

GOVERNMENT ACCORDS “MAHARATNA” STATUS TO PFC

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Industry & Services Sector incl. MSMEs and PSUs



Union Minister of Power and New & Renewable Energy, Shri R.K. Singh congratulating PFC on being accorded the ‘Maharatna’ Status by Govt. of India in presence of Shri Alok Kumar, Secretary (Power), Shri R.S. Dhillon, CMD, PFC and Senior MOP and PFC officials

Govt. of India accorded ‘Maharatna’ status to the state-owned Power Finance Corporation Ltd (PFC), thus giving PFC greater operational and financial autonomy. An order to this effect was issued today by the Department of Public Enterprises, under the Ministry of Finance. Incorporated in 1986, PFC is the largest Infrastructure Finance Company today, exclusively dedicated to Power Sector under the administrative control of the Ministry of Power.

Union Minister of Power and New & Renewable Energy, Shri R.K. Singh congratulated PFC and remarked that conferment of ‘Maharatna’ status is a reflection of the confidence of the Govt. of India on PFC’s strategic role in the overall development of Indian Power Sector and an endorsement of its sterling performance. This new recognition will enable PFC to offer competitive financing for the power sector, which will go a long way in making available affordable & reliable ‘Power For All 24x7’. The enhanced powers that come with Maharatna Status will also help PFC in pushing the Government’s agenda of funding under the National Infrastructure Pipeline, national commitment of 40% green energy by 2030 and effective monitoring and implementation of the New Revamped Distribution Sector Scheme with an outlay of more than Rs.3 Lakh crore, the Minister said.

The grant of ‘Maharatna’ status to PFC will impart enhanced powers to the PFC Board while taking financial decisions. 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 Rs.5,000 crore in one project. The Board can also structure and implement schemes relating to personnel and Human Resource Management and Training. They can also enter into technology Joint Ventures or other strategic alliances among others.

Shri R.S. Dhillon, CMD, PFC said that PFC has received the Maharatna Status on the back of exceptional financial performance during the last 3 years. Despite Covid, PFC witnessed the highest ever annual sanctions and disbursements to the Power Sector to the tune of Rs.1.66 Lakh Crore and Rs.88,300 Crore during FY 2020-21 and the highest ever profit of Rs.8,444 crore in FY 20210-21. PFC played a significant role amid Covid by funding DISCOMs under the Liquidity Infusion Scheme ('Aatmanirbhar Bharat Scheme') to avert liquidity crisis in Power Sector. With the enhanced powers of Maharatna, PFC will diversify its operations to further accelerate its business growth going forward and leverage its position for achieving the Government's objectives for the overall development of Power Sector. We are immensely thankful to employees of the Corporation and the past management for their unstinted support, contribution & dedication in making this great feat possible and our heartfelt gratitude to Ministry of Power without whose support this recognition wouldn't have been possible.

MV/IG



Union Minister of Power and New & Renewable Energy, Shri R.K. Singh congratulating PFC on being accorded the 'Maharatna' Status by Govt. of India in presence of Shri Alok Kumar, Secretary (Power), Shri R.S. Dhillon, CMD, PFC and Senior MOP and PFC officials

Govt. of India accorded 'Maharatna' status to the state-owned Power Finance Corporation Ltd (PFC), thus giving PFC greater operational and financial autonomy. An order to this effect was issued today by the Department of Public Enterprises, under the Ministry of Finance. Incorporated in 1986, PFC is the largest Infrastructure Finance Company today, exclusively dedicated to Power Sector under the administrative control of the Ministry of Power.

Union Minister of Power and New & Renewable Energy, Shri R.K. Singh congratulated PFC and remarked that conferment of 'Maharatna' status is a reflection of the confidence of the Govt. of India on PFC's strategic role in the overall development of Indian Power Sector and an endorsement of its sterling performance. This new recognition will enable PFC to offer competitive financing for the power sector, which will go a long way in making available affordable & reliable 'Power For All 24x7'. The enhanced powers that come with Maharatna Status will also help PFC in pushing the Government's agenda of funding under the National Infrastructure Pipeline, national commitment of 40% green energy by 2030 and effective monitoring and implementation of the New Revamped Distribution Sector Scheme with an outlay

of more than Rs.3 Lakh crore, the Minister said.

The grant of 'Maharatna' status to PFC will impart enhanced powers to the PFC Board while taking financial decisions. 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 Rs.5,000 crore in one project. The Board can also structure and implement schemes relating to personnel and Human Resource Management and Training. They can also enter into technology Joint Ventures or other strategic alliances among others.

Shri R.S. Dhillon, CMD, PFC said that PFC has received the Maharatna Status on the back of exceptional financial performance during the last 3 years. Despite Covid, PFC witnessed the highest ever annual sanctions and disbursements to the Power Sector to the tune of Rs.1.66 Lakh Crore and Rs.88,300 Crore during FY 2020-21 and the highest ever profit of Rs.8,444 crore in FY 20210-21. PFC played a significant role amid Covidby funding DISCOMs under the Liquidity Infusion Scheme ('Aatmanirbhar Bharat Scheme') to avert liquidity crisis in Power Sector. With the enhanced powers of Maharatna, PFC will diversify its operations to further accelerate its business growth going forward and leverage its position for achieving the Government's objectives for the overall development of Power Sector. We are immensely thankful to employees of the Corporation and the past management for their unstinted support, contribution & dedication in making this great feat possible and our heartfelt gratitude to Ministry of Power without whose support this recognition wouldn't have been possible.

MV/IG

END

Downloaded from crackIAS.com

© **Zuccess App** by crackIAS.com

Crack