

F. No. 5/2/2016-Policy (vol III)
Government of India
Ministry of Finance
Department of Investment & Public Asset Management

Block No. 11 CGO Complex,
Lodhi Road, New Delhi-110003.
Dated: 8th September, 2021

OFFICE MEMORANDUM

Subject: Capital Management Guidelines- Aligning CAPEX programme of CPSEs with Asset Monetization goals and New PSE Policy- regarding

CPSEs play an important role in accelerating public sector investment through their capex plans, which, apart from ensuring the growth of enterprises, also contributes to investment led growth in the economy. Further, in alignment with asset monetization goals of the government, CPSEs have significant role in National Asset Monetization Pipeline, whereby a number of assets would be monetized in order to raise resources for further capex by the CPSEs.

2. Asset Monetization goals of the government are aimed at unlocking the real value of public assets, both core and non-core. Besides generating considerable revenue for the government, such assets would be made available for optimal economic usage post monetization, thus contributing to economic growth. In tune with this objective, CPSEs are advised to draw up CAPEX plans predominantly targeting greenfield projects and avoid buying out brownfield private sector projects so that the capex plans are aligned with the goals of the Government policy.

3. Administrative Ministries are requested to ensure that CPSEs under their jurisdiction frame a compatible CAPEX plan as mentioned above, and monitor the CAPEX component, schedules and timelines of the CPSEs. In case of any exception

needed, CPSEs are advised to consult DIPAM through their Administrative Ministry.

4. This issues with the approval of Competent Authority.



(Amit Ray)
Economic Adviser

amit.r@nic.in

Tele: 24366525

To:

CMDs of CPSEs (as per list)

Copy to:

Financial Advisers of concerned Administrative Ministries/Departments (as per list)

Department of Public Enterprises