Office Memorandum

Subject: Formation of a Committee to explore the possibility of setting up of a company funded by Maharatna and other CPSEs to administer and manage the sick CPSEs which may be revived – Reg.

The issue of revival of the sick CPSEs has been drawing the attention of the Government, and a suggestion has been received regarding setting up of a separate company funded by seed equity from Maharatna and other surplus rich CPSEs to administer and manage such sick CPSEs which can be revived. It has been decided to set up a Committee to examine holistically this proposal. The terms of reference of the Committee will be as under:-

(i) To examine the feasibility of setting up of a company funded by seed equity from Maharatna and other CPSEs for administering and managing sick CPSEs including, inter-alia, their administrative, financial and legal aspects.

(ii) To identify the sources from which the funds may be raised for the proposed entity as equity capital.

(iii) To recommend the organizational structure of the proposed entity and its interface with the Ministries/Department and other organisations.

2. The composition of the Committee will be as under:-

(i) Shri Arup Roy Choudhury, CMD, NTPC - Chairman

(ii) Representative from Maharatna/Navratna CPSEs - which will not be below the rank of Executive Director - Members

(iii) Representative of DPE/BRPSE - Member-Secretary

3. The Committee may co-opt members of other CPSEs, if necessary and other members from industry/other experts having knowledge in acquisitions and mergers, takeovers, financial, legal matters, etc., if necessary.
4. The secretarial assistance to the Committee will be provided by NTPC Limited. The Committee will submit its report within 2 months' time of the issue of this Office Memorandum.

5. This issues with the approval of Minister of Heavy Industries and Public Enterprises.

1. Shri Arup Roy Choudhury, CMD, NTPC Limited.

2. CMDs of Maharatna and Navratna CPSEs – with the request to nominate a Member on the Committee not below the rank of Executive Director, well conversant with the subject.

Copy to:

(1) PS to Minister, HI&PE.
(2) PS to Minister of State, HI&PE.
(3) PS to Secretary, DPE.
(4) PS to AS&FA, HI&PE.

Copy also for information to:

(1) Secretaries to the Administrative Ministries/Departments concerned with sick CPSEs.
(2) CMDs of the sick CPSEs.