

GUIDELINES RELATING TO CPSEs ISSUED BY PESB

POLICY AND PROCEDURES					
Initiation of Selection procedure	<p>The PESB keeps a close and constant watch on the vacancies that are likely to arise and initiates the process of selection 12 months before the occurrence of the vacancies.</p> <p>The Board initiates selection process by sending job description of the post to the concerned Administrative Ministry/Department with a request to update the company profile and the job description within 15 days followed by reminder. In case, the Ministries/Departments do not respond within the aforesaid time frame the job description of the post is circulated suo moto. A period of 60/45 days is normally given to receive the applications after circulation of the vacancy for superannuation/unforeseen vacancies respectively.</p>				
Date of Vacancy	<p>The date of vacancy of a post is reckoned with reference to the date it will fall vacant or has fallen vacant.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Post newly created or kept in abeyance.</td> <td style="width: 50%; padding: 2px;">Date of issue of order creating/reviving the post.</td> </tr> <tr> <td style="padding: 2px;">Panel recommended by PESB not approved by ACC.</td> <td style="padding: 2px;">Date of issue of order scrapping the panel.</td> </tr> </table>	Post newly created or kept in abeyance.	Date of issue of order creating/reviving the post.	Panel recommended by PESB not approved by ACC.	Date of issue of order scrapping the panel.
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Circulation of the post	<p>The post is circulated among all Central PSEs, Ministries and state Chief Secretaries, and also uploaded on the Board website. Further, application of no candidate “eligible as per Job Description” should be withheld by the PSU or the Ministry/Department.</p>				
Shortlist candidates of	<p>Applications, including names from data bank, wherever applicable, are considered with reference to the job description and eligibility criteria in the following manner; subject to a maximum of 15:</p> <ul style="list-style-type: none"> 8 : Internal (from the same CPSE or its subsidiary). 3 : Sectoral (from PSEs of the same Administrative Ministry). 2 : External (from any other CPSE). 2 : Central Govt./State Govt. <p>The shortfalls in a category is carried forward and allocated to the next categories on a pro rata basis.</p>				
Scheduling of selection date	<p>Selection meeting is scheduled in consultation with the Secretary of the Administrative Ministry/Department.</p>				
Assistance by Ministry representative and CMD/MD of the PSE	<p>Secretary is invited to assist the PESB on behalf of the administrative Ministry/Department. However the concerned Secretary may nominate an officer not below the rank of Additional Secretary to represent him for a Board level post other than CMD of schedule A company. In the case of selection of Functional Directors, the concerned regular Chief Executive of the concerned enterprise is always invited to assist the PESB.</p> <p>However, in the case of subsidiaries, the Chairman of the holding Company is invited to assist the Board.</p>				

Joint venture PSE	In the case of Joint Venture enterprises with the State Governments, Chief Secretary of concerned State Government is also invited.																																														
Recirculation/ constitution of search committee/ Press Advertisement	<p>After the first round of Selection Interview, in case no candidate is found suitable and the Board wishes to see some more candidates, the post is re-circulated.</p> <p>The Board may also decide to convert itself into a Search cum Selection Committee and follow the Search Committee mechanism for making selection.</p> <p>The Board may also decide to advertise the post in prominent dailies in which case the eligibility pay scales for the post are in the next below schedule. Selection interviews are held on the basis of the open advertisement.</p>																																														
Rule of immediate absorption	Officers from Organized Services will be considered only on "immediate absorption basis", unless the posts have been exempted specifically from the rule of immediate absorption with the approval of the Competent Authority.																																														
Exemption from the rule of immediate absorption	Provided if no suitable candidate is found and the Administrative Ministry so desires, the question of granting exemption from the rule of immediate absorption may be recommended by the Board.																																														
Vigilance clearance by CVC	The Board while sending its recommendations to the concerned administrative Ministry/Department also conveys the recommendation to the Central Vigilance Commission to enable them to initiate advance action for processing vigilance clearance.																																														
Internal candidate	Internal candidate is one, who is an employee of an enterprise who has put in a minimum of two years of continuous service in it immediately preceding date of vacancy, and who does not hold a lien in any other PSE/Government. An employee who holds a lien on a post in a CPSE can also be considered as an internal candidate of that enterprise, provided he/she has put in a minimum of two years of continuous service in that enterprise, on the date of acquiring the lien and the period for which he/she is away from the enterprise is not more than 5 years.																																														
Age criteria	<p>On the date of occurrence of Vacancy:</p> <table border="1"> <thead> <tr> <th rowspan="3">Schedule of PSE</th> <th colspan="4">Age of superannuation 60 years</th> </tr> <tr> <th colspan="2">Internal</th> <th colspan="2">External</th> </tr> <tr> <th>Min</th> <th>Max</th> <th>Min</th> <th>Max</th> </tr> </thead> <tbody> <tr> <td>CMD Schedule A/ Director Schedule A / CMD Schedule B</td> <td>45</td> <td>58</td> <td>45</td> <td>57</td> </tr> <tr> <td>Director Schedule B/CMD Schedule C/ Director Schedule C/CMD Schedule D</td> <td>40</td> <td>58</td> <td>40</td> <td>57</td> </tr> <tr> <th rowspan="3"></th> <th colspan="4">Age of superannuation 58 years</th> </tr> <tr> <th colspan="2">Internal</th> <th colspan="2">External</th> </tr> <tr> <th>Min</th> <th>Max</th> <th>Min</th> <th>Max</th> </tr> <tr> <td>CMD Schedule A/ Director Schedule A / CMD Schedule B</td> <td>45</td> <td>56</td> <td>45</td> <td>55</td> </tr> <tr> <td>Director Schedule B/CMD Schedule C/ Director Schedule C/CMD Schedule D</td> <td>40</td> <td>56</td> <td>40</td> <td>55</td> </tr> </tbody> </table>	Schedule of PSE	Age of superannuation 60 years				Internal		External		Min	Max	Min	Max	CMD Schedule A/ Director Schedule A / CMD Schedule B	45	58	45	57	Director Schedule B/CMD Schedule C/ Director Schedule C/CMD Schedule D	40	58	40	57		Age of superannuation 58 years				Internal		External		Min	Max	Min	Max	CMD Schedule A/ Director Schedule A / CMD Schedule B	45	56	45	55	Director Schedule B/CMD Schedule C/ Director Schedule C/CMD Schedule D	40	56	40	55
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ELIGIBILITY PAY SCALES FOR VARIOUS BOARD LEVEL POSTS		
Pay scale of the Board level post	PSE executives	Eligibility for Government officers
Schedule A CMD		
27750-31500 (Pre 2007) 80,000-1,25,000	Rs.8250-9250(IDA) Pre 01.01.92 Rs.11500-13500(IDA)Post 01.01.92 Rs.23750-28550(IDA) Post 01.01.97 Rs.62000-80000(IDA) Post 01.01.07 Rs.22400-24500(CDA) Pre revised Rs. 67000-79000 (CDA)	Addl. Secretary or equivalent/ Lt. General in the Army or Vice Admiral in Navy or Air Marshal in the Air force.
Schedule A Director Schedule B CMD		
25750—30950 (Pre 2007) 75000—100000 75000--90000	Rs.7250-8250(IDA) Pre 01.01.92 Rs.9500-11500(IDA) Post 01.01.92 Rs.20500-26500(IDA) Post 01.01.97 Rs.51300-73000(IDA) Post 01.01.07 Rs.18400-22400(CDA) Pre revised Rs.37400-67000+GPRs.10000(CDA)	Joint Secretary or equivalent/ Major General in the Army or Rear Admiral in Navy or Air Vice Marshal in the Air force.
Schedule B Director Schedule C CMD		
22500--27300 (Pre 2007) 65000--75000	Rs.6250-7475(IDA) Pre 01.01.92 Rs.8520-10050(IDA) Post 01.01.92 Rs.18500-23900(IDA) Post 01.01.97 Rs.43200-66000(IDA) Post 01.01.07 Rs.14300-18300(CDA) Pre revised Rs.37400-67000+GPRs.8700(CDA)	Director or equivalent/ Brigadier in the Army or Commodore in Navy or Air Commodore in the Air force.
Schedule C Director Schedule D CMD		
20500--25000 (Pre 2007) 51,300-73,000	Rs. 5550-6870 (IDA) Rs.7500-9900 (IDA)Post 01.01.92 Rs.17500-2300(IDA)Post01.01.97 Rs.36600--62000(IDA)Post01.01.07 Rs. 12000-16500 (CDA) Pre revised Rs.15600--39100+GPRs.7600 (CDA)	Deputy Secretary or equivalent/ Colonel/Lt Colonel in the Army or Captain in Navy or Group Captain in the Air force.

Period of service in the eligible scale	The minimum length of service required in the eligible scale will be one year for internal candidates, and two years for others as on the date of vacancy.
Job hopping	<ol style="list-style-type: none"> 1. For PESB the concept of job hopping is valid only when a candidate has taken a position at the Board level. 2. When a candidate moves from Company A to Company B on a Board level position, he is expected to work for minimum two years in order that restriction of job hopping does not apply to him. If he has put in less than 2 years, the rule of job hopping will apply to him for a position in other companies. 3. If a position falls vacant in the same company at a higher level, the restriction of job hopping will not apply to a Director as 'vertical hopping' is permitted in the same Company. For example, if an incumbent has moved from company A to company B he will be eligible for applying for CMD's position in company B but not in company A even if he holds lien in company A. 4. Job hopping restriction will apply to an incumbent for lateral movement within the Company as well as in any other company. 5. There is an embargo of six months for a candidate holding No.1 position in a panel.
Candidate recommended earlier not considered for another post for six months	Candidate recommended as No. 1 in the panel for a Board level post is not considered for another Board level post for a period of six months from the date of selection interview or till the approval of the concerned panel, whichever is earlier.
Tenure of appointment at board level	The Board level functionary will be considered for appointment for a period of 5 years or till the age of superannuation, whichever is earlier, on contract basis, with a provision that the Government will have the option to terminate the services with three months' notice.
Relaxations in appointment of Chief Executive and functional Directors in sick/loss making PSE where revival package has been approved	<p>In the case of sick/loss making CPSE for which revival plan has been approved by the Government, the following relaxation could be provided:-</p> <p>In case, any Board level incumbent of such CPSE has contributed exceedingly well in the turnaround of that sick CPSE, his tenure may be extended till he attains the age of 65 years. Since, the selection process to a board level post is being initiated by PESB one year prior to the due date of superannuation of the incumbent, the proposal for extension of tenure beyond the age of superannuation will have to be initiated at least one year prior to the date of superannuation of the incumbent. In case, the balance period of tenure of incumbent is less than one year at the time of approval of revival package by the Government, such proposal for extension of tenure may be initiated immediately after approval of revival package by the Government. The decision on the extension of tenure beyond the normal retirement age will be taken as per the extant procedure for extension of tenure of Board level executives, i.e. joint appraisal by PESB followed by the approval of the competent authority. Further, such extension would be subject to annual review of the performance of the incumbent to be conducted by Secretary of the concerned administrative Ministry.</p> <p>Where fresh appointment of the Chief Executive or any Functional Director is proposed and if the PESB procedure of circulation of vacancy does not ultimately lead to a panel for consideration by the competent authority, then relaxation of cut-off age for applying, to 62 years, with minimum tenure of 3 years, could be considered. In such cases, serving/retired CPSE executives, Government servants</p>

	<p>and private sector executives could be considered. Chief Executives and Functional Directors of these CPSEs would be considered for a lump-sum incentive up to maximum of Rs.10 lakh out of the profits of the CPSE besides usual pay, allowances and perks attached to the post. The detailed guidelines in this regard would be issued separately.</p>
<p>Confirmation of tenure</p>	<p>After completing the first year of appointment as Board level functionary, proposal for confirmation/non-confirmation of the incumbent to enable him to continue for the balance period of his tenure or otherwise is required to be furnished by the administrative Ministry to the PESB. In cases where the score is less than 37.5 on the special performance reports (SPR). The PESB has circulated formats for SPR and guidelines. The assessment in the SPR is required to be given by the Secretary of the administrative Ministry in respect of the Chief Executive and by the Chief Executive duly countersigned by the Secretary of the administrative Department in respect of the Functional Directors. The minimum acceptable score in the SPR by the PESB is 37.5 out of 50 with no single attribute having a score less than 3. Now, Ministries are required to send proposals to PESB only in cases of non-confirmation on performance grounds where the score on SPR is less than 37.5. A CMD/MD/Functional Director would be deemed to be confirmed unless the Ministry/Department sends a proposal to the PESB, to the contrary, within 30 days after the expiry of one year. Within this stipulated period of one year and thirty days, the officer would be deemed to have been confirmed and the Ministry shall issue necessary order for confirmation, if the Ministry fails to send a proposal to the contrary, to the PESB.</p> <p>Executives who score less than 37.5 marks on the SPR are called for a joint appraisal meeting with the Board in presence of the Secretary of the Administrative Ministry to consider confirmation or otherwise of the functionary.. In case the recommendation of non-confirmation is approved by the Competent Authority, the executive vacates the post.</p> <p>Since grant of second term is a fresh contract confirmation is again required to be considered after the expiry of the first of the second term provided the duration of the second term is more than three years.</p>
<p>Extension/ Non-extension of tenure</p>	<p>Although Board level functionaries are appointed for a period of 5 years or till the age of superannuation, whichever is earlier initially, the term of appointment will require being processed for extension or otherwise beyond the five year tenure in case the Board level incumbent is yet to reach the age of superannuation. For this, the Administrative Ministries/Departments should carry out an appraisal of the past performance of the Chief Executives/Directors as per procedure laid down by PESB. Such cases would fall broadly in to the following categories:-</p> <p>a. All proposals in which the incumbents meet the benchmark and the Ministry/Department decides to recommend extension shall be referred to the ACC for approval by the Ministry concerned, not later than two months before the scheduled expiry of the tenure of the incumbent. No reference would be needed to be made to the PESB for a fresh joint appraisal.</p>

	<p>b. All proposals wherein the incumbents do not meet the benchmark shall be referred to the PESB by the Department/ Ministry concerned. This reference has to be six months before the scheduled expiry of tenure of the incumbent. The recommendation of the PESB shall be referred to the ACC, for orders.</p> <p>c. All proposals, wherein the incumbents meet the benchmark, but have some other issue such as vigilance etc. for which the Ministry/Department is not inclined to recommend extension, shall be referred to the ACC for consideration six months before the scheduled expiry of tenure of the incumbent.</p> <p>The Administrative Ministry will furnish the following documents to PESB alongwith proposals for extension/non-extension of tenure:- Performance Appraisal Report in the prescribed format (B) (C) & (D). In the column relating to performance in the Enterprise since the date of appointment of the incumbent figures upto the last five years should be indicated. Special Performance Report in a narrative form duly signed by the Secretary of the Administrative Ministry in respect of the Chief Executive and in respect of the Functional Directors should be recorded by the Chief Executive and countersigned by the Secretary of the Administrative Ministry; and Photocopies of the annual confidential report for the last 5 years alongwith a certificate in terms of DPE guidelines dated 25.04.1985.</p>
Competent Authority	Appointments Committee of Cabinet is the competent authority for appointment and extension of CMD/MD/Functional Directors of Schedule A and B PSEs, and the Minister in-charge is the competent authority for appointment and extension of Board level posts belonging to schedule C and D CPEs.
Validity of Panel	As per D.O.No.29 (3) EO/2008(ACC) dated 27th May. 2008 of Cabinet Secretary, the panel of names recommended by PESB is valid for one year and need to be revalidated before submission to ACC.
Number of appearance in a year	A candidate may apply any number of times in a calendar year, he may be allowed to appear up to four times in selection meetings, in a calendar year. This restriction in number of appearances has come into effect from 1st January 2013.
Incomplete Application	If any candidate fails to fill up any column in his application, the same will be rejected as incomplete. Applications for Board level posts that are received through proper channel sometimes leave column no -9 (with respect to punishment / enquiry etc) blank. PESB has decided that henceforth such applications will be treated as incomplete and rejected.