



Public Enterprises Selection Board

S.K.KATARIA

Introduction

- ▶ Public Enterprises Selection Board or PESB is a government recruitment agency for higher posts of PSUs.
- ▶ The Public Enterprises Selection Board is a high powered body constituted by Government of India Resolution dated 3.3.1987 which was subsequently amended from time-to-time, the latest being on 11.11.2008. The P.E.S.B has been set up with the objective of evolving a sound managerial policy for the Central Public Sector Enterprises and, in particular, to advise Government on appointments to their top management posts.

Composition

- ▶ The P.E.S.B shall consist of a part-time or full-time Chairperson and three full-time Members. The Chairperson and Members shall be persons who have had a long and distinguished career in management of public or private corporations or public administration and have a proven record of achievements, preferably, in the field of personnel, finance, production or marketing. The three full-time Members of P.E.S.B shall be:
 - ▶ A distinguished serving or former Chief Executive of a Public Sector or Private Sector or Joint Sector Enterprise.
 - ▶ A distinguished person with experience in selection of Top Management personnel.
 - ▶ A distinguished serving or former Civil servant with experience in management of PSUs or in areas of finance, industry or economic affairs.

Terms and Conditions

- ▶ The Chairperson/Members of P.E.S.B shall hold office for a term of three years from the date on which he assumes charge or until he attains the age of 65 years whichever is earlier. He/she shall be eligible for consideration of reappointment for a second term subject to the age-limit of 65 years.
- ▶ The appointment of the Chairperson and the Members shall be made by the Government.
- ▶ The pay of the Chairperson and the Members shall be the same and equal to that of Secretary to Government of India in the revised pay scale.
- ▶ The other service-conditions including allowances and benefits shall be as determined by the Government from time to time.

Functions

- ▶ To be responsible for the selection and placement of personnel in the posts of Chairman, Managing Director or Chairman-cum-Managing Director (Level-I), and Functional Director (Level-II) in PSUs as well as in posts at any other level as may be specified by the Government;
- ▶ To advise the Government on matters relating to appointments, confirmation or extension of tenure and termination of services of the personnel of the above mentioned levels;
- ▶ To advise the Government on the desired structure at the Board level, and, for senior management personnel, for each PSU or group of PSUs;
- ▶ to advise the Government on a suitable performance appraisal system for both the PSUs and the managerial personnel in such enterprises;
- ▶ To build a data bank containing data relating to the performance of PSEs and its officers;
- ▶ To advise the Government on formulation and enforcement of a code of conduct and ethics for managerial personnel in PSUs;
- ▶ To advise the Government on evolving suitable training and development programs for management personnel in PSUs.

Govt's Selection Policy for Board Level Appointments in PSUs

- ▶ The P.E.S.B shall not be a mere Interview Board and it shall, also, constitute itself into a Search Committee to look out for and identify suitable persons who can be appointed to Level-I and Level-II posts in PSEs.
- ▶ The policy of Government is to appoint through a fair and objective selection procedure outstanding professional managers to Level-I and Level-II posts and posts at any other level, as may be decided by the Government from time to time. Government have also recognized the need to develop a cadre of professional managers within the public sector. Hence unless markedly better candidates are available from outside, internal candidates, employed in the PSE, will be preferred for appointment to Board level posts.

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- ▶ However, if internal candidates are not available, preference will be given to candidates working in other PSUs, either in the same area of business or in other areas. Mobility of managerial personnel among PSUs within the same sector or group, failing which mobility within the public sector as a whole will be encouraged, subject to certain limitations. However, in special cases, recruitment may be made from the organised services under the Central Government. Such cases would be where, because of special circumstances, it is necessary to place a member of an organised service in a PSU or where, because of the nature of the enterprise or its poor health, it would be difficult to attract good professional managers on a tenure basis.

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- ▶ Under special circumstances, the appointment to a particular post or posts in a PSU may be made other than through P.E.S.B with the prior and specific approval of the Govt.
- ▶ For sick and potentially sick PSUs, the Administrative Ministry/Department concerned, in consultation with P.E.S.B could take a decision at any stage in the process of recruitment to the post of Chairman, Managing Director or Chairman-cum-Managing Director of the PSU, to take a person on deputation from any of the All India or Group "A" Central Services without insisting on the rule of immediate absorption.
- ▶ --- Source-<https://pesb.gov.in/Home/About>