



**PLANNING AND ECONOMIC AFFAIRS (BPE)
DEPARTMENT**

**No.20358/B.P.E.-2/96/Plg., Thiruvananthapuram, dated,
10th December 1996**

CIRCULAR

Sub: - Duties and responsibilities of Government Directors on the Boards of Public Sector Undertakings-Reiterating of.

Ref: - 1. Government Circular No. 12305/B.P.E. /85/Plg., dated 24th January 1986
2. Government Circular No. 13410/B.P.E.-2/93/Plg., dated 31st August 1993.

In the circular first cited the duties and responsibilities of Government Directors on the Boards of Public Sector Undertakings have been spelt out. In the second Circular cited additional instructions were issued to streamline, simply and speed up decision making process in the Public Sector Undertakings. Copies of these Circulars are appended.

2. As per Para 2 (iii) of Circular first Cited it is the duty of the Government Directors to ensure that the annual report and accounts of Public Sector Undertakings are prepared and submitted to the Annual General Meeting and thereafter to the Government for submission to Legislative Assembly in time. But the arrears in the finalization of annual accounts of several Government companies are mounting up. It is therefore reiterated that the Government Directors should ensure that a status report on the finalization of previous year (s) accounts and on the preparation of current years account is included in the agenda for each meeting of the Board of Directors and that the item is considered and the required steps taken.

3. The Directors should give to the Secretary of the Department the Directors (B.P.E.) and the Additional Secretary Finance (P.U.) Department a report thereof within 15 days after attending each meeting of the Board of Directors. The report should specifically mention whether the writing up and preparation of provisional annual accounts are up to-date and if not up-to-date, the year up to which provisional accounts are prepared and placed before the Boards of Directors.

4. In Para 7 of the Circular second cited it has been stipulated that items should but normally be taken up outside the agenda except routine matters or those which require immediate decision. Any item outside the agenda discussed and decided on in the meeting should be specially mentioned in the report to Secretary to Government mentioned in the proceeding para.

5. As regards the items included in the Agenda the Government Director's report to Government should contain a resume of important issue considered and decided upon, quoting the number of agenda item.

6. As per Para 2 (1) of the Circular first cited it is the duty of the Government Director to ensure that all Policy guidelines/ directions/instructions issued to the Undertakings/Director are implemented. If there are deviations, the Directors should bring them to the specific notice of the Government. Any lapse on the part of Government Directors in this regard will be viewed seriously.

C.P.NAIR
Chief Secretary