

**GOVERNMENT OF INDIA
PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA**

UNSTARRED QUESTION NO:5309
ANSWERED ON:09.05.2012
PROCEDURE FOR APPOINTMENT OF CMD IN PSUS
Vardhan Shri Harsh

Will the Minister of PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

- (a) the procedure to appoint Chairman and Managing Director (CMD) in Public Sector Undertakings (PSUs);
- (b) the maximum period prescribed for any senior most officer to officiate on the post of CMD in the concerned PSU in case clearance in respect of the candidate appointed by the competent board is delayed by the Chief Vigilance Commissioner (CVC) due to some reasons;
- (c) whether the clearance from the CVC is mandatory if the said officer is to be re-appointed after three months; and
- (d) if so, the details thereof?

Answer

Minister of State in the Ministry of Personnel, Public Grievances and Pensions and Minister of State in the Prime Minister's Office.
(SHRI V. NARAYANASAMY)

- (a): The Public Enterprises Selection Board (PESB) notifies the vacancy on its website, calling for application of eligible candidates and shortlists the eligible candidates as per prescribed rules and procedures. Thereafter PESB meets the shortlisted eligible candidates in a selection meeting and recommends a panel keeping in view the performance of candidates interviewed with special regard to their qualities of managerial capability, leadership, broad vision, track record, available ACRs & the inputs given by the Secretary of the Ministry/Department concerned in case of the selection of CMD for Schedule A CPSEs and Secretary/Additional Secretary in case of selection of CMDs for Schedule B, C & D CPSEs.
- (b): No maximum period is prescribed.
- (c): Yes, madam.
- (d): As per instructions of Department of Public Enterprises (DPE) dated 25.10.2007, for additional charge of Board level positions in PSUs for an initial period upto three months, clearance from the CVO would suffice. However, for continuation of additional charge arrangement beyond three months, clearance from CVC is required.