GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Secretariat - Creation of Public Enterprises Department - Administrative Control - Amendment - Orders - Issued.

GENERAL ADMINISTRATION (AR&T.I) DEPARTMENT

G.O.Ms.No.366

Dated: 4-9-2001

Read the following:-


ORDER:-

In the G.O. read above, orders were issued creating a separate Department of Public Enterprises. Para 6(f) of the G.O. provides that the Public Enterprises Department shall be the Administrative Department for all the State Level Public Enterprises (S.L.P.Es) identified for disinvestments/Privatisation / winding-up. Pursuant to this provision, all work relating to such State Level Public Enterprises has been transferred by the respective Administrative Department to the Public Enterprise Department.

2. Government have since reviewed the matter in the light of the experience gained during the last two years and feel that it is not desirable to continue the above arrangement for the following reasons:

(i) The Public Enterprise Department does not have domain knowledge in respect of various activities such as Irrigation, Textiles, Handicrafts, Meat Development, Consumer goods, etc., in which the concerned Public Enterprises are engaged. The expertise in these areas is available only with the relevant Administrative Departments or Heads of Departments.

(ii) As the approval of Budget in respect of the activities of the State Level Public Enterprises, Corporations transferred to Public Enterprise Department is still retained with the concerned Administrative Department, transfer of complete Administrative Control of these Corporation to the Public Enterprises Department causes delay in formulation of budget proposals, release of funds etc., by adding another tier to the decision making process.

(iii) Because of transfer of Administrative work of the State Level Public Enterprises unrelated to privatization / restructuring /winding-up, Public Enterprises Department does not find it possible to concentrate its efforts on its main activity of privatization / restructuring / winding-up.

3. Accordingly, the Government hereby direct that-

(i) Work of the State Level Public Enterprises under restructuring / privatization / winding-up un-related to privatization / restructuring shall be transferred back to the respective Administrative Departments.
(ii) The Public Enterprises Department will control such State Level Public Enterprises only in respect of matters connected with restructuring I privatization I winding-up of State Level Public Enterprises including Voluntary Retirement Schemes.

(iii) Once it is decided to privatize I restructure a Public Sector Undertaking (PSU), Principal Secretary (Public Enterprises) or one of his nominee shall be appointed as Chairman I Director on the Board of the P.S.U. concerned.

4. The following amendment is ordered to the G.O. read above with immediate effect:

**AMENDMENT**

**Para 6(f) shall be substituted by the following :-**

(f) "(i) The Public Enterprise Department shall be fully responsible for all matters connected with restructuring I privatization I winding-up of Public Sector Undertakings including implementation of Voluntary Retirement Schemes. All other work of the Corporations including budget, personnel matters, projects etc. shall continue to be handled by one concerned Administrative Departments.

(ii) The Administrative Departments shall extend all necessary help and cooperation to the Public Enterprises Departments in the implementation of the programme of privatization I restructuring I winding-up of Public Sector Undertakings identified for the purpose.

(iii) Once a Public Sector Undertaking has been identified for privatization I restructuring, Principal Secretary (PE) or one of his nominee shall be appointed as Chairman I Director on the Board of the Public Sector Undertaking concerned."

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

T. JESUDANAM

SECRETARY TO GOVERNMENT (SERVICES)

To
The General Administration (PE) Department.
The Managing Directors of all the Public Sector Undertakings./ Public Enterprises.
All Departments of Secretariat.
All Heads of Departments.
All District Collectors.
The P.S. to Principal Secretary to Chief Minister.
Private Secretaries to all Ministers.
Private Secretary to Chief Secretary.
All Sections in General Administration Department.
The Pay and Accounts Officer, Andhra Pradesh, Hyderabad.
The Deputy Pay and Accounts Officer, Secretariat Branch. Hyderabad.
The Accountant General, Andhra Pradesh, Hyderabad.

//FORWARDED BY ORDER//

SECTION OFFICER