

No. 3/9/2018-DIPAM-II-B  
Government of India  
Ministry of Finance  
Department of Investment and Public Asset Management  
Block 11&14, CGO Complex,  
Lodhi Road, New Delhi  
October 9<sup>th</sup> 2019

OFFICE MEMORANDUM

Subject: CCEA's approval for modifications in the existing procedure and mechanism of strategic disinvestment of Central Public Sector Enterprises (CPSEs) – constitution of **Consultative Group**.

The undersigned is directed to state that the Cabinet Committee on Economic Affairs (CCEA), on 03.10.2019 has approved this Department's proposal for modifications in the existing procedure and mechanism of strategic disinvestment of Central Public Sector Enterprises (CPSEs) laid down by CCEA on 17.02.2016.

2. CCEA has, inter alia, approved that the revised procedure shall be applicable to all cases of Strategic Disinvestment of CPSE or subsidiary/unit/JV of CPSEs where Request For Proposal (RFP) document inviting financial bid is yet to be issued. The procedure will also be applicable where the RFP was issued but process had to be restarted due to failure of the transaction.

3. CCEA has, inter alia, approved the constitution of a Consultative Group for making recommendations for selection of CPSEs and their subsidiaries/ units for strategic disinvestment. The composition and functions of the Consultative Group are as under:

(a) Composition:

- (i) Secretary, DIPAM;
- (ii) Secretary, Administrative Ministry / Department concerned;
- (iii) CEO, NITI Aayog or his representative;
- (iv) Secretary, Ministry of Corporate Affairs; and
- (v) Secretary, Department of Public Enterprises.

(b) Functions:

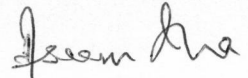
- (i) To make recommendations to the IMG for strategic disinvestment of CPSE or Subsidiaries/Units/JVs of a CPSE, based on detailed analysis and fine-tuning of the recommendations of NITI Aayog.

(ii) To consider the CPSEs identified by the DIPAM or Administrative Ministry for strategic disinvestment.

(iii) To suggest broad contours and structure of the transaction for strategic disinvestment of CPSE or its subsidiaries / units.

4. The secretariat of the Consultative Group shall be in DIPAM.

5. This issues with the approval of Secretary, DIPAM.



(Aseem K Jha)

Under Secretary to the Govt. of India

To  
CEO, NITI Aayog  
Secretary, M/o Corporate Affairs  
Secretary, D/o Public Enterprises  
Secretary, Administrative Ministry / Department concerned;

Copy to  
Sr. PPS to Secretary, DIPAM  
The Cabinet Secretariat (kind attn.: Shri S. G. P. Verghese, Director), Rashtrapati Bhawan, New  
Delhi