

Turning selected Public Sector Enterprises into global giants—Navratnas

The Government has, vide DPE OM No.DPE/11(2)/97-Fin. Dated the 22nd July, 1997, granted enhanced autonomy and delegation of powers to selected public sector enterprises (Navratnas), which include, inter-alia, the decision making authority to incur expenditure on purchase of new items 'or for replacement, without any monetary ceiling.

2. A confirmation has been sought by some Navratnas that in view of this delegation of authority, they are no longer required to obtain Government approval, including that from the PIB for setting up new projects or for expansion and that they can do so and incur the necessary capital expenditure within the enhanced delegation of powers.

3. This is to clarify that the above mentioned powers in para 2 (i) regarding incurring of capital, expenditure gives full authority to the Boards of the Navratnas, subject to the guidelines mentioned in the OM under reference, and that it is not necessary for them to obtain Government approval, including PIB approval for the above purpose including for setting up of new projects or expansion. This, however, does not cover environmental or similar other clearances, required statutorily or under specific instructions.

4. The OM No.DPE/16/22/90-Fin. Dated 6.5.97 of this Department on the subject also stands modified accordingly.

(DPE O.M. No. DPE/11(2)/97-Fin. dated 26th September, 1997)