REC Limited Revised

March 28, 2019

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term borrowing programme FY2020	-	78,000	[ICRA]AAA (Stable); assigned
Short-term borrowing programme FY2020	-	12,000	[ICRA]A1+; assigned
Overall borrowing programme FY2020	-	90,000	
Long-term/Short-term borrowing programme FY2019	85,000	85,000	[ICRA]AAA reaffirmed; rating watch removed; stable outlook assigned/ [ICRA]A1+ reaffirmed
GoI Fully Serviced Bonds	15,000	15,000	[ICRA]AAA (Stable); reaffirmed
Long-term/Short-term borrowing programmes upto FY2018	2,84,306	2,84,306	[ICRA]AAA reaffirmed; rating watch removed; stable outlook assigned/ [ICRA]A1+ reaffirmed
Total	**3,84,306**	**4,74,306**	

**Instrument details are provided in Annexure-1*

Rationale

ICRA has removed the rating watch on the borrowing programmes of REC Limited (REC), which were under Watch with Developing Implications. Also, ratings have been reaffirmed following clarity on the acquisition of REC by Power Finance Corporation Ltd. (PFC), and the likely impact on PFC's financial profile. ICRA ratings for borrowing programmes of REC continue to derive significant strength from the company's strategic importance to the Government of India (GoI) and its dominant position in the power sector financing. Based on the discussions with the managements and stakeholders of both the entities, including the principal shareholder, ICRA understands that REC, like PFC, will remain important vehicle of GoI for implementation of various power sector schemes. Support to REC, if required, will be extended by GoI through PFC. Also, both the entities will retain the status of a Central Public Sector Enterprise, Public Financial Institution, and Infrastructure Finance Company.

REC plays an important role as a nodal agency for the GoI's rural electrification schemes under the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) and as the sole nodal agency for the operationalisation of the National Electricity Fund (NEF) scheme. Further, as one of the major power sector financiers, REC remains strategically important to the GoI, for augmenting power capacity across the country.

The ratings also continue to draw comfort from REC's adequate earnings profile (annualised net profit/average net worth of about 17% in 9MFY2019), supported by low operating costs and healthy net interest margins (NIMs) aided by access to low-cost capital gains bonds (accounting for 11% of the borrowings as on December 31, 2018). Moreover, the company's capitalisation level remains adequate with CRAR of 16.84% (Tier I – 14.62%) and gearing of 6.4 times as of December 31, 2018, though incrementally REC would be dependent on PFC for any capital requirements. The strengths are partly offset by REC's exposure to a single sector (i.e. power sector) with high concentration towards financially-weak state power utilities and the vulnerability of its exposure to private sector borrowers (12% of total loan book as on December 31, 2018) as reflected by the asset quality indicators with stage 3 assets of 7.57% of total advances as on December 31, 2018. Going forward, the company's ability to grow its loan book while maintaining adequate profitability and controlling credit costs would be the key rating sensitivity.

The rating for the Rs. 15,000 crore GOI Fully serviced bonds factors in the obligation of the GOI to service the interest and principal payments through its budgetary allocations and thus addresses the service of debt to happen as per terms of the Memorandum of Understanding between REC Limited and the Ministry of power.

Outlook: Stable

The Stable outlook reflects ICRA's expectation that REC, like PFC, will remain important to the GoI and will continue play a major role in the various power sector schemes of the Government. Consequently, both entities are likely to retain a dominant position in the power sector financing, while maintaining an adequate profitability, borrowing and capitalisation profile. The outlook on may be revised to Negative in case of a significant deterioration in the company's asset quality and/or solvency profile or change in the credit profile of PFC given that PFC will now be the majority shareholder of REC. Also, a change in REC's strategic role or a sustained decline in its profitability could warrant a rating/outlook change.

Key rating drivers

Credit strengths

Strategic importance to GoI: Being a nodal agency for the implementing various GoI schemes aimed at developing the country's power sector (such as DDUGJY and SAUBHAGYA), REC remains strategically important to the GOI for achieving its objective of augmenting power capacity across the country. Given the government support, the company has been able to raise funds at competitive rates. Precedents wherein it has received approvals from GOI to raise tax-free and 54EC low-cost capital gain bonds, provides comfort with respect to its financial flexibility and ability to raise low cost of funds. While PFC will become the majority shareholder of REC, ICRA understands that REC, like PFC, will remain important vehicle of the GoI for the implementation of its various power sector schemes. Support to REC, if required, will be extended by the GoI through PFC. Also, both entities will retain the status of a Central Public Sector Enterprise, Public Financial Institution, and Infrastructure Finance Company.

Experienced management and operational team - REC has an experienced management team with the senior team having an experience of more than 30 years in power sector financing. The company's well laid-out credit appraisal and monitoring systems have enabled it to establish itself as a preferred lender with dominant position in the power sector financing.

Adequate capitalisation – REC reported a net worth of Rs. 35,367 crore as of December 31, 2018 compared to Rs. 35,491 crore as of March 31, 2018. The reduction in the net worth resulted from the transition to Indian Accounting Standards (IND-AS)[1]. Nevertheless, the capitalisation level remains adequate with CRAR of 16.84% (Tier I – 14.62%) and gearing of 6.4 times as of December 31, 2018. Going forward, as PFC will become the majority shareholder of REC, it would be dependent on PFC for its capital requirements, if any. In this regard, ICRA expects support to REC, if needed, to be extended by GoI through PFC.

Adequate profitability profile – REC's yield moderated to 9.83% in 9MFY2019 from 9.86% and about 11% in FY2018 and FY2017, respectively, on account of a decline in systemic interest rates. The cost of funds, however, witnessed a lower decline, leading to a decline in spreads. Consequently, net interest margins (NIMs) stood at ~3.9% in 9M FY2019 compared to 4.2% and 4.5% in 9MFY2018 and 9MFY2017, respectively. Nevertheless, the company's profitability remains adequate with return on assets of 2.29% and return on equity of about 17% in 9M FY2019. Incrementally, REC is likely to maintain a spread of 2.5-3% on its lending. ICRA however notes that REC's credit costs could increase if it is unable to recover effectively from stressed assets, thereby adversely impacting the profitability.

Healthy financial flexibility - REC has been able to raise funds at competitive rates. Also, ~97% of its outstanding borrowings, as on December 31, 2018, were in the form of long-term bonds, which augur well for the maturity profile of its assets. The financial flexibility and liquidity profile of the company was also supported by sovereign ownership. Nevertheless, based on the discussions with the managements and stakeholders of both the entities, including the principal shareholders, ICRA understands that support to REC, if required, will be extended by GoI through PFC. While PFC will become the majority shareholder of REC, both entities will retain the status of a Central Public Sector Enterprise, Public Financial Institution, and Infrastructure Finance Company which would continue to support the financial flexibility enjoyed by REC. At the same time, with PFC and REC becoming a part of same group, there could be some challenges in the incremental fund-raising owing to group exposure limits that the lenders might have. However, the impact of the same would be visible only over the medium term.

Credit challenges

High concentration risk and portfolio vulnerability - REC's exposure to a single sector (i.e. power), large ticket size of loans, high concentration of exposure towards financially weak state power utilities and the vulnerability of its exposure to private sector borrowers (12% of the book as on December 31, 2018) increases its portfolio vulnerability. The risk is further heightened as REC is exempt from the concentration norms applicable to non-banking finance companies, and thus has significantly concentrated exposures. REC's independent power producer (IPP) portfolio remains impacted by concerns regarding fuel availability, disputed and competitive power sale tariffs, absence of power purchase agreements (PPAs), environmental clearance and land acquisition issues. ICRA notes that REC's Gross Stage III assets stood at 7.57% though net Stage III assets were lower at 3.96% as on December 31, 2018 on account of increased provisioning following the transition to IND-AS. Around 62% of the private sector book was recognised as a part of Stage 3 assets on which the company made provisions of ~48%. REC might have to create additional provisions if it is unable to effectively resolve the

1 The transition impacted the net worth negatively on account of higher provisions for gross stage 3 assets, creation of deferred tax assets, fair valuation of investments and other miscellaneous items including mark-to-market valuation

stressed assets. ICRA however believes that any stress in the loan book is likely to be restricted to its private sector book (12% of the total portfolio as on December 31, 2018). Moreover, with the company not sanctioning new private sector thermal projects in the last few years, the vulnerability of the IPP book is expected to improve from the current levels in the medium term. Overall, the company's ability to grow its loan book, while maintaining adequate profitability and controlling credit costs, would be imperative, going forward.

Liquidity position

REC's Asset Liability Maturity (ALM) profile remains adequate with sufficient unutilised bank lines to manage mismatches in ALM buckets up to one year. The company typically has cumulative negative mismatches in the up to one-year buckets, given the relatively long tenure of its assets. Nevertheless, healthy financial flexibility supported by its parentage and strategic importance to the GoI and availability of sufficient unutilised bank lines, provide comfort.

Analytical approach

Analytical Approach	**Comments**
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies
Parent/Group Support	The ratings derive strength from REC's strategic importance to the GoI and its important role as a nodal agency for various power sector schemes of the Government, and likely support from the GoI, if required, through PFC.
Consolidation / Standalone	The ratings are based on a limited consolidation of the standalone profiles of PFC and REC.

About the company

REC Limited, incorporated in 1969, is a non-banking financial company with infrastructure finance company status. While the GoI held a majority stake in REC as of December 31, 2018, PFC is set to become the majority shareholder of the company as a share purchase agreement has been entered between the President of India and PFC for sale of 103.94 crore equity shares of REC, representing 52.63% of its total paid-up share capital.

REC's main objective is to finance and promote power sector projects across the country. While the initial mandate was to finance village electrification, pump-set energising and transmission and distribution projects, the mandate was extended in FY2003 to cover IPPs and power generation projects larger than 25 MW. REC provides loans to various state power utilities, private sector project developers, Central power sector utilities and state governments for investment in power generation, transmission, distribution and other system improvement schemes/initiatives. While its corporate office is in New Delhi, the company has 18 project offices and three sub-offices, located in most states in the country.

In FY2018, REC reported a profit after tax (PAT) of Rs. 4,647 crore on an asset base of Rs. 2,46,484 crore against PAT of Rs. 6,246 crore on an asset base of Rs. 2,09,236 crore in FY2017. It reported PAT of Rs. 4,508 crore in 9MFY2019. As on December 31, 2018, REC's reported capital adequacy was 16.84% (Tier I – 14.62%), and it had a total loan book of Rs. 2,69,170 crore (Rs. 2,39,449 crore as on March 31, 2018). Its exposure to state power utilities accounted for 80% of its total advances, followed by exposure to IPPs at 12%, while its exposure to Central and joint sector entities stood at 8% as on December 31, 2018.

Key financial indicators* (audited)

	FY2017	FY2018	9MFY2019
Total Income	23,771	22,440	19,131
PAT	6,246	4,647	4,508
Net Worth	33,326	35,491	35,367
Total Assets	2,09,236	2,46,484	2,79,466
CRAR	21.18%	19.39%	16.84%
Tier I	18.43%	16.84%	14.62%
Gearing (times)	5.0	5.6	6.4
Return on Net Worth (%)	20.17%	13.51%	17.77%
Gross NPAs (%)	2.41%	7.15%	7.57%
Net NPAs (%)	1.60%	5.68%	3.96%
Net NPA/Net Worth	9.70%	38.35%	30.16%

Source: REC; Amounts in Rs. crore; Standalone

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2019)									Chronology of Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating						Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016
					Mar-19	Mar-19	Feb-19	Dec-18	Oct-18	Apr-18	Apr-17	Feb-17	Feb-16
1	LT/ST borrowing programme for FY2020	LT/ST	90,000	-	[ICRA]AAA (Stable)/A1+	-	-	-	-	-	-	-	-
2	LT/ST borrowing programme for FY2019	LT/ST	85,000	85,000	[ICRA]AAA (Stable)/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA (Stable)/A1+	[ICRA]AAA (Stable)/A1+	-	-	-
3	GoI fully serviced bonds	LT	15,000	15,000	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-
4	LT/ST borrowing programme upto FY2018	LT/ST	2,84,306	1,98,791*	[ICRA]AAA (Stable)/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA &/A1+	[ICRA]AAA (Stable)/A1+	[ICRA]AAA (Stable)/A1+	[ICRA]AAA (Stable)/A1+	[ICRA]AAA (Stable)/A1+	[ICRA]AAA (Stable)/A1+

Note: LT: Long-term, ST: Short-term, MT; Medium-term; Long-term/short-term borrowing programmes include bonds, commercial papers, bank lines and other instruments
*&Under Rating Watch with Developing Implications; *As of March 31, 2018*
Source: ICRA research

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE020B07DY9	NCD	30-09-2008	10.85%	1/10/2018	657.40	[ICRA]AAA (Stable)
INE020B07EB5	NCD	24-10-2008	11.15%	24-10-2018	61.80	[ICRA]AAA (Stable)
INE020B07EG4	NCD	15-01-2009	8.65%	15-01-2019	1,495.00	[ICRA]AAA (Stable)
INE020B07EP5	NCD	3/8/2009	8.80%	3/8/2019	2,000.00	[ICRA]AAA (Stable)
INE020B07ER1	NCD	4/9/2009	8.72%	4/9/2019	868.20	[ICRA]AAA (Stable)
INE020B07EV3	NCD	6/10/2009	8.80%	7/10/2019	1,040.00	[ICRA]AAA (Stable)
INE020B07EY7	NCD	17-11-2009	8.80%	18-11-2019	995.90	[ICRA]AAA (Stable)
INE020B07FC0	NCD	22-01-2010	8.65%	22-01-2020	945.30	[ICRA]AAA (Stable)
INE020B08427	NCD	8/6/2010	8.75%	9/6/2025	1,250.00	[ICRA]AAA (Stable)
INE020B08435	NCD	12/7/2010	8.70%	12/7/2019	200.00	[ICRA]AAA (Stable)
INE020B08443	NCD	12/7/2010	8.75%	14-07-2025	1,800.00	[ICRA]AAA (Stable)
INE020B08450	NCD	25-10-2010	8.80%	26-10-2020	1,150.00	[ICRA]AAA (Stable)
INE020B08468	NCD	29-11-2010	8.80%	30-11-2020	2,120.50	[ICRA]AAA (Stable)
INE020B08476	NCD	15-12-2010	Zero Coupon bonds	15-12-2020	533.21	[ICRA]AAA (Stable)
INE020B08484	NCD	3/2/2011	Zero Coupon bonds	3/2/2021	116.07	[ICRA]AAA (Stable)
INE020B08492	NCD	15-03-2011	9.18%	15-03-2021	3,000.00	[ICRA]AAA (Stable)
INE020B08567	NCD	15-07-2011	9.63%	15-07-2021	1,500.00	[ICRA]AAA (Stable)
INE020B08591	NCD	10/8/2011	9.48%	10/8/2021	3,171.80	[ICRA]AAA (Stable)
INE020B08641	NCD	11/11/2011	9.75%	11/11/2021	3,922.20	[ICRA]AAA (Stable)
INE020B08740	NCD	15-06-2012	9.35%	15-06-2022	2,378.20	[ICRA]AAA (Stable)
INE020B08765	NCD	20-07-2012	9.39%	20-07-2019	960.00	[ICRA]AAA (Stable)
INE020B08799	NCD	19-11-2012	9.02%	19-11-2019	452.80	[ICRA]AAA (Stable)
INE020B08807	NCD	19-11-2012	9.02%	19-11-2022	2,211.20	[ICRA]AAA (Stable)
INE020B08823	NCD	8/3/2013	8.87%	9/3/2020	1,542.00	[ICRA]AAA (Stable)
INE020B08831	NCD	12/4/2013	8.82%	12/4/2023	4,300.00	[ICRA]AAA (Stable)
INE020B08849	NCD	31-05-2013	8.06%	31-05-2023	2,500.00	[ICRA]AAA (Stable)
INE020B07HX2	NCD	17-10-2013	9.24%	17-10-2018	850.00	[ICRA]AAA (Stable)
INE020B07HY0	NCD	6/11/2013	9.38%	6/11/2018	2,878.00	[ICRA]AAA (Stable)
INE020B07HZ7	NCD	3/1/2014	9.61%	3/1/2019	1,655.00	[ICRA]AAA (Stable)
INE020B07IA8	NCD	5/2/2014	9.63%	5/2/2019	2,090.00	[ICRA]AAA (Stable)
INE020B07IV4	NCD	18-06-2014	9.02%	18-06-2019	1,700.00	[ICRA]AAA (Stable)
INE020B07IW2	NCD	17-07-2014	9.40%	17-07-2021	1,515.00	[ICRA]AAA (Stable)
INE020B07IZ5	NCD	25-08-2014	9.34%	23-08-2024	1,955.00	[ICRA]AAA (Stable)
INE020B08856	NCD	13-10-2014	9.04%	11/10/2019	3,000.00	[ICRA]AAA (Stable)
INE020B08864	NCD	13-11-2014	8.56%	13-11-2019	1,700.00	[ICRA]AAA (Stable)
INE020B08872	NCD	4/12/2014	8.44%	4/12/2021	1,550.00	[ICRA]AAA (Stable)
INE020B08880	NCD	22-12-2014	8.57%	21-12-2024	2,250.00	[ICRA]AAA (Stable)
INE020B08898	NCD	23-01-2015	8.23%	23-01-2025	1,925.00	[ICRA]AAA (Stable)
INE020B08906	NCD	6/2/2015	8.27%	6/2/2025	2,325.00	[ICRA]AAA (Stable)
INE020B08914	NCD	23-02-2015	8.35%	21-02-2025	2,285.00	[ICRA]AAA (Stable)
INE020B08930	NCD	10/4/2015	8.30%	10/4/2025	2,396.00	[ICRA]AAA (Stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE020B08948	NCD	14-08-2015	8.37%	14-08-2020	2,675.00	[ICRA]AAA (Stable)
INE020B08955	NCD	22-09-2015	8.36%	22-09-2020	2,750.00	[ICRA]AAA (Stable)
INE020B08963	NCD	7/10/2015	8.11%	7/10/2025	2,585.00	[ICRA]AAA (Stable)
INE020B08971	NCD	8/12/2015	8.05%	7/12/2018	2,225.00	[ICRA]AAA (Stable)
INE020B08997	NCD	21-10-2016	7.24%	21-10-2021	2,500.00	[ICRA]AAA (Stable)
INE020B08AA3	NCD	7/11/2016	7.52%	7/11/2026	2,100.00	[ICRA]AAA (Stable)
INE020B08AB1	NCD	9/12/2016	7.14%	9/12/2021	1,020.00	[ICRA]AAA (Stable)
INE020B08AC9	NCD	30-12-2016	7.54%	30-12-2026	3,000.00	[ICRA]AAA (Stable)
INE020B08AD7	NCD	31-01-2017	6.83%	29-06-2020	1,275.00	[ICRA]AAA (Stable)
INE020B08AE5	NCD	20-02-2017	7.13%	21-09-2020	835.00	[ICRA]AAA (Stable)
INE020B08AF2	NCD	28-02-2017	7.46%	28-02-2022	625.00	[ICRA]AAA (Stable)
INE020B08AH8	NCD	14-03-2017	7.95%	12/3/2027	2,745.00	[ICRA]AAA (Stable)
INE020B08AI6	NCD	17-03-2017	7.42%	17-06-2020	1,200.00	[ICRA]AAA (Stable)
INE020B08AJ4	NCD	24-08-2017	6.87%	24-09-2020	2,485.00	[ICRA]AAA (Stable)
INE020B08AK2	NCD	7/9/2017	7.03%	7/9/2022	2,670.00	[ICRA]AAA (Stable)
INE020B08AL0	NCD	26-09-2017	6.75%	26-03-2019	1,150.00	[ICRA]AAA (Stable)
INE020B08AM8	NCD	17-10-2017	7.09%	17-10-2022	1,225.00	[ICRA]AAA (Stable)
INE020B08AN6	NCD	31-10-2017	6.99%	31-12-2020	2,850.00	[ICRA]AAA (Stable)
INE020B08AO4	NCD	21-11-2017	7.18%	21-05-2021	600.00	[ICRA]AAA (Stable)
INE020B08AP1	NCD	30-11-2017	7.45%	30-11-2022	1,912.00	[ICRA]AAA (Stable)
INE020B08AQ9	NCD	12/12/2017	7.70%	10/12/2027	3,533.00	[ICRA]AAA (Stable)
INE020B08AR7	NCD	17-01-2018	7.60%	17-04-2021	1,055.00	[ICRA]AAA (Stable)
INE020B08AS5	NCD	12/2/2018	7.70%	15-03-2021	2,465.00	[ICRA]AAA (Stable)
INE020B08AT3	NCD	23-02-2018	7.99%	23-02-2023	950.00	[ICRA]AAA (Stable)
INE020B08AU1	NCD	28-02-2018	7.77%	16-09-2019	1,450.00	[ICRA]AAA (Stable)
INE020B08AV9	NCD	15-03-2018	7.59%	13-03-2020	3,000.00	[ICRA]AAA (Stable)
INE020B08AW7	NCD	15-03-2018	7.73%	15-06-2021	800.00	[ICRA]AAA (Stable)
INE020B08BA1	NCD	9/8/2018	8.55%	9/8/2028	2,500.00	[ICRA]AAA (Stable)
INE020B08BB9	NCD	27-08-2018	8.63%	25-08-2028	2,500.00	[ICRA]AAA (Stable)
INE020B07GG9	NCD	27-03-2012	7.93%/8.13%	27-03-2022	839.67	[ICRA]AAA (Stable)
INE020B07GH7	NCD	27-03-2012	8.12%/8.32%	27-03-2027	2,160.33	[ICRA]AAA (Stable)
INE020B07GU0	NCD	21-11-2012	7.21%	21-11-2022	255.00	[ICRA]AAA (Stable)
INE020B07GV8	NCD	21-11-2012	7.38%	21-11-2027	245.00	[ICRA]AAA (Stable)
INE020B07GW6	NCD	19-12-2012	7.22%/7.72%	19-12-2022	1,165.31	[ICRA]AAA (Stable)
INE020B07GX4	NCD	19-12-2012	7.38%/7.88%	19-12-2027	852.04	[ICRA]AAA (Stable)
INE020B07GY2	NCD	25-03-2013	6.88%/7.38%	25-03-2023	81.35	[ICRA]AAA (Stable)
INE020B07GZ9	NCD	25-03-2013	7.04%/7.54%	25-03-2028	49.71	[ICRA]AAA (Stable)
INE020B07HM5	NCD	29-08-2013	8.01%	29-08-2023	209.00	[ICRA]AAA (Stable)
INE020B07HN3	NCD	29-08-2013	8.46%	29-08-2028	1,141.00	[ICRA]AAA (Stable)
INE020B07HO1	NCD	24-09-2013	8.01%	24-09-2023	257.21	[ICRA]AAA (Stable)
INE020B07HR4	NCD	24-09-2013	8.26%	24-09-2023	317.85	[ICRA]AAA (Stable)
INE020B07HP8	NCD	24-09-2013	8.46%	24-09-2028	1,721.20	[ICRA]AAA (Stable)
INE020B07HS2	NCD	24-09-2013	8.71%	24-09-2028	1,089.06	[ICRA]AAA (Stable)
INE020B07HQ6	NCD	24-09-2013	8.37%	24-09-2033	16.40	[ICRA]AAA (Stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE020B07HT0	NCD	24-09-2013	8.62%	24-09-2033	38.88	[ICRA]AAA (Stable)
INE020B07HU8	NCD	11/10/2013	8.18%	11/10/2023	105.00	[ICRA]AAA (Stable)
INE020B07HV6	NCD	11/10/2013	8.54%	11/10/2028	45.00	[ICRA]AAA (Stable)
INE020B07IC4	NCD	24-03-2014	8.19%	24-03-2024	290.26	[ICRA]AAA (Stable)
INE020B07IF7	NCD	24-03-2014	8.44%	24-03-2024	129.06	[ICRA]AAA (Stable)
INE020B07ID2	NCD	24-03-2014	8.63%	24-03-2029	248.09	[ICRA]AAA (Stable)
INE020B07IG5	NCD	24-03-2014	8.88%	24-03-2029	282.33	[ICRA]AAA (Stable)
INE020B07IE0	NCD	24-03-2014	8.61%	24-03-2034	26.39	[ICRA]AAA (Stable)
INE020B07IH3	NCD	24-03-2014	8.86%	24-03-2034	83.26	[ICRA]AAA (Stable)
INE020B07JO7	NCD	23-07-2015	7.17%	23-07-2025	300.00	[ICRA]AAA (Stable)
INE020B07JP4	NCD	5/11/2015	6.89%	5/11/2025	51.25	[ICRA]AAA (Stable)
INE020B07JQ2	NCD	5/11/2015	7.14%	5/11/2025	54.68	[ICRA]AAA (Stable)
INE020B07JR0	NCD	5/11/2015	7.09%	5/11/2030	133.66	[ICRA]AAA (Stable)
INE020B07JS8	NCD	5/11/2015	7.34%	5/11/2030	39.25	[ICRA]AAA (Stable)
INE020B07JT6	NCD	5/11/2015	7.18%	5/11/2035	276.61	[ICRA]AAA (Stable)
INE020B07JU4	NCD	5/11/2015	7.43%	5/11/2035	144.55	[ICRA]AAA (Stable)
INE020B07JI9	NCD	31-10-2015	6.00%	31-10-2018	541.24	[ICRA]AAA (Stable)
INE020B07JJ7	NCD	30-11-2015	6.00%	30-11-2018	449.92	[ICRA]AAA (Stable)
INE020B07JK5	NCD	31-12-2015	6.00%	31-12-2018	585.20	[ICRA]AAA (Stable)
INE020B07JL3	NCD	31-01-2016	6.00%	31-01-2019	515.57	[ICRA]AAA (Stable)
INE020B07JM1	NCD	29-02-2016	6.00%	28-02-2019	571.21	[ICRA]AAA (Stable)
INE020B07JN9	NCD	31-03-2016	6.00%	31-03-2019	1,162.88	[ICRA]AAA (Stable)
INE020B07JV2	NCD	30-04-2016	6.00%	30-04-2019	506.39	[ICRA]AAA (Stable)
INE020B07JW0	NCD	31-05-2016	6.00%	31-05-2019	525.21	[ICRA]AAA (Stable)
INE020B07JX8	NCD	30-06-2016	6.00%	30-06-2019	594.33	[ICRA]AAA (Stable)
INE020B07JY6	NCD	31-07-2016	6.00%	31-07-2019	738.39	[ICRA]AAA (Stable)
INE020B07JZ3	NCD	31-08-2016	6.00%	31-08-2019	554.25	[ICRA]AAA (Stable)
INE020B07KA4	NCD	30-09-2016	6.00%	30-09-2019	627.06	[ICRA]AAA (Stable)
INE020B07KB2	NCD	31-10-2016	6.00%	31-10-2019	588.47	[ICRA]AAA (Stable)
INE020B07KC0	NCD	30-11-2016	6.00%	30-11-2019	766.04	[ICRA]AAA (Stable)
INE020B07KD8	NCD	31-12-2016	5.25%	31-12-2019	611.29	[ICRA]AAA (Stable)
INE020B07KE6	NCD	31-01-2017	5.25%	31-01-2020	509.52	[ICRA]AAA (Stable)
INE020B07KF3	NCD	28-02-2017	5.25%	29-02-2020	523.84	[ICRA]AAA (Stable)
INE020B07KG1	NCD	31-03-2017	5.25%	31-03-2020	1,118.14	[ICRA]AAA (Stable)
INE020B07KI7	NCD	30-04-2017	5.25%	30-04-2020	463.40	[ICRA]AAA (Stable)
INE020B07KJ5	NCD	31-05-2017	5.25%	31-05-2020	503.64	[ICRA]AAA (Stable)
INE020B07KK3	NCD	30-06-2017	5.25%	30-06-2020	540.51	[ICRA]AAA (Stable)
INE020B07KL1	NCD	31-07-2017	5.25%	31-07-2020	743.21	[ICRA]AAA (Stable)
INE020B07KM9	NCD	31-08-2017	5.25%	31-08-2020	562.79	[ICRA]AAA (Stable)
INE020B07KN7	NCD	30-09-2017	5.25%	30-09-2020	598.42	[ICRA]AAA (Stable)
INE020B07KO5	NCD	31-10-2017	5.25%	31-10-2020	614.12	[ICRA]AAA (Stable)
INE020B07KP2	NCD	30-11-2017	5.25%	30-11-2020	656.33	[ICRA]AAA (Stable)
INE020B07KQ0	NCD	31-12-2017	5.25%	31-12-2020	745.84	[ICRA]AAA (Stable)
INE020B07KR8	NCD	31-01-2018	5.25%	31-01-2021	708.49	[ICRA]AAA (Stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE020B07KS6	NCD	28-02-2018	5.25%	28-02-2021	869.16	[ICRA]AAA (Stable)
INE020B07KT4	NCD	31-03-2018	5.25%	31-03-2021	2,559.32	[ICRA]AAA (Stable)
INE020B07KU2	NCD	30-04-2018	5.75%	30-04-2023	278.47	[ICRA]AAA (Stable)
INE020B07KV0	NCD	31-05-2018	5.75%	31-05-2023	438.65	[ICRA]AAA (Stable)
INE020B07KW8	NCD	30-06-2018	5.75%	30-06-2023	504.79	[ICRA]AAA (Stable)
INE020B07KX6	NCD	31-07-2018	5.75%	31-07-2023	683.92	[ICRA]AAA (Stable)
INE020B07KY4	NCD	31-08-2018	5.75%	31-08-2023	499.34	[ICRA]AAA (Stable)
INE020B07KZ1	NCD	30-09-2018	5.75%	30-09-2023	238.87	[ICRA]AAA (Stable)
Borrowing Programme FY2019	NA	NA	NA	NA	82,355.96	[ICRA]AAA (Stable) /[ICRA]A1+
Borrowing Programme FY2020	NA	NA	NA	NA	90,000.00	[ICRA]AAA (Stable) /[ICRA]A1+
GOI Fully Serviced Bonds	NA	NA	NA	NA	15,000.00	[ICRA]AAA (Stable)

Source: REC Limited

Annexure-2: List of entities considered for consolidation: Not applicable

Corrigendum

Rationale dated March 28, 2019 has been revised with changes as below:

In the rating history table, months of press release for FY2016 and FY2017 have been changed to Feb 2016 and Feb 2017, respectively, from April 2015 and April 2016, respectively.

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