



पावर फाइनेंस कॉर्पोरेशन लिमिटेड POWER FINANCE CORPORATION LTD.

(भारत सरकार का उपक्रम)

(A Govt. of India Undertaking)

(आई.एस.ओ. 9001:2015 प्रमाणित)

(ISO 9001:2015 Certified)

PRESS RELEASE

Q4/FY'23 Results - 27th May, 2023

➤ **Consolidated Highlights**

- PFC group clocked the highest annual Profit After Tax (PAT) with a 13% increase from Rs. 18,768 cr. in FY'22 to Rs.21,179 cr. in FY'23.
- The consolidated net worth (including non-controlling interest) jumped by 16%, owing to increase in profits. As on 31st March,2023, the consolidated net worth stands at Rs.1,11,981 cr. vs. Rs.96,275 cr. as on 31st March,2022.
- Consolidated loan asset book grew by 13% - Rs.8,57,500 cr. as at 31st March,2023 vs. Rs.7,58,496 cr. as at 31st March,2022.
- The asset quality has further improved with Gross NPA ratio below 4% at 3.66% in FY'23 vs. 5.02% in FY'22.
- The consolidated Net NPA ratio nearly touches 1% and stands at 1.03% in FY'23 vs. 1.60% in FY'22.
- On the distribution side, in FY 23, PFC group has collectively sanctioned Rs.1,05,566 cr. and disbursed Rs.32,909 cr. under Late Payment Surcharge Rules. LPS was launched in June 2022 to reduce the mounting dues of Discoms and in less than a year of its introduction, the outstanding dues of Discoms to Gencos have reduced by more than 40%. This reflects the PFC group role in strengthening of the distribution sector.

➤ **Standalone Highlights**

- PFC breaks another record with the highest ever Annual PAT of Rs.11,605 cr. in FY'23, a significant increase of 16% from Rs.10,022 cr. in FY'22.
- Final Dividend of Rs.4.50 per share proposed by Board in Q4'23. Thus, so far PFC has given a total dividend of Rs.13.25 per share for FY 23.
- Quarterly PAT witnessed a notable 34% increase from Rs.2,609 cr. in Q4'22 to Rs.3,492 cr. in Q4'23.
- 15% increase in net worth from Rs.59,350 cr. as at 31st March,2022 to Rs.68,202 cr. as at 31st March,2023. This reflects sustainable financial performance year on year.
- PFC continues to maintain CRAR at healthy levels. CRAR as on 31.03.2023 is at 24.37%, with Tier I capital at 21.61% & Tier II capital at 2.76%.
- 67% increase in disbursement, a substantial uptick from previous financial year - Rs.85,756 cr. disbursed in FY'23 as compared to Rs.51,242 cr. in FY'22.
- The loan asset book increased by 13% and also crossed the Rs.4 lakh crore mark. The Loan Book stands at Rs.4,22,498 cr. as on 31.03.2023 compared to Rs.3,73,135 cr. as on 31.03.2022.



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- The Net NPA ratio reached its lowest levels in the last 6 years, almost touching 1%. The Net NPA ratio for FY'23 stood at 1.07%, a decrease of 69 basis points from 1.76% in FY'22
- In FY 23, PFC has sanctioned Rs.47,906 cr. and disbursed Rs.16,764 cr. to Discoms for clearance of dues under the Late Payment Surcharge (LPS) Rules.
- To facilitate future business growth, PFC has signed MoUs worth over Rs.90,000 cr. with various state agencies in FY 22-23.

➤ Management comments

Mr. R.S. Dhillon, CMD Remarks - PFC CMD commented that I am happy to see that PFC has successfully regained its pre-COVID growth momentum. In FY 23, we achieved substantial growth in disbursements and witnessed a remarkable double-digit increase in our loan asset book. Furthermore, our active resolution efforts have resulted in an improved asset quality, with the Net NPA ratio nearly reaching 1%. Also, in FY 23, we have strategically diversified into the infrastructure sector, a significant milestone decision positioning us for long-term business growth. So far we have sanctioned ports, refinery and e-mobility projects.

Moreover, the power sector is displaying signs of improvement. AT&C losses have reduced from 19.90% in FY20 to 16.50% in FY22. The ACS-ARR has also decreased from 0.79 paise per unit in FY20 to 0.40 paise in FY22. These improvements can be attributed to the release of outstanding subsidies, clearance of government department dues, and the timely issuance of tariff orders. Additionally, the introduction of the Late Payment Surcharge Rules by the government has shown promising results, with a 40% reduction in outstanding dues of Discoms to Gencos within just 10-11 months of the scheme's implementation.

These positive trends inspire us to capitalize on future opportunities as we remain committed to supporting the power sector, driving infrastructure development, and contributing to overall economic growth.

Ms. Parminder Chopra, Director (Finance) Remarks - PFC Director (Finance) commented that FY 23 has been the year of resurgence for PFC. Notably, we surpassed our own record and achieved an all-time high annual profit of Rs.11,605 cr. This outstanding achievement is a testament to our unwavering commitment to excellence and it sets a solid foundation for our future endeavors.

Sd/-

(S. S. RAO)

Chief General Manager (PR)