

## **CHAPTER V**

# **MEMORANDUM OF UNDERSTANDING**

### **5. DPE/Guidelines/V/5**

#### **Delegation of Powers to the MOU Signing PSEs**

The undersigned is directed to refer to this department's O.M. No. 1(18)/88-Fin.(PPU) dated 19.10.1988 on the above mentioned subject and to state that Government had decided to delegate certain enhanced financial & administrative powers to MOU signing PSEs.

2. However, instances have come to light where some MOU signing PSEs have been denied these delegated powers by their administrative Ministry.

3. It is clarified that powers delegated to the MOU signing PSEs have been approved by the Cabinet in the meeting held on 19.9.1988 (item 6 of Case No. 379/35/88) and that once an enterprise signs a MOU, these powers automatically become available to it and no further approval/sanction is necessary.

**(DPE O.M. No. 9(8)/96-DPE(MOU) dated 18th April, 1996).**

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