

11. Review of Guidelines

The Committee of Secretaries have reviewed the "guidelines" issued from time to time by the Department of Public Enterprises based on the decisions of Government on various issues. The object of review is to ensure that the number of guidelines are reduced to the barest minimum so that the enterprises could function with the required autonomy and Government interface with the public sector enterprises would be only on very important policy issues. Separately an exercise is going on to indicate which of these guidelines should be treated as "mandatory" and other guidelines being treated only for "guidelines only".

Apart from the circulars issued by the DPE communicating the decision of the Government, administrative Ministries and Departments also issue directions and advice to the PSEs under their administrative control. Very often these affect the autonomy and operational freedom of the enterprises. The Committee of Secretaries in its meeting held on 26.12.90 have decided that all guidelines issued or proposed to be issued should invariably be issued through the DPE to ensure common policies and that they do not vitiate the "arm's-length" relationship with public enterprises.

In view of the decision taken above all Ministries/Departments should, in future, forward whatever instruction/guidelines they wish to pass on the PSEs under their administrative control, to the DPE which will function as nodal point to clear such guidelines before issue in order to ensure common policies.

(DPE O.M. No. 6(6)/88(Coord) dated 25th January, 1991)
