

**GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF PUBLIC ENTERPRISES**

**LOK SABHA
UNSTARRED QUESTION NO. 57
TO BE ANSWERED ON THE 21st JULY, 2015**

Maharatna and Navratna Companies

57. SHRI ABHISHEK SINGH:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) the total number of companies which have been bestowed 'Maharatna' and 'Navratna' status by the Government along with the criteria for granting such status to companies during the last three years and the current year;
- (b) the details of the 'Maharatna' and 'Navratna' companies whose performance have been below par with respect to above said standards during the last three years;
- (c) whether the Government proposes to withdraw 'Maharatna' and 'Navratna' status from the companies whose performance is below such standards and if so, the details thereof; and
- (d) whether the Government proposes to grant 'Maharatna' and 'Navratna' status to some more companies and if so, the details thereof?

A N S W E R

**THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
(SHRI G.M. SIDDESHWARA)**

- (a) to (d) : A statement is laid on the Table of House.

Statement referred to in reply to Lok Sabha Unstarred Question No. 57 for answer on 21st July, 2015 regarding Maharatna and Navratna Companies

(a) : Two Central Public Sector Enterprises (CPSEs) have been granted Maharatna status and three CPSEs have been granted Navratna status during the last three years (2012, 2013 and 2014) and the current year.

As per the eligibility criteria laid down by the Government, the following CPSEs are eligible to be considered for grant of Maharatna status.

- (i) Having Navratna status.
- (ii) Listed on Indian stock exchange with minimum prescribed public shareholding under SEBI regulations.
- (iii) Average annual turnover of more than Rs. 25,000 crore, during the last 3 years.
- (iv) Average annual net worth of more than Rs. 15,000 crore, during the last 3 years.
- (v) Average annual net profit after tax of more than Rs. 5,000 crore, during the last 3 years.
- (vi) Should have significant global presence/international operations.

As per the criteria laid down by the Government, the Miniratna Category – I and Schedule ‘A’ CPSEs, which have obtained ‘excellent’ or ‘very good’ rating under the Memorandum of Understanding system in three of the last five years, and have composite score of 60 or above in the six selected performance parameters, namely, (i) net profit to net worth, (ii) manpower cost to total cost of production/services, (iii) profit before depreciation, interest and taxes to capital employed, (iv) profit before interest and taxes to turnover, (v) earning per share and (vi) inter-sectoral performance are eligible to be considered for grant of Navratna status.

(b) and (c) : As per extant guidelines, the performance of Maharatna and Navratna CPSEs is to be reviewed by the Inter Ministerial Committee (IMC) and thereafter by the Apex Committee. The review by IMC/Apex Committee, inter-alia, takes into account conformity of these CPSEs with laid down criteria for grant of Maharatna and Navratna status and Apex Committee makes the recommendations for divestment of Maharatna/Navratna status on the basis of such review. The IMC has reviewed the performance of Maharatna and Navratna CPSEs.

(d) : As per laid down procedure, the proposals for grant of Navratna and Maharatna status are considered by the Inter-Ministerial Committee and thereafter by the Apex Committee. Maharatna and Navratna status is granted to CPSEs on the basis of recommendations of Apex Committee and this is a continuous process.
