

Power Finance Corporation Ltd.

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	-	56,000	[ICRA]AAA (Stable); assigned
Short-term borrowing programme FY2020	-	25,000	[ICRA]A1+; assigned
Overall borrowing programme FY2020	-	81,000	
Long-term/Short-term borrowing programme FY2019	97,000	97,000	[ICRA]AAA reaffirmed; rating watch removed; stable outlook assigned/ [ICRA]A1+ reaffirmed
Long-term/short-term borrowing programmes upto FY2018	3,34,505	3,34,505	[ICRA]AAA reaffirmed; rating watch removed; stable outlook assigned/ [ICRA]A1+ reaffirmed
Fixed deposit programme	-	-	MAAA&; Withdrawn
Total	4,31,505	512,505	

*Instrument details are provided in Annexure-1; & Under Rating Watch with Developing Implications

Rationale

ICRA has removed the rating watch on the borrowing programmes of Power Finance Corporation Ltd. (PFC), which were under Watch with Developing Implications. Also, ratings have been reaffirmed following clarity on the acquisition of REC Limited (REC) and the likely impact of the same on PFC's financial profile. ICRA's ratings for PFC's borrowing programmes continue to draw significant strength from the company's sovereign ownership (61.48% held by the Government of India (GoI) as on December 31, 2018) and its important role as a nodal agency for various GoI power sector schemes under Ultra Mega Power Projects (UMPPs) and the Integrated Power Development Scheme (IPDS).

While reaffirming the ratings, ICRA notes that the acquisition of REC will impact PFC's capitalisation levels as it would have to knock off its investment (in excess of 10% of its net owned funds (NOF)) in REC from its NOF, for capital adequacy calculations. Thus, while the capitalisation level of PFC was characterised by comfortable Tier I capital of 15.95% and CRAR of 18.95% as of December 31, 2018, the cushion will reduce with Tier I capital likely to fall to about 11.5% as of March 31, 2019. However, it will remain above the regulatory threshold of 10%. Additionally, PFC's consolidated leverage would increase from the current gearing level of about 6 times to about 7.5 times in the near term. Thus, the need for external capital could go up for PFC, despite the good internal capital generation, to maintain prudent capitalisation and adequate cushion over and above the regulatory requirement. ICRA believes that prudent capitalisation is a key mitigant against the risks in PFC's portfolio arising out of the sectoral and credit concentration. Nevertheless, based on the discussions with the managements and stakeholders of both the entities, including its principal shareholder, ICRA understands that PFC and REC will remain important vehicles of GoI for implementation of various power sector schemes, and support, in case of need, will be forthcoming from the GoI. Support to REC, if required, will be extended by GoI through PFC. While PFC will become the promoter and the holding company of REC,

both the entities will retain the status of a Central Public Sector Enterprise, Public Financial Institution, and Infrastructure Finance Company.

The ratings for PFC also continue to draw comfort from its healthy financial flexibility by virtue of its ownership, and its adequate earnings profile (annualised net profit/average total assets of 2.19% for FY2018 and 2.20% for 9M FY2019), supported by healthy net interest margins (3.22% for FY2018 and 3.32% for 9M FY2019) and low operating costs (0.15% for FY2018 and 0.14% for 9MFY2019). These strengths are partly offset by the company's exposure to a single sector (i.e. power) with a high concentration towards state power utilities, as well as the vulnerability of its exposure to private sector borrowers (17% of the total loan book as on December 31, 2018), as reflected by the asset quality indicators, with Stage 3 assets of 9.47% of total advances as of December 31, 2018. Also, 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 only be visible only over the medium term. Overall, PFC's ability to grow its loan book while maintaining adequate profitability and controlling credit costs would be the key rating sensitivity, going forward.

Outlook: Stable

The Stable outlook reflects ICRA's expectation that PFC along with REC will remain important to the GoI and will continue play a major role in various power sector schemes of the government. Consequently, PFC and REC are likely to retain dominant position in the power sector financing, while maintaining adequate profitability, borrowing and capitalization profile. The outlook on may be revised to Negative in case of significant deterioration in the company's asset quality or solvency profile. Also, any significant dilution in the GoI's stake or change in ownership, a change in PFC's strategic role or a sustained decline in the profitability could warrant a rating/outlook change.

Key rating drivers

Credit strengths

Majority ownership by GoI and strategic importance given the role played in implementing various GoI schemes: Being a nodal agency for implementing various GoI schemes aimed at developing the country's power sector (such as UMPPs and IPDS), PFC remains strategically important to the GoI for achieving its objective of augmenting power capacity across the country. Further, the GoI remains a majority shareholder in the company, with a stake of 61.48% as of December 31, 2018, and has representation on the company's board. Given the government support, PFC 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. ICRA notes that ~71% of PFC's 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.

Experienced management and operational team - PFC has an experienced management team with the senior team having an experience of more than 30 years in power 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. ICRA notes that the acquisition of REC by PFC will further strengthen its position, while supporting better portfolio diversity compared to individual entities. Traditionally, PFC was largely funding generation projects while REC was more focused on transmission and distribution segment, though over the years, the distinction got blurred.

Adequate profitability profile – PFC's yield moderated to 9.83% in 9MFY2019 from 9.91% and 10.91% 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 2.98% in 9M FY2019 compared to 3.22% and 3.94% in FY2018 and FY2017 respectively. Nevertheless, the company's profitability remains adequate with return on assets of 2.20% and return on equity of 15.86% in 9M FY2019. Incrementally, PFC is likely to

maintain a spread of 2.5-3% on its lending. ICRA however notes that PFC's credit costs could increase if it is unable to recover effectively from stressed assets, thereby adversely impacting the profitability.

Credit challenges

Moderation of the capitalisation level on acquisition of REC – ICRA notes that the acquisition of REC will impact PFC's capitalisation level as it would have to knock off its investment (in excess of 10% of its net owned funds) in REC from its net owned funds, for capital adequacy calculations. Thus, while the capitalisation level of PFC was characterized by comfortable Tier I capital of 15.95% and CRAR of 18.95% as of December 31, 2018, the cushion will stand reduced with Tier I capital likely to fall to about 11.5% as of March 31, 2019, though it will remain above the regulatory threshold of 10%. Additionally, the consolidated leverage for PFC would also increase from current gearing level of about 6 times to about 7.5 times in the near term. Thus, the need for external capital could go up for PFC, despite the good internal capital generation, to maintain prudent capitalisation and adequate cushion over and above the regulatory requirement. ICRA believes that prudent capitalisation is a key mitigant against the risks in PFCs portfolio arising out of the sectoral and credit concentration.

High concentration risk and portfolio vulnerability - PFC'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 (17% of the book as on December 31, 2018) increases its portfolio vulnerability. The risk is further heightened as PFC is exempt from the concentration norms applicable to non-banking finance companies, and thus has significantly concentrated exposures. PFC'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 PFC's Gross Stage III assets stood at 9.47% though net Stage III assets were lower at 4.55% as on December 31, 2018 on account of increased provisioning following the transition to IND-AS. Around 55% of the private sector book was recognised as a part of Stage 3 assets on which the company made provisions of 52%. PFC might have to create additional provisions if it is unable to effectively resolve the stressed assets. ICRA however believes that any stress in the loan book is likely to be restricted to PFC's private sector book (17% of the total portfolio as on December 31, 2018). Moreover, with PFC not sanctioning new private sector thermal projects in the last five years and focussing on solar and wind projects, 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

PFC'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 mismatch (2.6% of the total assets as of December 31, 2018) in the buckets up to one year given the relatively long tenure of its assets. Nevertheless, healthy financial flexibility supported by the sovereign ownership and availability of sufficient unutilised bank lines provide comfort. Also, the company continues to tap debt capital markets for fresh borrowings. About Rs. 12,123 crore and Rs. 8,416 crore were raised as Commercial Paper (CP) and Non-Convertible Debentures (NCD), respectively, during the period January 31, 2019 to March 19, 2019, besides term loans of about Rs. 7,950 crore raised over the same period. Supported by the aforesaid borrowings, the company was able to build cash & liquid balances of about Rs. 15, 204 crore prior to the signing of the share purchase agreement for acquisition of REC. This coupled with unutilised bank lines of about Rs. 8,120 crore is expected to support the payment of cash purchase consideration for acquisition of REC, besides providing adequate liquidity cushion for managing ALM mismatches in the near term.

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 PFC's majority ownership by the GoI (61.48% as on December 31, 2018), and its important role as a nodal agency for various power sector schemes of the Government. The GoI ownership supports PFC's financial flexibility.
Consolidation / Standalone	The ratings are based on a limited consolidation of the standalone profiles of PFC and REC.

About the company

PFC, incorporated in 1986, is a non-banking financial company with infrastructure finance company status. It was set up by the Government of India (GoI) as a specialised development financial institution to fund projects in the domestic power sector. The GoI held a 61.48% stake in the company as on December 31, 2018. PFC provides loans for a range of power-sector activities including generation, distribution, transmission, and plant renovation and maintenance. It finances state sector entities including generating and distribution companies as well as Independent Power Producers (IPPs). PFC is also the nodal agency for the development of Ultra Mega Power Projects (UMPPs) and the Integrated Power Development Scheme (IPDS), and it is also the bid process coordinator for the Independent Transmission Projects (ITP) scheme.

PFC reported a profit after tax (PAT) of Rs. 5,855 crore in FY2018 compared to PAT of Rs. 2,126 crore in FY2017. It reported PAT of Rs. 4,804 crore in 9M FY2019. As of December 31, 2018, PFC's reported capital adequacy was 18.95%, and it had a total loan book of Rs. 2,98,128 crore (Rs. 2,62,109 crore as of December 31, 2017). PFC's exposure to state power utilities and Central and joint sector entities accounts for 83% of its total advances.

On March 20, 2019, PFC signed a share purchase agreement to acquire 103.94 crore equity shares of REC Limited (REC) from the President of India constituting 52.63% of the paid-up share capital of REC. The cash purchase consideration for the transaction is Rs. 139.50 per share, implying a total acquisition cost of ~Rs. 14,500 crore. On consummation of this transaction, PFC will become the promoter and holding company of REC.

Key financial indicators* (audited)

	FY2017	FY2018	9MFY19
Total Income	27,019	26,738	21,384
PAT	2,126	5,855	4,804
Net Worth	36,470	39,861	40,932
Loan Book	2,45,525	2,78,915	2,98,128
CRAR	19.28%	19.99%	18.95%
Tier I	16.20%	16.98%	15.95%
Gearing (times)	5.82	5.95	6.26
Return on Net Worth (%)	5.89%	15.34%	15.86%
Gross NPAs (%)	12.50%	9.57%	9.47%
Net NPAs (%)	10.55%	7.39%	4.55%
Net NPA/Net Worth	69%	52%	33%

Source: PFC; 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				Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016
					Mar-19	Mar-19	Feb-19	Dec-18	Dec-18	Nov-18	Apr-18	Apr-17	Apr-16	Apr-15
1	LT/ST borrowing programme for FY2020	LT/ST	81,000	-	[ICRA]AAA (Stable)/A1+	-	-	-	-	-	-	-	-	-
2	LT/ST borrowing programme for FY2019	LT/ST	97,000	97,000	[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+	-	-	-
3	LT/ST borrowing programmes upto FY2018	LT/ST	334,505	229,538*	[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+	[ICRA]AAA (Stable)/A1+
4	Fixed deposit programme	MT	-	-	Withdrawn	MAAA &	MAAA &	MAAA &	MAAA (Stable)	MAAA (Stable)	MAAA (Stable)	MAAA (Stable)	MAAA (Stable)	MAAA (Stable)

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	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE134E08693	NCD	30-Dec-02	8.10%	30-Dec-22	750.00	[ICRA]AAA (Stable)
INE134E08925	NCD	31-May-06	8.85%	31-May-21	600.00	[ICRA]AAA (Stable)
INE134E08BO5	NCD	7-Aug-09	8.60%	7-Aug-19	866.50	[ICRA]AAA (Stable)
INE134E08BP2	NCD	7-Aug-09	8.60%	7-Aug-24	866.50	[ICRA]AAA (Stable)
INE134E08BT4	NCD	15-Oct-09	8.80%	15-Oct-19	1216.60	[ICRA]AAA (Stable)
INE134E08CK1	NCD	20-Nov-09	1YINCMTBMK+179 bps (floating rate)	20-Nov-19	925.00	[ICRA]AAA (Stable)
INE134E08CM7	NCD	15-Dec-09	8.50%	15-Dec-19	351.00	[ICRA]AAA (Stable)
INE134E08CN5	NCD	15-Dec-09	8.50%	15-Dec-24	351.00	[ICRA]AAA (Stable)
INE134E08CO3	NCD	15-Jan-10	8.70%	15-Jan-20	845.40	[ICRA]AAA (Stable)
INE134E08CPO	NCD	15-Jan-10	8.80%	15-Jan-25	1172.60	[ICRA]AAA (Stable)
INE134E08CR6	NCD	15-Mar-10	8.90%	15-Mar-20	184.00	[ICRA]AAA (Stable)
INE134E08CS4	NCD	15-Mar-10	8.90%	15-Mar-25	184.00	[ICRA]AAA (Stable)
INE134E08CU0	NCD	30-Mar-10	8.95%	30-Mar-20	492.00	[ICRA]AAA (Stable)
INE134E08CV8	NCD	30-Mar-10	8.95%	30-Mar-25	492.00	[ICRA]AAA (Stable)
INE134E08CX4	NCD	14-May-10	8.70%	14-May-20	1337.50	[ICRA]AAA (Stable)
INE134E08CY2	NCD	14-May-10	8.70%	14-May-25	1337.50	[ICRA]AAA (Stable)
INE134E08CZ9	NCD	15-Jun-10	8.65%	15-Jun-20	500.00	[ICRA]AAA (Stable)
INE134E08DA0	NCD	15-Jun-10	8.75%	15-Jun-25	1532.00	[ICRA]AAA (Stable)
INE134E08DB8	NCD	15-Jun-10	8.85%	15-Jun-30	633.00	[ICRA]AAA (Stable)
INE134E08DE2	NCD	4-Aug-10	8.70%	15-Jul-20	1424.00	[ICRA]AAA (Stable)
INE134E08DG7	NCD	15-Nov-10	8.78%	15-Nov-20	1549.00	[ICRA]AAA (Stable)
INE134E08DH5	NCD	15-Dec-10	9.05%	15-Dec-20	192.70	[ICRA]AAA (Stable)
INE134E08DI3	NCD	15-Dec-10	9.05%	15-Dec-25	192.70	[ICRA]AAA (Stable)
INE134E08DJ1	NCD	15-Dec-10	9.05%	15-Dec-30	192.70	[ICRA]AAA (Stable)
INE134E08DL7	NCD	14-Jan-11	8.99%	15-Jan-21	1219.00	[ICRA]AAA (Stable)
INE134E08DM5	NCD	15-Apr-11	9.18%	15-Apr-21	1000.00	[ICRA]AAA (Stable)
INE134E08DN3	NCD	9-Jun-11	9.70%	9-Jun-21	1693.20	[ICRA]AAA (Stable)
INE134E08DQ6	NCD	29-Jun-11	9.61%	29-Jun-21	2084.70	[ICRA]AAA (Stable)
INE134E08DR4	NCD	1-Aug-11	9.36%	1-Aug-21	2589.40	[ICRA]AAA (Stable)
INE134E08DS2	NCD	1-Aug-11	9.46%	1-Aug-26	1105.00	[ICRA]AAA (Stable)
INE134E08DU8	NCD	1-Sep-11	9.45%	1-Sep-26	2568.00	[ICRA]AAA (Stable)
INE134E07117	NCD	15-Oct-11	7.51%	15-Oct-21	205.23	[ICRA]AAA (Stable)
INE134E07125	NCD	15-Oct-11	7.75%	15-Oct-26	217.99	[ICRA]AAA (Stable)
INE134E07133	NCD	25-Nov-11	8.09%	25-Nov-21	334.31	[ICRA]AAA (Stable)
INE134E07141	NCD	25-Nov-11	8.16%	25-Nov-26	209.34	[ICRA]AAA (Stable)
INE134E08EA8	NCD	15-Dec-11	9.70%	15-Dec-18	2060.00	[ICRA]AAA (Stable)
INE134E08EG5	NCD	6-Mar-12	9.30%	15-Apr-20	79.50	[ICRA]AAA (Stable)
INE134E08EH3	NCD	6-Mar-12	9.26%	15-Apr-23	736.00	[ICRA]AAA (Stable)
INE134E08ELS	NCD	20-Mar-12	9.42%	20-Mar-20	650.80	[ICRA]AAA (Stable)
INE134E08EO9	NCD	28-Mar-12	9.48%	15-Apr-22	184.70	[ICRA]AAA (Stable)
INE134E08EU6	NCD	29-Jun-12	9.39%	29-Jun-22	2695.20	[ICRA]AAA (Stable)
INE134E08EX0	NCD	21-Aug-12	9.29%	21-Aug-22	640.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE134E07299	NCD	22-Nov-12	7.21%	22-Nov-22	255.00	[ICRA]AAA (Stable)
INE134E07307	NCD	22-Nov-12	7.38%	22-Nov-27	25.00	[ICRA]AAA (Stable)
INE134E07315	NCD	29-Nov-12	7.22%	29-Nov-22	30.00	[ICRA]AAA (Stable)
INE134E07323	NCD	29-Nov-12	7.38%	29-Nov-27	100.00	[ICRA]AAA (Stable)
INE134E08FE7	NCD	8-Feb-13	8.72%	8-Feb-19	324.00	[ICRA]AAA (Stable)
INE134E08FG2	NCD	20-Feb-13	8.82%	20-Feb-20	733.00	[ICRA]AAA (Stable)
INE134E08FI8	NCD	4-Mar-13	8.86%	4-Mar-20	54.30	[ICRA]AAA (Stable)
INE134E08FJ6	NCD	4-Mar-13	8.84%	4-Mar-23	1310.00	[ICRA]AAA (Stable)
INE134E08FL2	NCD	11-Mar-13	9.00%	11-Mar-28	1370.00	[ICRA]AAA (Stable)
INE134E08FN8	NCD	18-Mar-13	8.90%	18-Mar-23	403.00	[ICRA]AAA (Stable)
INE134E08FO6	NCD	18-Mar-13	8.90%	18-Mar-28	403.00	[ICRA]AAA (Stable)
INE134E08FP3	NCD	18-Mar-13	8.87%	18-Mar-23	70.00	[ICRA]AAA (Stable)
INE134E08FQ1	NCD	25-Mar-13	8.94%	25-Mar-28	2807.00	[ICRA]AAA (Stable)
INE134E08FT5	NCD	14-Jun-13	8.19%	14-Jun-23	800.00	[ICRA]AAA (Stable)
INE134E07372	NCD	30-Aug-13	8.01%	30-Aug-23	113.00	[ICRA]AAA (Stable)
INE134E07380	NCD	30-Aug-13	8.46%	30-Aug-28	1011.10	[ICRA]AAA (Stable)
INE134E08FW9	NCD	13-Jan-14	9.65%	13-Jan-24	1000.00	[ICRA]AAA (Stable)
INE134E07489	NCD	31-Jan-14	9.70%	31-Jan-19	270.00	[ICRA]AAA (Stable)
INE134E07497	NCD	31-Jan-14	9.70%	31-Jan-20	270.00	[ICRA]AAA (Stable)
INE134E07505	NCD	31-Jan-14	9.70%	31-Jan-21	270.00	[ICRA]AAA (Stable)
INE134E07513	NCD	3-Mar-14	9.69%	2-Mar-19	2240.00	[ICRA]AAA (Stable)
INE134E08FX7	NCD	21-Feb-14	9.70%	21-Feb-24	2000.00	[ICRA]AAA (Stable)
INE134E08FZ2	NCD	7-Jul-14	9.15%	7-Jul-19	100.00	[ICRA]AAA (Stable)
INE134E08GA3	NCD	7-Jul-14	9.20%	7-Jul-21	700.00	[ICRA]AAA (Stable)
INE134E08GD7	NCD	19-Aug-14	9.37%	19-Aug-24	855.00	[ICRA]AAA (Stable)
INE134E08GF2	NCD	27-Aug-14	9.39%	27-Aug-19	460.00	[ICRA]AAA (Stable)
INE134E08GG0	NCD	27-Aug-14	9.39%	27-Aug-24	460.00	[ICRA]AAA (Stable)
INE134E08GH8	NCD	27-Aug-14	9.39%	27-Aug-29	460.00	[ICRA]AAA (Stable)
INE134E08GJ4	NCD	17-Sep-14	9.32%	17-Sep-19	1591.00	[ICRA]AAA (Stable)
INE134E08GK2	NCD	8-Oct-14	8.98%	8-Oct-24	961.00	[ICRA]AAA (Stable)
INE134E08GLO	NCD	8-Oct-14	8.98%	8-Oct-24	950.00	[ICRA]AAA (Stable)
INE134E08GN6	NCD	21-Oct-14	8.96%	21-Oct-19	1100.00	[ICRA]AAA (Stable)
INE134E08GO4	NCD	7-Nov-14	8.76%	7-Nov-19	1000.00	[ICRA]AAA (Stable)
INE134E08GQ9	NCD	28-Nov-14	8.65%	28-Nov-19	836.00	[ICRA]AAA (Stable)
INE134E08GR7	NCD	28-Nov-14	8.66%	27-Nov-21	200.00	[ICRA]AAA (Stable)
INE134E08GS5	NCD	9-Dec-14	8.52%	9-Dec-19	1220.00	[ICRA]AAA (Stable)
INE134E08GT3	NCD	9-Dec-14	8.55%	9-Dec-21	1200.00	[ICRA]AAA (Stable)
INE134E08GU1	NCD	9-Dec-14	8.48%	9-Dec-24	1000.00	[ICRA]AAA (Stable)
INE134E08GV9	NCD	29-Dec-14	8.65%	28-Dec-24	2826.00	[ICRA]AAA (Stable)
INE134E08GW7	NCD	5-Jan-15	8.65%	4-Jan-25	5000.00	[ICRA]AAA (Stable)
INE134E08GX5	NCD	26-Feb-15	8.36%	26-Feb-20	4440.00	[ICRA]AAA (Stable)
INE134E08GY3	NCD	10-Mar-15	8.20%	10-Mar-25	1600.00	[ICRA]AAA (Stable)
INE134E08HC7	NCD	19-Mar-15	8.42%	18-Apr-20	200.00	[ICRA]AAA (Stable)
INE134E08HD5	NCD	19-Mar-15	8.39%	19-Apr-25	925.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE134E08HF0	NCD	27-Mar-15	8.38%	27-Apr-20	1350.00	[ICRA]AAA (Stable)
INE134E08HG8	NCD	27-Mar-15	8.41%	27-Mar-25	5000.00	[ICRA]AAA (Stable)
INE134E08HO2	NCD	29-Jun-15	8.50%	29-Jun-19	1500.00	[ICRA]AAA (Stable)
INE134E07521	NCD	17-Jul-15	7.16%	17-Jul-25	300.00	[ICRA]AAA (Stable)
INE134E08HP9	NCD	24-Jul-15	8.53%	24-Jul-20	2700.00	[ICRA]AAA (Stable)
INE134E08HQ7	NCD	10-Aug-15	8.45%	10-Aug-20	1000.00	[ICRA]AAA (Stable)
INE134E08HV7	NCD	4-Sep-15	8.36%	4-Sep-20	1250.00	[ICRA]AAA (Stable)
INE134E08HW5	NCD	18-Sep-15	8.46%	18-Sep-20	1000.00	[ICRA]AAA (Stable)
INE134E08HX3	NCD	18-Sep-15	8.40%	18-Sep-25	1000.00	[ICRA]AAA (Stable)
INE134E08IA9	NCD	28-Jan-16	8.12%	28-Feb-19	700.00	[ICRA]AAA (Stable)
INE134E08IC5	NCD	13-Apr-16	7.85%	15-Apr-19	2928.00	[ICRA]AAA (Stable)
INE134E08ID3	NCD	27-Apr-16	8.05%	27-Apr-21	300.00	[ICRA]AAA (Stable)
INE134E08IE1	NCD	2-May-16	8.03%	2-May-26	1000.00	[ICRA]AAA (Stable)
INE134E08IF8	NCD	13-May-16	7.95%	13-May-19	1915.00	[ICRA]AAA (Stable)
INE134E08IG6	NCD	31-May-16	8.04%	30-May-20	100.00	[ICRA]AAA (Stable)
INE134E08IH4	NCD	16-Aug-16	7.50%	16-Aug-21	2660.00	[ICRA]AAA (Stable)
INE134E08II2	NCD	16-Aug-16	7.63%	14-Aug-26	1675.00	[ICRA]AAA (Stable)
INE134E08IJ0	NCD	16-Sep-16	7.47%	16-Sep-21	2260.00	[ICRA]AAA (Stable)
INE134E08IK8	NCD	16-Sep-16	7.56%	16-Sep-26	210.00	[ICRA]AAA (Stable)
INE134E08IL6	NCD	26-Sep-16	7.55%	25-Sep-26	4000.00	[ICRA]AAA (Stable)
INE134E08IM4	NCD	30-Sep-16	7.40%	30-Sep-21	1830.00	[ICRA]AAA (Stable)
INE134E08IN2	NCD	22-Dec-16	7.27%	22-Dec-21	1101.00	[ICRA]AAA (Stable)
INE134E08IO0	NCD	5-Jan-17	7.23%	5-Jan-27	2635.00	[ICRA]AAA (Stable)
INE134E08IP7	NCD	11-Jan-17	7.10%	11-Jan-27	200.00	[ICRA]AAA (Stable)
INE134E08IQ5	NCD	17-Jan-17	6.83%	15-Apr-20	2000.00	[ICRA]AAA (Stable)
INE134E08IR3	NCD	20-Jan-17	7.18%	20-Jan-27	1335.00	[ICRA]AAA (Stable)
INE134E08IS1	NCD	15-Feb-17	7.05%	15-May-20	2551.00	[ICRA]AAA (Stable)
INE134E08IT9	NCD	20-Feb-17	7.60%	20-Feb-27	1465.00	[ICRA]AAA (Stable)
INE134E08IW3	NCD	17-Mar-17	7.50%	17-Sep-20	2435.00	[ICRA]AAA (Stable)
INE134E08IX1	NCD	22-Mar-17	7.75%	22-Mar-27	2000.00	[ICRA]AAA (Stable)
INE134E08IY9	NCD	27-Mar-17	7.42%	26-Jun-20	3605.00	[ICRA]AAA (Stable)
INE134E08IZ6	NCD	5-May-17	7.46%	5-Jun-20	1180.00	[ICRA]AAA (Stable)
INE134E08JA7	NCD	30-May-17	7.30%	30-Jun-20	1560.00	[ICRA]AAA (Stable)
INE134E08JB5	NCD	12-Jun-17	7.28%	10-Jun-22	1950.00	[ICRA]AAA (Stable)
INE134E08JC3	NCD	12-Jun-17	7.44%	11-Jun-27	1540.00	[ICRA]AAA (Stable)
INE134E08JD1	NCD	8-Aug-17	7.10%	8-Aug-22	3395.00	[ICRA]AAA (Stable)
INE134E08JE9	NCD	8-Aug-17	7.30%	7-Aug-27	1500.00	[ICRA]AAA (Stable)
INE134E08JF6	NCD	22-Nov-17	7.35%	22-Nov-22	800.00	[ICRA]AAA (Stable)
INE134E08JG4	NCD	22-Nov-17	7.65%	22-Nov-27	2001.00	[ICRA]AAA (Stable)
INE134E08JH2	NCD	15-Dec-17	7.62%	15-Dec-27	5000.00	[ICRA]AAA (Stable)
INE134E08JI0	NCD	30-Jan-18	7.74%	29-Jan-28	850.00	[ICRA]AAA (Stable)
INE134E08JJ8	NCD	12-Feb-18	7.73%	12-Mar-21	505.00	[ICRA]AAA (Stable)
INE134E08JK6	NCD	12-Feb-18	7.73%	5-Apr-21	1325.00	[ICRA]AAA (Stable)
INE134E08JL4	NCD	8-Mar-18	7.80%	7-Jun-19	3300.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE134E08JM2	NCD	15-Mar-18	7.75%	15-Apr-21	600.00	[ICRA]AAA (Stable)
INE134E08JNO	NCD	20-Mar-18	7.53%	20-Jan-20	1500.00	[ICRA]AAA (Stable)
INE134E08JO8	NCD	20-Mar-18	7.99%	20-Dec-22	1295.00	[ICRA]AAA (Stable)
INE134E08JP5	NCD	3-Apr-18	7.85%	3-Apr-28	3855.00	[ICRA]AAA (Stable)
INE134E08JQ3	NCD	10-Oct-18	8.95%	10-Oct-28	3000.00	[ICRA]AAA (Stable)
INE134E08JR1	NCD	19-Nov-18	8.67%	19-Nov-28	1007.40	[ICRA]AAA (Stable)
INE134E08JS9	NCD	19-Nov-18	8.64%	19-Nov-33	528.40	[ICRA]AAA (Stable)
INE134E07075	NCD	31-Mar-11	8.30%	31-Mar-21	49.95	[ICRA]AAA (Stable)
INE134E07083	NCD	31-Mar-11	8.30%	31-Mar-21	109.11	[ICRA]AAA (Stable)
INE134E07091	NCD	31-Mar-11	8.50%	31-Mar-26	5.27	[ICRA]AAA (Stable)
INE134E07109	NCD	31-Mar-11	8.50%	31-Mar-26	19.33	[ICRA]AAA (Stable)
INE134E07158	NCD	21-Nov-11	8.50%	21-Nov-21	21.85	[ICRA]AAA (Stable)
INE134E07166	NCD	21-Nov-11	8.50%	21-Nov-21	36.34	[ICRA]AAA (Stable)
INE134E07174	NCD	21-Nov-11	8.75%	21-Nov-26	2.86	[ICRA]AAA (Stable)
INE134E07182	NCD	21-Nov-11	8.75%	21-Nov-26	7.77	[ICRA]AAA (Stable)
INE134E07216	NCD	30-Mar-12	8.43%	30-Mar-22	7.39	[ICRA]AAA (Stable)
INE134E07224	NCD	30-Mar-12	8.43%	30-Mar-22	15.47	[ICRA]AAA (Stable)
INE134E07232	NCD	30-Mar-12	8.72%	30-Mar-27	0.87	[ICRA]AAA (Stable)
INE134E07240	NCD	30-Mar-12	8.72%	30-Mar-27	2.40	[ICRA]AAA (Stable)
INE134E07190	NCD	1-Feb-12	8.20%	1-Feb-22	2752.55	[ICRA]AAA (Stable)
INE134E07208	NCD	1-Feb-12	8.30%	1-Feb-27	1280.58	[ICRA]AAA (Stable)
INE134E07331	NCD	4-Jan-13	7.19%	4-Jan-23	189.57	[ICRA]AAA (Stable)
INE134E07331	NCD	4-Jan-13	7.69%	4-Jan-23	153.18	[ICRA]AAA (Stable)
INE134E07349	NCD	4-Jan-13	7.36%	4-Jan-28	155.23	[ICRA]AAA (Stable)
INE134E07349	NCD	4-Jan-13	7.86%	4-Jan-28	201.77	[ICRA]AAA (Stable)
INE134E07356	NCD	28-Mar-13	6.88%	28-Mar-23	50.93	[ICRA]AAA (Stable)
INE134E07356	NCD	28-Mar-13	7.38%	28-Mar-23	45.23	[ICRA]AAA (Stable)
INE134E07364	NCD	28-Mar-13	7.04%	28-Mar-23	7.78	[ICRA]AAA (Stable)
INE134E07364	NCD	28-Mar-13	7.54%	28-Mar-23	61.42	[ICRA]AAA (Stable)
INE134E07414	NCD	16-Nov-13	8.18%	16-Nov-23	325.08	[ICRA]AAA (Stable)
INE134E07422	NCD	16-Nov-13	8.43%	16-Nov-23	335.47	[ICRA]AAA (Stable)
INE134E07430	NCD	16-Nov-13	8.54%	16-Nov-23	932.70	[ICRA]AAA (Stable)
INE134E07448	NCD	16-Nov-13	8.79%	16-Nov-28	353.32	[ICRA]AAA (Stable)
INE134E07455	NCD	16-Nov-13	8.67%	16-Nov-33	1067.38	[ICRA]AAA (Stable)
INE134E07463	NCD	16-Nov-13	8.92%	16-Nov-33	861.96	[ICRA]AAA (Stable)
INE134E07539	NCD	17-Oct-15	7.11%	17-Oct-25	75.10	[ICRA]AAA (Stable)
INE134E07547	NCD	17-Oct-15	7.36%	17-Oct-25	79.35	[ICRA]AAA (Stable)
INE134E07554	NCD	17-Oct-15	7.27%	17-Oct-30	131.33	[ICRA]AAA (Stable)
INE134E07562	NCD	17-Oct-15	7.52%	17-Oct-30	45.18	[ICRA]AAA (Stable)
INE134E07570	NCD	17-Oct-15	7.35%	17-Oct-35	213.57	[ICRA]AAA (Stable)
INE134E07588	NCD	17-Oct-15	7.60%	17-Oct-35	155.48	[ICRA]AAA (Stable)
INE134E07596	NCD	31-Jul-17	5.25%	31-Jul-20	18.26	[ICRA]AAA (Stable)
INE134E07604	NCD	31-Aug-17	5.25%	31-Aug-20	13.89	[ICRA]AAA (Stable)
INE134E07612	NCD	30-Sep-17	5.25%	30-Sep-20	20.52	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE134E07620	NCD	31-Oct-17	5.25%	31-Oct-20	20.50	[ICRA]AAA (Stable)
INE134E07638	NCD	30-Nov-17	5.25%	30-Nov-20	33.55	[ICRA]AAA (Stable)
INE134E07646	NCD	31-Dec-17	5.25%	31-Dec-20	33.76	[ICRA]AAA (Stable)
INE134E07653	NCD	31-Jan-18	5.25%	31-Jan-21	25.93	[ICRA]AAA (Stable)
INE134E07661	NCD	28-Feb-18	5.25%	28-Feb-21	37.95	[ICRA]AAA (Stable)
INE134E07679	NCD	31-Mar-18	5.25%	31-Mar-21	87.79	[ICRA]AAA (Stable)
INE134E07687	NCD	30-Apr-18	5.75%	30-Apr-23	6.54	[ICRA]AAA (Stable)
INE134E07695	NCD	31-May-18	5.75%	31-May-23	7.04	[ICRA]AAA (Stable)
INE134E07703	NCD	30-Jun-18	5.75%	30-Jun-23	10.11	[ICRA]AAA (Stable)
INE134E07711	NCD	31-Jul-18	5.75%	31-Jul-23	14.32	[ICRA]AAA (Stable)
INE134E07729	NCD	31-Aug-18	5.75%	31-Aug-23	15.95	[ICRA]AAA (Stable)
INE134E07737	NCD	30-Sep-18	5.75%	30-Sep-23	26.03	[ICRA]AAA (Stable)
INE134E07745	NCD	31-Oct-18	5.75%	31-Oct-23	32.95	[ICRA]AAA (Stable)
INE134E07752	NCD	30-Nov-18	5.75%	30-Nov-23	15.07	[ICRA]AAA (Stable)
Borrowing Programme FY2019	NA	NA	NA	NA	96,871.99	[ICRA]AAA (Stable) / [ICRA]A1+
Borrowing Programme FY2020	NA	NA	NA	NA	81,000.00	[ICRA]AAA (Stable) / [ICRA]A1+

Source: PFC

Annexure-2: List of entities considered for consolidation

Company Name	Ownership	Consolidation Approach
Power Finance Corporation Ltd	Rated Entity	Rated Entity
REC Limited	Subsidiary	Limited Consolidation

ANALYST CONTACTS

Karthik Srinivasan

+91 22 6114 3444

karthiks@icraindia.com

Manushree Sagar

+91 124 4545 316

manushree@icraindia.com

Deep Inder Singh

+91 124 4545 830

deep.singh@icraindia.com

Deepak Narang

+91 124 4545 442

deepak.narang@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91-22-6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

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