

CHAPTER II **PERSONNEL POLICIES**

(b) Composition of Board of Directors

23. DPE/Guidelines/II(b)/23

Review of performance of board level appointees at the end of the first year.

As per existing guidelines on top posts in Public Enterprises, issued vide BPE O.M. No.5(24)/77-(PESB) dated the 5th August, 1977, the performance of Board level appointees is required to be reviewed at the end of the first year before confirming the remaining part of the tenure. It was further provided in O.M. No. 5(24)/77-(PESB) dated 19.9.78 that the administrative Ministries should communicate to the appointee by a separate confidential letter that his performance would be reviewed by the Government at the end of the first year.

2. The manner in which the clause relating to the review of performance at the end of the first year, is to be communicated to the appointee, has been reviewed and it has now been decided that a clause to this effect shall be incorporated in the terms and conditions of appointment instead of communicating it through a separate letter.

3. All the administrative Ministries/Departments are therefore, requested to include a clause in the terms and conditions of appointment of Chief Executives and functional Directors in Public Enterprises to the effect that 'after the expiry of the first year, the performance of the executive will be reviewed to enable the Government to take a view regarding continuance or otherwise of the balance period of the tenure'.

(DPE O.M. No. 18(23)/98-GM dated 28th December, 1998)