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Current Affairs search results for: "REC becomes the 12th 'Maharatna' CPSE"

1. REC becomes the 12th 'Maharatna' CPSE (Sept. 22, 2022)

The Department of Department of Public Enterprises, under the Ministry of Finance has issued an order on 22 September 2022, granting the status of a 'Maharatna' Central Public Sector Enterprise (CPSE) to the Rural Electrification Corporation (REC). REC is the 12th CPSE to be granted Maharatna status.

Vivek Kumar Dewangan, CMD, REC said that REC achieved this feat owing to its adaptability, resilience, and consistent performance even during the global covid-19 pandemic

IMPORTANT FACTS -

About REC :

- Rural Electrification Corporation is a Non-Banking Finance Company (NBFC) under the **Union Ministry of Power**.
- It was set up in 1969 and it focuses on Power Sector Financing and Development across India. Its headquarters is in **New Delhi**.

What is Maharatna CPSE ?

- The Maharatna Scheme was introduced for Central Public Sector Enterprises (CPSEs) by the government of India in **2010** , in order to empower mega CPSEs to expand their operations and emerge as global giants.
- Central Public Sector Enterprises (CPSEs are those **companies which are owned by the government of India**.

Eligibility Criteria for grant of Maharatna status :

The CPSEs meeting the following criteria are eligible to be considered for grant of Maharatna status.

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

Benefits of being a Maharatna :

- Maharatna status grants a company considerable financial and administrative autonomy
- The Board of a 'Maharatna' CPSE can make equity investments to undertake financial joint ventures and wholly-owned subsidiaries and undertake mergers and acquisitions in

India and abroad, subject to a ceiling of 15% of the Net Worth of the concerned CPSE, limited to ₹5,000 crores in one project.

- The Board can also structure and implement schemes relating to personnel and Human Resource Management and Training.
- The company can also enter into technology Joint Ventures or other strategic alliances.

ADDITIONAL INFORMATION -***Maharatna CPSE (as on 22 September 2022) :***

1. Bharat Heavy Electricals Limited
2. Bharat Petroleum Corporation Limited
3. Coal India Limited
4. GAIL (India) Limited
5. Hindustan Petroleum Corporation Limited
6. Indian Oil Corporation Limited
7. NTPC Limited
8. Oil & Natural Gas Corporation Limited
9. Power Finance Corporation
10. Power Grid Corporation of India Limited
11. Rural Electrification Corporation
12. Steel Authority of India Limited