ADDRESSED TO: [●]

PRIVATE PLACEMENT OFFER LETTER SERIES 199

REC LIMITED
(Formerly known as Rural Electrification Corporation Limited)
(A Government of India Enterprise)

Regd. Office: Core-4, SCOPE Complex, 7 Lodi Road, New Delhi 110003
Tel.:+91-11-43091527; **Facsimile:** +91-11-2436 9849;
E-mail: investorcell@recl.in
Website: www.recindia.nic.in
CIN No. – L40101DL1969GOI005095

FOR PRIVATE CIRCULATION ONLY

This Private Placement Offer Letter is issued in conformity with Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debenture) Rules, 2014, as amended, RBI's Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Circular Number: RBI/DNBR/2016-17/45, Master Direction DNBR.PD.008/03.10.119/2016-17, dated September 01, 2016 Circular No. RBI/2014-15/475 DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015, as amended, and is an information memorandum for the purposes of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended. This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis in accordance with SEBI circular January 05, 2018 bearing reference number SEBI/HO/DDHS/CIR/P/2018/05, and SEBI circular dated August 16, 2018 bearing reference number SEBI/HO/DDHS/CIR/P/2018/122, each as amended ("**SEBI EBP Circulars**"), read with the Updated Operational Guidelines "for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20180928-24 dated September 28, 2018 ("**BSE EBP Guidelines**") or the "Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis" issued by the NSE vide their circular number 24/2018 dated September 28, 2018 ("**NSE EBP Guidelines**"), as applicable. The SEBI EBP Circulars and the BSE EBP Guidelines / NSE EBP Guidelines shall hereinafter be collectively referred to as the "**Operational Guidelines**". The Issuer intends to use the BSE bid bond platform for this Issue.

PRIVATE PLACEMENT OFFER LETTER DATED JUNE 05, 2020

PRIVATE PLACEMENT OFFER LETTER FOR PRIVATE PLACEMENT OF SERIES 199 UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, SUBORDINATED TIER II, TAXABLE BONDS OF RS. 500 CRORES FOR CASH AT PAR ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UPTO RS. 1499.50 CRORES, AGGREGATING TO RS. 1999.50 CRORES ("ISSUE" OR "SERIES 199 ISSUE"). BONDS ISSUED UNDER THE ISSUE MATURE IN 10 YEARS AND 7 DAYS.

NEITHER THE ISSUER NOR ANY OF THE CURRENT DIRECTORS OF THE ISSUER HAS BEEN DECLARED AS WILFUL DEFAULTER.

TRUSTEE FOR THE BONDHOLDERS	REGISTRAR TO THE ISSUE
BEACON TRUSTEESHIP LIMITED	**KFIN TECHNOLOGIES PRIVATE LIMITED**
Registered Office: 4C & D Siddhivinayak Chambers, Gandhi Nagar, Bandra East, Mumbai – 400 051 Tel: +91 22 2655 8759 Contact Person: Mr. Vitthal Naawandhar, Director & CEO Email: compliance@beacontrustee.co.in Website: http://beacontrustee.co.in/ SEBI Registration No: IND000000569	**Registered Office**: Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District Nanakramguda, Hyderabad Tel: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Website: https://www.kfintech.com/ Contact Person: Mr. Gopal Krishna K V S Email: einward.ris@kfintech.com SEBI Registration No.: INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON: June 05, 2020	ISSUE CLOSES ON: June 05, 2020

LISTING

The Bonds are proposed to be listed on wholesale debt market ("**WDM**") segment of the National Stock Exchange of India Ltd. and/or BSE Ltd. The BSE and NSE have granted their respective in-principle approvals by letters both dated June 4, 2020.

TABLE OF CONTENTS

SECTION I ---------- 2
DEFINITIONS AND ABBREVIATIONS ---------- 2
SECTION II ---------- 5
DISCLAIMERS ---------- 5
SECTION III ---------- 7
GENERAL INFORMATION ---------- 7
SECTION IV ---------- 10
BRIEF HISTORY OF ISSUER SINCE INCORPORATION ---------- 10
SECTION V ---------- 14
CORPORATE STRUCTURE - EXISTING CORPORATE ORGANOGRAM ---------- 14
SECTION VI ---------- 15
BRIEF SUMMARY OF BUSINESS/ACTIVITIES OF ISSUER AND ITS SUBSIDIARIES ---------- 15
SECTION VII ---------- 21
OUR MANAGEMENT ---------- 21
SECTION VIII ---------- 24
REGULATORY DISCLOSURES ---------- 24
SECTION IX ---------- 29
MANAGEMENT'S PERCEPTION OF RISK FACTORS ---------- 29
SECTION X ---------- 33
CAPITAL STRUCTURE ---------- 33
SECTION XI ---------- 39
FINANCIAL INDEBTEDNESS ---------- 39
SECTION XII ---------- 41
FINANCIAL INFORMATION ---------- 41
SECTION XIII ---------- 46
WILFUL DEFAULTER ---------- 46
SECTION XIV ---------- 47
SUMMARY TERM SHEET ---------- 47
SECTION XV ---------- 52
ISSUE PROCEDURE ---------- 52
SECTION XVI ---------- 62
MATERIAL CONTRACTS AND AGREEMENTS ---------- 62
SECTION XVII ---------- 63
DECLARATION ---------- 63
SECTION XVIII ---------- 64
ANNEXURES ---------- 64

SECTION I
DEFINITIONS AND ABBREVIATIONS

For the purpose of this Private Placement Offer Letter, in addition to the terms defined in the cover page above and elsewhere in this Private Placement Offer Letter, the following terms shall have the following meanings assigned to them herein below unless repugnant to the meaning, subject or context thereof:

Articles/Articles of Association/AoA	Articles of association of the Issuer as amended.
Allotment/Allot	The issue and allotment of the Bonds to the successful Applicants pursuant to this Issue.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for Allotment of Bonds for the Issue.
Applicant	An eligible investor as defined in Section XIV "Summary Term-Sheet" of this Private Placement Offer Letter, who applies for the Bonds pursuant to the terms of this Private Placement Offer Letter and the Application Form.
Arrangers to the Issue	Arrangers to the Issue are the entities as listed in this Private Placement Offer Letter.
Board/Board of Directors	The board of directors of the Issuer or Committee thereof.
Bonds	Unsecured, redeemable, non-convertible, non-cumulative, subordinated Tier II, taxable bonds in the nature of debentures of face value of Rs. 10 (ten) Lakhs each offered under Series 199 through private placement route under the terms of this Private Placement Offer Letter.
Bond Trustee	Trustee for the Bonds, being BEACON Trusteeship Limited.
Bondholder(s)	Any person whose name appears in the list of Beneficial Owners provided by the Depositories as the holder of the Bonds.
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form ('Beneficial Owner' of the Bond(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996).
BSE	BSE Limited.
BSE Bond-EBP Platform	EBP platform of BSE for issuance of debt securities on private placement basis.
Business Day	Business day is the day when the money market is functioning in Mumbai.
CAG	Comptroller and Auditor General of India.
CAR	Capital Adequacy Ratio.
CARE	Credit Analysis & Research Limited.
CDSL	Central Depository Services (India) Limited.
CMD	Chairman and Managing Director of the Issuer.
Committee	A committee of the Board of Directors.
Companies Act/Act	The Companies Act, 2013, as amended and to the extent notified by the Ministry of Corporate Affairs, Government of India.
CRISIL	CRISIL Limited.
Crore	An amount of Rs. 1,00,00,000.
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
Deemed Date of Allotment	The cut-off date on which the duly authorized committee approves the Allotment of the Bonds, i.e. the date from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholders. The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant / DP	A depository participant as defined under Depositories Act, 1996.
Designated Bank Account	Shall have the meaning as set out in Section XV "Issue Procedure".
Designated Stock Exchange	BSE Limited.
Director	A member of the Board of Directors.
EBP	Electronic Bidding Platform.
EESL	Energy Efficiency Services Limited.
Equity Shares	Equity shares of the Issuer of face value of Rs. 10 (ten) each.
Exchanges	BSE and/or NSE.
FPI	Foreign portfolio investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended, and registered with SEBI.
Financial Year/ FY/ Fiscal	Period of 12 (twelve) months period ending on March 31, of that particular year.
GOI / Government /	Government of India/Central Government.

Government of India	
HUDCO	Housing and Urban Development Corporation Limited.
ICRA	ICRA Limited.
Indian GAAP	Accounting Standards in accordance with the Companies (Accounting standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.
IND-AS	Indian accounting standards (IND-AS) in accordance with Companies (Indian Accounting Standards) Rules, 2015, as amended notified under section 133 of the Act and other relevant provisions of the Act.
Independent Director	An independent director referred to in sub-section (4) of Section 149 of the Companies Act.
IEX	Indian Energy Exchange Limited.
IRRPL	India Ratings & Research Private Limited.
Issuer / REC / Company	REC Limited (formerly known as Rural Electrification Corporation Limited), a company incorporated under the Companies Act, 1956 and having its registered office at Core-4, SCOPE Complex, 7 Lodi Road, New Delhi 110003 and bearing CIN L40101DL1969GOI005095.
Issue / Offer	Private placement of bonds for Rs.500 Crores for cash at par with an option to retain oversubscription by way of green shoe option up to Rs.1499.50 Crores, aggregating to Rs.1999.50 Crores under the Issue (“**Issue Size**”).
ISIN	International Securities Identification Number.
ISIN Circulars	SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017, and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018, or any other applicable laws or regulations from time to time.
I.T. Act	The Income-tax Act, 1961, as amended.
JPY	Japanese Yen.
Key Managerial Personnel	Key managerial personnel, in relation to the Issuer, shall mean: i. Managing Director or chief executive officer or the manager; ii. Company secretary; iii. Whole-time director; iv. Chief financial officer; and any such other officer as may be prescribed under the Companies Act.
Lakh	An amount of Rs.1,00,000.
Listing Agreement	Listing agreement as defined under the SEBI LODR.
Memorandum/Memorandum of Association	Memorandum of Association of the Issuer as originally framed or as altered from time to time in pursuance of the Companies Act.
Million	An amount of Rs.1,000,000.
MoP	Ministry of Power.
NBFC	A non-banking financial company registered with the RBI.
NBFC-IFC	Infrastructure finance company as a category of non-banking financial company registered with the RBI.
NBFC Directions	RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Circular Number: RBI/DNBR/2016-17/45, Master Direction DNBR.PD.008/03.10.119/2016-17, dated September 01, 2016, as amended.
NHPC	NHPC Limited.
NPA	Non-performing asset.
NSE	National Stock Exchange of India Ltd.
NSE Bond Platform	EBP platform of NSE for issuance of debt securities on private placement basis.
NEF	National Electricity Fund.
NSDL	National Securities Depository Ltd.
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.
Pay-in Time	Shall have the meaning as set out in Section XV “Issue Procedure”.
PFC	Power Finance Corporation Limited.
Private Placement	Offer of Bonds or invitation to subscribe to the Bonds of the Issuer (other than by way of public offer) through issue of this Private Placement Offer Letter to Investors on such conditions including the form and manner of private placement as prescribed under the Companies Act, and the NBFC Directions.
Private Placement Offer	This private placement offer letter dated June 05, 2020.

Letter	
Promoter	A promoter as referred to to in sub-section (69) of Section 2 of the Companies Act.
Quarter End	Means the last day of each financial quarter of each Financial Year.
Rs.	Indian National Rupee.
RBI	Reserve Bank of India.
RBI Act, 1934	Reserve Bank of India Act, 1934, as amended.
RBI Guidelines	Any rule, regulations, guideline or amendment as may be issued by RBI from time to time.
Register of Debenture holders	The register containing the name of Bondholders entitled to receive the coupon or redemption amount in respect of the Bonds on the Record Date and whose name appears in the list of Bondholders appearing in the record of Beneficial Owners, maintained by the Depository as the Bonds are issued in demat form only and if any Bonds are subsequently rematerialized, the register maintained by the Issuer, of the names of Bondholders entitled to receive the coupon or redemption amounts on the Record Date, maintained at the registered office of the Issuer under the Companies Act.
RECPDCL	REC Power Distribution Company Limited
RECTPCL	REC Transmission Projects Company Limited
Record Date	Record date of interest shall be 15 (fifteen) days prior to each interest payment date and 15 (fifteen) days prior to the date of Maturity. Interest shall be paid to the person whose name appears as sole/first Beneficial Owner(s) in the records of the Depositories on Record Date or to the Bondholders who have converted the Bonds to physical form and their name is registered on the registers maintained by the Issuer or Registrar. In the event of the Issuer not receiving any notice of transfer at least 15 (fifteen) days before the respective due date of payment of interest and at least 15 (fifteen) days prior to the maturity date, the transferees for the Bond shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholder.
Redemption Date	As defined in Section XIV "Summary Term-Sheet" of this Private Placement Offer Letter.
Registrar to the Issue / Registrar	Registrar to the Issue, being KFin Technologies Private Limited.
ROC	Registrar of Companies, National Capital Territory of Delhi and Haryana.
RTGS	Real Time Gross Settlement.
SEB	State Electricity Board(s).
SEBI	Securities and Exchange Board of India established under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.
SEBI Guidelines	Any rule, regulation or amendment as may be issued by SEBI from time to time.
SEBI LODR	SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.
SIB	'Small is Beautiful' Fund.
Series 199 Bonds	Unsecured, listed, rated, redeemable, non-convertible, non-cumulative, subordinated Tier II, taxable bonds in the nature of debentures of face value of Rs. 10 (ten) Lakhs each, issued under the Series 199 Issue.
SAUBHAGYA Scheme	Pradhan Mantri Sahaj Bijli Har Ghar Yojana – 'Saubhagya' a scheme which was launched by the Hon'ble Prime Minister of India on September 25, 2017

SECTION II
DISCLAIMERS

DISCLAIMER OF THE ISSUER

This Private Placement Offer Letter is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with Companies Act, and Rule 14 of the PAS Rules, SEBI Guidelines including SEBI Debt Regulations and RBI Guidelines. This document does not and shall not be deemed to constitute an offer or an invitation to the public generally to subscribe for or otherwise acquire the Bonds to be issued by REC. This document is for the exclusive use of the Investors to whom it has been specifically addressed and it should not be circulated or distributed to third party(s). This Bond issue is made strictly on private placement basis.

This Private Placement Offer Letter has been prepared to give general information regarding REC to parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require after the date hereof. The Issuer accepts no responsibility for statements made other than in this Private Placement Offer Letter or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Bonds and the Investor placing reliance on any other source of information would be doing so at their or its own risk.

REC does not undertake to update this Private Placement Offer Letter to reflect subsequent events. REC accepts no responsibility for statements made in any advertisement or another material and anyone placing reliance on any other source of information does so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer before making any investment and should be able to bear the economic risk of investing in Bonds. It is the responsibility of prospective subscribers to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds.

Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds and should analyse such investment and the suitability of such investment to such Investor's particular circumstances.

The person who is in receipt of this Private Placement Offer Letter shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer.

Issuer reserves the right to withdraw the private placement of the Bond issue prior to the Issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc. In such an event, the Issuer will refund the Application money, if any, along with interest payable on such Application money, if any. The Investors confirm that they are aware of and understand the contents as set out under this section.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The Bonds have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Private Placement Offer Letter. It is to be distinctly understood that this Private Placement Offer Letter should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Private Placement Offer Letter. However, the SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Private Placement Offer Letter has been submitted to the Exchanges for hosting the same on its website. It is to be distinctly understood that such submission of the document with the Exchanges or hosting the same on their website should not in any way be deemed or construed that this Private Placement Offer Letter has been cleared or approved by the Exchanges; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they warrant that the Issuer's Bonds will be listed or continue to be listed on the Exchanges; nor do they take responsibility for the financial or other soundness of the Issuer, its Promoter, its management or any scheme or project of REC. Every person who desires to apply for or otherwise acquire any bonds of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the relevant Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE RESERVE BANK OF INDIA

The Bonds have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Private Placement Offer Letter. It is to be distinctly understood that this Private Placement Offer Letter should not, in any way, be deemed or construed that the Bonds have been recommended for investment by the RBI. The RBI does not take any responsibility either for the financial soundness of the Issuer, or the Bonds being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Private Placement Offer Letter. Potential investors may make investment decision in respect of the Bonds offered in terms of this Private Placement Offer Letter solely on the basis of their own analysis and RBI does not accept any responsibility about servicing or repayment of such investment.

SECTION III
GENERAL INFORMATION

3.1. ISSUER

Name of the Issuer	REC Limited (formerly known as Rural Electrification Corporation Ltd.)
Registered / Head / Corporate Office	Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110003
Website	www.recindia.nic.in
E-mail	investorcell@recl.in
Telephone Number	+91-11-4309 1527
Fax Number	+91-11-2436 9849
CIN	L40101DL1969GOI005095
Date of Incorporation	July 25, 1969

3.2. COMPLIANCE/NODAL OFFICER AND CHIEF FINANCIAL OFFICER

COMPLIANCE/ NODAL OFFICER	CHIEF FINANCIAL OFFICER - DIRECTOR FINANCE DIRECTOR
Mr. Subrata Aich, Additional General Manager (Finance) REC Limited Core-4, SCOPE Complex 7, Lodi Road, New Delhi 110 003 Tel: +91-11-4309 1688 E-mail: subrataaich@recl.in	**Mr. Ajoy Choudhury** REC Limited Core-4, SCOPE Complex 7, Lodi Road New Delhi-110003 Tel: +91 11 43091504, 24361914 Facsimile: +91 11 24365090 E-mail: achoudhury@recl.in

3.3. ARRANGERS TO THE ISSUE

HDFC BANK LTD. Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013	**AXIS BANK LIMITED** Axis House, 4th Floor, Tower 1, Sector-128, Noida-201304
A. K. CAPITAL SERVICES LTD. 910, 9th Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, Connaught Place, New Delhi -110001	**ICICI BANK LIMITED** ICICI Bank Towers Bandra Kurla Complex, Bandra (East), Mumbai – 400051
TRUST INVESTMENT ADVISORS PVT. LTD. 1101, Naman Centre, G Block, C-31, BandraKurla Complex, Bandra (E), Mumbai -400 051	**SBI CAPITAL MARKETS LTD.** 6th Floor, World Trade Tower, Barakhamba Lane, New Delhi-110001
ICICI SECURITIES PRIMARY DEALERSHIP LIMITED ICICI Tower, 3rd Floor, NBCC Place, PragatiVihar, Lodi Road, New Delhi – 110003	**PNB GILTS LIMITED** PNB House, 4th Floor, Sir P M Road, Mumbai-400001
GENEV CAPITAL PRIVATE LIMITED Eucharistic Congress III, 9th Floor, 5 Convent Road, Colaba, Mumbai- 400039	**JM Financial Limited** Sood Towers (East Tower), 6th Floor, Barakhamba Road, New Delhi-110 001
DERIVIUM TRADITION (INDIA) PRIVATE LIMITED Eucharistic Congress III, 10 Flr, 5 Convent Road, Colaba, Mumbai - 400 039	**CENTRUM CAPITAL LIMITED** H 11 A 2nd Floor, Middle Circle, Connaught Place, New Delhi – 110001
DARASHAW & COMPANY PRIVATE LTD 1205-06 Regent Chambers, 208 Nariman Point, Mumbai-400021	**KOTAK MAHINDRA BANK LIMITED** Kotak Aero City, Asset Area 9, 3rd Floor, IBIS Commercial Block, Hospitality District, IGI Airport New Delhi - 110 037
LKP SECURITIES LTD 203, Embassy Centre, Nariman Point, Mumbai - 400 021	**Real Growth securities Pvt. Ltd.** 112A, Jyoti Shikhar Building Janakpuri, New Delhi-110058
TIPSONS CONSULTANCY SERVICES PVT. LTD. 401, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380015	

3.4. BOND TRUSTEE TO THIS ISSUE

REC has appointed BEACON Trusteeship Limited to act as Bond Trustee for and on behalf of the Bondholder(s). The Bond Trustee has given his consent to the Issuer for his appointment under regulation 4 (4) of the SEBI Debt Regulations and in all the subsequent periodical communications sent to the holders of debt securities. A copy of letter from BEACON Trusteeship Limited conveying their consent to act as Bond Trustee for the current issue of Bonds is enclosed as Annexure I to this Private Placement Offer Letter.

3.5. REGISTRAR TO THIS ISSUE

REC has appointed KFin Technologies Private Limited as a Registrar to this Issue.

3.6. CREDIT RATING AGENCIES

ICRA LIMITED	CRISIL LIMITED
1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi – 110001 Tel: +91 11 23357940/50 Fax: +91 11 23357014 Website: www.icra.in	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076 Tel: + 91 22 3342 3000 Fax: +91 22 3342 3050 Website: www.crisil.com
CARE LIMITED	**INDIA RATINGS & RESEARCH PRIVATE LIMITED**
13th Floor, E-1, Block, Videocon Tower, Jhandewalan Extension, New Delhi 110055 Tel:+91 11 4533 3200 Fax: +91 114533 3238 Website: www.careratings.com	A Fitch Group Company Wockhardt Tower, Level 4, West Wing Bandra Kurla Complex, Bandra (E) Mumbai – 400051 Tel: + 91 22 40001700 Fax: +91 22 40001701 Website: www.indiaratings.co.in

The Bonds proposed to be issued under the Issue have been rated 'CRISIL AAA/ Stable' by CRISIL vide its revalidated letter dated May 6, 2020, and '[ICRA] AAA (Stable)' by ICRA vide its revalidated letter dated May 6, 2020, and 'CARE AAA/ Stable' by CARE vide its revalidated letter dated May 7, 2020 and 'IND AAA/ Stable' by IRRPL vide its revalidated letter dated May 6, 2020. The ratings provided by CARE, IRPPL, CRISIL and ICRA may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold the Bonds and investors should take their own decisions. For further details, please refer to Annexure II for the rating letters for the above ratings. Please refer to the website of the relevant rating agency for the rationale for the above ratings.

3.6 STATUTORY AUDITORS OF THE ISSUER

S. No	Name	Address	Auditors of the Issuer since
1	**M/s S.K. Mittal & Co.,** Chartered Accountants, ICAI Firm Registration: 001135N	Mittal House, E-29, South Extension Part II, New Delhi-110049 Tel: 011-26255213/ 41640694 Email: gaurav@skmittal.co.in; murthy@skmittal.co.in Contact Person: Mr. Gaurav Mittal, Partner	Appointed vide CAG letter dated August 1, 2019. The appointment was accepted on August 2, 2019.
2	**M/s O.P. Bagla & Co. LLP.,** Chartered Accountants, ICAI Firm Registration: 000018N/N500091	8/12, Block 5, Kalkaji Extension, Kalkaji, New Delhi - 110019 Tel: 011-26412939 Email: rakesh@opbco.in; admin@opbco.in Contact Person: Mr. Rakesh Kumar, Partner	Appointed vide CAG letter dated August 1, 2019. The appointment was accepted on August 3, 2019.

Being a government company, the statutory auditors of the Issuer are appointed by the CAG. The annual accounts of the Issuer are reviewed every year by the CAG and their comments are published in our annual report.

3.7 DETAILS OF CHANGE IN AUDITORS OF THE ISSUER SINCE LAST 3 (THREE) YEARS

S. No	Financial Year	Name	Address	Date of Appointment/ Cessation	Auditor of the Issuer since (in case of Cessation)	Remark (if any)
1.	2019 – 20	M/s S.K. Mittal & Co., Chartered Accountants, ICAI Firm Registration: 001135N	Mittal House, E-29, South Extension Part II, New Delhi-110049	Appointed on August 2, 2019	-	M/s S.K. Mittal & Co. was appointed by the CAG.
2.	2019 – 20	M/s O.P. Bagla & Co. LLP., Chartered Accountants, ICAI Firm Registration: 000018N	8/12 Kalkaji Extension, New Delhi - 110019	Appointed on August 3, 2019	-	M/s O.P. Bagla & Co. LLP., was appointed by the CAG.
3.	2018-19	M/s A.R. & Co., Chartered Accountants ICAI Firm Registration: 002744C	A 403, Gayatri Apartments, Airlines Group Housing Society, Plot No.27, Sector 10, Dwarka, New Delhi- 110075	Ceased to be the statutory auditor on August 1, 2019.	Appointed on July 1, 2015	The CAG communicated the change of auditors on August 1, 2019.
4.	2018-19	M/s G.S. Mathur & Co., Chartered Accountants, ICAI Firm Registration: 008744N	A-160, Defence Colony, New Delhi-110024	Ceased to be the statutory auditor on August 1, 2019.	Appointed on July 29, 2017	The CAG communicated the change of auditors on August 1, 2019.

SECTION IV
BRIEF HISTORY OF ISSUER SINCE INCORPORATION

4.1. CONSTITUTION

REC is a Government of India public sector enterprise and was originally incorporated as a private limited company under the Companies Act, 1956 on July 25, 1969 at New Delhi as "Rural Electrification Corporation Private Limited". The word "private" was deleted from the name of the Issuer on June 3, 1970. The Issuer became a deemed public limited company with effect from July 1, 1975. The Issuer was converted into a public limited company with effect from July 18, 2003. The name of the Issuer has changed from "Rural Electrification Corporation Private Limited" to "REC Limited" pursuant to the shareholders resolution dated September 25, 2018, with effect from October 13, 2018.

The Issuer was declared as a 'Public Financial Institution' under Section 4A of the Companies Act, 1956 (corresponding section 2(72) of the Companies Act) in February 1992 and registered as non-banking financial company under section 45-IA of the RBI Act, 1934 in February 1998. Further, the RBI *vide* its letter dated September 17, 2010 categorised it as a NBFC-IFC, in terms of their circular dated February 12, 2010, and REC was allotted NBFC registration number 14.000011, by the RBI. A fresh certificate of registration bearing no. 14.000011 dated November 28, 2018 was allotted by the RBI in the name of REC Limited.

The Issuer is a leading player in the Indian power infrastructure sector and is engaged in the financing and promotion of transmission, distribution and generation including renewable energy projects throughout India. The Issuer is also the nodal agency for DDUGJY and SAUBHAGYA Scheme which aims to fulfil GOI's social and economic objective of achieving 100% electrification throughout India.

4.2. CHANGES IN THE REGISTERED AND CORPORATE OFFICE

Our registered and corporate office is currently situated at Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110 003, India. Our registered office was initially situated at Floor No. 3, Jeevan Vihar, Parliament Street, New Delhi-110001, India, pursuant to a resolution of our Board dated September 5, 1969, and was subsequently situated at D-5, NDSE, Part-II, New Delhi 110 049, India. On February 7, 1977, we changed our registered office to 2nd and 3rd Floor, DDA Building, Nehru Place, New Delhi 110 019, India, and on May 31, 1996, we shifted to our current registered and corporate office.

4.3 OUR PROMOTER

Our Promoters are:

(i) The President of India acting through the Ministry of Power, Government of India, and
(ii) Power Finance Corporation Limited.

In pursuance of the in-principle approval of Cabinet Committee on Economic Affairs dated December 6, 2018, the President of India, acting through Ministry of Power, Government of India entered into a Share Purchase Agreement with Power Finance Corporation Limited (PFC) on March 20, 2019 for sale of 103,93,99,343 (One Hundred Three Crores Ninety Three Lakhs Ninety Nine Thousand Three Hundred Forty Three) equity shares of Rs.10/- each of REC Limited, representing 52.63% (Fifty Two Point Six Three Percent) of the total paid-up share capital of the Company. In terms of the said Agreement, the entire shareholding of President of India in REC Limited, i.e. 103,93,99,343 equity shares representing 52.63% of the total paid-up share capital of the Company, was transferred by Government of India to PFC on 28th March, 2019 and accordingly, PFC is treated as part of the "Promoter Group".

4.4 MAJOR EVENTS AND MILESTONES

Calendar Year	Event
1969	• Incorporation of REC.
1970	• Commenced lending operations to SEBs
1974	• Authorised by the Ministry of Irrigation and Power to finance rural electrification under the "Minimum Needs Programme".
1979	• Central Institute for Rural Electrification (CIRE) set up in Hyderabad.
1988	• Launch of Kutir Jyoti programme for rural electrification.
1992	• Declared a Public Financial Institution under Section 4A of the Companies Act, 1956.
1993	• Entered into MoU with the Ministry of Power for the year 1993-1994 for the first time to achieve certain performance related targets.
1998	• Registered as a non-banking financial company by RBI under Section 45(IA) of the RBI Act, 1934.
2001	• Allowed to issue capital gains tax exemption bonds under Section 54 EC of the I.T. Act.
	• Upgradation from Schedule 'B' to Schedule 'A' Corporation.
2002	• Grant of Mini Ratna - I status.
2005	• Appointed as the nodal agency for RGGVY (presently known as Deen Dayal Upadhyaya Gram Jyoti Yojana - DDUGJY).
2006	• Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,629 Million. • Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million.
2008	• Launch of initial public offer and dilution of GOI's shareholding from 100% to 81.82%. Gross proceeds from initial public offer were Rs. 819.63 Crores. • Listed Equity Shares of the Issuer on NSE and BSE. • Accorded "*Navratna*" status by the Department of Public Enterprise, GOI for our operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making. • Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,902 Million.
2009	• Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million. • Received 'LAAA' rating from ICRA in relation to Rs. 25,000 Crores long term borrowing programme for the Fiscal 2010.
2010	• Follow-on issue of Equity Shares resulting in (a) raising Rs. 2,647.53 Crores of gross proceeds through fresh issue and (b) GOI reducing its ownership to 66.80%. • RBI categorised REC as an IFC.
2011	• REC successfully priced a 'USD 500 Million 4.25% 5-year Reg S Senior Unsecured Notes' transaction. • REC was the first Indian NBFC–IFC to enter into the international debt market.
2012	• CHF Bonds through Reg S for CHF 200 Million were issued by REC, which were listed in the SIX Swiss Exchange, Switzerland. • Entered into an agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 100 Million. • National Electricity Fund (Interest Subsidy Scheme) has been set up by Ministry of Power to provide interest subsidy on loans disbursed to the State power utilities, DISCOMs - both in public and private sector, to improve the infrastructure in distribution sector. REC is the nodal agency for the scheme with a mandate to operationalize the scheme through which amount for interest subsidy will be provided.
2013	• REC received DSIJ PSU Award, 2012 for "Fastest Growing Operational Metrics" in the non-manufacturing Navratna category. • REC received CIDC Vishwakarma Award 2013 in the category of "Achievement Award for Industry Doyen". • REC received Award in the Category of "Non-Banking Financial Services" by India Pride Awards, Dainik Bhaskar and DNA.
2014	• Entered into offshore syndicated facility agreements for availing loan facility of USD 285 Million from Hong Kong and Shanghai Banking Corporation Limited, State Bank of India, Singapore Branch and Sumitomo Mitsui Banking Corporation as mandated lead arrangers and book runners in November 2014. • Nodal agency for operationalization of Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) on December 3, 2014 (including Rural Electrification ("**RE**") component - the erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana ("**RGGVY**") mainly for separation of agriculture and non-agriculture feeders; strengthening and augmentation of sub-transmission and distribution infrastructure in rural areas; and rural electrification for completion of the targets laid down under RGGVY for XII and XIII Plans.
2016	• Nodal Agency for implementation of Outage Management System and 11 KV Rural Feeder Management System.
2017	• REC Equity Shares included in 'Nifty Next 50' on National Stock Exchange of India Limited. • SAUBHAGYA Scheme launched. • USD 400 Million Reg S Bond for refinancing issued and listed on London Stock Exchange and Singapore Stock Exchange. • Green bond of REC listed on London Stock Exchange.
2018	• Achieved 100% village electrification on April 28, 2018 under Deen Dayal Upadhaya Gram Jyoti Yojana (DDUGJY). • Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 200 Million. • Name of company changed from Rural Electrification Corporation Limited to REC Limited on October 13, 2018.

Calendar Year	Event
	• REC has been placed amongst top 10 Profit making CPSEs of the country by Public Enterprises Survey 2017-18.
2019	• Cabinet Committee on Economic Affairs on December 6, 2018 gave “in-principle” approval for acquisition of shares held by GOI in the Company to Power Finance Corporation Limited (PFC) along with management control. On March 20, 2019 Board of PFC gave its approval for acquisition of GOI’s entire shareholding of 52.63% held in the Company to PFC and making PFC as the majority shareholder of the Company. In accordance with the filing done by PFC on March 28, 2019 with the Stock Exchange(s) under Regulation 10(6) of the SEBI Listing Regulations, PFC has acquired complete 52.63% shares held by GOI in the Company. After such acquisition our Company shall remain to be a Government Company pursuant to Section 2 (45) of the Companies Act. • USD 650 Million, 5 year Reg S bond, with a semi annual coupon of 3.375% per annum, for financing power projects and listed on London Stock Exchange's International Securities Market (ISM), Singapore Exchange (SGX-ST), India International Exchange (India INX) and NSE IFSC. • REC completed 50 (Fifty) years of its existence on July 25, 2019.
2020	• During COVID-19 pandemic, REC has pledged to donate Rs. 150 Crores to the PM-Cares fund in addition to one day salary of its employees and also facilitating food & ration for over 36,500 needy people throughout the country.

4.5 AWARDS AND ACCREDITATIONS

A few select awards and accreditations received by the Issuer are as follows:

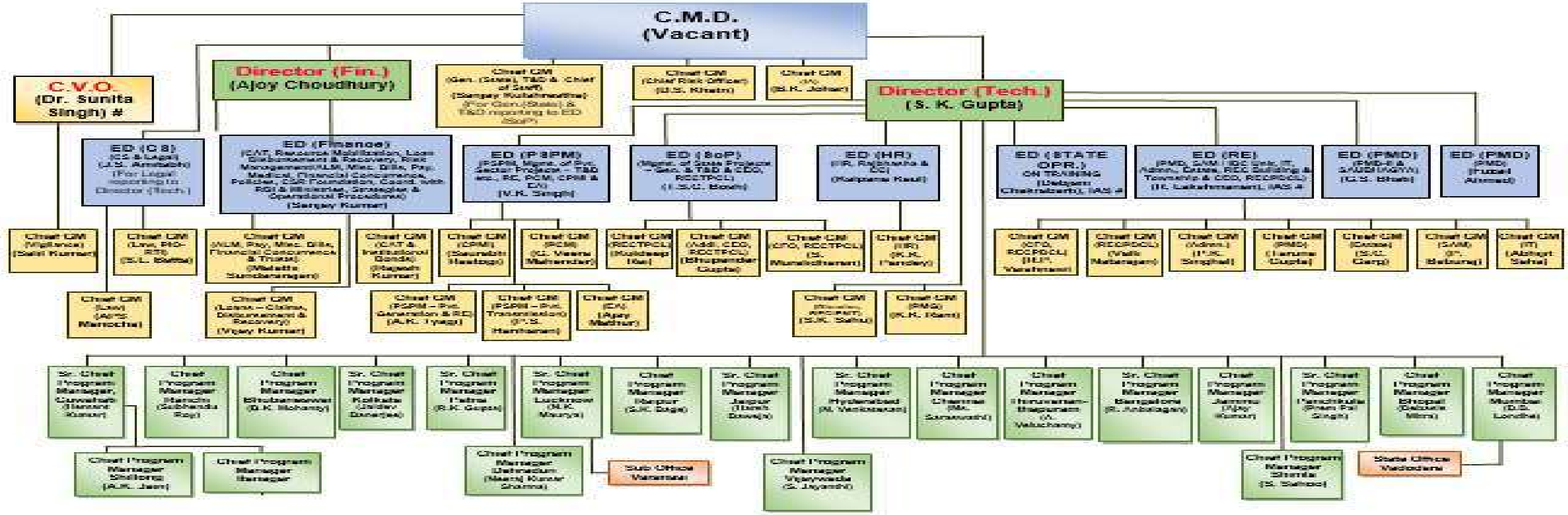
Calendar Year	Awards/Accreditations
1994	• Received rating of “excellent” by the GOI, for the first time, for fulfilling the targets pursuant to the MoU entered into the MoP for the year 1993-1994
2000	• Declared to be among the top ten public sector enterprises by the GOI*
2008	• Accorded “*Navratna*” status by the Department of Public Enterprise, GOI for our operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making.
2009	• Received the Award for Excellence in Rural Electrification for Rural India Connect in India Pride Awards organised by Dainik Bhaskar. • Received SCOPE Meritorious Award under the category of the Best Managed Bank, Financial Institution or Insurance Company.
2010	• Received Dalal Street Investment Journal (“DSIJ”), PSU Award 2010, for The Best Wealth Creator”. • Received India Pride Award 2010 “The Best NBFC”. • Received Asia Pacific HRM Congress Award 2010 for “Organizational Development and Leadership”. • REC was included in the MSCI emerging marketing index.
2011	• Received DSIJ PSU Award 2011 for “Speed King” for fastest growing PSUs across Maharatnas, Navratnas and Miniratnas. • Featured in Dun & Bradstreet’s India Top PSUs.
2012	• Received “Best Listed CPSE Award” from Department of Public Enterprises, GOI for fiscal 2010. • Conferred with “Best Company to work for 2012” being ranked among Top 50 Companies hiring upto 1000 employees by Great Place to Work Institute India in association with The Economic Times.
2013	• Received DSIJ PSU Award, 2012 for “Fastest Growing Operational Metrics” in Non-Manufacturing Navratna Category. • Received CIDC Vishwakarma Award 2013 in the category of “Achievement Award for Industry Doyen”. • Received IPE_ CSR Corporate Governance Award from IPE, Hyderabad. • Received Award in the category of “Non Banking Financial Services” by India Pride Awards, Dainik Bhaskar and DNA.
2014	• Received 13th ICSI National Awards for Excellence in Corporate Governance, 2013. • Received Award in “Energy & Power Sector” from India Pride Awards, Dainik Bhaskar and DNA. • Our Company rated among the “Best Employers in India” by Aeon Hewitt. • Received DSIJ PSU Award 2013 for “Best Value creating Navratna with a balance Sheet of more than Rs. 1 Lakh Crore”. • REC named “Best Employer India 2013” and also been awarded “The Aon Hewitt Voice of Employee Award Public Sector Enterprise India 2013” by Aon Hewitt. • Received “Best HR Practices” Award in the Navratna PSU's category from India Today PSUs Award 2014. • REC received DSIJ PSU Award, 2014 for "Fastest Growing Navratna of the Year in “Non-Manufacturing Category”. • “Rural sector PSE of the Year making Grass Root Infrastructure Impact” from IPSE Award 2014. • “Best Power Financing Company” for outstanding contribution in terms of providing financial assistance and promoting rural electrification projects all over India having consistent record of excellent all round performance growth and profitability since inception and contribution to the growth of India from CBIP. • “Best Governed Company” by Institute of Company Secretaries of India and REC has been awarded “ICSI National Award for excellence in corporate governance”.
2015	• Received award for “Operational Excellence in Financial Services” from India Pride Awards, Dainik Bhaskar and DNA. • “Fastest Growing Navratna PSU” award from India Today.
2016	• Received the Central Board of Irrigation and Power award for Best Power Financing Company.

Calendar Year	Awards/Accreditations
	• Received a certificate of recognition for its contribution in Transforming REC by the Governance Now group (SAB TV). • Awarded the "SCOPE Excellence Award for outstanding contribution to the Public Sector Management – Institutional Category I (Maharatna & Navratna)" and "SCOPE Meritorious Award for Best Managed Bank, Financial Institution Category" at the Standing Conference of Public Enterprises (SCOPE) Awards. • Received "Best Power Financing Company" award in CBIP Awards 2017.
2017	• Received the Dainik Bhaskar India Pride Award 2017 for being the leading Financial Services NBFC in the Central PSU category. • Received the Central Board of Irrigation and Power award for Best Power Financing Company. • Received the first prize for "Brand Building through Inclusive Growth Initiatives" at the Corporate Communication Excellence Awards 2017 organized by the SCOPE. • Received "Best Power Finance Company" award in CBIP Awards 2018. • Received "Governance Now 5th PSU Award – 2017". • Received "SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management" for the year 2016-17" under Special Institutional Category, Digitalization.
2018	• Received the Vishwakarma award for Gurugram World HQ project. • Received two awards at the Dainik Bhaskar India Pride Awards 2018 for "Excellence in Navratna" and HOD in the Finance category. • Received the most efficient NBFC award at the Chambers of Indian Micro, Small and Medium Enterprise Awards 2018. • Received the award for "Excellence in Financial Services" at the Dun & Bradstreet PSU Awards 2018. • Received the DSIJ PSU Award 2018 for "India's Best Public Sector Undertaking Award, 2018 – Highest Wealth Creator- Market Returns (Navratna)". • Received Golden Peacock Awards – 2018 for Corporate Governance & Sustainability. • Received CIMSME Banking Excellence Award. • Received Award for Best PSU Issuer on Electronic Bidding Platform of NSE. • Received Award for highest employee efficiency enterprise by Dalal Street Investment Journal.
2019	• Received India Smart Grid Forum (ISGF) Innovation Awards 2019 for Best Project for Household Electrification. • Won SCOPE CC Excellence Awards 2019 under following three categories: • 1st prize in Best House Journal English (for WattsUp) • 2nd prize in Best Internal Communication Campaign (for REC Engage) • 3rd prize in effective use of digital media (for SAUBHAGAYA Scheme) • Received "PSE Excellence Award, 2018" by the Indian Chamber of Commerce (ICC), as runner up in the Navratna & Maharatna category, for excellence in corporate governance.
2020	• Swachh Bharat Puraskar for contribution to the Swachh Bharat Kosh of the Ministry of Jal Shakti, Government of India. • REC bags ICAI Award for Financial Reporting for FY 2018-19 in 'Public Sector Entities' category.

* *We have also been ranked among the top ten profit making public sector undertakings for the Fiscals 2015, 2016, 2017 and 2018 by the Ministry of Heavy Industries and Public Enterprises, GOI.*

SECTION V
CORPORATE STRUCTURE - EXISTING CORPORATE ORGANOGRAM

EXISTING CORPORATE ORGANOGRAM (As on 1st June, 2020)



\# On deputation

Abbreviation

CPMI	- Corporate Planning, Monitoring and Innovation
Fin	- Finance
IT	- Information Technology
DDUGJY	- Deen Dayal Upadhyaya Gramin Jyoti Yojna
CEO	- Chief Executive Officer
Gen	- Generation
CS	- Company Secretary
CC&PR	- Corporate Communication & Public Relations
RTI	- Right to Information
P&C	- Parliament & Coordination
MOP	- Ministry of Power
IAS	- Indian Administrative Service
CM	- Corporate Management
IBD	- International Business Development
PSPM	- Private Sector Project Management
RM	- Resource Mobilisation
PMD	- Project Management Division

Abbreviation

PIO	- Public Information Officer
AA	- Appellate Authority
IA	- Internal Audit
HR	- Human Resources
RE	- Renewable Energy
CSR	- Corporate Social Responsibility
EA	- Entity Appraisal
SAM	- Stressed Asset Management
RECIPTM	- REC Institute of Power Management and Training
FM	- Financial Management
PCM	- Procurement & Contract Management
RECPDCL	- REC Power Distribution Company Ltd.
RECTPCL	- REC Transmission Projects Company Ltd.
Q&FM	- Technical Services, Quality and Field Monitoring
CA	- Corporate Accounts
ECB	- External Commercial Borrowings
PID	- Public Information Division
ST. OPTR.	- State Operations

Abbreviation

CMD	- Chairman and Managing Director
ED	- Executive Director
GM	- General Manager
AGM	- Additional General Manager

SECTION VI
BRIEF SUMMARY OF BUSINESS/ACTIVITIES OF ISSUER AND ITS SUBSIDIARIES

6.1. OVERVIEW

We are public financial institution in the Indian power infrastructure sector and are engaged in the financing and promotion of transmission, distribution and generation including renewable energy projects throughout India. We commenced our operations in 1969 for the purpose of developing the power infrastructure in rural areas. We have contributed to the development of rural India and India's agriculture through our funding of transmission and distribution projects in rural areas. Our mandate has evolved in accordance with the development priorities of GOI and since Fiscal 2003, we are permitted to finance all segments of the power sector, including generation, transmission and distribution, throughout the country. Our mandate was further extended to include financing other activities with linkages to power projects, such as coal and other mining activities, fuel supply arrangements for the power sector and other power-related infrastructure. We have a separate division for funding renewable projects in order to further achieve the goal of conserving fossil fuels and reducing our carbon foot prints. REC is one of only 14 (fourteen) Indian public sector undertakings to be granted "*Navratna*" status by the Department of Public Enterprise by virtue of our operational efficiency and financial strength. The GOI has rated our performance as "*Excellent*" continuously since Fiscal 1994. We have also been ranked among the top ten public sector undertakings in India by the Ministry of Heavy Industries and Public Enterprises for Fiscal 2015, Fiscal 2016, Fiscal 2017 and Fiscal 2018. Domestically, we hold the highest credit rating for long-term borrowing consisting of domestic credit rating from each of IRRPL, CRISL, ICRA and CARE. On an international basis, we hold long-term borrowing ratings from Fitch and Moody's that are at par with sovereign ratings for India.

We have a branch network of 18 (eighteen) regional offices and 5 (five) state offices and 1 (one) sub office spread across India. We also have 1 (one) training centre in Hyderabad. The registered office in New Delhi deals with planning and policy formulation, resource mobilization and financial operations. Project, field or regional offices attend functions relating to preliminary processing of new schemes, monitoring of on-going schemes, scrutiny of loan claims, recovery of dues and maintain liaison with SEBs and state governments for effective implementation of rural electrification programme and projects funded by REC.

6.2. BUSINESS

Our Strengths

We believe that the following are our primary strengths:

- strong financial position and profitable business;
- unique position to access and appraise borrowers in Indian power sector;
- key strategic position in the GOI's plans for growth of the power sector;
- experienced management team with sector expertise; and
- pan India presence through our zonal/project offices in state capitals.

Our Strategy

The key elements of the business strategy are:

- fund the increased investment in the Indian power sector;
- maintain diversity of our asset portfolio and seek higher yielding loan assets;
- increased involvement in consortium lending and private sector participation in Indian power sector;
- increased fee-based income; and
- implement technological innovation.

6.3. OUR PRODUCTS

Types of Loans

REC offers the following types of loans:

A. *Long-term Loans*

We offer our long-term loans to central-sector power utilities, state-sector power utilities, joint-sector power utilities, state power departments, private sector power utilities and rural electricity cooperatives. Our long-term loans generally are sanctioned with respect to a specific power-related project at project inception or as bulk loans for procurement of equipment. Our long-term loans to the public sector for transmission and distribution projects typically require the borrower to obtain a state government guarantee of the loan and/or hypothecate a portion of its existing assets or hypothecate all of its project assets to secure the loan. The percentage of guarantee and hypothecation of assets differs on a case-to-case basis.

B. *Short-term Loans*

We offer short-term loans to our state sector borrowers to meet their immediate working capital requirements, including for the purchase of fuel for power plants, system and network maintenance, including transformer repairs, the purchase of power, the purchase of materials and minor equipment.

C. ***Medium-term Loans***

We offer medium-term loans ("**MTL**") to the Central/State Government Power Utilities and State Governments that are not in default to REC for the following purposes:

- purchase of fuel for power plant;
- system and network maintenance including transformer repairs;
- purchase of power;
- any other requirement due to inadequate tariff revision, repayment of loan obligation, delay in receipt of support from GOI.

MTL are not provided to customers (i) who are in default to REC, or, (ii) utilities categorised as Grade "C".

These loans have a loan period of more than 1 year up to a maximum of 3 years.

D. *Others*

- **Debt Refinancing**

  We may offer a debt refinancing scheme for borrowers who have borrowed funds from other lending institutions at a higher rate of interest. The refinancing facility is available generally for commissioned projects. We offer our debt refinancing products on the same or lower interest rate terms as our long-term loans; however, the maturity of our debt refinancing products may generally be not later than the maturity of the refinanced indebtedness.

- **Bridge Loans**

  We may provide short-term bridge loan financing for borrowers that have been sanctioned financial assistance from or through us, primarily in the form of grants or long-term loans, and have received a sanction letter for the funding but are awaiting disbursements pending formalities or clearances.

- **Short-term Loans to Equipment Manufacturers**

We may offer short-term loans to manufacturers of equipment or materials. To be eligible to receive these loans the equipment manufacturers must have been awarded a firm order for executing contracts in power projects in India by power utilities. We do not currently have any such loans outstanding.

- **Loans for Power Purchase through the IEX**

  In December 2009, our Board of Directors approved a new scheme pursuant to which we intend to finance power purchases made through the IEX, which is one of two energy exchanges operating in India. It is currently intended that these power purchase loans may be offered to our existing public sector borrowers for the purpose of non-speculative purchases of power through the exchange with a maturity of 90 days from disbursement. Power purchase loans will be secured by escrow arrangements or bank guarantees, at the discretion of the borrower.

Our Lending Policies

REC has well-developed policies and/or guidelines to streamline the funding process. This is regularly reviewed based on prevailing market practices, formulation of new policies and guidelines to strengthen the funding process. The lending process is as follows: (i) loan application by the prospective borrower; (ii) credit appraisal for assessing their creditworthiness; (iii) project appraisal on technical and financial feasibility and debt servicing capability and project execution abilities; (iv) sanction letter with loan sanction including quantum of funding, pre-commitment conditions, pre-disbursement and post-disbursement conditions; (v) process of loan documentation and execution; (vi) funds are disbursed to the borrower for development and/or construction of power projects after all conditions met; (vii) ongoing monitoring and review of the projects, including any risk or deviation; and (viii) re-grading or re-appraisal of the project.

Grading of State Power Utilities

REC has well defined policy/guidelines for grading of state power utilities. They are reviewed periodically in view of significant changes in the power sector. REC has classified state power utilities (generation/transmission/trading utilities/joint ventures/state entities) into A++, A+, A, B and C categories. Categorization (is based on evaluation of the utility's performance against operational, financial and technical performance including regulatory environment, audited financial statements. For state power distribution utilities (including SEBs/utilities with integrated operations), REC follows the Ministry of Power's "Integrated Ratings" by aligning such ratings or grading with REC's standard categories of A+, A, B and C. The categorization enables REC to determine credit exposure limits and interest rates to state power utilities etc.

6.4 OUR PARTICIPATION IN GOVERNMENT PROGRAMMES

The Government has a number of programmes aimed at accelerating the growth and development of the power sector. REC plays a key role in implementation of the following programmes.

Deendayal Upadhyaya Gram Jyoti Yojana

DDUGJY is an integrated scheme covering all aspects of rural power distribution. Under this scheme, 60% of the project cost (85% for special category states) is provided as grant by the Government of India and additional grant up to 15% (5% for special category states) is provided by the Government of India on achievement of prescribed milestones. All earlier rural electrification schemes have been subsumed into DDUGJY. REC Limited is the nodal agency for implementation of DDUGJY. DDUGJY aims to achieve'24x7 Power For All' in India.

Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

REC has been designated as the nodal agency for the SAUBHAGYA Scheme. The outlay of the SAUBHAGYA Scheme is Rs. 16,320 Crores including budgetary support of Rs. 12,320 Crores. The objective of the SAUBHAGYA Scheme is to achieve universal household electrification in India by providing last mile connectivity and electricity connections to all remaining un-electrified households in rural and urban areas.

Pursuant to the directions of the Ministry of Power and Ministry of Finance, REC has issued non-convertible debentures in the nature of 'GOI Fully Serviced Bonds', through private placement. The payment of interest and repayment of principal is met by GOI by making suitable budgetary provision, therefore no separate guarantee is provided by the Government. Funds raised through these GOI Fully Serviced Bonds have been utilized exclusively for the purpose of DDUGJY and/or the SAUBHAGYA Scheme. The details of the GOI Fully Serviced Bonds are as follow:

Year	Amount (Rs. Crores)
2017-2018	4000
2018-2019	13827
2019-2020	3782.3

National Electricity Fund (NEF)

NEF has an interest subsidy scheme aims to promote capital investment in the distribution sector. The scheme provides interest subsidy, linked with reform measures, for loans taken by private and public power distribution utilities for approved power distribution infrastructure projects. REC is the nodal agency for the scheme with a mandate to operationalize it and pass on the benefit of interest subsidy to eligible distribution utilities. REC receives service charges at the rate of 0.5% of the total loan amount approved by the NEF steering committee. Performance is evaluated on an annual basis during the loan tenure. Independent evaluators are appointed for evaluation of interest subsidy proposal.

6.5 SUBSIDIARIES AND THEIR SPECIAL PURPOSE VEHICLE AS ON MARCH 31, 2020

6.5.1. REC Transmission Projects Company Limited (RECTPCL)

RECTPCL is a 100% owned subsidiary of the Issuer and acts as “bid process coordinator” for selection of transmission service providers for independent transmission projects allocated by the Ministry of Power from time to time, through a tariff-based competitive bidding process notified for inter-state and intra-state transmission projects. As on March 31, 2020, RECTPCL had the following project specific SPVs as wholly-owned subsidiaries of RECTPCL and REC:

Sr. No.	Name of Special Purpose Vehicle	Date of Incorporation
1.	Dinchang Transmission Limited*	December 2, 2015
2.	Chandil Transmission Limited	March 14, 2018
3.	Koderma Transmission Limited	March 19, 2018
4.	Dumka Transmission Limited	March 23, 2018
5.	Mandar Transmission Limited	March 26, 2018

** Dinchang Transmission Limited project was de-notified vide gazette notification dated February 1, 2019. Further, Ministry of Power vide order dated March 31, 2020 has accorded approval for striking off the name of the company from the Register of Companies under Section 248 of Companies Act, 2013.*

6.5.2. REC Power Distribution Company Limited (RECPDCL)

RECPDCL is a 100% owned subsidiary of the Issuer and promotes, develops, constructs, owns, operates, distributes and maintains up to 66 (sixty six) kV voltage electrification, distribution, electric supply lines and distribution systems. It provides value added project execution and consultancy services to various distribution companies/power departments across India. The Ministry of Power *vide* letter dated November 11, 2019 has communicated the in-principle approval of the competent authority for amalgamation of RECPDCL and RECTPCL, in accordance with the terms and conditions mentioned in the scheme of amalgamation and subject to compliance of other statutory provisions and clearances.

6.6 JOINT VENTURE

Energy Efficiency Services Limited (EESL)

REC, along with three public sector undertakings, namely, Power Grid Corporation of India Limited, NTPC Limited (earlier known as National Thermal Power Corporation Limited) and Power Finance Corporation Limited, has formed a joint venture company being EESL on December 10, 2009. The equity investment of REC in EESL was increased to 14,65,00,000 equity shares of Rs. 10 each, with effect from April 25, 2016 during the Financial Year 2016-17 and this was further increased to 21,81,00,000 equity shares of Rs. 10 each during FY 2019-20. As on March 31, 2020 REC holds 22.18% of the paid-up equity share capital of EESL.

6.7 ENTITIES IN WHICH REC HAS EQUITY INVESTMENT

Indian Energy Exchange Limited (IEX)

IEX is energy trading exchange providing a nationwide automated platform for physical delivery of electricity facilitating price discovery, accessibility and transparency of the power market in India. As on March 31, 2020 REC holds 1,22,71,211 equity shares of IEX with a market value of Rs.157.01 Crores.

'Small is Beautiful' Fund (SIB)

SIB is an Indian venture capital fund engaged in making investments in power generation and other allied projects in Indian power sector. REC's contribution amounted to 9.74% of the fund corpus. REC's contribution amounted to 9.74% of the fund corpus. The value of REC's investment in SIB as on March 31, 2020 is Rs. 6.12 Crores.

Investment in NHPC Limited

NHPC, a GOI enterprise plans, promotes and organizes integrated and efficient development of hydroelectric power as well as development conventional and non-conventional power sources in India and abroad. At present, NHPC is a 'Miniratna' (a category-I public sector enterprise). As on March 31, 2020 REC holds 17,53,02,206 equity shares of NHPC with a market value of Rs. 349.73 Crores.

Housing and Urban Development Corporation Limited

HUDCO is notified as a public financial institution under Section 4A of the Companies Act and a 'Miniratna' (a category-I public sector enterprise). HUDCO promotes housing and infrastructure development and habitat development in India. As on March 31, 2020 REC holds 3,47,429 equity shares of HUDCO Limited with a market value of Rs. 0.69 Crore.

RattanIndia Power Limited

As a one time settlement against outstanding loan of Indiabulls Power Limited (now known as RattanIndia Power Ltd), the Company has been allotted the following instruments of RattanIndia Power Ltd ("**RIPL**") for a value of Rs. 857.25 million which includes:

(i) 9,25,98,105 equity shares at the price of Rs. 1.48 per share amounting to Rs. 137 million with lock in period of 2 years;
(ii) 2,87,20,978 redeemable preference shares of Rs. 10 each amounting to Rs. 287.21 million with lock in period of 2 years carrying coupon rate of 0.001%; and
(iii) 4,33,03,616 optionally cumulative convertible redeemable preference shares of Rs. 10 each amounting to Rs. 433.04 million and redemption premium with lock in period of 7 years carrying coupon rate of 0.001%.

Redeemable preference shares, optionally cumulative convertible redeemable preference shares and redemption premium are secured by assignment of inter corporate deposit given by RIPL to Poena Power Projects Ltd ("**PPDL**") in favour of consortium lenders, pledge over RIPL's shareholding in PPDL and agreement to mortgage the land owned by PPDL admeasuring 815 acres, 1 kanal, 12 marla, in favour of lenders which shall eventually be converted into legally enforceable mortgage over the above land, to the satisfaction of lenders within 18 months from transfer date. The computation of redemption premium amount shall be based on pre agreed method and on valuation of equity (in accordance with SEBI methodology) at the end of one year from completion of equity lock in period of 2 years.

SECTION VII
OUR MANAGEMENT

7.1. DETAILS OF THE BOARD

The following table sets forth details regarding our Board as on the date of this Private Placement Offer Letter

Name, Designation, Term, Occupation, DIN, Age and Nationality	Residential Address	Date of Appointment / Reappointment	Other Directorships	Appointment / Resignation
Shri Sanjeev Kumar Gupta S/o Shri Bhukan Saran Gupta Director (Technical) Whole time Director Term: 5 years or until superannuation, or until further orders, whichever is earlier. Occupation: Service DIN: 03464342 Age: 57 years Nationality: Indian	16-C, Nilgiri-1 Apartment, Sector 34, Noida, Uttar Pradesh, India, 201307.	October 16, 2015	• REC Power Distribution Company Limited • REC Transmission Projects Company Limited	MoP Order No. 46/14/2014-RE dated October 16, 2015.
Shri Ajoy Choudhury Director (Finance) Whole time Director Term: 5 years or until superannuation, or until further orders, whichever is earlier. Occupation: Service DIN: 06629871 Age: 56 years Nationality: Indian	Flat No. 221, Power Grid Society, Gh-23, Sector 21 C, Par T 3 Faridabad 121002, Haryana, India	June 1, 2020	• REC Power Distribution Company Limited • TRN Energy Private Limited	MoP Order No. 46/9/2011-RE [228164] dated April 21, 2020
Shri Mritunjay Kumar Narayan S/o Late Shri Suresh Sharma Government Nominee Director Term: Until further orders from the Ministry of Power. Occupation: Service. DIN: 03426753 Age: 49 years Nationality: Indian	05, Type VI, Near VIP Guest House, Dalibagh Officer's Colony, Dalibagh, Lucknow, Uttar Pradesh, India, 226001.	September 2, 2019	• Power Finance Corporation Limited. • PTC India Limited	MoP Order No. 46/8/2015-RE (E-227696) dated September 2, 2019.
Shri Praveen Kumar Singh S/o Late Shri Ram Sagar Singh Nominee Director (Power Finance Corporation Limited) Occupation: Service Term: Until further orders from the Ministry of Power. DIN: 03548218 Age: 57 years Nationality: Indian	C-9/9844, Vasant Kunj, Delhi, India, 110070.	June 18, 2019	• Power Finance Corporation Limited. • Coastal Karnataka Power Limited. • Sakhigopal Integrated Power Company Limited. • Jharkhand Infrapower Limited. • Ghogarpalli Integrated Power Company Limited. • PFC Consulting Limited. • Orissa Integrated Power Limited.	MoP Letter No. 27-46/1/2018-RE dated June 6, 2019.

None of the current Directors of the Issuer appear in the RBI's defaulter list and/or Export Credit Guarantee Corporation's default list.

7.2 Corporate Governance

The Issuer has generally been complying with the requirements of corporate governance as prescribed under the SEBI LODR. However, the requirement pertaining to composition of the Board of Directors is not being met, as presently the Board of the Issuer has a total of four (4) directors out of which two (2) are whole time official/Directors, 1 (one) is a nominee Director of Government of India, 1 (one) is a nominee Director of Power Finance Corporation Limited. Being a Government company, the power to appoint Directors on the Board vests with the President of India acting through the administrative ministry which is the Ministry of Power. The Company has already requested the Ministry of Power, Government of India, the appointing authority, for appointment of requisite number of independent directors including woman independent director on the Board of the Company.

In view of the above, the Issuer is unable to comply with certain corporate governance requirements in respect of board composition envisaged under the SEBI LODR and the Companies Act. This non-compliance of appointment of requisite minimum number of independent directors is beyond the control of the Issuer and at this stage we cannot provide any assurance that by when this non-conformance pertaining to composition of the Board of Directors will be rectified until the GOI appoints such Directors.

7.3 Details of Changes in Directors in last 3 (three) years

Name	DIN	Designation	Date of Appointment	Date of Completion of Tenure	Reason
Shri Rajeev Sharma	00973413	Chairman & Managing Director	November 29, 2011	September 30, 2016	Ceased to be a Director pursuant to relinquishment of charge as CMD.
Shri Bhagwati Prasad Pandey	01393312	Chairman & Managing Director	October 1, 2016	January 4, 2017	Ceased to hold the additional charge of CMD REC, pursuant to the appointment of Dr. P.V. Ramesh as CMD REC w.e.f. January 5, 2017.
Dr. Penumaka Venkata Ramesh	02836069	Chairman & Managing Director	January 5, 2017	March 5, 2019	Ceased to hold the charge of CMD REC, pursuant to the appointment of Shri Ajeet Kumar Agarwal as CMD REC w.e.f. March 6, 2019.
Shri Ajeet Kumar Agarwal	02231613	Director (Finance) Chairman & Managing Director* *The CMD took charge on March 6, 2019, upto May 31, 2020 i.e. the date of his superannuation, or until the appointment of a regular incumbent or until further orders, whichever is earlier.	August 1, 2012	July 31, 2017. However, the Ministry of Power vide its order dated July 19, 2017, extended his tenure as Director (Finance) of the Issuer from August 1, 2017 to May 31, 2020 i.e. the date of his superannuation, or until further orders, whichever is earlier.	Extension of tenure as CMD vide MoP Order No. 46/2/2019-RE dated November 18, 2019. Extension of tenure of original appointment vide MoP Order No. 46/9/2011-RE dated July 19, 2017. (The original appointment was vide MoP Order No. 46/9/2011-RE dated May 17, 2012) and appointment as CMD vide MOP Order No. 46/8/2011-RE dated March 6, 2019.
Shri Arun Singh	00891728	Part-time non-official Independent Director	November 13, 2015	March 8, 2018	Ceased to be a Director with effect from March 8, 2018.
Dr. Bhagvat	00998839	Part-time non-	July 17, 2018	March 11, 2020	Ceased to be a Director with

Name	DIN	Designation	Date of Appointment	Date of Completion of Tenure	Reason
Kisanrao Karad		official Independent Director			effect from March 12, 2020.
Shri. Praveen Kumar Singh	03548218	Nominee Director - Power Finance Corporation Limited	June 18, 2019	Continuing	Appointment pursuant to a notification by the MoP, GOI.
Dr. Arun Kumar Verma	02190047	Nominee Director – Government of India	October 6, 2015	September 1, 2019	Ceased to be a Director with effect from September 2, 2019.
Shri Mritunjay Kumar Narayan	03426753	Nominee Director – Government of India	September 2, 2019	Continuing	Appointment pursuant to a notification by the MoP, GOI.
Shri Aravamudan Krishna Kumar	00871792	Part-time non-official (Independent) Director	November 13, 2015	November 13, 2019	Ceased to be a Director with effect from November 13, 2019.
Prof. Tiruvallur Thattai Rammohan	00008651	Part-time non-official (Independent) Director	November 13, 2015	November 13, 2019	Ceased to be a Director with effect from November 13, 2019.
Smt. Asha Swarup	00090902	Part-time non-official Independent Director	February 8, 2017	February 7, 2020	Ceased to be a Director with effect from February 7, 2020.
Shri Ajeet Kumar Agarwal	02231613	Director (Finance) Chairman & Managing Director	August 1, 2012 CMD (w.e.f March 6, 2019)	May 31, 2020	Ceased to be CMD and Director (Finance) with effect from May 31, 2020.

SECTION VIII
REGULATORY DISCLOSURES

8.1 INTERESTS OF OUR DIRECTORS IN THE OFFER

Except as otherwise stated in "Financial Statements – Related Party Transactions" REC has not entered into any contract, agreements and arrangement during the 3 (three) financial years preceding the date of this Private Placement Offer Letter in which the Directors are interested directly or indirectly and no payments have been made to them in respect of such contracts or agreements.

All our Directors, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses payable to them.

8.2 INTEREST OF KEY MANAGERIAL PERSONS OR PROMOTERS IN THE OFFER

All Key Managerial Personnel may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as to the extent of shareholding held by them in REC. Kindly refer to Section 10.7 below for shareholding of the Directors in REC.

The Promoter (i.e. PFC) may be deemed to be interested to the extent of shareholding held in the Issuer.

8.3 DETAILS OF ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY ANY MINISTRY DEPARTMENT OR OF THE GOVERNMENT OR A STATUTORY AUTHORITY AGAINST ANY PROMOTER OF THE ISSUER DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

1. PFC may be involved in various legal proceedings including taxation related proceedings, before various courts and other forums in the ordinary course of business and may have received directions in this regard.

2. Since the GOI is a part of the Promoter Group of the Issuer, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the GOI or a statutory authority against the GOI during the last 3 (three) years.

8.4 REMUNERATION OF DIRECTORS

8.4.1. Chairman and Managing Director and Whole Time Directors

Chairman and Managing Director and Whole Time Directors

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2019-20 (provisional):

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.) ##	Total (Rs.)
Shri Ajeet Kumar Agarwal, CMD/Director (Finance)	70,58,470	13,65,025	84,23,495
Shri Sanjeev Kumar Gupta, Director (Technical)	76,93,801	16,00,829	92,94,630

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2018-19:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.) ##	Total (Rs.)
Shri Ajeet Kumar Agarwal, CMD (w.e.f March 6, 2019)/ Director (Finance)	67,75,921	14,07,350	81,83,271
Shri P.V. Ramesh, CMD (upto March 5, 2019)	29,34,000	6,942	29,40,942
Shri Sanjeev Kumar Gupta, Director (Technical)	67,56,012	14,87,401	82,43,413

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2017-18:

Name of the Director	Salary& Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.) ##	Total (Rs.)
Shri. P.V. Ramesh, CMD	27,17,465	0	27,17,465
Shri Ajeet Kumar Agarwal, Director (Finance)	49,96,964	12,59,253	62,56,217
Shri Sanjeev Kumar Gupta, Director (Technical)	50,48,127	14,38,641	64,86,768

Note to tables above:

The above salaries and allowances are in accordance with section 17(1) of the I.T. Act, include allowances exempt under section 10 of the I.T. Act and taxable medical payments but exclude exempt medical and uniform reimbursements.

This includes perquisites accordance with section 17(2) of the I.T. Act and employer share towards provident fund and superannuation fund but excludes electricity, entertainment and house attendant payments, travel allowance related payments, gratuity contribution paid by REC, based on an actuarial valuation to the REC gratuity fund.

8.4.2. Remuneration of Part-time Non official Directors

Set forth below are the details of the sitting fees paid to Independent / Nominee Directors during FY 2019-20#:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri A. Krishna Kumar	1,40,000	3,00,000	4,40,000
2.	Prof. T.T. Ram Mohan	1,40,000	2,00,000	3,40,000
3.	Smt. Asha Swarup	1,60,000	3,00,000	4,60,000
4.	Dr. Bhagvat Kisanrao Karad*	1,40,000	2,00,000	3,40,000
5.	Shri P K Singh, Nominee Director of PFC	1,80,000	0	1,80,000
	Total	**7,60,000**	**10,00,000**	**17,60,000**

* An honorarium of Rs. 10,000/- was paid to Dr. B K Karad for attending a meeting of the departmental promotion committee held on February 24, 2020.

The Board of Directors of the Issuer in its 466th meeting held on February 4, 2020 has revised the sitting fee, with immediate effect, as under:

(i) For a Board Meeting from Rs. 20,000 to Rs. 40,000/- for each meeting.

(ii) For a committee meeting from Rs. 20,000/- to Rs. 30,000/- for each meeting.

The revised fee paid for Board meeting held on March 25, 2020.

Set forth below are the details of the sitting fees paid to Independent Directors during FY 2018-19:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri A. Krishna Kumar	3,00,000	4,40,000	7,40,000
2.	Prof. T.T. Ram Mohan	2,60,000	3,00,000	5,60,000
3.	Smt. Asha Swarup	3,00,000	3,60,000	6,60,000
4.	Dr. Bhagvat Kisanrao Karad	2,80,000	1,40,000	4,20,000

	Total	**11,40,000**	**12,40,000**	**23,80,000**

Set forth below are the details of the sitting fees paid to Independent Directors during FY 2017-18:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri Arun Singh	1,20,000	1,40,000	2,60,000
2.	Shri A. Krishna Kumar	2,20,000	4,40,000	6,60,000
3.	Prof. T.T. Ram Mohan	1,60,000	2,60,000	4,20,000
4.	Smt. Asha Swarup	1,80,000	2,00,000	3,80,000
	Total	**6,80,000**	**10,40,000**	**17,20,000**

8.5 RELATED PARTY TRANSACTIONS

Related party transactions entered during the last 3 (three) Financial Years immediately preceding the year of circulation of this Private Placement Offer Letter including with regard to loans made or guarantees given or securities provided:

FY 2018-19, 2017-18, 2016-17

Details of amount due from or to the related parties:

(Rs. in Crores)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
RECPDCL			
Debt Securities	10.44	10.44	10.44
Other Financial Assets	1.37	1.23	1.07
Other Financial Liabilities	0.49	4.35	1.51
REC TPCL			
Debt Securities	60.00	60.00	60.00
Other Financial Assets	0.36	0.27	0.27
Post-employment Benefit Plan Trusts			
Debt Securities	3.00	3.00	3.00
Other financial liabilities	31.78	2.84	13.63
Other financial assets	2.77	-	-
Post-employment Benefit Plan Trusts of Holding Company			
Debt Securities	1.20	-	-
Key Managerial Personnel			
Debt Securities	1.00	0.25	0.25
Staff Loans & Advances	0.46	0.56	0.53
Key Managerial Personnel of Holding Company			
Debt Securities	0.10	-	-

Details of transactions with related parties:

(Rs. in Crores)

Particulars	FY 2018-19	FY 2017-18
REC PDCL		
Disbursement from Subsidy/ Grant Received from Govt. of India	0.62	0.06
Apportionment of Employee Benefit and Other Expenses	8.94	5.34
Dividend Income	22.55	12.11
Finance Costs - Interest Paid	0.84	0.84
CSR Expenses	-	0.19

Other Expenses	10.56	16.58
REC TPCL		
Disbursement from Subsidy/ Grant Received from Govt. of India	11.35	1.52
Apportionment of Employee Benefit and Other Expenses	4.39	2.72
Dividend Income	68.29	13.80
Finance Costs - Interest Paid	4.70	4.70
Other Expenses	0.77	-
Post-employment Benefits Plan Trusts		
Contributions made by the Company during the year	99.58	13.63
Subscription to the bonds of Company	-	-
Subscription to GOI Serviced Bonds	29.30	-
Finance Costs - Interest Paid	0.27	0.27
Post-employment Benefits Plan Trusts of Holding Company		
Subscription to the bonds of Company	1.20	
Key Managerial Personnel		
Staff Loans & Advances	-	0.20
Interest Income on Staff Loans	0.09	0.04
Finance Cost	0.02	0.01
Employee Benefits Expense - Managerial Remuneration	2.65	2.07
Directors' Sitting Fee	0.24	0.18

8.6 DETAILS OF ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE COMPANIES ACT OR ANY PREVIOUS COMPANY LAW IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF PRIVATE PLACEMENT OFFER LETTER AGAINST THE COMPANY AND ITS SUBSIDIARIES

There have been no inquiry, inspection or investigation initiated or conducted against the Issuer or its subsidiaries under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Private Placement Offer Letter. Further there was no prosecution filed, fines imposed, compounding of offences against the Issuer or its subsidiaries in the last three years immediately preceding the year of circulation of Private Placement Offer Letter.

8.7 DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THE COMPANY

There has been no act of material fraud committed against the Issuer in the last three years immediately preceding the year of circulation of Private Placement Offer Letter.

8.8 ANY DEFAULT IN ANNUAL FILING OF THE ISSUER UNDER THE COMPANIES ACT AND THE RULES MADE THEREUNDER

There has been no default in annual filing of the Issuer under the Companies Act and the rules made thereunder.

8.9 NAME AND ADDRESS OF THE VALUER WHO PERFORMED VALUATION OF THE SECURITY OFFERED, AND BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER, AND RELEVANT DATE WITH REFERENCE TO WHICH THE PRICE HAS BEEN ARRIVED AT

Not applicable.

8.10 CHANGE IN CONTROL, IF ANY, IN THE ISSUER THAT WOULD OCCUR SUBSEQUENT TO THE PRIVATE PLACEMENT OF DEBENTURES

There will be no change in control in the Issuer pursuant to the private placement of the Bonds.

8.11 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE ISSUER AND ITS FUTURE OPERATIONS

As on the date of this Private Placement Offer Letter, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the issuer and its future operations.

8.12 PROJECT COST AND MEANS OF FINANCING IN CASE OF FUNDING OF NEW PROJECT

REC is in the business of on-lending to the power sector. Accordingly, the project costs of the relevant borrower(s) in the power sector is not relevant to REC.

8.13 ANY MATERIAL EVENT/DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE DEBT SECURITIES

There has been no material events or development or change as on date of this Private Placement Offer Letter, which affects the Issuer.

8.14 AUDITORS' QUALIFICATIONS

Details with respect to qualifications, reservations and adverse remarks of the auditors of the Issuer in the last five financial years immediately preceding the year of circulation of Private Placement Offer Letter and their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said qualifications, reservations and adverse remarks are given as under:

Financial Year	Auditors' qualifications, reservations and adverse remarks
2018-19	Nil
2017-18	Nil
2016-17	Nil
2015-16	Nil
2014-15	Nil

SECTION IX
MANAGEMENT'S PERCEPTION OF RISK FACTORS

MANAGEMENT PERCEPTION OF RISK FACTORS

The management of the Issuer believe that the following factors may affect the Issuer's ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should carefully consider all the information in this Private Placement Offer Letter, including the risks and uncertainties described below, before making an investment in the Bonds. To obtain a complete understanding, prospective Investors should read this section in conjunction with the remaining sections of this Private Placement Offer Letter, as well as the other financial and statistical information contained in this Private Placement Offer Letter. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Bonds could decline, and the Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Bonds such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Bonds. The inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. You must rely on your own examination of the Issuer and this Issue, including the risks and uncertainties involved. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. The Investor should carefully consider all the information in this Private Placement Offer Letter, including the risks and uncertainties described below before making an investment in the Bonds. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, prospects, results of operations and financial condition.

RISK RELATING TO BUSINESS OR INDUSTRY

1. Our business, and the industry in which we conduct our business, are dependent on the policies and support of the Government and we are susceptible to changes to such policies and the level of support we receive. If the changes in Government policies, are not in favour of our business, then the same are likely to adversely affect our business, financial condition and results of our operations. A situation may occur where GOI may withdraw its support, tax incentives, etc. and can come up with the policies, regulations or laws which may be inconsistent with our business objectives. Any such adverse change in policies of the GOI may affect our business.

2. We have a significant concentration of outstanding loans to certain borrowers and if the loans to these borrowers become non-performing, the quality of our asset portfolio may be adversely affected.

3. Our competitive efficiency is dependent on our ability to maintain a low and effective cost of funds; if we are unable to do so, it could have a material adverse effect on our business, financial condition and results of our operations.

4. Our statutory auditors have made observations in their annexure to auditor's reports on our audited financial statements for Fiscal 2015, 2016, 2017, 2018 and 2019 and raised matters of emphasis in their annexure to auditor's reports on our audited financial statements for Fiscal 2015 and 2016.

5. We may face asset liability mismatches, which could affect our liquidity and consequently have a material and adverse effect on our business, financial performance and results of operations.

6. If we are unable to manage our growth effectively, our business and financial results could be adversely affected.

7. We are currently engaged in foreign currency borrowings and we are likely to do so at increased levels in the future, which will expose us to fluctuations in foreign exchange rates and if we are unable to hedge the risk effectively, it could adversely affect our business, financial condition and results of operations.

8. Any negative trends or financial difficulties, particularly among the borrowers and borrower groups to whom we have the greatest exposure, including state electricity boards and public sector undertakings, could increase the level of non performing assets in our portfolio and that may make us unable to service our outstanding indebtedness. Certain state electricity boards which were our borrowers have been restructured and we may not have transferred liabilities related with loans to the newly formed entity, which may affect our ability to enforce the applicable provisions of the original agreement.

9. We are involved in large number of litigations and any adverse decision in these cases may affect our financial conditions.

10. We may not have obtained sufficient security and collateral from our borrowers, or we may not be able to recover or enforce, or there may be a delay in recovering or enforcing, the expected value from any security and collateral which could have a material adverse effect on our business, financial condition and results of operations.

11. We are susceptible to the volatility in interest rates in our operations and therefore may be adversely affected due to the fluctuation in interest rates.

12. The Government, through PFC continues to exercise control over us, and therefore it can determine the outcome of shareholder voting and influence our operations.

13. There may be challenges as a result of, or difficulties in realising the benefits of the acquisition by PFC, or any future merger of the Issuer with PFC's business and/or successfully integrating the Issuer's business with PFC's or (in the event of a merger) the merged business.

14. The Government may sell all or part of its shareholding in PFC, and/or PFC may sell all or part of its shareholding in us, which may result in a change in control of the Issuer.

15. Failure to manage any acquisition that the Issuer makes may cause its profitability to suffer.

16. An inability to develop or implement effective risk management policies and procedures could expose us to unidentified risks or unanticipated levels of risk.

17. We take advantage of certain tax benefits available to us as a lending institution. If these tax benefits were reduced or are no longer available to us, it would adversely affect our profitability.

18. Our Directors may have interests in companies/entities similar to ours, which may result in a conflict of interest that may adversely affect future financing opportunity referrals and there can be no assurance that these or other conflicts of interest will be resolved in an impartial manner.

19. We have entered and may enter into certain transactions with related parties, which may not be on an arm's length basis or may lead to conflicts of interest.

20. We are subject to restrictive covenants, in the agreements entered into with certain banks and financial institutions for our borrowings, like to maintain credit ratings, financial ratios, etc. Such restrictive covenants may restrict our operations or ability to expand and may adversely affect our business. Further non-compliance by our borrowers to comply with terms and conditions like security and insurance etc. will affect our ability to recover the loan.

21. The escrow account mechanism for the payment obligations of our state sector borrowers may not be effective, which may reduce our recourse in the event of defaulted loans and could have a material adverse effect on our business, financial condition and results of operations.

22. We have granted loans to the private sector on a non-recourse or limited recourse basis, which may increase the risk of non-recovery and could expose us to significant losses.
23. Our contingent liabilities could adversely affect our financial condition.

24. Our cash flow reflects negative cash flows from operations in view of presentation of borrowings and lending in different categories. There is no assurance that such negative cash flow from operations shall not recur in future Fiscal periods and in case it recurs then it may adversely affect our business.

25. Our success depends largely upon our management team and skilled personnel. Our ability to attract and retain such persons and disassociation of our key personnel could adversely affect our business and our ability to pursue our growth strategies.

26. Our borrowers' insurance of assets may not be adequate to protect them against all potential losses to which they may be subject, which could affect our ability to recover the loan amounts due to us from them.

27. The power sector financing industry is becoming increasingly competitive and our profitability and growth will depend on our ability to compete effectively and maintain a low effective cost of funds so as to maintain our interest income and grow our portfolio of assets.

28. Power projects carry certain risks that, to the extent they materialize, could adversely affect our business, financial condition and results of operations.

29. Negative trends in the Indian power sector or the Indian economy could adversely affect our business, financial condition and results of operations.

30. Material changes in the regulations that govern us and our borrowers could cause our business to suffer.

31. We may fail to obtain certain regulatory approvals in the ordinary course of our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licences, which may have a material adverse effect on the continuity of our business and may impede our effective operations in the future.

32. We have been granted exemption from the applicability of certain prudential norms by the RBI. We cannot assure you that such exemption shall continue to be granted by the RBI which may affect our business.

33. There are a number of legal and tax-related proceedings involving us. Any unfavourable development in these proceedings or in other proceedings in which we become involved could have a material adverse effect on our business, financial condition and results of operation.

34. We are subject to stringent labour laws and trade union activity and any work stoppage could have an adverse material effect on our business, financial condition and results of operations.

35. Some of our immovable properties may have certain irregularities in title, as a result of which our operations may be impaired.

36. We have invested in debt instruments that may carry interest at a lower rate than the prevailing market rate.

37. Changes in legislation or policies applicable to us could adversely affect our results of operations.

38. Our insurance may not be adequate to protect us against all potential losses to which we may be subject.

39. Any cross default of financial indebtedness may trigger payment to all other borrowings made by the Issuer, thereby adversely affecting the liquidity position of the Issuer, and which may adversely affect our financial condition.

40. This Private Placement Offer Letter includes certain unaudited financial information, which has been subject to limited review, in relation to the Issuer. Reliance on such information should, accordingly, be limited.

41. Any downgrading of our debt rating or India's sovereign rating by a credit rating agency could have a negative

impact on our business.

42. If the level of credit impaired assets or non-performing assets in our loan portfolio were to increase, our financial condition would be adversely affected.

43. Power projects carry various project specific and general risk, which are beyond control of REC including non conversion of letter of assurance or memorandum of understanding by coal suppliers into binding fuel supply agreement, delays in development of captive coal mines, adverse changes in demand for, or the price of, power generated or distributed by the projects to which we lend, the willingness and ability of consumers to pay for the power produced by projects to which we lend, increased cost due to environmental changes, etc. Any adverse change in such conditions may affect our business.

44. We may in the future conduct additional business through joint ventures and strategic partnerships, exposing us to certain regulatory and operating risks.

45. We may not be in compliance with certain regulations such as corporate governance, etc. and the same may result in imposition of penalties on us.

46. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on us. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

47. We may have a risk of prepayment penalty in respect of our financial indebtedness.

48. The security of the Issuer's information technology systems may fail and adversely affect our business, operations, financial condition and reputation.

RISKS RELATING TO INVESTMENT IN THE BONDS

1. There has been only limited trading in these Bonds. Further, there is no guarantee that these bonds will be listed on the stock exchanges in a timely manner or at all.

2. Our ability to pay interest and redemption amounts depends on variety of factors including our financial conditions, Indian and global market conditions, event of bankruptcy, winding up and liquidation. We cannot assure you of payment of principal amount or interest in a timely manner or at all.

3. No debenture redemption reserve is envisaged against the Bonds being issued under the terms of this Private Placement Offer Letter. In absence of a debenture redemption reserve, the Investors may find it difficult to recover their money.

4. Any down grading in rating of bonds will affect the prices of these Bonds.

EXTERNAL RISK FACTOR

1. A slow-down in economic growth of India including due to COVID19 pandemic, shortages in the supply of crude oil, natural gas or coal, political instability, labour unrest, strikes, or changes in the government, international financial regulations, natural calamity, pandemic, epidemic, act of terrorism, war, riot etc. may affect our business. Any adverse change in such conditions may result in difficulties in obtaining funding on attractive terms.

2. Any adverse revisions to India's sovereign credit ratings for domestic and international debt by credit rating agencies may adversely impact the interest rates and other commercial terms at which such financing is available to us.

3. The Indian capital market is developing and maturing at good pace and the same may cause a shift in the pattern of power sector financing. In case our borrowers start directly accessing the market same may affect our business.

SECTION X
CAPITAL STRUCTURE

10.1 The equity share capital of the Issuer, as at the Quarter End dated March 31, 2020, is set forth below:

(Rs. in Crores, except share data)

		Aggregate value at nominal value
A)	**AUTHORISED SHARE CAPITAL**	
	500,00,00,000 Equity Shares of face value of Rs.10/- each	5,000.00
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**	
	197,49,18,000 Equity Shares of face value of Rs.10/- each fully paid up	1,974.92
C)	**SECURITIES PREMIUM ACCOUNT**	2,236.54

***Notes**:*
Since the present offer comprises of issue of non-convertible debt securities, it shall not affect the paid-up Equity Share capital or share premium account of the Issuer after the offer.

10.2 Changes in the Capital Structure for last 5 (five) years at the Quarter End dated March 31, 2020

There is no change in the capital structure of the Issuer as on Quarter End dated March 31, 2020, for the last 5 (five) years other than as mentioned below.

Date of Issue/ allotment	No. of Equity Shares issued by the Issuer	Face Value (Rs.)	Issue price (Rs.)	Nature for allotment	Consideration in Cash/ other than cash	Cumulative number of Equity Shares	Cumulative Share Premium	Equity Share Capital issued by the Issuer (Rs.)	Cumulative Equity Share Capital (Rs.)
September 30, 2016	98,74,59,000	10	NIL	Bonus shares	--	197,49,18,000	--	987,45,90,000	1974,91,80,000

10.3 The Issuer has issued bonus shares in the ratio 1:1 to the shareholders of the Issuer on September 30, 2016. Apart from this, the Issuer has not issued any Equity Shares or debt securities for consideration other than cash, whether in whole or part, since its incorporation.

10.4 Equity shares pledged or encumbered by the Promoter as on the latest Quarter End.

No Equity Shares of the Issuer as on as on Quarter End dated March 31, 2020 are pledged or otherwise encumbered by the Promoter.

10.5 Acquisition or amalgamation in the last 1 (one) year.

The Issuer has not undertaken any acquisition or amalgamation in the last 1 (one) year prior to filing of this Private Placement Offer Letter.

10.6 Details of reorganization or reconstruction in the last 1 (one) year.

The Issuer has not undergone any reorganization or reconstruction in the last 1 (one) year prior to issue of this Private Placement Offer Letter.

10.7 Except as set forth below, none of our Directors hold any Equity Shares in the Issuer

Shri Praveen Kumar Singh - 40 Equity Shares

10.8 Our Shareholding Pattern as at the Quarter End dated March 31, 2020

There will be no change in the shareholding pattern of the Issuer pursuant to the Issue of Bonds. The table below represents the shareholding pattern of the Issuer as on as on Quarter End dated March 31, 2020:

Table I - Summary Statement Holding of Specified Securities

Cate-gory	Category of Share-holder	No of Share-holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Under-lying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Out-standing convertible securities (Including Warrants)	Share-holding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	1	1039495247	0	0	1039495247	52.63	1039495247	0	1039495247	52.63	0	52.63	0	0.00	0	0.00	1039495247
(B)	Public	300457	935422753	0	0	935422753	47.37	935422753	0	935422753	47.37	0	47.37	0	0.00	NA	NA	935387004
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	300458	1974918000	0	0	1974918000	100.00	1974918000	0	1974918000	100.00	0	100.00	0	0.00	0	0.00	1974882251

Table II - Statement showing Shareholding Pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding converttible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		1	1039495247	0	0	1039495247	52.63	1039495247	0	1039495247	52.63	0	52.63	0	0.00	0	0.00	1039495247
	POWER FINANCE CORPORATION LTD	AAACP1570H	1	1039495247	0	0	1039495247	52.63	1039495247	0	1039495247	52.63	0	52.63	0	0.00	0	0.00	1039495247
	Sub-Total (A)(1)		**1**	**1039495247**	**0**	**0**	**1039495247**	**52.63**	**1039495247**	**0**	**1039495247**	**52.63**	**0**	**52.63**	**0**	**0.00**	**0**	**0.00**	**1039495247**
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**1**	**1039495247**	**0**	**0**	**1039495247**	**52.63**	**1039495247**	**0**	**1039495247**	**52.63**	**0**	**52.63**	**0**	**0.00**	**0**	**0.00**	**1039495247**

Table III - Statement showing Shareholding Pattern of the Public Shareholders

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding converttible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds		16	174248844	0	0	174248844	8.82	174248844	0	174248844	8.82	0	8.82	0	0.00	NA	NA	174248844
	HDFC TRUSTEE CO LTD A/C HDFC CHARITY FUND FOR CANCER CURE-ARBITRAGE PLAN	AAATH1809A	1	139425284	0	0	139425284	7.06	139425284	0	139425284	7.06	0	7.06	0	0.00	NA	NA	139425284
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		611	533040782	0	0	533040782	26.99	533040782	0	533040782	26.99	0	26.99	0	0.00	NA	NA	533040782
	EASTSPRING INVESTMENTS - DEVELOPED AND EMERGING AS	AAAAE9765H	1	20250559	0	0	20250559	1.03	20250559	0	20250559	1.03	0	1.03	0	0.00	NA	NA	20250559
	INDIA CAPITAL FUND LIMITED	AAACM3867E	1	21877026	0	0	21877026	1.11	21877026	0	21877026	1.11	0	1.11	0	0.00	NA	NA	21877026
	THE PRUDENTIAL ASSURANCE COMPANY LIMITED	AACCP0514H	1	30518792	0	0	30518792	1.55	30518792	0	30518792	1.55	0	1.55	0	0.00	NA	NA	30518792
(f)	Financial Institutions/Banks		10	4307384	0	0	4307384	0.22	4307384	0	4307384	0.22	0	0.22	0	0.00	NA	NA	4307384
(g)	Insurance Companies		4	58690900	0	0	58690900	2.97	58690900	0	58690900	2.97	0	2.97	0	0.00	NA	NA	58690900
	LIFE INSURANCE CORPORATION OF INDIA - ULIF00218091	AAACL0582H	1	54897270	0	0	54897270	2.78	54897270	0	54897270	2.78	0	2.78	0	0.00	NA	NA	54897270
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other																		
	Sub Total (B)(1)		**641**	**770287910**	**0**	**0**	**770287910**	**39.00**	**770287910**	**0**	**770287910**	**39.00**	**0**	**39.00**	**0**	**0.00**	**NA**	**NA**	**770287910**
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**NA**	**NA**	**0**
(3)	Non-Institutions																		
(a)	i. Individual shareholders holding nominal share capital up to Rs.2 lakhs		293748	98621556	0	0	98621556	4.99	98621556	0	98621556	4.99	0	4.99		0.00	NA	NA	98585807
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		330	19859777	0	0	19859777	1.01	19859777	0	19859777	1.01	0	1.01		0.00	NA	NA	19859777
(b)	NBFCs Registered with RBI		3	2345	0	0	2345	0.00	2345	0	2345	0.00	0	0.00	0	0.00	NA	NA	2345
(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0

(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other																		
	I E P F		1	106567	0	0	106567	0.01	106567	0	106567	0.01	0	0.01	0	0.00	NA	NA	106567
	NON RESIDENT INDIAN NON REPATRIABLE		1638	1491158	0	0	1491158	0.08	1491158	0	1491158	0.08	0	0.08	0	0.00	NA	NA	1491158
	CLEARING MEMBERS		249	2938620	0	0	2938620	0.15	2938620	0	2938620	0.15	0	0.15	0	0.00	NA	NA	2938620
	ALTERNATIVE INVESTMENT FUND		1	1170000	0	0	1170000	0.06	1170000	0	1170000	0.06	0	0.06	0	0.00	NA	NA	1170000
	NON RESIDENT INDIANS		2710	3128400	0	0	3128400	0.16	3128400	0	3128400	0.16	0	0.16	0	0.00	NA	NA	3128400
	BODIES CORPORATES		1087	18895069	0	0	18895069	0.96	18895069	0	18895069	0.96	0	0.96	0	0.00	NA	NA	18895069
	Qualified Institutional Buyer		8	16194637	0	0	16194637	0.82	16194637	0	16194637	0.82	0	0.82	0	0.00	NA	NA	16194637
	TRUSTS		41	2726714	0	0	2726714	0.14	2726714	0	2726714	0.14	0	0.14	0	0.00	NA	NA	2726714
	Sub Total (B)(3)		**299816**	**165134843**	**0**	**0**	**165134843**	**8.36**	**165134843**	**0**	**165134843**	**8.36**	**0**	**8.36**	**0**	**0.00**			**165099094**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**300457**	**935422753**	**0**	**0**	**935422753**	**47.37**	**935422753**	**0**	**935422753**	**47.37**	**0**	**47.37**	**0**	**0.00**			**935387004**

Table IV - Statement showing Shareholding Pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up Equity Shares held	No of Partly paid-up Equity Shares held	No of Shares Under-lying Depository Receipts	Total No of Shares Held (IV+V+VI)	Share-holding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Share-holding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**			**0**

10.9 Our top ten shareholders and the number of Equity Shares held by them, as on the Quarter End dated March 31, 2020 are as follows:

Sr. No.	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialised form	Total shareholding as a percentage of the total number of Equity Shares
1.	POWER FINANCE CORPORATION LTD	10394,95,247	10394,95,247	52.63
2.	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	551,60,023	551,60,023	2.79
3.	LIFE INSURANCE CORPORATION OF INDIA	453,59,430	453,59,430	2.30
4.	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	422,06,064	422,06,064	2.14
5.	THE PRUDENTIAL ASSURANCE COMPANY LIMITED	305,18,792	305,18,792	1.55
6.	INDIA CAPITAL FUND LIMITED	218,77,026	218,77,026	1.11
7.	HDFC TRUSTEE COMPANY LTD. A/C HDFC TOP 100 FUND	211,46,937	211,46,937	1.07
8.	EASTSPRING INVESTMENTS - DEVELOPED AND EMERGING AS	202,50,559	202,50,559	1.03
9.	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAP OPPORTUNITIES FUND	180,61,060	180,61,060	0.91
10.	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA TAX SAVER (ELSS) FUND	153,00,000	153,00,000	0.77
	Total	1,30,93,75,138	1,30,93,75,138	66.30

SECTION XI
FINANCIAL INDEBTEDNESS

11.1 RESOURCE MOBILISATION

As on March 31, 2020*, we had total outstanding borrowing of Rs. 2,79,715.91 Crores. The following table sets forth our indebtedness classified by Rupee-denominated and foreign currency-denominated sources and the percentages such resources constituted of our total indebtedness as on March 31, 2018, 2019 and 2020*. The Rupee equivalents of foreign currency-denominated debts (other than those that are already fully hedged) are translated with reference to rates of exchange prevailing as at the end of all the periods indicated.

(*All figures are in (Rs.) Crores, except percentages*)

Resource Denomination	As on March, 31					
	2020*		2019		2018	
	Amount	%	Amount	%	Amount	%
Rupee	2,28,364.25	81.64%	204528.91	85.47%	168,984.89	85.01
Foreign currency	51,351.66	18.36%	34,757.54	14.53%	29,806.62	14.99
Total	**2,79,715.91**	**100.00%**	**239286.45**	**100.00**	**198,791.51**	**100.00**

*(*any financial information provided as of March 31, 2020 is unaudited information*)

11.2 DOMESTIC BORROWINGS

(*All figures are in (Rs.) Crores, except in percentages*)

Rupee Denominated	As on March 31					
	2020*		2019		2018	
	Amount	%	Amount	%	Amount	%
Taxable bonds	158148.26	69.25%	135184.07	66.10%	128870.89	76.26
54EC Capital Gain Tax Exemption bonds	21976.13	9.62%	23880	11.68%	23705.12	14.03
Infrastructure bonds	16.45	0.01%	91.43	0.04%	110.47	0.07
Tax-free bonds	12648.41	5.54%	12648.41	6.18%	12648.41	7.48
Term loans	29900.00	13.09%	24,750	12.10%	400.00	0.24
Commercial paper	2925.00	1.28%	7,975	3.90%	3250.00	1.92
Working Capital Demand Loan	2750.00	1.20%	0.000	0.00%	0.00	0.00
Total	**228364.25**	**100.00 %**	**204528.91**	**100.00**	**168984.89**	**100.00**

*(*any financial information provided as of March 31, 2020 is unaudited information*)

11.3 **The following details are attached as Annexure IV to this Private Placement Offer Letter as on December 31, 2019:**

- Details of secured loan facilities;
- Details of unsecured loan facilities;
- Details of non-convertible debentures;
- The amount of corporate guarantee issued by the issuer along with the name of the counter party on behalf of whom it has been issued;
- Details of commercial paper;
- Working capital demand loan from banks;
- Short term loan from banks;
- FCNR(B) loans from banks;
- Details of rest of the borrowings (if any including hybrid debt like FCCB, optionally convertible debentures/preference shares);
- List of top ten debenture holders of the issuer;
- Details of any outstanding borrowings taken or debt securities issued where taken or issued for consideration other than cash, whether in whole or part, at a premium or discount, or in pursuance of an option.

11.4 DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF STATUTORY DUES, INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE ISSUER, IN THE PAST 5 YEARS, UPTO March 31, 2020

11.4.1 The Issuer has not defaulted on payment of any kind of statutory dues to the GOI, state government(s), statutory/ regulatory bodies, authorities, departments etc., since inception.

11.4.2 The main constituents of the Issuer's borrowings are generally in form of debentures/bonds/debt securities, commercial paper, medium term notes, external commercial borrowings, loans from banks and financial institutions, assistance from multilateral and bilateral financing agencies etc. In respect of such borrowings, the Issuer certifies that:

(i) it has serviced all the principal and interest liabilities on all its borrowings on time and there has been no instance of delay or default since inception; and
(ii) it has not affected any kind of roll over or restructuring against any of its borrowings in the past.

11.4.3 The Issuer has not defaulted on any of its payment obligations arising out of any corporate guarantee issued by it to any counterparty including its subsidiaries, joint venture entities, group companies etc. in the past.

SECTION XII
FINANCIAL INFORMATION

12.1 FINANCIAL INDICATORS (ON STANDALONE BASIS)

(All figures are in (Rs.) Crores, except percentages)

Particulars	As on/for the half-year ended 30.09.19 (Limited Review) IND-AS	As on/for the year ended 31.03.19 (Audited) IND-AS	As on/for the year ended 31.03.18 (Audited) IND-AS
For Financial Entities			
Net worth	36836.96	34,302.94	32303.15
Total Debt at Amortised Cost	263424.22	244321.09	204438.91
Other Financial Liabilities	18557.40	18751.75	4299.40
Derivative Financial Instruments (Liabilities)	590.73	159.40	317.75
Other Non-Financial Liabilities	165.48	182.12	309.98
Property, Plant & Equipment & Intangibles (including CWIP)	413.85	361.02	257.03
Investment Property	0.01	0.01	0.01
Cash and Cash Equivalents and Other Bank Balances	3812.60	1596.25	1782.07
Derivative Financial Instruments (Assets)	2214.38	1802.58	690.38
Investments	2398.22	2397.62	2824.80
Loans	289985.73	270450.92	228878.25
Other financial assets	18288.74	18342.48	4224.89
Other non-financial assets	112.76	132.30	86.63
Current and Deferred Tax Assets (s)	2348.50	2634.12	2925.13
Interest Income	14376.63	24971.02	22089.55
Dividend and Fee Commission Income	32.19	338.70	365.07
Other Income	5.64	31.44	12.73
Finance Costs	9287.30	15641.54	13337.11
Fees and Commission Expense	10.84	34.38	24.58
Net translation/ transaction exchange loss	672.13	521.19	19.37
Impairment on financial instruments	272.77	240.33	2297.12
Other Expenses Including Employee benefits Exp, CSR, Depreciation	214.61	454.70	331.65
Net loss on fair value changes	15.03	348.52	573.37
Tax Expenses	1133.68	2336.78	1464.26
Profit for the Period	2808.10	5763.72	4419.89
Other Comprehensive Income/Loss net of Tax	-78.09	-60.54	4.24
Total Comprehensive Income	2,730.01	5703.18	4424.13
Gross Stage 3 Assets (%)	6.86%	7.24%	7.15%
Net Stage 3 Assets (%)	3.47%	3.79%	3.61%
Tier I Capital Adequacy Ratio (%)	14.75%	14.44%	14.40%
Tier II Capital Adequacy Ratio (%)	2.95%	3.33%	2.60%

(All figures are in (Rs.) Crores, except percentages)

Particulars	As on/for the year ended 31.03.18 (Reformatted) IGAAP	As on/for the year ended 31.03.17 (Reformatted) IGAAP
For Financial Entities		
Net worth	35,490.51	33,325.59
Total Debt	1,98,791.51	167517.39
of which – Non Current Maturities of Long Term Borrowing	1,60,949.43	149489.33
- Short Term Borrowing	5,526.54	0
- Current Maturities of Long Term Borrowing	32,315.54	18028.06
Non Current Liabilities Other than Non Current Maturities of Long Term Borrowing	5430.47	1901.06

Particulars	As on/for the year ended 31.03.18 (Reformatted) IGAAP	As on/for the year ended 31.03.17 (Reformatted) IGAAP
Current Liabilities Except Current Maturities of Long Term Borrowing and Short Term borrowings	6771.97	6492.20
Net Fixed Assets	247.88	181.26
Non-Current Assets except Net Fixed Assets	213682.49	180278.85
Cash and Cash Equivalents , Bank Balances	1773.53	4490.02
Current Investments	119.75	149.16
Current Assets except Cash & Bank Balances, Investments	30660.81	24136.95
Asset Under Management	N.A.	N.A.
Off Balance Sheet Assets	N.A.	N.A.
Interest Income on Loan assets	21748.95	22935.61
Other Operating Income	609.32	651.69
Other Income	82.04	183.28
Finance Costs (including interest expense)	13829.52	13,450.35
Provisions and Contingencies	1415.55	1109.47
Other Expenses including Employee Benefits, CSR and Depreciation	343.62	351.71
Net interest income	7919.43	9485.26
PAT	4647.00	6,245.76
Gross NPA (%)	7.15%	2.41%
Net NPA (%)	5.68%	1.62%
Tier I Capital Adequacy Ratio (%)	16.84%	18.43%
Tier II Capital Adequacy Ratio (%)	2.55%	2.75%
Capital Adequacy ratio (%)	19.39%	21.18%
Total Loan Assets (net)	235933.05	200293.33
Net interest margin	3.89%	4.65%
Yield on Loan Assets	10.55%	11.64%
Cost of funds	7.53%	8.13%
Return on Net worth (average)	13.51%	20.17%
Debt equity ratio (times)	5.60	5.03
Total Assets	246484.46	209236.24
Return on assets (average)	2.04%	3.01%

12.2 FINANCIAL INDICATORS (ON CONSOLIDATED BASIS)

(All figures are in (Rs.) Crores, except percentages)

Particulars	As on/for the half year ended 30.09.19 (Audited) IND-AS	As on/for the year ended 31.03.19 (Audited) IND-AS	As on/for the year ended 31.03.18 (Audited) IND-AS
For Financial Entities			
Net worth	36,836.96	34,302.94	32303.15
Total Debt at Amortised Cost	2,63,424.22	244321.09	204438.91
Other Financial Liabilities	18,557.40	18751.75	4299.40
Derivative Financial Instruments (Liabilities)	590.73	159.40	317.75
Other Non-Financial Liabilities	165.48	182.12	309.98
Property, Plant & Equipment & Intangibles (including CWIP)	413.85	361.02	257.03
Investment Property	0.01	0.01	0.01
Cash and Cash Equivalents and Other Bank Balances	3,812.60	1596.25	1782.07
Derivative Financial Instruments (Assets)	2,214.38	1802.58	690.38
Investments	2,398.22	2397.62	2824.80
Loans	2,89,985.73	270450.92	228878.25
Other financial assets	18,288.74	18342.48	4224.89

Particulars	As on/for the half year ended 30.09.19 (Audited) IND-AS	As on/for the year ended 31.03.19 (Audited) IND-AS	As on/for the year ended 31.03.18 (Audited) IND-AS
Other non-financial assets	112.76	132.30	86.63
Current and Deferred Tax Assets (s)	2,348.50	2634.12	2925.13
Interest Income	14,376.63	24971.02	22089.55
Dividend and Fee Commission Income	32.19	338.70	365.07
Other Income	5.64	31.44	12.73
Finance Costs	9,287.30	15641.54	13337.11
Fees and Commission Expense	10.84	34.38	24.58
Net translation/ transaction exchange loss	672.13	521.19	19.37
Impairment on financial instruments	272.77	240.33	2297.12
Other Expenses Including Employee benefits Exp, CSR, Depreciation	214.61	454.70	331.65
Net loss on fair value changes	15.03	348.52	573.37
Tax Expenses	1,133.68	2336.78	1464.26
Profit for the Period	2,808.10	5763.72	4419.89
Other Comprehensive Income/Loss net of Tax	-78.09	-60.54	4.24
Total Comprehensive Income	2,730.01	5703.18	4424.13
Gross Stage 3 Assets (%)	6.86 %	7.24%	7.15%
Net Stage 3 Assets (%)	3.47 %	3.79%	3.61%
Tier I Capital Adequacy Ratio (%)	14.75 %	14.44%	14.40%
Tier II Capital Adequacy Ratio (%)	2.95 %	3.33%	2.60%

(*All figures are in (Rs.) Crores, except percentages*)

Particulars	As on/for the year ended 31.03.18 (Reformatted) IGAAP	As on/for the year ended 31.03.17 (Reformatted) IGAAP
For Financial Entities		
Net worth	35,490.51	33,325.59
Total Debt	1,98,791.51	167517.39
of which – Non Current Maturities of Long Term Borrowing	1,60,949.43	149489.33
- Short Term Borrowing	5,526.54	0
- Current Maturities of Long Term Borrowing	32,315.54	18028.06
Non Current Liabilities Other than Non Current Maturities of Long Term Borrowing	5430.47	1901.06
Current Liabilities Except Current Maturities of Long Term Borrowing and Short Term borrowings	6771.97	6492.20
Net Fixed Assets	247.88	181.26
Non-Current Assets except Net Fixed Assets	213682.49	180278.85
Cash and Cash Equivalents , Bank Balances	1773.53	4490.02
Current Investments	119.75	149.16
Current Assets except Cash & Bank Balances, Investments	30660.81	24136.95
Off Balance Sheet Assets	N.A.	N.A.
Interest Income on Loan assets	21748.95	22935.61
Other Operating Income	609.32	651.69
Other Income	82.04	183.28
Finance Costs (including interest expense)	13829.52	13,450.35
Provisions and Contingencies	1415.55	1109.47
Other Expenses including Employee Benefits, CSR and Depreciation	343.62	351.71
Net interest income	7919.43	9485.26
PAT	4647.00	6,245.76
Gross NPA (%)	7.15%	2.41%
Net NPA (%)	5.68%	1.62%
Tier I Capital Adequacy Ratio (%)	16.84%	18.43%

Particulars	As on/for the year ended 31.03.18 (Reformatted) IGAAP	As on/for the year ended 31.03.17 (Reformatted) IGAAP
Tier II Capital Adequacy Ratio (%)	2.55%	2.75%
Capital Adequacy ratio (%)	19.39%	21.18%
Total Loan Assets (net)	235933.05	200293.33
Net interest margin	3.89%	4.65%
Yield on Loan Assets	10.55%	11.64%
Cost of funds	7.53%	8.13%
Return on Net worth (average)	13.51%	20.17%
Debt equity ratio (times)	5.60	5.03
Total Assets	246484.46	209236.24
Return on assets (average)	2.04%	3.01%

12.3 OTHER FINANCIAL PARAMETERS

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Dividend declared (As %age of face value)	110%	91.50%	96.5%
Interest coverage ratio (times)	1.52	1.50	1.64

12.4 FINANCIAL INFORMATION FOR QUARTER END DECEMBER 31, 2019

The abridged version of the standalone and consolidated financial information for the Quarter End dated December 31, 2019 is attached as Annexure V – Part A. The complete version is available at the following web-link: https://www.recindia.nic.in/uploads/files/ufr-3qtr-9m-endg-311219-fy20-dt040220.pdf.

The information disclosed on the aforementioned web-link shall be deemed to be incorporated by reference into this Private Placement Offer Letter.

12.5 ABRIDGED VERSION OF LATEST AUDITED / LIMITED REVIEW HALF YEARLY CONSOLIDATED AND STANDALONE FINANCIAL INFORMATION (PROFIT & LOSS STATEMENT, AND BALANCE SHEET) AND AUDITORS QUALIFICATIONS, IF ANY

The abridged version of the unaudited limited review standalone and consolidated financial statements for the period ended September 30, 2019, are attached as Annexure V – Part B. The auditors have not made any adverse remarks or qualifications on their reports on the financial statements for the period ended September 30, 2019.

12.6 ABRIDGED VERSION OF AUDITED CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS (PROFIT AND LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) OF THE ISSUER FOR EACH OF THE YEARS ENDED MARCH 31, 2019, MARCH 31, 2018, MARCH 31 2017 AND AUDITORS QUALIFICATIONS, IF ANY.

The following financial statements (balance sheet, profit and loss statement and cash flow statements) for Fiscal 2019, 2018 and 2017 are attached as Annexure V – Part C:

a) Abridged standalone financial statements;
b) Abridged consolidated financial statements

The auditors have not made any adverse remarks or qualifications on their reports on the financial statements of the Issuer for the last 3 (three) years.

12.7 DEBT EQUITY RATIO (ON A STANDALONE BASIS)

Particulars	Pre-Issue*	Post-Issue#
Debt / Equity (A/B)	6.82	7.58

* Pre issue figures are as on December 31, 2019
# No effect has been given for changes in equity and debt instruments subsequent to December 31, 2019 except Rs. 1400 Crores towards Institutional Bond Series 188A and Rs.1100 Crores towards Institutional Bond Series 188B and Rs.3054.90 Crores towards Institutional Bond Series 189 and Rs.2500 Crores towards Institutional Bond Series 190-A and Rs.2489.40 Crores towards Institutional Bond Series 190-B and Rs.1100 Crores towards Institutional Bond Series 191-A and Rs.1100 Crores towards Institutional Bond Series 191-B and Rs. 2382 Crores towards Institutional Bond Series 192 and Rs. 1115 Crores towards Institutional Bond Series 193 and Rs. 2985 Crores towards Institutional Bond Series 195 and Rs. 3740 Crores towards Institutional Bond Series 197 and Rs.2596 Crores towards Institutional Bond Series 198-A and Rs.1569 Crores towards Institutional Bond Series 198-B and Rs. 1999.50 Crores towards this current Institutional Bond Series 199.

12.8 CHANGES IN ACCOUNTING POLICIES DURING THE LAST 3 (THREE) YEARS AND THEIR EFFECT ON THE PROFITS AND THE RESERVES OF THE COMPANY

Financial Year	Change in accounting policies and their effect
2018-19	The Company adopted IND-AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018. The standalone financial statements comply with IND-AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act and other applicable regulatory norms / guidelines. These were the Company's first IND-AS standalone financial statements and the date of transition is April 1, 2017. The Company prepared its standalone financial statements up to the year ended March 31, 2018, in accordance with the requirements of previous GAAP, which included accounting standards specified under Section 133 of the Companies Act read with rules made thereunder and applicable RBI directions. The Company followed the provisions of IND-AS 101-'First Time adoption of Indian Accounting Standards' in preparing its opening IND-AS standalone balance sheet as of the date of transition and adjustments were made to restate the opening balances in accordance with IND-AS. The impact of transition has been accounted for in the opening reserves as at April 1, 2017. The comparative figures were presented in accordance with the same accounting principles that are used in preparation of the Company's first IND-AS standalone financial statements.
2017-18	During the year, the Company had revised the accounting policy for amortization of one time arrangement fee incurred in raising of foreign currency borrowings and premium paid towards hedging contracts over the period of such borrowings or contracts. Due to this change in accounting policy, profit before tax for the year ended March 31, 2018 was higher by Rs. 220.75 Crores. Further, the policy for recognising the agency fee on GOI schemes had changed to recognise such income on accrual basis. Due to this change in accounting policy, profit before tax for the year ended March 31, 2018 was higher by Rs. 136.45 Crores. Since the validity of certain exemptions given by RBI had expired during the current year in respect of classification of loan assets, the Company modified the accounting policy in respect of asset classification and provisioning to bring it in line with RBI regulations from time to time. Due to this change in accounting policy, profit before tax for the year ended March 31, 2018 was lower by Rs. 146.09 Crores. Due to these changes in accounting policies, profit before tax for the year ended March 31, 2018 was higher by Rs. 211.11 Crores.
2016-17	During the quarter ended June 30, 2016, the Company had revised the accounting policy for accounting for derivatives contracts in order to align it with the 'Guidance Note on Accounting for Derivative Contracts'. During the year ended 31st March 2017, the Company had revised the significant accounting policy No. 16 in respect of accounting for derivatives contracts in order to align it with the 'Guidance Note on Accounting for Derivative Contracts' issued by 'The Institute of Chartered Accountants of India' which has become applicable from April 1, 2016. In accordance with the transitional provisions mentioned in the 'Guidance Note on Accounting for Derivative Contracts', an amount of Rs. 86.75 Crores after netting of taxes of Rs. 45.92 Crores had been adjusted in the opening balance of reserves, representing the change in the fair value of the interest rate swaps until March 31, 2016. Further, the fair value gain on interest rate swaps of Rs. 324.77 Crores has been booked to the statement of profit and loss for the year ended March 31, 2017 in accordance with the revised accounting policy. Further, the accounting policy on treatment of foreign currency exchange differences on the hedged loans and the corresponding derivative contracts has also been revised in order to align the same with existing accounting policy for amortising the foreign exchange fluctuation loss/ (gain) on the long term foreign currency monetary items over the balance period of such items in accordance with accounting standards 11. The impact of this change, foreign exchange fluctuation loss pertaining to the previous years Rs. 29.79 Crores and foreign exchange fluctuation gain pertaining to current period Rs. 6.69 Crores has been adjusted in the finance cost for the for the year ended March 31, 2017. Due to these changes in accounting policies, profit before tax for the year ended March 31, 2017 was higher by Rs. 301.67 Crores.

SECTION XIII
WILFUL DEFAULTER

Neither the Issuer nor any of the current directors of the Issuer have been declared as wilful defaulters.

Name of Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as wilful defaulter	Steps taken for removal from list of wilful defaulter	Other disclosures	Any other disclosures
NIL	NIL	NIL	NIL	NIL	NIL	NIL

SECTION XIV
SUMMARY TERM SHEET

REC Limited (formerly known as Rural Electrification Corporation Limited) proposes to raise bonds with Issue Size of Rs. 500 Crores under Series 199 (with maturity of 10 years and 7 days) with green-shoe option to retain oversubscription up to Rs. 1499.50 Crores for Series 199.

Series	199
Security Name	7.96% REC Limited 2030
Issuer	REC Limited (formerly known as Rural Electrification Corporation Limited)
Type of Instrument	Unsecured, redeemable, non-convertible, non-cumulative, subordinated Tier II Taxable Bonds in the nature of *Debentures*
Nature of Instrument	Unsecured
Seniority	Unsecured and Subordinated Tier II Bond. These Bonds shall be fully paid-up, unsecured, subordinated to the claims of other creditors, free of restrictive clauses and shall not be redeemable at the initiative of the holder or without the prior consent of Reserve Bank of India, wherever required.
Mode of Issue	Private placement
Eligible Investors	1. Mutual Funds; 2. Public Financial Institutions specified in Section 2(72) of the Companies Act 2013; 3. Scheduled Commercial Banks; 4. State Industrial Development Corporations; 5. Insurance Companies registered with the Insurance Regulatory and Development Authority; 6. Provident Funds, Pension Funds, authorised to invest in the Issue; 7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; 8. Insurance funds set up and managed by army, navy or air force of the Union of India; 9. Companies and Bodies Corporate authorized to invest in bonds/ debentures; 10. Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures; 11. Gratuity Funds and Superannuation Funds, authorised to invest in the Issue; 12. Societies authorized to invest in bonds/ debentures; 13. Trusts authorized to invest in bonds/ debentures; 14. Foreign Portfolio Investors (not being an individual or family offices); 15. Statutory Corporations/ Undertakings established by Central/State legislature authorized to invest in bonds/ debentures.
Non-Eligible classes of Investors	1. Minors; 2. Non-resident investors being an individual including NRIs, QFIs which are individual, and FPIs which are individual or family offices; 3. Venture capital fund and foreign venture capital investor; 4. Overseas corporate bodies; 5. Person ineligible to contract under applicable statutory/regulatory requirements; 6. Resident individual investors; 7. Hindu Undivided Families; and, 8. Partnership firms.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	BSE and/or NSE
Rating of the Instrument	ICRA AAA by ICRA. CRISIL AAA by CRISIL CARE AAA by CARE IND AAA by IRRPL
Issue Size	Rs. 500 Crores with green-shoe option to retain oversubscription
Option to retain oversubscription (Amount)	Upto Rs. 1499.50 Crores aggregating to Rs. 1999.50 Crores.

Reasons of retaining oversubscription	To meet the Issuer's fund requirements for lending and repayment of liabilities.
Objects of the Issue	To augment long-term resources of the Issuer for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Issuer.
Details of the utilization of the Proceeds	The funds raised through this private placement are not meant for any specific project as such and therefore the proceeds of this Issue shall be utilized for the regular business activities of the Issuer. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue.
Coupon Rate	7.96% per annum
Step Up/Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Annual
Coupon Payment Date*	First Interest payment on June 15, 2021 and thereafter June 15 every year and last interest payment on June 15, 2030 along with maturity proceeds.
Coupon Type	Fixed
Coupon Reset	N.A.
Day Count Basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application money	Not applicable.
Interest on Refunded Money against which Allotment is not made	Not applicable.
Default Interest Rate	2% per annum over the coupon rate will be payable by the Issuer for the defaulting period in case of default in payment of interest or redemption amount.
Tenure	10 years and 7 days
Redemption Date **	June 15, 2030
Redemption Amount	Redeemed at face value of Bonds
Redemption Premium /Discount	Nil
Issue Premium/Discount	Nil
Issue Price	Rs.10 Lakhs per Bond
Discount at which security is issued and the effective yield as a result of such discount.	Nil
Put option Date	N.A.
Put option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	Rs.10 Lakhs per Bond
Minimum Application and in multiples of Debt Securities thereafter	Application must be for a minimum size of Rs. 1 Crore (10 Bonds) and in multiple of Rs. 0.1 Crore (1 Bond) thereafter.
Bidding Date	June 05, 2020

Issue Opening Date	June 05, 2020
Issue Closing Date	June 05, 2020
Pay-in Date	June 08, 2020
Deemed Date of Allotment	June 08, 2020
Settlement Cycle	T+1 days ('T' being the bidding date as set out above)
No. of Applications	N.A.***
Issuance mode of the Instrument	In dematerialized mode
Trading mode of the Instrument	In dematerialized mode
Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by way of cheque(s)/ warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Holiday/Business Day Convention	If the interest payment date falls on a holiday, the payment of interest up to original scheduled date, will be made on the following working day, however the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days when the money market is functioning in Mumbai. If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Record Date	15 (fifteen) days prior to each Coupon Payment Date or Redemption Date.
Security	The Bonds are unsecured.
Reissuance and consolidation	The Issuer shall have right to reissue or consolidate the bonds under present series in accordance with applicable law.
Transaction Documents	The Issuer has executed/shall execute or obtain the documents including but not limited to the following in connection with the Issue: 1. Letter appointing Bond Trustee to the Bondholders; 2. Bond trustee agreement; 3. Bond trust deed; 4. Rating letter from CARE; 5. Rating letter from IRPPL; 6. Rating letter from CRISIL; 7. Rating letter from ICRA; 8. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; 9. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 10. Letter appointing the Registrar; 11. Application made to BSE and/or NSE for seeking their in-principle approval for listing of Bonds; 12. Listing Agreement with BSE and/or NSE; 13. Letters appointing Arrangers to the Issue; and 14. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.
Additional Covenants	The Issuer shall allot the Bonds within 60 (sixty) days from the date of receipt of the Application money for such Bonds and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers within 15 (fifteen) days from the date of completion of 60 (sixty) days and if the Issuer fails to repay the Application money within the aforesaid period, it shall be liable to repay such money with interest at the rate of 12% p.a. from the expiry of the 60th (sixtieth) day.

	Listing: The Issuer shall complete all the formalities and seek listing permission within 15 (fifteen) days from the Deemed Date of Allotment. In case of delay in listing of the Bonds within the prescribed period from the Deemed Date of Allotment, the Issuer shall pay penal interest at the rate as mentioned in relevant regulations. In case of delay in execution of the Bond trust deed within the prescribed period from the Deemed Date of Allotment, the Issuer shall pay penal interest at the rate as mentioned in relevant regulations, till the date of execution of the Bond trust deed. In case the Bonds issued to the SEBI registered FPIs are not listed within 15 (fifteen) days of issuance to the SEBI registered FPIs, for any reason, then the FPIs shall immediately dispose of the Bonds either by way of sale to a third party or to the Issuer and in case of failure to list the Bonds issued to SEBI registered FPIs within 15 (fifteen) days of issuance, the Issuer shall immediately redeem / buyback such Bonds from the FPIs.
Events of Default	As specified in the Bond trust deed.
Remedies	As mentioned in Bond trust deed.
Cross Default	N.A.
Bond Trustee	BEACON Trusteeship Limited.
Registrars	KFin Technologies Private Limited.
Role and Responsibilities of Bond Trustee	The Bond Trustee shall protect the interest of the Bondholders as stipulated in the Bond Trust Deed and in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Bondholder shall be entitled to proceed directly against REC unless the Bond Trustee, having become so bound to proceed, fail to do so.
Conditions precedent to subscription of Bonds	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from CARE, ICRA, IRPPL and CRISIL not being more than one month old from the issue opening date; 2. Seek a written consent letter from the Bond Trustee conveying their consent to act as Bond Trustee for the Bondholders; and 3. Making an application to BSE and/or NSE for seeking their in-principle approval for listing of Bonds.
Conditions subsequent to subscription of Bonds	The Issuer shall ensure that the following documents are executed/ activities are completed in accordance with the time frame mentioned elsewhere in this Private Placement Offer Letter: 1. Maintaining a complete record of private placement offers in Form PAS-5; 2. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under Section 42(8) of the Companies Act, with the Registrar of Companies, National Capital Territory of Delhi and Haryana within 15 (fifteen) days of the Deemed Date of Allotment along with fee as provided in the Fees Rules; 3. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within the stipulated time period from the Deemed Date of Allotment; 4. Taking steps for listing of Bonds with BSE and/or NSE within 15 (fifteen) days from the Deemed Date of Allotment of Bonds; 5. Submission of Bond trust deed with BSE and/or NSE within 5 (five) working days of execution of the same for uploading on their website; and 6. Submission of Form PAS-4 and PAS- 5 with the SEBI. Further, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter.
Mode of Subscription	Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between BSE Bond-EBP Platform and the bank account from which payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the BSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges as further set out under "Particulars of the Offer' Section of the Private Placement Offer Letter.
Settlement Mechanism	Through clearing corporation of BSE

Allocation Option	Uniform yield
Bidding type	Closed bidding
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Delhi.

* *Under the SEBI circular no. CIR/IMD/DF-1/122/2016 dated November 11, 2016 as amended, if the Coupon Payment Date falls on a holiday or Sunday, the payment may be made on the following working day without including the interest for holiday or Sunday and the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security.*

** *Under the SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013, as amended, if the redemption date falls on a holiday or Sunday, then such payment shall be made on the previous working date along with interest is required to be paid till the redemption date.*

*** *Under the RBI circular no. RBI/2014-15/475 DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015, as amended, there shall be no limit on the number of subscribers in respect of issuances with a minimum subscription of Rs.1 Crore and above.*

Illustration of Bond Cash Flows for Bond Series 199

Issuer	REC Limited
Face Value (per security)	Rs.10,00,000/-
Date of Allotment	June 08, 2020
Date of Redemption	June 15, 2030
Tenure	10 years and 7 days
Coupon Rate	7.96%
Frequency of the Interest Payment with specified dates	Annual. First Interest payment on June 15, 2021 and thereafter June 15 every year and last interest payment on June 15, 2030 along with maturity proceeds.
Day Count Convention	Actual / Actual

Particulars	**Original**		**Revised**		**No. of Days**	**Cash Flow**
	Day	**Date**	**Day**	**Date**		
1st Coupon	Tuesday	15-06-2021	Tuesday	15-06-2021	372	16221,25,874
2nd Coupon	Wednesday	15-06-2022	Wednesday	15-06-2022	365	15916,02,000
3rd Coupon	Thursday	15-06-2023	Thursday	15-06-2023	365	15916,02,000
4th Coupon	Saturday	15-06-2024	Saturday	15-06-2024	366	15916,02,000
5th Coupon	Sunday	15-06-2025	Monday	16-06-2025	365	15916,02,000
6th Coupon	Monday	15-06-2026	Monday	15-06-2026	365	15916,02,000
7th Coupon	Tuesday	15-06-2027	Tuesday	15-06-2027	365	15916,02,000
8th Coupon	Thursday	15-06-2028	Thursday	15-06-2028	366	15916,02,000
9th Coupon	Friday	15-06-2029	Friday	15-06-2029	365	15916,02,000
10th Coupon	Saturday	15-06-2030	Saturday	15-06-2030	365	15916,02,000
Principal	Saturday	15-06-2030	Saturday	15-06-2030		199950,00,000
TOTAL:-						**359415,43,874**

SECTION XV
ISSUE PROCEDURE

The terms of the Issue are set out under Section XIV "Summary Term Sheet". This section provides an overview of the Issue process and certain disclosures of the Issuer and Investor in respect of the Bonds and the Issue.

15.1 GENERAL ISSUE RELATED INFORMATION

Eligibility for the Issue

The present Issue of Bonds is being made pursuant to:

(i) resolution passed by the Board of Directors of the Issuer on March 25, 2020, and delegation provided thereunder;
(ii) special resolution passed by the shareholders of the Issuer under section 42 of the Companies Act and sub-rule 2 of Rule 14 of the PAS Rules, as amended in the annual general meeting held on August 29, 2019; and
(iii) Article 95(xxii), 96 (i) and 96 (ii) of the Articles of Association of the Issuer.

The Issuer, its Directors and authorized officers have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. The Issuer can issue the Bonds proposed by it in view of the present approvals and no further approvals is required from any GOI authority are required by the Issuer to undertake the proposed activity save and except those approvals which may be required to be taken in the normal course of business from time to time. Further the NBFC Directions, permit a NBFC to issue unsecured bonds.

Contribution made by Promoters or Directors

NIL.

Interest on Application Money

As the pay-in date and the Deemed Date of Allotment fall on the same date, interest on Application money shall not be applicable. Further, no interest on Application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the Operational Guidelines.

Depository Arrangements

The Issuer has entered into depository arrangements with NSDL and CDSL. The securities shall be issued in dematerialized form in accordance with the provisions of Depositories Act.

The Issuer has signed two tripartite agreements in this connection:

(i) Tripartite agreement dated November 15, 2007 between the Issuer, NSDL and the Registrar.
(ii) Tripartite agreement dated October 16, 2007 between the Issuer, CDSL and the Registrar.

The Bonds will be issued and allotted in dematerialised form and the same shall be in accordance with the provisions of the SEBI Debt Regulations, Depositories Act and the regulations made thereunder and are to be issued in accordance with the terms and conditions stipulated under this Private Placement Offer Letter. The Bondholder will have the right to convert the dematerialized Bonds into physical form in accordance with applicable law.

Bond/Debenture Redemption Reserve

Under the Companies (Share Capital and Debentures) Rules, 2014, as amended, a debenture redemption reserve account is not required to be created in the case of privately placed debentures issued by NBFC's registered with the RBI under section 45-IA of the RBI Act.

Issue Price

Each Bond has a face value of Rs.10 (ten) Lakhs each and is issued at par. The Bonds shall be redeemable at par i.e. for Rs.10 (ten) Lakhs per Bond. Since there is no discount or premium on either issue price or redemption value of the Bonds, the effective yield for the Investors shall be the same as the coupon rate on the Bonds.

Terms of Payment

The full Issue price of the Bonds applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and process the RTGS for the full face value of the Bonds applied for.

Minimum Application Size	Amount Payable on Application per Bond
Application must be for a minimum of INR 1 (one) Crore (10 (ten) Bonds) and in multiples of INR 10 (ten) Lakhs (1 (one) Bond) thereafter.	Full Issue Price i.e. INR 10 (ten) Lakhs per Bond.

Minimum Subscription

As the current issue of Bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and the Issuer shall not be liable to refund the Issue subscription(s)/proceed(s) in the event of the total issue collection falling short of the Base Issue Size or certain percentage of the Base Issue Size.

Retention of oversubscription

The Company shall have an option at its sole discretion to retain over-subscription up to the Issue Size.

15.2 ISSUE PROCESS

Who Can Apply

The Investors as specified in Section XIV "Summary Term Sheet" are eligible to apply for the Bonds. All Applicants are required to comply with the relevant regulations/guidelines applicable to them for investing in the Issue in accordance with the norms approved by GOI, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines / NSE EBP Guidelines as published by BSE / NSE on its website for investing in this Issue. The contents of this Private Placement Offer Letter and any other information supplied in connection with this Private Placement Offer Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

Who Cannot Apply

The persons entities as set out in Section XIV "Summary Term Sheet" as non-eligible classes of investors, shall not be eligible to participate in the Issue and any Applications from such persons and entities shall be rejected.

Documents to be provided by Eligible Investors

In order to be able to bid under the BSE Bond - EPB Platform / NSE Bond - EBP Platform, eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the Operational Guidelines or applicable law or as requested by the Issuer. The Issuer is entitled at any time to require an eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

Application under Power of Attorney or by Eligible Investors

In case of Applications made under a power of attorney or by a company or a body corporate or registered society or mutual fund, and scientific and/or industrial research organizations or trusts etc., the relevant power of attorney or the relevant resolution or authority to make the Application, as the case may be, together with the certified true copy thereof along with the certified copy of the memorandum and articles of association and/or bye-laws, as the case may be, shall be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form, failing which the applications are liable to be rejected.

How to Apply or Bid

All eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE / NSE. Investors will also have to complete the mandatory know your customer verification process. Investors should refer to the BSE EBP Guidelines / NSE EBP Guidelines in this respect.

The Issue details shall be entered on the BSE Bond - EPB Platform / NSE Bond - EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue opening date, in accordance with the Operational Guidelines.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE Bond EPB - Platform / NSE Bond – EBP Platform, at least 1 (one) Business Day before the start of the Issue opening date.

Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

(i) **Modification of Bid**

Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, revision of bid is only allowed for improvement of coupon or yield and upward revision of the bid amount placed by the Investor.

(ii) **Cancellation of Bid**

Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period or window, no cancellation of bids is permitted.

(iii) **Multiple Bids**

Investors may note that multiple bids are permitted. Multiple bids by the Arranger to the Issue are permitted as long as each bid is on behalf of different Investors / same Investors. Arranger to the Issue can put multiple bids for same Investor provided the total of all bids entered is not equal to or more than 5% (five per cent) of the Base Issue Size or ₹15,00,00,000 (Rupees Fifteen Crores), whichever is lower.

(iv) **Offer or Issue of executed Private Placement Offer Letter to successful eligible Investors**

The signed copy of the Private Placement Offer Letter along with the Application Form will be issued to the successful eligible Investors, who are be required to complete and submit the Application Form to the Issuer in order to accept the offer of the Bonds.

However, Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

Bids by the Arranger

The Arrangers as mapped on BSE Bond EPB - Platform / NSE Bond – EBP Platform by the Issuer are allowed to bid on a proprietary, client and consolidated basis. At the time of bidding, the Arranger is required to disclose the following details to the BSE Bond EPB - Platform / NSE Bond – EBP Platform:

(i) Whether the bid is proprietary bid or is being entered on behalf of an eligible Investor or is a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of eligible Investors.

(ii) For consolidated bids, the Arranger shall disclose breakup between proprietary bid and bid(s) made on behalf of Eligible Investors.

(iii) For bids entered on behalf of eligible Investors, the Arranger shall disclose the following:

(a) Names of such eligible Investors;
(b) Category of the eligible Investors; and
(c) Quantum of bid of each eligible Investor.

Provided that the Arranger shall not allowed to bid on behalf of any Eligible Investor if the bid amount exceeds 5% (five per cent.) of the Base Issue Size or ₹15,00,00,000 (Rupees fifteen Crores), whichever is lower (or such revised limits as may be specified in the Operational Guidelines from time to time).

Withdrawal of Issue

The Issuer reserves the right to withdraw the Issue prior to the Issue closing date, at its discretion, and including but not limited to the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc., pursuant to the conditions set out under the Operational Guidelines.

Further, the Issuer shall be permitted to withdraw from the Issue process on the following events:

(i) The Issuer is unable to receive the bids up to the Base Issue Size; or
(ii) A bidder has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfill the Base Issue Size; or
(iii) The cut-off yield in the Issue is higher than the estimated cut-off yield disclosed to the EBP, where the Base Issue Size is fully subscribed.

If the Issuer has withdrawn the Issue pursuant to point (iii), where the cut-off yield of the Issue is higher that the estimated cut-off yield disclosed to the BSE Bond EPB - Platform / NSE Bond – EBP Platform, the estimated cut-off yield shall be mandatorily disclosed by the BSE Bond EPB - Platform / NSE Bond – EBP Platform to the eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Issuer, prior to opening of issue on the BSE Bond EPB - Platform / NSE Bond – EBP Platform. The disclosure of estimated cut off yield by the BSE Bond EPB - Platform / NSE Bond – EBP Platform to the eligible Investors, pursuant to closure of the Issue, shall be at the discretion of the Issuer. Provided that the Issuer shall accept or withdraw the Issue on the BSE Bond EPB - Platform / NSE Bond – EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 (six) pm on the Issue closing date.

However, Eligible Investors should refer to the Operational Guidelines prevailing on the date of the bid.

Determination of Coupon

The Coupon will be decided based on bids received on the BSE Bond EPB - Platform / NSE Bond – EBP Platform.

Right to Accept or Reject Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected Applicant will be intimated along with the refund warrant, if applicable. No interest on Application money will be paid on rejected Applications. The Application Form that is not complete in all respects is liable to be rejected and would not be paid any interest on the Application money. For further instructions regarding the application for the Bonds, eligible Investors are requested to read the instructions provided in the Application Form.

Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

(i) Number of Bonds applied for is less than the minimum application size; and
(ii) Bondholder details as may be required is not given.

Basis of Allocation

Allocation shall be made as approved by the Issuer in accordance with applicable SEBI regulations, Operational Guidelines, and applicable laws. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE Bond EPB - Platform / NSE Bond – EBP Platform. Post receipt of details of the successful Eligible Investors, the Issuer will upload the final allocation file on the BSE Bond EPB - Platform / NSE Bond – EBP Platform. At its sole discretion, the Issuer shall decide the amount of over subscription to be retained over and above the Base Issue Size.

The allotment of valid applications received on the closing day shall be done in the following manner:

(a) allotment would be done first on “yield priority” basis;
(b) where two or more bids are at the same yield, then the allotment shall be done on “time-priority” basis;
(c) where two or more bids have the same yield and time, then allotment shall be done on “pro-rata” basis.

Applications by Successful Investors

Original Application Forms complete in all respects must be submitted to the corporate office of Issuer before the last date indicated in the Issue time-table or such extended time as decided by the Issuer accompanied by details of remittance of the Application money. The Application Form will constitute the acceptance required under Section 42 of the Companies Act and the PAS Rules. Successful Investors should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond - EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful investor, the payment would be returned back. Payment should be made by the deadline specified by the BSE/ NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges (“**Designated Bank Account**”).

Upon final allocation by the Issuer, and confirmation by the Issuer to go ahead with the Allotment, the Issuer or the Registrar on behalf of the Issue shall instruct the Depositories on the pay-in date, and the Depositories shall accordingly credit the allocated Bonds to the demat account of the successful Investor(s). Upon instructions of the Registrar or the Issuer, the Depositories shall confirm to the clearing corporation of the relevant Exchanges that the Bonds have been transferred to the demat account(s) of the successful Investor(s). Upon confirmation from the Depository, the clearing corporation of the relevant Exchanges shall transfer funds to the Designated Bank Account of the Issuer.

Successful bidders must do the funds pay-in to the Designated Bank Account up to 10:30 am on the pay-in date (“**Pay-in Time**”). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of eligible Investors, funds pay-in shall be made from the bank account of such eligible Investors. Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail.

Note: In case of failure of any successful Investor to complete the funds pay-in by the Pay-in Time or the funds are not received in the Designated Bank Account of the clearing corporation of the relevant Exchanges by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful Investor.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018, and SEBI circular dated August 16, 2018 bearing reference number

SEBI/HO/DDHS/CIR/P/2018/122, each as amended. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Terms of Payment

The full-face value of the Bonds applied for is to be paid along with the Application Form as set out above.

Acknowledgements

No separate receipts will be provided by the Issuer for the Application money.

Deemed Date of Allotment

The cut-off date declared by the Issuer from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholders is the Deemed Date of Allotment. The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/deemed date(s) of allotment at its sole and absolute discretion without any notice. If in case, the issue closing date changes (i.e. preponed/postponed), then the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Issuer, at its sole and absolute discretion.

Letter(s) of Allotment/ Bond Certificate(s)

The beneficiary account of the Investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 2 (two) days from the Deemed Date of Allotment. The initial credit in the account will be akin to a letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Bond certificate.

Fictitious applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Bonds, or otherwise induced a body corporate to allot, register any transfer of Bonds therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

15.3 INSTRUMENT SPECIFIC DETAILS

Market Lot

The market lot will be one Bond. Since the Bonds are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

Trading of Bonds

The marketable lot for the purpose of trading shall be one Bond that is, in denomination of Rs. 10 (ten) Lakhs. Trading of Bonds will be permitted in dematerialised mode only and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In the event of trading in Bonds which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by SEBI.

Mode of Transfer of Bonds

Bonds shall be transferred subject to and in accordance with the rules or procedures as prescribed by the NSDL, CDSL or Depository Participant of the transferor and transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his Depository Participant. The provisions of the Depositories Act, and the Companies Act, and all other applicable laws shall apply for transfer and transmission of Bonds.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid or redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Interest on the Bonds

The Bonds shall carry interest at the coupon rates in accordance with the term sheet (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the I.T. Act or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Issuer) on the outstanding principal amount of Bonds until final redemption.

If any interest payment date falls on a day which is not a Business Day, then payment of interest will be made on the next day that is a Business Day without interest for such additional days. It is clarified that Interest/redemption with respect to debentures, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Deduction of Tax at Source

Tax as applicable under the I.T. Act or any other statutory modification or re-enactment thereof will be deducted at source. The Investor(s) desirous of claiming exemption from deduction of income tax at source on the interest on Application money are required to submit the necessary certificate(s), in duplicate, along with the Application Form in terms of Income Tax rules.

Interest payable subsequent to the Deemed Date of Allotment of Bonds will be treated as "Interest on Securities" in accordance with the rules under the I.T. Act. Bondholders desirous of claiming exemption from deduction of income tax at source on the interest payable on Bonds should submit tax exemption certificate/document (if any), under the I.T. Act, at the head office of the Issuer, at least 45 (forty-five) days before the payment becoming due. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective Investors are advised to consult their own tax consultant(s).

List of Beneficial Owners

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date to the registrar and transfer agents (RTA) and the Issuer. This list shall be considered for payment of interest or repayment of principal amount, as the case may be.

Record Date

Record date of interest shall be 15 (fifteen) days prior to each interest payment date and 15 (fifteen) days prior to the date of Maturity. Interest shall be paid to the person whose name appears as sole/first in the Register of Debenture holders/beneficiaries position of the Depositories on the Record Date or to the Bondholders who have converted the Bonds to physical form and their name is registered on the registers maintained by the Issuer or the Registrar. In the event of the Issuer not receiving any notice of transfer at least 15 (fifteen) days before the respective due date of payment of interest and at least 15 (fifteen) days prior to the maturity date, the transferees for the Bond shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholder.

Undertaking regarding transfer

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/CDSL/Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to its Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

If the Bonds are rematerialized and held in physical form, transfer of Bonds shall be as per the relevant provisions of Companies Act, and Ministry of Corporate Affairs notification number GSR 463(E) dated June 5, 2015 issued in respect of government companies or any other relevant law. However, the Issuer reserves it right to duly confirm the identity of the transferor and conduct necessary due diligence wherever required.

Redemption and Computation

The face value of the Bonds will be redeemed in accordance with details in Section XIV "Summary Term Sheet" from the Deemed Date of Allotment. The Bonds will not carry any obligation, for interest, or otherwise, after the Redemption Date. The Bonds shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Bondholders whose names appear in the Register of Debenture holders on the Record Date or the Beneficial Owners in accordance with the list provided by the Depositories. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders.

If the Redemption Date falls on a day which is not a Business Day, then the payment due shall be made on the previous Business Day but without liability for making payment of interest after actual date of redemption. It is clarified that any interest or redemption amounts with respect to Bonds, interest or redemption amount payments shall be made only on the days when the money market is functioning in Mumbai.

Settlement/ Payment on Redemption

Payment on redemption will be made by way of cheque(s) or redemption warrants(s) or demand draft(s) or credit through RTGS system in the name of the Bondholders whose name appear on the list of Beneficial Owners given by Depository to the Issuer or the Bondholders (who have converted the Bonds to physical form), whose names are registered on the register maintained by the Issuer or Registrar as on the Record Date. The Bonds shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the list of Bondholders as provided by NSDL or CDSL or Depository Participant. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders. On such payment being made, the Issuer shall inform NSDL or CDSL or Depository Participant and accordingly the account of the Bondholders with NSDL or CDSL or Depository Participant shall be adjusted.

The Issuer's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Issuer will not be liable to pay any interest, or compensation from the date of redemption. On the Issuer dispatching/ crediting the amount to the Beneficiary(s) as specified above in respect of the Bonds, the liability of the Issuer shall stand extinguished.

Right of Bondholder(s)

Bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The Bond(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the general meeting of the Issuer. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of joint holders, to the one whose name stands first.

Further, the Bonds shall be subject to the provisions of the Companies Act, and the relevant rules and regulations, the Articles of Association of the Issuer, the terms of this issue of Bonds and the other terms and conditions as may be incorporated in the Bond trustee agreement and other documents that may be executed in respect of these Bonds.

Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold majority of the outstanding amount of the Bonds (or any limit as specified under Companies Act or any other provision of law) or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Issuer.

Right to further issue under the ISINs

The Issuer reserves right to effect multiple issuances under the same ISIN with reference to the ISIN Circulars. The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the ISIN Circulars.

Right to Buyback, Re-purchase and Re-issue

The Issuer will have the right, power and authority, exercisable at its sole and absolute discretion from time to time, to buyback or re-purchase a part or all of its Bonds from the secondary markets or through a tender offer or any other method permitted under applicable law, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Issuer's Bonds being bought back or repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the right, power and authority to re-issue the Bonds, either by re-issuing the same Bonds or by issuing other debentures in their place.

Further the Issuer, in respect of such bought back or re-purchased or re-deemed Bonds shall have the right, power and authority, exercisable either for a part or all of those Bonds, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the ISIN Circulars or by applicable laws or regulations.

Future Borrowings

The Issuer shall be entitled to borrow or raise loans or avail of financial assistance in whatever form as also issue bonds or debentures or notes or other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Bond Trustee in this connection.

Ranking of Bonds

The Bonds are unsecured, redeemable, non-convertible, non-cumulative, subordinated Tier II taxable, bonds in the nature of *Debentures*. The Bonds shall rank *pari-passu* inter se and, subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, shall also as regards repayment of principal and payment of interest, rank *pari-passu* with all other existing unsecured borrowings of the Issuer.

Notices

All notices required to be given by the Issuer or by the Bond Trustee to the Bondholders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/first allottees of the Bonds and/ or if published in one all India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavours to resolve the Investors' grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application number (including prefix), number of Bonds applied for, amount paid on application and bank and branch / the Issuer collection centre where the Application was submitted, may be addressed to the resource mobilization unit at the head office of the Issuer.

SECTION XVI
MATERIAL CONTRACTS AND AGREEMENTS

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred below may be inspected at the head office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the Issue closing date.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of the Issuer, as amended to date.
2. Certificate of incorporation dated July 3, 1969 and fresh Certificate of Incorporation dated July 18, 2003.
3. Copy of shareholders resolution obtained for overall borrowing limit.
4. Credit rating letters issued by ICRA, CARE, IRRPL and CRISIL respectively.
5. Auditor's report and standalone financial statements for the Financial Year March 31, 2019 prepared under IND-AS and consolidated financial statements prepared under IND-AS for the Financial Year March 31, 2019.
6. Auditor's report and standalone financial statements for the Financial Year ended March 31, 2019, March 31, 2018 and 2017 prepared under Indian GAAP and consolidated financial statements prepared under Indian GAAP for the Financial Year March 31, 2018 and 2017.
7. Annual report of the Issuer for the last three Fiscals.
8. Board resolution dated March 25, 2020 authorizing issue of Bonds offered on private placement basis.
9. Letter of consent from the Bond Trustee dated March 17, 2020 for acting as Bond Trustee for and on behalf of Bondholders.
10. Tripartite agreement between the Issuer, NSDL and KFin Technologies Private Limited for issue of Bonds in dematerialized form.
11. Tripartite agreement between the Issuer, CDSL and KFin Technologies Private Limited for issue of Bonds in dematerialized form.
12. Bond trustee agreement between the Issuer and Bond Trustee.
13. Bond trust deed in favour of Bond Trustee.
14. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.

SECTION XVII
DECLARATION

The Issuer undertakes that this Private Placement Offer Letter contains full disclosures in conformity with Form PAS-4 under Section 42 of the Companies Act, 2013 (as amended), Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended), SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (as amended) and the RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Circular Number: RBI/DNBR/2016-17/45, Master Direction DNBR.PD.008/03.10.119/2016-17, dated September 01, 2016, as amended.

The Issuer has complied with the provisions of the Companies Act and the rules made thereunder. It is to be distinctly understood that compliance with the Companies Act and the rules does not imply that payment of interest or repayment of Bonds, is guaranteed by the GOI.

The Issuer undertakes that the monies received under the Issue shall be utilized only for the purposes and 'Objects of the Issue' indicated in the Private Placement Offer Letter.

The Issuer accepts no responsibility for the statement made otherwise than in the Private Placement Offer Letter or in any other material issued by or at the instance of the Issuer and that anyone who places reliance on any other source of information would be doing so at his own risk.

The undersigned has been authorized by the Board of Directors of the Issuer vide resolution number 467.2.2 dated March 25, 2020 by the Board to sign this Private Placement Offer Letter and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this Private Placement Offer Letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Issuer.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Private Placement Offer Letter.

For and on behalf of the Board of Directors of REC Limited (formerly known as Rural Electrification Corporation Limited)

SUBRATA AICH
Addl. G.M. (Finance)
R. E. C. Limited
(A Govt. of India Enterprise)
Core-4, SCOPE Complex
7, Lodhi Road, New Delhi

Mr. Subrata Aich
Additional General Manager (Finance)
Place: New Delhi
Date: June 05, 2020

(i) Copy of resolution of the Board of Directors authorizing the present Issue of Bonds.
(ii) Copy of special resolution passed by the shareholders of the Issuer under section 42 of the Companies Act, and sub-rule 2 of rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, dated August 29, 2019.
(iii) Copy of rating letters from ICRA, CARE, IRRPL and CRISIL.
(iv) Copy of consent letter from BEACON Trusteeship Limited to act as Bond Trustee for the Bondholders.

SECTION XVIII
ANNEXURES

A. **APPLICATION FORM ALONG WITH GENERAL INSTRUCTIONS –** SHALL BE ISSUED SEPARATELY

B. CONSENT LETTER OF BOND TRUSTEE

Annexed as Annexure – I

C. CREDIT RATING LETTERS

Annexed as Annexure - II

D. COPY OF SHAREHOLDERS SPECIAL RESOLUTION DATED AUGUST 29, 2019 AND BOARD RESOLUTION DATED MARCH 25, 2020

Annexed as Annexure – III

E. FINANCIAL INDEBTEDNESS

Annexed as Annexure – IV

F. FINANCIAL INFORMATION

Annexed as Annexure – V

BEACON
TRUSTEESHIP

CL/MUM/19-20/BT/351
March 17, 2020

REC Limited
Core - 4, Scope Complex,
7, Lodhi Road, CGO Complex
Pragati Vihar, New Delhi-110 003

Kind Attn: Ms. Hina Rawat (Manager)

Dear Sir,

Sub : - Consent to act as Debenture/Bond Trustee for REC's Secured/ Un-secured, Non-convertible, Non-cumulative, Taxable, Institutional Bonds to be issued by REC Limited (REC) during FY 2020-21 on private placement basis

This is with reference to your letter dated March 16, 2020 and discussion we had regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for REC's Secured/ Un-secured, Non-convertible, Non-cumulative, Taxable, Institutional Bonds/Debentures for FY 2019-20, we hereby confirm to act as Debenture /Bond Trustee for FY 2020-21 on the following commercials.

- A consolidated annual Service Charge of Rs. 1100/- (Eleven Hundred only) per Bond Issue/Per Tranche/Per Annum (Inclusive of Out of Pocket Expenses) Plus applicable Taxes which shall be paid yearly until final repayment/final redemption of bonds is done and its satisfaction of charge is completed on full. No travelling expenses shall be paid for attending RECs office in relation to the said assignment. However, in case of travel outside Delhi in connection with scope of work, the travelling expenditure shall be paid/reimbursed on actual basis (Air Travel – Economy Class only)

- GST/Tax shall be paid extra as applicable.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

It is indeed our pleasure to continue to be associated with your esteemed organization as Debenture/Bond Trustee and we look forward to a fruitful association.

Thanking You,

Yours faithfully,
For **Beacon Trusteeship Limited**

Beacon Trusteeship Limited

Pratapsingh Nathani
Chairman & Managing Director

Contact No — +91 9820408784
Email id — compliance@beacontrustee.co.in

CARE Ratings
Professional Risk Opinion

No. CARE/DRO/RL/2020-21/1219

Mr. A. K Agarwal
Director (Finance)
REC Limited
Core 4, Scope Complex 7
Lodhi Road, New Delhi – 110003

May 07, 2020

Confidential

Dear Sir,

Credit rating of Market Borrowing Programme for FY21

Please refer to our letter no. CARE/DRO/RL/2019-20/3928 dated March 28, 2020 and your request for revalidation of the rating assigned to the Market Borrowing Programme for FY21 of your company, for a limit of Rs.1,06,000 crore.

2. The following ratings have been reviewed:

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Long term Market Borrowing Programme FY21	1,00,000	**CARE AAA; Stable [Triple A; Outlook: Stable]**	Reaffirmed
Short term Market Borrowing Programme FY21	6,000	**CARE A1+ [A One Plus]**	Reaffirmed
Total	**1,06,000 (Rs. One Lakh Six Thousand Crore only)**		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months for long term rating and two months for short term rating from the date of this letter.
4. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture	Details of top 10 investors

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

							Trustee	

5. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
6. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Vidushi

Gaurav Dixit

Vidushi Gupta
Analyst
vidushi.gupta@careratings.com

Gaurav Dixit
Deputy General Manager
gaurav.dixit@careratings.com

Encl.: As above

however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 ● Fax: +91-11-4533 3238

India Ratings & Research
A Fitch Group Company

FitchGroup

Mr. A. K. Agarwal
Chairman and Managing Director
REC Limited
Core-4, SCOPE Complex,
7-Lodhi Road,
New Delhi - 110003

May 06, 2020

Dear Sir,

Re: REC Limited – INR1,000 billion long-term annual borrowing programme (FY21) Ratings

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of REC Limited:

Instrument Type	Size of Issue (billion)	Rating/Outlook
Long-term annual borrowing programme (FY21)	INR1,000	IND AAA/Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings & Research Private Limited A Fitch Group Company
Level 16, Tower B Epitome, Building No. 5, DLF Cyber City, Phase-III, Gurugram - 122 002, Haryana, India
Tel: +91 124 6687200 | Fax: +91 124 6687231 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in

India Ratings

Devendra Pant
Senior Director

D/RAT/2020-21/R-7/01

May 06, 2020

Mr. Sanjay Kumar
GM-Finance
REC Limited
Core 4 A, SCOPE Complex
7, Lodhi Road, New Delhi – 110003

Dear Sir,

Re: ICRA Credit Rating for the Rs. 100,000 crore Long Term Borrowing Programme of REC Limited for the financial year 2020-21.

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]AAA** (pronounced ICRA triple A) rating assigned to your captioned programme and last communicated to you vide our letter dated March 28, 2020 stands. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The outlook on the long-term rating is **Stable.** In any of your publicity material or other document wherever you are using our above rating, it should be stated as [ICRA]AAA (Stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. The rating is restricted to your Long-Term Borrowing programme size of Rs. 100,000 crore only. Further, the total utilisation of the captioned rated Long-Term Borrowings programme (including Bonds, Long Term Bank Borrowings and Bank guarantees) and Short-Term borrowing programme should not exceed Rs. 110,000 crore for financial year 2020-21.

The proposed public issue of Taxable Non-Convertible Debentures to the tune of Rs. 10,000 crore is included in the aforesaid rated long-term borrowing programme of REC Limited.

If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: D/RAT/2019-20/R-7/28 dated March 28, 2020.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
For ICRA Limited

Srinivasan Rangaswamy
Vice President
r.srinivasan@icraindia.com

CONFIDENTIAL

RURECLT/244861/LTB/300320204/1
May 06, 2020

Mr. Ajeet Agarwal
Director - Finance
REC Limited
Core-4, SCOPE Complex, 7, Lodhi Road
New Delhi-110 003
Tel.: 011- 24365162
Fax: 011- 24366 948 / 2436 9846

Dear Mr. Agarwal,

Re: CRISIL Rating on the Rs. 100000 Crore Long-Term Borrowing Programme^# of REC Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.
Please refer to our rating letter dated March 30, 2020 bearing Ref. no: RURECLT/ RURECLT/244861/LTB/300320204

Please find in the table below the ratings outstanding for your company

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Long-Term Borrowing Programme	100000	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

^ Borrowing programme for fiscal 2021 (refers to financial year, April 1 to March 31). The overall limit for the long-term borrowing programme and the short-term borrowing programme is Rs.110000.0 crore.
#Total incremental long-term bank borrowing and borrowings under the rated long-term bonds programme not to exceed Rs.100000.0 crore any point in time during fiscal 2021

Certified Copy of the Resolutions passed in the 467th Meeting of the Board of Directors of REC Limited (*formerly Rural Electrification Corporation Limited*) held on March 25, 2020 at New Delhi - 110003.

Item No. 467.2.2 Market Borrowing Programme for the Financial Year 2020-2021.

The Board, after discussion, approved the proposal as detailed in the Agenda Note and passed the following resolutions:

"**RESOLVED THAT** subject to the borrowing limit as approved by the shareholders in accordance with the provisions of the Companies Act 2013, the market borrowing programme for the FY 2020-21, excluding funds raised under Extra Budgetary Resource (EBR), be kept at ₹1,10,000 crore under various debt instruments as listed below on private/ public placement basis, with interchangeability of amount of raising as warranted by the market conditions within the overall limit of ₹1,10,000 crore as per following details, in consonance with the Memorandum and Articles of Association of REC be and is hereby approved:

Sl. No.	Description	₹ in crore
1.	a) Domestic Bonds/ Debentures including Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation Indexed, Tax Free Bonds, Principal Protected Bond, Market Linked Debenture, Partly Paid Bonds, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity Bonds, Cumulative Interest Bonds, Step Up Coupon Bond, Bonds forming part of Bond ETF's or any other Bonds/ Debentures, with/ without interest rate swaps/ options with/ without the same being embedded in the Bonds/ Debentures structure, as may be permitted by the Regulatory Authorities from time to time whether Unsecured/ Secured, Non-convertible, Redeemable, Taxable/ Tax-free whether on private placement or public issue basis; b) Rupee Term Loans from Banks/ FIs/ NBFCs/ Other Institutions etc., c) External Commercial Borrowings (ECBs) including but not limited to Foreign Currency Term Loans/ Foreign Currency Bonds/ Rupee Offshore Bonds (Masala or any other bonds)/ Green Bonds, etc.; Export Credit Assistance (ECAs); Official Development Assistance (ODA) Loans (Long/ Medium Term); Foreign Currency Convertible Bonds (FCCBs); Foreign Currency Non-resident (Bank) [FCNR (B)] Loans; Export ODA loans from Banks/ FIs/ NBFCs/Other Institutions/ Multilateral Funding Agencies etc. (excluding rollovers); d) Capital Gains Tax Exemption Bonds u/s 54EC of Income Tax Act, 1961.	1,00,000
2.	Short Term Loan (STL) from Banks/FIs/NBFCs etc. (excluding temporary loans i.e STL of tenure less than 6 months, WCDL, CC Limit, OD Facility or any other arrangement of similar nature). Short Term Loan from Banks/FIs/NBFCs etc. raised and repaid	

Sl. No.	Description	₹ in crore
	during the financial year to be excluded from this limit.	4,000
3.	Commercial Paper Commercial Paper raised and repaid during the financial year to be excluded from this limit.	6,000
	TOTAL	**1,10,000**

"**RESOLVED FURTHER THAT** CMD/Director (Finance) be and are hereby severally authorized to approve the interchangeability, among all the borrowing instruments, if required, based on the prevailing market conditions, within the above-mentioned overall limit of ₹ 1,10,000 crore."

"**RESOLVED FURTHER THAT** CMD and Director (Finance) be and are hereby jointly authorized to decide pricing, timing, mode, source of borrowing and marketing in respect of borrowings other than domestic bonds/ debentures, such as Rupee Term Loans, External Commercial Borrowings (ECBs) including but not limited to Foreign Currency Term Loans/ Foreign Currency Bonds/ Rupee Offshore Bonds (Masala or any other bonds)/ Green Bonds, etc., Export Credit Assistance (ECAs), Official Development Assistance Loans (Long/ Medium Term), Foreign Currency Convertible Bonds (FCCBs), Foreign Currency Non-resident (Bank) [FCNR (B)] Loans, Export ODA loans from Banks/ FIs/ NBFCs/ Other Institutions/ Multilateral Funding Agencies etc., commercial paper, etc. depending upon the prevailing debt market conditions within the above market borrowing programme."

"**RESOLVED FURTHER THAT** the Company is neither accepting nor holding public deposits, as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and does not intend to accept any public deposit."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to engage one or more rating agencies, both domestic and international, and approve the terms and conditions of the same for rating of the market borrowing programme of ₹ 1,10,000 crore comprising of long term and short term debt instruments including issue rating, issuer rating, wherever required, for the FY 2020-21."

"**RESOLVED FURTHER THAT** the Company, in accordance with the terms and conditions, as stipulated, to meet the Extra Budgetary Resource (EBR) requirements of the Government of India, is allowed to raise funds under EBR and the funds so raised will be outside the purview of this market borrowing programme of the Company."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)be and are hereby severally authorized to engage wherever necessary the services of merchant bankers/debenture trustees/solicitors /mobilizers/ underwriters/ bankers/ printers/ PR agencies/ depositories/ stock exchanges/ auditors/ registrar and transfer agents or any other intermediary agencies on such terms & conditions considering prevailing debt market conditions."

"**RESOLVED FURTHER THAT** Domestic bonds/ debentures to be issued during the FY 2020-21 may be issued in any combination as per the following broad scheme:

- Domestic Bonds/ Debentures including Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation Indexed, Tax Free Bonds, Principal Protected Bond / Debenture, Market Linked Debenture, Partly Paid Bonds, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity Bonds, Cumulative Interest Bonds, Step Up Coupon Bond, Bonds forming part of Bond ETF's, Capital Gain Tax Exemption Bonds under section 54 EC of the Income Tax Act 1961 or any other Bonds/ Debentures, with/ without interest rate swaps/ options with/ without the same being embedded in the Bonds/ Debentures structure, as may be permitted by the Regulatory Authorities from time to time whether Unsecured/ Secured, Non-convertible, Redeemable, Taxable/ Tax-free, whether on private placement or public issue basis;
- The issuance of instrument(s) may be in one or more series or tranches or on reissuance in existing series.
- Coupon rate (fixed or floating) will be as per the prevailing market interest rates payable annually or otherwise.
- The issue may be kept open and/or extended for such period as may be decided by CMD / Director (Finance).
- Period of redemption – up to 20 years with/ without put/ call options or upto the period as permitted under the applicable laws from time to time.
- Arrangers' fee – CMD and Director (Finance) are severally authorized to decide the arrangers fees.
- Listing – with National Stock Exchanges (NSE) / Bombay Stock Exchange (BSE) or any other recognized Stock Exchange(s) or a combination thereof.
- Mode – Private Placement/ Public Issue.
- A maximum of five Bond Issues by way of Private Placement in a month shall be made.
- Pricing and timing of Bond Issue: CMD and Director (Finance) are severally authorized to decide pricing and timing of bond issue."

"**RESOLVED FURTHER THAT** wherever it is decided to raise funds by way of Unsecured/ Secured, Non-convertible, Redeemable, Non- cumulative Taxable Bonds (Institutional Bonds) / Commercial Paper by inviting quotations/ bids/ book building etc., an in house committee of officials, as may be constituted by the CMD, shall evaluate the offers received and shall confirm/ scrap the deal during the bidding process on Electronic Bidding Platform (EBP) / any other mode and shall put up its recommendations subsequently to CMD through Director (Finance) for ratification."

"**RESOLVED FURTHER THAT** wherever it is decided to raise funds by way of Unsecured/ Secured, Non-convertible, Redeemable, Cumulative/ Non-cumulative Taxable/ Tax Free Bonds by way of public issue, an in house committee (named as "Bond Committee for Public Issue"), be constituted with the CMD, Director (Finance) and Director (Technical) as its members, the quorum of the committee being any two members and any one member shall have the authority to carry out the decisions taken by the Bond Committee for the Public Issue at its duly held meetings. The Bond Committee for the Public Issue shall have the following powers in this respect:

a. Settle all questions remove any difficulties or doubts that may arise from time to time in regard to the issue, to approve and/or carry out required updates to the draft shelf prospectus, shelf prospectus, tranche prospectus or any other such offer documents and to take such actions, give such directions, obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Bond Committee may suo-moto decide in its absolute discretion in the best interest of REC.

b. The CMD / Director (Finance), be and is hereby severally authorised to nominate an officer of appropriate level as 'Compliance Officer to the Issue' to sign and to file the draft shelf prospectus, shelf prospectus, tranche prospectus, abridged prospectus, or any other documents with the SEBI, ROC, Stock Exchange(s), Depositories, Registrar or any other appropriate authorities, as may be required and to apply for the listing of the bonds/ debentures on one or more Stock Exchange(s) in India, as may be required by applicable laws and to sign and execute listing application(s), various agreements and memorandums of understanding (MoUs) with different agencies including listing agreement, undertakings, deeds, declarations, affidavits, certificates, documents etc., and all other documents and to do all such acts, deeds and things and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of bonds/debentures including all formalities and with power to settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such bonds/debentures as may be deemed fit. The nominated compliance officer is also authorised to make any correction in the draft shelf prospectus, shelf prospectus and /or tranche prospectus or such other documents.

c. Director (Finance) or Company Secretary and in his absence GM(CS)/ AGM (CS) be and are hereby authorised on behalf of the Board of Directors to file duly signed and approved shelf prospectus and /or tranche prospectus, modification of terms of prospectus, creation / modification / satisfaction of charge with the office of Registrar of Companies and also file the petitions with the National Company Law Tribunal or Court or any other document required in this connection with the Registrar of Companies, Stock Exchange(s), SEBI or any other authority as may be required and to do acts, deeds as required for the public issue of bonds/debentures."

"RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to approve the raising of funds by allowing participation in debt ETFs including Bharat Bond ETF through the Bond Series launched by the Company, within the overall Market Borrowing Programme for the year 2020-21 and as per the terms and conditions as may be decided."

"RESOLVED FURTHER THAT CMD/ Director (Finance)/ Executive Director (Fin)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to execute the listing agreements on behalf of the Company with any of the recognized Stock Exchanges in India in respect of securities issued/ to be issued by the Company from time to time."

"RESOLVED FURTHER THAT Director (Finance)/Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to file necessary documents with ROC/NSDL/CDSL/SEBI/ Stock Exchange(s) and also to approve consolidation/ splitting of bonds, taking note of nomination/ change of nomination / sub-division of allotment letters/ bonds and vice-versa and conversion from physical to de-mat form/ re-mat / transfer/ transmission of all bonds."

"RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance)/ Chief Manager (Finance) be and are hereby severally authorized to make arrangements for printing of bond certificates on completion of allotment of bonds and/or duplicate bond certificates in case of such request and issue the same with signatures of the authority as decided by means of mechanical printing on bonds certificates and/or signature in his own hands in ink in terms of respective regulations or such other compliances which are required to be done in compliance of relevant rules and regulations."

"RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized to approve arranging of Bank Guarantees and/or Cash as security deposit with the designated Stock Exchange, as may be required under the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended (SEBI Debt Regulations), in case of Public Issue(s) of Bonds. Further, Director (Finance)/ Executive Director (Finance)/ General Manager (Finance) also be and are hereby severally authorized to approve and sign counter Guarantee required to be given to the Bank issuing Bank Guarantee in terms of listing regulations of stock exchanges."

"RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to sign and execute the necessary documents including declaration(s) required under Companies Act, 2013, Private Placement Offer Letter (PPOL) for issue of Bonds/ Debentures and agreements/ deeds/ amendments/ drawal letters etc for Term Loans from Banks/ FIs/ NBFCs etc."

"RESOLVED FURTHER THAT Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to sign and execute the offer documents, agreements, memorandums of understanding, undertaking, deeds, declarations, affidavits, certificates, documents, amendments etc., pay stamp duty and to take any other action in this regard as may be required in connection with and incidental to the issue of secured/ unsecured bonds/ debentures."

"RESOLVED FURTHER THAT ED (Finance) / GM (Finance) / AGM (Finance) or in his absence any officer authorized by him, be and are hereby severally authorized to act as compliance officer for the purpose of compliances of listing agreement of the stock exchanges in respect of securities issued/ to be issued by the Company from time to time and to file duly signed and approved copies of the offer document and issue necessary certificates to the stock exchanges / depositories/ RoC and/or any other statutory bodies wherever required."

"RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to decide and accept the full amount of subscription of bonds/ ECBs, FCCBs/ ECA/ Funding from Multilateral Agencies/Term Loans/ Bonds/ Rupee Offshore Bonds (Masala Bonds etc.)/ Green Bonds etc., FCNR, Commercial Paper, other debt instruments and approve allotment of bonds and other debt/ quasi debt instruments in line with the provisions of Companies Act and other requirements."

"RESOLVED FURTHER THAT CMD/Director (Finance)/ED(Finance)/ GM (Finance) are hereby severally authorised to seek the Presidential consent/ MoP's in-principal approval for raising External Commercial Borrowings (ECBs) in line with the in-principal approval granted by Reserve Bank of India. In case of the RBI in-principal approval extending beyond the Financial Year 2020-21, the requisite approval from MoP shall be sought for in line with the RBI approval. However, the amount of the ECB raised during the Financial year 2020-21 shall be within the overall Market Borrowing Programme approved for the year and the balance approval, if any shall form part of the Market Borrowing Programme for the subsequent year(s)."

"RESOLVED FURTHER THAT CMD/ Director (Finance), be and are hereby severally authorized to open or close one or more bank account(s) in the name of the Company in foreign currency(ies) with such bank(s) in India and / or such foreign country(ies) as may be required, subject to the requisite approvals from appropriate authorities, if any."

"RESOLVED FURTHER THAT CMD/ Director (Finance)/ Executive Director (Finance)/ GM (Fin.) be and are hereby severally authorized along with AGM (Finance)/ DGM (Finance) /Chief Manager (Finance) to sign, execute, file and deliver all agreements, documents, instruments, instructions, deeds, declarations, amendments, papers, applications, notices or letters to comply with all the formalities as may be required in connection with and incidental to the issue of ECBs including but not limited to Foreign Currency Term Loans/ Foreign Currency Bonds/ Rupee Offshore Bonds/ Green Bonds, Masala Bonds etc., FCNR, FCCBs/ ECA route funding/ ODA Loans/ Funding from Multilateral Agencies including listing abroad with any of the recognized Stock Exchanges and post-closing of issue formalities."

"RESOLVED FURTHER THAT the existing limit for outstanding balance of Short Term Loans (STL) of tenure less than 6 months, Working Capital Demand Loans (WCDL), Cash Credit (CC), Overdraft facilities (OD) or any other facility/ arrangement of similar nature on any particular date is be and herby enhanced from of ₹ 10,000 crore to ₹ 12,000 crore."

"RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to approve new proposals for Cash Credit/ WCDL/ OD/ Short Term Loans from Banks/ FIs/ NBFC(s)/ Corporates etc. Further, Director (Finance)/ Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized to approve the renewal of Cash Credit/ WCDL/ OD/ Short Term Loans from Banks/ FIs/ NBFC(s)/Corporates etc."

"RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to sign and execute the agreements, deeds or any other necessary documents for Cash Credit/ WCDL/ OD/ Short Term Loan."

"RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized to approve availment of Cash Credit/ WCDL/ OD/ Short Term Loans from Banks/ FIs/ NBFCs/ Corporates etc. as per ranking of their rates as and when required."

"RESOLVED FURTHER THAT Executive Director (Fin)/ GM (Finance)/ AGM (Finance)/ DGM (Finance)/Chief Manager (Finance)/ Manager (Finance) be and are hereby severally authorized to sign and execute the documents for drawl/ repayment of Cash Credit/ WCDL/OD/ Short Term Loan."

"RESOLVED FURHTER THAT Executive Director (Finance)/ GM(Finance)/ AGM(Finance)/ DGM (Finance)/ Chief Manager (Finance) be and are hereby severally authorized to execute and sign the letters of offer, deal confirmations, disclosure/ listing documents and any other documents required for issuing and listing of Commercial Paper."

"RESOLVED FURTHER THAT CMD/Director (Finance) be and are hereby severally authorized to approve creation and addition/ modification of charge on immovable and/ or movable property(ies) of the Company in respect of Secured Bonds/ Debentures/ Loans in favour of bond trustees/ debenture trustees/ lender. Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance)/ Chief Manager (Finance) alongwith GM (Legal)/ AGM (Legal)/ DGM (Legal)/ Chief Manager (Legal) be and are hereby severally authorized to execute the necessary documents in this regard."

"RESOLVED FURTHER THAT Director (Finance)/ Company Secretary be and are hereby severally authorized to execute and file necessary documents for creation/ modification/ satisfaction of charge with the office of Registrar of Companies and also filling of the petitions before the National Company Law Tribunal / Court wherever required for the various series of the Secured Borrowings/ Bonds/ Debentures issued by the Company from time to time as prescribed under the provisions of the Companies Act 1956 and/or Companies Act 2013."

"RESOLVED FURTHER THAT CMD/ Director (Finance)/ ED (Finance)/ GM (Finance), be and are hereby severally authorized to open/ close one or more savings, current or any other bank account in the name of the Company, in connection with funds raised through Bonds, ECBs, Term Loans, Short Term Loans/ WCDL/ Cash Credit/ OD/ Dividend payment or any other business use."

"RESOLVED FURTHER THAT any two officers not below the rank of Manager (Finance), acting jointly, be and are hereby authorized on behalf of the Company to sign and execute documents to open/ close bank accounts either savings or current for any official purpose including Dividend payment, both interim and final."

"RESOLVED FURTHER THAT Company Secretary and in his absence, official authorized by the Company Secretary, be and is hereby authorized to affix common seal of the Company, in India or abroad, wherever required, in accordance with the provisions of the Articles of Association of the Company or in accordance with the applicable statutory provisions."

*****

Sd/-
(J S Amitabh)
Executive Director & Company Secretary

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS AT THE 50TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON AUGUST 29, 2019.

Item No. 5: Approval for Private Placement of securities.

....

"**RESOLVED THAT** in accordance with the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Notification, 2012 and other applicable SEBI regulations and guidelines, the Circulars / Directions / Guidelines issued by Reserve Bank of India, from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other approvals, permissions and sanctions, as may be necessary, including the approval of any existing lenders / trustees of Debenture Holders, if so required under the terms of agreement / deed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, consent of the Company be and is hereby accorded to raise funds through private placement of unsecured/secured non-convertible bonds/debentures upto ₹75,000 crore during a period of one year from the date of passing of this resolution in one or more tranches, to such person or persons, who may or may not be the bond/debenture holders of the Company, as the Board (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/ or one or more international markets) including Non-Resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within the overall limit of ₹75,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to any Private Placement of unsecured/secured non-convertible bonds/debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer Letter and to do and execute all such acts, deeds and things, as may be required under any other regulatory requirement for the time being in force."

प्रमाणित सत्य प्रतिलिपि
CERTIFIED TRUE COPY
कृते आरईसी लिमिटेड / For REC LIMITED

ज्योतिशुभ्र अमिताभ / JYOTI SHUBHRA AMITABH
कार्यकारी निदेशक एवं कम्पनी सचिव
Executive Director & Company Secretary
(एफ सी एस नं. 4298) / (F.C.S. No. 4298)

ANNEXURE 4 – FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of the Issuer's significant outstanding secured borrowings of ₹40,847.93 Crores and unsecured borrowings of ₹2,21,980.27 Crores, as on December 31, 2019 together with a brief description of certain significant terms of such financing arrangements.

(I) SECURED TERM LOANS FROM BANKS AND FINANCIAL INSTITUTIONS AVAILED BY THE ISSUER

The Issuer has not availed any secured term loan from banks and financial institutions as on December 31, 2019.

(II) UNSECURED LOANS AVAILED BY THE ISSUER

Set forth below is a brief summary of our outstanding unsecured borrowings.

(All figures are in (₹) Crores, except in percentages)

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
A.	**Unsecured Term Loans from Banks & FIs**						
1.	Punjab National Bank	Loan agreement dated September 14, 2018	2,000.00	2,013.33	PNB 1 month MCLR + 0.05%	Repayable in 3 equal annual instalments after initial moratorium of 2 years. 2% prepayment charges if prepaid within 3 months from the date of disbursement, and after that, NIL.	Additional interest of 2% p.a. on the entire loan,leviable from the date of the default of payment of dues or any of the terms and conditions of the loan.
2.	State Bank of India	Loan agreement dated October 15, 2018	5,000.00	5,033.	Sum of spread as '15 bppa' and 3 months' MCLR.	Repayable in 3 annual instalments after initial moratorium of 2 years as follows: 33% at the end of 3 years 33% at the end of 4 years 34% at the end of 5 years 1% prepayment charges if prepaid within 6 months from the date of disbursement of each tranche, and after that, NIL.	Additional interest of 1% p.a. on irregular portion for period of irregularity in the event of any default in payment of interest or installment.
3.	State Bank of India	Loan agreement dated March 5, 2019	2,300.00	2,316.01	1 months' MCLR with 10 bppa spread.	Repayable in 5 instalments of 20% after the end of 18/30/42/54/60 months. Initial moratorium is 18 months. 1% prepayment charges if prepaid within 6 months from the date of disbursement of each tranche, and after that, NIL.	Additional interest of 1% p.a. on irregular portion for period of irregularity in the event of any default in payment of interest or installment.
4.	HDFC Bank Limited	Loan agreement dated September 29, 2018	300.00	300.13	1 months' HDFC Bank MCLR + Nil bps.	Bullet on maturity. No prepayment charges if done on reset date with prior notice of at least 7 days.	Additional interest of 2% p.a. on the entire loan amount in the event of delay in loan servicing.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
5.	HDFC Bank Limited	Loan agreement dated October 11, 2018	350.00	350.15	1 months' HDFC Bank MCLR + Nil bps	Bullet on maturity. No prepayment charges.	Additional interest of 2% p.a. on the entire loan amount in the event of delay in loan servicing.
6.	HDFC Bank Limited	Loan agreement dated November 6, 2018	350.00	350.07	1 months' HDFC Bank MCLR + Nil bps	Bullet on maturity. No prepayment charges.	Additional interest of 2% p.a. on the entire loan amount in the event of delay in loan servicing.
7.	HDFC Bank Limited	Loan agreement dated January 15, 2019	500.00	500.11	1 months' HDFC Bank MCLR + Nil bps	Bullet on maturity. No prepayment charges.	Additional interest of 2% p.a. on the entire loan amount in the event of default in payment of dues or of any of the terms and conditions of the loan.
8.	HDFC Bank Limited	Loan agreement dated March 29, 2019	500.00	500.10	1 months' HDFC Bank MCLR + Nil bps	Bullet on maturity. No prepayment charges.	Additional interest of 2% p.a. on the entire loan,leviable from the date of the default of payment of dues or any of the terms and conditions of the loan.
9.	Bank of India	Loan agreement dated February 5, 2019	800	799.62	10 bps over 1 year BOI MCLR	Repayable in 8 equal Quarterly instalments after the end of initial moratorium of 3 years. 1% prepayment charges and applicable tax if prepaid within 6 months from the date of first disbursement, and after that, provided that a notice of 2 days is given to the bank, NIL.	Additional interest of 1% p.a. on amount then outstanding payable in the event of default in payment of interest, loan installments, or any other monies outstanding from their respective due dates.
10.	Canara Bank	Loan agreement dated February 27, 2019	500.00	502.81	6 months' MCLR	Bullet repayment after 5 years. No prepayment charges if the Company provides a notice of 30 days, otherwise, 1% prepayment charges applicable.	N/A
11.	Corporation Bank	Loan agreement dated March 1, 2019	1,000.00	1,000.00	1 months' MCLR	Repayment in 6 semi annual instalment after the initial moratorium of 2 years. No prepayment charges.	Additional interest on amount outstanding at (i) 2%, if irregularity in loan account for a period beyond 30 days, (ii) 1% for non-submission of renewal data beyond three months from date of renewal, (iii) 1% for non-compliance with covenants.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
12.	Corporation Bank	Loan agreement dated September 27, 2019	450.00	450.00	1 months' MCLR	Repayment in 6 semi annual instalment after the initial moratorium of 2 years. No prepayment charges.	Additional interest on amount outstanding at 2%, if irregularity in loan account.
13.	Oriental Bank of Commerce	Loan Agreement dated September 30, 2019	400	402.8	1 month MCLR	8 equal semi-annual installments. Initial moratorium of 2 years. No prepayment penalty.	Additional interest of 2% on outstanding amount of default in case of default in payment of interest, loan, installment or any other outstanding monies.
14.	Syndicate Bank	Loan Agreement dated August 27, 2019	500	503.41	1 Month MCLR	4 equal annual installments. Initial moratorium of 1 year. No prepayment charges.	Penal interest of 2% p.a. on the total outstanding amount for the period of default in case of any delay/default in payment of installment of principal/interest/other monies on their respective due dates.
15.	Union Bank of India	Loan agreement dated December23, 2019	1,500.00	1,500	1 month MCLR	Repayable in 6 equal semi-annual instalments after the end of initial moratorium of 2 years. No prepayment charges.	Additional interest of 2% p.a. on amount then outstanding payable in the event of default in payment of three instalments on due dates.
16.	BOB Bank		1600	1600.34	3 MOnths MCLR	Year-1-266.75 crores Year-2-666.72 Crores Year-3-666.72cr	6 Months Lockin
17.	IIFCL	Loan agreement dated December 4, 2018	1000	1021.12	Applicable G-sec rate + spread	Bullet on maturity. 2% prepayment charges on outstanding balance of the loans. However, no prepayment penalty is leviable if the reset of interest is not acceptable to the Company, and prepayment is effected within 30 days of communication of the revised interest rate	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
	Total of unsecured term loan from banks and financial institutions			**19143**			
B.	**Unsecured Long term loans availed by the Issuer from the Ministry of Finance, Government of India**						
1.	NSSF	Loan agreement dated November 2, 2018	5,000.00	5101.07	8.16% per annum	Bullet on maturity. Prepayment permitted with the prior approval of the budget division, department of economic affairs.	N/A

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
2.	NSSF	Loan agreement dated September 30, 2019	5000	5021.24	8.29% per annum	Bullet on maturity. Prepayment permitted with the prior approval of the budget division, department of economic affairs imposing penalty of 1% per annum of the prepayment amount for the Balance Period.	Penal interest of 1% per annum if any installment of principal or interest not paid on due date
	Total of unsecured term loan from MoF			**10122.31**			
C.	**Foreign currency borrowings(ECB+ODA lines)**						
1.	Japan Bank for International Cooperation	Loan Agreement No. ID-P169 dated March 31, 2006 (1)	JPY 16,949 Million (Revised with effect from August 29, 2012)	₹ 29.24 Crores i.e. JPY 444.83 Million	0.75%	15 years tenor with a moratorium of 5 years Repayable in semi-annual equal instalments beginning March 20, 2011 of JPY 982.34 Million, and instalment on March 20, 2018 of JPY 638.94 Million and Instalment of JPY 148.27 Million each from September 20, 2019 till March 20, 2021.	N/A
2.	Japan Bank for International Cooperation	Loan Agreement No ID-P190 dated March 10, 2008 (1)	JPY 11,809 Million (Revised with effect from March 31, 2016)	₹ 86.74 Crores i.e. JPY 1,320.05 Million	0.65%	15 years tenor with a moratorium of 5 years Repayable in semi-annual equal instalments beginning March 20, 2013 of JPY 995.34 Million, and instalment on Sep 20, 2017 of JPY 777.11 Million and Instalment of JPY 188.58 Million each from March 20, 2018 till March 20, 2023.	Additional interest accrues on unpaid amounts until the date of actual payment.
3.	KfW, Frankfurt am Main	Loan Agreement dated March 16, 2009 (1) (2)	Euro 70 Million	₹ 62.09 Crores i.e. Euro 7.78 Million	2.89%	12 years tenor with a moratorium of 3 years Repayable in 18 semi-annual instalments beginning June 30, 2012. Matures in 2020.	N/A
4.	KfW, Frankfurt am Main	Loan Agreement dated March 30, 2012 (1) (2)	Euro 100 Million	₹ 376.49 Crores i.e. Euro 47.37 Million	1.86%	12 years tenor with a moratorium of 3 years Repayable in 19 semi-annual instalments beginning June 30, 2015. Matures in 2024. Prepayment compensation payable for any losses, expense or costs occurring as a result of the prepayment.	Additional interest accrues on unpaid amounts until the date of actual payment.
5.	KfW, Frankfurt am Main	Loan Agreement dated August 13, 2018	USD 228 Million	₹ 644.55 Crores i.e. USD 90.12 Million	6 months USD LIBOR plus 0.13%	12 years tenor with a moratorium of 3 years Repayable in 19 semi-annual instalments beginning November 15, 2021. Matures in 2030.	Additional interest accrues on unpaid amounts until the date of actual payment.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
						Prepayment compensation payable for any losses, expense or costs occurring as a result of the prepayment.	
6.	Syndicated unsecured borrowings	Syndicated Facility Agreement dated July 17, 2015	USD 300 Million	₹ 2,161.98 Crores i.e. USD 300 Million	6 months USD LIBOR plus 1.00%	5 years tenor. Repayable USD 300 Million on July 29, 2020. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
7.	Syndicated unsecured borrowings	Syndicated Facility Agreement dated November 16, 2015	USD 300 Million	₹ 2,135.91 Crores i.e. USD 300 Million	1 month USD LIBOR plus 1.05%	5 years tenor. Repayable USD 300 Million on December 01, 2020. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
8.	Bilateral unsecured borrowings	Bilateral Facility Agreement dated September 26, 2016	USD 100 Million	₹ 703.44 Crores i.e. USD 100 Million	3 months USD LIBOR plus 0.80%	5 years tenor. Repayable USD 100 Million on Oct 05, 2021. No voluntary prepayment permitted.	Additional interest accrues on unpaid amounts until the date of actual payment.
9.	Syndicated unsecured borrowings	Syndicated Facility Agreement dated January 9, 2017	USD 230 Million	₹ 1,609.53 Crores i.e. USD 230 Million	1 month USD LIBOR plus 0.80%	5 years and 1 day tenor. Repayable on January 19, 2022. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
10.	Syndicated unsecured borrowings	Syndicated Facility Agreement dated June 30, 2017	USD 200 Million	₹ 1,410.99 Crores i.e. USD 200 Million	3 month USD LIBOR plus 0.65%	5 years and 1 day tenor. Repayable on July 28, 2022. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
11.	USD Green Reg-S bonds	10 Year USD green bonds under Reg-S	USD 450 Million	₹ 2,839.14 Crores i.e. USD 450 Million	3.875% (Fixed)	10 years tenor. Repayable on July 07, 2027.	--
12.	USD Reg-S bonds	3 Year USD bonds under Reg-S	USD 400 Million	₹ 2,827.66 Crores i.e. USD 400 Million	3.068% (Fixed)	3 years tenor. Repayable on December 18, 2020.	--

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
13.	Syndicated unsecured borrowings	Syndicated facility agreement dated March 14, 2018	USD 240 Million	₹ 1,703.00 Crores i.e. USD 240 Million	6 month USD LIBOR plus 0.51%	3 years tenor. Repayable on March 26, 2021. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
14.	Bilateral unsecured borrowings	Bilateral facility agreement dated March 14, 2018	USD 160 Million	₹ 1,128.17 Crores i.e. USD 160 Million	3 month USD LIBOR plus 0.60%	3 years tenor. Repayable on March 26, 2021. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
15.	USD Reg-S bonds	10 Year USD bonds under Reg-S	USD 300 Million	₹ 1,943.42 Crores i.e. USD 300 Million	4.625% (Fixed)	10 years tenor. Repayable on March 22, 2028.	--
16.	Bilateral unsecured borrowings	Bilateral facility agreement dated August 17, 2018	USD 250 Million	₹ 1,788.63 Crores i.e. USD 250 Million	6 month USD LIBOR plus 0.90%	5 years tenor. Repayable on August 8, 2023. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
17.	Bilateral unsecured borrowings	Bilateral facility agreement dated July 31, 2018	JPY 10327.12 Million	₹ 659.21 Crores i.e. JPY 10,327.12 Million	1 months JPY LIBOR plus 0.20%	5 years tenor. Repayable on August 31, 2023. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
18.	USD 144 A bonds	5 Year USD bonds under 144 A	USD 700 Million	₹ 4,970.33 Crores i.e. USD 700 Million	5.25% (Fixed)	5 years tenor. Repayable on November 13, 2023.	--
19.	Bilateral unsecured borrowings	Bilateral facility agreement dated March 25, 2019	USD 250 Million	₹ 1,766.32 Crores i.e. USD 250 Million	6 month USD LIBOR plus 0.90%	5 years tenor. Repayable on March 27, 2024. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on December 31, 2019 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
20.	Bilateral unsecured borrowings	Bilateral facility agreement dated March 25, 2019 and increase confirmation effective May 7, 2019	USD 150 Million	₹ 1,042.87 Crores i.e. USD 150 Million	3 month USD LIBOR plus 1.00%	5 years tenor. Repayable on March 29, 2024. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
21.	Bilateral unsecured borrowing	Bilateral facility agreement dated June 24, 2019	USD 100 Million	₹ 714.86 Crores i.e. USD 100 Million	6 month USD LIBOR plus 1.35%	5 years tenor. Repayable on July 01, 2024. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
22.	USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 650 Million	₹ 4,670.52 Crores i.e. USD 650 Million	3.375% (Fixed)	5 years tenor. Repayable on July 25, 2024.	--
23.	Syndicated unsecured borrowing	Syndicated facility agreement dated August 23, 2019	USD 150 Million	₹ 1,060.34 Crores i.e. USD 150 Million	6 month USD LIBOR plus 1.10%	3 years tenor. Repayable on September 11, 2021. Break costs and/or increased costs payable if the prepayment is made on any other day apart from the last day of the term of the loan.	Additional interest accrues on unpaid amounts until the date of actual payment.
24.	USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 500 Million	₹ 3,561.08 Crores i.e. USD 150 Million	3.50% (Fixed)	5 years tenor. Repayable on Dec 12, 2024.	--
	Total Unsecured Loans from Foreign Banks and other Institutions			**39,896.51**			
	(A+B+ C)			**69161.82**			

(1) The loan shall be utilized only for such purposes for which the facility has been granted and is secured by a guarantee provided by the Republic of India, represented by its President for the entire amount.

(2) The Issuer has also entered into two financing agreements with KfW, dated March 16, 2009 and March 30, 2012, to be utilized for strengthening the power distribution companies by capacity building measures initiated by the Issuer. The amount received by the Issuer under this agreement is not repayable except in the event that (a) certain obligations cast upon the Issuer are violated, or (b) the said amount is not used for the stipulated purpose(s).

**** In accordance with IND-AS.*

(III) SECURED AND UNSECURED NON CONVERTIBLE DEBENTURES ISSUED BY THE ISSUER

(All figures are in ₹ Crores, except in percentages)

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
A.	**Secured taxable bonds** Set forth below is a brief summary of our secured outstanding taxable bonds.									See Table Below
1.	Secured non-convertible redeemable 'taxable bonds – 2020' ('92 Series- II') in the nature of debentures	January 22, 2010	945.30	1,022.36	8.65% payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. January 22, 2020.	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
2.	Secured non-convertible redeemable 'taxable non-priority sector bonds – ('123 Series Tranche 1') in the nature of debentures.	July 17, 2014	1,515.00	1,580.11	9.40% payable annually	7 years	Redeemable at par on the expiry of 7 years from the date of allotment. July 17, 2021.	CRISIL: AAA; CARE:CARE AAA; ICRA: ICRA AAA; IRPL: IND AAA	Secured	
3.	Secured non-convertible redeemable 'taxable non-priority sector bonds – ('123 Series Tranche 3') Option II in the nature of debentures.	August 25, 2014	1,955.00	2,018.52	9.34% payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. August 23, 2024.	CRISIL: AAA; CARE:CARE AAA; ICRA: ICRA AAA; IRPL: IND AAA	Secured	
Total Secured Bonds through Private Placement of Institutional Bond Series				**4,620.98**						
B.	**Capital gains tax exemption bonds under Section 54EC of the I.T. Act** Set forth below is a brief summary of our outstanding capital gains tax exemption bonds issued under Section 54EC of the I.T. Act, together with a brief description of certain significant terms of such financing arrangements. These bonds are not proposed to be listed on any stock exchange.									
1.	Secured non-convertible redeemable taxable – '54 EC long term capital gains tax exemption bond series X' issued in Fiscal 2017	On Tap Basis	7,662.92	2208.57	6.00 payable annually (Up to 30.11.2017) and 5.25 from 01.12.2017 to 31.03.2017	3 years	Redemption at par on the expiry of 3 years from the deemed date of allotment. **	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind)	Secured	See Table Below
2.	Secured non-convertible redeemable taxable – '54 EC long term capital gains tax exemption bond series XI' issued in Fiscal 2018	On Tap Basis	9,565.23	9814.67	5.25% payable annually	3 years	Redemption at par on the expiry of 3 years from the deemed date of allotment. **	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind)	Secured	See Table Below
3.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XII' issued in Fiscal 2019	On Tap Basis	6,651.765	6839.16	5.75% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment. **	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind)	Secured	See Table Below
4.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XIII' issued in Fiscal 2020	On Tap Basis	2,556.367	4234.83	5.75% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	ICRA: AAA; Care Rating Limited: CARE AAA Stable/Care A1+ CRISIL: CRISIL AAA/Stable India Ratings and research private limited: Ind AAA/Stable	Secured	See Table Below
	Application money pending for allotment)			296.02						

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
Secured Capital Gains Tax Exemption Bonds U/S 54EC				**23,393.25**						
C.	**Secured Tax Free Bonds under Section 10(15)(iv)(h) of the I.T. Act** Set forth below is a brief summary of our outstanding tax free bonds issued under Section 10(15)(iv)(h) of the I.T. Act, together with a brief description of certain significant terms of such financing arrangements. These bonds are listed on BSE and/or NSE.									
1.	Tax free secured redeemable non –convertible bonds, in the nature of debentures 2011-12 (Public Issue)	March 27, 2012	3,000.00	3,115.23	Category I & II – Series I 7.93%	10 years	Redemption at par on the expiry of 10 years from the date of allotment, March 28, 2022.	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	See Table Below
					Category I & II – Series II 8.12 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment, March 29, 2027.			
					Category III – Series I 8.13 %	10 years	Redemption at par on the expiry of 10 years from the date of allotment, March 28,2022.			
					Category III – Series II 8.32 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment, March 29, 2027.			
2.	Series 2-A 2012-13 tax free secured redeemable non-convertible bonds on a private placement basis	November 21, 2012	500.00	503.95	7.21%	10 years	November 21, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
3.	Series 2-B 2012-13 tax free secured redeemable non-convertible bond on a private placement basis				7.38%	15 years	November 22, 2027	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
4.	Series 2012-13 Tranche – 1 I Series 1 tax free secured redeemable non-convertible bonds (public issue)	December 19, 2012	2,017.35	2,025.68	7.22%/7.72%	10years	December 19, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
5.	Series 2012-13 Tranche – 1I Series II tax free secured redeemable non-convertible bonds (public issue)				7.38%/7.88%	15years	December 20, 2027	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
6.	Series 2012-13 Tranche – 2 Series I tax free secured redeemable non-convertible bonds (public issue)	March 25, 2013	131.06	131.56	6.88%/7.38%.	10 years	March 27, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
7.	Series 2012-13 Tranche – 2 Series II Tax free secured redeemable non-convertible bonds (public issue)				7.04%/7.54%	15 years	March 27, 2028	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
8.	Series 3A 2013-14 tax free secured redeemable non-convertible bonds on a private placement basis	August 29, 2013	1,350.00	1,386.86	8.01%	10 years	August 29, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: (ICRA) AAA	Secured	

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
9.	Series 3-B 2013-14 tax free secured redeemable non-convertible bonds on a private placement basis				8.46%	15 years	August 29, 2028	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
10.	*Series 1A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)	September 24, 2013	3,440.60	3,452.06	8.01%	10 years	September 25, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
11.	Series 2A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)				8.46%	15 years	September 25, 2028	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
12.	Series 3A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)				8.37%	20 years	September 26, 2033	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
13.	Series 1B - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)				8.26%	10 years	September 25, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
14.	Series 2B - 2013-14 Tranche – 1 tax free secured redeem-able non-convertible bonds (public issue)				8.71%	15 years	September 25, 2028	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
15.	Series 3B -2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)				8.62%	20 years	September 26, 2033	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
16.	Series 4A Tranche – II 2013- 14 tax free secured redeemable non-convertible bonds on a private placement basis	October 11, 2013	150.00	152.60	8.18%	10 years	October 11, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
17.	Series 4B Tranche – II 2013- 14 tax free secured redeemable non-convertible bonds on a private placement basis				8.54%	15 years	October 11, 2028	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
18.	#Series 1A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (public issue)	March 24, 2014	1,059.40	1,062.78	8.19%	10 years	March 22, 2024	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
19.	Series 2A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)				8.63%	15 years	March 23, 2029	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
20.	Series 3A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)				8.61%	20 years	March 24, 2034	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
21.	Series 1B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)				8.44%	10 years	March 22, 2024	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
22.	Series 2B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)				8.88%	15 years	March 23, 2029	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
23.	Series 3B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (public Issue)				8.86%	20 years	March 24, 2034	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
24.	Series 5-A 2015-16 tax free secured redeemable non-convertible bonds on a private placement basis	July 23, 2015	300.00	301.63	7.17%	10 years	July 23, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
25.	^Series 1A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)	November 05, 2015	696.56	701.34	7.43%	10 years	November 05, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
26.	Series 2A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)				7.09%	15 years	November 05, 2030	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
27.	Series 3A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)				7.18%	20 years	November 05, 2035	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
28.	Series 1B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)				7.14%	10 years	November 05, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
29.	Series 2B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)				7.34%	15 years	November 05,2030	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
30.	Series 3B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)				7.43%	20 years	November 05,2035	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
Secured Tax Free Bonds				**12,833.69**						

REC Power Distribution Company Limited (RECPDCL) is a wholly owned subsidiary of REC
*Tax Free Bonds of face value of Rs.5 crores are held by RECPDCL as on 30.09.2019
Tax Free Bonds of face value of Rs.2 crores are held by RECPDCL as on 30.09.2019
^ Tax Free Bonds of face value of Rs.3.4351 crores are held by RECPDCL as on 30.09.2019
The above bonds should not be taken into account while calculating consolidated indebtedness of REC.

Security Details of the Secured Borrowings

- The bond series 92 II of Institutional bonds are secured by a charge on (a) mortgage of Flat no. 640, Asian Games Village, New Delhi 110 049, India and (b) pari-passu charge on the receivables of the Issuer, both present and future, save and except receivables hypothecated to Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited) on the basis of joint hypothecation agreement dated September 24, 2010 in favour of IDBI Trusteeship Services Ltd.

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
•	The bond series 123-1 and 123-3 of institutional bonds are secured by mortgage way of first pari-passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt. Vadodara and (b) the book debts of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the trustee, pursuant to the terms of the bond trust deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.									
•	The bond series X and XI and XII and XIII of 54EC Capital Gain Tax Exemption Bonds and tax free bonds issued during FY 2015-16, 2016-17, 2017-18 and 2018-19 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/earmarked to any other lenders / trustees) in favour of SBICAP Trustee Company Ltd.									
•	The tax free bonds (issued during FY 2011-12) are secured by first pari-passu charge on premises at Shop no. 12, Ground floor, Block No. 35, Church road, Mylapore, Chennai and hypothecation of receivables of ₹ 4,998.66 Crores of MSEDCL in favour of IL&FS Trust Co. Ltd.									
•	The tax free bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other trustees) in favour of SBICap Trustee Company Ltd.									
•	The tax free bonds issued during FY 2013-14 are secured by first pari passu charge on the book debts (other than those that are exclusively charged/earmarked to lenders / other trustees) of the Company in favour of SBICap Trustee Company Ltd.									
D.	**Unsecured bonds issued by the Issuer** Set forth below is a brief summary of certain of our other outstanding unsecured bonds. These bonds are listed on the wholesale debt market segment in the NSE/BSE.									
1.	Bond series 94 ‘taxable non-priority sector bond’.	June 8, 2010	1,250.00	1,311.86	8.75%per annum payable yearly.	15 years	June 9, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
2.	Bond series 95-II‘taxable non-priority sector bond’.	July 12, 2010	1,800.00	1,874.45	8.75% per annum payable yearly.	15 years	July 14, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
3.	Bond series 96 ‘taxable non-priority sector bond’.	October 25, 2010	1,150.00	1,168.80	8.80% per annum payable yearly.	10 years	October 26, 2020	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
4.	Bond series 97 ‘taxable non-priority sector bond’.	November 29, 2010	2,120.50	2,137.97	8.80 % per annum payable yearly.	10 years	November 30, 2020	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
5.	Bond series ZCB-I ‘taxable non-priority sector bond’.	December 15, 2010	533.21 at issue price	1,092.00	8.25% (yield)	10 years	December 15, 2020	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
6.	Bond series ZCB-II ‘taxable non-priority sector bond’.	February 3, 2011	116.07 at issue price	244.97	8.75 (yield)	10 years	February 3, 2021	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
7.	Bond series 98 ˙taxable non-priority sector bond’.	March 15, 2011	3,000.00	3,219.78	9.18% per annum payable yearly.	10 years	March 15, 2021	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
8.	Bond series 100 ‘taxable non-priority sector bond’.	July 15, 2011	1,500.00	1,567.09	9.63% per annum payable yearly.	10 years	July 15, 2021	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
9.	Bond series101-III ‘taxable non-priority sector bond’.	August 10, 2011	3,171.80	3,289.49	9.48% per annum payable yearly.	10 years	August 10, 2021	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
10.	Bond series105 'taxable non-priority sector bond'.	November 11, 2011	3,922.20	3,974.92	9.75 % per annum payable yearly.	10 years	November 11, 2021	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
11.	Bond series 107 'taxable non-priority sector bond'.	June 15, 2012	2,378.20	2,499.12	9.35% per annum payable yearly.	10 years	June 15, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind)	Unsecured	-
12.	Bond series 111 – II 'taxable non-priority sector bond'.	November 19, 2012	2,211.20	2,233.99	9.02% per annum payable yearly	10 years	November 19, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
13.	Bond series 113 'taxable non-priority sector bond'.	March 8, 2013	1,542.00	1,653.79	8.87% per annum payable yearly	7 years	March 9, 2020	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
14.	Bond series 114 'taxable non-priority sector bond'.	April 12, 2013	4,300.00	4,572.19	8.82% per annum payable yearly	10 years	April12, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
15.	Bond series 115 'taxable non-priority sector bond'.	May 31, 2013	2,500.00	2,617.65	8.06% per annum payable yearly	10 years	May 31, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured (Subordinated Debt)	-
16.	Bond series127 'taxable non-priority sector bond'.	December 4, 2014	1,550.00	1,632.21	8.44% per annum payable yearly	7 years	December 4, 2021	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
17.	Bond series128 'taxable non-priority sector bond'.	December 22, 2014	2,250.00	2,370.54	8.57% per annum payable yearly	10 years	December 21, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
18.	Bond series129 'taxable non-priority sector bond'.	January 23, 2015	1,925.00	2,023.97	8.23% per annum payable yearly	10 years	January 23, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
19.	Bond series130 'taxable non-priority sector bond'.	February 6, 2015	2,325.00	2,445.14	8.27% per annum payable yearly	10 years	February 6, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
20.	Bond series131 'taxable non-priority sector bond'.	February 23, 2015	2,285.00	2,446.89	8.35%per annum payable yearly	10 years	February 21, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
21.	Bond series132 'taxable non-priority sector bond'.	March 9, 2015	700.00	736.30	8.27%per annum payable yearly	7 years	March 9, 2022	CARE: CARE AAA; CARE: CARE AAA; IRRPL: IND AAA	Unsecured	-
22.	Bond series 133 'taxable non-priority sector bond'.	April 10, 2015	2,396.00	2,403.17	8.30%per annum payable yearly	10 years	April 10, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
23.	Bond series 134‘taxable non-priority sector bond’.	August 14, 2015	2,675.00	2,684.54	8.37%per annum payable yearly	5 years	August 14, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
24.	Bond series 135’taxable non-priority sector bond’.	September 22, 2015	2,750.00	2,759.91	8.36%per annum payable yearly	5 years	September 22, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
25.	Bond series 136 ‘taxable non-priority sector bond’.	October 7, 2015	2,585.00	2,619.04	8.11% per annum payable yearly	10 years	October 7, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
26.	Bond series 139 ‘taxable non-priority sector bond’.	October 21, 2016	2,500.00	2,530.02	7.24% per annum payable yearly	5 years	October 21, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
27.	Bond series 140 ‘taxable non-priority sector bond’.	November 7, 2016	2,100.00	2,112.99	7.52%	10 years	November 7, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
28.	Bond series 141 ‘taxable non-priority sector bond’.	December 9, 2016	1,020.00	1,019.85	7.14% per annum payable yearly	5 years	December 9, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
29.	Bond series 142 ‘taxable non-priority sector bond’.	December 30, 2016	3,000.00	3,000.00	7.54% per annum payable yearly	10 years	December 30, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
30.	Bond series 143 ‘taxable non-priority sector bond’.	January 31, 2017	1,275.00	1,354.83	6.83% per annum payable yearly	3 years and 5 months	June 29, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
31.	Bond series 144 ‘taxable non-priority sector bond’.	February 20, 2017	835.00	884.97	7.13% per annum payable yearly	3 years and 7 months and 1 day	September 21, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
32.	Bond series 145 ‘taxable non-priority sector bond’.	February 28, 2017	625.00	663.85	7.46% per annum payable yearly	5 years	February 28, 2022	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
33.	Bond series 147 ‘taxable non-priority sector bond’.	March 14, 2017	2,745.00	2,909.28	7.95% per annum payable yearly	10 years	March 12, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
34.	Bond series 148 ‘taxable non-priority sector bond’.	March 17, 2017	1,200.00	1,270.46	7.42% per annum payable yearly	3 years and 3 months	June 17, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
35.	Bond series 149 'taxable non-priority sector bond'.	August 24, 2017	2,485.00	2,530.90	6.87% per annum payable yearly	3 years and 1 month	September 24, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
36.	Bond series 150 'taxable non-priority sector bond'.	September 7, 2017	2,670.00	2,728.50	7.03% per annum payable yearly	5 years	September 7, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
37.	Bond series 152 'taxable non-priority sector bond'.	October 17, 2017	1,225.00	1,224.68	7.09% per annum payable yearly	5 years	October 17, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
38.	Bond series153 'taxable non-priority sector bond'.	October 31, 2017	2,850.00	2,850.14	6.99% per annum payable yearly	3 years and 2 months	December 31, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
39.	Bond series 154 'taxable non-priority sector bond'.	November 21, 2017	600.00	626.29	7.18% per annum payable yearly	3 years and 6 months	May 21, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
40.	Bond series 155 'taxable non-priority sector bond'.	November 30, 2017	1,912.00	1,923.64	7.45% per annum payable yearly	5 years	November 30, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
41.	Bond series 156 'taxable non-priority sector bond'.	December 12, 2017	3,533.00	3,546.98	7.70% per annum payable yearly	10 years	December 10, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
42.	Bond series 157 'taxable non-priority sector bond'.	January 17, 2018	1,055.00	1,111.48	7.60% per annum payable yearly	3 years and 3 months	April 17, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
43.	Bond series 158 'taxable non-priority sector bond'.	February 12, 2018	2,465.00	2,615.99	7.70% per annum payable yearly	3 years, 1 month and 3 days	March 15, 2021	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
44.	Bond series 159 'taxable non-priority sector bond'.	February 23, 2018	950.00	1014.36	7.99% per annum payable yearly	5 years	February 23, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
45.	Bond series 161 – Option (A) 'taxable non-priority sector bond'.	March 15, 2018	3,000.00	3,181.63	7.59% per annum payable yearly	2 years	March 13, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
46.	Bond series 161 – Option (B) 'taxable non-priority sector bond'.	March 15, 2018	800.00	833.61	7.73% per annum payable yearly	3 years and 3 months	June 15, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
47.	Bond series 162 'taxable non-priority sector bond'.	August 9, 2018	2,500.00	2,584.40	8.55% per annum payable yearly	10 years	August 9, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
48.	Bond series 163 'taxable non-priority sector bond'.	August 27, 2018	2,500.00	2,574.55	8.63% per annum payable yearly	10 years	August 25, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
49.	Bond series 165 'taxable non-priority sector bond'.	October 22, 2018	2,171.00	2,351.49	8.83% per annum payable yearly	3 years and 3 months	January 21, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
50.	Bond series 167 'taxable non-priority sector bond'.	November 22, 2018	2,571.80	2,631.55	8.45% per annum payable semi annually	3 years and 4 months	March 22, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
51.	Bond series 168 'taxable non-priority sector bond'.	November 29, 2018	2,552.40	2,571.68	8.56% per annum payable semi annually	10 years	November 29, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
52.	Bond series 169 'taxable non-priority sector bond'	December 7, 2018	2,554.00	2,568.13	8.37% per annum payable semi annually	10 years	December 07, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
53.	Bond series 172 'taxable non-priority sector bond'	February 20, 2019	1,790.00	1,846.00	8.57% per annum payable yearly	1 year 6 months	August 20, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
54.	Bond series 173 'taxable non-priority sector bond'	March 13, 2019	2,500.00	2,667.00	8.35% per annum payable yearly	3 years	March 11, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
55.	Bond Series 174 'taxable non-priority sector bond'	March 18, 2019	2,720.00	2,838.83	8.15% per annum payable yearly	02 years 3 months	June 18, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
56.	Bond series 175 'taxable non-priority sector bond'	March 28, 2019	2,151.20	2,296.82	8.97% per annum payable yearly	10 years	March 28,2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured (Subordinated Debt)	-
57.	Bond series 176 'taxable non-priority sector bond'	April 16, 2019	1,600.70	1,700.35	8.85% per annum payable yearly	10 years	April 16, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
58.	Bond series 177 'taxable non-priority sector bond'	May 6, 2019	1,245.00	1,248.15	8.50% per annum payable yearly	2 years 7 months	December 20, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
59.	Bond series 178 'taxable non-priority sector bond'	May 14, 2019	1,097.00	1,143.50	8.80% per annum payable yearly	10 years	May 14, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
60.	Bond series 179 'taxable non-priority sector bond'	June 10, 2019	1,000.00	1,045.32	8.15% per annum payable yearly	3 years	June 10, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRPL: IND AAA	Unsecured	-
61.	Bond series 180-A 'taxable non-priority sector bond'	June 25, 2019	1,018.00	1,049.50	8.10% per annum payable yearly	5 years	June 25, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
62.	Bond series 180-B 'taxable non-priority sector bond'	June 25, 2019	2,070.90	2,120.16	8.30% per annum payable yearly	10 years	June 25, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
63.	Bond series 182 'taxable non-priority sector bond'	August 22, 2019	5,063.00	5,212.12	8.18% per annum payable yearly	15 years	August 22, 2034	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
64.	Bond series 183 'taxable non-priority sector bond'	September 16, 2019	3,028.00	3,101.12	8.29% per annum payable yearly	15 years	September 16, 2034	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
65.	Bond series 184-A 'taxable non-priority sector bond'	September 26, 2019	290.20	296.36	8.25% per annum payable yearly	10 years	September 26, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
66.	Bond series 184-B (A) 'taxable non-priority sector bond'	September 26, 2019	300.00	306.00	7.55% per annum payable yearly	1 year	September 28, 2020	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
67.	Bond series 184-B (B) 'taxable non-priority sector bond'	September 26, 2019	300.00	305.92	7.55% per annum payable yearly	2 years	September 27, 2021	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
68.	Bond series 184-B (C) 'taxable non-priority sector bond'	September 26, 2019	300.00	305.92	7.55% per annum payable yearly	3 years	September 27, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
69.	Bond series 184-B (D) 'taxable non-priority sector bond'	September 26, 2019	300.00	305.92	7.55% per annum payable yearly	4 years	September 26, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
70.	Bond series 185 'taxable non-priority sector bond'	November 13, 2019	2769.00	2778.15	7.09% per annum payable yearly	3 years 1 month	December 13, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on December 31 2019***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
71.	Bond series 186-A 'taxable non-priority sector bond'	November 26, 2019	2500.00	2516.32	6.90% per annum payable yearly	3 years 7 months	June 30, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
72.	Bond series 186-B 'taxable non-priority sector bond'	November 26, 2019	1500.00	1510.23	7.40% per annum payable yearly	5 years	November 26, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
73.	Bond series 187 'taxable non-priority sector bond'	December 26, 2019	2090.00	2091.69	7.24% per annum payable yearly	3 years	December 31, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
Total Un-secured Bonds through Private Placement of Institutional Bond Series				**1,47,480.75**						
E.	**Unsecured infrastructure bonds issued by the Issuer** Set forth below is a brief summary of certain of our other outstanding unsecured bonds. Some of bonds are listed on the whole sale debt market segment in the NSE									
1.	u/s 80CCF of I.T. Act 1961 taxable, non-convertible bonds.	March 31, 2011	218.73	85.32	8%, 8.1% and 8.2% payable annually	10 years	Redeemable at par on the expiry of 10 years with put option after 5/6/7/8/9 years from the date of allotment	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
2.	u/s 80CCF of I.T. Act 1961 taxable, non-convertible bonds.	February 15, 2012	157.59	19.61	8.95% and 9.15% payable annually and cumulative	10 years 15 years	Redeemable at par on the expiry of 10/15 years with buyback option after 5/7 years respectively from the date of allotment. February 15, 2022; February 15, 2027	CRISIL: AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
				104.93						
Total of Bonds - (3) (A to E)				**1,88,433.6**						

** The bonds have been issued on private placement basis and are currently listed on the 'whole sale debt market segment' in the NSE.
*** In accordance with IND-AS.

(IV) THE AMOUNT OF CORPORATE GUARANTEE ISSUED BY THE ISSUER ALONG WITH THE NAME OF THE COUNTER PARTY ON BEHALF OF WHOM IT HAS BEEN ISSUED AS ON DECEMBER 31, 2019

The Issuer has not issued any corporate guarantee as on December 31, 2019.

(V) DETAILS OF REST OF THE BORROWINGS (IF ANY INCLUDING HYBRID DEBT LIKE FCCB, OPTIONALLY CONVERTIBLE DEBENTURES/PREFERENCE SHARES) AS ON DECEMBER 31, 2019

The Issuer has no outstanding borrowings in form of hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares as on December 31, 2019.

(VI) DETAILS OF COMMERCIAL PAPER AS ON DECEMBER 31, 2019

The Issuer has not issued commercial paper for the quarter ended December 31, 2019. Commercial paper of face value of ₹3500 Crore was outstanding as on December 31, 2019, the details of which are set out below:

S.No.	Date of Issue/Value Date	Face Value of CP (₹) in Crore	Amount Outstanding (₹) in Crore	Maturity Date	Number of (CP/s) issued	Face Value per CP (₹)	Discount Per CP (₹)
1.	March 5, 2019	1,000	987.36	March 4, 2020	20,000	5,00,000	36,608
2.	May 9,2019	1,825	1811.37	February 7, 2020	36,500	5,00,000	27,657
3.	June 24 2019	675	652.81	June 19, 2020	13,500	5,00,000	34,913

(VII) WORKING CAPITAL DEMAND LOAN FROM BANKS AS ON DECEMBER 31, 2019

The Issuer has 625 Crores working capital demand loan outstanding as on December 31, 2019.

(VIII) SHORT TERM LOAN FROM BANKS AS ON DECEMBER 31, 2019

The Issuer has no outstanding short term loan as on December 31, 2019.

(IX) FCNR(B) LOANS FROM BANKS AS ON DECEMBER 31, 2019

The Issuer has raised foreign currency non-resident (B) ("**FCNR(B)**") loans from banks amounting to USD 850.00. Million. As at end of December 31, 2019, ₹6,070 Crores is outstanding on account of FCNR(B) loans.

(X) LIST OF TOP TEN DEBENTURE HOLDERS OF THE ISSUER AS AT QUARTER END DATED DECEMBER 31, 2019

Sr. No.	Name	Total face value amount of debentures held
1.	LIFE INSURANCE CORPORATION OF INDIA	199,758,000,000
2.	CBT EPF-25-C-DM	174,484,000,000
3.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	86,559,000,000
4.	STATE BANK OF INDIA	72,640,000,000
5.	NPS TRUST- A/C LIC PENSION FUND SCHEME - STATE GOVT	70,775,000,000
6.	ICICI PRUDENTIAL BOND FUND	65,391,000,000
7.	HDFC TRUSTEE CO LTD A/C HDFC DUAL ADVANTAGE FUND-III-1224D NOVEMBER 2016	45,142,000,000
8.	SBI DEBT FUND SERIES C - 32 (1223 DAYS)	42,177,000,000
9.	KOTAK MAHINDRA TRUSTEE CO. LTD. A/C KOTAK BANKING	26,048,000,000
10.	HDFC LIFE INSURANCE COMPANY LIMITED	25,450,000,000

(XI) OTHER DISCLOSURES

Other than debt securities issued by the Issuer, outstanding as on December 31, 2019 as detailed below, the Issuer has not issued or taken any debt securities or outstanding borrowings:

- for consideration other than cash, whether in whole or in part;
- at a premium or a discount; and/or
- in pursuance of an option.

(i) Zero Coupon Bonds

Sr. No.	Instrument Type	Date of Issuance	Number of bonds/instruments	Face value per bond (₹)	Discount per bond (₹)
1.	Zero Coupon Bonds	December 15, 2010	3,92,700	30,000	16,422
2.	Zero Coupon Bonds	February 3, 2011	89,510	30,000	17,033

(ii) Foreign Currency Bonds

Sr. No.	Instrument Type	Date of Issuance	Issue Size	Issue value (%)	Discount (%)
1.	International Bonds	July 7, 2017	USD 450 Million	99.263	0.737
2.	International Bonds	December 18,2017	USD 400 Million	100.00	0.000
3.	International Bonds	March 22, 2018	USD 300 Million	98.506	1.494
4.	International Bonds	November 13,2018	USD 700 Million	99.437	0.563
5.	International Bonds	July 25, 2019	USD 650 Million	99.463	0.537
6.	International Bonds	Dec 12, 2019	USD 500 Million	99.746	0.254

(iii) Bonds issued at Premium

Sr. No.	Date Of Issue/Value Date	Number of Bonds/ instrument	Face Value per bond (₹)	Premium per bond (₹)
1.	November 29, 2012	500	10,00,000	1,000
2.	August 29,2013	13,500	10,00,000	726
3.	October 11, 2013	1,500	10,00,000	1,727
4.	July 23, 2015	3,000	10,00,000	954

Annexure V

Part A

Financial Information as on December 31, 2019

REC Limited (formerly Rural Electrification Corporation Limited) - A Govt. of India Enterprise

Registered Office - Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003, CIN: L40101DL1969GOI005095

Statement of Unaudited Standalone Financial Results for the Period ended 31-12-2019

(₹ in Crores)

Sl. No.		Particulars	Quarter Ended			Period Ended		Year Ended
			31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
1		**Income**						
	A	**Interest income**						
	(i)	Interest income on loan assets	7,464.76	7,347.14	6,567.09	21,731.17	18,234.41	24,727.90
	(ii)	Other interest income	66.82	57.54	58.38	177.04	186.25	243.12
		Sub-total (A) - Interest Income	**7,531.58**	**7,404.68**	**6,625.47**	**21,908.21**	**18,420.66**	**24,971.02**
	B	**Other Operating Income**						
	(i)	Dividend income	-	15.26	2.40	15.26	56.64	113.61
	(ii)	Fees and commission income	12.03	2.69	93.53	28.96	222.29	225.09
	(iii)	Net gain/ (loss) on fair value changes	107.15	175.55	(1,212.69)	92.12	413.51	(348.52)
		Sub-total (B) - Other Operating Income	**119.18**	**193.50**	**(1,116.76)**	**136.34**	**692.44**	**(9.82)**
	C	**Total Revenue from Operations (A+B)**	**7,650.76**	**7,598.18**	**5,508.71**	**22,044.55**	**19,113.10**	**24,961.20**
	D	Other Income	2.23	2.64	3.66	7.87	17.35	31.44
		Total income (C+D)	**7,652.99**	**7,600.82**	**5,512.37**	**22,052.42**	**19,130.45**	**24,992.64**
2		**Expenses**						
	A	Finance costs	4,767.95	4,714.73	4,081.65	14,055.25	11,480.41	15,641.54
	B	Net translation/ transaction exchange loss/ (gain)	353.02	630.06	(532.36)	1,025.15	582.87	521.19
	C	Fees and commission expense	4.11	4.04	7.75	14.95	22.07	34.38
	D	Impairment on financial instruments	78.33	300.27	26.40	351.10	222.55	240.33
	E	Employee benefits expenses	39.72	44.10	41.25	133.68	111.06	157.53
	F	Depreciation and amortization	2.29	2.47	1.96	6.85	5.14	7.17
	G	Corporate social responsibility expenses	31.04	26.18	25.04	82.03	84.51	103.39
	H	Other expenses	33.25	39.19	30.78	98.35	155.64	186.61
		Total expenses (A to H)	**5,309.71**	**5,761.04**	**3,682.47**	**15,767.36**	**12,664.25**	**16,892.14**
3		**Profit before tax (1-2)**	**2,343.28**	**1,839.78**	**1,829.90**	**6,285.06**	**6,466.20**	**8,100.50**
4		**Tax expense**						
	A	**Current tax**						
		- Current year	447.31	232.10	806.41	1,262.19	1,452.52	1,805.65
		- Earlier years	53.81	-	-	64.11	-	(14.01)
	B	**Deferred tax**	199.81	300.92	(251.06)	508.31	506.09	545.14
		Total tax expense (A+B)	**700.93**	**533.02**	**555.35**	**1,834.61**	**1,958.61**	**2,336.78**
5		**Net profit for the period (3-4)**	**1,642.35**	**1,306.76**	**1,274.55**	**4,450.45**	**4,507.59**	**5,763.72**
6		**Other comprehensive Income/(Loss)**						
	(i)	**Items that will not be reclassified to profit or loss**						
	(a)	Re-measurement gains/(losses) on defined benefit plans	-	7.96	-	7.96	7.46	(19.37)
	(b)	Changes in fair value of FVOCI equity instruments	56.13	(72.83)	68.84	(40.31)	(25.24)	(47.26)
	(c)	Income tax relating to these items						
		- Re-measurement gains/(losses) on defined benefit plans	-	(2.00)	(2.61)	(2.00)	(2.61)	6.77
		- Changes in fair value of FVOCI equity instruments	0.40	11.61	1.02	12.79	(0.80)	(0.68)
		Sub-total ((i)	**56.53**	**(55.26)**	**67.25**	**(21.56)**	**(21.19)**	**(60.54)**
	(ii)	**Items that will be reclassified to profit or loss**	-	-	-	-	-	-
		Other comprehensive Income/(Loss) for the period (i+ii)	**56.53**	**(55.26)**	**67.25**	**(21.56)**	**(21.19)**	**(60.54)**
7		**Total comprehensive income for the period (5+6)**	**1,698.88**	**1,251.50**	**1,341.80**	**4,428.89**	**4,486.40**	**5,703.18**
8		**Paid up equity share capital (Face Value ₹10 per share)**	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
9		**Other equity (as per audited balance sheet as at 31st March)**						32,328.02
10		**Basic & Diluted earnings per equity share of ₹ 10 each) (in ₹)**						
	A	For continuing operations	**8.32**	**6.62**	**6.45**	**22.53**	**22.82**	**29.18**
	B	For continuing and discontinued operations	**8.32**	**6.62**	**6.45**	**22.53**	**22.82**	**29.18**

See accompanying notes to the financial results.

S.K. MITTAL & Co. CHARTERED ACCOUNTANTS New Delhi

O.P. BAGLA & CO LLP FRN: 000018N/N500091 New Delhi Chartered Accountants

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

Statement of Unaudited Consolidated Financial Results for the Period ended 31-12-2019

(₹ in Crores)

Sl. No.		Particulars	Quarter Ended			Period Ended		Year Ended
			31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
1		**Income**						
	A	**Interest Income**						
	(i)	Interest income on loan assets	7,464.76	7,347.14	6,567.09	21,731.17	18,234.41	24,727.90
	(ii)	Other interest income	69.04	59.58	59.65	184.77	195.84	255.72
		Sub-total (A) - Interest Income	**7,533.80**	**7,406.72**	**6,626.74**	**21,915.94**	**18,430.25**	**24,983.62**
	B	**Other Operating Income**						
	(i)	Dividend income	(2.10)	15.26	2.40	13.16	10.30	20.38
	(ii)	Fees and commission income	12.03	2.69	93.53	28.96	222.29	225.09
	(iii)	Net gain on fair value changes	107.15	175.55	(1,212.69)	92.12	413.51	(348.52)
	(iv)	Sale of services	61.87	52.89	24.00	132.18	86.53	169.93
		Sub-total (B) - Other Operating Income	**178.95**	**246.39**	**(1,092.76)**	**266.42**	**732.63**	**66.88**
	C	**Total Revenue from Operations (A+B)**	**7,712.75**	**7,653.11**	**5,533.98**	**22,182.36**	**19,162.88**	**25,050.50**
	D	Other Income	3.97	6.19	3.96	13.25	18.13	32.31
		Total income (C+D)	**7,716.72**	**7,659.30**	**5,537.94**	**22,195.61**	**19,181.01**	**25,082.81**
2		**Expenses**						
	A	Finance costs	4,766.22	4,713.55	4,081.08	14,051.08	11,478.68	15,639.20
	B	Net translation/ transaction exchange loss/ (gain)	353.02	630.06	(532.36)	1,025.15	582.87	521.19
	C	Fees and commission expense	4.11	4.04	7.75	14.95	22.07	34.38
	D	Impairment on financial instruments	81.56	309.42	26.49	362.93	222.00	243.49
	E	Cost of services rendered	17.15	16.63	16.60	48.57	47.14	85.15
	F	Employee benefits expenses	44.23	48.66	46.03	147.26	126.18	177.37
	G	Depreciation and amortization	2.77	2.91	2.23	8.21	6.01	8.29
	H	Corporate social responsibility expenses	31.21	26.84	25.04	82.87	84.91	104.49
	I	Other expenses	33.03	38.45	30.08	96.20	161.44	188.76
		Total Expenses (A to I)	**5,333.30**	**5,790.56**	**3,702.94**	**15,837.22**	**12,731.30**	**17,002.32**
3		**Share of Profit of Joint Venture accounted for using equity method**	**3.05**	**(2.04)**	**7.84**	**7.36**	**(0.37)**	**9.95**
4		**Profit before Tax (1-2+3)**	**2,386.47**	**1,866.70**	**1,842.84**	**6,365.75**	**6,449.34**	**8,090.44**
5		**Tax Expense**						
	A	**Current Tax**						
		- Current Year	458.62	242.33	807.56	1,284.60	1,459.89	1,826.51
		- Earlier Years	53.81	-	-	64.11	-	(13.28)
	B	**Deferred Tax**	207.23	301.90	(248.72)	518.76	500.73	535.83
		Total Tax Expense (A+B)	**719.66**	**544.23**	**558.84**	**1,867.47**	**1,960.62**	**2,349.06**
6		**Net profit for the period (4-5)**	**1,666.81**	**1,322.47**	**1,284.00**	**4,498.28**	**4,488.72**	**5,741.38**

S.K. MITTAL & CO. CHARTERED ACCOUNTANTS New Delhi

O.P. BAGLA & CO. LLP FRN: 000018N/N500091 Chartered Accountants New Delhi

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Period Ended		Year Ended
		31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
7	**Other comprehensive Income/(Loss)**						
(i)	**Items that will not be reclassified to profit or loss**						
(a)	Re-measurement gains/(losses) on defined benefit plans	-	7.96	-	7.96	7.46	(19.37)
(b)	Changes in fair value of FVOCI equity instruments	56.13	(72.83)	68.84	(40.31)	(25.24)	(47.26)
(c)	Share of Profit of Joint Venture accounted for using equity method	-	(0.12)	-	(0.12)	0.05	(0.05)
(d)	Income tax relating to these items						
	- Re-measurement gains/(losses) on defined benefit plans	-	(2.00)	(2.61)	(2.00)	(2.61)	6.77
	- Changes in fair value of FVOCI equity instruments	0.40	11.61	1.02	12.79	(0.80)	(0.68)
	- Share of Profit of Joint Venture accounted for using equity method	-	0.02	-	0.02	(0.01)	-
	Sub-total (i)	**56.53**	**(55.36)**	**67.25**	**(21.66)**	**(21.15)**	**(60.59)**
(ii)	**Items that will be reclassified to profit or loss**						
(a)	Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	-	-	-	(3.94)	-	-
(b)	Income tax relating to these items	-	(0.01)	-	0.80	-	-
	Sub-total (ii)	-	**(0.01)**	-	**(3.14)**	-	-
	Other comprehensive income/(loss) for the period (i + ii)	**56.53**	**(55.37)**	**67.25**	**(24.80)**	**(21.15)**	**(60.59)**
8	**Total comprehensive Income for the period (6+7)**	**1,723.34**	**1,267.10**	**1,351.25**	**4,473.48**	**4,467.57**	**5,680.79**
9	Paid up Equity Share Capital (Face Value ₹10 per share)	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
10	Other Equity (as per audited balance sheet as at 31st March)						32,571.42
11	**Basic & Diluted earnings per equity share of ₹ 10 each) (in ₹)**						
A	For continuing operations	**8.44**	**6.70**	**6.50**	**22.78**	**22.73**	**29.07**
B	For continuing and discontinued operations	**8.44**	**6.70**	**6.50**	**22.78**	**22.73**	**29.07**

See accompanying notes to the financial results.

S.K. MITTAL & Co. * CHARTERED ACCOUNTANTS * New Delhi

O P BAGLA & CO LLP * FRN: 000018N/N500091 * Chartered Accountants * New Delhi

REC LIMITED * Formerly Rural Electrification Corporation Limited * New Delhi

Annexure V

Part B

Financial Information as on September 30, 2019

REC Limited (formerly Rural Electrification Corporation Limited) - A Govt. of India Enterprise

Registered Office - Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003, CIN: L40101DL1969GOI005095

Statement of Unaudited Standalone Financial Results for the Period ended 30-09-2019

(₹ in Crores)

Sl. No.		Particulars	Quarter Ended			Period Ended		Year Ended
			30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
1		**Income**						
	A	**Interest income**						
	(i)	Interest income on loan assets	7,347.14	6,919.27	5,998.50	14,266.41	11,667.32	24,727.90
	(ii)	Other interest income	57.54	52.68	63.89	110.22	127.87	243.12
		Sub-total (A) - Interest Income	**7,404.68**	**6,971.95**	**6,062.39**	**14,376.63**	**11,795.19**	**24,971.02**
	B	**Other Operating Income**						
	(i)	Dividend income	15.26	-	54.24	15.26	54.24	113.61
	(ii)	Fees and commission income	2.69	14.24	124.64	16.93	128.76	225.09
		Sub-total (B) - Other Operating Income	**17.95**	**14.24**	**178.88**	**32.19**	**183.00**	**338.70**
	C	**Total Revenue from Operations (A+B)**	**7,422.63**	**6,986.19**	**6,241.27**	**14,408.82**	**11,978.19**	**25,309.72**
	D	Other Income	2.64	3.00	12.15	5.64	13.69	31.44
		Total income (C+D)	**7,425.27**	**6,989.19**	**6,253.42**	**14,414.46**	**11,991.88**	**25,341.16**
2		**Expenses**						
	A	Finance costs	4,714.73	4,572.57	3,778.93	9,287.30	7,398.76	15,641.54
	B	Net translation/ transaction exchange loss/ (gain)	630.06	42.07	782.51	672.13	1,115.23	521.19
	C	Fees and commission expense	4.04	6.80	4.46	10.84	14.32	34.38
	D	Net loss/ / (gain) on fair value changes	(175.55)	190.58	(1,045.65)	15.03	(1,626.20)	348.52
	E	Impairment on financial instruments	300.27	(27.50)	63.84	272.77	196.15	240.33
	F	Employee benefits expenses	44.10	49.86	26.63	93.96	69.81	157.53
	G	Depreciation and amortization	2.47	2.09	1.59	4.56	3.18	7.17
	H	Corporate social responsibility expenses	26.18	24.81	12.00	50.99	59.47	103.39
	I	Other expenses	39.19	25.91	103.18	65.10	124.86	186.61
		Total expenses (A to I)	**5,585.49**	**4,887.19**	**3,727.49**	**10,472.68**	**7,355.58**	**17,240.66**
3		**Profit before tax (1-2)**	**1,839.78**	**2,102.00**	**2,525.93**	**3,941.78**	**4,636.30**	**8,100.50**
4		**Tax expense**						
	A	**Current tax**						
		- Current year	232.10	582.78	301.97	814.88	646.11	1,805.65
		- Earlier years	-	10.30	-	10.30	-	(14.01)
	B	**Deferred tax**	300.92	7.58	459.15	308.50	757.15	545.14
		Total tax expense (A+B)	**533.02**	**600.66**	**761.12**	**1,133.68**	**1,403.26**	**2,336.78**
5		**Net profit for the period (3-4)**	**1,306.76**	**1,501.34**	**1,764.81**	**2,808.10**	**3,233.04**	**5,763.72**
6		**Other comprehensive Income/(Loss)**						
	(i)	**Items that will not be reclassified to profit or loss**						
	(a)	Re-measurement gains/(losses) on defined benefit plans	7.96	-	7.46	7.96	7.46	(19.37)
	(b)	Changes in fair value of FVOCI equity instruments	(72.83)	(23.61)	(22.64)	(96.44)	(94.08)	(47.26)
	(c)	Income tax relating to these items						
		- Re-measurement gains/(losses) on defined benefit plans	(2.00)	-	-	(2.00)	-	6.77
		- Changes in fair value of FVOCI equity instruments	11.61	0.78	(0.99)	12.39	(1.82)	(0.68)
		Sub-total (i)	**(55.26)**	**(22.83)**	**(16.17)**	**(78.09)**	**(88.44)**	**(60.54)**
	(ii)	**Items that will be reclassified to profit or loss**	-	-	-	-	-	-
		Other comprehensive Income/(Loss) for the period (i + ii)	**(55.26)**	**(22.83)**	**(16.17)**	**(78.09)**	**(88.44)**	**(60.54)**
7		**Total comprehensive income for the period (5+6)**	**1,251.50**	**1,478.51**	**1,748.64**	**2,730.01**	**3,144.60**	**5,703.18**
8		**Paid up equity share capital (Face Value ₹10 per share)**	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
9		**Other equity (as per audited balance sheet as at 31st March)**						32,328.02
10		**Basic & Diluted earnings per equity share of ₹ 10 each) (in ₹)**						
	A	For continuing operations	**6.62**	**7.60**	**8.94**	**14.22**	**16.37**	**29.18**
	B	For continuing and discontinued operations	**6.62**	**7.60**	**8.94**	**14.22**	**16.37**	**29.18**
11		**Net Worth**				**36,836.96**	**32,783.97**	**34,302.94**
12		**Debt Equity Ratio**				**6.99**	**6.58**	**6.98**

See accompanying notes to the financial results

S. K. MITTAL & Co. CHARTERED ACCOUNTANTS New Delhi

O P BAGLA & CO LLP FRN: 000018N/N500091 Chartered Accountants New Delhi

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

Statement of Unaudited Consolidated Financial Results for the Period ended 30-09-2019

(₹ in Crores)

Sl. No.		Particulars	Quarter Ended			Period Ended		Year Ended
			30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
1		**Income**						
	A	**Interest Income**						
	(i)	Interest income on loan assets	7,347.14	6,919.27	5,998.50	14,266.41	11,667.32	24,727.90
	(ii)	Other interest income	59.58	56.15	69.00	115.73	136.19	255.72
		Sub-total (A) - Interest Income	**7,406.72**	**6,975.42**	**6,067.50**	**14,382.14**	**11,803.51**	**24,983.62**
	B	**Other Operating Income**						
	(i)	Dividend income	15.26	-	7.90	15.26	7.90	20.38
	(ii)	Fees and commission income	2.69	14.24	124.64	16.93	128.76	225.09
	(iii)	Sale of services	52.89	17.42	33.54	70.31	62.53	169.93
		Sub-total (B) - Other Operating Income	**70.84**	**31.66**	**166.08**	**102.50**	**199.19**	**415.40**
	C	**Total Revenue from Operations (A+B)**	**7,477.56**	**7,007.08**	**6,233.58**	**14,484.64**	**12,002.70**	**25,399.02**
	D	Other Income	6.19	3.09	12.47	9.28	14.17	32.31
		Total income (C+D)	**7,483.75**	**7,010.17**	**6,246.05**	**14,493.92**	**12,016.87**	**25,431.33**
2		**Expenses**						
	A	Finance costs	4,713.55	4,571.31	3,778.58	9,284.86	7,397.60	15,639.20
	B	Net translation/ transaction exchange loss/ (gain)	630.06	42.07	782.51	672.13	1,115.23	521.19
	C	Fees and commission expense	4.04	6.80	4.46	10.84	14.32	34.38
	D	Net loss/ (gain) on fair value changes	(175.55)	190.58	(1,045.65)	15.03	(1,626.20)	348.52
	E	Impairment on financial instruments	309.42	(28.05)	67.27	281.37	195.51	243.49
	F	Cost of services rendered	16.63	14.79	20.35	31.42	30.54	85.15
	G	Employee benefits expenses	48.66	54.37	30.73	103.03	80.15	177.37
	H	Depreciation and amortization	2.91	2.53	1.88	5.44	3.78	8.29
	I	Corporate social responsibility expenses	26.84	24.82	12.13	51.66	59.87	104.49
	J	Other expenses	38.45	24.72	106.23	63.17	131.36	188.76
		Total Expenses (A to J)	**5,615.01**	**4,903.94**	**3,758.49**	**10,518.95**	**7,402.16**	**17,350.84**
3		**Share of Profit of Joint Venture accounted for using equity method**	**(2.04)**	**6.35**	**(3.70)**	**4.31**	**(8.21)**	**9.95**
4		**Profit before Tax (1-2+3)**	**1,866.70**	**2,112.58**	**2,483.86**	**3,979.28**	**4,606.50**	**8,090.44**
5		**Tax Expense**						
	A	**Current Tax**						
		- Current Year	242.33	583.65	304.38	825.98	652.33	1,826.51
		- Earlier Years	-	10.30	-	10.30	-	(13.28)
	B	Deferred Tax	301.90	9.63	446.73	311.53	749.45	535.83
		Total Tax Expense (A+B)	**544.23**	**603.58**	**751.11**	**1,147.81**	**1,401.78**	**2,349.06**
6		**Net profit for the period (4-5)**	**1,322.47**	**1,509.00**	**1,732.75**	**2,831.47**	**3,204.72**	**5,741.38**

S.K. MITTAL & Co. CHARTERED ACCOUNTANTS New Delhi

O.P. BAGLA & CO LLP Chartered Accountants FRN: 000018N/N500091 New Delhi

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Period Ended		Year Ended
		30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
7	**Other comprehensive Income/(Loss)**						
(i)	**Items that will not be reclassified to profit or loss**						
(a)	Re-measurement gains/(losses) on defined benefit plans	7.96	-	7.46	7.96	7.46	(19.37)
(b)	Changes in fair value of FVOCI equity instruments	(72.83)	(23.61)	(22.64)	(96.44)	(94.08)	(47.26)
(c)	Share of Profit of Joint Venture accounted for using equity method	(0.12)	-	0.05	(0.12)	0.05	(0.05)
(d)	Income tax relating to these items						
	- Re-measurement gains/(losses) on defined benefit plans	(2.00)	-	-	(2.00)	-	6.77
	- Changes in fair value of FVOCI equity instruments	11.61	0.78	(0.99)	12.39	(1.82)	(0.68)
	- Share of Profit of Joint Venture accounted for using equity method	0.02	-	(0.01)	0.02	(0.01)	-
	Sub-total (i)	**(55.36)**	**(22.83)**	**(16.13)**	**(78.19)**	**(88.40)**	**(60.59)**
(ii)	**Items that will be reclassified to profit or loss**						
(a)	Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	-	(3.94)	-	(3.94)	-	-
(b)	Income tax relating to these items	(0.01)	0.81	-	0.80	-	-
	Sub-total (ii)	**(0.01)**	**(3.13)**	-	**(3.14)**	-	-
	Other comprehensive income/(loss) for the period (i + ii)	**(55.37)**	**(25.96)**	**(16.13)**	**(81.33)**	**(88.40)**	**(60.59)**
8	**Total comprehensive Income for the period (6+7)**	**1,267.10**	**1,483.04**	**1,716.62**	**2,750.14**	**3,116.32**	**5,680.79**
9	Paid up Equity Share Capital (Face Value ₹10 per share)	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
10	Other Equity (as per audited balance sheet as at 31st March)						32,571.42
11	**Basic & Diluted earnings per equity share of ₹ 10 each) (in ₹)**						
A	For continuing operations	**6.70**	**7.64**	**8.77**	**14.34**	**16.23**	**29.07**
B	For continuing and discontinued operations	**6.70**	**7.64**	**8.77**	**14.34**	**16.23**	**29.07**

See accompanying notes to the financial results.

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

S. K. MITTAL & Co. CHARTERED ACCOUNTANTS New Delhi

O P BAGLA & CO LLP FRN: 000018N/N500091 Chartered Accountants New Delhi

Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)	As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	3,396.61	342.94	3,400.42	381.99
(b)	Other Bank Balances	415.99	1,253.31	818.26	1,733.08
(c)	Trade receivables	-	-	133.30	137.72
(d)	Derivative financial instruments	2,214.38	1,802.58	2,214.38	1,802.58
(e)	Loans	2,89,985.73	2,70,450.92	2,89,985.73	2,70,450.92
(f)	Investments	2,398.22	2,397.62	2,213.02	2,283.13
(g)	Other financial assets	18,288.74	18,342.48	18,305.97	18,363.99
	Total - Financial Assets (1)	**3,16,699.67**	**2,94,589.85**	**3,17,071.08**	**2,95,153.41**
(2)	Non-Financial Assets				
(a)	Current tax assets (net)	286.32	275.83	302.69	293.17
(b)	Deferred tax assets (net)	2,062.18	2,358.29	2,006.66	2,305.93
(c)	Investment Property	0.01	0.01	0.01	0.01
(d)	Property, Plant & Equipment	153.10	153.98	157.57	156.63
(e)	Capital Work-in-Progress	249.46	196.94	249.46	196.94
(f)	Intangible Assets Under Development	1.59	1.59	1.59	1.59
(g)	Other Intangible Assets	9.70	8.51	9.73	8.55
(h)	Other non-financial assets	112.76	132.30	127.29	148.41
(i)	Investments accounted for using equity method	-	-	256.18	179.63
	Total - Non-Financial Assets (2)	**2,875.12**	**3,127.45**	**3,111.18**	**3,290.86**
(3)	**Assets classified as held for sale**	-	-	13.10	9.56
	Total ASSETS (1+2+3)	**3,19,574.79**	**2,97,717.30**	**3,20,195.37**	**2,98,453.83**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	**Financial Liabilities**				
(a)	Derivative financial instruments	590.73	159.40	590.73	159.40
(b)	Trade Payables				
	(I) Trade payables				
	(i) total outstanding dues of MSMEs	-	-	-	2.65
	(ii) total outstanding dues of creditors other than MSMEs	-	-	55.10	64.64
(c)	Debt Securities	2,06,252.21	1,92,839.79	2,06,157.15	1,92,767.51
(d)	Borrowings (other than debt securities)	52,356.77	46,662.54	52,356.77	46,662.54
(e)	Subordinated Liabilities	4,815.24	4,818.76	4,815.24	4,818.76
(f)	Other financial liabilities	18,557.40	18,751.75	18,931.68	19,227.07
	Total - Financial Liabilities (1)	**2,82,572.35**	**2,63,232.24**	**2,82,906.67**	**2,63,702.57**
(2)	**Non-Financial Liabilities**				
(a)	Provisions	80.27	99.58	81.02	100.24
(b)	Other non-financial liabilities	85.21	82.54	103.43	104.60
	Total - Non-Financial Liabilities (2)	**165.48**	**182.12**	**184.45**	**204.84**
(3)	**Liabilities directly associated with assets classified as held for sale**	-	-	-	0.08
(4)	EQUITY				
(a)	Equity Share Capital	1,974.92	1,974.92	1,974.92	1,974.92
(b)	Other equity	34,862.04	32,328.02	35,129.32	32,571.42
	Total - Equity (4)	**36,836.96**	**34,302.94**	**37,104.24**	**34,546.34**
	Total - LIABILITIES AND EQUITY (1+2+3+4)	**3,19,574.79**	**2,97,717.30**	**3,20,195.37**	**2,98,453.83**

Statement of Cash Flows

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		Period ended		Period ended	
		30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)
A.	**Cash Flow from Operating Activities :**				
	Net Profit before Tax	3,941.78	4,636.30	3,979.28	4,606.50
	Adjustments for:				
1.	Loss on derecognition of Property, Plant and Equipment (net)	0.53	0.33	0.53	0.33
2.	Depreciation & Amortization	4.56	3.18	5.44	3.78
3.	Impairment losses on financial assets	272.77	196.15	281.37	195.51
4.	Adjustments towards Effective Interest Rate in respect of Loans	34.83	(14.45)	34.83	(14.45)
5.	Adjustments towards Effective Interest Rate in respect of Borrowings	(7.64)	(6.91)	(7.64)	(6.91)
6.	Fair Value Changes in Derivatives	17.69	(1,624.18)	17.69	(1,624.18)
7.	Interest on Commercial Paper	314.90	123.25	314.90	123.25
8.	Interest on Other borrowings	-	-	0.05	0.30
9.	Interest Accrued on Zero Coupon Bonds	51.65	47.66	51.65	47.66
10.	Loss/ (Gain) on Exchange Rate fluctuation	497.39	693.96	497.39	693.96
11.	Dividend Income	(15.26)	(54.24)	(15.26)	(7.90)
12.	Interest Income on Investments & others	(86.09)	(104.76)	(90.45)	(113.04)
13.	Share of Profit/Loss of Joint Venture accounted for using equity method	-	-	(4.31)	8.21
	Operating profit before Changes in Operating Assets & Liabilities	**5,027.11**	**3,896.29**	**5,065.47**	**3,913.02**
	Inflow / (Outflow) on account of :				
1.	Loan Assets	(19,618.43)	(17,518.93)	(19,618.43)	(17,518.93)
2.	Derivatives	(65.86)	(709.98)	(65.86)	(709.98)
3.	Other Operating Assets	725.51	(5,726.67)	840.26	(5,985.59)
4.	Operating Liabilities	672.15	6,949.97	550.63	7,030.10
	Cash flow from Operations	**(13,259.52)**	**(13,109.32)**	**(13,227.93)**	**(13,271.38)**
1.	Income Tax Paid (including TDS)	(850.53)	(802.20)	(860.64)	(813.78)
2.	Income Tax refund	12.87	-	12.87	-
	Net Cash Flow from Operating Activities	**(14,097.18)**	**(13,911.52)**	**(14,075.70)**	**(14,085.16)**
B.	**Cash Flow from Investing Activities**				
1.	Sale of Property, Plant & Equipment	-	0.06	-	0.06
2.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(55.97)	(47.10)	(56.06)	(47.34)
3.	Investment in Intangible Assets (including intangible assets under development)	(2.67)	(0.56)	(2.67)	(0.60)
4.	Finance Costs Capitalised	(7.62)	-	(7.62)	-
5.	Investment in Equity Shares of EESL	(71.60)	-	(71.60)	-
6.	Sale of Equity Shares of Indian Energy Exchange Ltd.	4.23	-	4.23	-
7	Interest Income from Investments	56.41	14.67	54.07	13.20
8.	Investment in Term Deposits (incl. interest)	-	-	(34.41)	203.28
9.	Maturity/(Investment) of Corporate and Term deposits	-	-	0.58	(13.03)
10.	Dividend Income	15.26	54.24	15.26	7.90
	Net Cash Flow from Investing Activities	**(61.96)**	**21.31**	**(98.22)**	**163.47**
C.	**Cash Flow from Financing Activities**				
1.	Issue of Rupee Debt Securities (Net of redemptions)	9,745.42	516.00	9,725.42	516.00
2.	Issue of Commercial Paper (net of repayments)	(2,315.96)	4,626.20	(2,315.96)	4,626.20
3.	Raising of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net of repayments)	2,599.61	6,133.00	2,599.61	6,133.00
4.	Raising of Foreign Currency Debt Securities and Borrowings (net of redemptions)	7,183.74	2,420.19	7,183.74	2,420.19
5.	Payment of Dividend on Equity Shares	-	-	-	11.05
6.	Payment of interest	-	-	(0.05)	(0.30)
7.	Payment of Corporate Dividend Tax	-	-	-	(9.50)
8.	Repayment towards Lease liability	-	-	(0.41)	-
	Net Cash flow from Financing Activities	**17,212.81**	**13,695.39**	**17,192.35**	**13,696.64**
	Net Increase/Decrease in Cash & Cash Equivalents	**3,053.67**	**(194.82)**	**3,018.43**	**(225.05)**
	Cash & Cash Equivalents as at the beginning of the period	**342.94**	**212.00**	**381.99**	**248.43**
	Cash & Cash Equivalents as at the end of the period	**3,396.61**	**17.18**	**3,400.42**	**23.38**

Notes:

1. The above financial results of the Company were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the respective meetings held on 5th November 2019. These results have been subjected to limited review by the Statutory Auditors of the Company. However, the consolidated figures for the comparative period ended 30th September 2018 as reported in these financial results, have not been subjected to limited review.
2. The accounts of the subsidiary companies, REC Power Distribution Company Limited (standalone) and REC Transmission Projects Company Limited (consolidated), subjected to the limited review and unaudited standalone accounts of Joint Venture Company, Energy Efficiency Services Limited, have been consolidated in accordance with the Indian Accounting Standard 110 '*Consolidated Financial Statements*', Indian Accounting Standard 111 '*Joint Arrangements*' and Indian Accounting Standard 28 '*Investments in Associates and Joint Ventures*'.
3. Details of credit-impaired loan assets and allowance towards Expected Credit Loss (ECL) maintained in respect of such accounts is as under:

(₹ in Crores)

S. No.	Particulars	As at 30th September 2019	As at 31st March 2019
1.	Credit-impaired loan assets	20,636.05	20,348.44
2.	Allowance towards ECL *	10,194.14	9,698.95
	Impairment Allowance Coverage (%) (2/1)	49.40%	47.66%

* *Such allowance as per Reserve Bank of India (RBI) Norms amounts to ₹ 5,955.71 crores as at 30th September 2019.*

4. The Company had started creating Expected Credit Loss (ECL) on undisbursed Letters of Comfort during the quarter ended 31st March 2019 and suitable adjustments have been made in the comparative results.
5. Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of such assets.
6. Pursuant to the approval of the Resolution Plan passed by the Hon'ble National Company Law Tribunal (NCLT) Hyderabad Bench dated 26th July 2019 in respect of one of the borrowers, the Company has written-off the loan amount of ₹ 112.67 crores (net of recoveries ₹ 124.12 crores) crores as per the approved Resolution Plan. Further, the equity investment in the borrower Company, held by the Company has also been written off upon extinguishment of such equity shares as per the order.
7. The Company, along with its subsidiaries has adopted Ind AS 116 'Leases', using modified retrospective method with the initial date of application of 1st April, 2019. Accordingly, in one of the subsidiaries, REC Power Distribution Company Limited, an amount of ₹ 2.61 crores have been recognised as the Right of Use assets (ROU) on the initial date of application, which is equivalent to the lease liability.
8. The Company's main business is to provide finance to power sector. Accordingly, the company does not have more than one segment eligible for reporting in terms of Indian Accounting Standard (Ind AS) 108 '*Operating Segments*'.
9. The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and accordingly, has recognised the Provision for Income Tax (current tax) for the quarter and half year ended 30th September 2019 on annualised basis. Also, Deferred Tax Assets/ Liability has been remeasured on the basis of the rate prescribed under Section 115BAA and recognised the effect of change over the financial year by revising the annual effective income tax rate.
10. One of the subsidiaries, REC Transmission Projects Company Ltd., has transferred three of its wholly-owned SPVs, namely, Khetri Transco Limited, Bhind Guna Transmission Limited and Udupi Kasargode Transmission Limited, during the quarter ended 30th Sept. 2019.
11. The Company has not issued any redeemable preference shares till date.
12. As per the Notification No. G.S.R. 574(E) dated 16th August 2019 issued by the Ministry of Corporate Affairs, the Company, being an NBFC, is not required to create Debenture Redemption Reserve (DRR) pursuant to Sec. 71 of the Companies Act, 2013, read with Rule 18 of the Companies (Share Capital & Debentures) Rules 2014. Pursuant to the notification, the DRR existing in the books of Accounts as at 30th June 2019 amounting to ₹ 1,367.27 crores has been transferred to General Reserve during the quarter ended 30th Sept. 2019.
13. The disclosure in respect of related party transactions on Consolidated basis for the period ended 30th September 2019 have been annexed herewith this statement as Annexure-A.
14. The Balance Sheet, Statement of Profit & Loss, Statement of Changes in Equity (SOCIE), Statement of Cash Flows and summarised Notes to Accounts, including Significant Accounting Policies on Standalone basis and Consolidated basis for the period ended 30th September 2019 have been annexed herewith this statement as Annexure-B and Annexure-C respectively.
15. For all the secured bonds issued by the Company and outstanding as at 30th September 2019, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.
16. The domestic debt instruments of REC continue to enjoy "AAA" rating, the highest rating assigned by Credit Rating Agencies, namely CRISIL, CARE, India Ratings & Research & ICRA. Further, the Company enjoys international credit rating of "Baa3" and "BBB-" from International Credit Rating Agencies, Moody's and Fitch respectively.
17. Details of previous due dates for the payment of interest/ repayment of principal along with next due date for the payment of interest/ principal in respect of listed non-convertible debt securities have beeen annexed herewith this statement as Annexure-D in terms of the requirements of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For REC Limited

Ajeet Kumar Agarwal
Chairman & Managing Director and Director (Finance)
DIN - 02231613

Place: New Delhi
Date: 5th November 2019

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

O P BAGLA & CO LLP FRN: 000018N/N500091 New Delhi Chartered Accountants

Annexure V

Part C

Standalone Financial Results

31 March 2019, 2018 and 2017

BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	5	**342.94**	212.00	4,465.95
(b)	Other Bank Balances	6	**1,253.31**	1,570.07	28.44
(c)	Derivative financial instruments	7	**1,802.58**	690.38	628.07
(d)	Loans	8	**270,450.92**	228,878.25	193,934.52
(e)	Investments	9	**2,397.62**	2,824.80	2,908.56
(f)	Other financial assets	10	**18,342.48**	4,224.89	54.16
	Total - Financial Assets (1)		**294,589.85**	**238,400.39**	**202,019.70**
(2)	**Non-Financial Assets**				
(a)	Current tax assets (net)	11	**275.83**	21.02	38.97
(b)	Deferred tax assets (net)	12	**2,358.29**	2,904.11	2,187.88
(c)	Investment Property	13	**0.01**	0.01	0.01
(d)	Property, Plant & Equipment	14	**153.98**	123.19	120.81
(e)	Capital Work-in-Progress	14	**196.94**	127.23	61.41
(f)	Intangible Assets Under Development	14	**1.59**	1.46	1.46
(g)	Other Intangible Assets	14	**8.51**	5.15	0.43
(h)	Other non-financial assets	15	**132.30**	86.63	57.98
	Total - Non-Financial Assets (2)		**3,127.45**	**3,268.80**	**2,468.95**
	Total ASSETS (1+2)		**297,717.30**	**241,669.19**	**204,488.65**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	**Financial Liabilities**				
(a)	Derivative financial instruments	7	**159.40**	317.75	354.46
(b)	Debt Securities	16	**192,839.79**	179,140.13	148,723.25
(c)	Borrowings (other than debt securities)	17	**46,662.54**	22,631.42	21,700.17
(d)	Subordinated Liabilities	18	**4,818.76**	2,667.36	2,667.21
(e)	Other financial liabilities	19	**18,751.75**	4,299.40	244.96
	Total - Financial Liabilities (1)		**263,232.24**	**209,056.06**	**173,690.05**
(2)	**Non-Financial Liabilities**				
(a)	Provisions	20	**99.58**	220.37	214.00
(b)	Other non-financial liabilities	21	**82.54**	89.61	32.84
	Total - Non-Financial Liabilities (2)		**182.12**	**309.98**	**246.84**
(3)	**EQUITY**				
(a)	Equity Share Capital	22	**1,974.92**	1,974.92	1,974.92
(b)	Other equity	23	**32,328.02**	30,328.23	28,576.84
	Total - Equity (3)		**34,302.94**	**32,303.15**	**30,551.76**
	Total - LIABILITIES AND EQUITY (1+2+3)		**297,717.30**	**241,669.19**	**204,488.65**

Accompanying Notes to Financial Statements 1 to 59

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Sanjeev Kumar Gupta
Director (Technical)
DIN - 03464342

Ajeet Kumar Agarwal
CMD and Director (Finance)
DIN - 02231613

In terms of our Audit Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

S.C. Choudhary
Partner
M.No. : 082023

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

Anil Gaur
Partner
M.No. : 017546

Place: New Delhi
Date: 24th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
	Revenue from Operations			
(i)	Interest Income	24	**24,971.02**	22,089.55
(ii)	Dividend Income	25	**113.61**	65.68
(iii)	Fees and Commission Income	26	**225.09**	299.39
I.	**Total Revenue from Operations (i to iii)**		**25,309.72**	**22,454.62**
II.	Other Income	27	**31.44**	12.73
III.	**Total Income (I+II)**		**25,341.16**	**22,467.35**
	Expenses			
(i)	Finance Costs	28	**15,641.54**	13,337.11
(ii)	Net translation/ transaction exchange loss	29	**521.19**	19.37
(iii)	Fees and commission Expense	30	**34.38**	24.58
(iv)	Net loss on fair value changes	31	**348.52**	573.37
(v)	Impairment on financial instruments	32	**240.33**	2,297.12
(vi)	Employee Benefits Expenses	33	**157.53**	172.42
(vii)	Depreciation and amortization	34	**7.17**	5.65
(viii)	Corporate Social Responsibility Expenses	35	**103.39**	49.45
(ix)	Other Expenses	36	**186.61**	104.13
IV.	**Total Expenses (i to ix)**		**17,240.66**	**16,583.20**
V.	**Profit before Tax (III-IV)**		**8,100.50**	5,884.15
VI.	**Tax Expense**	37		
(i)	Current tax		**1,791.64**	2,180.59
(ii)	Deferred Tax		**545.14**	(716.33)
	Total Tax Expense (i+ii)		**2,336.78**	**1,464.26**
VII.	**Profit for the period from continuing operations**		**5,763.72**	4,419.89
(i)	Items that will not be reclassified to profit or loss			
(a)	Re-measurement gains/(losses) on defined benefit plans		**(19.37)**	(6.34)
(b)	Changes in Fair Value of FVOCI Equity Instruments		**(47.26)**	8.48
(c)	Income tax relating to these items			
	- Re-measurement gains/(losses) on defined benefit plans		**6.77**	2.20
	- Changes in Fair Value of FVOCI Equity Instruments		**(0.68)**	(0.10)
VIII.	**Other comprehensive Income/(Loss) for the period (a+b+c)**		**(60.54)**	4.24
IX.	**Total comprehensive Income for the period (VII+VIII)**		**5,703.18**	4,424.13
X.	**Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)**	38		
(1)	For continuing operations		**29.18**	22.38
(2)	For continuing and discontinued operations		**29.18**	22.38

Accompanying Notes to Financial Statements 1 to 59

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Sanjeev Kumar Gupta
Director (Technical)
DIN - 03464342

Ajeet Kumar Agarwal
CMD and Director (Finance)
DIN - 02231613

In terms of our Audit Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Anil Gaur
Partner
M.No. : 017546

Place: New Delhi
Date: 24th May 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

Sl. No.	Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I.	Revenue from Operations	12	22,358.27	23,587.30
II.	Other Income	13	82.04	183.28
III.	**Total Revenue (I+II)**		**22,440.31**	**23,770.58**
IV.	**Expenses**			
(i)	Finance Costs	14	13,829.52	13,450.35
(ii)	Employee Benefits Expense	15	176.87	178.07
(iii)	Depreciation & Amortization	7	5.61	5.04
(iv)	Corporate Social Responsibility Expenses	16	49.45	69.80
(v)	Other Expenses	17	111.69	98.80
(vi)	Provisions and Contingencies	18	1,415.55	1,109.47
	Total Expenses (IV)		**15,588.69**	**14,911.53**
V.	**Profit before Prior Period Items & Tax (III-IV)**		6,851.62	8,859.05
VI.	Prior Period Items	19	(0.47)	(1.65)
VII.	**Profit before Tax (V-VI)**		**6,852.09**	**8,860.70**
VIII.	**Tax Expense**			
(i)	Current period		2,168.20	2,606.29
(ii)	Earlier periods/ (Refunds)		10.19	(27.78)
(iii)	Deferred Tax		26.70	36.43
	Total Tax Expense (i+ii+iii)		**2,205.09**	**2,614.94**
IX.	**Profit for the period from Continuing Operations (VII-VIII)**		**4,647.00**	**6,245.76**
X.	**Profit from Discontinuing Operations (after tax)**		**-**	**-**
XI.	**Profit for the period (IX+X)**		**4,647.00**	**6,245.76**
XII.	**Earnings per Equity Share (in ₹ for an equity share of ₹10 each)**			
(1)	Basic	20	23.53	31.63
(2)	Diluted	20	23.53	31.63

The Significant Accounting Policies and Notes to Accounts 1 to 45 are an integral part of these financial statements.

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Ajeet Kumar Agarwal
Director (Finance)
DIN - 02231613

P.V. Ramesh
Chairman and Managing Director
DIN - 02836069

In terms of our Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Aakansha Nigam
Partner
M.No. : 416425

Place: New Delhi
Date: 28th May 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crores)

	PARTICULARS	YEAR ENDED 31.03.2019		YEAR ENDED 31.03.2018	
A.	**Cash Flow from Operating Activities :**				
	Net Profit before Tax	**8,100.50**		**5,884.15**	
	Adjustments for:				
1.	Loss on derecognition of Property, Plant and Equipment (net)	**0.86**		0.56	
2.	Depreciation & Amortization	**7.17**		5.65	
3.	Impairment losses on financial assets	**240.33**		2,297.12	
4.	Adjustments towards Effective Interest Rate in respect of Loans	**1.33**		(37.70)	
5.	Adjustments towards Effective Interest Rate in respect of Borrowings	**(788.28)**		84.16	
6.	Fair Value Changes in Derivatives	**351.52**		586.76	
7.	Interest on Commercial Paper	**402.84**		135.60	
8.	Interest Accrued on Zero Coupon Bonds	**97.02**		89.54	
9.	Loss/ (Gain) on Exchange Rate fluctuation	**558.51**		(53.61)	
10.	Dividend Income	**(113.61)**		(65.68)	
11.	Interest Income on Investments	**(193.31)**		(214.64)	
12.	Provision made for Interest on Advance Income Tax	**3.46**		5.53	
	Operating profit before Changes in Operating Assets & Liabilities	**8,668.34**		**8,717.44**	
	Inflow / (Outflow) on account of :				
1.	Loan Assets	**(41,760.36)**		(37,474.64)	
2.	Derivatives	**(1,622.07)**		(685.78)	
3.	Other Operating Assets	**(13,895.21)**		(5,437.99)	
4.	Operating Liabilities	**14,639.43**		4,269.13	
	Cash flow from Operations	**(33,969.87)**		**(30,611.84)**	
1.	Income Tax Paid (including TDS)	**(2,043.14)**		(2,168.60)	
2.	Income Tax refund	**-**		2.57	
	Net Cash Flow from Operating Activities		**(36,013.01)**		**(32,777.87)**
B.	**Cash Flow from Investing Activities**				
1.	Sale of Property, Plant & Equipment	**0.10**		0.14	
2.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	**(85.51)**		(73.31)	
3.	Investment in Intangible Assets (including intangible assets under development)	**(5.00)**		(5.35)	
4.	Finance Costs Capitalised	**(11.37)**		(6.32)	
5.	Sale of Equity Shares/ Venture Capital Funds (net of investment)	**24.39**		(2.08)	
6.	Redemption of Debt Securities (net of investment)	**398.17**		94.32	
7.	Interest Income from long term investments	**150.68**		214.64	
8.	Dividend Income	**113.61**		65.68	
	Net Cash Flow from Investing Activities		**585.07**		**287.72**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019 (CONTD.)

(₹ in Crores)

PARTICULARS		YEAR ENDED 31.03.2019		YEAR ENDED 31.03.2018	
C.	**Cash Flow from Financing Activities**				
1.	Issue of Rupee Debt Securities (Net of redemptions)	**4,220.72**		19,558.55	
2.	Issue of Commercial Paper (net of repayments)	**4,143.04**		3,014.84	
3.	Raising of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net of repayments)	**24,350.00**		(350.00)	
4.	Raising of Foreign Currency Debt Securities and Borrowings (net of redemptions)	**3,718.78**		8,395.48	
5.	Raising of Subordinated Liabilities (net of redemptions)	**2,151.20**		-	
6.	Payment of Dividend on Equity Shares	**(2,518.02)**		(1,984.79)	
7.	Payment of Corporate Dividend Tax	**(506.84)**		(397.88)	
	Net Cash flow from Financing Activities		**35,558.88**		**28,236.20**
	Net Increase/Decrease in Cash & Cash Equivalents		**130.94**		**(4,253.95)**
	Cash & Cash Equivalents as at the beginning of the period		**212.00**		**4,465.95**
	Cash & Cash Equivalents as at the end of the period		**342.94**		**212.00**

Components of Cash & Cash Equivalents as at end of the year are:

(₹ in Crores)

PARTICULARS	AS AT 31.03.2019		AS AT 31.03.2018	
- Cash in Hand (including postage & imprest)		**0.01**		0.01
- Balances with Banks		**339.97**		157.45
- Short-term Deposits with Scheduled Banks		**2.96**		54.54
Total Cash & Cash Equivalents		**342.94**		**212.00**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019 (CONTD.)

Reconciliation of liabilities arising from financing activities

(₹ in Crores)

Particulars	Opening Balance	Cash Flows during the year (net)	Movement in Interest Accrued *	Non-cash Changes		Closing Balance
				Exchange Differences	EIR Adjustments	
FY 2018-19						
Rupee Debt Securities	**168,517.14**	**4,220.72**	**124.83**	**-**	**108.71**	**172,971.40**
Commercial Paper	**3,150.44**	**4,143.04**	**-**	**-**	**402.84**	**7,696.32**
Rupee Term Loans/ WCDL	**414.82**	**24,350.00**	**119.43**	**-**	**-**	**24,884.25**
Foreign Currency Debt Securities & other Borrowings	**29,689.04**	**3,718.78**	**104.02**	**1,220.89**	**(782.48)**	**33,950.25**
Subordinated Liabilities	**2,667.36**	**2,151.20**	**1.58**	**-**	**(1.38)**	**4,818.76**
Total	**204,438.80**	**38,583.74**	**349.86**	**1,220.89**	**(272.31)**	**244,320.98**
FY 2017-18						
Rupee Debt Securities	**148,723.25**	19,558.55	148.57	-	86.77	**168,517.14**
Commercial Paper	**-**	3,014.84	-	-	135.60	**3,150.44**
Rupee Term Loans/ WCDL	**776.66**	(350.00)	(11.84)	-	-	**414.82**
Foreign Currency Debt Securities & other Borrowings	**20,923.38**	8,395.48	46.98	235.32	87.88	**29,689.04**
Subordinated Liabilities	**2,667.21**	-	-	-	0.15	**2,667.36**
Total	**173,090.50**	**30,618.87**	**183.71**	**235.32**	**310.40**	**204,438.80**

* Movement in Interest Accrued has been considered in 'Operating Liabilities' as Cash Flow from Operating Activities.

Note : Previous period figures have been rearranged and regrouped wherever necessary.

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Sanjeev Kumar Gupta
Director (Technical)
DIN - 03464342

Ajeet Kumar Agarwal
CMD and Director (Finance)
DIN - 02231613

In terms of our Audit Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Anil Gaur
Partner
M.No. : 017546

Place: New Delhi
Date: 24th May 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

PARTICULARS	YEAR ENDED 31.03.2018		YEAR ENDED 31.03.2017	
A. Cash Flow from Operating Activities :				
Net Profit before Tax	**6,852.09**		8,860.70	
Adjustments for:				
1. Profit (-) / Loss on Sale of Fixed Assets	**0.56**		0.52	
2. Depreciation & Amortization	**5.61**		4.40	
3. Provisions and Contingencies	**1,415.55**		1,109.47	
4. Interest on Commercial Paper	**135.60**		300.46	
5. Profit on sale/redemption of investments	**-**		-79.75	
6. Loss/ Gain(-) on Exchange Rate fluctuation	**45.75**		55.09	
7. Dividend from Subsidiary Co.	**-25.91**		-19.50	
8. Dividend from Investments	**-39.77**		-66.54	
9. Interest on Long-term Investments/ Govt. Securities	**-214.64**		-226.11	
10. Provision made for Interest on Advance Income Tax	**5.53**		2.82	
11. Provision in respect of Amounts recoverable	**6.19**		-	
12. Discount on Bonds written off	**1.66**		0.14	
13. Interest Accrued on Zero Coupon Bonds	**89.50**		82.45	
Operating profit before Changes in Operating Assets & Liabilities	**8,277.72**		10,024.15	
Increase / Decrease :				
1. Loan Assets	**-37,474.64**		-650.38	
2. Other Operating Assets	**-4,080.83**		37.78	
3. Operating Liabilities	**4,160.46**		-91.32	
Cash flow from Operations	**-29,117.29**		9,320.23	
1. Income Tax Paid (including TDS)	**-2,168.60**		-2,548.11	
2. Income Tax refund	**2.57**		22.07	
Net Cash Flow from Operating Activities		**-31,283.32**		6,794.19
B. Cash Flow from Investing Activities				
1. Sale of Fixed Assets	**0.14**		0.06	
2. Purchase of Fixed Assets (incl. CWIP, Intangible Assets under development & Capital Advances)	**-78.66**		-27.01	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

PARTICULARS	YEAR ENDED 31.03.2018		YEAR ENDED 31.03.2017	
3. Investment in shares of NHPC Ltd. (net of sale)	**-**		-400.80	
4. Investment in shares of HUDCO Ltd.	**-2.08**		-	
5. Redemption of 8% Government of Madhya Pradesh Power Bonds-II	**94.32**		94.32	
6. Redemption of Bonds of UP Power Corporation Ltd.	**-**		76.65	
7. Profit on sale/redemption of investments	**-**		79.75	
8. Interest on Long-term Investments/ Govt. Securities	**214.64**		229.94	
9. Dividend from Subsidiary Co.	**25.91**		19.50	
10. Dividend from Investments	**39.77**		66.54	
Net Cash Flow from Investing Activities		**294.04**		138.95
C. Cash Flow from Financing Activities				
1. Issue of Bonds (Net of redemptions)	**19,558.55**		5,871.66	
2. Raising of Term Loans/ STL from Banks/ FIs (Net of repayments)	**-350.00**		-1,099.93	
3. Raising of Foreign Currency Loan (Net of redemptions and inclusive of related derivative payments)	**8,360.41**		-833.33	
4. Funds received from GOI for further disbursement as Subsidy/ Grant including interest (Net of refund)	**10,635.24**		8,027.15	
5. Disbursement of grants	**-10,563.91**		-8,039.66	
6. Payment of Dividend on Equity Shares	**-1,984.79**		-1,886.04	
7. Payment of Corporate Dividend Tax	**-397.88**		-379.98	
8. Issue of Commercial Paper (Net of repayments)	**3,014.84**		-5,833.16	
Net Cash flow from Financing Activities		**28,272.46**		-4,173.29
Net Increase/Decrease in Cash & Cash Equivalents		**-2,716.82**		2,759.85
Cash & Cash Equivalents as at the beginning of the year		**4,488.04**		1,728.19
Cash & Cash Equivalents as at the end of the year		**1,771.22**		4,488.04

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Components of Cash & Cash Equivalents as at end of the year are:

(₹ in Crores)

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
- Cash in Hand (including postage & imprest)	0.01	-
- Balances with Banks in:		
- Accounts with RBI and other banks	1,626.68	848.08
- Unpaid Dividend Accounts #	3.49	2.75
- Undisbursed DDUGJY, AG&SP, NEF and Other Grants #	56.02	0.51
- Short-term Deposits with Scheduled Banks	85.02	2,476.70
- Short term Investment in Debt Mutual Funds	-	1,160.00
Total Cash & Cash Equivalents	**1,771.22**	**4,488.04**

These balances are not available for free use by the Company as they represent earmarked balances held in respective grant accounts and unpaid dividends.

Further, Balances with Banks include ₹2.13 Crores (Previous year ₹2.13 Crores) and ₹1,469.23 Crores (Previous year ₹Nil) set aside for grants disbursement and amount pending allotment of securities respectively and not available for free use by the Company. Short-term deposits with scheduled banks include ₹39.02 Crores (Previous year ₹23.20 Crores) earmarked towards DDUGJY and other grants and not available for free use by the Company.

Note : Previous year figures have been rearranged and regrouped wherever necessary.

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Ajeet Kumar Agarwal
Director (Finance)
DIN - 02231613

P.V. Ramesh
Chairman and Managing Director
DIN - 02836069

In terms of our Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Aakansha Nigam
Partner
M.No. : 416425

Place: New Delhi
Date: 28th May 2018

Annexure V

Part C

Consolidated Financial Results

31 March 2019, 2018 and 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	5	**381.99**	248.43	4,468.51
(b)	Other Bank Balances	6	**1,733.08**	1,946.84	72.98
(c)	Trade receivables	7	**137.72**	133.76	131.33
(d)	Derivative financial instruments	8	**1,802.58**	690.38	628.07
(e)	Loans	9	**270,450.92**	228,878.25	193,934.52
(f)	Investments	10	**2,283.13**	2,775.15	2,829.08
(g)	Other financial assets	11	**18,363.99**	4,281.53	62.65
	Total - Financial Assets (1)		**295,153.41**	**238,954.34**	**202,127.14**
(2)	**Non-Financial Assets**				
(a)	Inventories	12	**-**	-	0.04
(b)	Current tax assets (net)	13	**293.17**	32.22	48.43
(c)	Deferred tax assets (net)	14	**2,305.93**	2,842.43	2,134.12
(d)	Investment Property	15	**0.01**	0.01	0.01
(e)	Property, Plant & Equipment	16	**156.63**	126.59	124.23
(f)	Capital Work-in-Progress	16	**196.94**	127.23	61.41
(g)	Intangible Assets Under Development	16	**1.59**	1.46	1.46
(h)	Other Intangible Assets	16	**8.55**	5.16	0.45
(i)	Other non-financial assets	17	**148.41**	100.01	72.56
(j)	Investments accounted for using equity method	10	**179.63**	**172.63**	**176.07**
	Total - Non-Financial Assets (2)		**3,290.86**	**3,407.74**	**2,618.78**
(3)	**Assets classified as held for sale**	18	**9.56**	**7.68**	**3.08**
	Total ASSETS (1+2+3)		**298,453.83**	**242,369.76**	**204,749.00**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	**Financial Liabilities**				
(a)	Derivative financial instruments	8	**159.40**	317.75	354.46
(b)	Trade Payables	19			
	(i) total outstanding dues of MSMEs		**2.65**	1.83	0.30
	(ii) total outstanding dues of creditors other than MSMEs		**64.64**	61.31	42.89
(c)	Debt Securities	20	**192,767.51**	179,067.85	148,650.96
(d)	Borrowings (other than debt securities)	21	**46,662.54**	22,631.42	21,700.17
(e)	Subordinated Liabilities	22	**4,818.76**	2,667.36	2,667.21
(f)	Other financial liabilities	23	**19,227.07**	4,703.05	260.08
	Total - Financial Liabilities (1)		**263,702.57**	**209,450.57**	**173,676.07**
(2)	**Non-Financial Liabilities**				
(a)	Current tax liabilities (net)	24	**-**	0.51	0.55
(b)	Provisions	25	**100.24**	220.74	214.27
(c)	Other non-financial liabilities	26	**104.60**	110.33	48.68
	Total - Non-Financial Liabilities (2)		**204.84**	**331.58**	**263.50**
(3)	**Liabilities directly associated with assets classified as held for sale**	18	**0.08**	-	-
(4)	**EQUITY**				
(a)	Equity Share Capital	27	**1,974.92**	1,974.92	1,974.92
(b)	Other equity	28	**32,571.42**	30,612.69	28,834.51
	Total - Equity (4)		**34,546.34**	**32,587.61**	**30,809.43**
	Total - LIABILITIES AND EQUITY (1+2+3+4)		**298,453.83**	**242,369.76**	**204,749.00**

Accompanying Notes to Financial Statements 1 to 70

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Sanjeev Kumar Gupta
Director (Technical)
DIN - 03464342

Ajeet Kumar Agarwal
CMD and Director (Finance)
DIN - 02231613

In terms of our Audit Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

Place: New Delhi
Date: 24th May 2019

S.C. Choudhary
Partner
M.No. : 082023

Priyanshu Jain
Partner
M.No. : 530262

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
	Revenue from Operations			
(i)	Interest Income	29	**24,983.62**	22,098.31
(ii)	Dividend Income	30	**20.38**	26.85
(iii)	Fees and Commission Income	31	**225.09**	299.39
(iv)	Sale of services	32	**169.93**	227.05
I.	**Total Revenue from Operations (i to iv)**		**25,399.02**	**22,651.60**
II.	Other Income	33	**32.31**	14.79
III.	**Total Income (I+II)**		**25,431.33**	**22,666.39**
	Expenses			
(i)	Finance Costs	34	**15,639.20**	13,332.94
(ii)	Net translation/ transaction exchange loss	35	**521.19**	19.37
(iii)	Fees and commission Expense	36	**34.38**	24.58
(iv)	Net loss on fair value changes	37	**348.52**	573.37
(v)	Impairment on financial instruments	38	**243.49**	2,300.53
(vi)	Cost of services rendered	39	**85.15**	119.80
(vii)	Cost of material consumed	40	**-**	7.95
(viii)	Changes in inventories of finished goods and work-in-progress	41	**-**	0.04
(ix)	Employee Benefits Expenses	42	**177.37**	184.04
(x)	Depreciation and amortization	43	**8.29**	6.93
(xi)	Corporate Social Responsibility Expenses	44	**104.49**	50.94
(xii)	Other Expenses	45	**188.76**	99.05
IV.	**Total Expenses (i to xii)**		**17,350.84**	**16,719.54**
V.	**Share of Profit/Loss of Joint Venture accounted for using equity method**	64	**9.95**	10.67
VI.	**Profit before Tax (III-IV+V)**		**8,090.44**	5,957.52
VII.	**Tax Expense**	46		
(i)	Current tax		**1,813.23**	2,215.43
(ii)	Deferred Tax		**535.83**	(708.43)
	Total Tax Expense (i+ii)		**2,349.06**	**1,507.00**
VIII.	**Profit for the year**		**5,741.38**	4,450.52
IX.	**Other comprehensive Income/(Loss)**			
(i)	**Items that will not be reclassified to profit or loss**			
(a)	Re-measurement gains/(losses) on defined benefit plans		**(19.37)**	(6.34)
(b)	Changes in Fair Value of FVOCI Equity Instruments		**(47.26)**	8.48
(c)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	64	**(0.05)**	(0.03)
(d)	Income tax relating to these items			
	- Re-measurement gains/(losses) on defined benefit plans		**6.77**	2.20
	- Changes in Fair Value of FVOCI Equity Instruments		**(0.68)**	(0.10)
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		**-**	-
	Sub-Total (i)		**(60.59)**	4.21
(ii)	**Items that will be reclassified to profit or loss**			
(a)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	64	**-**	1.46
	Sub-Total (ii)		**-**	1.46
	Other comprehensive Income/(Loss) for the period (i+ii)		**(60.59)**	5.67
X.	**Total comprehensive Income for the period (VIII+IX)**		**5,680.79**	4,456.19
XI.	**Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)**	47		
(1)	For continuing operations		**29.07**	22.54
(2)	For continuing and discontinued operations		**29.07**	22.54

Accompanying Notes to Financial Statements 1 to 70

For and on behalf of the Board

J.S. Amitabh	**Sanjeev Kumar Gupta**	**Ajeet Kumar Agarwal**
GM & Company Secretary	Director (Technical)	CMD and Director (Finance)
	DIN - 03464342	DIN - 02231613

In terms of our Audit Report of even date

	For G.S. Mathur & Co.	**For A.R. & Co.**
	Chartered Accountants	Chartered Accountants
	Firm Reg. No.: 008744N	Firm Reg. No.: 002744C
	S.C. Choudhary	**Priyanshu Jain**
Place: New Delhi	Partner	Partner
Date: 24th May 2019	M.No. : 082023	M.No. : 530262

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

Sl. No.	Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I.	Revenue from Operations	16	**23,054.42**	24,194.92
II.	Other Income	17	**46.98**	166.31
III.	**Total Revenue (I+II)**		**23,101.40**	24,361.23
IV.	**Expenses**			
(i)	Finance Costs	18	**13859.59**	13461.59
(ii)	Employee Benefits Expense	19	**198.46**	192.75
(iii)	Depreciation & Amortization	9	**69.59**	40.33
(iv)	Corporate Social Responsibility Expenses	20	**50.94**	68.94
(v)	Other Expenses	21	**285.29**	220.58
(vi)	Provisions and Contingencies	22	**1421.06**	1110.31
(vii)	Purchases of Stock-in-Trade		**328.53**	273.12
(viii)	Changes in inventories of Stock-in-Trade & Work-in-Progress	23	**(53.32)**	22.76
	Total Expenses (IV)		**16160.14**	**15390.38**
V.	**Profit before Prior Period Items & Tax (III-IV)**		**6941.26**	8970.85
VI.	**Prior Period Items**	24	**0.02**	(1.51)
VII.	**Profit before Tax (V-VI)**		**6941.24**	**8972.36**
VIII.	**Tax Expense :**			
(i)	Current Year		**2212.17**	2648.37
(ii)	Earlier Years/ (Refunds)		**12.21**	(27.79)
(iii)	Deferred Tax		**27.40**	38.41
	Total Tax Expense (i+ii+iii)		**2,251.78**	**2,658.99**
IX.	**Profit for the year from Continuing Operations (VII-VIII)**		**4,689.46**	6,313.37
X.	**Profit from Discontinuing Operations (after tax)**		**-**	-
XI.	**Profit for the year (IX+X)**		**4,689.46**	6,313.37
XII.	**Earnings per Equity Share (in ₹ for an equity share of ₹10 each)**			
	(1) Basic	25	**23.75**	31.97
	(2) Diluted	25	**23.75**	31.97

The Significant Accounting Policies and Notes to Accounts 1 to 52 are an integral part of these financial statements.

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Ajeet Kumar Agarwal
Director (Finance)
DIN - 02231613

P.V. Ramesh
Chairman and Managing Director
DIN - 02836069

In terms of our Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Priyanshu Jain
Partner
M.No. : 530262

Place: New Delhi
Date: 28th May 2018

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crores)

PARTICULARS		YEAR ENDED 31.03.2019		YEAR ENDED 31.03.2018	
A.	**Cash Flow from Operating Activities :**				
	Net Profit before Tax	**8,090.44**		**5,957.52**	
	Adjustments for:				
1.	Loss on derecognition of Property, Plant and Equipment (net)	**0.86**		0.56	
2.	Depreciation & Amortization	**8.29**		6.93	
3.	Impairment losses on financial assets	**243.49**		2,300.53	
4.	Adjustments towards Effective Interest Rate in respect of Loans	**1.33**		(37.70)	
5.	Adjustments towards Effective Interest Rate in respect of Borrowings	**(788.28)**		84.16	
6.	Fair Value Changes in Derivatives	**351.52**		586.76	
7.	Interest on Commercial Paper	**402.84**		135.60	
8.	Interest on Other borrowings	**0.01**		-	
9.	Interest Accrued on Zero Coupon Bonds	**97.02**		89.54	
10.	Loss/ (Gain) on Exchange Rate fluctuation	**558.51**		(53.61)	
11.	Dividend Income	**(20.38)**		(26.85)	
12.	Interest Income on Investments	**(205.88)**		(223.40)	
13.	Provision made for Interest on Advance Income Tax	**3.70**		5.68	
14.	Liabilities no longer required written back	**(0.46)**		(0.71)	
15.	Share of Profit/Loss of Joint Venture accounted for using equity method	**(9.95)**		(10.67)	
	Operating profit before Changes in Operating Assets & Liabilities	**8,733.06**		**8,814.34**	
	Inflow / (Outflow) on account of :				
1.	Loan Assets	**(41,760.36)**		(37,474.64)	
2.	Derivatives	**(1,622.07)**		(685.78)	
3.	Other Operating Assets	**(13,856.90)**		(5,643.79)	
4.	Operating Liabilities	**14,711.38**		4,680.09	
	Cash flow from Operations	**(33,794.89)**		**(30,309.78)**	
1.	Income Tax Paid (including TDS)	**(2,070.91)**		(2,202.60)	
2.	Income Tax refund	**0.00**		2.57	
	Net Cash Flow from Operating Activities		**(35,865.80)**		**(32,509.81)**
B.	**Cash Flow from Investing Activities**				
1.	Sale of Property, Plant & Equipment	**0.10**		0.15	
2.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	**(85.88)**		(74.56)	
3.	Investment in Intangible Assets (including intangible assets under development)	**(5.04)**		(5.35)	
4.	Finance Costs Capitalised	**(11.37)**		(6.32)	

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Crores)

PARTICULARS		YEAR ENDED 31.03.2019		YEAR ENDED 31.03.2018	
5.	Investment in Equity Shares/ Venture Capital Funds	**24.39**		(2.08)	
6.	Sale/(Investment) in Equity Shares/ Venture Capital Funds	**(0.40)**		0.10	
7.	Investment in Debt Securities (incl. interest income)	**399.45**		95.58	
8.	Interest Income from long term investments	**156.79**		221.21	
9.	Investment in Term deposits Deposits (incl. interest)	**(106.64)**		(208.62)	
10.	Maturity/(Investment) of Corporate and Term deposits	**64.99**		(1.08)	
11.	Dividend Income	**20.38**		26.85	
	Net Cash Flow from Investing Activities		**456.77**		**45.88**
C.	**Cash Flow from Financing Activities**				
1.	Issue of Rupee Debt Securities (Net of redemptions)	**4,220.72**		19,558.55	
2.	Issue of Commercial Paper (net of repayments)	**4,143.04**		3,014.84	
3.	Raising of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net of repayments)	**24,350.00**		(350.00)	
4.	Raising of Foreign Currency Debt Securities and Borrowings (net of redemptions)	**3,718.78**		8,395.48	
5.	Raising of Subordinated Liabilities (net of redemptions)	**2,151.20**		-	
6.	Payment of Dividend on Equity Shares	**(2,515.63)**		(1,971.87)	
7.	Payment of Corporate Dividend Tax	**(525.52)**		(403.15)	
	Net Cash flow from Financing Activities		**35,542.59**		**28,243.85**
	Net Increase/Decrease in Cash & Cash Equivalents		**133.56**		**(4,220.08)**
	Cash & Cash Equivalents as at the beginning of the period		**248.43**		**4,468.51**
	Cash & Cash Equivalents as at the end of the period		**381.99**		**248.43**

Components of Cash & Cash Equivalents as at end of the year are:

(₹ in Crores)

PARTICULARS	AS AT 31.03.2019		AS AT 31.03.2018	
- Cash in Hand (including postage & imprest)		**0.01**		0.01
- Balances with Banks		**343.60**		186.92
- Short-term Deposits with Scheduled Banks		**38.38**		61.50
Total Cash & Cash Equivalents		**381.99**		**248.43**
		-		-

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2019

Reconciliation of liabilities arising from financing activities

(₹ in Crores)

Particulars	Opening Balance	Cash Flows during the year (net)	Movements in Interest Accrued *	Non-cash Changes		Closing Balance
				Exchange Differences	EIR Adjustments	
FY 2018-19						
Rupee Debt Securities	**168,444.86**	**4,220.72**	**124.83**	**-**	**108.71**	**172,899.12**
Commercial Paper	**3,150.44**	**4,143.04**	**-**	**-**	**402.84**	**7,696.32**
Rupee Term Loans/ WCDL	**414.82**	**24,350.00**	**119.43**	**-**	**-**	**24,884.25**
Foreign Currency Debt Securities & other Borrowings	**29,689.04**	**3,718.78**	**104.02**	**1,220.89**	**(782.48)**	**33,950.25**
Subordinated Liabilities	**2,667.36**	**2,151.20**	**1.58**	**-**	**(1.38)**	**4,818.76**
Total	**204,366.52**	**38,583.74**	**349.86**	**1,220.89**	**(272.31)**	**244,248.70**
FY 2017-18						
Rupee Debt Securities	**148,650.96**	19,558.55	148.58	-	86.77	**168,444.86**
Commercial Paper	**-**	3,014.84	-	-	135.60	**3,150.44**
Rupee Term Loans/ WCDL	**776.66**	-350.00	-11.84	-	-	**414.82**
Foreign Currency Debt Securities & Bonds	**20,923.38**	8,395.48	46.98	235.32	87.88	**29,689.04**
Subordinated Liabilities	**2,667.21**	-	-	-	0.15	**2,667.36**
Total	**173,018.21**	**30,618.87**	**183.72**	**235.32**	**310.40**	**204,366.52**

* Movement in Interest Accrued has been considered in 'Operating Liabilities' as Cash Flow from Operating Activities.

Note: Previous period figures have been rearranged and regrouped wherever necessary.

In terms of our Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

For and on behalf of the Board

S.C. Choudhary
Partner
M.No. : 082023

Priyanshu Jain
Partner
M.No. : 530262

J.S. Amitabh
GM & Company Secretary

Sanjeev Kumar Gupta
Director (Technical)
DIN - 03464342

Ajeet Kumar Agarwal
CMD & Director (Finance)
DIN - 02231613

Place: New Delhi
Date: 24th May 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

PARTICULARS	YEAR ENDED 31.03.2018		YEAR ENDED 31.03.2017	
A. Cash Flow from Operating Activities :				
Net Profit before Tax	**6,941.24**		8,972.36	
Adjustments for:				
1. Profit / Loss on Sale of Fixed Assets	**0.56**		0.52	
2. Depreciation & Amortization	**69.59**		39.69	
3. Provisions and Contingencies	**1,415.83**		1,110.31	
4. Interest on Commercial Paper	**135.60**		300.46	
5. Interest Expense of Misc. Borrowings	**29.91**		15.79	
6. Excess Provision written back	**-0.71**		-1.42	
7. Profit on sale/redemption of investments	**-**		-79.75	
8. Loss/ Gain(-) on Exchange Rate fluctuation	**61.65**		47.37	
9. Dividend from Investments	**-26.85**		-63.15	
10. Interest on Long-term Investments/ Govt. Securities	**-231.87**		-239.22	
11. Provision made for Interest on Advance Income Tax	**5.53**		2.82	
12. Provision in respect of Amounts recoverable	**6.19**		-	
13. Discount on Bonds written off	**1.66**		0.14	
14. Interest Accrued on Zero Coupon Bonds	**89.50**		82.45	
Operating profit before Changes in Operating Assets & Liabilities:	**8,497.83**		10,188.37	
Increase / Decrease :				
1. Loan Assets	**-37,474.64**		-650.38	
2. Other Operating Assets	**-4,366.37**		-177.34	
3. Operating Liabilities	**4,876.43**		13.87	
Cash flow from Operations	**-28,466.75**		9,374.52	
1. Income Tax Paid (including TDS)	**-2,213.77**		-2,592.07	
2. Income Tax refund	**2.57**		22.07	
Net Cash Flow from Operating Activities		**-30,677.95**		6,804.52

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

PARTICULARS		YEAR ENDED 31.03.2018		YEAR ENDED 31.03.2017	
B.	**Cash Flow from Investing Activities**				
1.	Sale of Fixed Assets	**0.14**		0.06	
2.	Purchase of Fixed Assets (incl. CWIP, Intangible Assets under development & Capital Advances)	**-506.29**		-203.19	
3.	Investment in shares of Energypro Assets Limited	**-56.54**		-0.60	
4.	Investment in shares of NHPC Ltd. (net of sale)	**-**		-400.80	
5.	Investment in shares of HUDCO Ltd.	**-2.08**		-	
6.	Redemption of 8% Government of Madhya Pradesh Power Bonds-II	**94.32**		94.32	
7.	Redemption of Bonds of UP Power Corporation Ltd.	**-**		76.65	
8.	Profit on sale/redemption of investments	**-**		79.75	
9.	Interest on Long term Investments/ Govt. Securities	**232.49**		242.43	
10.	Dividend from Investments	**39.77**		66.54	
11.	Investment in Shares of Fellow Subsidiary Companies	**0.10**		0.05	
12.	Fixed Deposit made during the year	**-212.58**		-38.12	
13.	Fixed Deposit matured during the year	**46.40**		16.95	
14.	Investments in CP/CDs (Net)	**-29.00**		-35.00	
Net Cash Flow from Investing Activities			**-393.27**		-100.96
C.	**Cash Flow from Financing Activities**				
1.	Issue of Shares including Share Application Money	**31.39**		31.39	
2.	Issue of Bonds (Net of redemptions)	**19,558.55**		5,871.66	
3.	Raising of Term Loans/ STL from Banks/ FIs (Net of repayments)	**18.27**		-881.04	
4.	Raising of Foreign Currency Loan (Net of redemptions and inclusive of related derivative payments)	**8,360.41**		-833.33	
5.	Funds received from GOI for further disbursement as Subsidy/ Grant including interest (Net of refund)	**10,635.24**		8,027.15	
6.	Disbursement of grants	**-10,563.91**		-8,039.66	
7.	Payment of Dividend on Equity Shares	**-1,997.71**		-1,889.43	
8.	Payment of Corporate Dividend Tax	**-404.94**		-384.66	
9.	Interest Paid on Misc. Borrowings	**-29.91**		-15.73	
10.	Issue of Commercial Paper (Net of repayments)	**3,014.84**		-5,833.16	

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crores)

PARTICULARS		YEAR ENDED 31.03.2018		YEAR ENDED 31.03.2017
Net Cash flow from Financing Activities		**28,622.23**		-3,946.81
Net Increase/Decrease in Cash & Cash Equivalents		**-2,448.99**		2,756.75
Cash & Cash Equivalents as at the beginning of the year		**4,580.28**		1,823.59
Cash & Cash Equivalents as at the end of the year		**2,131.29**		4,580.34

Components of Cash & Cash Equivalents as at end of the year are:

(₹ in Crores)

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
- Cash in Hand (including postage & imprest)	**0.02**	0.03
- Balances with Banks in:		
- Accounts with RBI and other banks	**1,819.53**	934.71
- Unpaid Dividend Accounts #	**3.49**	2.75
- Undisbursed DDUGJY, AG&SP, NEF and Other Grants #	**212.36**	0.51
- Short-term Deposits with Scheduled Banks	**95.89**	2,482.34
- Short term Investment in Debt Mutual Funds	**-**	1,160.00
Total Cash & Cash Equivalents	**2,131.29**	4,580.34

These balances are not available for free use by the Company as they represent earmarked balances held in respective grant accounts and unpaid dividends.

Further, Balances with Banks include ₹2.13 Crores (Previous year ₹2.13 Crores) and ₹1,469.23 Crores (Previous year Nil) set aside for grants disbursement and amount pending allotment of securities respectively and not available for free use by the Company.

Short-term Deposits with Scheduled Banks include ₹39.02 Crores (Previous year ₹23.20 Crores) earmarked towards DDUGJY and other grants and ₹2.91 Crores (Previous year ₹5.99 Crores) earmarked towards Swachh Vidyalaya Abhiyan (SVA).

Note : Previous year figures have been rearranged and regrouped wherever necessary.

For and on behalf of the Board

J.S. Amitabh
GM & Company Secretary

Ajeet Kumar Agarwal
Director (Finance)
DIN - 02231613

P.V. Ramesh
Chairman and Managing Director
DIN - 02836069

In terms of our Report of even date

For G.S. Mathur & Co.
Chartered Accountants
Firm Reg. No.: 008744N

For A.R. & Co.
Chartered Accountants
Firm Reg. No.: 002744C

S.C. Choudhary
Partner
M.No. : 082023

Priyanshu Jain
Partner
M.No. : 530262

Place: New Delhi
Date: 28th May 2018