

F. No. PD-18/0001/2026-PD  
Government of India  
Ministry of Finance  
Department of Public Enterprises  
(Policy Division)

Public Enterprises Bhawan,  
Block No.14, C.G.O Complex  
Lodhi Road, New Delhi-110003  
Dated: 16<sup>th</sup> June, 2026

**OFFICE MEMORANDUM**

**Subject: - Consolidated guidelines on 'Monitoring the performance of Navratna and Miniratna CPSEs.' -reg.**

The undersigned is directed to refer to the Guidelines issued by Policy Division from time to time on 'Monitoring the performance of Navratna and Miniratna CPSEs' and to inform that these guidelines have been consolidated and enclosed for ease of reference.

2. This issues with the approval of Secretary, DPE.

Encl. as above

  
(Neeraj Verma)  
Deputy Director  
Tel. 011-24364192

To,

Administrative Ministries/Departments  
of all the CPSEs

No. PD-18/0001/2026-PD  
Government of India  
Ministry of Finance  
Department of Public Enterprises  
(Policy Division)

Public Enterprises Bhawan  
Block No. 14, CGO Complex  
Lodhi Road, New Delhi-110003  
Date: 16<sup>th</sup> June, 2026

**OFFICE MEMORANDUM**

**Subject: Consolidated guidelines on Monitoring the performance of Navratna and Miniratna CPSEs.**

**Reference:**

1. **DPE O.M. No.DPE/11(2)/97-Fin. dated 22nd July, 1997**
2. **DPE O.M. No. DPE/11/36/97-Fin. dated 9th October, 1997**

The Department of Public Enterprises had earlier issued two above referred guidelines on Monitoring the performance of Navratna and Miniratna CPSEs. These guidelines have now been consolidated as under for ease of reference:

**1. DPE O.M. No.DPE/11(2)/97-Fin. dated 22nd July, 1997**

**Subject: Turing selected public sector units into global giants- monitoring of performance towards globalization effort.**

The Common Minimum Programme of the Government states, inter-alla, that Government will identify public sector companies that have comparative advantages and support them in their drive to become global giants. In pursuance of these objectives, the Government have already issued guidelines for restructuring of the Boards of nine identified public sector enterprises and grant of autonomy on various issues, vide two OMs of even number dated the 22nd July, 1997.

2. With the grant of autonomy and the measures taken for restructuring of the PSE Boards, it is necessary that monitoring of the performance of these PSEs is done with utmost seriousness. In this regard, the Government feel that the monitoring of the performance of the enterprises should be done primarily by their own Boards. The administrative Ministry should also continue to monitor the performance. The performance assessments should be carried out preferably on a quarterly basis, by a team consisting of the Secretary of the administrative Ministry, the Chief Executives of the PSE concern and one more outside expert.

3. At the apex level, however, a Committee of Secretaries headed by the Cabinet Secretary has been set up as a forum for inter-Ministerial discussions and continuous overview of the globalisation effort. This Committee would include Member Secretary, Planning Commission, Finance Secretary or Secretary (Expenditure), Ministry of Finance, the Secretary of the administrative Ministry concern and the Secretary, Department of Public Enterprises. The Secretary, Department of Public Enterprises is the Convener.

4. The formulation of specific vision statements, micro-level strategies and implementation of various measures have to be done by the PSEs. The selected nine enterprises should complete their vision statement and draw up the outline of the strategy and present the proposals to the Department of Public Enterprises for submission to the Committee of Secretaries at the earliest, but not later than 90 days after the date of Issue of this OM. This would be a dynamic exercise subject to modifications, but a basic picture and vision must emerge at the earliest. Periodic monitoring, specifically in the context of globalization vision, targets and strategies would be done by the Committee of Secretaries.

5. The above monitoring mechanism may please be brought to the notice of the Navratna enterprises under your administrative control.

**(DPE O.M. No.DPE/11(2)/97-Fin. dated 22nd July, 1997)**

\*\*\*\*\*

2. DPE O.M. No. DPE/11/36/97-Fin. dated 9th October, 1997

**Subject: Financial and operational autonomy for profit making enterprises (Miniratnas)-Monitoring of performance.**

In pursuance of the policy objective to make the public sector more efficient and competitive, the Government have already issued guidelines for grant of enhanced autonomy on various issues to eligible profit-making public enterprises and for restructuring of their Board vide two OMs of even number dated 9.10.97.

2. The monitoring of the performance of these PSEs would be done primarily by their own Boards. The Administrative Ministry should also continue to monitor the performance. This performance assessment should be carried out on a quarterly basis, by a team consisting of the Secretary of the administrative Ministry, the CEO of the PSE and one or more outside experts. In this monitoring, special attention must be paid to the areas o technology and to R&D. the PSEs should themselves pay special attention to the assessment of

their own technology status, to acquiring and assimilating technologies necessary to make them competitive, and to their own R&D efforts to maintain a sustained strength in the technological field. They should set up a Board level Committee for this purpose.

3. At the apex level, a group consisting of the Secretary (Public Enterprises), Secretary (Expenditure), Secretary (Planning Commission) and the Administrative Secretary (or their representatives not below the level of Joint Secretary) shall function as the forum for inter-Ministerial discussions and continuous overview of the performance of the PSE. This group will take note of the strategic planning and targets of the PSEs and would review their performance periodically. The objective of this group would also be to provide a pro-active and positive support to PSEs in their performance Improvement.

4. These enterprises may continue to enter into Memoranda of Understanding with the Administrative Ministries

in which targets relating to various activities and performance parameters would be laid down. It should be ensured that meaningful and challenging performance targets are fixed and this should be done by a team consisting of nominees of the administrative Ministry, DPE and outside expert (s).

5. The above review and monitoring mechanism may please be brought to the notice of the enterprises under your administrative control and made operative with immediate effect.

**(DPE O.M. No. DPE/11/36/97-Fin. dated 9th October, 1997)**

\*\*\*\*\*