The Gazette of India
EXTRAORDINARY
PART I—Section 1
PUBLISHED BY AUTHORITY
No. 47] NEW DELHI, TUESDAY, MARCH 3, 1987/PHALGUNA 12, 1908

Separate Paging is given to this Part in order that it may be filed as a separate compilation.

2. जससे तथा कार्यः—सर्वाधिकारिक उच्च न्याय बोधे, बहु अस्त्र, व्यापक स्वातंत्र्य के साथ, एक स्वातंत्र्य नियन्त्रण के स्तर में स्वातंत्र्य करारें। इसके लिए किसी भी होगा—

(i) सर्वाधिकारिक श्रेणी के अधिक मने प्रभाव, प्रत्यक्ष निर्देशक प्रभाव एवं प्रत्यक्ष निर्देशक (लक्षण-III) तथा कार्यकारिक नियन्त्रक (लक्षण-II) के परम्परा और न्याय ही सरकार की ज्यादातमति यथार्थता की प्राप्ति समय पर कार्यों के जीवन तथा नैतिकता के लिए नियूज़ीलैंडः

(ii) उपर्युक्त मार्ग के कार्यों की नियुक्ति, भागीदारी प्रथा कार्यकारिक व्यवस्था में कृति न्याय और न्याय तथा स्थापत्य की समानता तथा संबंधित नागरिकों ने सरकार की गठबंधन बनाना;

(iii) सर्वाधिकारिक श्रेणी के प्रत्यक्ष उच्च या सर्वाधिकारिक व्यवस्था के उद्देश्यों के प्रत्यक्ष समूह के लिए बोधें-तरह तथा वरिष्ठ प्रवर्तक, कार्यक्रम के वैश्विक बनाने के संबंध में सरकार की गठबंधन बनाना;

(iv) सर्वाधिकारिक श्रेणी के उद्देश्यों तथापि ऐसे उद्देश्यों में प्रत्यक्ष न्याय अन्य कार्यकारिक—सभी के संबंध में एक उच्चाधिकारिक नियुक्ति के बर्याश्व के संबंध में सरकार को गठबंधन बनाना.
RESOLUTION

No. 27(21)-BO/86(CC).—Public Sector Enterprises (PSEs) under the control of the Central Government play a vital role in the development of the national economy. In order to evolve a sound managerial personnel policy for the Public Sector Enterprises and, in particular, to advise government on appointments to the top management posts, the Government of India constituted a Public Enterprises Selection Board (PESB) by a Resolution dated 30th August, 1974. Consequent upon the shift of the secretariat of the PESB from the Department of Public Enterprises to the Department of Personnel & Training from 9th July, 1986, a comprehensive review of the PESB has been made and it has been decided to revise the policy relating to the functions, membership, methodology for selection and infrastructure of the Board, as set out below.
2. Objectives and Functions: The PESB shall, henceforth, function as a professional body with a large measure of autonomy. Its functions shall be:

(i) to be responsible for the selection and placement of personnel in the posts of Chairman, Managing Director of Chairman-cum-Managing Director (Level-I), and Functional Director (Level-II) in PSEs, as well as in posts at any other level as may be specified by the Government;

(ii) to advise the Government on matters relating to appointment, confirmation or extension of tenure and termination of the services of personnel of the above mentioned levels;

(iii) to advise the Government on the desired structure at the Board level, and, for senior management personnel, for each PSE or group of PSEs;

(iv) to advise the Government on a suitable performance appraisal system for both the PSEs and the managerial personnel in such enterprises;

(v) to build a data bank containing data relating to the performance of PSEs and its officers;

(vi) to advise the Government on formulation and enforcement of a Code of Conduct and Ethics for managerial personnel in PSEs;

(vii) to advise the Government on evolving suitable training and development programmes for management personnel in PSEs.

3. Constitution of the Board.—The PESB shall consist of one part-time or full-time Chairperson and three full-time Members. The Chairperson and Members shall be persons who have had a long and distinguished career in management of public or private corporations or public administration and have a proven record of achievements, preferably, in the field of management, finance, production or marketing. The three full-time Members of the PESB shall:

(a) A distinguished former Chief Executive of a PSE;

(b) A distinguished behavioural scientist with experience in selection of top management personnel;

(c) A distinguished former civil servant with experience in management of PSEs or in areas of finance, industry or economic affairs.

4.1 Selection.—A Committee comprising the following will recommend a panel of names in order of preference for appointments to the posts of Chairperson and Members:

(a) Cabinet Secretary,

(b) Secretary (Personnel),

(c) Secretary (Finance),

(d) Secretary (Public Enterprises).

4.2 The recommendations of the Committee will be submitted to the Appointments Committee of the Cabinet (ACC).

5. Tenure and Age-Limit.—The Chairperson/Member of the PESB shall hold office for a term of three years from the date on which he assumes charge or until he attains the age of 65 years, whichever is earlier. He shall be eligible for consideration for reappointment for a second term subject to the age-limit of 65 years.

6. Pay and Allowances.—Terms and conditions of appointment:

(i) The appointment shall be made by the Appointments Committee of the Cabinet (ACC).

(ii) The pay of the Chairperson and the Members shall be the same and equal to that of Secretary to the Government of India in the revised pay scale.

(iii) Dearness Allowance and other reliefs on account of increase in the cost of living shall also be admissible at the rates determined from time to time by the Government.

(iv) The other conditions of service including allowances and benefits shall be as determined by the Government from time to time.

7.1 Selection Policy.—The PESB shall not be a mere Interview Board. It shall also constitute itself into a Search Committee to look out for and identify suitable persons who can be appointed to Level-I and Level-II posts in Public Sector Enterprises.

7.2 The policy of the Government is to appoint through a fair and objective selection procedure outstanding professional managers to Level-I and Level-II posts and posts at any other level as may be decided by the Government from time to time. Goverment have also recognised the need to develop a cadre of professional managers within the public sector. Hence unless markedly better candidates are available from outside, internal candidates, employed in the public sector enterprises, will be preferred for appointment to Board level posts. If internal candidates are not available, preference will be given to candidates working in other public sector enterprises, either in the same area of business or in other areas. Mobility of managerial personnel among public sector enterprises within the same sector or group, falling which mobility within the public sector as a whole will be encouraged, subject to certain limitations. In special cases, recruitment may be made from the organised services under the Central Government. Such cases would be where, because of special circumstances, it is necessary to place a member of an organised service in a public sector enterprise or where, because of the nature of the enterprises of its poor health, it would be difficult to attract good professional managers on a tenure basis.

This Resolution supersedes the Ministry of Finance (Bureau of Public Enterprises) Resolution No. 5(l)/74/BPE (PESB) dated 30th August, 1974 and subsequent amendments thereto except things done or committed to be done before such supersession.

ORDER

Ordered that the Resolution be published in the Gazette of India Extraordinary, Part-I, Section-I. Ordered also that a copy of the Resolution be communicated to all Ministries/Departments of the Government of India, Public Sector Undertakings, State Governments/Administration of Union Territories and all other concerned.

J.C. LYNN, Establishment Officer and Jt. Secy.