

## Power Finance Corporation Limited

October 01, 2020

### Ratings

Instruments	Amount (Rs. Cr)	Rating <sup>1</sup>	Rating Action
Long Term Borrowing Programme for FY-13	11,219.50 (11,219.50)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Borrowing Programme for FY-14	8,674 (8,674)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
LT debt instruments – Subordinate debt for FY-14	3,800 (3,800)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Borrowing Programme for FY-15	34,434 (34,434)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Borrowing Programme for FY-16	13,880 (13,880)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Borrowing Programme for FY-17	41,115 (41,115)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Borrowing Programme for FY-18	33,118 (33,118)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short Term Borrowing Programme for FY-18*	1,925 (1,925)	CARE A1+ (A One Plus)	Reaffirmed
Long Term Borrowing Programme for FY-19	80,000 (80,000)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short Term Borrowing Programme for FY-19*	4,000 (4,000)	CARE A1+ (A One Plus)	Reaffirmed
Commercial Paper Issue for FY19*	13,000 (13,000)	CARE A1+ (A One Plus)	Reaffirmed
Long Term Borrowing Programme for FY20	88,000 (88,000)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short Term Borrowing Programme for FY20*	2,000 (2,000)	CARE A1+ (A One Plus)	Reaffirmed
Commercial Paper issue for FY20*	10,000 (10,000)	CARE A1+ (A One Plus)	Reaffirmed
Long term market borrowing programme for FY21	70,000	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short term market borrowing programme for FY21	5,000	CARE A1+ (A One Plus)	Reaffirmed
Commercial Paper issue for FY21	15,000	CARE A1+ (A One Plus)	Reaffirmed

*\*To be withdrawn subject to receipt of independent confirmation*

*Details of instruments in Annexure-1*

### Detailed Rationale & Key Rating Drivers

The ratings assigned to the market borrowing programs of Power Finance Corporation Limited (PFC) factor in the majority ownership (55.99% stake as on June 30, 2020) by the Government of India (GoI) and PFC's strategic importance to GoI, in the development of power infrastructure in India. The rating also draws comfort from PFC's quasi sovereign status that allows it to have a diversified resource profile, adequate profitability and capitalization metrics. However the ratings also factor in the risk associated with weakness in PFC's asset quality by way of exposure to private sector, high exposure to weak state power utilities and high borrower concentration risks.

With respect to the acquisition of Government of India's (GoI) existing 52.63% equity shareholding in REC Limited by PFC, the acquisition transaction was completed on March 28, 2019 with PFC making a payment of Rs.14,500 crore to GoI. Post the transaction, REC becomes a subsidiary of PFC. PFC is expected to maintain comfortable capital structure and financial profile backed by expectation of continued strong support from GoI.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

**Rating Sensitivities**

Going forward, any material change in the shareholding pattern leading to reduced support from Gol is a key rating sensitive. On a standalone basis; PFC's ability to manage adequate capitalization, asset quality, maintain adequate liquidity, and profitability would be the factors to be considered

*Negative factors: Factors that could lead to negative rating action/downgrade:*

- Any material change in the shareholding pattern and/or reduced expectation of support from Gol
- Further deterioration in the asset quality profile
- Weakness in the capitalization profile with CAR going below regulatory minimum

**Detailed description of the key rating drivers:****Key Rating Strengths****Government ownership and status of nodal agency**

As a public financial institution, PFC enjoys patronage from and support of Gol because of the pivotal role it plays in financing power projects of both the state and private sector, thereby being instrumental in strengthening the power infrastructure of the country. PFC continues to be a strategically important entity for the government as it is the nodal agency for various Gol's schemes such as Ultra Mega Power Project (UMPP) scheme that is aimed at meeting India's power requirement with each UMPP having a capacity of 4,000 megawatts (MW) or above and the R-APDRP scheme (subsumed into Integrated Power Development Scheme (IPDS)) that is aimed at strengthening and up-gradation of sub transmission and distribution network. Additionally the Ministry of Power (MoP) has initiated tariff-based competitive bidding process for development and strengthening of transmission system through private sector participation. PFC Consulting Limited (PFCCL), a wholly owned subsidiary of PFC, has been nominated as 'Bid Process Coordinator' by Ministry of Power, Govt. of India for the development of independent transmission projects.

**Diversified resource profile**

As a quasi-sovereign financial institution, PFC is able to manage a well-diversified resource profile and can mobilize funds at cost effective rates from various sources such as external commercial borrowings (ECB), domestic financial institutions, long-term bonds, bank loans, commercial paper, infrastructure bonds and tax free bonds. Since it's a non-deposit accepting NBFC, it has accepted no public deposits and no perpetual debt instruments were issued by PFC in fiscal 2020. End fiscal 2020, the total outstanding borrowings of PFC stood at Rs 303,452 crore, (+10.1% Y-o-Y). The resource profile remained well diversified with 61% of funds emanating from domestic bonds, followed by loans from banks forming another 19% and foreign currency borrowings at 16%. As on March 31, 2020, the share of commercial paper remained nil as against 4% previous fiscal. To mitigate foreign exchange risks, PFC has hedged 66% of the foreign currency portfolio with residual maturity up-to five years. Owing to its policy role and government ownership, PFC has been able to control its borrowings costs. For the year ending March 31, 2020, the company's weighted average cost of borrowing stood at 7.79%, marginally down from 7.95% a year ago. End June 2020, the borrowings stood at Rs 312834 crore (+3% Q-o-Q or +11.5% Y-o-Y), of which domestic borrowing constituted 84% of total funding profile while the remaining 16% is from foreign currency sources. In March 2020, RBI permitted all lending institutions to allow a moratorium of three months on payment of installments in respect of all term loans outstanding as on March 1, 2020 (further extended till August 31, 2020). In that respect, PFC has not availed any moratorium from any of its lenders

**Adequate capitalization**

As on March 31, 2020, the company's Tier 1 and total CAR stood at 12.45% and 16.96% respectively, from 11.73% and 17.09% respectively an year ago. End June 30, 2020, PFC's Tier 1 and total CAR improved to 13.11% and 17.32% respectively. On account of Ind AS adoption from Q1, FY19, PFC's net worth declined by around Rs.3,000 crore (primarily on account of expected credit loss or ECL adjustment) and as a result PFC's overall Tier-1 and CAR capital reduced in fiscal 2019 though remains well above the regulatory minimum requirement of 10% and 15% respectively.

**Stable profitability metrics**

For the year ended March 31, 2020, PFC's net profit declined by 18.7% Y-o-Y to Rs 5,655 crore on total income (net of interest expenses) of Rs 11,507 crore, up 17.8% Y-o-Y. In spite of increase in topline, the company's bottom-line came down due to sharp rise in translation loss amid rupee depreciation and also due to almost three fold rise in provisioning costs. Overall, the company reported 6.9% Y-o-Y rise in net interest income to Rs 10,097 crore on the back of loan growth though partially offset by margin contraction. The company's PPOP grew by a modest 2.7% Y-o-Y however owing to provisions rising to Rs 991 crore (as against Rs 871 crore reversals an year ago), the company's profit before tax came down by 16.5% Y-o-Y to Rs 8193 crore. Although PFC had exercised the option under section 115BAA of the Income Tax Act, 1961 to pay corporate tax at a reduced rate. Consequently, PAT for FY20 is suppressed due to re-measurement of deferred tax assets at reduced rates

For the quarter ended June 30, 2020 PFC reported PAT of Rs 1700 crore (+23% Y-o-Y) on total income (net of interest expenses) of Rs 3095 crore (+40% Y-o-Y) on the back of improvement in loan yields and strong 12% Y-o-Y loan growth. Although the strong results were partially offset by translation losses of Rs 233 crore as against gains of Rs 23 crore for the corresponding quarter last year. This coupled with sharp rise in CSR expenses caused the total expenses to increase sharply. The company's pre-provision operating profit was up 15% Y-o-Y to Rs 2,480 crore. The provision expenses also rose by 59% Y-o-Y which cause PBT growth at a reduced 10% Y-o-Y to reach Rs 2,127 crore

### **Key Rating Weakness**

#### **Growth in credit portfolio though asset quality risks prevail**

End fiscal 2020 PFC's standalone gross loan book stood at Rs 344,905 crore, up 10% Y-o-Y or 4% Q-o-Q. The trend in composition of loan book remains broadly same with government sector contributing to 83% of loans while the share of private sector loans remains unchanged at 17%. The government sector loans grew by 10% Y-o-Y, slightly decelerated pace of growth compared to last year while the private sector grew by 7% Y-o-Y as against 5% Y-o-Y growth reported last year. In the last couple of years, the share of government sector exposure has constituted majority of PFC's loan portfolio and hovering at around 83% while the share of private sector loans has remained around 17-18%. The breakup of gross loans by segment shows that generation loans (conventional), constituted 58% of portfolio, transmission and distribution formed another 30% and renewable at 11%. Of the total loan book end FY 20, about 21% of loans are bank/government guaranteed, up from 19% a year ago. The share of unsecured loans stood at 17% end FY 2020 however majority of such book remains exposed to government sector. End Q1 FY 2020, the gross loan book further increased to Rs 353,595 crore, up 12% Y-o-Y or 2.5% Q-o-Q, of which government loans constituted 83% while the remaining 17% were towards private sector. Additionally in June 2020, GoI, as a part of its Covid-19 relief package, had announced liquidity injection of Rs 90,000 crore to the State discoms in the form of State Government guaranteed loans through REC and PFC to clear the outstanding dues of Power Generation and Transmission Companies. PFC has already sanctioned amounts of more than Rs 30,000 crores and disbursed Rs 8,500 crore till 31<sup>st</sup> July 2020 as part of this liquidity package to discoms.

PFC is exempted from following single entity/group exposure norms and concentration limits for state sector entities that are applicable to non-banking finance companies. Subsequently PFC faces high concentration risk with advances to top 10 borrowers (mostly pertaining to state sector) constituting about 39% of total gross loans outstanding or 299% of networth end FY 20. PFC's reported asset quality metrics, though remaining weak, has been on a mending trend with GNPA at 8.08% end fiscal 2020 as against 9.32% end fiscal 2019 and 10.04% end fiscal 2018. While provision coverage remained broadly unchanged, the net NPA stood at 3.57% as on March 31, 2020 as against 4.2% a year ago. During the year, the company resolved two projects namely RattanIndia Amrawati and GMR Chattisgarh aggregating to approximately Rs 2700 crore. As a result, the absolute amount of GNPA declined by 5.6% Y-o-Y to Rs 27871 crore. The CARE adjusted provision coverage ratio remained almost unchanged from last year at 47% (48.5% end fiscal 2019). The weakness in loans remains confined to PFC's private sector loans only. The total GNPA stood at Rs 27,781 crore, emanating entirely from private sector. On the other hand, all the government loans (84% of loans) are regular in servicing.

End June 2020, the gross and net NPA was down 13% Y-o-Y and 18% Y-o-Y respectively. Post COVID lockdown, PFC has successfully resolved and upgraded 2 stressed assets i.e. Essar Power Transmission loan of Rs. 438 cr. and Suzlon Energy loan of Rs. 915 cr. Sufficient provisioning was available against these projects. Owing to the resolution, the net NPA ratio as on June 30, 2020 stood at 3.41%, the lowest in past 4 years. Gross NPA ratio also saw a reduction of 211 bps from Q1FY20. The current GNPA ratio is at 7.50% against 9.61% in Q1FY20. The CARE adjusted provision coverage ratio stood at 55%. On consolidated basis (incl REC), the GNPA and NNPA stood at 6.83% and 3.15% respectively as on June 30, 2020.

#### **Liquidity: Adequate**

As per ALM on March 31, 2020, there are negative cumulative mismatches of Rs.24,628 cr in upto 1 year bucket. However, PFC's ability to effectively raise funds in a cost effective manner and financial flexibility arising out of majority sovereign ownership provides comfort to the liquidity profile. PFC had unutilized bank lines of approx. Rs.5495.70 cr as on Aug 05, 2020

#### **Covid-19 impact**

In line with RBI's notification, PFC and its subsidiary REC have put in place a board approved policy framework according to which the borrowers can avail maximum of three month moratorium on the payment of interest and or principal on term loans falling due between 1st March and 31st May 2020 that was extended to further 31st Aug, 2020. In pursuance of the moratorium policy, an amount of Rs 11,497 crores falling due till 30th June 2020 (including the amount pertaining to the first moratorium period) has been deferred. For all such accounts where the moratorium has been granted, the moratorium period has been excluded from the number of days past-due for asset classification. Additionally in June 2020, GoI, as a part of its Covid-19 relief package, had announced liquidity injection of Rs 90,000 crore to the State discoms in the form of State Government guaranteed loans through REC and PFC to clear the outstanding dues of Power Generation and Transmission Companies. PFC has already sanctioned amounts of more than Rs 30,000 crores till 31<sup>st</sup> July 2020 as part of this liquidity package to discoms.

**Analytical approach:** Standalone, factoring in timely equity support from Government of India given PFC is majority owned by GoI and plays strategic role in power sector financing and development in India

### Applicable Criteria

[Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[CARE Methodology for Non-Banking Financial Companies](#)

[Financial Sector –Financial Ratios](#)

[Consolidation and Factoring Linkages in Ratings](#)

### About the company

PFC was set up in the year 1986 as a Financial Institution (FI) dedicated to power sector financing. The corporation was notified as a public financial institution in 1990 under the Companies Act, 1956. Until 1996, PFC lent exclusively to the public sector entities. Since 1996, it has expanded its customer profile to include private sector power utilities and projects. In the year 2010, RBI had classified the company as 'Infrastructure Finance Company (NBFC-ND-IFC)'. The product portfolio of PFC includes financial products and services like rupee term loan, short-term loan, equipment lease financing and transitional financing services, etc, for various power projects in generation, transmission and distribution sector. PFC's clients mainly include central power utilities, state power utilities, private power sector utilities (including independent power producers), joint sector power utilities and power equipment manufacturers.

Brief Financials (Rs. crore)	FY 19 (A)	FY 20 (A)
Total operating income	28,851	33,248
PAT	6,953	5,655
Total Assets	3,40,794	3,61,787
Net NPA (%)	4.55%	3.80%
ROTA (%)	2.26%	1.60%

A: Audited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

### Annexure-1: Details of Instruments/Facilities

Instrument	ISIN NO.	Issue Date	Coupon Rate	Principal Redemption Date	Principal Amount	Rating assigned along with Rating Outlook
					(in Rs. crore)	
92-C	INE134E08EX0	21-08-2012	9.29%	21-08-2022	640	CARE AAA; Stable
94-A	INE134E07299	22-11-2012	7.21%	22-11-2022	255	CARE AAA; Stable
94-B	INE134E07307	22-11-2012	7.38%	22-11-2027	25	CARE AAA; Stable
95-A	INE134E07315	29-11-2012	7.22%	29-11-2022	30	CARE AAA; Stable
95-B	INE134E07323	29-11-2012	7.38%	29-11-2027	100	CARE AAA; Stable
7.19% 10YEARS TAX FREE BONDS 12-13 TR -I SERIES 1	INE134E07331	04-01-2013	7.19%	04-01-2023	186	CARE AAA; Stable
7.69% 10YEARS TAX FREE BONDS 2012-13 TR-I SERIES-1		04-01-2013	7.69%	04-01-2023	157	CARE AAA; Stable
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-01-2013	7.36%	04-01-2023	150	CARE AAA; Stable
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2		04-01-2013	7.86%	04-01-2023	207	CARE AAA; Stable

Instrument	ISIN NO.	Issue Date	Coupon Rate	Principal Redemption Date	Principal Amount (in Rs. crore )	Rating assigned along with Rating Outlook
99-B	INE134E08FG2	20-02-2013	8.82%	20-02-2020	733	CARE AAA; Stable
100-A	INE134E08FI8	04-03-2013	8.86%	04-03-2020	54	CARE AAA; Stable
100-B	INE134E08FJ6	04-03-2013	8.84%	04-03-2023	1,310	CARE AAA; Stable
101-B	INE134E08FL2	11-03-2013	9.00%	11-03-2028	1,370	CARE AAA; Stable
102-A(II)	INE134E08FN8	18-03-2013	8.90%	18-03-2023	403	CARE AAA; Stable
102-A(III)	INE134E08FO6	18-03-2013	8.90%	18-03-2028	403	CARE AAA; Stable
102-B	INE134E08FP3	18-03-2013	8.87%	18-03-2023	70	CARE AAA; Stable
103	INE134E08FQ1	25-03-2013	8.94%	25-03-2028	2,807	CARE AAA; Stable
6.88% TR-2 TAX FREE BONDS 12-13	INE134E07356	28-03-2013	6.88%	28-03-2023	50	CARE AAA; Stable
7.38% tr-2 tax free bonds 12-13		28-03-2013	7.38%	28-03-2023	46	CARE AAA; Stable
7.04% TR-2 TAX FREE BONDS 12-13	INE134E07364	28-03-2013	7.04%	28-03-2023	6	CARE AAA; Stable
7.54% TR 2 TAX FREE BONDS 12-13		28-03-2013	7.54%	28-03-2028	63	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					2,155	CARE AAA; Stable/ CARE A1+
105	INE134E08FT5	14-06-2013	8.19%	14-06-2023	800	CARE AAA; Stable
107-A	INE134E07372	30-08-2013	8.01%	30-08-2023	113	CARE AAA; Stable
107-B	INE134E07380	30-08-2013	8.46%	30-08-2028	1,011	CARE AAA; Stable
8.18% TAX FREE BONDS 13-14 SERIES 1A	INE134E07414	16-11-2013	8.18%	16-11-2023	325	CARE AAA; Stable
8.43% TAX FREE BONDS 13-14 SERIES 1B	INE134E07422	16-11-2013	8.43%	16-11-2023	335	CARE AAA; Stable
8.54% TAX FREE BONDS 13-14 SERIES 2A	INE134E07430	16-11-2013	8.54%	16-11-2028	933	CARE AAA; Stable
8.79% TAX FREE BONDS 13-14 SERIES 2B	INE134E07448	16-11-2013	8.79%	16-11-2028	353	CARE AAA; Stable
8.67% TAX FREE BONDS 13-14 SERIES 3A	INE134E07455	16-11-2013	8.67%	16-11-2033	1,067	CARE AAA; Stable
8.92% TAX FREE BONDS 13-14 SERIES 3B	INE134E07463	16-11-2013	8.92%	16-11-2033	862	CARE AAA; Stable
111	INE134E08FW9	13-01-2014	9.65%	13-01-2024	1,000	CARE AAA; Stable
112-B	INE134E07497	31-01-2014	9.70%	31-01-2020	270	CARE AAA; Stable
112-C	INE134E07505	31-01-2014	9.70%	31-01-2021	270	CARE AAA; Stable
114	INE134E08FX7	21-02-2014	9.70%	21-02-2024	2,000	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					3,134	CARE AAA; Stable/ CARE A1+
115-III	INE134E08GA3	07-07-2014	9.20%	07-07-2021	700	CARE AAA; Stable
117-B	INE134E08GD7	19-08-2014	9.37%	19-08-2024	855	CARE AAA; Stable
118-B-II	INE134E08GG0	27-08-2014	9.39%	27-08-2024	460	CARE AAA; Stable
118-B-III	INE134E08GH8	27-08-2014	9.39%	27-08-2029	460	CARE AAA; Stable
120-A	INE134E08GK2	08-10-2014	8.98%	08-10-2024	961	CARE AAA; Stable
120-B	INE134E08GL0	08-10-2014	8.98%	08-10-2024	950	CARE AAA; Stable
121-B	INE134E08GN6	21-10-2014	8.96%	21-10-2019	1,100	CARE AAA; Stable
122	INE134E08GO4	07-11-2014	8.76%	07-11-2019	1,000	CARE AAA; Stable
123-B	INE134E08GQ9	28-11-2014	8.65%	28-11-2019	836	CARE AAA; Stable
123-C	INE134E08GR7	28-11-2014	8.66%	27-11-2021	200	CARE AAA; Stable
124-A	INE134E08GS5	09-12-2014	8.52%	09-12-2019	1,220	CARE AAA; Stable
124-B	INE134E08GT3	09-12-2014	8.55%	09-12-2021	1,200	CARE AAA; Stable
124-C	INE134E08GU1	09-12-2014	8.48%	09-12-2024	1,000	CARE AAA; Stable
125	INE134E08GV9	29-12-2014	8.65%	28-12-2024	2,826	CARE AAA; Stable
126	INE134E08GW7	05-01-2015	8.65%	04-01-2025	5,000	CARE AAA; Stable

Instrument	ISIN NO.	Issue Date	Coupon Rate	Principal Redemption Date	Principal Amount (in Rs. crore )	Rating assigned along with Rating Outlook
127	INE134E08GX5	26-02-2015	8.36%	26-02-2020	4,440	CARE AAA; Stable
128	INE134E08GY3	10-03-2015	8.20%	10-03-2025	1,600	CARE AAA; Stable
130-B	INE134E08HC7	19-03-2015	8.42%	18-04-2020	200	CARE AAA; Stable
130-C	INE134E08HD5	19-03-2015	8.39%	19-04-2025	925	CARE AAA; Stable
131-B	INE134E08HF0	27-03-2015	8.38%	27-04-2020	1,350	CARE AAA; Stable
131-C	INE134E08HG8	27-03-2015	8.41%	27-03-2025	5,000	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					2,151	CARE AAA; Stable/ CARE A1+
136	INE134E07521	17-07-2015	7.16%	17-07-2025	300	CARE AAA; Stable
137	INE134E08HP9	24-07-2015	8.53%	24-07-2020	2,700	CARE AAA; Stable
138	INE134E08HQ7	10-08-2015	8.45%	10-08-2020	1,000	CARE AAA; Stable
140-B	INE134E08HV7	04-09-2015	8.36%	04-09-2020	1,250	CARE AAA; Stable
141-A	INE134E08HW5	18-09-2015	8.46%	18-09-2020	1,000	CARE AAA; Stable
141-B	INE134E08HX3	18-09-2015	8.40%	18-09-2025	1,000	CARE AAA; Stable
7.11% TAXFREE BONDS 1A 17.10.2025	INE134E07539	17-10-2015	7.11%	17-10-2025	75	CARE AAA; Stable
7.36% TAXFREE BONDS 1B 17.10.2015	INE134E07547	17-10-2015	7.36%	17-10-2025	79	CARE AAA; Stable
7.27% TAXFREE BONDS 2A 17.10.2015	INE134E07554	17-10-2015	7.27%	17-10-2030	131	CARE AAA; Stable
7.52% TAXFREE BONDS 2B 17.10.2015	INE134E07562	17-10-2015	7.52%	17-10-2030	45	CARE AAA; Stable
7.35% TAXFREE BONDS 3A 17.10.2015	INE134E07570	17-10-2015	7.35%	17-10-2035	214	CARE AAA; Stable
7.60% TAXFREE BONDS 3B 17.10.2015	INE134E07588	17-10-2015	7.60%	17-10-2035	155	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					5,930	CARE AAA; Stable/ CARE A1+
146	INE134E08ID3	27-04-2016	8.05%	27-04-2021	300	CARE AAA; Stable
147	INE134E08IE1	02-05-2016	8.03%	02-05-2026	1,000	CARE AAA; Stable
149	INE134E08IG6	31-05-2016	8.04%	30-05-2020	100	CARE AAA; Stable
150-A	INE134E08IH4	16-08-2016	7.50%	16-08-2021	2,660	CARE AAA; Stable
150-B	INE134E08II2	16-08-2016	7.63%	14-08-2026	1,675	CARE AAA; Stable
151-A	INE134E08IJ0	16-09-2016	7.47%	16-09-2021	2,260	CARE AAA; Stable
151-B	INE134E08IK8	16-09-2016	7.56%	16-09-2026	210	CARE AAA; Stable
152	INE134E08IL6	26-09-2016	7.55%	25-09-2026	4,000	CARE AAA; Stable
153	INE134E08IM4	30-09-2016	7.40%	30-09-2021	1,830	CARE AAA; Stable
154	INE134E08IN2	22-12-2016	7.27%	22-12-2021	1,101	CARE AAA; Stable
155	INE134E08IO0	05-01-2017	7.23%	05-01-2027	2,635	CARE AAA; Stable
157	INE134E08IQ5	17-01-2017	6.83%	15-04-2020	2,000	CARE AAA; Stable
159	INE134E08IS1	15-02-2017	7.05%	15-05-2020	2,551	CARE AAA; Stable
163	INE134E08IW3	17-03-2017	7.50%	17-09-2020	2,435	CARE AAA; Stable
165	INE134E08IY9	27-03-2017	7.42%	26-06-2020	3,605	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					12,753	CARE AAA; Stable/ CARE A1+
166	INE134E08IZ6	05-05-2017	7.46%	05-06-2020	1,180	CARE AAA; Stable
167	INE134E08JA7	30-05-2017	7.30%	30-06-2020	1,560	CARE AAA; Stable
168A	INE134E08JB5	12-06-2017	7.28%	10-06-2022	1,950	CARE AAA; Stable
168B	INE134E08JC3	12-06-2017	7.44%	11-06-2027	1,540	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07596	31-07-2017	5.25%	31-07-2020	18	CARE AAA; Stable
169A	INE134E08JD1	08-08-2017	7.10%	08-08-2022	3,395	CARE AAA; Stable
169B	INE134E08JE9	08-08-2017	7.30%	07-08-2027	1,500	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07604	31-08-2017	5.25%	31-08-2020	14	CARE AAA; Stable

Instrument	ISIN NO.	Issue Date	Coupon Rate	Principal Redemption Date	Principal Amount (in Rs. crore)	Rating assigned along with Rating Outlook
PFC Capital Gain Bonds Series 1	INE134E07612	30-09-2017	5.25%	30-09-2020	21	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07620	31-10-2017	5.25%	31-10-2020	20	CARE AAA; Stable
170A	INE134E08JF6	22-11-2017	7.35%	22-11-2022	800	CARE AAA; Stable
170B	INE134E08JG4	22-11-2017	7.65%	22-11-2027	2,001	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07638	30-11-2017	5.25%	30-11-2020	34	CARE AAA; Stable
171 (LIC)	INE134E08JH2	15-12-2017	7.62%	15-12-2027	5,000	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07646	31-12-2017	5.25%	31-12-2020	34	CARE AAA; Stable
172	INE134E08JI0	30-01-2018	7.74%	29-01-2028	850	CARE AAA; Stable
173A	INE134E08JJ8	12-02-2018	7.73%	12-03-2021	505	CARE AAA; Stable
173B	INE134E08JK6	12-02-2018	7.73%	05-04-2021	1,325	CARE AAA; Stable
175	INE134E08JM2	15-03-2018	7.75%	15-04-2021	600	CARE AAA; Stable
176A	INE134E08JN0	20-03-2018	7.53%	20-01-2020	1,500	CARE AAA; Stable
176B	INE134E08JO8	20-03-2018	7.99%	20-12-2022	1,295	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07653	31-01-2018	5.25%	31-01-2021	26	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07661	28-02-2018	5.25%	28-02-2021	38	CARE AAA; Stable
PFC Capital Gain Bonds Series 1	INE134E07679	31-03-2018	5.25%	31-03-2021	88	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					9,750	CARE AAA; Stable/ CARE A1+
177	INE134E08JP5	03-04-2018	7.85%	03-04-2028	3,855	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07687	30-04-2018	5.75%	30-04-2023	7	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07695	31-05-2018	5.75%	31-05-2023	7	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07703	30-06-2018	5.75%	30-06-2023	10	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07711	31-07-2018	5.75%	31-07-2023	14	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07729	31-08-2018	5.75%	31-08-2023	16	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07737	30-09-2018	5.75%	30-09-2023	26	CARE AAA; Stable
178	INE134E08JQ3	10-10-2018	8.95%	10-10-2028	3,000	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07745	31-10-2018	5.75%	31-10-2023	33	CARE AAA; Stable
179(A)	INE134E08JR1	19-11-2018	8.67%	18-11-2028	1,007	CARE AAA; Stable
179(B)	INE134E08JS9	19-11-2018	8.64%	19-11-2033	528	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07752	30-11-2018	5.75%	30-11-2023	41	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07760	31-12-2018	5.75%	31-12-2023	55	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07778	31-01-2019	5.75%	31-01-2024	71	CARE AAA; Stable
180	INE134E08JT7	22-02-2019	8.75%	22-02-1934	2,654	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07786	28-02-2019	5.75%	29-02-2024	67	CARE AAA; Stable
181	INE134E08JU5	11-03-2019	8.45%	11-08-2022	2,155	CARE AAA; Stable
182	INE134E08JV3	14-03-2019	8.20%	14-09-2020	3,500	CARE AAA; Stable

Instrument	ISIN NO.	Issue Date	Coupon Rate	Principal Redemption Date	Principal Amount (in Rs. crore)	Rating assigned along with Rating Outlook
183	INE134E08JW1	19-03-2019	8.18%	19-03-2022	3,751	CARE AAA; Stable
184(A)	INE134E08JY7	25-03-2019	9.25%	25-09-2024	2,000	CARE AAA; Stable
184(B)	INE134E08JX9	25-03-2019	9.10%	23-03-2029	2,412	CARE AAA; Stable
185	INE134E08JZ4	28-03-2019	8.98%	28-03-2029	1,000	CARE AAA; Stable
PFC Capital Gain Bonds Series II	INE134E07794	31-03-2019	5.75%	31-03-2024	145	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					57,646	CARE AAA; Stable/ CARE A1+
186	INE134E08KA5	30-04-2019	8.79%	29-04-1934	2,579	CARE AAA; Stable
PFC Capital Gain Bonds Series III	INE134E07810	30-04-2019	5.75%	30-04-2024	49	CARE AAA; Stable
187(A)	INE134E08KB3	27-05-2019	8.20%	27-05-2022	1,605	CARE AAA; Stable
187(B)	INE134E08KC1	27-05-2019	8.85%	25-05-2029	1,982	CARE AAA; Stable
PFC Capital Gain Bonds Series III	INE134E07828	31-05-2019	5.75%	31-05-2024	73	CARE AAA; Stable
188	INE134E08KD9	04-06-2019	8.10%	04-06-2024	691	CARE AAA; Stable
PFC Capital Gain Bonds Series III	INE134E07836	30-06-2019	5.75%	30-06-2024	82	CARE AAA; Stable
PFC Capital Gain Bonds Series III	INE134E07844	31-07-2019	5.75%	31-07-2024	117	CARE AAA; Stable
189	INE134E08KE7	08-08-2019	8.15%	08-08-2034	4,035	CARE AAA; Stable
190	INE134E08KF4	06-09-2019	8.25%	06-09-2034	4,016	CARE AAA; Stable
PFC Capital Gain Bonds Series III	INE134E07851	31-08-2019	5.75%	31-08-2024	106	CARE AAA; Stable
Proposed/ Utilised/ Redeemed					74,665	CARE AAA; Stable/ CARE A1+
Long term Market Borrowing Programme (FY21)					70,000	CARE AAA; Stable
Short term Market Borrowing Programme (FY21)					5,000	CARE A1+
Commercial Paper issue (FY21)					15,000	CARE A1+

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Borrowings-Market Borrowing Programme	LT	11219.50	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)
2.	Borrowings-Market Borrowing Programme	LT	8674.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)



Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
3.	Debt-Subordinate Debt	LT	3800.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)
4.	Borrowings-Market Borrowing Programme	LT	34434.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)
5.	Borrowings-Market Borrowing Programme	LT	13880.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)
6.	Borrowings-Market Borrowing Programme	LT	41115.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (06-Oct-17)
7.	Short Term Instruments-Short Term Borrowing	-	-	-	-	-	-	1)CARE A1+ (06-Oct-17)
8.	Borrowings-Market Borrowing Programme	LT	33118.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (26-Sep-18)	1)CARE AAA; Stable (01-Mar-18) 2)CARE AAA; Stable (06-Oct-17) 3)CARE AAA; Stable (20-Sep-17) 4)CARE AAA; Stable (04-Sep-17) 5)CARE AAA; Stable / CARE A1+ (25-Apr-17)
9.	Short Term Instruments-Short Term Borrowing	ST	1925.00	CARE A1+	-	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (13-Dec-18) 2)CARE A1+ (26-Sep-18)	1)CARE A1+ (06-Oct-17) 2)CARE A1+ (20-Sep-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
								3)CARE A1+ (04-Sep-17) 4) (25-Apr-17)
10.	Borrowings-Market Borrowing Programme	LT	80000.00	CARE AAA; Stable	-	1)CARE AAA; Stable (03-Oct-19)	1)CARE AAA; Stable (28-Mar-19) 2)CARE AAA; Stable (13-Dec-18) 3)CARE AAA; Stable (05-Dec-18) 4)CARE AAA; Stable (05-Nov-18) 5)CARE AAA; Stable (26-Sep-18) 6)CARE AAA; Stable (03-Apr-18)	-
11.	Short Term Instruments-Short Term Borrowing	ST	4000.00	CARE A1+	-	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (28-Mar-19) 2)CARE A1+ (13-Dec-18) 3)CARE A1+ (05-Dec-18) 4)CARE A1+ (05-Nov-18) 5)CARE A1+ (26-Sep-18) 6)CARE A1+ (24-Apr-18) 7)CARE A1+ (03-Apr-18)	-
12.	Commercial Paper-Commercial Paper (Standalone)	ST	13000.00	CARE A1+	-	1)CARE A1+ (03-Oct-19)	1)CARE A1+ (13-Dec-18) 2)CARE A1+ (05-Dec-18) 3)CARE A1+ (05-Nov-18) 4)CARE A1+ (26-Sep-18) 5)CARE A1+ (24-Apr-18)	-
13.	Borrowings-Market Borrowing Programme	LT	88000.00	CARE AAA; Stable	-	1)CARE AAA; Stable (21-Feb-20)	1)CARE AAA; Stable (28-Mar-19)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
						2)CARE AAA; Stable (11-Nov-19) 3)CARE AAA; Stable (03-Oct-19)		
14.	Short Term Instruments-Short Term Borrowing	ST	2000.00	CARE A1+	-	1)CARE A1+ (21-Feb-20) 2)CARE A1+ (11-Nov-19) 3)CARE A1+ (03-Oct-19)	1)CARE A1+ (28-Mar-19)	-
15.	Commercial Paper-Commercial Paper (Standalone)	ST	10000.00	CARE A1+	-	1)CARE A1+ (21-Feb-20) 2)CARE A1+ (11-Nov-19) 3)CARE A1+ (03-Oct-19)	1)CARE A1+ (28-Mar-19)	-
16.	Borrowings-Market Borrowing Programme	LT	70000.00	CARE AAA; Stable	-	1)CARE AAA; Stable (23-Mar-20)	-	-
17.	Short Term Instruments-Short Term Borrowing	ST	5000.00	CARE A1+	-	1)CARE A1+ (23-Mar-20)	-	-
18.	Commercial Paper-Commercial Paper (Standalone)	ST	15000.00	CARE A1+	-	1)CARE A1+ (23-Mar-20)	-	-

**Annexure-3: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Borrowings-Market Borrowing Programme	Simple
2.	Commercial Paper-Commercial Paper (Standalone)	Simple
3.	Debt-Subordinate Debt	Complex
4.	Short Term Instruments-Short Term Borrowing	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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