



# Annual Public Enterprises Survey

## Why in News

Recently, the **60<sup>th</sup> Public Enterprises (PE) Survey 2019-20** was released by the [Department of Public Enterprises \(DPE\)](#), Ministry of Finance.

- It is the **single largest source of information on [Central Public Sector Enterprises \(CPSEs\)](#)** and acts as a basis for informed policy making.
- The government has **reallocated the Department of Public Enterprises (DPE) to the finance ministry from the ministry of heavy industries.**

## Key Points

### ▪ About Public Enterprises (PE) Survey:

- PE Survey is a **100% enumeration of the CPSE universe**. It captures essential statistical data for all CPSEs on various financial and physical parameters.
- PE Survey divides CPSEs into **five sectors** namely:
  - Agriculture,
  - Mining & Exploration,
  - Manufacturing, Processing & Generation,
  - Services,
  - Enterprises Under Construction.
- The Department of Public Enterprises (DPE) started bringing out the Public Enterprises Survey from the financial year **1960-61 on the recommendations of the [Estimates Committee](#)** of the **2<sup>nd</sup> Lok Sabha, 73<sup>rd</sup> report (1959-60)**.

### ▪ About DPE And CPSEs:

- DPE is the **nodal department** for all the Central Public Sector Enterprises (CPSEs) and formulates policy pertaining to CPSEs.
- According to DPE, **CPSEs mean those Government companies, besides Statutory Corporations, wherein more than 50% of the share in equity is held by the Central Government.**
  - The subsidiaries of these companies, if registered in India, are also categorized as CPSEs.
  - It does not cover departmentally run public enterprises, banking institutions and insurance companies.
- CPSEs are classified into 3 categories namely **Maharatna, Navratna and Miniratna**.
  - Presently, there are **10 Maharatna, 14 Navratna and 74 Miniratna CPSEs**.

Classification of CPSEs			
Category	Launch	Criteria	Examples
Maharatna	<ul style="list-style-type: none"> <li>○ <b>Maharatna Scheme</b> was introduced for CPSEs in May, 2010, in order to <b>empower mega CPSEs to expand their operations and emerge as global giants.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ Having <b>Navratna status.</b></li> <li>○ Listed on Indian stock exchange with minimum prescribed public shareholding under <b>Securities and Exchange Board of India (SEBI)</b> regulations.</li> <li>○ An <b>average annual turnover of more than Rs. 25,000 crore</b> during the last 3 years.</li> <li>○ An <b>average annual net worth of more than Rs. 15,000 crore</b> during the last 3 years.</li> <li>○ An <b>average annual net profit after tax of more than Rs. 5,000 crore</b> during the last 3 years.</li> <li>○ Should have <b>significant global presence/international operations.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ Bharat Heavy Electricals Limited, Bharat Petroleum Corporation Limited, Coal India Limited, GAIL (India) Limited, etc.</li> </ul>
Navratna	<ul style="list-style-type: none"> <li>○ <b>Navratna Scheme</b> was introduced in 1997 in order to identify CPSEs that enjoy comparative advantages in their respective sectors and <b>to support them in their drive to become global players.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ The <b>Miniratna Category – I</b> and Schedule ‘A’ CPSEs, which have obtained ‘<b>excellent</b>’ or ‘<b>very good</b>’ rating under the Memorandum of Understanding system in three of the last five years, and have composite score of 60 or above in the <b>six selected performance parameters</b>, namely, <ul style="list-style-type: none"> <li>○ Net profit to net worth.</li> <li>○ Manpower cost to total cost of production/services.</li> <li>○ Profit before depreciation, interest and taxes to capital employed.</li> <li>○ Profit before interest and taxes to turnover.</li> <li>○ Earning per share.</li> <li>○ Inter-sectoral performance.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Bharat Electronics Limited, Hindustan Aeronautics Limited, etc.</li> </ul>
Miniratna	<ul style="list-style-type: none"> <li>○ <b>Miniratna scheme</b> was introduced in 1997 in pursuance of the policy objective <b>to make the public sector more efficient and competitive</b> and to grant enhanced autonomy and delegation of powers to the profit-making public sector enterprises.</li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Miniratna Category-I:</b> The CPSEs which have <b>made profit in the last three years continuously</b>, pre-tax profit is Rs.30 crores or more in at least one of the three years and have a positive net worth are eligible to be considered for grant of Miniratna-I status.</li> <li>○ <b>Miniratna Category-II:</b> The CPSEs which have <b>made profit for the last three years continuously and have a positive net worth</b> are eligible to be considered for grant of Miniratna-II status.</li> <li>○ Miniratna CPSEs <b>should have not defaulted in the repayment of loans/interest payment on any loans due to the Government.</b></li> <li>○ Miniratna CPSEs <b>shall not depend upon budgetary support or Government guarantees.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Category-I:</b> Airports Authority of India, Antrix Corporation Limited, etc.</li> <li>○ <b>Category-II:</b> Artificial Limbs Manufacturing Corporation of India, Bharat Pumps &amp; Compressors Limited, etc.</li> </ul>

#### ▪ **Role of Central Public Sector Enterprises:**

- CPSEs in India have a **twin objective of commercial efficiency and social responsibility.**
  - Besides **contributing to the Government income**, they discharge social obligations through their **Corporate Social Responsibility (CSR)** activities.
- The idea of CPSEs was conceived to **eradicate the accumulated problems of:**
  - Unemployment,
  - Rural-urban disparity,
  - Inter-regional and inter-class disparities,
  - Technological backwardness.
- CPSEs envisage to develop the public sector as an instrument for **self-reliant economic growth.**
- **Before India got independence**, it had only a few CPSEs.
  - These included the **Railways, Post and Telegraph, Port trusts, Ordnance factories**, etc.

- Most CPSEs were **set up after independence** when the **private sector had limited capacity for large capital intensive enterprises.**
- **Challenge:** The challenge for these enterprises arises out of the need for them to **ensure a reasonable return on investment, while discharging their constitutional and social obligations.**
- **Atmanirbhar Bharat Abhiyaan - Contribution by CPSEs:**
  - The CPSEs have taken a range of initiatives as part of the [Atmanirbhar Bharat Abhiyaan](#) towards meeting the Government of **India's 'self-reliant India' agenda.**
  - The initiatives include policy reforms, strategic partnerships, administrative actions, operational realignment and capacity building.
  - The initiatives by the CPSEs can be divided under **five broad categories** as shown below:
    - **Enhancing local capacity** to support Government's larger strategic objectives.
    - **Promotion of cooperation between CPSEs** to explore synergies.
    - Providing a **platform for greater participation of domestic firms/MSMEs.**
    - **Rationalising import dependency** to ensure long term sustainability.
    - **Development of indigenous technology** and promoting technology transfer to CPSEs.

**[Source: PIB](#)**

PDF Reference URL: <https://www.drishtias.com/printpdf/annual-public-enterprises-survey>

