

**File No. WRC/32/8/2009 Vol. III  
FOOD CORPORATION OF INDIA  
HEADQUARTERS, KHADYA SADAN  
16-20 BARAKHAMBHA LANE  
NEW DELHI**

**Date: 03.08.2017**

**(CIRCULAR No. WR-11-2017-08)**

**Subject:** Recovery of PLI paid in excess of 50% of Basic Pay to employees for the financial year 2010-11 onwards.

This refer to FCI Headquarters orders dated 17.08.2015, 11.08.2016 and 28.09.2016 on the subject of payment of PLI.

2. In this regard the CAG had observed that payment of perks and allowances including PLI can only be within the limit of 50% of basic pay prescribed by the DPE in its OM dated 26.11.2008.
3. The matter was referred to the Government of India. The Government of India has clarified that, PLI cannot continue to be distributed in place of PRP and PLI, if any can only be distributed within the 50% ceiling on perks and allowances of the Basic pay of the individual executives.
4. Accordingly, it has been decided that for Category I & II Executives, whether serving or retired, payment of perquisites/allowances including PLI, for the year 2010-11 onwards will be within the limit of 50% of Basic Pay of individual executives, out of which 40% of basic pay already being granted under the cafeteria approach. Further, the LTC and medical reimbursements, on overall basis, together account for 7% of basic pay, hence PLI payment should be restricted to remaining 3% of basic pay of an individual, and excess paid, if any, shall be recovered.
5. In continuation of the above, as per earlier existing instructions, it is reiterated that, for Category III & IV employees and Departmental and DPS labourers, whether serving or retired, payment of allowances including PLI/OTA other than basic pay, DA, HRA/Leased accommodation, professional allowance, like Non-Practicing Allowance/Vocational allowance, Difficult Area Posting Allowance and retirement benefits shall not exceed 50 % of basic pay of any employee/labourer and excess paid, if any, shall be recovered.

This issue is with approval of competent authority.

  
(Nipun Trikha)  
AGM (WRC)

**Distribution: As per enclosed list.**