

F.No:19024/1/E.IV/2005
Ministry of Finance
(Department of Expenditure)
E.IV Branch

New Delhi, the 24th March, 2006.

OFFICE MEMORANDUM

Subject: Air Travel by Government servants within India.

The existing instructions on travel by air by Government servants during official visits within India provide that air travel is permissible by the National Carriers viz. Indian Airlines and Air India in ordinary circumstances. Department of Expenditure OM No. 19036/8/95-E.IV dated 4th December, 1997 and OM No. 19036/8/95-99/E.IV dated 20th August, 1999 refer in the matter.

2. Department of Expenditure OM No. 7(2)/E.Cord/2005 dated November 23, 2005 regarding "Budget /Expenditure Management : Economy measures rationalization of expenditure, and measures for augmentation of revenues", inter alia, provides that:-

"3. The air travel, both domestic and overseas, on official account would now be permissible on airlines other than Air India/Indian Airlines also, provided the criteria for selecting the alternative airline for official travel are based on better and more competitive prices being offered by the other airlines. Various incentive schemes and concessional fares offered by Air India/Indian Airlines will also be fully utilized to ensure utmost economy in air travel."

3. The following guidelines are being issued accordingly to take advantage of the increasing competition and the air travel schemes of various airlines offering significant discounts on normal fares, in order to enable economy in undertaking air travel, without in any way taking away the existing entitlements:-

- (I) The basic criteria for selecting airlines other than Indian Airlines /Air India would be better and more competitive prices being offered by the other airlines.
- (II) Various incentive schemes and concessional fares offered by Indian Airlines/Air India will also be fully utilized.
- (III) Each officer who is undertaking domestic travel by air, within his entitled class, should endeavour to take advantage of the concessions being provided by the airlines, to effect possible savings vis-à-vis the normal fares.

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- (iv) Officers should try to make their bookings in advance to the extent possible, so that benefits of discounted fares can be obtained. However, the official work should not be deferred because discounted fares are not available.
- (v) Under no circumstances, should the fare exceed the normal fare of the entitled class offered by Indian Airlines/Air India or their subsidiaries.
- (vi) Individual officers are encouraged to make bookings through the internet. It would require a credit card through which payments can be made. Reimbursement of service charge expenses on such credit card would be permissible.
- (vii) Schemes offered by airlines which are co-branded with the credit cards can also be availed. However, this would need one time prior approval of the concerned Financial Adviser/Competent Authority for obtaining and utilizing such credit card.
- (viii) Wherever the officer seeks to utilize the service of travel agents, it should be limited to M/s. Balmer Lawrie & Company and M/s Ashok Travels and Tours. The above agencies would also ensure that procurement of tickets is made on best available bargain across all airlines.

4. These guidelines are issued in partial modification of any other existing orders on the subject and would apply to domestic air travel only. The guidelines for air travel abroad will be issued separately.

5. All Ministries/Departments of the Government of India are requested to strictly adhere to these instructions.

(Mahendra Kumar)

Deputy Secretary to the Government of India

To All Ministries/Departments of Govt. of India