

No. 9(32)/2004-GM
Government of India
Ministry of Heavy Industries and Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan,
Block 14, CGO Complex,
Lodhi Road, New Delhi-110003.
Dated, the 24th August, 2012


OFFICE MEMORANDUM

Subject: Criteria for the persons who can be considered for appointment as non-official Directors on the Boards of CPSEs.

The undersigned is directed to state that the Department of Personnel & Training (DOPT) vide its O.M. No.13(15)EO/2007(ACC) dated 1.9.2010 while communicating the decision of ACC regarding eligibility criteria as well as the process of selection and appointment of non-official Directors on the Boards of CPSEs, has inter-alia intimated as under.


"Serving CEOs and Directors of private companies listed on the Stock Exchanges may also be considered for appointment as part-time non-official Directors (NoDs) on the Boards of CPSEs, if suitable former CEOs or professionals below Board level from private companies are not available. However, Department of Public Enterprises and the administrative Ministry/Department shall ensure that there is no conflict of interest on appointment of such serving CEOs as part-time NoDs on the Board of the concerned PSU. Even a subsequent situation of conflict should be brought to the notice of the CPSE and the NoD concerned should immediately resign from the Board."

2. The non-official Directors are appointed on the Boards of CPSEs by the concerned administrative Ministries/Departments after ensuring that there would be no conflict of interest on such appointment.
3. All administrative Ministries/Departments are requested to ensure strict compliance with the above direction of ACC and bring the same to the notice of all non-official Directors appointed on the Boards of CPSEs under their respective administrative jurisdiction for their information and compliance.


(Umesh Dongre)
Director
Tel: 24363066
8/c

All administrative Ministries/Departments
(Secretaries by name)

Copy to- Department of Personnel & Training (Shri Deepak Israni, Under Secretary),
North Block, New Delhi - w.r.t. O.M. No.13(15)EO/2007(ACC) dated 2nd August, 2012.

Issued

24.8.2012