

## **12. Review of Guidelines**

In continuation of this Department's O.M. of even number dated 25.1.91 (copy enclosed) regarding Presidential Directives/Guidelines to be issued to the Public Sector Undertakings, the matter has been further considered with a view to clarify/consolidate the Government instructions on the subject. It has now been decided that whatever instructions the Government wish to give to the PSUs would broadly fall in following two categories:

(i) Presidential Directives—These are issued by the administrative ministries to the concerned PSUs whenever the situation so warrants and are mandatory in nature. For the purpose of maintaining uniformity, such Directives shall be issued in consultation with the DPE if these relate to single PSU and with the concurrence of the DPE if these are applicable to more than one PSU. Further, the DPE could also ask the administrative Ministries to issue Presidential Directives to one or more PSU on policy issues requiring a uniform approach.

(ii) Guidelines—These could be issued either by the administrative Ministry or the DPE as the case may be and will be advisory in nature. The Board of Directors of the PSUs will have the discretion not to adopt these guidelines for reasons to be recorded in writing. The Board Resolution on the subject giving the reasons therein should be forwarded both to the administrative Ministry concerned as well as to the DPE.

2. All Ministries/Departments are requested that the henceforth they should forward the Presidential Directive(s) proposed to be issued to PSUs in draft form to the DPE.

3. This issues with the approval of the Cabinet Secretary.

**(DPE O.M. No. 6(6)/88 (Coord) dated 8th April, 1991)**

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