

## **CHAPTER II**

### **PERSONNEL POLICIES**

#### **(b) Composition of Board of Directors**

35.

DPE/Guidelines/II(b)/35

**Procedure to be observed for Board level appointments for CPSEs requiring approval of ACC.**

The undersigned is directed to invite a reference to the Department of Personnel & Training (DOPT) O.M. No. 26(3)/EO/2004-ACC dated 17.8.2005 in which detailed guidelines on the subject mentioned above have been issued. The guidelines in so far as they relate to the appointments in Central Public Sector Enterprises, are reproduced in the subsequent paras.

2. Whenever personnel related schemes or policies are under review, proposals under that scheme or policies should continue to be processed under the existing rules and regulations till such time amendments are actually approved by the ACC. However, such amendments should be carried out within 6 months of the directions of the ACC. In case the process of amendments of the Policies/Schemes/Rules goes beyond this time period the concerned Ministry/Department would have to explain date wise steps taken for finalisation of the Rules.

3. (a) In respect of Board level appointments in PSEs, defined time-frame was circulated to all Ministries/Departments vide O.M. No.27(12)/EO/94(ACC) dated 30th July, 1999. These instructions were subsequently modified vide O.M. No.27(12)/EO/94(ACC) dated 22.12.99 to increase the time period from 6 months to 12 months, for initiating action for filling up of Board level vacancies. Despite these instructions in force, some Board level appointments continue to get delayed either on account of delays in obtaining vigilance clearance/court cases/ineligibility, etc. Hence, it may be desirable to initiate action at least 2 years in advance of the date of occurrence of the vacancy with a stipulation that the PESB recommendations in respect of such Board level vacancies should be made at least 6 months in advance of the date of vacancy and, therefore, the same should be sent to the Ministry concerned, for completing other formalities.

(b) For extension of tenure of Board level appointees, extant instructions as contained in Cabinet Secretary's D.O. No. 27(18)/EO/86-ACC dated 17.12.1986 provide that extension proposals should be initiated four months in advance of the date of vacancy. It has now been decided that in case of proposals for extension of Board level appointments action should be initiated one year in advance of the date of occurrence of the vacancy so as to ensure that proposals are submitted two months in advance, for consideration of the ACC.

4. The ACC has delegated its power for entrusting additional charge arrangement in all scheduled PSEs, to the respective Ministries up to three months from the date of vacancy with the approval of Minister-in-charge and proposals for additional charge beyond three months up to a maximum of six months should be submitted to the Establishment Officer for obtaining approval of the competent authority. The delegation to the Ministries/Departments, as above is subject to the following:

a) additional charge of the post of CMD is assigned only to the senior-most functional Director in the PSE;

b) the officer is clear from vigilance angle;

c) timely action has been taken to fill up the vacancy and the position is brought out in the proposal seeking additional charge;

d) any deviation from the above would require ACC approval;

e) the above delegation shall not apply to companies referred to BIFR. The proposals in this regard, for entrusting additional charge may continue to be sent to the Establishment Officer for obtaining approval of the competent authority.

f) The proposals other than those delegated in the preceding sub-paras may be submitted to the EO who would arrange to get the formal orders issued with the approval of the competent authority.

5. The ACC has directed that the current charge arrangements beyond three months be totally dispensed with and full additional charge be considered in such cases. The current charge arrangements has been allowed to the Ministries upto three months with the approval of the Minister-in-Charge. In so far as PSEs are concerned, there should not be any occasion to give current charge of a post of functional Director; the same should automatically vest in the CMD and, in case of a post of CMD, the same should be entrusted to the senior most functional Director, as per the extant orders. However, this may exclude BIFR referred Companies, as in sub-para 4 (e) above.

6. The ACC, after carefully reviewing the entire ACC approval process, has approved the above guidelines. Administrative Ministries/Departments are therefore requested to take note of the above guidelines approved by ACC for strict compliance by all concerned. Receipt of this O.M. may be acknowledged.

(DPE O.M. No. 18(23)/2005-GM-GL-70 dated 27th September, 2005)