

आर. बन्द्योपाध्याय, आई.ए.एस.
R. BANDYOPADHYAY, I.A.S.

सचिव
SECRETARY



भारत सरकार
GOVERNMENT OF INDIA
भारी उद्योग एवं लोक उद्यम मंत्रालय
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
लोक उद्यम विभाग
DEPARTMENT OF PUBLIC ENTERPRISES

D.O.No.26(3)/2005-GM
May 5, 2008

This is regarding the proposal of Ministry of Power for grant of Navratna status to Rural Electrification Corporation Limited (REC).

The orders for conferment of Navratna status to REC have since been issued (copy enclosed).

Yours sincerely,

Sd/-

(R. Bandyopadhyay)

Encl: As stated

Shri Anil Razdan,
Secretary,
Ministry of Power,
Shram Shakti Bhavan,
Rafi Marg, New Delhi

✓ Copy to: Shri P. Uma Shankar, Chairman & Managing Director,
Rural Electrification Corporation Limited, SCOPE
Complex, Lodi Road, New Delhi


(R. Bandyopadhyay)

Public Enterprises Bhavan,
Block 14, CGO Complex,
Lodi Road, New Delhi

Dated the 5th May, 2008

OFFICE MEMORANDUM

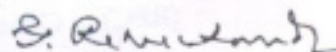
Subject: Grant of Navratna status to Rural Electrification Corporation Limited (REC), a Central Public Sector Enterprise

The undersigned is directed to refer to this Department Office Memorandum No. DPE/11(2)/97-Fin. dated 22nd July, 1997 regarding select Central Public Sector Enterprises becoming significant players in the economic development of the country as global giants. In the cited O.M. certain powers were delegated to those CPSEs that had comparative advantages and capacity to become global giants. Each of such Central Public Sector Enterprises is recognized by the Government as Navratna CPSE. As per the National Common Minimum Programme (NCMP), the Government is committed to have a strong and effective public sector. The NCMP also states, inter alia, that full managerial and commercial autonomy will be devolved to successful profit making companies operating in a competitive environment. The Government has enhanced the powers delegated to Navratna CPSEs vide this Department Office Memorandum No. 18(24)/2003-GM-GL-64 dated 5th August, 2005.

2. The proposal for conferring Navratna status for Rural Electrification Corporation Limited received from the Ministry of Power was considered by the Government. After considering all relevant factors/parameters, the Government has decided to confer Navratna status to Rural Electrification Corporation Limited.

3. The guidelines and conditions laid down vide para 3 and 5 of this Department's Office Memorandum No. DPE/11(2)/97-Fin. dated 22nd July, 1997 and para 2 and 3 of DPE Office Memorandum No. 18(24)/2003-GM-GL-64 dated 5th August, 2005 shall be strictly adhered to by Rural Electrification Corporation Limited.

4. This Department reviews the performance of all the Navratna CPSEs every year. The performance of Rural Electrification Corporation Limited will be reviewed w.e.f. 2008-09. In case it is found that Rural Electrification Corporation Limited does not fulfill the criteria for Navratna status, it will be put on notice for 2 years during which period it shall fulfill the Navratna criteria and conditions attached in this respect and it will continue to have Navratna status. Failure to fulfill the laid down conditions and criteria by Rural Electrification Corporation Limited for a continuous notice period of 2 years will entail divestment of its Navratna status.



(G. Ramachandran)

Director

Tel: 2436-3066

To,

1. Ministry of Power (Shri Anil Razdan, Secretary), Shram Shakti Bhavan, New Delhi
2. Chairman & Managing Director, Rural Electrification Corporation Limited, New Delhi.

Copy to:

1. Prime Minister's Office (Shri Kamal Dayani, Director), South Block, New Delhi.
2. Cabinet Secretariat (Dr. C.S. Kedar, Joint Secretary), Rashtrapati Bhavan, New Delhi.

Copy also to:

1. PS to Minister (HI & PE)
2. PS to MOS (HI & PE)
3. PS to Secretary (PE)
4. PS to AS & FA (HI & PE)
5. PS to JS (PE)
6. PS to Adviser (PE)
7. All officers of DPE