

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:3292  
ANSWERED ON:15.04.2010  
MAHARATNA STATUS TO PSUS  
Sule Supriya

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

- (a) whether the Government approved creation of new category of companies called Maharatna for providing greater financial and managerial autonomy to certain Navratnas;
- (b) ifso, the details thereof;
- (c) whether according to approved Maharatna scheme, the boards of Maharatna Central Public Sector Enterprises (CPSEs) will have power to make equity investment to establish financial joint ventures and wholly owned subsidiaries in India or abroad subject to ceiling of 15% of net worth of CPSEs concerned on one project limited to ceiling of Rs. 5,000 crores; and
- (d) ifso, the extent to which this scheme has been implemented and prove helpful?

**Answer**

THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES(SHRI ARUN YADAV)

(a): Yes, Madam.

(b): The Boards of Maharatna Central Public Sector Enterprises (CPSEs) in addition to exercising all powers of Navratna CPSEs, will have powers to

(i) make equity investment to establish financial joint ventures and wholly owned subsidiaries in India or abroad and

(ii) undertake mergers & acquisitions, in India or abroad, subject to a ceiling of 35% of the net worth of the concerned CPSE in one project, limited to an absolute ceiling of Rs.5,000 crore. The overall ceiling on such equity investments and mergers and acquisitions in all projects put together will not exceed 30% of the net worth of the concerned CPSE. In addition, the Boards of Maharatna CPSEs will have powers to create below Board level posts upto E-9 level.

(c): Yes, Madam.

(d): The guidelines regarding Maharatna scheme have been circulated to the administrative Ministries.