

Government of Odisha
Finance Department

No. 52286 /F,
FR-22/2011

Date 12.12.11

OFFICE MEMORANDUM

Subject: Guidelines for payment of dividend by the State PSUs

The State Government is entitled to dividend out of the profits on the basis of its majority shareholding in the State Public Sector Undertakings which includes Government Companies, statutory corporations, joint venture companies. Dividends on shareholdings help in maximization of the shareholder's value and are also indicative of return on investment. It is also a source of revenue of the State Government. Keeping in view, the uneven trend in receipts from dividend in the past, it has been decided to lay down the guidelines for payment of dividend by the profit making State PSUs based on similar guideline issued by Government of India.

2. It should be ensured by the concerned Administrative Departments that the profit making PSUs under their control declare a minimum dividend of 20% on the equity or a minimum dividend pay out of 20% of post tax profit, whichever is higher.
3. The minimum dividend pay out in respect of PSUs in the Mining and Power Generation Sector should be 30% of post tax profits.
4. All profit making Joint Venture Companies should be asked by the concerned Administrative Departments to make concerted efforts to give a dividend of 20% on Government equity holding.
5. All profit making companies must also consider issuing bonus share to the Government.

By order of Governor


W.
12/12/11

Principal Secretary to Government

Principal Secretary to Govt.
Finance Department

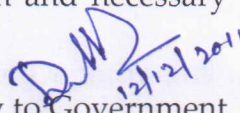
Memo No. 52287⁽²⁹⁵⁾ /F, dt. 12.12.2011

Copy forwarded to the Secretary to Governor/ Principal Secretary to Chief Minister/ Private Secretary to all Ministers and Ministers of State/ Accountant General (Civil Audit), Odisha, Bhubaneswar/ Accountant General (A&E), Odisha, Bhubaneswar/ Deputy Accountant General (Works) Odisha, Puri/ all Departments of Government/ all Heads of Departments/ all Public Sector Undertakings/ all Financial Advisors/ all Assistant Financial Advisors/Director, Madhusudan Das Regional Academy of Financial Management, Chandrasekharpur, Bhubaneswar/ Director, Gopabandhu Academy of Administration, Bhubaneswar for information.


Under Secretary to Government

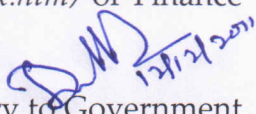
Memo No. 52288⁽¹⁰⁰⁾ /F, dt. 12.12.2011

Copy forwarded to P.A. to Principal Secretary/ P.S. to Special Secretary/ P.S. to all Additional Secretaries/ all Officers/all Branches of Finance Department/ Guard File (100 copies) for information and necessary action.


Under Secretary to Government

Memo No. 52289 /F, dt. 12.12.2011

Copy forwarded to the Head, Portal Group, Secretariat, Odisha for information and necessary action. It is requested to hoist this Office Memorandum in the website (www.orissa.gov.in/finance/index.htm) of Finance Department for general information.


Under Secretary to Government