

**Provisions of the Policy as applicable to Residential Accommodation in Mumbai**

**1.4.** This policy replaces the following earlier policies of Building Works (BW) and Staff Relation (SR) Cell issued from time to time –

- c) BW Cell Policies for utilization of vacant staff quarters issued vide circulars dated 01.09.2011, 10.07.2013, 06.08.2015 and 'AMRUT' policy issued on 06.04.2016.
- d) SR Cell policy for retention of staff quarters beyond the normal permissible period issued vide circular dated 31.10.2011 and BW Cell policy for retention of BSNL residential quarters by BSNL/DoT employee working on Deputation in BSNL issued vide no. BSNL/4/BW/2019 dated 16.09.2019.

**6.1. Space Audit / Identification of vacant space:**

d) In case of staff quarters, the number & type of staff quarters to be treated as surplus should be decided judiciously considering various parameters such as -

(i) **Waiting list:** There should be no waiting list for similar categories of quarters at the station.

(ii) **Period of vacancy:** Some staff quarters in similar categories should have remained unoccupied for last three months at the station (This condition may be relaxed by the head of the Circle judiciously examining sub-para (iii) to avoid loss of revenue by keeping the staff quarter unoccupied only to fulfill the requirement of three months).

(iii) **Future requirement:** The requirement of staff quarters for staff likely to join in near future and for the staff posted to tenure stations should be considered before declaring quarter as surplus.

**9. PROVISIONS FOR RENTING OUT OF RESIDENTIAL ACCOMODATION TO INDIVIDUALS:**

This section will replace BW Cell Policies for utilization of vacant staff quarters issued vide circulars dated 01.09.2011, 10.07.2013, 06.08.2015 and 'AMRUT' policy issued on 06.04.2016. Notwithstanding anything to the contrary contained elsewhere in this policy, the 'surplus' residential accommodations can be rented out to individual persons as per the following provisions-

**9.1. Definitions:** Under these provisions, unless the context otherwise requires,

- a) "**allotment**" means the renting of a residential accommodation in accordance with this policy.
- b) "**allotting authority**" means the authority in BSNL who is empowered to allot residential accommodation at the station.
- c) "**damages**" means a compensation to be levied in the event of unauthorized occupation or misuse of whole or any part of accommodation by the occupant of the accommodation.
- d) "**family**" means family defined in BSNL CDA Rules 2006 and any amendment thereof from time to time.
- e) "**Relatives**" means all other relatives of the employee not covered under the term 'family members'.
- f) "**Surplus accommodation**" means the residential accommodation declared as "Surplus" in accordance with per Para 6.1(d) of this policy.

**9.2. Eligibility Criteria:** Such surplus accommodations can be rented-out to the following Applicants

- Serving employee of BSNL for self, family & relatives
- Retired employee of BSNL for self and family.
- Serving / Retired employee of DoT for self and family.
- Serving employee of a Public Organisation [as defined in Para 3.1(a)] or a Public Sector Bank for self and family.

**9.3. Entitlement for Type and number of Accommodation:**

- For a BSNL serving employee, any number of surplus residential accommodations can be rented-out anywhere irrespective of his place of posting, as per following entitlement:

Grade of BSNL serving employee	Types of residential accommodations that can be given on rent
Up to E-2A grade	Any type upto Type-III
E-3 to E-8 grade	Any type upto Type-V
E-9 and above grade	Any type

Provided that the total rent of allotted accommodation(s) to a BSNL serving employee shall not be exceeded 40% of the basic pay plus DA of the employee. However, if the total rent for full period of allotment is paid in advance for any accommodation, then the rent of that accommodation shall not be included in the 40% limit.

- For all other eligible applicants, a single residential accommodation of any Type upto one step above the entitlement of the applicant can be rented-out, provided that in case of a retired employee, the rent of allotted accommodation shall not exceed 40% of his pension.

**9.4. Period of Allotment:**

- The residential accommodation shall be rented for a maximum period of 2 years with a provision of further extensions in stretches of 2 years at the sole discretion of BSNL, subject to total maximum renting period of 10 years in accordance with the Article 144(3) of the Articles of Association of BSNL.
- The lock-in-period for occupancy shall be 3 months.
- Either party can issue an advance notice of 2 months to vacate the rented accommodation after completion of lock in period.

**9.5. Application for renting of Residential Accommodation:**

- The applicant shall submit an application for renting of residential accommodation as per the enclosed format (Annexure-B1).
- For a serving employee of BSNL/ DoT/ Public Organisation/ Public Sector Bank, the application shall be duly recommended by the Controlling Officer of employee and submitted to the allotting authority.
- The retired employees of BSNL/DoT shall submit the application directly to the allotting authority.
- If a tenant desires to continue in the same accommodation after completion of current period of lease, he shall have to apply afresh for re-allotment in the extant category at

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least two months before the expiry of lease. If he is listed in fresh allotment, the rent will be again decided at the rates applicable at the time of re-allotment.

e) The cases for renting of residential accommodation to individuals need not go through the standing committee and the allotting authority can directly allot the residential accommodation through the usual channel for allotment of staff quarters to BSNL employees.

#### 9.6. Rent and other charges:

a) The rent for the residential accommodation shall be as specified in Section-11 of this policy.

b) If an employee who is drawing HRA from BSNL takes an accommodation on lease under this Policy at his place of posting, then the lease rent shall be maximum of –

(i) Rent as per Section 11

(ii) HRA drawn + License Fee (if accommodation is as per his entitlement)

(iii) HRA drawn + 3 times License fee (if accommodation is higher than his entitlement).

This is in view of the guiding principle that HRA is a compensatory allowance given by an employer towards the rental accommodation expenses when the government is unable to provide suitable accommodation to its employee and it should not be source of profit while availing the accommodation provided by the employer.

However, an employee is allowed to take a quarter on lease of any Type below his entitlement at his station of posting without affecting his HRA.

c) After leasing of a residential accommodation, the applicable rent shall be enhanced @ 5% per annum with effect from 1st April each year.

#### d) Mode of payment of rent-

(i) In case of a BSNL serving employee, all dues will be recovered from his salary through the concerned drawing officer. The rent shall be recovered from his salary at the end of the month. The employee shall have the option of depositing the total rent for full period of allotment in advance, in which case recovery from salary will not be made.

(ii) All tenants other than BSNL serving employees shall pay monthly rent in advance by the 5th day of each month.

(iii) The tenants (in all categories) shall also have the option to deposit advance rent for 3,6 or 12 months at time, in which case they shall be entitled to a rebate of 1.5%, 3% and 6% respectively on the rental amount.

#### 9.7. Security Deposit :

a) No security deposit shall be required from a serving employee of BSNL for one quarter leased under this policy. However, for other quarters, he shall deposit interest free Security Deposit equivalent to three months rent.

b) All other tenants shall deposit interest free Security Deposit equivalent to three months rent and minimum one month advance rent before taking possession. Such tenants shall also have an option to provide the guarantee of one serving BSNL/DoT employee who is not due for retirement within six months after the allotment period, in which case the Security Deposit can be waived off.

c) On vacation of rented accommodation by the tenant, security deposit shall be returned after deducting dues, charges, etc., if any. However, if the tenant surrenders the accommodation within the lock-in period, the rent for the lock-in period shall also be recovered from the security deposit.

### **9.8. Unauthorized Occupation and Damages:**

#### **a) Unauthorized Occupation of accommodation:**

(i) If the accommodation is not vacated by the last day of lease period, it will be deemed to be under unauthorized occupation of the tenant from the next day after the expiry of lease period.

(ii) If a tenant, who was eligible as per Para 9.2 & 9.3 at the time of allotment, becomes ineligible at any later date, he shall immediately inform the allotting authority and vacate the accommodation within 2 months thereof, failing which it will be deemed to be under 'unauthorized occupation' from the date of expiry of two month period.

(iii) If the rent or any other dues remain unpaid upto 15 days from the due date of payment, an interest at the rate of 12% per annum for the period of delay calculated on day-to-day basis shall be charged. Such interest shall be compounded on a monthly basis. If the rent or any other dues still remain unpaid upto 45 days from the due date of payment, the accommodation will be deemed to be under unauthorized occupation of the tenant from the original due date of payment. In such case, the competent authority in BSNL shall issue the eviction notice and the accommodation shall be got vacated before expiry of 3 months from the due date of payment.

b) In all cases of 'unauthorized occupation' of accommodation, the tenant shall be liable to pay damages per month at the following rates-

(i) Twice the normal rent of such accommodation for the first 4 months of unauthorized occupation.

(ii) Four times the normal rent of such accommodation thereafter.

Interest @ 12% per annum (to be compounded monthly) shall also be charged on the due amount. This shall be without prejudice to other actions for eviction, disconnection of utility connections, etc. to be taken by the BSNL.

c) Any amount remaining due even after adjusting security deposit shall be recovered from salary of the tenant/ Guarantor of the tenant or from the tenant through all available means including legal actions.

### **9.9. Maintenance of accommodation**

a) Only minimum maintenance by providing labour connected with water supply, sanitation, etc. will be done by BSNL. Any material replacement has to be borne by the tenant himself/herself. All repairs including painting etc. shall be got done by tenant and BSNL shall not bear any cost whatsoever for repair to these accommodations.

b) No repair/modification involving structural changes shall be allowed in the accommodation. If the tenant wants to carry out any civil or electrical works (not involving any structural change) in his accommodation, he shall have to take prior permission from the concerned civil/electrical enquiry office. However, no permission will be required for carrying out whitewashing/painting or routine carpentry/plumbing/electrical repair.

c) On vacating, the tenant shall handover the accommodation in the same or better condition as it was handed over to him. If any damage is found, the same shall be rectified at his cost or the estimated cost of repairs will be recovered from the Security Deposit.

**9.10. Other terms and conditions:**

- a) Lease agreement with all tenants shall be signed under this policy. All charges for executing lease agreement shall be borne by the tenant.
- b) The necessary safeguards shall be provided in the allotment letter to prevent unlawful use of such rented-out accommodations and non-payment of statutory dues like rent, electricity, water bill, common service charges, maintenance etc.
- c) No sub-letting of rented-out accommodation shall be allowed. The tenants shall be bound by all the Rules and regulations which are applicable for allotment of BSNL staff quarters regarding conduct, sharing, water and electricity charges etc. The lease will be liable to be cancelled in case any misuse or breach of lease/allotment conditions comes to notice of BSNL.
- d) The tenant shall not derive any financial benefit in lieu of this allotment. If at any stage, it is found that tenant is deriving any financial benefit, the allotment shall be cancelled and two month's notice shall be issued to vacate the accommodation. In case of BSNL employee, disciplinary action shall be initiated as per extant BSNL Conduct Rules. However, reimbursement of rent to a BSNL employee by his relatives shall not be considered as financial benefit.
- e) The tenant to whom such vacant accommodation is rented, shall be responsible for all the acts and/or omissions of his family members/ relatives. Any illegal activity or any nuisance to neighbours may render him ineligible for allotment and may lead to termination of lease at the discretion of CGM, without prejudice to any other action as deemed fit by BSNL.

**9.11. Expenditure on initial repairs to make accommodations livable**

- a) CGMs can incur expenditure on minimum maintenance/ minor repairs necessitated before allotment to make the accommodation livable. The expenditure which can be incurred on such works shall be limited to 3 months rental amount received as deposit.
- b) In case expenditure of more than 3 months of rental value is required for making a accommodation livable, the case may be submitted to BW unit in BSNL Corporate Office with recommendations of Circle head. The proposal should include the estimates for repairs, expenditure done on the accommodation in previous years, probability of renting-out after repairs and all other such details necessary to make out a profitable business case for BSNL.

**9.12. Permitting rent-free period after leasing:** As an alternative to provisions of Para 9.11(a) above, in case of residential accommodation which is uninhabitable in its present condition, the CGMs are empowered to permit 'rent-free period' in accordance with Para 4.6 of this policy.

**10. RETENTION OF RESIDENTIAL ACCOMMODATION BEYOND THE NORMAL PERMISSIBLE PERIOD BY WAY OF RENTING.**

**10.1. Applicability of this Section:**

- a) If a serving BSNL employee has been allotted a staff quarter under normal allotment Rules, then in case of events such as transfer, deputation, retirement, death etc. he is allowed to retain the quarter for a certain period, called the normal permissible period. The duration of normal permissible period, the fees/charges and the terms & conditions thereof are governed by the corresponding Rules followed by the Directorate of Estates, Govt. of India and/or any other instructions issued by BSNL in this regard.

**This section pertains to retention of a quarter beyond the "Normal Permissible Period" and will replace the corresponding provisions contained in SR Cell policy no. BSNL/6-1/SR/2011(i) dated 31.10.2011.** (In the said SR Cell policy, the Circle heads were delegated powers to allow retention "beyond normal permissible period" i.e. for "Extended Period" at stations where sufficient staff quarters are vacant to meet the foreseeable requirement and there is no waitlist.)

b) Further, this Section shall only be applicable for retention of a staff quarter allotted under normal Allotment Rules and not under the various policies earlier issued by BSNL for allotment of 'surplus staff quarters'.

**10.2. Eligibility Criteria and procedure:-**

a) If an allottee or his family (in case of death of allottee) desires to retain a staff quarter beyond the "Normal Permissible Period", he shall apply to the Circle Head in Proforma placed at Annexure-B2. The Circle heads are empowered to rent it out to him under this policy, provided there is no waiting list at the station. Moreover, in case of a deceased allottee, the extended retention period shall be allowed only if the deceased allottee or any member of his family does not own a house at the place of occupation of accommodation.

b) The cases/requests for retention shall be decided by the Circle head, who may be assisted by a High Power Committee to be constituted at Circle Headquarters and may consist of the following –

- PGM/Sr. GM – Chairman
- GM (concerned with quarter allotment) – Member
- Circle IFA or a DGM(F) nominated by him – Member

The concerned cell in the Circle office, handling cases of quarters will coordinate/provide necessary support to the committee.

**10.3. Period of retention**

a) The accommodation can be retained on rent for a maximum period of 6 months at a stretch, subject to a total of maximum two years beyond the "Normal Permissible Period".

b) Either party can issue an advance notice of 2 months to vacate the rented accommodation.

**10.4. Unauthorized Occupation and Damages:**

a) If the accommodation is not vacated by the last day of extended retention period, it will be deemed to be under unauthorized occupation of the tenant from the next day after the expiry of extended retention period.

b) If the rent or any other dues remain unpaid upto 15 days from the due date of payment, an interest at the rate of 12% per annum for the period of delay calculated on day-to-day basis shall be charged. Such interest shall be compounded on a monthly basis. If the rent or any other dues still remain unpaid upto 45 days from the due date of payment, the accommodation will be deemed to be under unauthorized occupation of the tenant from the original due date of payment. In such case, the competent authority in BSNL shall issue the eviction notice and the accommodation shall be got vacated before expiry of 3 months from the due date of payment.

c) In cases where permission for further retention of staff quarter is not granted and the occupant of the quarter continues beyond the permitted period, the entire period after the last date of permitted period shall be treated as unauthorized.

d) In all cases of 'unauthorized occupation' of accommodation, the tenant shall be liable

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to pay damages per month at the following rates-

(i) Twice the normal rent of such accommodation for the first 4 months of unauthorized occupation.

(ii) Four times the normal rent of such accommodation thereafter.

Interest @ 12% per annum (to be compounded monthly) shall also be charged on the due amount. This shall be without prejudice to other actions for eviction, disconnection of utility connections, etc. to be taken by the BSNL.

#### 10.5. Other terms and conditionsa)

The rent and other charges shall be as specified in Section-11 of this policy.

- b) No security deposit is required to be deposited for retention of quarters.
- c) Only minimum maintenance by providing labour connected with water supply, sanitation, etc. will be done by BSNL. Any material replacement has to be borne by the tenant himself/herself. All repairs including painting etc. shall be got done by tenant and BSNL shall not bear any cost whatsoever for repair to these accommodations. On vacating, the tenant shall handover the accommodation in the same or better condition as it was handed over to him..
- d) The necessary safeguards shall be provided in the permission letter for retention to prevent unlawful use of such retained accommodation and non-payment of statutory dues like electricity, water bill and rental, maintenance etc.
- e) Status of availability of staff quarters will be reviewed every month. In case, the situation/status of vacant quarters changes and quarters are required by the eligible employees, then the quarter may be got vacated after giving due notice of two months to the allottee. This condition shall be mentioned in the order allowing retention of the quarter.
- f) On transfer, if the accommodation at old station is retained, then HRA is admissible only for 8 months at the new station. Thereafter, the employee is not eligible for grant of HRA at the new station. In case the employee is allotted quarter at the new station in addition to retention of quarter at the old station, then the employee shall pay HRA + licence fee + departmental charges for the accommodation allotted at the new place of posting. In addition, the employee will pay the prescribed rent and other charges for the accommodation retained at the old place of posting.
- g) Government of India has issued separate instructions on "Post-Attached/Earmarked Quarters". Any provision under this policy will apply on Post-Attached Quarters only as long as it is not in contravention to such instructions on this category of quarters.
- h) In case of transfer of an allottee to other organization, if BSNL has an MoU for staff quarters with that organisation, the retention beyond the normal permissible period can also be decided under the T&C's of such MoU.

## 11. RENT FOR RESIDENTIAL ACCOMMODATION

11.1. The monthly lease rent to be charged from individuals for various types of residential accommodation shall be as under –

For Delhi and Mumbai

Type of Quarter	Rent in Rupees per month
I	8607
II	11561
III	19765
IV	27322
IV(S)	31627
V-A&V-B	38521
VI-A	49359
VI-B	55680

11.2. The above rent shall be applicable with effect from the date of implementation of this policy. It shall be increased @2.5% with effect from 01.04.2021. Thereafter, w.e.f. 01.04.2022, it shall be increased @5% per annum.

11.3. In some colonies, there may be substantial variation between rental rates specified in Section-11.1 and the prevailing market rent due to various factors such as Premium/Nonpremium location of colony, condition of staff quarters, demand-supply position, amenities available etc. In such cases, the Circle Head may alternatively decide the lease rent through FRAC as per procedure detailed in Para 6.2 and 6.3 of this policy. However, the decided lease rent shall not be lower than 90% of that indicated in the relevant table provided under Section-11.1 above.

11.4. In addition to the above lease rent, Service Charges (for housekeeping, street lighting, pump operation, horticulture etc. as fixed by the concerned CGM), water charges, electricity charges and GST as applicable will also be paid by the tenant. License fee shall not be charged separately.

11.5. All income tax liabilities and other taxes, if applicable, will be borne by the tenant only. No perquisite tax and rebate in income tax, if any, shall be borne by BSNL.

11.6. The Classification of Cities X, Y, Z shall be as per Ministry of Finance, Department of Expenditure OM No. 2/5/2014-E.II(B) dated 21st July 2015 read with up-to-date amendments.