

CHAPTER II
PERSONNEL POLICIES

(b) Composition of Board of Directors

18. DPE/Guidelines/II(b)/18

Vigilance clearance in respect of non-official Directors of Public Sector Enterprises.

The existing stipulations and procedures relating to the requirement of vigilance clearance for non-official part-time Directors to be appointed on the Boards of public sector enterprises have been causing practical problems in the induction of professionals of high repute on such Boards.

2. In view of the above, it has now been decided that it would no longer be necessary to obtain the vigilance clearance and integrity certificate as currently prescribed. Instead the nominees would henceforth be required to furnish a declaration in the prescribed format, which is to the effect that they do not suffer from any of the disqualifications in terms of Section 274 or to other relevant provisions of the Companies Act for holding a Directorship, and that they are not facing any charge of, nor have they ever been convicted for, any act of moral turpitude or an economic offence.

3. All the administrative Ministries/Departments are requested to take note of the above decisions of the Government and follow the revised procedure with immediate effect.

(DPE O.M. No.18 (3)/97-GM dated 10th October, 1997)

DECLARATION

(For Non-official part-time Directors on the Boards of Public Sector Enterprises)

I.....son ofand resident of

hereby certify that I have not been disqualified to act as a Director under Section 274 or any other relevant sections of the Companies Act, 1956.

2. I also certify that I am not facing any charge of, nor have ever been convicted for, any act of moral turpitude or economic offence.

Signature.....

Name.....

Designation/Occupation.....

Dated theday.....of19.....

Witness:- 1).....

2).....