration Number of the organization. | |
| | (b) Products being manufactured by the firm/type of business carried out by the firm etc. | 1 |
| | (c) Whether the officer had during the last three years of his official career, any dealings with the firm or company or cooperative society etc. | i [|
| | (d) Duration and nature of the Official dealing with the firm | 5 |
| | (e) Name of the job/post offered | · |
| | (f) Whether post was advertised, if not, how offer made (Attach Newspaper cutting o the advertisement and copy of the offer o appointment, if any | $\mathbf{f} \mid$ |
| | (g) Description of the duties of the Post/ job. Remuneration offered for the post/job. (h) If proposing to set up practice, indicate: | |
| | (i) Professional Qualification in the field of practice Nature of proposed practice | |
| | (ii) Nature of proposed practice | |
| 8 | Any other information which the Applicant desires t furnish in support of his request | 0 |

9. **DECLARATION**:

I hereby declare that -

- (a) I have not been privy to sensitive or strategic information in the last three years of service, which is directly related to the areas of interest or work of the organization that I propose to join or to the areas in which I propose to practice or consult.
- (b) The proposed employment will not involve conflict of interest with the policies of the office held by me during the last three years and the interest represented or work undertaken by the organization I propose to join will not bring me into conflict with the working of the Government.
- (c) The organisation in which I am seeking employment is not involved in activities which are in conflict with or prejudicial to India's foreign relations, national security and domestic harmony. The organisation is not undertaking any activity for intelligence gathering. The employment, which I propose to take up also will not entail activities which are in conflict with or involve activities prejudicial to India's foreign relations, national security and domestic harmony.
- (d) My service record is clear, particularly with respect to integrity and dealings with Non-Government Organisations.
- (e) The proposed emoluments and pecuniary benefits are in conformity with the industry standards.
- (f) I agree to withdraw from the commercial employment in case of any objection by the Government.

10. UNDERTAKING

I hereby solemnly declare that the above information is true to the best of my knowledge and belief and that no material information has been concealed. In the event of any of the information being found to be false the permission may be withdrawn without assigning any reason and without prejudice to any other action that the Government may consider appropriate including action under CCS (Pension) Rules and/or criminal proceedings.

| æ | | Signature of applicant |
|--------|---|------------------------|
| Date: | | |
| Place: | *************************************** | • |