F. No. PD-18/0001/2026-PD
Government of India
Ministry of Finance
Department of Public Enterprises
(Policy Division)

Public Enterprises Bhawan,
Block No.14, C.G.O Complex
Lodhi Road, New Delhi-110003
Dated: 16th June, 2026

OFFICE MEMORANDUM

Subject: - Consolidated guidelines on 'Composition of Board of Directors of Public Sector Undertaking' -reg.

The undersigned is directed to refer to the Guidelines issued by Policy Division from time to time on 'Composition of Board of Directors of Public Sector Undertaking' and to inform that these guidelines have been consolidated and enclosed for ease of reference.

2. This issues with the approval of Secretary, DPE.

Encl. as above

(Neeraj Verma)
Deputy Director
Tel. 011-24364192

To,

Administrative Ministries/Departments
of all the CPSEs

No. PD-18/0001/2026-PD
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Block No. 14, CGO Complex
Lodhi Road, New Delhi-110003
Date: 16th June, 2026

OFFICE MEMORANDUM

Subject Consolidated Guidelines on Composition of Board of Directors of Public Sector Undertaking-reg.

Reference:

1. DPE O.M. No. 18(6)/2000-GM dated 26th November, 2001)
2. DPE O.M. No. 2(20)/99-GM dated 25th January, 2000)
3. DPE O.M. No. 2(19)/99-GM dated 25th January, 2000)
4. DPE O.M. No. 18(6)/91-GM dated 13th November, 1995)
5. DPE O.M. No. 18(6)/91-GM dated 16th March, 1992)
6. DPE O.M. No. 18/1/84-GM dated 19th September, 1984)
7. DPE O.M. No. 2(9)/80-DPE (GM) dated 20th April, 1982)
8. DPE O.M. No. 2(4)/75-DPE (GM-I) dated 22nd May, 1975)
9. DPE O.M. No. 2(158)/70-DPE(GM) dated 13th October, 1972)

The Department of Public Enterprises had earlier issued Nine above referred guidelines on Composition of Board of Directors of Public Sector Undertaking. These guidelines have now been consolidated as under for ease of reference:

1. **DPE O.M. No. 18(6)/2000-GM dated 26th November, 2001**

Subject: Composition of Boards of Directors of Public Enterprises.

According to the existing policy, as contained in this Department's O.M. No. 18(6)/91 GM dated 16.3.1992, the Board of Directors of Public Sector Undertakings should consist of (i) Full time Functional Directors whose number should not exceed 50% of the actual strength of the Board; (ii) Government Directors whose number should not exceed one-sixth of the actual strength of the Board subject to the condition that in no case the number should exceed two; and (iii) Non-official part-time Directors whose number should be at least one-third of the actual strength of the Board.

2. The Securities & Exchange Board of India (SEBI) has issued guidelines regarding Listing Agreements with Stock Exchanges, which include a new Clause 49 on Corporate Governance, an extract of which is enclosed (Annexure-I). It provides that in the cases of companies with non-Executive Chairmen at least one-third of the Board should comprise Independent Directors and in the cases of companies with Executive Chairmen at least half of the Board should comprise Independent Directors. The

definition of Independent Directors is also given under the Clause 49. The SEBI has clarified that in the case of Public Sector Undertakings the Government nominee Directors cannot be considered as Independent Directors for the purpose of constitution of Board of Directors. The SEBI has, however, subsequently agreed that the nominees of Financial Institutions would be treated as Independent Directors for listed public sector companies. A schedule of implementation is also enclosed (Annexure-II).

3. As all listed companies including PSUs have to comply with the SEBI guidelines, there may be a need to reconstitute the Boards of Directors of some of the listed PSUs so that the requisite number of Independent Directors is inducted in order to avoid de-listing.

4. All the administrative Ministries/Departments are, therefore, requested to take appropriate action, if not already taken, to reconstitute the Board of Directors of listed PSEs in accordance with the SEBI guidelines within the time schedule prescribed. In case there is a need to increase the maximum number of Directors permissible under the Articles of Association, the respective PSEs may be advised to take steps to amend the relevant Article suitably.

5. These issues with the approval of Secretary, DPE.

(DPE O.M. No. 18(6)/2000-GM dated 26th November, 2001)

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2. **DPE O.M. No. 2(20)/99-GM dated 25th January, 2000)**

Subject: Composition of Board of Directors of Public Sector Enterprises

The undersigned is directed to refer to this Department's O.M. No. 18(6)/91-GM dated 16.3.92 on the subject mentioned above wherein it was, inter-alia, stated that every Board should have some non-official Directors whose number should be at least 1/3rd of the actual strength of the Board.

The Committee on Public Undertakings (1998-99) in its fourth Report on "Senior level posts in Public Undertakings – Appointment and related matters" has expressed the opinion that shortage of non-official Directors on the Board deprives the undertakings of expert guidance of seasoned professionals and technocrats. This is particularly true in the case of sick/potentially sick undertakings or those, which are to be restructured. The Committee has, therefore, recommended that the strength of non-official Directors in PSUs should be brought to the level stipulated in the guidelines without further loss of time and at the same time care should be taken that persons having vested interests directly or indirectly in the particular industry are not inducted into the Boards of PSEs.

The administrative Ministries/Departments are requested to take immediate action to appoint non-official Directors on the Boards of those PSUs where adequate number of such Directors are not in position at present. As the administrative

Ministries/Departments are aware, it is always to be ensured that only such persons who do not have any conflict of interest with the functions of the concerned PSU are appointed as non-official Directors.

2. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 2(20)/99-GM dated 25th January, 2000)

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3. **DPE O.M. No. 2(19)/99-GM dated 25th January, 2000**

Subject: Composition of Board of Directors of Public Sector Enterprises

The undersigned is directed to refer to this Department's O.M. No. 18(6)/91-GM dated 16.3.92 on the subject mentioned above wherein it was, inter-alia, mentioned that the number of Government Directors on the Board of Directors of an Enterprise should not exceed 1/6th of the actual strength of the Board and that the number of such Directors should in no case exceed two.

The Committee on Public Undertakings (1998-99) in its fourth Report on "Senior level posts in public undertakings—Appointment and related matters" has expressed strong displeasure over the deviations in this regard in some of the undertakings. The Committee has desired that the number of Government Directors should be brought down within the prescribed limit.

All the administrative Ministries/Department are requested to review the existing composition of the Board of Directors of PSUs under their administrative control and bring down the number of Government Directors with in the limits prescribed in this Department's O.M. referred to in para 1 above. Action taken in this regard may kindly be intimated to this Department early.

2. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 2(19)/99-GM dated 25th January, 2000)

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4. **DPE O.M. No. 18(6)/91-GM dated 13th November, 1995)**

Subject: Composition of Board of Directors of Public Sector Enterprises

Reference is invited to this Department's O.M. of even number dated the 16th March, 1992 on the above mentioned subject. In para 2 (B) (ii) of the said O.M., it was, inter-alia, mentioned that the choice of the Nominee Director would vest with the

Secretary of the concerned Department. The matter was reconsidered in this Department and it has now been decided that the choice of the Nominee Director would vest with the administrative Ministry of the concerned Department.

2. All Ministries/Departments concerned with Public Sector Enterprises are requested to take note of the above decision and follow the same at the time of composition of Board of Directors of PSEs under their administrative control.

3. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 18(6)/91-GM dated 13th November, 1995)

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5. **DPE O.M. No. 18(6)/91-GM dated 16th March, 1992)**

Subject: Composition of Board of Directors of Public Sector Enterprises

The question of Composition of the Board of Directors of PSEs has been considered from time to time and various guidelines have been issued in this regard by the Bureau of Public Enterprises. The Members of the Board of PSEs generally consist of the following three categories:–

i. **Functional Directors:–** These are full time operational Directors responsible for day to day functioning of the enterprise. The Economic Administrative Reform Commission (EARC) had recommended that each Board should have an adequate number of Functional Directors on it. This was considered by the Govt. and the Bureau of Public Enterprises had issued guidelines in 1984 that the posts of Director (Finance) and Director (Personnel) be created in all Schedule 'A' and Schedule 'B' enterprises and on a selective basis in Schedule 'C' Companies. Apart from these two functions, the enterprises could have representation at Board level for other disciplines such as production, marketing, project, planning etc. It is, however, observed that these guidelines are not being followed by the Administrative Ministries while constituting the Boards of PSEs. While in some cases the Boards are functioning without a single Functional Director, in others there is preponderance of such Directors.

ii. **Government Directors:–** These are appointed by the Administrative Ministries and are generally the officers dealing with the concerned enterprise. In most cases there are two such Directors on a Board; the Joint Secretary or Additional Secretary dealing with particular enterprise and the Financial Adviser of the Ministry. The question of representation of Government Directors on the Boards of PSEs was examined by the Arjun Sengupta Committee and following its recommendation, the Bureau of Public Enterprises have issued guidelines in 1986 that the Administrative Ministry concerned should not have more than one nominee Director on the Board of a PSE. In case of PSEs engaged in trading or dealing with important and exclusive items the number of Government Directors could be two. It is,

however, noticed that in actual practice the number of Government Directors on the Boards of PSEs continues to be large.

iii. **Non-Official Directors:–** The induction of Non-Official Directors on the Boards of PSEs has been considered essential by various Committees and Commissions in order to make the Boards more professional. They are to be drawn from the public men, technocrats, management experts and consultants, and professional managers in industry and trade with a high degree of proven ability. The Bureau of Public Enterprises have issued guidelines in 1983 that the number of such Directors on a Board should be one-third of its total strength. This input is considered very important as it plays a complementary role in providing professional and managerial advice to the Board. It has, however, been the experience that the vacancies of these Directors are not filled up to stipulated levels in many enterprises by the Ministries.

2. The Department of Public Enterprises has recently considered the question of professionalization of the Boards of PSEs in pursuance of the New Industrial policy Statement made in the parliament on 24th July, 1991 and it has been decided that the composition of the Boards of Directors in PSEs should be broadly on following lines:–

(A) Functional Directors:

Every Board should have some full time Functional Directors. The number of such Directors on a Board should not exceed 50% of the actual strength of the Board.

i. In cases where the number of Functional Directors on the Board is more than the 50% of its actual strength (not sanctioned strength), Administrative Ministries will immediately undertake a review of the strength of the Board in consultation with Department of Public Enterprises and PESB.
ii. On such Boards where the posts of Functional Directors do not exist, Administrative Ministries will take immediate steps to create such posts in accordance with the prescribed guidelines.

(B) Government Directors:

The number of the Government Directors on the Board of Directors of an enterprise should not exceed one-sixth of the actual strength of the Board.

i. It will be preferable to have only one Government Director from the concerned Administrative Ministry on each Board. The choice of the nominee Director would vest with the Secretary of the concerned Department.
ii. In case of PSEs where it is considered essential to give representation on the Boards to other concerned Government agencies/Ministries/State Governments, only one representation from the Group could also be appointed on the Board as part-time Government Director.
iii. The number of Government Directors on a Board should in no case exceed two.

(C) Non official Directors :

i. The number of Non-Official Part-time Directors on a Board should be at least one-third of its actual strength. Wherever there is under representation of such Directors on the Board the concerned Ministries should take immediate steps to fill up the vacancies to stipulated level.

ii. A Panel of suitable persons who could be considered for appointment as Non-Official Part-Time Director on the Boards of PSEs will be maintained centrally by Department of Public Enterprises. This Panel will be prepared in consultation with PESB and the Secretary of the concerned Administrative Ministry.

3. All Ministries/Departments concerned with Public Sector Enterprises are requested to strictly adhere to above guidelines in the composition of the Boards of Directors in respect of PSEs under their administrative control.

4. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 18(6)/91-GM dated 16th March, 1992)

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6. **DPE O.M. No. 18/1/84-GM dated 19th September, 1984)**

Subject: Organization/Functioning of the Boards of Public Sector Enterprises—Decisions of the Government on the recommendations of the Economic Administration Reforms Commission Report on "Government and Public Enterprises—Top Management and the Boards"

The undersigned is directed to say that the Economic Administration Reforms Commission (EARC) in their report on "Government and Public Enterprises—Top Management and the Boards" have made a number of recommendations regarding the organization and functioning of the Boards of the public sector enterprises. These have been considered by the Government. The recommendations and the decisions of the Government on these recommendations are given below for information and necessary action by the respective administrative Ministries:

i. Appointment of Chief Executive It was noted that the replacement for Chief Executive, due to retire, was in some cases sought at a very late stage causing very often the enterprises to go topless. In this context, the EARC have recommended that the replacement for a Chief Executive due to retire should be found well in advance and inducted as an under-study and that if for any reason the successor is not in position, there should be automatic extension of the term of the existing incumbent until his successor is able to take over. It has now been decided by Government that the enterprises might create, if necessary, a supernumerary post of under-study for a limited period of three months. However, automatic extension of the term of the existing incumbent was not desirable and short-term extensions should only be in exceptional circumstances where there is delay in selection of a new

incumbent. It is, therefore, requested that the vacancies that will arise as a result of superannuation or because of non-extension of the tenure of the existing incumbent may kindly be intimated by the respective administrative Ministries to the Public Enterprises Selection Board at least three months in advance. This will enable Public Enterprises Selection Board to initiate recruitment action well in time to find a successor before the vacancy arises.

ii. Appointment of Part-time Chairman Vide BPE's O.M. No. 2(158)/70-BPE(GM) dated 13th October, 1972, the guidelines were issued regarding the composition of Boards of Directors of Public Enterprises. It was mentioned therein that the Board should normally be headed by a Chairman-cum-Managing Director. It was also indicated that there should be no bar to the appointment of a part-time Chairman if in particular cases this course appeared desirable. These guidelines were reiterated in 1982 vide BPE's O.M. No. 2(9)/80-BPE(GM) dated 20th April 1982. The EARC has also recommended that the general policy of appointing a single Chairman-cum-Managing Director should continue. This recommendation has been accepted by the Government. It has also been decided that the practice of appointing the Secretary of the administrative Ministry as Part-time Chairman of a Public Enterprise, even for short period, should be discouraged.

iii. Role of Government Directors on the Boards of Public Enterprises The EARC are of the view that the association of Government officials with the Boards of Public Enterprises can be of advantage as this provides for a liaison role and a channel of communication between Government and the Public Enterprises. They have also emphasized that the dual role of a Government Director should be clearly recognized—as a Director of the company and as a representative of the Government. He should be allowed to function freely and use his own judgement without any formalized briefing by the Ministry before a Board meeting with discretion whether to seek a briefing or make a report. The Government Director should identify himself with the objects and goals of the enterprise, engage in joint thinking on equal terms and not assume a superior status, he should not reserve his position on matters before the Board, however, others on the Board should not expect him to commit the Government in respect of matters which require to be referred to the Government. In all subsequent examination of the Board approved proposals, his role should be mainly elucidatory and he should not sit in judgement over the Board. Reference to the Ministry for approval, sanction etc. should be addressed to the Government representative on the Board whose responsibility should be to process the matter and obtain the necessary Government approval promptly. The Government have accepted these recommendations and the administrative Ministries may kindly brief the Government Directors on the Boards of their Undertakings suitably.

iv. Number of Government Directors on the Board of Directors On the basis of the recommendations of the Administrative Reforms Commission, the Bureau of Public Enterprises vide their O.M. No. 5/23/74-BPE(PESB) dated 3rd February, 1975, had suggested that ordinarily not more than two Government representatives should be appointed on the Boards of Directors of public sector enterprises. The EARC has also emphasized the need for keeping down the number of Government officials on the Boards of public enterprises. They have recommended that number of directorships reflecting special concerns or interests should be minimized and that the possibility of drawing

suitable persons from non-Government sources should be considered. However, this does not apply to experts drawn from other public enterprises, which has been strongly recommended. The Government have accepted this recommendation. The administrative Ministries may kindly note for necessary action. On the question of the representation of the officials of the administrative Ministries on the Board of Directors of public enterprises, the EARC have also recommended that an officer should not have too many directorships on the Boards of public enterprises so that he can do adequate justice to his role as a Government Director. The directorships held by each Joint Secretary could be kept down by having Directors/Deputy Secretaries on the Boards of smaller enterprises. Further, the Ministries having a large number of public enterprises could consider reducing the number of Under Secretaries and perhaps even Deputy Secretaries and providing for an additional Joint Secretary or two to add to efficiency and economy. Government have noted this recommendation and are of the view that restricting the number of directorships and spreading of the workload of directorships evenly in the administrative Ministries by putting Directors and Deputy Secretaries on the Boards of small public enterprises was already being followed. However, the administrative Ministries could look into the question of their restructuring as suggested by the EARC.

v. Clear Demarcation of Powers of decision-making between the Board and the Government The EARC has recommended that there should be clarity in regard to the powers of decision making of the Board and those, which are reserved for the Government. In this context, they have mentioned that while on paper and in the Articles of Company such clarity exists, in a very large number of cases, informal advice amounting virtually to a directive percolates from the administrative Ministries to the public enterprises. In consequence, the Government Directors on Boards also tend to be used or considered to be acting as channels of informal control by the Ministry. Since functional autonomy of these enterprises is essential for their good performance, there should be no vagueness about the areas on which the Boards can take decisions and those in which it must seek prior Governmental approval. This recommendation has been accepted by the Government and the administrative Ministries are requested to review the position in this regard.

2. BPE may kindly be kept informed of the action taken in regard to the above decisions of the Government.

3. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 18/1/84-GM dated 19th September, 1984)

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7. **DPE O.M. No. 2(9)/80-DPE (GM) dated 20th April, 1982)**

Subject: Composition of Board of Directors of Public Enterprises.

As the Ministry of Industry, etc. are aware, according to the present policy of the Government, a sitting Member of Parliament should not be appointed to the Boards of Directors of Central Government Public Enterprises. The guidelines issued by BPE through its O.M. No. 2 (158)/ 70-BPE (GM) dated the 13th October, 1972, also envisaged that for large multi-unit enterprises and large trading organizations, the typical structure of a Board could be a full-time Chairman-cum-Managing Director, assisted by a few Functional Directors, and part-time Directors. It was, however, indicated at that time that there should be no bar to the appointment of a part-time Chairman if in particular cases this course appears desirable, in which cases, a suitable whole-time Managing Director should invariably be appointed.

2. Government had occasion to review these two issues at considerable length in the context of the recommendations of the Committee of Public Undertakings and in the light of some proposals received from the Administrative Ministries from time to time.

3. Government have decided that the policy of not appointing sitting Members of Parliament to the Boards of Directors of Central Government Public Enterprises should continue. Government have also taken a decision that the policy of combining the post of Chairman and Managing Director of a public enterprise should be decided on the merits of each type of enterprise and the availability of a competent person to hold the post of part-time Chairman.

4. The above decisions are brought to the notice of the Ministry of Industry, etc. for information and compliance. Cases where sitting Members of Parliament are already functioning as part-time Members of the Boards of Central Government Public Enterprises may also be reviewed in the light of the above decision of the Government when the Boards of Directors of such enterprises are reconstituted.

6. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 2(9)/80-DPE (GM) dated 20th April, 1982)

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8. **DPE O.M. No. 2(4)/75-DPE (GM-I) dated 22nd May, 1975)**

Subject: Composition of Board of Directors Inclusion of State Government representatives on the Boards of Directors of Public Enterprises

The undersigned is directed to refer to this Ministry's O.M. No. 2(158)/70-BPE(GM) dated 13th October, 1972, on the composition of the Board of Directors of public enterprises wherein the broad principles which the administrative Ministries should follow in this respect, had been spelt out. This O.M. was silent on the question of nominating representatives of the State Government on the Board of Directors of the Central Public Enterprises.

2. The appointment of a representative of a State Government on the Board of Directors for the Central Public Enterprises has been pressed by a number of State

Governments particularly by the states where major Public Enterprises are located. This issue is undoubtedly a very delicate matter involving the larger concept of Centre-State relationship. However, it is a fact that so long as the company is located in one State only, it would be desirable to have representative of the concerned State Government on the Board of Directors of the concerned enterprise. There are several matters particularly concerning law and order, industrial relations, State taxation, etc., where the representative of the State Government would provide useful input. In the case of multi-unit enterprises operating in many States, however, it would neither be desirable nor practicable to have a representative of the State Government from all States and it would be discriminatory to select only from a particular State. In other words, in such multi-unit enterprises, there is no need at present to include any representative of the State Government on the Board of Directors of the concerned enterprises.

3. In view of the delicate nature of the subject, the decision on the above lines is being brought to the notice of the administrative Ministries through this confidential circular.

4. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 2(4)/75-DPE (GM-I) dated 22nd May, 1975)

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9. **DPE O.M. No. 2(158)/70-DPE(GM) dated 13th October, 1972)**

Subject: Composition of Boards of Directors of Public Enterprises

The question as to how the structure of the Boards of Directors of Public Enterprises can be rationalized, consistent with efficient functioning of these enterprises has been under consideration of Government for some time. It has now been decided that the following principles should be followed by the administrative Ministries in this regard:

i. For large multi-unit enterprises and large trading organizations, the typical structure of a Board could be a full-time Chairman-cum-Managing Director assisted by at least two functional Directors, one of whom would be in-charge of Finance, and part-time Directors. As regards the inclusion of General Managers of constituent units and executive in charge of different regions in the Boards of multi-unit or multi-regional enterprises, inclusion of a few General Managers and Directors by rotation could be considered. Even if all the General Managers are not made directors, those left out should also, in principle, be invited to attend and participate in all the Board meetings. It is, of course, understood that in certain situations, they may not, for good reasons, all be invited to a particular meeting.
ii. A typical structure of a Board for the smaller enterprises could be a Chairman-cum Managing Director with one, and possibly even two senior officers of the undertaking itself as functional Directors together with some part-time Directors. One of the functional Directors could, if necessary, be designated

as Executive Director or Director (Co-ordination), should the burden on the Chairman–cum-Managing Director be too heavy.

iii. In the cases referred to in (i) and (ii) above, there should be no bar to the appointment of a part-time Chairman, if in particular cases this course appears desirable. In such cases, a suitable whole-time Managing Director should invariably be appointed.

iv. The number of part-time non-official Directors on the Boards of multi-unit and multi regional Public Enterprises may be about 1/3rd of the total strength, which may be of the order of 12 to 15. In relatively smaller enterprises, the Board strength should be between 8 and 12, including official and non-official part-time Directors, the number of the latter being about 1/3rd of the total.

v. The policy regarding appointment of full-time Chairman/ Managing Directors/Functional Directors from out of the "panels" being prepared by the Empanelment Selection Board in accordance with the Prime Minister's directive, should be followed without exception to ensure maximum utilization of the panels. The aim should be for the enterprises themselves to generate their own top executives at this level also, who should, therefore, be screened by the Empanelment Selection Board before considering empanelment of Government servants and men from private enterprises.

vi. Appointment of Government representatives on the Boards should ordinarily be restricted to the dealing Joint Secretary/Director, but in the case of some Ministries, other officials within it might be chosen so as to constitute a Management Coordination Cell, as proposed to be done in the Ministry of Industrial Development and Internal Trade or to meet the conditions about the number or directorships held by each officer.

vii. With regard to part-time Directors, as an interim measure, the services of those from the private sector, who have volunteered for full-time appointment in Public Enterprises and considered fit and empanelled to hold such top level posts in Public Enterprises may be advantageously utilised. A comprehensive list of those considered suitable for appointment as part-time Directors will, in due course, be prepared and circulated, it being understood, however, that discretion would be available to appoint those outside the list, where necessary. The final decision on the question of representation of workers on the Boards of Industrial Enterprises being pursued by the Department of Labour and Employment will also be relevant in this context.

viii. On the question whether Government representatives on the Boards of Public Enterprises should necessarily include a representative of the Finance Ministry, while Finance Ministry representatives may be appointed to the major Public Enterprises, the relatively smaller enterprises may do without representatives of the Finance Ministry. In such cases, however, where there is no representative of the Finance Ministry on the Boards, the undertakings should ensure that the concerned Financial Advisers (Heads of the respective Expenditure Divisions in the Finance Ministry) receive, sufficiently in advance of the Board meetings, the agenda papers, as also the minutes of the meetings. This will enable the Finance Ministry to keep in touch with the activities of the enterprises.

ix. The policy decision in regard to the exclusion of Members of Parliament in the Boards of Public Enterprises, which is based on the recommendations of the Krishna Menon Committee should remain unchanged. (The relevant extract

from the report of the Krishna Menon Committee on State Undertakings and Government's decisions thereon, referred to above, is enclosed in Annexure).

2. The above decisions are brought to the notice of the Ministry of Petroleum and Chemicals, etc., for information and compliance.

3. These issues with this approval of Secretary, Department of Public Enterprises.

(DPE O.M. No. 2(158)/70-DPE(GM) dated 13th October, 1972)

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