

F. No. DPE/3(11)/2011 (MoU)
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhavan
Block No. 14, CGO Complex
Lodhi Road, New Delhi-110003

Dated: 30th January, 2012

OFFICE MEMORANDUM

Subject: Clarification in Guidelines on MoU 2012-13 to be signed between CPSEs and Administrative Ministries/Departments.

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In initial MoU meetings 2012-13, queries have been raised regarding applicability of guidelines on issue of bonus shares vide DPE O.M. No. DPE/12(6)/95-Fin dated 10th November, 1995. These guidelines are applicable on all CPSEs which have reserves in excess of three times of their paid up capital. Accordingly, para 1 "Issue of Bonus Shares (weight of 1 in MoU)" of MoU guidelines issued vide O.M. of even number dated 20th January, 2012 is substituted as follows:—

"Issue of bonus shares (weight of 1 in MoU)

DPE has issued guidelines regarding issue of bonus shares vide DPE O.M. No. DPE/12(6)/95-Fin dated 10th November, 1995. It has been stated that the CPSEs having resources in excess of the 3 times of their paid up capital should immediately consider the scope of issuing bonus shares to Government of India.

CPSEs which fulfill the eligibility criteria should send the proposal with the approval of the Board of Directors to their administrative Ministries.

For evaluation purpose, CPSE which sends the proposal will get one mark in MOU and others which do not send the proposal will be graded 'Poor'."

