

F.No. 3(3)/2016-DoD-II-B
Government of India
Ministry of Finance
Department of Disinvestment

Block No. 11 & 14, CGO Complex,
Lodhi Road, New Delhi 110003
Dated: 29th February, 2016

OFFICE MEMORANDUM

Subject: - CCEA's approval for laying down procedure and mechanism for Strategic Disinvestment-CCEA &CGD- Regarding.

CCEA, on 17th February, 2016 has approved this Department's proposal regarding laying down procedure and mechanism for strategic disinvestment. It has been proposed in the Note that the functions of the CCEA with regard to the disinvestment be enlarged as under:

- (i) To consider all issues related to disinvestment and decide the quantum of shares to be transacted, mode of sale, principles/guidelines for pricing – price band and final price of sale of shares, terms and conditions of sale, selection of the strategic partner(s)/buyer(s);
- (ii) To consider the advice of the Core Group of Secretaries on strategic sale.

2. It is, therefore, requested that necessary action may be taken in this regard.

3. CCEA has also approved the constitution of a **Core Group of Secretaries on Disinvestment (CGD)** headed by Cabinet Secretary. Members for this Committee shall comprise of Secretary (DEA), Secretary (Revenue), Secretary (Expenditure), Secretary (DoD), Secretary (DPE), Secretary (Corporate Affairs), Secretary (Legal Affairs) and Secretary of the Administrative Department concerned with the CPSE.

3.1. The CGD has been assigned the following functions with respect to strategic disinvestment:

- (i) Consider the recommendations of Niti Aayog on Strategic disinvestment of CPSE and recommend to CCEA for a decision on mode and quantum of disinvestment.
- (ii) Lay down guidelines for evaluation by Evaluation Committee based on recommendation of Niti Aayog;



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- (iii) Recommend to CCEA the terms and conditions of sale (including transaction documents), the price of sale and the strategic partner;
- (iv) Supervise and monitor the process of implementation of CCEA decisions on strategic disinvestment.

3.2 Department of Disinvestment would act as secretariat to the CGD.

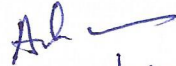
4. Cabinet Secretariat is also requested to constitute a CGD on above lines, as approved by CCEA.

5. This issues with the approval of Finance Minister.


(G.U. Ahmed)
Director


To

The Cabinet Secretariat
(Kind Attn. Ms. Deepti Umashankar, Joint Secretary)
Rashtrapati, Bhawan,
New Delhi-110001.


29/02/2016