

PRIVATE PLACEMENT OFFER LETTER SERIES 218





REC LIMITED

(Formerly Rural Electrification Corporation Limited)
(A Maharatna Enterprise of the Government of India)

Corporate Identification Number: L40101DL1969GOI005095. Permanent Account Number: AACR4512R

Date and Place of Incorporation: New Delhi, July 25, 1969

Registered Office: Core - 4, SCOPE Complex, 7 Lodi Road, New Delhi, 110003.

Corporate Office: REC Limited, Sector 29, Gurugram, Haryana, 122009

Telephone: (+91 11) 4309 1527. E-mail: investorcell@recl.in. Website: www.recindia.nic.in

Compliance Officer to the Issue: Mr. Rajesh Kumar CGM (Finance); Telephone: (+91-12) 4444 1300; E-mail: rajeshkumar@recl.in

Company Secretary: Mr. J.S. Amitabh, Company Secretary; Telephone: (+91 11) 2436 7305; E-mail: jsamitabh@recl.in

Director (Finance) / Chief Financial Officer: Mr. Ajoy Choudhury; Telephone: (+91-11) 43091504, 24361914; E-mail: achoudhury@recl.in

RBI Certificate of Registration Number: 14.000011

PRIVATE PLACEMENT OFFER LETTER FOR PRIVATE PLACEMENT OF SERIES 218 (I) UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS UNDER OPTION A OF RS. 500 CRORE FOR CASH AT PAR ("SERIES 218-A BASE ISSUE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UPTO RS. 2500 CRORE, AGGREGATING TO RS. 3000 CRORE ("SERIES 218-A ISSUE"), AND (II) UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS UNDER OPTION B OF RS. 500 CRORE FOR CASH AT PAR ("SERIES 218-B BASE ISSUE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UPTO RS. 1504.40 CRORE, AGGREGATING TO RS. 2004.40 CRORE ("SERIES 218-B ISSUE"), TOGETHER WITH THE SERIES 218-A ISSUE, THE "ISSUE". FOR THE PURPOSES OF THIS PRIVATE PLACEMENT OFFER LETTER, (I) "BASE ISSUE SIZE" MEANS EITHER THE SERIES 218-A BASE ISSUE OR THE SERIES 218-B BASE ISSUE; (II) "ISSUE" MEANS EITHER THE SERIES 218-A ISSUE OR THE SERIES 218-B ISSUE; AND (III) "ISSUE SIZE" MEANS THE AMOUNT OF EITHER THE SERIES 218-A ISSUE OR THE SERIES 218-B ISSUE. BONDS ISSUED UNDER THE SERIES 218-A ISSUE MATURE IN 3 YEARS 5 MONTHS AND 18 DAYS. BONDS ISSUED UNDER THE SERIES 218-B ISSUE MATURE IN 10 YEARS AND 19 DAYS.

PRIVATE PLACEMENT OFFER LETTER DATED JANUARY 10, 2023

This Issue is being made in conformity with the Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, ("NCS Regulations"), 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, as amended, and is a placement memorandum for the purposes of the NCS Regulations. This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis in accordance with Chapter VI of the SEBI circular on "Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", dated August 10, 2021 ("SEBI Operational Circular" read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20221228-1 dated December 28, 2022 ("BSE EBP Guidelines") or read with the "Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis" issued by the NSE vide their circular number 16/2022 dated December 28, 2022 ("NSE EBP Guidelines"), as applicable. Chapter VI of the SEBI Operational Circular and the BSE EBP Guidelines / NSE EBP Guidelines shall hereinafter be collectively referred to as the "EBP Operational Guidelines". The Issuer intends to use the BSE's bid bond platform for this Issue. There has not been any underwriting in this Issue. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

PROMOTERS

The Promoters are the President of India, acting through the Ministry of Power, Government of India and the Power Finance Corporation Limited (telephone number (+91 11) 2345 6000 and email address: pfc_bonds@pfcindia.com).

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Private Placement Offer Letter contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Private Placement Offer Letter is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Private Placement Offer Letter as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Eligible Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Eligible Investors must rely on their examination of the Issue including the risks involved in it. Specific attention of Investors is invited to statement of risk factors contained under Section X "Risk Factors" of this Private Placement Offer Letter. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or the Eligible Investor's decision to purchase such securities.

ELECTRONIC BOOK PROVIDER PLATFORM

THIS PRIVATE PLACEMENT OFFER LETTER IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS. THIS PRIVATE PLACEMENT OFFER LETTER WAS UPLOADED ON THE BSE'S ELECTRONIC BOOK PROVIDER PLATFORM, AND AN OFFER UNDER SECTION 42 OF THE COMPANIES ACT 2013, WAS MADE TO SUCCESSFUL IDENTIFIED INVESTORS ACCEPTABLE TO THE ISSUER WHICH WERE ISSUED A SERIALY NUMBERED AND SPECIFICALLY ADDRESSED PRIVATE PLACEMENT OFFER LETTER AND ACCOMPANYING APPLICATION FORM AFTER COMPLETION OF THE ELECTRONIC BIDDING.

LISTING





The Bonds are proposed to be listed on debt market segment of the National Stock Exchange of India Limited and BSE Limited. The BSE and NSE have granted their respective in-principle approvals by letters dated January 5, 2023 and January 5, 2023, respectively.

COUPON RATE	COUPON TYPE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
Series 218-A	Fixed	Annual	Series 218-A	30 June 2026
Series 218-B			Series 218-B	31 January 2033

ELIGIBLE INVESTORS

For details relating to Eligible Investors, see Section XVI "Summary Term Sheet" of this Private Placement Offer Letter.

CREDIT RATING AGENCIES

CARE RATINGS LIMITED	CRISIL LIMITED	ICRA LIMITED	INDIA RATINGS & RESEARCH PRIVATE LIMITED
 CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai, 400 076 Contact person: Mr. Krishnan Sitaraman Email Address: crisilratingdesk@crisil.com Telephone: (+ 91 22) 3342 3000 Website: www.crisil.com	 4 th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Contact person: Mr. Gaurav Dixit Email Address: gaurav.dixit@careedge.in Telephone: (+91 22) 6754 3456 Website: www.careratings.com	 B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001 Contact person: Mr. L. Shivakumar Email Address: info@icraindia.com Telephone: (+91 11) 2335 7940-45 Website: www.icra.in	 Wockhardt Towers, 4 th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Contact person: Mrs. Arunima Basu Email Address: info@indiaratings.co.in Telephone: (+91 22) 4035 6190 Website: www.indiaratings.co.in

CREDIT RATINGS

The Bonds proposed to be issued under the Issue have been rated 'CRISIL AAA/Stable' by CRISIL its revalidated letter dated December 12, 2022; 'IND AAA/Stable' by IRRPL vide its revalidated letter dated December 16, 2022; 'CARE AAA; Stable' by CARE vide its revalidated letter dated December 21, 2022; and '[ICRA] AAA (Stable)' by ICRA vide its revalidated letter dated December 15, 2022. The ratings provided by CRISIL, CARE, IRRPL 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, press releases, and the rationales for the ratings.

Link to ICRA press release: <https://www.icra.in/Rationale/ShowRationaleReport?Id=110960>

Link to CRISIL press release: https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/RECLimited_March%2031%202022_RR_290732.html

Link to CARE press release: https://www.careratings.com/upload/CompanyFiles/PR/29032022090254_REC_Limited.pdf

Link to IRRPL press release: <https://www.indiaratings.co.in/pressrelease/57969>

REGISTRAR TO THE ISSUE



KFIN TECHNOLOGIES LIMITED

Karvy Selenium Tower B, Plot No - 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad, Rangareddy, Telangana, 500 032
 Telephone: (+91 40) 6716 2222
 Facsimile: (+91 40) 2343 1551
 Email: einward.ris@kfintech.com
 Website: www.karvyfintech.com
 Contact Person: Mr. Gopal Krishna K V S
 SEBI Registration Number: INR000000221

BOND TRUSTEE



BEACON TRUSTESHIP LIMITED

4C & D Siddhivinayak Chambers, Gandhi Nagar, Bandra East, Mumbai, 400 051
 Telephone: (+91 22) 2655 8759
 Email: compliance@beacontrustee.co.in
 Website: <http://beacontrustee.co.in/>
 Contact Person: Mr. Kaustubh Kulkarni, Director
 SEBI Registration Number: IND000000569

ISSUE PROGRAMME

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY IN DATE	DEEMED DATE OF ALLOTMENT
10 JANUARY 2023	10 JANUARY 2023	12 JANUARY 2023	12 JANUARY 2023

TABLE OF CONTENTS

SECTION I	DEFINITIONS AND ABBREVIATIONS	1
SECTION II	ISSUER UNDERTAKINGS	4
SECTION III	DISCLAIMERS	5
SECTION IV	GENERAL INFORMATION	7
SECTION V	BRIEF HISTORY OF ISSUER SINCE INCORPORATION	15
SECTION VI	CORPORATE STRUCTURE - EXISTING CORPORATE ORGANOGRAM	20
SECTION VII	BRIEF SUMMARY OF BUSINESS/ACTIVITIES OF ISSUER AND ITS SUBSIDIARIES	21
SECTION VIII	MANAGEMENT	28
SECTION IX	REGULATORY DISCLOSURES	32
SECTION X	RISK FACTORS	39
SECTION XI	CAPITAL STRUCTURE	43
SECTION XII	FINANCIAL INDEBTEDNESS	50
SECTION XIII	FINANCIAL INFORMATION	52
SECTION XIV	WILFUL DEFAULTER	62
SECTION XV	NBFC DISCLOSURES	63
SECTION XVI	SUMMARY TERM SHEET	68
SECTION XVII	ISSUE PROCEDURE	75
SECTION XVIII	MATERIAL CONTRACTS AND AGREEMENTS	85
SECTION XIX	DECLARATION	86
SECTION XX	ANNEXURES	87

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. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications.

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 XVI “ <i>Summary Term-Sheet</i> ” 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, taxable bonds in the nature of debentures of face value of Rs. 1 (One) Lakh each offered under Series 218-A Bonds and Series 218-B Bonds, through private placement route under the terms of this Private Placement Offer Letter. This Issue of Bonds does not form part of ‘non-equity regulatory capital’ as set out under Chapter V of the NCS Regulations.
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 commercial banks are open for business 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.
Coupon	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of this Private Placement Offer Letter.
Coupon Payment Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of this Private Placement Offer Letter.
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 Coupon 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 XVII “ <i>Issue Procedure</i> ”.
Designated Stock Exchange	BSE Limited.
DISCOM	Distribution company.
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 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	Government of India/Central Government.

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 corporate office at 'REC Limited, Sector 29, Gurugram, Haryana, 122009' and bearing CIN L40101DL1969GOI005095.
Issue / Offer	Private placement of bonds for (i) Rs. 500 Crore for cash at par with an option to retain oversubscription by way of green shoe option up to Rs. 2500 Crore, aggregating to Rs. 3000 Crore (" Series 218-A Issue "); or (ii) Rs. 500 Crore for cash at par with an option to retain oversubscription by way of green shoe option up to Rs. 1504.40 Crore, aggregating to Rs. 2004.40 Crore (" Series 218-B Issue "). The "Issue Size" shall mean either the Series 218-A Issue or the Series 218-B Issue.
ISIN	International Securities Identification Number.
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 v. 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.
NEF	National Electricity Fund.
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.
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 XVII " <i>Issue Procedure</i> ".
PFC	Power Finance Corporation Limited.
PMA	As defined in in Section VII " <i>Brief Summary of Business / Activities of Issuer and its Subsidiaries</i> ".
PMDP	The Prime Minister Development Package for Jammu and Kashmir 2015
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 Letter	This private placement offer letter dated January 10, 2023.
Promoter	A promoter as referred 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.
RDSS	As defined in in Section VII “ <i>Brief Summary of Business / Activities of Issuer and its Subsidiaries</i> ”.
Register of Debentureholders	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 Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited)
RECTPCL	REC Transmission Projects Company Limited
Record Date	Record date of Coupon shall be 15 (fifteen) days prior to each Coupon Payment Date and 15 (fifteen) days prior to the Redemption Date. Coupon 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 prior to each Coupon Payment Date and at least 15 (fifteen) days prior to the Redemption Date, the transferees for the Bond shall not have any claim against the Issuer in respect of Coupon so paid to the registered Bondholder.
Redemption Amount	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of this Private Placement Offer Letter.
Redemption Date	As defined in Section XVI “ <i>Summary Term-Sheet</i> ” of this Private Placement Offer Letter.
Registrar to the Issue / Registrar	Registrar to the Issue, being KFin Technologies Limited.
ROC	Registrar of Companies, National Capital Territory of Delhi and Haryana.
RTGS	Real Time Gross Settlement.
SAUBHAGYA Scheme	Pradhan Mantri Sahaj Bijli Har Ghar Yojana – ‘Saubhagya’ a scheme launched by the Hon’ble Prime Minister of India on September 25, 2017.
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.
NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, 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.
Series 218-A Bonds	Unsecured, listed, rated, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures of face value of Rs. 1 (One) Lakh each, issued under the Series 218-A Issue.
Series 218-B Bonds	Unsecured, listed, rated, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures of face value of Rs. 1 (One) Lakh each, issued under the Series 218-B Issue.

SECTION II ISSUER UNDERTAKINGS

Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Bonds have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Private Placement Offer Letter. Specific attention of Eligible Investors is invited to Section X “*Risk Factors*” of the Private Placement Offer Letter for details in respect of risks relating to the Issue of Bonds.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Private Placement Offer Letter contains all information with regard to the Issuer and the Issue, that the information contained in the Private Placement Offer Letter is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect

The Issuer has no side letter with any Bond Holders. Any covenants later added shall be disclosed on the stock exchange websites where the Bonds are listed.

SECTION III 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 NCS 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 the Issuer. This document is for the exclusive use of the Eligible 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 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 Eligible Investor(s) placing reliance on any other source of information would be doing so at their or its own risk. The Issuer does not undertake to update this Private Placement Offer Letter to reflect subsequent events. The Issuer 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 Eligible Investors 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 Eligible Investors to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds.

Eligible 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 Eligible 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 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.

Unless specifically stated otherwise, all financial data in this Private Placement Offer Letter is derived from the standalone financial statements of the Issuer.

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 Eligible 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 IV GENERAL INFORMATION

4.1 ISSUER

Name of the Issuer	REC Limited (formerly known as Rural Electrification Corporation Ltd.)
Registered Office	Core-4, SCOPE Complex, 7, Lodi Road, New Delhi, 110003
Corporate Office	REC Limited, Sector 29, Gurugram, Haryana, 122009
Website	www.recindia.nic.in
E-mail	investorcell@recl.in
Telephone Number	(+91 11) 4309 1500
Fax Number	(+91 11) 2436 9849
CIN	L40101DL1969GOI005095
Date of Incorporation	July 25, 1969

4.2 ISSUE SCHEDULE

Particulars	Date
Issue Opening Date	January 10, 2023
Issue Closing Date	January 10, 2023
Pay-in Date	January 12, 2023
Deemed Date of Allotment	January 12, 2023

4.3 STOCK EXCHANGES


The Bonds are proposed to be listed on debt market segment of NSE and BSE. The BSE and NSE have granted their respective in-principle approvals by letters dated January 5, 2023, and January 5, 2023, respectively. The designated stock exchange is the BSE. The recovery expense fund has been created on the BSE.

4.4 BOND TRUSTEE


	
Name	: BEACON TRUSTEESHIP LIMITED
Address	: 4C & D Siddhivinayak Chambers, Gandhi Nagar, Bandra East, Mumbai, 400 051
Website	: http://beacontrustee.co.in/
Email address	: compliance@beacontrustee.co.in
Telephone Number	: (+91 22) 2655 8759
Contact Person	: Mr. Kaustubh Kulkarni, Director

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 the NCS 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. A copy of the due-diligence letter is also enclosed as Annexure I to this Private Placement Offer Letter.


4.5 REGISTRAR TO THIS ISSUE

	
Name	: KFIN TECHNOLOGIES LIMITED
Address	: Karvy Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad, Rangareddy, Telangana, 500 032
Website	: www.karvyfintech.com
Email address	: einward.ris@kfintech.com
Telephone Number	: (+91 40) 6716 1659
Contact Person	: Mr. Gopal Krishna K V S


4.6 LEGAL COUNSEL TO THE ISSUE

 ZBA ADVOCATES & SOLICITORS	
Name	: ZBA
Address	: 412 Raheja Chambers, 213 Nariman Point, Mumbai 400 021
Website	: https://zba.co.in/
Email address	: mail@zba.co.in
Telephone Number	: (+91 22) 6743 5013
Contact Person	: Mrs. Niloufer Lam

4.7 CREDIT RATING AGENCIES

 CareEdge Ratings • Advisory • Research • Risk Solutions	
Name	: CARE Ratings Limited
Address	: 4 th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Website	: https://www.careratings.com
Email address	: gaurav.dixit@careedge.in
Telephone Number	: (+91 11) 45333200
Contact Person	: Mr. Gaurav Dixit

 CRISIL An S&P Global Company	
Name	: CRISIL LIMITED
Address	: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai, 400 076
Website	: www.crisil.com
Email address	: crisilratingdesk@crisil.com
Telephone Number	: (+91 22) 3342 3000
Contact Person	: Mr. Krishnan Sitaraman

 ICRA A MOODY'S INVESTORS SERVICE COMPANY	
Name	: ICRA LIMITED
Address	: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001
Website	: www.icra.in
Email address	: info@icraindia.com
Telephone Number	: (+91 11) 23357940-45
Contact Person	: Mr. L. Shivakumar

 IndiaRatings & Research A Fitch Group Company	
Name	: INDIA RATINGS & RESEARCH PRIVATE LIMITED
Address	: Wockhardt Towers, 4 th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai – 400051
Website	: www.indiaratings.co.in
Email address	: infoGrp@indiaratings.co.in
Telephone Number	: (+91 22) 4035 6190
Contact Person	: Mrs. Arunima Basu, Compliance Officer

The Bonds proposed to be issued under the Issue have been rated have been rated 'CRISIL AAA/Stable' by CRISIL its revalidated letter dated December 12, 2022; 'IND AAA/Stable' by IRRPL vide its revalidated letter dated December 16, 2022; 'CARE AAA; Stable' by CARE vide its revalidated letter dated December 21, 2022; and '[ICRA] AAA (Stable)' by ICRA vide its revalidated letter dated December 15, 2022.

The Issuer declares that the ratings provided by CRISIL, CARE, IRRPL and ICRA will be valid as on the date of issuance and listing of the Bonds.

The ratings provided by CRISIL, CARE, IRRPL 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 Eligible Investors should take their own decisions.

A copy of the rating letters, detailed press releases, and rating rationales are enclosed as **Annexure II** to the Private Placement Offer Letter.

4.8 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	E-29, South Extension Part II, New Delhi-110049 Telephone: +91 98118-92964 Email: murthy@skmittal.co.in Contact Person: Mr. S. Murthy, Partner Website Link: http://skmittal.co.in/	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	B-225, 5th Floor, Okhla Industrial Area Phase-I, New Delhi - 110019 Telephone: +91 98100-87445 Email: atulaggarwal@opbco.in Contact Person: Mr. Atul Aggarwal, Partner Website Link: https://www.opbco.in/	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 the Issuer's annual report.


4.9 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	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	B-225, 5th Floor, Okhla Industrial Area Phase-I, 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.


* M/s A.R. & Co., Chartered Accountants, and M/s G.S. Mathur & Co., Chartered Accountants, were the statutory auditors of the Issuer for the Financial Year 2017-18.


4.10 ARRANGER TO THE ISSUE


Series 218 – A Bonds

	
Name	: ICICI Securities Primary Dealership Limited
Address	: 4th Floor, ICICI Center, HT Parekh Marg, Churchgate, Mumbai 400020
Website	: www.icicisecuritiespd.com
Email	: Ashutosh.garg@isecpd.com
Telephone	: +91 9810444388
Contact Person	: Mr. Ashutosh Garg


	
Name	: Axis Bank Limited
Address	: Axis House, 4th Floor, Tower 4, Sector-128, Noida-201304
Website	: www.axisbank.com
Email	: vikrant5.verma@axisbank.com
Telephone	: 0120-6210860 (D) 9811616269 (M)
Contact Person	: Mr. Vikrant Verma

	
Name	: ICICI Bank Limited
Address	: ICICI Bank Limited, Service Centre NBCC Palace, Bhism Pitamah Marg Pragati Vihar, New Delhi - 110003
Website	: www.icicibank.com
Email	: gmfixedincome@icicibank.com
Telephone	: 011-42218004
Contact Person	: Mr. Prem Singla


 We understand your world	
Name	: HDFC Bank Limited
Address	: Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013
Website	: www.hdfcbank.com
Email	: gaurav.shah2@hdfcbank.com
Telephone	: 022 66521455
Contact Person	: Gaurav Shah

	
Name	: PNB Gilts Limited
Address	: 4th Floor, PNB House, Sir P.M. Road, Fort, Mumbai - 400 001
Website	: www.pnbgilts.com
Email	: mumbai@pnbgilts.com
Telephone	: 022-2269 1809 / 10
Contact Person	: Mr. Uttam Kumar Saha


	
Name	: SBI Capital Markets Limited
Address	: SBI Capital Markets, 4th Floor, Sood Towers (East), Barakhamba Road, Delhi, India, Pin-110001
Website	: www.sbicaps.com
Email	: Shweta.narang@sbicaps.com
Telephone	: 011-23485261
Contact Person	: Ms. Shweta Narang


	
Name	: Trust Investment Advisors Private Limited
Address	: 109/110, 1st Floor, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. 1101, Naman Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.
Website	: www.trustgroup.in
Email	: mhd.trust@trustgroup.in
Telephone	: +91 022 4084 5000
Contact Person	: Ms. Nipa Sheth


	
Name	: A. K. Capital Services Limited
Address	: 910, 9th Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi - 110 001, India.
Website	: www.akgroup.co.in
Email	: pankaj.agrawal@akgroup.co.in ; akcapitals@gmail.com
Telephone	: Board: +91-11-23739628 Mobile: +91 9999305903
Contact Person	: Mr. Pankaj Agrawal, Director


	
Name	: LKP Securities Limited
Address	: Suit No. 38, 3rd Floor, Indra Place, H Block, Connaught Place, New Delhi - 110001
Website	: www.lkpsec.com
Email	: pallavi_kumari@lkpsec.com dcm@lkpsec.com
Telephone	: +91 8588861110 / +91 9811718270
Contact Person	: Ms. Pallavi Kumari, Asst. Vice President - DCM


Series 218 – B Bonds


 AXIS BANK	
Name	: Axis Bank Limited
Address	: Axis House, 4th Floor, Tower 4, Sector-128, Noida-201304
Website	: www.axisbank.com
Email	: vikrant5.verma@axisbank.com
Telephone	: 0120-6210860 (D) 9811616269 (M)
Contact Person	: Mr. Vikrant Verma


 HDFC BANK We understand your world	
Name	: HDFC Bank Limited
Address	: Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013
Website	: www.hdfcbank.com
Email	: gaurav.shah2@hdfcbank.com
Telephone	: 022 66521455
Contact Person	: Gaurav Shah


 SBI Capital Markets Limited	
Name	: SBI Capital Markets Limited
Address	: SBI Capital Markets, 4th Floor, Sood Towers (East), Barakhamba Road, Delhi, India, Pin-110001
Website	: www.sbicaps.com
Email	: Shweta.narang@sbicaps.com
Telephone	: 011-23485261
Contact Person	: Ms. Shweta Narang


 ICICI Securities Primary Dealership Limited	
Name	: ICICI Securities Primary Dealership Limited
Address	: 4th Floor, ICICI Center, HT Parekh Marg, Churchgate, Mumbai 400020
Website	: www.icicisecuritiespd.com
Email	: Ashutosh.garg@isecpd.com
Telephone	: +91 9810444388
Contact Person	: Mr. Ashutosh Garg

 YES BANK	
Name	: YES Bank Limited
Address	: 5th Floor, Max Towers, Sector 16B, Noida (UP) - 201301
Website	: ankush.siddhu@yesbank.in
Email	: www.yesbank.in
Telephone	: +91-8826311225, 0120-6791611
Contact Person	: Mr. Ankush Siddhu

	
Name	: A. K. Capital Services Limited
Address	: 910, 9th Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi - 110 001, India.
Website	: www.akgroup.co.in
Email	: pankaj.agrawal@akgroup.co.in ; akcapitals@gmail.com
Telephone	: Board: +91-11-23739628 Mobile: +91 9999305903
Contact Person	: Mr. Pankaj Agrawal, Director


	
Name	: PNB Gilts Limited
Address	: 4th Floor, PNB House, Sir P.M. Road, Fort, Mumbai - 400 001
Website	: www.pnbgilts.com
Email	: mumbai@pnbgilts.com
Telephone	: 022-2269 1809 / 10
Contact Person	: Mr. Uttam Kumar Saha


	
Name	: Kotak Mahindra Bank Ltd
Address	: Kotak Aero City, Asset Area-9, 3 rd Floor, IBIS Commercial Block, Hospitality District, IGI Airport, New Delhi- 110 037
Website	: www.kotak.com
Email	: anil.kumar@kotak.com
Telephone	: 011-66176370
Contact Person	: Mr. Anil Kumar.C


	
Name	: Tipsons Consultancy Services Private Limited
Address	: Shertone House, Opp Ketav Petrol Pump, Ambawadi, Ahmedabad 380015
Website	: www.tipsons.com
Email	: mehul.mehta@tipsons.com
Telephone	: 7966828070
Contact Person	: Mr. Mehul Mehta


	
Name	: ICICI Bank Limited
Address	: ICICI Bank Limited, Service Centre NBCC Palace, Bhism Pitamah Marg Pragati Vihar, New Delhi - 110003
Website	: www.icicibank.com
Email	: gmgfixedincome@icicibank.com
Telephone	: 011-42218004
Contact Person	: Mr. Prem Singla


	
Name	: Trust Investment Advisors Private Limited
Address	: 109/110, 1st Floor, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. 1101, Naman Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.
Website	: www.trustgroup.in
Email	: mbd.trust@trustgroup.in
Telephone	: +91 022 4084 5000
Contact Person	: Ms. Nipa Sheth

		 Edelweiss Ideas create. values protect
Name	:	Edelweiss Financial Services Limited
Address	:	Edelweiss House, Off CST Road, Kalina Mumbai - 400 098, Maharashtra, India
Website	:	www.edelweissfin.com
Email	:	prakash.sharma@edelweiss.in
Telephone	:	+91 22 4009 4400
Contact Person	:	Mr. Prakash Sharma

		
Name	:	Genev Capital Private Limited
Address	:	Eucharistic Congress III, 10th Floor, 5 Convent Road, Colaba, Mumbai - 400 039.
Website	:	www.genevcap.com
Email	:	dcm@genevcap.com
Telephone	:	(+91 22) 66064600
Contact Person	:	Ms. Pankhuri Agarwal

		 IDBI capital
Name	:	IDBI Capital Markets and Securities Limited
Address	:	5 th and 6 th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005
Website	:	https://idbicapital.com/index.asp
Email	:	hiral.shah@idbicapital.com
Telephone	:	022-68361258
Contact Person	:	Ms Hiral Shah, Asst Vice President

		 JM FINANCIAL
Name	:	JM Financial Limited
Address	:	Sood Towers (East Tower), 6th Floor, Barakhamba Road, New Delhi-110001
Website	:	www.jmfl.com
Email	:	akash.sharma@jmfl.com ; Saurav.gupta@jmfl.com ; ifidops@jmfl.com
Telephone	:	Akash - 9910069975/ 011-68135607 Saurav-9911434600/011-68135603
Contact Person	:	Mr. Akash Sharma / Mr. Saurav Gupta

		
Name	:	LKP Securities Limited
Address	:	Suit No. 38, 3rd Floor, Indra Place, H Block, Connaught Place, New Delhi - 110001
Website	:	www.lkpsec.com
Email	:	pallavi_kumari@lkpsec.com dcm@lkpsec.com
Telephone	:	+91 8588861110 / +91 9811718270
Contact Person	:	Ms. Pallavi Kumari, Asst. Vice President - DCM

Brief background of PFC

PFC was incorporated in July 16, 1986 under the Companies Act, 1956, as a public limited company, registered with the RoC, National Territory of Delhi and Haryana and received the certificate for commencement of business on December 31, 1987. PFC was incorporated as a financial institution to finance, facilitate and promote India's power sector development and was notified as a public financial institution under Section 4A of the Companies Act 1956 (now section 2(72) of Companies Act) on August 31, 1990. PFC is registered with RBI as a non-deposit taking systemically important NBFC and on July 28, 2010, PFC was classified as an Infrastructure Finance Company. PFC was conferred with the 'Mini Ratna' (Category – I) status in the year 1998, on June 22, 2007, PFC was notified as a Navratna company by the GoI and on October 12, 2021, PFC was notified as a Maharatna company by the GoI. The permanent account number of PFC is AAACP1570H.

5.4 MAJOR EVENTS AND MILESTONES

Calendar Year	Event
1969	<ul style="list-style-type: none"> Incorporation of REC.
1970	<ul style="list-style-type: none"> Commenced lending operations to SEBs
1974	<ul style="list-style-type: none"> Authorised by the Ministry of Irrigation and Power to finance rural electrification under the "Minimum Needs Programme".
1979	<ul style="list-style-type: none"> Central Institute for Rural Electrification (CIRE) set up in Hyderabad.
1988	<ul style="list-style-type: none"> Launch of Kutir Jyoti programme for rural electrification.
1992	<ul style="list-style-type: none"> Declared a Public Financial Institution under Section 4A of the Companies Act, 1956.
1993	<ul style="list-style-type: none"> Entered into MoU with the Ministry of Power for the year 1993-1994 for the first time to achieve certain performance related targets.
1998	<ul style="list-style-type: none"> Registered as a non-banking financial company by RBI under Section 45(IA) of the RBI Act, 1934.
2001	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Grant of Mini Ratna - I status.
2005	<ul style="list-style-type: none"> Appointed as the nodal agency for RGGVY (presently known as Deen Dayal Upadhyaya Gram Jyoti Yojana - DDUGJY).
2006	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 the Issuer's 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> REC received DSII 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	<ul style="list-style-type: none"> 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

Calendar Year	Event
	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	<ul style="list-style-type: none"> Nodal Agency for implementation of Outage Management System and 11 KV Rural Feeder Management System.
2017	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. REC has been placed amongst top 10 Profit making CPSEs of the country by Public Enterprises Survey 2017-18.
2019	<ul style="list-style-type: none"> Cabinet Committee on Economic Affairs on December 6, 2018 gave "in-principle" approval for acquisition of shares held by GOI in the Issuer 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 Issuer to PFC and making PFC as the majority shareholder of the Issuer. 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 Issuer. After such acquisition the Issuer 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. Achieved Universal Household Electrification by providing Electricity Connection to 2.63 Crores Households under Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) REC completed 50 (Fifty) years of its existence on July 25, 2019.
2020	<ul style="list-style-type: none"> During COVID-19 pandemic, REC has donated Rs. 150 Crores to the PM-Cares fund in addition to one day salary of its employees and also facilitated food and ration for over 36,500 needy people throughout the country. REC Foundation, the CSR arm of REC, has distributed 5000 customized packets carrying essentials for labourers and the needy, who are affected because of the lockdown due to the COVID-19 pandemic. REC successfully raised 3 year USD 500 Million Bond from Regulation 144A market on May 12, 2020 at a coupon of 4.75%, under its USD 7 Billion GMTN Programme. This is the first USD cross border issuance out of India following the COVID-19 pandemic (since Mar 5, 2020). REC recognized as the Best Organization for Women Empowerment. REC received "Excellent" Rating in MoU 2018-19. REC Limited's corporate communication team is recognized as one of the 'Top 30 Corporate Communication Teams' in India by Reputation Today.
2021	<ul style="list-style-type: none"> REC signs MoU for financing 600 MW Hydro Electric Project in Bhutan. REC's new corporate office building inaugurated at Gurugram on the occasion of its 52nd foundation day by the Hon'ble Cabinet Minister (Power, New & Renewable Energy). REC Limited and J-PAL South Asia enter Data-sharing Agreement. RECTPCL has been amalgamated into RECPDCL with effect from February 6, 2021. REC provides funding for Tata Memorial Centre.
2022	<ul style="list-style-type: none"> REC achieves a 'Perfect' score on MoU parameters for FY 2020-21 - the best amongst all CPSEs REC closes largest-ever syndicated term loan by an Indian NBFC with USD 1,175 Million term loan². Accorded "Maharatna" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength.

5.5 AWARDS AND ACCREDITATIONS

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

Calendar Year	Awards/Accreditations
1994	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Declared to be among the top ten public sector enterprises by the GOI*
2008	<ul style="list-style-type: none"> Accorded "Navratna" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making.
2009	<ul style="list-style-type: none"> 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.

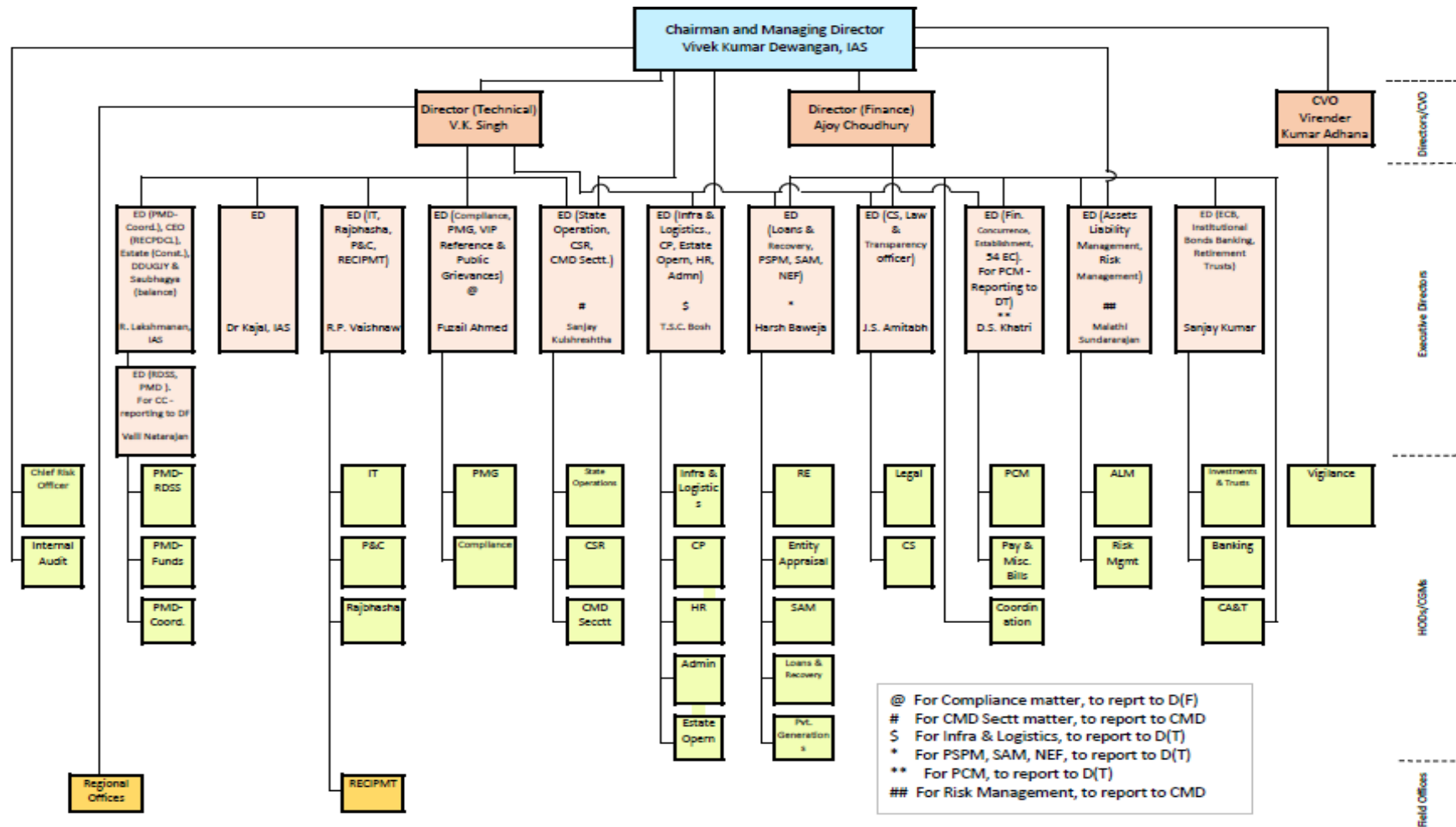
² Source: <https://recindia.nic.in/rec-closes-largest-ever-syndicated-term-loan-by-an-indian-nbfc-with-us-1-175-million>

Calendar Year	Awards/Accreditations
2010	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. The Issuer is 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	<ul style="list-style-type: none"> Received award for “Operational Excellence in Financial Services” from India Pride Awards, DainikBhaskar and DNA. “Fastest Growing Navratna PSU” award from India Today.
2016	<ul style="list-style-type: none"> Received the Central Board of Irrigation and Power award for Best Power Financing Company. 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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)

Calendar Year	Awards/Accreditations
	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. REC has been awarded with 10th PSE Excellence Awards 2019 in Corporate Governance. REC bags SKOCH Award for 'Response To Covid'.
2021	<ul style="list-style-type: none"> Best Organization for Women Empowerment' award at Women Achievers Awards 2020 by Exchange4Media. Conferred the 'CSR Shining Star Award in the field of “Women Empowerment” by the Wockhardt Foundation Conferred the Mahatma Award for CSR Excellence 2020 in the fields of education, nutrition and health.
2022	<ul style="list-style-type: none"> Named as India's Leading NBFC in Infrastructure Financing Category by Dun & Bradstreet at its BFSI & FinTech Award. Received 'Platinum' recognition at the prestigious Titan Business Awards. The Issuer was declared the winner in two categories: 'Financial Services' and 'Fastest-growing Company of the Year'. Accorded “Maharatna” status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength. REC Limited has been awarded as the 'Best PSU' in the Financial Services category and also as the 'Best Navratna' by Dun & Bradstreet for FY21-22. REC bagged the 'Best Public Sector IT Project ' award at the Technology Excellence Awards 2022

* REC has also been ranked among the top ten profit making public sector undertakings for the Fiscals 2015, 2016, 2017, 2018 and 2020 by the Ministry of Heavy Industries and Public Enterprises, GOI.

SECTION VI CORPORATE STRUCTURE - EXISTING CORPORATE ORGANOGRAM



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

7.1 OVERVIEW

The Issuer is a public financial institution 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 commenced operations in 1969 for the purpose of developing the power infrastructure in rural areas. The Issuer has contributed to the development of rural India and India's agriculture through its funding of transmission and distribution projects in rural areas.

The Issuer's mandate has evolved in accordance with the development priorities of the Government and, since Fiscal 2003, has permitted the Issuer to finance all segments of the power sector, including generation, transmission and distribution, throughout the country. The Issuer's mandate was further extended to include financing other activities linked to power projects, such as coal and other mining activities, fuel supply arrangements for the power sector and other power-related infrastructure. In June 2011, the Issuer set up a separate division for funding renewable projects in order to further achieve the goal of conserving fossil fuels and reducing our carbon footprint. On September 24, 2021, the Issuer's mandate was extended to cover financing of: (i) electrical and electromechanical/hydro systems, smart city electrification of railway lines and airports; (ii) energy conservation, energy efficiency and environmental aspects of power; (iii) financing activities having forward and/or backward linkage with power projects and to meet other enabling infrastructure facility(ies) that may be required for the development of the power/energy sector. The Board of the Company, on October 29, 2021, *inter alia*, approved extending the mandate of the Company to financing infrastructure development projects. However, such in-principle approval is not yet effected and remains subject to the approval of the Administrative Ministry, Ministry of Power and the shareholders.

REC is one of only 12 (twelve) Indian public sector undertakings to be granted "Maharatna" status by the Department of Public Enterprise by virtue of its operational efficiency and financial strength. The Government had rated the Issuer's performance as "Excellent" from Fiscal 1994 to Fiscal 2017, "Very Good" in Fiscal 2018, "Excellent" in Fiscal 2019, "Very Good" in Fiscal 2020 and "Excellent" in Fiscal 2021. In Fiscal 2021, the Issuer received the highest score of 100, and was the only entity evaluated with a perfect score amongst 123 public sector undertakings across 32 sectors. The Issuer has also been ranked among the top 10 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, the Issuer holds the highest credit rating for long-term borrowing consisting of domestic credit rating from each of IRRPL, CRISIL, ICRA and CARE. On an international basis, the Issuer holds long-term borrowing ratings from Fitch and Moody's that are at par with sovereign ratings for India.

The Issuer has a branch network of 19 (nineteen) regional offices and 1 (one) state office, spread across India. The Issuer's corporate office is at Gurugram. The Issuer also has 1 (one) training centre in Hyderabad. The registered office in New Delhi and corporate office in Gurugram deal 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.

The Board of Directors at their meeting held on June 30, 2022 provided their in-principle approval to the proposal for setting up of a wholly owned subsidiary of the Company in Gujarat International Finance Tec-City IFSC, India.

7.2 BUSINESS

Strengths

The Issuer believes that the following are its 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 its zonal/project offices in state capitals.

Strategy

The key elements of the business strategy are:

- fund the increased investment in the Indian power sector;
- maintain diversity of its 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.

7.3 PRODUCTS

Types of Loans

REC offers the following types of loans:

A. Long-term Loans

REC offers its 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. REC's 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. REC's 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 their existing assets or hypothecate all of their 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

REC offers short-term loans to its 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

REC offers 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

REC 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. REC offers debt refinancing products on the same or lower interest rate terms as its long-term loans; however, the maturity of its debt refinancing products may generally be not later than the maturity of the refinanced indebtedness.

- **Bridge Loans**

REC may provide short-term bridge loan financing for borrowers that have been sanctioned financial assistance from or through REC, 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**

REC 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. REC does not currently have any such loans outstanding.

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

In December 2009, the Board of Directors approved a new scheme pursuant to which REC intends 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 REC's existing public sector borrowers for the purpose of non-speculative purchases of power through the IEX with a maturity of 90 (ninety) days from disbursement. Power purchase loans will be secured by escrow arrangements or bank guarantees, at the discretion of the borrower.

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.

7.4 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) on going monitoring and review of the projects, including any risk or deviation; and (viii) re-grading or re-appraisal of the project.

REC has a robust system of monitoring and collection. To monitor the progress of the projects, REC appoints a separate project management agency ("PMA") for new private projects being financed, which subsumes the entire works of lender independent engineer / project management consultant, lender financial advisor and lender insurance advisor. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of progress, review of EPC/non-EPC contracts and invoices, fund utilization and insurance for the project. Further REC also has a project monitoring division to monitor the progress and a stressed assets division to ensure speedy resolution of stressed assets. Apart from this REC has offices in every state which are in regular touch with all the utilities so as to ensure timely collection of REC's dues under close co-ordination with the recovery division at the head office.

7.5 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.

Revamped Distribution Sector Scheme

The Government of India on July 20, 2021, approved the Revamped Distribution Sector Scheme - a Reforms-based and Results-linked Scheme (**RDSS**) with an outlay of Rs. 3,03,758 Crore and an estimated government budgetary support of Rs. 97,631 Crore from the central government over a period of five years from FY 2021-22 to FY 2025-26. The Company and PFC are the nodal agencies for facilitating the implementation of the RDSS. The RDSS seeks to improve the operational efficiencies and financial sustainability of all DISCOMs / power departments excluding private sector DISCOMs by providing conditional financial assistance to DISCOMs for the strengthening of supply infrastructure based on meeting pre-qualifying criteria as well as upon achievement of basic minimum benchmarks by the DISCOM evaluated on the basis of an agreed evaluation framework tied to financial improvements. The RDSS aims to reduce the AT&C losses to pan-India levels of 12 to 15 per cent. and the ACS-ARR gap to zero by 2024-25. The RDSS has the following components: (i) Part A: financial support for prepaid smart metering and system metering and up-gradation of the distribution infrastructure and appointment of project management agency by DISCOM, and (ii) Part B: training and capacity building and other enabling and supporting activities. The schemes of the DDUGJY along with PMDP (for the erstwhile State of Jammu and Kashmir) are subsumed in the RDSS, and will be implemented pursuant to their respective guidelines, terms and conditions. No new projects were permitted to be sanctioned under these schemes, however projects already sanctioned under the DDUGJY were eligible to receive funds up to March 31, 2022 under the RDSS. Further, projects sanctioned under the PMDP are eligible to receive funds until March 31, 2023.

National Electricity Fund

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.

Historically, REC has played a key role in the following Government programmes:

i) *Deendayal Upadhyaya Gram Jyoti Yojana*

DDUGJY was launched as the flagship scheme of the Government of India covering all aspects of rural power distribution launched in November 2014, and conveyed by the Ministry of Power on December 3, 2014. Under the scheme 60% of the project cost (85% for special States) was provided as a grant by Government and an additional grant of up to 15% (5% for special States) was provided by the Government on the achievement of prescribed milestones. Since the year 2014-2015, grants aggregating up to Rs. 24,410.82 Crore were released by Government of India under DDUGJY scheme. All erstwhile rural electrification schemes were subsumed in DDUGJY. REC was the nodal agency for the operationalization of DDUGJY. The outlay of the DDUGJY scheme was Rs. 785,930 million including a gross budgetary support of Rs. 630,270 million. As on April 28, 2018, all census inhabited villages were electrified.

ii) *Electrification of Un-electrified Villages under DDUGJY*

In the Independence Day address to India on August 15, 2015, the Honourable Prime Minister of India pledged that all remaining un-electrified villages in India would be electrified within 1,000 days with the help of states and local bodies. Accordingly, the MoP had expedited the electrification of all 18,452 villages as a priority. As these remaining 18,452 un-electrified villages were located in inaccessible areas, several measures and intensive monitoring mechanism strategies were adopted, to electrify these remaining villages in India. Since Financial Year 2015, grants aggregating to Rs. 24410.82 Crore has been released by Government of India under DDUGJY scheme. This scheme was closed on March 31, 2022.

iii) ***Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)***

The Honorable Prime Minister of India launched the SAUBHAGYA Scheme on September 25, 2017 to achieve universal household electrification in India through electrification of all households in both rural and urban areas. REC was designated by the MoP as the nodal agency for operationalization of the SAUBHAGYA Scheme. The capital outlay of the SAUBHAGYA scheme was Rs. 163,200 million including a gross budgetary support of Rs. 123,200 million. A grant of Rs. 5738.48 Crore was released by GoI under SAUBHAGYA Scheme. From the launch of SAUBHAGYA Scheme in October 2017 till March 15, 2022, 2.86 Crore households have been electrified. As on March 31, 2021, all the households considered under SAUBHAGYA Scheme including the households located in left-wing extremist areas have been electrified in India. This scheme was closed on March 31, 2022.

iv) ***GOI Fully Serviced Bonds***

Pursuant to the directions of the MoP and the 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 follows:

Year	Amount (Rs. Crores)
2017-2018	4000
2018-2019	13827
2019-2020	3782.3
2020-2021	2500
2021-2022	-

v) ***The Prime Minister Development Package for Jammu and Kashmir 2015***

The Prime Minister Development Package for Jammu and Kashmir 2015, was announced by the Honorable Prime Minister of India on November 27, 2015. The project cost of Rs. 25,701.40 million (wherein 90% i.e. Rs. 23,016.20 million was covered by way of a Government’s grant) was approved. The PMDP project includes distribution/system strengthening projects for rural areas and aims at connecting households by replacing barbed wires and worn-out poles, replacing underground cables at tourist locations, installing consumer metering, constructing 33/11 kV sub-stations in industrial areas and electrical infrastructure at shrines. The cost of the distribution strengthening project in rural areas amounted to Rs. 11,577.60 million, for which funds were released to REC by the Government.

7.6 SUBSIDIARY AND ITS SPECIAL PURPOSE VEHICLE AS ON DECEMBER 31, 2022

The Ministry of Corporate Affairs, pursuant to its order dated February 5, 2021 has accorded its approval to the scheme of amalgamation of REC Transmission Projects Company Limited (RECTPCL) (being the transferor company) with REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited (being the transferee company) with the appointed date as April 1, 2020, and the amalgamation has come into effect from February 6, 2021. In pursuance of the approved scheme of amalgamation, the SPVs which were subsidiaries of RECTPCL have now become subsidiaries of RECPDCL.

RECPDCL is a 100% wholly 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.

As on December 31, 2022 RECPDCL has the following project specific SPVs as wholly-owned subsidiaries of RECPDCL and REC:

Sr. No.	Name of Special Purpose Vehicle	Date of Incorporation
1.	Chandil Transmission Limited	March 14, 2018
2.	Koderma Transmission Limited	March 19, 2018
3.	Dumka Transmission Limited	March 23, 2018
4.	Mandar Transmission Limited	March 26, 2018
5.	Bidar Transmission Limited	June 8, 2020
6.	MP Power Transmission Package I Limited	August 4, 2020
7.	ER NER Transmission Limited*	October 6, 2021
8.	Khavda II-A Transmission Limited	April 19, 2022
9.	Ramgarh II Transmission Limited	April 20, 2022
10.	Khavda II-B Transmission Limited	April 21, 2022
11.	Khavda II-C Transmission Limited	April 22, 2022
12.	Khavda II-D Transmission Limited	April 25, 2022
13.	Beawar Transmission Limited	April 27, 2022
14.	KPS 3 Transmission Limited	April 29, 2022
15.	KPS2 Transmission Limited	May 4, 2022
16.	KPS1 Transmission Limited	May 6, 2022
17.	Sikar Khetri Transmission Limited	May 6, 2022
18.	Khavda RE Transmission Limited	May 7, 2022
19.	Gadag II-A Transmission Limited	June 8, 2022
20.	WRSR Power Transmission Limited	September 22, 2022
21.	ERWR Power Transmission Limited	September 27, 2022

*Note: Neemuch Transmission Limited was sold and transferred to Power Grid Corporation of India Limited, the successful bidder under the tariff based competitive bidding, on August 24, 2022.

ER NER Transmission Limited was sold and transferred to Power Grid Corporation of India Limited, the successful bidder under the tariff based competitive bidding, on October 10, 2022.

Further, Luhri Power Transmission Limited was incorporated as a subsidiary of RECPDCL on October 28, 2022

7.7 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. Pursuant to amendment dated September 1, 2021 in the joint venture agreement, Power Grid Corporation of India Limited has infused fresh equity into EESL resulting in reduction of REC’s share from earlier 22.18% to 15.68% as on December 31, 2021. Hence, as on September 30, 2022, REC holds 15.68% of the paid-up equity share capital of EESL.

7.8 ENTITIES IN WHICH REC HAS EQUITY INVESTMENT

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 September 30, 2022, REC holds 1,75,57,286 equity shares of NHPC with a market value of Rs. 62.68 Crore.

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 September 30, 2022, REC holds 3,47,429 equity shares of HUDCO Limited with a market value of Rs. 1.22 Crore.

PFC Projects Limited

The Board of Directors at their meeting held on August 4, 2022 have approved subscription by the Company of 50 per cent. equity shareholding not exceeding Rs. 50 Crore in PFC Projects Limited, a power asset management company, as a 50:50 joint venture company with PFC. Further approvals may be required at the time of investment.

SECTION VIII MANAGEMENT

8.1 DETAILS OF THE BOARD

The following table sets forth details regarding the 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	Whether wilful defaulter (Yes/No)
<p>Shri Vivek Kumar Dewangan S/o Shri Chandulal Dewangan</p> <p>Chairman & Managing Director</p> <p>Term: Until further orders</p> <p>Occupation: IAS DIN: 01377212 Age: 55 years Nationality: Indian</p>	C-1/69, Bapa Nagar, Dr. Zakir Hussain Marg, Behind Delhi High Court, New Delhi-110003	May 17, 2022	<ul style="list-style-type: none"> REC Power Development and Consultancy Limited 	ACC communication no. 36/02/2022-EO (SM-1) dated May 13, 2022 and MoP Order No. 46/2/2019-RE dated May 18, 2022 read with joining documents.	No
<p>Shri Ajoy Choudhury S/o Late Shri Amarendra Narayan Choudhury</p> <p>Director (Finance) Whole time Director</p> <p>Term: Until the date of superannuation (i.e., January 31, 2024) or until further orders.</p> <p>Occupation: Service DIN: 06629871 Age: 58 years Nationality: Indian</p>	Flat No. 221, Power Grid Society, GH-23, Sector 21 C, Part 3 Faridabad 121002, Haryana, India	June 1, 2020	<ul style="list-style-type: none"> REC Power Development and Consultancy Limited 	MoP Order No. 46/9/2011-RE (228164) dated April 21, 2020	No
<p>Shri Vijay Kumar Singh S/o Shri Pratap Singh</p> <p>Director (Technical) Whole time Director</p> <p>Term: Till the date of his superannuation i.e., June 30, 2025 or until further orders</p> <p>Occupation: Service DIN: 02772733 Age: 57 years Nationality: Indian</p>	K-003 Amrapali Sapphire, Sector-45, Noida, Gautam Buddha Nagar U.P - 201301	July 15, 2022	<ul style="list-style-type: none"> REC Power Development and Consultancy Limited Nellore Transmission Limited 	MoP Order No. 46/1/2022-RE (MOP) dated July 15, 2022.	No
<p>Shri Piyush Singh S/o Shri Surendra Pal Singh</p> <p>Government Nominee Director</p> <p>Term: Until further orders from the Ministry of Power.</p> <p>Occupation: I.A.S. DIN: 07492389 Age: 45 years Nationality: Indian</p>	Flat number B2, Type 6, Tower 6, East Kidwai Nagar, New Delhi – 110023	September 14, 2022	<ul style="list-style-type: none"> NTPC Limited 	MoP Office Order No. 50/1/2019-RE dated September 14, 2022	No

Name, Designation, Term, Occupation, DIN, Age and Nationality	Residential Address	Date of Appointment / Reappointment	Other Directorships	Appointment / Resignation	Whether wilful defaulter (Yes/No)
<p>Smt. Parminder Chopra D/o Shri Jaidev Singh Khalsa</p> <p>Nominee Director of Power Finance Corporation Limited</p> <p>Term: Until further orders from the Ministry of Power.</p> <p>Occupation: Service DIN: 08530587 Age: 55 years Nationality: Indian</p>	H. No. 196, Gujranwala Town Part-2, Delhi - 110009	February 4, 2022	<ul style="list-style-type: none"> • PTC India Limited • Power Finance Corporation Limited • Chhattisgarh Surguja Power Limited • Coastal Tamil Nadu Power Limited • Deoghar Mega Power Limited • PFC Consulting Limited • Cheyyur Infra Limited • Bihar Mega Power Limited 	MoP Letter no. 27-46/1/2018-RE dated February 2, 2022 read with Board resolution dated February 4, 2022.	No
<p>Dr. Gambheer Singh S/o Late Shri Ben Singh Sendram</p> <p>Independent Director</p> <p>Term: 3 years from the date of notification of appointment or until further orders.</p> <p>Occupation: Doctor DIN: 02003319 Age: 54 years Nationality: Indian</p>	Old ACS Bungalow, Kaliwadi Chauk, Near Vishesh Police Thana, Budhapara, Raipur, Chhattisgarh - 492001, India	November 15, 2021	<ul style="list-style-type: none"> • Samarpan Hospital Private Limited 	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated November 15, 2021	No
<p>Dr. Manoj Manohar Pande S/o Shri Manohar Vinayakrao Pande</p> <p>Independent Director</p> <p>Term: 3 years from the date of notification of appointment or until further orders.</p> <p>Occupation: Doctor DIN: 09388430 Age: 50 years Nationality: Indian</p>	Shinghaniya Nagar, Arni Road, Yavatmal, Maharashtra - 445001, India	November 15, 2021	-	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated November 15, 2021	No
<p>Dr. Durgesh Nandini W/o Shri Ramji Tiwari</p> <p>Independent Director</p> <p>Term: 3 years from the date of notification of appointment or until further orders.</p> <p>Occupation: Educationist DIN: 09398540 Age: 51 years Nationality: Indian</p>	Nikhil Nilyam, Near Khorabar Thana, Suba Bazar, Gorakhpur, Uttar Pradesh - 273010, India	December 30, 2021	-	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated 27.12.2021 read with resolution passed by circulation on December 30, 2021	No

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

8.2 CORPORATE GOVERNANCE

The Issuer has generally been complying with the requirements of corporate governance as prescribed under the SEBI LODR. The Board of the Issuer at present, has a total of 8 (eight) directors, out of which 1 (one) is the Chairman and Managing Director, 2 (two) are whole time Directors, 1 (one) is nominee director of the Government of India, 1 (one) is nominee director of Power Finance Corporation Limited and 3 (three) are Independent Directors including a Woman Independent Director.

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. As on date, the positions of the requisite number of Independent Directors are vacant. The Issuer has already requested the Ministry of Power, Government of India, i.e., the appointing authority, for appointment of requisite number of Directors and the matter is under consideration by the Ministry of Power.

8.3 DETAILS OF CHANGES IN DIRECTORS IN LAST 3 (THREE) YEARS

Name	DIN	Designation	Date of Appointment	Date of Completion of Tenure	Reason
Shri Ajeet Kumar Agarwal	02231613	Director (Finance) Held additional charge as CMD during March 6, 2019 to May 31, 2020.	August 1, 2012	May 31, 2020	Ceased to be CMD and Director (Finance) of REC with effect from June 1, 2020 due to superannuation.
Shri Aravamudan Krishna Kumar	00871792	Part-time non-official Independent Director	November 13, 2015	November 12, 2019	Ceased to be a Director with effect from November 13, 2019 on completion of tenure.
Prof. Tiruvallur Thattai Rammohan	00008651	Part-time non-official Independent Director	November 13, 2015	November 12, 2019	Ceased to be a Director with effect from November 13, 2019 on completion of tenure.
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 8, 2020 on completion of tenure.
Dr. Bhagvat Kisanrao Karad	00998839	Part-time non-official Independent Director	July 17, 2018	March 11, 2020	Ceased to be a Director with effect from March 12, 2020, as resigned due to personal reasons.
Shri Praveen Kumar Singh	03548218	Nominee Director – Power Finance Corporation Limited (PFC)	June 18, 2019	January 31, 2022	Ceased to be a Director with effect from February 1, 2022, as superannuated from the nominating authority (PFC).
Shri Mritunjay Kumar Narayan	03426753	Nominee Director – Government of India	September 2, 2019	November 5, 2020	Ceased to be a Director with effect from November 5, 2020 pursuant to MoP Order.
Shri Ajoy Choudhury	06629871	Director (Finance)	June 1, 2020	Continuing	Appointment pursuant to MoP Order.
Shri Sanjay Malhotra	00992744	Chairman & Managing Director	November 9, 2020	February 10, 2022 (F/N)	Ceased to be a Director with effect from February 10, 2022 (A/N) due to appointment as Secretary, Department of Financial Services.
Shri Tanmay Kumar	02574098	Government Nominee Director	November 5, 2020	September 7, 2021	Ceased to be a Director with effect from September 7, 2021 pursuant to MoP Order.
Shri Sanjeev Kumar Gupta	03464342	Director (Technical) Held additional charge as CMD during June 1, 2020 to November 8, 2020.	October 16, 2015	October 31, 2021	Ceased to be a Director with effect from November 1, 2021 due to superannuation.
Dr. Gambheer Singh	02003319	Independent Director	November 15, 2021	Continuing	Appointment pursuant to MoP Order.
Dr. Manoj Manohar Pande	09388430	Independent Director	November 15, 2021	Continuing	Appointment pursuant to MoP Order.
Dr. Durgesh Nandini	09398540	Independent Director	December 30, 2021	Continuing	Appointment pursuant to MoP Order read with resolution passed by circulation on December 30, 2021
Smt. Parminder Chopra	08530587	Nominee Director of Power Finance	February 4, 2022	Continuing	Appointment pursuant to MoP letter read with Board resolution dated

Name	DIN	Designation	Date of Appointment	Date of Completion of Tenure	Reason
		Corporation Limited (PFC)			February 4, 2022.
Shri Sudhir Kumar Gangadhar Rahate	05254178	Chairman & Managing Director (Additional Charge)	February 22, 2022	May 9, 2022	Ceased to be a Director with effect from May 10, 2022 on appointment as Secretary, Department of Justice, Ministry of Law & Justice
Shri Ravinder Singh Dhillon	00278074	Chairman & Managing Director (Additional Charge)	May 10, 2022	May 16, 2022	Ceased to be a Director with effect from May 17, 2022 due to appointment of Shri Vivek Kumar Dewangan in the position of CMD.
Shri Vivek Kumar Dewangan	01377212	Chairman & Managing Director	May 17, 2022	Continuing	Appointment pursuant to ACC communication no. 36/02/2022-EO (SM-I) dated May 13, 2022 and MoP Order No. 46/2/2019-RE dated May 18, 2022 read with joining documents.
Shri Vijay Kumar Singh	02772733	Director (Technical)	July 15, 2022	Continuing	Appointment pursuant to MoP Order No. 46/1/2022-RE (MOP) dated July 15, 2022.
Shri Vishal Kapoor	08700132	Government Nominee Director	September 7, 2021	September 14, 2022	Ceased to be a Director with effect from September 14, 2022 pursuant to MoP Order.
Shri Piyush Singh	07492389	Government Nominee Director	September 14, 2022	Continuing	Appointed pursuant to MoP Office Order No. 50/1/2019-RE dated September 14, 2022

SECTION IX REGULATORY DISCLOSURES

9.1 INTERESTS OF 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 the 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. Kindly refer to paragraph 9.4 of this Section IX “Regulatory Disclosures” below for details of remuneration paid to the Directors of REC.

Kindly refer to paragraph 11.6 of Section XI “Capital Structure” below for shareholding of the Directors in REC.

9.2 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.

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

9.3 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

9.3.1 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.

9.3.2 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.

9.4 REMUNERATION OF DIRECTORS

9.4.1 Remuneration of Chairman and Managing Director and Whole Time Directors

The following table sets forth the details of remuneration paid to the whole-time directors during April 1, 2022 to September 30, 2022:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri Vivek Kumar Dewangan, IAS (MN: 1993), CMD ##### -w.e.f 17-05-2022 to Present	13,46,479	-	13,46,479
Shri Ravinder Singh Dhillon, CMD ##### -w.e.f 10-05-2022 to 16-05-2022	-	-	-
Shri S.K.G. Rahate, IAS (JH:1990), CMD -w.e.f 22-02-2022 to 09-05-2022	-	-	-
Shri Ajoy Choudhury, Director (Finance) -w.e.f. 01-06-2020 to Present	55,23,137	3,20,251	58,43,388
Shri. V K Singh, Director (Tech) -w.e.f. 15-07-2022 to Present	22,66,092	1,38,797	24,04,890

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2021-22:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri S.K.G. Rahate, CMD (w.e.f. February 22, 2022 to present)*****	-	-	-
Shri Sanjay Malhotra, CMD (w.e.f. November 09, 2020 to February 10, 2022)### Additional Charge of Director (Technical) (w.e.f. November 1, 2021 to January 31, 2022****)	32,21,518	67,492	32,89,010
Shri Sanjeev Kumar Gupta Director (Technical)*** (w.e.f. December 1, 2015 to October 31, 2021. Superannuated on October 31, 2021)	73,32,051	16,72,778	90,04,829
Shri Ajoy Choudhury, Director (Finance) (w.e.f. June 1, 2020 to present)	82,37,779	7,11,577	89,49,356

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2020-21:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri Sanjay Malhotra, CMD (w.e.f. Nov 09, 2020)**	11,78,250	19,500	11,97,750
Shri Ajeet Kumar Agarwal, CMD/Director (Finance) (up to May 31, 2020)	41,50,960	10,15,148	51,66,108
Shri Sanjeev Kumar Gupta, CMD (June 1, 2020 to November 08, 2020) / Director (Technical)***	71,48,568	14,34,052	85,82,620
Shri Ajoy Choudhury, Director (Finance) (w.e.f. June 1, 2020) *	67,55,084	394,742	71,49,826

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

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

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 employer contribution towards superannuation fund.

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

* Shri Ajoy Choudhury has been appointed as Director (Finance) with effect from June 1, 2020 and accordingly, the salary & allowances have been reported with effect from June 1, 2020.

- ** Shri Sanjay Malhotra has been appointed as CMD with effect from November 9, 2020 and accordingly, the salary & allowances have been reported with effect from November 9, 2020.
- *** Shri Sanjeev Kumar Gupta, Director (Technical), had taken the additional charge of CMD for the period June 1, 2020 to November 8, 2020.
- **** Ministry of Power, Government of India Vide its order dated October 21, 2021 has assigned additional charge of Director (Technical) to Shri Sanjay Malhotra, CMD for a period of three months with effect from November 1, 2021 to January 31, 2022 or until further orders, whichever is earlier.
- ***** Shri Sanjeev Kumar Gupta, Director (Technical), superannuated from the services of the corporation on October 31, 2021 and ceased to be a Director on the Board of the Issuer.
- ***** In pursuance of Ministry of Power communication No. 46/02/2019- RE dated February 22, 2022, issued with the approval of Hon'ble Minister of Power, GOI Shri S.K.G. Rahate, IAS (JH:1990) has taken over the charge of Chairman and Managing Director, REC Ltd. w.e.f. February 22, 2022 (F/N) in addition to his current job responsibilities for a period of three months or until further orders, whichever is earlier.
- ### In pursuance of communication No. 36/01/2022-EO(SM-) dated February 8, 2022 issued by the Secretariat of the Appointments Committee of the Cabinet, Ministry of Personnel, Public Grievances and Pensions, Department of Personnel and Training notifying the appointment of Shri Sanjay Malhotra, IAS (RJ:90), Chairman and Managing Director, REC Ltd. as Secretary, Department of Financial Services, Ministry of Finance, Shri Sanjay Malhotra is relieved from the charge of CMD, REC Ltd. w.e.f. February 10, 2022 (A/N).
- #### Pursuant to Ministry of Power Order No.46/2/2019-RE dated 10.05.2022 conveying the decision of Hon'ble Minister of Power and New & Renewable Energy regarding Shri Ravinder Singh Dhillon, CMD ,PFC Ltd. to look after the work of CMD ,REC Ltd. in addition to his current post responsibilities w.e.f. 10.05.2022, Shri Ravinder Singh Dhillon has assumed the additional charge of Chairman & Managing Director ,REC Ltd. w.e.f. 10.05.2022 for a period of three months or until further orders , whichever is earlier.
- ##### In pursuance of communication no. 36/02/2022-EO (SM-I) dated 13.05.2022 of the sect. of the Appointments committee of the cabinet, ministry of personnel, public grievances and pensions, department of personnel and training, government of india regarding appointment of shri Vivek Kumar Dewangan, IAS (MN: 1993), additional secretary, ministry of power as Chairman and Managing Director, REC limited in the rank and pay of additional secretary to the Government of India, shri Vivek Kumar Dewangan, IAS (MN: 1993) has assumed the charge of chairman and managing director, REC Limited w.e.f. 17.05.2022(F/N).

9.4.2 Remuneration of Part-time Non official Directors

Set forth below are the details of the sitting fees paid to Independent Directors during FY 2022-23 until September 30, 2022:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Dr. Gambheer Singh, Independent Director	2,40,000	4,80,000	7,20,000
2.	Dr. Manoj Manohar Pande, Independent Director	2,40,000	4,50,000	6,90,000
3.	Dr. Durgesh Nandini, Independent Director	2,40,000	3,00,000	5,40,000
	Total	7,20,000	12,30,000	19,50,000

Set forth below are the details of the sitting fees paid to Independent / Nominee Director during FY 2021-22:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Dr. Gambheer Singh, Independent Director	1,20,000	3,60,000	4,80,000
2.	Dr. Manoj Manohar Pande, Independent Director	1,20,000	3,30,000	4,50,000
3.	Dr. Durgesh Nandini, Independent Director	80,000	1,50,000	2,30,000
4.	Shri P K Singh, Nominee Director of PFC (ceased to be Director of the Company w.e.f. February 1, 2022)	3,60,000	4,20,000	7,80,000
5.	Smt. Parminder Chopra, Nominee Director of PFC (appointed w.e.f. February 4, 2022)*	--	--	--
	Total	6,80,000	12,60,000	19,40,000

*No sitting fees is being paid to PFC Nominee Director since February, 2022 by REC for attending Board/ Committee(s) meeting of REC.

Set forth below are the details of the sitting fees paid to Independent / Nominee Director during FY 2020-21:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri P K Singh, Nominee Director of PFC	4,00,000	5,40,000	9,40,000
	Total	4,00,000	5,40,000	9,40,000

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	2,80,000	4,40,000
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	9,80,000	17,40,000

* An honorarium of Rs. 15,000/- 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

9.5 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 2022-21, 2020-21, and 2019-18

Details of amount due from or to the related parties:

(Rs.in Crores)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Power Finance Corporation Ltd.			
Loan Repayable on Demand	-	3000.49	-
RECPDCL			
Debt Securities	57.44	57.44	10.44
Other Financial Assets	5.98	4.16	2.73
Other Financial Liabilities	6.10	5.57	3.77
REC TPCL			
Debt Securities	-	-	47
Other Financial Assets	-	-	1.26
Post-employment Benefit Plan Trusts			
Debt Securities	8.70	8.7	8.7
Debt Securities- Holding Company	19.90	19.9	19.9
Other financial liabilities- GOI Serviced Bonds	29.30	29.3	29.3
Other financial liabilities- Others	1.05	9	0.38
Other financial assets	-	-	4.21
Post-employment Benefit Plan Trusts of Ultimate Holding Company			
Debt Securities	1.90	4.1	4.1
Key Managerial Personnel			

Debt Securities	0.16	0.15	0.1
Staff Loans & Advances	0.18	0.28	0.33
Key Managerial Personnel of Ultimate Holding Company			
Debt Securities	0.17	0.12	0.12
REC Foundation			
Other Non Financial Assets	1.20	1.54	0.92
Companies in which Key Managerial Personnel are Directors			
Debt Securities	-	-	-

Details of transactions with related parties:

(Rs.in Crores)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Power Finance Corporation Ltd.			
Dividend Paid	1,269.22	1,143.44	1,143.44
Directors' Sitting Fee	0.08	0.10	0.02
Loan Repayable on Demand Raised	-	3,000.00	-
Finance Cost	14.47	0.49	-
REC PDCL			
Govt. funds disbursed	0.11	-	0.02
Apportionment of Employee Benefit and Other Expenses	19.97	8.96	7.37
Dividend Income	22.43	8.43	-
Rental Income	4.88	-	-
Finance Costs - Interest Paid	4.56	0.85	0.84
Other Expenses	12.45	7.98	9.68
REC TPCL			
Subscription to Bonds of the company	-	-	12.00
Govt. funds disbursed	-	-	9.50
Apportionment of Employee Benefit and Other Expenses	-	4.42	4.91
Dividend Income	-	-	50.00
Finance Costs - Interest Paid	-	3.71	4.76
Other Expenses	-	-	0.61
EESL			
Investment in Equity	-	-	71.60
Dividend Income	-	-	2.10
Post-employment Benefits Plan Trusts			
Contributions made by the Company during the year	18.28	1.50	31.78
Subscription to the bonds of Company	-	-	5.70
Subscription to GOI Serviced Bonds	-	-	-
Subscription to the bonds of Holding Company	-	-	1.40
Finance Costs - Interest Paid	3.28	0.74	1.70
Post-employment Benefits Plan Trusts of Holding Company			
Redemption of the bonds of Company	2.20	-	-
Finance Costs - Interest Paid	0.38	0.38	0.33
Key Managerial Personnel			
Repayment/ Recovery of Staff Loans & Advances	0.10	-	-
Interest Income on Staff Loans	0.04	-	0.01
Finance Cost	0.02	0.01	0.02
Employee Benefits Expense - Managerial Remuneration	3.05	3.21	2.45
Directors' Sitting Fee	0.13	-	0.17
Key Managerial Personnel of Ultimate Holding Company			
Finance Cost	0.01	-	0.01
REC Foundation			
Payment towards Corporate Social Responsibility (CSR) Expenses	112.00	90.00	152.49
Companies in which Key Managerial Personnel are Directors			
Finance Cost	0.35	-	-
Dividend Income	4.13	-	-

9.6 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 3 (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 3 (three) years immediately preceding the year of circulation of Private Placement Offer Letter.

9.7 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 3 (three) years immediately preceding the year of circulation of Private Placement Offer Letter.

9.8 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.

9.9 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.

9.10 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.

9.11 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.

9.12 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.

9.13 ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES

There are no material events or development or change as on date of this Private Placement Offer Letter, which affects the Issue or an Eligible Investor's decision to invest / continue to invest in the Bonds.

9.14 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
2021-22	Nil
2020-21	Nil
2019-20	Nil
2018-19	Nil
2017-18	Nil

9.15 IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE OFFER DOCUMENT

Not Applicable as the Bonds are unsecured.

9.16 PROJECT DETAILS: GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT

Not applicable.

9.17 DECLARATION

The Issuer confirms that the permanent account number of PFC and permanent account number of directors have been submitted to the stock exchange on which the Bonds are proposed to be listed, at the time of filing this Private Placement Offer Letter.

9.18 GOVERNMENT APPROVAL UNDER THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, AS AMENDED, FOR INVESTMENT IN THE DEBENTURES

Not applicable.

9.19 ANNUAL REPORTS

The annual reports of the Issuer for the last 3 (three) Financial Years are available at:
<https://recindia.nic.in/annual-reports>

9.20 REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD

Not applicable.

9.21 OBJECTS OF THE ISSUE

Particulars	Percentage
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.	100%

SECTION X 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. The Investor must rely on its own examination of the Issuer and this Issue, including the risks and uncertainties involved. 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 the Issuer currently faces. Additional risks and uncertainties not known to the Issuer or that it currently believes to be immaterial may also have an adverse effect on its business, prospects, results of operations and financial condition.

RISK RELATING TO BUSINESS OR INDUSTRY

1. The Issuer's business, and the industry in which it conducts its business, are dependent on the policies and support of the Government and the Issuer is susceptible to changes to such policies and the level of support we receive. If the changes in Government policies, are not in favour of the Issuer's business, then the same are likely to adversely affect its business, financial condition and results of its 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 the Issuer's business objectives. Any such adverse change in policies of the GoI may affect the Issuer's business.
2. The Issuer has a significant concentration of outstanding loans to certain borrowers and if the loans to these borrowers become non-performing, the quality of the Issuer's asset portfolio may be adversely affected.
3. The Issuer's competitive efficiency is dependent on its ability to maintain a low and effective cost of funds; if it is unable to do so, it could have a material adverse effect on the Issuer's business, financial condition and results of operations.
4. The Issuer may face asset liability mismatches, which could affect its liquidity and consequently have a material and adverse effect on its business, financial performance and results of operations.
5. If the Issuer is unable to manage its growth effectively, its business and financial results could be adversely affected.
6. The Issuer is currently engaged in foreign currency borrowings and is likely to do so at increased levels in the future, which will expose the Issuer to fluctuations in foreign exchange rates and if it is unable to hedge the risk effectively, it could adversely affect the Issuer's business, financial condition and results of operations.
7. Any negative trends or financial difficulties, particularly among the borrowers and borrower groups to whom the Issuer has the greatest exposure, including state electricity boards and public sector undertakings, could increase the level of non-performing assets in its portfolio and that may make it unable to service its

outstanding indebtedness. Certain state electricity boards which were the Issuer's borrowers have been restructured and the Issuer may not have transferred liabilities related with loans to the newly formed entity, which may affect the Issuer's ability to enforce the applicable provisions of the original agreement.

8. The Issuer is involved in large number of litigations and any adverse decision in these cases may affect its financial conditions.
9. The Issuer may not have obtained sufficient security and collateral from its borrowers, or it 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 its business, financial condition and results of operations.
10. The Issuer is susceptible to the volatility in interest rates in its operations and therefore may be adversely affected due to the fluctuation in interest rates.
11. The Government, through PFC continues to exercise control over the Issuer, and therefore it can determine the outcome of shareholder voting and influence the Issuer's operations.
12. 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.
13. The Government may sell all or part of its shareholding in PFC, and/or PFC may sell all or part of its shareholding in the Issuer, which may result in a change in control of the Issuer.
14. Failure to manage any acquisition that the Issuer makes may cause its profitability to suffer.
15. An inability to develop or implement effective risk management policies and procedures could expose the Issuer to unidentified risks or unanticipated levels of risk.
16. The Issuer takes advantage of certain tax benefits available to it as a lending institution. If these tax benefits were reduced or are no longer available to the Issuer, it would adversely affect its profitability.
17. The Directors may have interests in companies/entities similar to the Issuer, 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.
18. The Issuer has 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.
19. The Issuer is subject to restrictive covenants in the agreements entered into with certain banks and financial institutions for its borrowings, such as maintaining credit ratings, financial ratios, etc. Such restrictive covenants may restrict its operations or ability to expand and may adversely affect its business. Further non-compliance by the Issuer's borrowers to comply with terms and conditions such as security and insurance etc. will affect the Issuer's ability to recover the loan.
20. The escrow account mechanism for the payment obligations of the Issuer's state sector borrowers may not be effective, which may reduce its recourse in the event of defaulted loans and could have a material adverse effect on the Issuer's business, financial condition and results of operations.
21. The Issuer has 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.
22. The Issuer's contingent liabilities could adversely affect its financial condition.
23. The Issuer's 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 the Issuer's business.

24. The Issuer's success depends largely upon its management team and skilled personnel. The Issuer's ability to attract and retain such persons and disassociation of its key personnel could adversely affect its business and ability to pursue growth strategies.
25. The Issuer's borrowers' insurance of assets may not be adequate to protect these borrowers against all potential losses to which they may be subject, which could affect the Issuer's ability to recover the loan amounts due to the Issuer from these borrowers.
26. The power sector financing industry is becoming increasingly competitive and the Issuer's profitability and growth will depend on its ability to compete effectively and maintain a low effective cost of funds so as to maintain its interest income and grow its portfolio of assets.
27. Power projects carry certain risks that, to the extent they materialize, could adversely affect the Issuer's business, financial condition and results of operations.
28. Negative trends in the Indian power sector or the Indian economy could adversely affect the Issuer's business, financial condition and results of operations.
29. Material changes in the regulations that govern the Issuer and its borrowers could cause the Issuer's business to suffer.
30. The Issuer may fail to obtain certain regulatory approvals in the ordinary course of its business in a timely manner or at all, or to comply with the terms and conditions of its existing regulatory approvals and licences, which may have a material adverse effect on the continuity of the Issuer's business and may impede its effective operations in the future and may affect the Bonds.
31. The Issuer has been granted exemption from the applicability of certain prudential norms by the RBI. The Issuer cannot assure Eligible Investors that such exemption shall continue to be granted by the RBI which may affect the Issuer's business.
32. There are a number of legal and tax-related proceedings involving the Issuer. Any unfavourable development in these proceedings or in other proceedings in which the Issuer becomes involved could have a material adverse effect on the Issuer's business, financial condition and results of operation.
33. The Issuer is subject to stringent labour laws and trade union activity and any work stoppage could have an adverse material effect on its business, financial condition and results of operations.
34. Some of the Issuer's immovable properties may have certain irregularities in title, as a result of which its operations may be impaired.
35. The Issuer has invested in debt instruments that may carry interest at a lower rate than the prevailing market rate.
36. Changes in legislation or policies applicable to the Issuer could adversely affect its results of operations.
37. The Issuer's insurance may not be adequate to protect it against all potential losses to which it may be subject.
38. 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 its financial condition.
39. Any downgrading of the Issuer's debt rating or India's sovereign rating by a credit rating agency could have a negative impact on the Issuer's business.
40. If the level of credit impaired assets or non-performing assets in the Issuer's loan portfolio were to increase, the Issuer's financial condition would be adversely affected.

41. Power projects carry various project specific and general risk, which are beyond control of the Issuer 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 the Issuer lends, the willingness and ability of consumers to pay for the power produced by projects to which the Issuer lends, increased cost due to environmental changes, etc. Any adverse change in such conditions may affect the Issuer's business.
42. The Issuer may in the future conduct additional business through joint ventures and strategic partnerships, exposing it to certain regulatory and operating risks.
43. The Issuer may not be in compliance with certain regulations such as corporate governance, etc., and the same may result in imposition of penalties.
44. 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 the Issuer. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.
45. The Issuer may have a risk of prepayment penalty in respect of its financial indebtedness.
46. The security of the Issuer's information technology systems may fail and adversely affect its business, operations, financial condition and reputation.
47. This Placement Memorandum 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.

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. The Issuer's ability to pay Coupon and Redemption Amounts depends on variety of factors including its financial conditions, Indian and global market conditions, event of bankruptcy, winding up and liquidation. The Issuer cannot assure Eligible Investors of payment of Coupon or Redemption Amount 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 Eligible 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 FACTORS

1. A slow-down in economic growth of India including due to the COVID-19 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 the Issuer's 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 the Issuer.
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 the Issuer's borrowers start directly accessing the market, it may affect the Issuer's business.

SECTION XI CAPITAL STRUCTURE

11.1 DETAILS OF SHARE CAPITAL AS AT LAST QUARTER END

The equity share capital of the Issuer, as at the Quarter End dated December 31, 2022, 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

Note: 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.

11.2 CHANGES IN THE CAPITAL STRUCTURE FOR LAST 3 (THREE) YEARS AT THE QUARTER END DATED DECEMBER 31, 2022

There is no change in the capital structure of the Issuer for the last 3 (three) years, as on Quarter End dated December 31, 2022.

However, the Board of Directors, in its meeting held on June 30, 2022 had recommended the issue of bonus shares in the ratio 1:3 i.e. 1 (one) bonus Equity Share of Rs. 10 (Rupees Ten) each fully paid-up for every 3 (three) existing Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up. On August 9, 2022, the shareholders of the Company approved the issuance of bonus shares in the ratio 1:3 (at a face value of Rs. 10 per equity share) and the Company declared August 18, 2022 as the record date for determining the eligibility of shareholders for allotment of the bonus shares. The dispatch of physical share certificates/credit of bonus Equity Shares was completed within 2 (two) months of approval of the Board.

11.3 EQUITY SHARE CAPITAL HISTORY OF THE COMPANY, FOR THE LAST THREE YEARS

There is no change in the capital structure of the Issuer for the last 3 (three) years, as on Quarter End dated December 31, 2022.

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.)
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

The Issuer has issued bonus shares in the ratio 1:1 to the shareholders of the Issuer on September 30, 2016. Further, the Board of Directors, in its meeting held on June 30, 2022 had recommended the issue of bonus shares in the ratio 1:3 i.e. 1 (one) bonus Equity Share of Rs. 10 (Rupees Ten) each fully paid-up for every 3 (three) existing Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up. On August 9, 2022, the shareholders of the Company approved the issuance of bonus shares in the ratio 1:3 (at a face value of Rs. 10 per equity share) and the Company had declared August 18, 2022 as the record date for determining the eligibility of shareholders for allotment of the bonus shares.

11.4 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.

11.5 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.

11.6 EXCEPT AS SET FORTH BELOW, NONE OF THE DIRECTORS HOLD ANY EQUITY SHARES IN THE ISSUER AS ON SEPTEMBER 30, 2022

Shri Ajoy Choudhury - 1,200 Equity Shares*

*As on the date of this Private Placement Offer Letter, Shri Ajoy Choudhury holds 1600 Equity Shares.

11.7 SHAREHOLDING PATTERN AS AT THE QUARTER ENDED SEPTEMBER 30, 2022

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 Quarter ended September 30, 2022:

Table I - Summary Statement Holding of Specified Securities

Category	Category of Shareholder	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 (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 Outstanding convertible 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)		
(A)	Promoter & Promoter Group	1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0.00	0	0.00	1385993662
(B)	Public	520506	1247230338	0	0	1247230338	47.37	1247230338	0	1247230338	47.37	0	47.37	0	0.00	NA	NA	1247199178
(C)	Non Promoter-Non Public																	
(C.1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C.2)	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:	520507	2633224000	0	0	2633224000	100.00	2633224000	0	2633224000	100.00	0	100.00	0	0.00	0	0.00	2633192840

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 (A)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SEBI, 1957 (VII)) as a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible 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
	President OF India		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	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0.00	0	0.00	1385993662
	POWER FINANCE CORPORATION LTD	AAACP1570H	1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0.00	0	0.00	1385993662
	Sub-Total (A)(1)		1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0.00	0	0.00	1385993662
(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	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0.00	0	0.00	1385993662

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 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 convertible 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								
	(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	0.00	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	0.00	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	0.00	0	0.00	0	0.00			0

11.8 TOP TEN SHAREHOLDERS OF THE ISSUER AND THE NUMBER OF EQUITY SHARES HELD BY THEM, AS ON THE QUARTER END DATED SEPTEMBER 30, 2022

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	1385993662	1385993662	52.6349%
2.	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	182775961	182775961	6.9411%
3.	THE WINDACRE PARTNERSHIP MASTER FUND LP	114497333	114497333	4.3482%
4.	LIFE INSURANCE CORPORATION OF INDIA	70235478	70235478	2.6673%
5.	THE PRUDENTIAL ASSURANCE COMPANY LIMITED	30293785	30293785	1.1504%
6.	INDIA CAPITAL FUND LIMITED	20568034	20568034	0.7811%
7.	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	18760080	18760080	0.7124%
8.	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES	17192452	17192452	0.6529%
9.	HDFC LIFE INSURANCE COMPANY LIMITED	16666666	16666666	0.6329%
10.	CIM INVESTMENT FUND ICAV	13299999	13299999	0.5051%
	Total	1870283450	1870283450	71.0263%

*PAN based shareholding.

SECTION XII FINANCIAL INDEBTEDNESS

12.1 RESOURCE MOBILISATION

As on September 30, 2022, the Issuer had total outstanding borrowing of Rs. 3,38,250.02 Crores. The following table sets forth the Issuer's indebtedness classified by Rupee-denominated and foreign currency-denominated sources and the percentages such resources constituting the total indebtedness as on March 31, 2022, 2021, 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 September 30, 2022		As on March 31					
			2022		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
Rupee	2,56,290.11	75.77%	251,031.92	76.80%	2,69,695.47	83.62%	2,28,364.25	81.64%
Foreign currency	81,959.91	24.23%	75812.36	23.20%	52,815.53	16.38%	51,351.66	18.36%
Total	3,38,250.02	100.00%	326,844.28	100%	3,22,511	100%	2,79,715.91	100%

12.2 DOMESTIC BORROWINGS

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

Rupee Denominated	As on September 30, 2022		As on March 31					
			2022		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
Taxable bonds	1,46,581.90	57.19%	152,692.30	60.83%	179,989.3	66.74%	158,148.26	69.25%
54EC Capital Gain Tax Exemption bonds	31,058.32	12.12%	25,437.67	10.13%	18,121.59	6.72%	21,976.13	9.62%
Infrastructure bonds	3.96	0.00%	3.96	0.00%	11.07	0.00%	16.45	0.01%
Tax-free bonds	11,808.74	4.61%	11,808.74	4.70%	12,648.41	4.69%	12,648.41	5.54%
Term loans	63,942.19	24.95%	59,678.33	23.77%	45,738.58	16.96%	29,900	13.09%
Commercial paper	0.00	0.00%	0.00	0.00%	0	0.00%	2,925	1.28%
Working Capital Demand Loan	2,895.00	1.13%	1,410.93	0.56%	13,186.52	4.89%	2,750	1.20%
Total	2,56,290.11	100.00%	251,031.92	100.00%	269,695.47	100%	228,364.25	100%

12.3 DISCLOSURES SET OUT IN ANNEXURE V AS ON SEPTEMBER 30, 2022

- Details of secured loan facilities;
- Details of unsecured loan facilities;
- Details of non-convertible securities;
- 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.

12.4 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 3 (THREE) YEARS, UPTO DECEMBER 31, 2022

- 12.4.1 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.
- 12.4.2 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) the Issuer 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) the Issuer has not affected any kind of roll over or restructuring against any of its borrowings in the past.
- 12.4.3 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 XIII
FINANCIAL INFORMATION**

13.1 FINANCIAL INDICATORS (ON STANDALONE BASIS)

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

Particulars	As on/for the half- year ended 30.09.2022 (Un-Audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND-AS
BALANCE SHEET				
Net Fixed assets*	626.57	633.99	602.66	450.19
Current assets	-	42,265.44	40,274.67	35,880.23
Non-current assets	-	367,513.18	359,355.86	310,157.17
Total assets	424,444.39	410,412.61	400,233.19	346,487.59
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings)	-	189,994.14	192,270.72	171,402.58
Non-Current Liabilities Financial borrowings, trade payables, and other financial liabilities	-	108230.97	82,107.14	63,777.23
Provisions (non current)	-	47.51	41.32	38.7
Deferred tax liabilities (net)	-	Nil	Nil	Nil
Other non-current liabilities	-	7083.01	7,452.68	5,921.04
Current Liabilities (including maturities of long-term borrowings)	-	29639.43	45,057.34	48,574.64
Current Liabilities Financial borrowings, trade payables, and other financial liabilities	-	23996.46	29,343.33	21,329.08
Provisions	-	57	62.64	67.81
Current tax liabilities (net)	73.91	10.25	10.62	Nil
Other current liabilities	-	368.24	461.03	299.95
Equity (equity and other equity)	53456.94	50,985.60	43426.37	35076.56
Total equity and liabilities	424444.39	410412.61	400,233.19	346,487.59
PROFIT AND LOSS				
Total revenue from operations	19399.9	39132.49	35387.89	29765.21
Other income	17.16	97.96	22.55	63.92
Total Expenses	13048.48	26805.55	24654.31	22845.84
Total comprehensive income	3689.83	9986.85	8818.3	4336.37
Profit / loss	6368.58	12,424.90	10756.13	6983.29
Other comprehensive income	-1485.81	-59.07	456.52	-549.79
Profit / loss after tax	5175.64	10045.92	8361.78	4886.16
Earnings per equity share: (a) basic; and (b) diluted:				
Continuing operations	19.66	50.87	42.34	24.74
Total Continuing and discontinued operations	19.66	50.87	42.34	24.74
CASH FLOW				
Net cash generated from operating activities	-5889.17	-3962.66	-43,520.42	-32,448.26
Net cash used in / generated from investing activities	-189.32	-210.32	863.83	-135.73
Net cash used in financing activities	8327.38	3158.89	42119.05	33919.08
Cash and cash equivalents	126.4	1,140.49	1,678.03	342.94
Balance as per statement of cash flows	2375.28	126.40	1,140.49	1,678.03
ADDITIONAL INFORMATION				
Net worth	53456.94	50,985.60	43426.37	35076.56
Cash and Cash Equivalents and Other bank Balances	4510.9	2,421.70	3069.55	3699.99
Current Investments	-	61.28	37.28	1,500.62
Assets Under Management (Loan Asset)	380964.43	371,930.54	365261.49	312083.5
Off Balance Sheet Assets	Nil	Nil	Nil	Nil
Total Debts to Total assets	80%	80%	82.40%	82.64%
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income	19062.07	38186.46	34683.78	29663.07
Interest Expense	11105.36	22052.91	21489.08	18997.05
Interest service coverage ratio	-	1.56	1.50	1.37
Provisioning & Write-offs	-	3473.31	2419.62	889.56
Bad debts to Account receivable ratio	NA	NA	NA	NA
Gross NPA (%)	4.03%	4.45%	4.84%	6.59%
Net NPA (%)	1.24%	1.45%	1.71%	3.32%
Tier I Capital Adequacy Ratio (%)	-	19.58%	16.31%	13.17%
Tier II Capital Adequacy Ratio (%)	-	4.03%	3.41%	2.89%

*Net Fixed Asset = Property, Plant and Equipment + Capital Work in Progress + Intangible Assets Under Development + Other Intangible Assets

** Figures related to current and non-current classification is not applicable to the Issuer as it is preparing its financial statements in compliance with division III of Schedule III of Companies Act.

13.2 FINANCIAL INDICATORS (ON CONSOLIDATED BASIS)

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

Particulars	As on/for the half-year ended 30.09.2022 (Un-Audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND-AS
BALANCE SHEET				
Net Fixed assets*	626.86	634.39	603.29	454.18
Current assets	-	42,578.58	40,803.76	36,313.47
Non-current assets	-	367,647.12	359,459.82	310,262.43
Total assets	425097.87	410,860.09	400,866.87	347,030.08
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings)	-	189,936.70	192,213.28	171,345.14
Non-Current Financial borrowings, trade payables, and other financial liabilities	-	108,232.30	82,108.47	63,779.55
Provisions	-	48.07	42.03	39.13
Deferred tax liabilities (net)	-	Nil	Nil	Nil
Other non-current liabilities	-	7,083.27	7,452.94	5,921.46
Current Liabilities (including maturities of long-term borrowings)	-	29,637.91	45,055.83	48,573.11
Financial (borrowings, trade payables, and other financial liabilities)	-	24,127.93	29,682.75	21,599.47
Provisions	-	57.60	62.65	67.96
Current tax liabilities (net)	73.91	10.25	14.4	-
Other current liabilities	-	411.96	470.59	307.83
Equity (equity and other equity)	53,796.08	51,314.10	43763.93	35396.43
Total equity and liabilities	425097.87	410,860.09	400,866.87	347,030.08
PROFIT AND LOSS				
Total revenue From operations	19,453.44	39,269.05	35552.68	29903.93
Other income	16.62	70.15	22.72	77.27
Total Expenses	13,083.85	26,896.86	24793.84	22960.36
Total comprehensive income	3,700.47	9,977.80	8836	4418.42
Profit / loss	6,386.21	12,430.53	10779.59	7029.98
Other comprehensive income	-1,485.81	-57.90	457.76	-553.85
Profit / loss after tax	5,186.28	10,035.70	8378.24	4972.27
Earnings per equity share: (a) basic; and (b) diluted:				
Continuing operations	19.70	50.82	42.42	25.18
Total Continuing and discontinued operations	19.70	50.82	42.42	25.18
CASH FLOW				
Net cash generated from operating activities	-5,875.69	-3,909.68	-43,512.33	-32,441.57
Net cash used in / generated from investing activities	-195.15	-287.46	860.52	-148.91
Net cash used in financing activities	8,327.38	3158.89	42113.34	33926.2
Cash and cash equivalents (beginning of the period)	140.99	1,179.24	1,717.71	381.99
Balance as per statement of cash flows	2,397.53	140.99	1,179.24	1,717.71
ADDITIONAL INFORMATION				
Net worth	53796.08	51,314.10	43763.93	35397.11
Cash and Cash Equivalents and Other bank Balances	4958.74	2659.95	3402.82	3699.99
Current Investments	-	62.11	38.10	1,501.45
Assets Under Management	380964.43	371930.54	365261.49	312083.5
Off Balance Sheet Assets	Nil	Nil	Nil	Nil
Total Debts to Total assets	80%	80%	82.25%	82.50%
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income	19,066.18	38194.49	34693.95	29671.78
Interest Expense	11,103.17	22050.96	21489.05	18991.3
Interest service coverage ratio	-	1.56	1.5	1.37
Provisioning & Write-offs	-	3470.02	2445.94	919.49
Bad debts to Account receivable ratio	NA	NA	NA	NA
Gross NPA (%)	4.03%	4.45%	4.84%	6.59%
Net NPA (%)	1.24%	1.45%	1.71%	3.32%
Tier I Capital Adequacy Ratio (%)	-	19.58%	16.31%	13.17%
Tier II Capital Adequacy Ratio (%)	-	4.03%	3.41%	2.89%

*Net Fixed Asset = Property, Plant and Equipment + Capital Work in Progress + Intangible Assets Under Development + Other Intangible Assets

**Figures related to current and non-current classification is not applicable to the Issuer as it is preparing its financial statements in compliance with division III of Schedule III of Companies Act.

13.3 OTHER FINANCIAL PARAMETERS

Particulars	FY 2021-2022	FY 2020-2021	FY 2019-2020
Dividend declared (As %age of face value)	153%	127%	110%
Interest coverage ratio (times)	1.56	1.50	1.37

13.4 COLUMNAR FINANCIAL STATEMENTS

13.4.1 Standalone Balance Sheet

(Rs.in Crores)

Particulars	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	2375.28	126.40	1,140.49	1,678.03
(b) Bank balances other than (a) above	2135.62	2,295.30	1,929.06	2,021.96
(c) Derivative financial instruments	7436.88	5,510.17	2,311.22	3,318.85
(d) Loans	380964.43	371,930.54	365,261.49	312,083.50
(e) Investments	2540.54	2,157.97	1,909.77	2,313.21
(f) Other financial assets	24393.57	24,396.94	24,399.21	22,081.59
Total - Financial Assets (1)	419,846.32	406,417.32	396,951.24	343,497.14
(2) Non-Financial Assets				
(a) Current tax assets (net)	259.76	179.64	160.07	392.66
(b) Deferred tax assets (net)	3655.54	3,134.74	2,437.71	2,034.32
(c) Investment Property	0	-	0.01	0.01
(d) Property, Plant & Equipment	616.98	623.67	260.12	153
(e) Capital Work-in-Progress	6.79	6.07	335.67	287.62
(f) Intangible Assets Under Development	0	-	0.77	0.77
(g) Other Intangible Assets	2.8	4.25	6.1	8.8
(h) Other non-financial assets	55.48	46.06	81.5	113.27
Total - Non-Financial Assets (2)	4597.35	3,994.43	3,281.95	2,990.45
(3) Assets classified as held for sale	0.72	0.86	-	-
Total ASSETS (1+2+3)	424,444.39	410,412.61	400,233.19	346,487.59
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a) Derivative financial instruments	1244.87	553.14	846.31	1,325.73
(b) Debt Securities	220797.87	219,633.57	237,328.06	219,977.22
(c) Borrowings (other than debt securities)	116441.94	106,651.59	85,507.36	61,543.61
(d) Subordinated Liabilities	6554.04	6,816.47	6,946.89	4,819.65
(e) Other financial liabilities	25597.21	25,575.84	25,943.11	23,562.70
Total - Financial Liabilities (1)	370,635.93	359,230.61	356,571.73	311,228.91
(2) Non-Financial Liabilities				
(a) Current tax liabilities (net)	73.91	10.25	10.62	-
(b) Provisions	214.85	104.51	103.96	106.51
(c) Other non-financial liabilities	62.76	81.64	120.51	75.61
Total - Non-Financial Liabilities (2)	351.52	196.40	235.09	182.12
(3) EQUITY				
(a) Equity Share Capital	2633.22	1,974.92	1,974.92	1,974.92
(b) Instruments Entirely Equity In Nature	558.4	558.40	558.4	-
(c) Other equity	50265.32	48,452.28	40,893.05	33,101.64
Total - Equity (3)	53,456.94	50,985.60	43,426.37	35,076.56
Total - LIABILITIES AND EQUITY (1+2+3)	424,444.39	410,412.61	400,233.19	346,487.59

13.4.2 Consolidated Balance Sheet

(Rs.in Crores)

Particulars	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	2397.53	140.99	1,179.24	1,717.71
(b) Bank balances other than (a) above	2561.21	2,518.96	2,223.58	2,257.45
(c) Trade receivables	85.68	94.55	140.07	109.07
(d) Derivative financial instruments	7436.88	5,510.17	2,311.22	3,318.85
(e) Loans	380964.43	371,930.54	365,261.49	312,083.50
(f) Investments	2573.45	2,190.44	1,723.68	2,127.11
(g) Other financial assets	24407.88	24,415.31	24,419.88	22,101.32
Total - Financial Assets (1)	420,427.06	406,800.96	397,259.16	343,715.01
(2) Non-Financial Assets				
(a) Current tax assets (net)	274.33	191.56	168.92	409.94
(b) Deferred tax assets (net)	3680.16	3,160.12	2,461.03	2,050.57
(c) Investment Property	0	-	0.01	0.01
(d) Property, Plant & Equipment	617.2493	624.04	260.7	156.97
(e) Capital Work-in-Progress	6.79	6.07	335.67	287.62
(f) Intangible Assets Under Development	0	-	0.77	0.77

(g) Other Intangible Assets	2.82	4.28	6.15	8.82
(h) Other non-financial assets	76.4	68.68	102.67	132.37
(i) Investments accounted for using equity method	0	-	257.74	258.47
Total - Non-Financial Assets (2)	4,657.75	4,054.75	3,593.66	3,305.54
(3) Assets classified as held for sale	13.06	4.38	14.05	9.53
Total ASSETS (1+2+3)	425097.87	410,860.09	400,866.87	347,030.08
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a) Derivative financial instruments	1244.87	553.14	846.31	1,325.73
(b) Trade Payables				
(i) total outstanding dues of MSMEs		-	0.01	0.15
(ii) total outstanding dues of creditors other than MSMEs	29.41	36.48	61.5	46
(c) Debt Securities	220738.8	219,574.61	237,269.11	219,918.25
(d) Borrowings (other than debt securities)	116441.94	106,651.59	85,507.36	61,550.66
(e) Subordinated Liabilities	6554.04	6,816.47	6,946.89	4,819.65
(f) Other financial liabilities	25936.94	25,708.64	26,222.35	23,782.21
Total - Financial Liabilities (1)	370,946.00	359,340.93	356,853.53	311,442.65
(2) Non-Financial Liabilities				
(a) Current tax liabilities (net)	73.91	10.25	14.4	-
(b) Provisions	215.22	105.67	104.68	107.09
(c) Other non-financial liabilities	66.65	89.13	130.25	83.23
Total - Non-Financial Liabilities (2)	355.78	205.05	249.33	190.32
(3) Liabilities directly associated with assets classified as held for sale	0.01	0.01	0.08	0.68
(4) EQUITY				
(a) Equity Share Capital	2633.22	1,974.92	1,974.92	1,974.92
(b) Instruments Entirely Equity In Nature	558.40	558.40	558.4	-
(c) Other equity	50604.46	48,780.78	41,230.61	33,421.51
Total - Equity (4)	53,796.08	51,314.10	43,763.93	35,396.43
Total - LIABILITIES AND EQUITY (1+2+3+4)	425,097.87	410,860.09	400,866.87	347,030.08

13.4.3 Standalone Statement of Profit and Loss

(Rs. in Crores)

Particulars	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Revenue from Operations				
(i) Interest Income	19,062.07	38,186.46	34,683.78	29,663.07
(ii) Dividend Income	9.90	26.64	36.4	89.04
(iii) Fees and Commission Income	90.07	572.82	95.38	38.95
(iv) Net translation/ transaction exchange gain	0.00	0	-	-
(v) Net gain/ (loss) on fair value changes	237.86	346.57	572.33	-25.85
I. Total Revenue from Operations (i to iv)	19,399.90	39,132.49	35,387.89	29,765.21
II. Other Income	17.16	97.96	22.55	63.92
III. Total Income (I+II)	19,417.06	39,230.45	35,410.44	29,829.13
Expenses				
(i) Finance Costs	11,105.36	22,052.91	21,489.08	18,997.05
(ii) Net translation/ transaction exchange loss	936.34	799.05	330.26	2,357.90
(iii) Fees and commission Expense	6.92	16.73	9.95	25.44
(iv) Net loss on fair value changes	0.00	0	0	0
(v) Impairment on financial instruments	728.38	3,473.31	2,419.62	889.56
(vi) Employee Benefits Expenses	105.40	158.86	144.84	175.79
(vii) Depreciation and amortization	11.74	17.96	9.53	10
(viii) Corporate Social Responsibility Expenses	94.45	170.67	144.32	258.4
(ix) Other Expenses	59.89	116.06	106.71	131.7
IV. Total Expenses (i to viii)	13,048.48	26,805.55	24,654.31	22,845.84
V. Profit before Tax (III-IV)	6,368.58	12,424.90	10,756.13	6,983.29
VI. Tax Expense				
(i) Current tax	1,227.12	3,047.37	2,906.90	1,615.87
(ii) Deferred Tax	-34.18	-668.39	-512.55	481.26
Total Tax Expense (i+ii)	1,192.94	2,378.98	2,394.35	2,097.13
VII. Profit for the year	5,175.64	10,045.92	8,361.78	4,886.16
Other comprehensive Income/(Loss)				
(i) Items that will not be reclassified to profit or loss				
(a) Re-measurement gains/(losses) on defined benefit plans	-2.36	-8.33	-14.26	-2.87
(b) Changes in Fair Value of FVOCI Equity Instruments	-36.71	22.19	166.53	-129.2
(c) Income tax relating to these items				
- Re-measurement gains/(losses) on defined benefit plans	0.59	2.1	3.59	0.72
- Changes in Fair Value of FVOCI Equity Instruments	-0.11	2.55	-6.01	12.39
Sub-Total (i)	-38.59	18.51	149.85	-118.96
(ii) Items that will be reclassified to profit or loss				
(a) Effective Portion of Cash Flow Hedges	718.40	480.84	80.81	-302.12
(b) Cost of hedging reserve	-2,652.35	-584.51	329	-273.61
(c) Income tax relating to these items				
- Effective Portion of Cash Flow Hedges	-180.81	-121.02	-20.34	76.04
- Cost of hedging reserve	667.54	147.11	-82.8	68.86

Sub-Total (ii)	-1,447.22	-77.58	306.67	-430.83
VIII. Other comprehensive Income/(Loss) for the year (i+ii)	-1,485.81	-59.07	456.52	-549.79
IX. Total comprehensive Income for the year (VII+VIII)	3,689.83	9,986.85	8,818.30	4,336.37
X. Basic & Diluted Earnings per Equity Share of Rs. 10 each (in Rs.)				
(1) For continuing operations	19.66	50.87	42.34	24.74
(2) For continuing and discontinued operations	19.66	50.87	42.34	24.74

13.4.4 Consolidated Statement of Profit and Loss

(Rs. in Crores)

Particulars	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Revenue from Operations				
(i) Interest Income	19,066.18	38,194.49	34,693.35	29,671.78
(ii) Dividend Income	0.99	4.21	27.97	36.94
(iii) Fees and Commission Income	90.07	572.82	95.38	38.95
(iv) Net gain/ (loss) on fair value changes	237.86	346.57	572.33	-25.85
(v) Sale of services	58.34	150.96	163.65	182.11
I. Total Revenue from Operations (i to v)	19,453.44	39,269.05	35,552.68	29,903.93
II. Other Income	16.62	70.15	22.72	77.27
III. Total Income (I+II)	19,470.06	39,339.20	35,575.40	29,981.20
Expenses				
(i) Finance Costs	11,103.17	22,050.96	21,489.05	18,991.30
(ii) Net translation/ transaction exchange loss	936.34	799.05	330.26	2,357.90
(iii) Fees and commission Expense	6.92	16.73	9.95	25.44
(iv) Impairment on financial instruments	727.13	3,470.02	2445.94	919.49
(v) Cost of services rendered	23.83	65.11	88.51	71.61
(vi) Employee Benefits Expenses	117.86	180.09	163.62	193.15
(vii) Depreciation and amortization	11.86	18.24	10.86	11.77
(viii) Corporate Social Responsibility Expenses	95.22	172.35	146.27	259.29
(ix) Other Expenses	61.53	124.31	109.38	130.41
IV. Total Expenses (i to ix)	13,083.85	26,896.86	24,793.84	22,960.36
V. Profit before Tax (III-IV)	6,386.21	12,442.34	10,781.56	7,020.84
V. Share of Profit/Loss of Joint Venture accounted for using equity method		-11.81	-1.97	9.14
VI. Profit before Tax (III-IV+V)	6,386.21	12,430.53	10,779.59	7,029.98
VII. Tax Expense				
(i) Current tax	1,233.36	3,065.27	2,920.97	1,645.06
(ii) Deferred Tax	-33.43	-670.44	-519.62	412.65
Total Tax Expense (i+ii)	1,199.93	2,394.83	2,401.35	2,057.71
VIII. Profit for the period	5,186.28	10,035.70	8,378.24	4,972.27
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	-2.36	-8.33	-14.26	-2.87
(b) Changes in Fair Value of FVOCI Equity Instruments	-36.71	22.19	166.53	-129.2
(c) Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		-0.02	-0.05	-0.12
(d) Income tax relating to these items				
- Re-measurement gains/(losses) on defined benefit plans	0.59	2.10	3.59	0.72
- Changes in Fair Value of FVOCI Equity Instruments	-0.11	2.55	-6.01	12.39
Sub-Total (i)	-38.59	18.49	149.8	-119.08
(ii) Items that will be reclassified to profit or loss				
(a) Effective Portion of Cash Flow Hedges	718.40	480.84	80.81	-302.12
(b) Cost of hedging reserve	-2,652.35	-584.51	329	-273.61
(c) Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	1.19	1.29	-3.94
(d) Income tax relating to these items				
-Effective Portion of Cash Flow Hedges	-180.81	-121.02	-20.34	76.04
- Cost of hedging reserve	667.54	147.11	-82.8	68.86
Sub-Total (ii)	-1,447.22	-76.39	307.96	-434.77
Other comprehensive Income/(Loss) for the period (i+ii)	-1,485.81	-57.90	457.76	-553.85
X. Total comprehensive Income for the period (VIII+IX)	3,700.47	9,977.80	8,836.00	4,418.42
XI. Basic & Diluted Earnings per Equity Share of Rs. 10 each (in Rs.)				
(1) For continuing operations	19.70	50.82	42.42	25.18
(2) For continuing and discontinued operations	19.70	50.82	42.42	25.18

13.4.5 Standalone Statement of Cash Flows

(Rs.in Crores)

Particulars	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
A. Cash Flow from Operating Activities:				
Net Profit before Tax	6368.58	12,424.90	10,756.13	6,983.29
Adjustments for:				
1. Loss on derecognition of Property, Plant and Equipment (net)	1.39	0.97	4.03	1.69
2. Loss on derecognition of Asset held for sale (net)	-1.46	-30.19		
3. Loss /(Gain) on cessation of significant influence in Joint Venture (EESL)		-29.01		
3. Depreciation & Amortization	11.74	17.96	9.53	10
4. Impairment losses on Financial Instruments	728.38	3473.31	2,419.62	889.56
5. Adjustments towards Effective Interest Rate in respect of Loans	32.98	-11.95	32.61	53.02
6. Adjustments towards Effective Interest Rate in respect of Borrowings		-111.31	152.19	62.31
7. Fair Value Changes in Derivatives	-237.57	-351.36	-545.92	47.72
8. Fair Value Changes in FVTPL Instruments		12.78	-2.43	-6.4
9. Interest on Commercial Paper		14.76	35.32	463.66
10. Interest Accrued on Zero Coupon Bonds			81.78	105.29
11 Loss/ (Gain) on Exchange Rate fluctuation	-1,137.06	-2164.42	526.71	2,342.27
12. Dividend Income	-11.76			
13. Interest Income on Investments				
14. Provision made for Interest on Advance Income Tax			22.71	-
Operating profit before Changes in Operating Assets & Liabilities	5755.22	13,246.44	13,492.28	10,952.41
Inflow / (Outflow) on account of :				
1. Loan Assets	-9304.45	-9,877.12	-56,522.42	-41,664.59
2. Derivatives	442.46	-2,460.52	711.2	-407.7
3. Other Operating Assets	-485.77	-631.18	-1,706.71	-5,372.97
4. Operating Liabilities			3,187.83	5,776.56
	-1,053.68	-1,186.90		
Cash flow from Operations	-4646.22	-909.28	-40,837.82	-30,716.29
1. Income Tax Paid (including TDS)	-1242.96	-3,076.64	-2,694.33	-1,748.64
2. Income Tax refund		23.26	11.73	16.67
Net Cash Flow from Operating Activities	-5889.17	-3,962.66	-43,520.42	-32,448.26
B. Cash Flow from Investing Activities				
1. Sale of Property, Plant & Equipment	0.05	0.10	0.16	0.11
2. Sale of assets held for sale	1.60	31.24		
3. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	-5.19	-47.84	-73.18	-97.09
4. Investment in Intangible Assets (including intangible assets under development & Capital Advances)		-0.25	-0.9	-2.75
5. Finance Costs Capitalised		-5.1	-22.04	-15.79
6. Investment in Equity Shares of Joint Venture (EESL)			-	-71.6
7. Sale/ (Investment) in Equity Shares and Venture Capital Fund	4.76	431.17	249.92	4.23
8. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)		-716.17	-872.28	47.16
9. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	-190.54	96.53	1582.15	-
10 Interest Income from investments				
11. Dividend Income				
Net Cash Flow from Investing Activities	-189.32	-210.32	863.83	-135.73
C. Cash Flow from Financing Activities				
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	-489.76	-20,844.10	15,499.66	21,280.39
2. Issue/ (Redemption) of Commercial Paper (net)		-14.76	-2,925.00	-5,270.30
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks / FIs (net)	5747.94	2164.16	26,275.47	7,899.65
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	3070.02	24310.58	2,884.39	12,617.57
5. Raising/ (Redemption) of Subordinated Liabilities (net)			1,999.50	-
6. Issue of Perpetual Debt Instruments entirely equity in nature			558.4	-

7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature				-0.94		-
8. Coupon Expenses on Perpetual Debt Instruments entirely equity in nature			-45.6			
8. Payment of Dividend on Equity Shares			-2411.37	-2,172.41	-2,172.41	
9. Payment of Corporate Dividend Tax				-	-435.78	
10. Repayment towards Lease Liability			-0.02	-0.02	-0.04	
11. Repayment towards Lease Liability Interest amount						
12. Issue Expenses on Bonus Issue of Equity Shares	-0.82					
Net Cash flow from Financing Activities		8327.38		3,158.89	42,119.05	33,919.08
Net Increase/Decrease in Cash & Cash Equivalents		2248.88		-1,014.09	-537.54	1,335.09
Cash & Cash Equivalents as at the beginning of the year		126.40		1,140.49	1,678.03	342.94
Cash & Cash Equivalents as at the end of the year		2375.28		126.40	1,140.49	1,678.03

13.4.6 Consolidated Statement of Cash Flows

(Rs.in Crores)

PARTICULARS	As at 30-09-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
A. Cash Flow from Operating Activities:				
Net Profit before Tax	6386.21	12,430.53	10,779.59	7,029.98
Adjustments for:				
1.Loss on derecognition of Property, Plant and Equipment (net)	1.39	0.97	4.69	1.69
2. Loss on derecognition of Asset held for sale (net)	-1.46	-30.19		
3.Loss /(Gain) on cessation of significant influence in Joint Venture (EESL)				
4.Depreciation & Amortization	11.86	18.24	10.86	11.78
5.Impairment losses on Financial Instruments	727.13	3,470.02	2,445.94	919.48
4. Impairment allowance on Assets Classified as Held for Sale		9.71		
6.Adjustments towards Effective Interest Rate in respect of Loans	32.98	-11.95	32.61	53.02
7.Adjustments towards Effective Interest Rate in respect of Borrowings		-111.31	152.19	62.31
8.Fair Value Changes in Derivatives	-237.57	-351.36	-545.92	47.72
9.Fair Value Changes in FVTPL Instruments		12.78	-2.43	-6.4
10.Interest on Commercial Paper		14.76	35.32	463.66
11Interest Accrued on Zero Coupon Bonds			81.78	105.29
12. Loss/ (Gain) on Exchange Rate fluctuation	-1137.06	-2,164.42	526.71	2,342.27
13. Loss/ (Gain) on sale of investments			-	-3.16
14. Dividend Income	-11.76			
15. Interest Income on Investments & others				
16. Provision made for Interest on Advance Income Tax			22.71	-
17. Liabilities written back	1.30			
18. Interest expense on other liabilities				
19. Share of Profit/Loss of Joint Venture accounted for using equity method		11.81	1.97	-9.14
Operating profit before Changes in Operating Assets & Liabilities	5773.02	13,299.59	13,546.02	11,018.50
Inflow / (Outflow) on account of :				
1.Loan Assets	-9304.45	-9,877.12	-56,522.42	-41,664.59
2.Derivatives	442.46	-2,460.52	711.20	-407.7
3.Other Operating Assets	-675.39	-433.09	-1,827.24	-5,112.80
4.Operating Liabilities	-859.49	-1,360.41	3,264.58	5,485.70
Cash flow from Operations	-4623.85	-831.55	-40,827.86	-30,680.89
1.Income Tax Paid (including TDS)	-1251.84	-3,101.39	-2,696.20	-1,777.35
2.Income Tax refund		23.26	11.73	16.67
Net Cash Flow from Operating Activities	-5875.69	-3,909.68	-43,512.33	-32,441.57
B. Cash Flow from Investing Activities				
1.Sale of Property, Plant & Equipment	0.05	0.10	0.35	0.11
2.Sale of assets held for sale	1.60			
		31.24		
3.Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	-5.20	-47.90	-73.30	-97.51

4. Investment in Intangible Assets (including intangible assets under development)			-0.25		-0.95		-2.75	
5. Finance Costs Capitalised			-5.10		-22.04		-15.79	
6. Investment in Equity Shares of Joint Venture (EESL)					-		-71.6	
7. Sale/ (Investment) in Equity Shares and Venture Capital Fund	4.76		431.17		249.92		4.23	
8. Sale/(Investment) of/in shares of associate companies (Net)	-8.80		0.82		-0.40		0.3	
9. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)			-716.17		-872.28		50.31	
10. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	-190.54		96.07		1,582.15		-	
11. Maturity/(Investment) of/in Corporate and Term deposits			-77.44		-2.93		-18.31	
12. Realisation of investments accounted for using equity method					-		2.1	
13. Sale of Investments in bonds								
14. Maturity/(Investment) of Corporate and Term deposits	2.98							
15. Dividend Income								
16. Realisation of investments accounted for using equity method								
Net Cash Flow from Investing Activities		-195.15		-287.46		860.52		-148.91
C. Cash Flow from Financing Activities								
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	-489.76		-20,844.10		15,499.66		21,293.39	
2. Issue/ (Redemption) of Commercial Paper (net)			-14.76		-2,925.00		-5,270.30	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net)	5747.94		2,164.16		26,270.47		7,904.65	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	3070.02		24,310.58		2,884.39		12,617.57	
5. Raising/ (Redemption) of Subordinated Liabilities (net)					1,999.50		-	
6. Issue of Perpetual Debt Instruments entirely equity in nature					558.40		-	
7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature					-0.94		-	
8. Coupon Expenses on Perpetual Debt Instruments entirely equity in nature			-45.60					
8. Payment of Dividend on Equity Shares			-2,411.37		-2,172.41		-2,172.41	
9. Payment of Corporate Dividend Tax					-		-446.06	
10. Repayment towards Lease Liability			-0.02		-0.73		-0.64	
11. Issue Expenses on Bonus Issue of Equity Shares	-0.82							
Net Cash flow from Financing Activities		8327.38		3,158.89		42,113.34		33,926.20
Net Increase/Decrease in Cash & Cash Equivalents		2256.54		-1,038.25		-538.47		1,335.72
Cash & Cash Equivalents as at the beginning of the year		140.99		1,179.24		1,717.71		381.99
Cash & Cash Equivalents as at the end of the year		2397.53		140.99		1,179.24		1,717.71

13.5 DEBT EQUITY RATIO (ON A STANDALONE BASIS)

Particulars	Pre-Issue*	Post-Issue#
Debt / Equity (A/B)	6.28	6.58

* Pre issue figures are as on September 30, 2022.

No effect has been given for changes in equity and debt instruments subsequent to September 30, 2022, except Rs. 3000 Crore towards Institutional Bond Series 214-B (Re-issue) and Rs. 3,889 Crore towards Institutional Bond Series 215 and Rs. 1,701.50 Crore towards Institutional Bond Series 216-A and Rs. 2,000 Crore towards Institutional Bond Series 216-B and Rs. 500 Crore towards Institutional Bond Series 217 and Rs. 3000 Crore towards proposed Institutional Bond Series 218-A and Rs. 2004.40 Crore towards proposed Institutional Bond Series 218-B.

13.6 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
2021-22	There has not been any change in accounting policies of the Issuer in FY 2021-22.
2020-21	<p>Non-current assets held for sale</p> <p>Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Issuer; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such non-current assets are measured at lower of carrying amount or fair value less selling costs.</p> <p>Non-current assets held for sale are presented separately from other assets in the Balance Sheet and are not depreciated or amortised while they are classified as held for sale.</p> <p>Intangible Assets under Development</p> <p>Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use. <i>Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'</i></p> <p>Dividend and Other Payments to holders of Instruments classified as Equity</p> <p>Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively. <i>Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the Company.</i></p> <p>Taxation</p> <p>Paragraph on 'dividend distribution' is deleted as redundant after renouncement of dividend distribution tax.</p>
2019-20	The Issuer has implemented newly effective Ind-AS accounting standards during the year 2019-20. Further, the Company has applied hedge accounting requirements in Ind AS 109 prospectively from 1 January 2020, wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency.

13.7 AUDITED FINANCIAL STATEMENTS (I.E. PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT), ON A STANDALONE AND CONSOLIDATED BASIS FOR A PERIOD OF THREE COMPLETED YEARS

The details are enclosed as Annexure VI to this Private Placement Offer Letter.

The audited financial statements are available at: <https://recindia.nic.in/financial-results>

The hyperlink set out above, relating to the audited financial statements as on March 31, 2022, March 31, 2021, and March 31, 2020, are incorporated by reference to this Private Placement Offer Letter.

13.8 LIMITED REVIEW FINANCIAL INFORMATION AS ON SEPTEMBER 30, 2022

The limited review financial information as on September 30, 2022 is available at: <https://recindia.nic.in/uploads/files/FY-results-22-23-Q2.pdf>

The hyperlink set out above, relating to the limited review financial information as on September 30, 2022, is incorporated by reference to this Private Placement Offer Letter.

13.9 DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY

Contingent Liabilities not provided for in respect of:

(Rs.in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
A	Claims against REC not acknowledged as debts	0.78	0.24
B	Taxation Demands		
B (i)	- Demands raised by the Income Tax Department	152.77	10.49
B (ii)	- Demands against appeals filed by the Income Tax Department against the relief allowed to REC	0.90	0.30
B (iii)	- Demands raised in respect of GST	17.89	-
	Guarantees	-	-
	Others		
	- Letters of Comfort	4,068.95	2,608.85

Notes:

- The amount referred to in 'A' above are in respect of cases pending in various courts and is dependent upon the verdict of the court.
- The amount referred to in B(i) above are against the various demands raised by Income Tax Department. REC is contesting these demands and the management believes that its position will likely be upheld in the appellate process.
- The amount referred to in B(ii) above are against the appeal filed by Income Tax Department in High Court against the relief allowed to REC at ITAT level.
- The amount referred to in B(iii) above is against the GST refund appeal filed by REC.

Commitments not provided in respect of:

(Rs.in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
A	Contracts remaining to be executed on capital account		
A (i)	- Towards Property, Plant & Equipment	129.13	225.95
A (ii)	- Towards Intangible Assets	-	0.16
B	Other Commitments		
B (i)	- CSR Commitments	399.13	259.26

**SECTION XIV
WILFUL DEFAULTER**

Neither the Issuer, PFC, 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 XV NBFC DISCLOSURES

Sr. No.	Particulars of Disclosure	Details	Paragraph Number
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC	Lending Policy	7.4 and 15.1.1
		Classification of loans given to associate or entities related to board, senior management, promoters, etc	15.1.2
		Classification of loans into several maturity profile denomination	15.1.3
		Aggregated exposure to top 20 borrowers	15.1.4
		Details of loans, overdue and classified as NPA	15.1.3 (H)
2.	Details of borrowings made by NBFC	Portfolio summary of borrowings made by NBFC	7.3 and 15.2.1
		Quantum and percentage of secured vs. unsecured borrowings	15.2.3
3.	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India	15.2.4
4.	Disclosures of assets under management	Segment wise break up and type of loans	15.1.3 (C)
5.	Details of borrowers	Geographical location wise	15.1.3 (E)
6.	Details of Gross NPA	Segment wise	15.1.3 (F)
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket	15.1.3 (G)
8.	Disclosure of latest ALM statements to stock exchange	-	15.2.5

15.1 DETAILS WITH REGARD TO THE LENDING DONE BY THE ISSUER OUT OF THE ISSUE PROCEEDS OF DEBT SECURITIES IN LAST THREE YEARS

15.1.1 Lending Policy

Please see Section 7.4 on ‘Lending Policies’ in Chapter VIII “Brief Summary of Business / Activities of Issuer and its Subsidiaries”.

15.1.2 Classification of loans / advances given to associates, entities / person relating to board, senior management, promoters, others, etc.

There have not been any loans / advances given to associates, entities / person relating to board, senior management, promoters, others, etc

15.1.3 **Classification of loans/advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.**

A. TYPE OF LOANS

Type of loans/advances (principal outstanding) given by the Issuer as on March 31, 2022:

Sl. No.	Type of Loans	Rs. in Crores
1	Secured	354,766.88
2	Unsecured	30,604.12
	Total assets under management (AUM)*^	385,371.00

*Information disclosed at borrower level (and not by loan account). ^ There are no off-balance sheet items in this respect.

B. DENOMINATION OF LOANS OUTSTANDING BY LOAN TO VALUE (LTV)

Denomination of loans outstanding by LTV* as on March 31, 2022: Not applicable**

Sl. No.	LTV	Percentage of AUM
1	Upto 40%	-
2	40-50%	-
3	50-60%	-
4	60-70%	-
5	70-80%	-
6	80-90%	-
7	>90%	-
	Total	-

*LTV at the time of origination.

** The Issuer's lending policy does not evaluate loans based on LTV, given the nature of wholesale lending that the Issuer provides. Consequently, calculation based on LTV is not applicable to the Issuer.

C. DETAILS OF SECTORAL EXPOSURE

Types of loans according to sectoral exposure as on March 31, 2022 is as follows:

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1	Retail	-
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
2	Wholesale	-
A	Infrastructure (Power)	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector	-
E	Others	-
	Generation	39%
	Renewable	3%
	Transmission & Distribution	58%
	Total	100%

D. DENOMINATION OF LOANS OUTSTANDING BY TICKET SIZE*

Denomination of loans outstanding by ticket size as on March 31, 2022:

Sl. No.	Ticket size	Percentage of AUM
1	Upto Rs. 2 Lakh	-
2	Rs. 2-5 Lakh	-
3	Rs. 5 - 10 Lakh	-
4	Rs. 10 - 25 Lakh	0.0001%
5	Rs. 25 - 50 Lakh	0.0001%
6	Rs. 50 Lakh - 1 Crore	0.0009%
7	Rs. 1 - 5 Crore	0.0133%
8	Rs. 5 - 25 Crore	0.0979%
9	Rs. 25 - 100 Crore	0.4561%
10	>Rs. 100 Crore	99.4315%
	Total	100%

Note: Information provided at borrower level (and not loan account as a customer may have multiple loan accounts).

E. GEOGRAPHICAL CLASSIFICATION OF BORROWERS (TOP 5 STATES BORROWER WISE)

Geographical classification of borrowers as on March 31, 2022:

Sl. No.	Top 5 states	Percentage of AUM
1	Telangana	15.30%
2	Tamil Nadu	13.41%
3	Uttar Pradesh	12.68%
4	Rajasthan	10.70%
5	Maharashtra	9.14%
	Total	61.22%

F. SEGMENT WISE GROSS STAGE 3 ASSETS AS ON MARCH 31, 2022

Sl. No.	Segment-wise break-up of Gross Stage 3 Assets	Gross Stage 3 Assets %
1	Retail	-
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
2	Wholesale	-
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector	-
E	Others	-
	Generation	94.28%
	Renewable	0.34%
	Transmission & Distribution	5.37%
	Total	100%

G. RESIDUAL MATURITY PROFILE OF ASSETS AND LIABILITIES (IN LINE WITH THE RBI FORMAT)

Rs. in Crores

As at 31 March 2022	1 to 7 days	8-14 days	Over 15 Days & up to 1 Month	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Loan Assets	158.66	-	2,077.03	2,142.80	6,181.63	8,892.93	19,691.55	74,970.39	74,346.88	183,368.77	371,830.64
Investments	-	-	-	-	2.81	2.82	55.65	80.05	180.59	1,836.05	2,157.97
Non-Derivative Financial Liabilities :											
Rupee Borrowings											
Debt Securities	19.34	367.83	330.52	993.71	7,777.02	4,636.58	15,212.32	53,696.32	39,118.89	67,453.84	189,606.38
Other Borrowings	6.56	-	200.55	1,150.00	1,000.00	2,149.40	5,165.59	17,836.77	15,155.52	18,796.23	61,460.63
Subordinated Liabilities	-	-	-	168.38	126.46	-	2.11	2,499.73	-	4,019.79	6,816.47
Foreign Currency Borrowings											
Debt Securities	-	-	-	172.81	40.17	89.14	-	17,755.78	6,805.78	5,163.50	30,027.17
Other Borrowings	5.62	2.42	4.43	2,747.65	2,910.57	2,680.96	4,506.16	8,499.93	20,837.27	2,996.02	45,191.04
Foreign Currency Assets (other than Borrowings)	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (other than Borrowings)	-	-	-	-	-	-	-	-	-	-	-

H. DETAILS OF LOANS, OVERDUE AND CLASSIFIED AS NON-PERFORMING IN ACCORDANCE WITH RBI STIPULATIONS

- (i) Movement of Gross Stage 3 Assets in accordance with IND-AS as on March 31, 2022

Movement of Gross Stage 3 Assets*	Rs. in Crores
(a) Opening balance of Gross Stage 3 Assets*	18,256.93
(b) Additions during the Financial Year ended on March 31, 2022	1516.73
(c) Reductions during the Financial Year ended on March 31, 2022	-2,613.75
(d) Closing balance of Gross Credit Impaired Assets*	17,159.90

For the policy related to recognition of stage 3 assets, please refer to Annexure VI: Financial Information.

- (ii) Movement of provisions for Gross Stage 3 Assets in accordance with IND-AS as on March 31, 2022

Movement of Provisions for Gross Stage 3 Assets*	Rs. in Crores
(a) Opening balance	11,791.31
(b) Provisions made during the Financial Year ended on March 31, 2022	1,732.64
(c) Write-off/write-back of excess provisions	-1,958.21
(d) Closing balance	11,565.73

15.1.4 Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on corporate governance for NBFCs

Concentration of Advances as on March 31, 2022	Amount
Total advances to top twenty borrowers (Rs. in Crores)	239,602.97
Percentage of advances to twenty largest borrowers to total exposure of the Issuer on borrowers	62.17%

Concentration of Exposures as on March 31, 2022	Amount
Total exposure to top twenty borrowers (Rs. in Crores)	329,335.41
Percentage of exposures to twenty largest borrowers to total exposure of the Issuer on borrowers	61.93%

Concentration of Credit Impaired Assets as on March 31, 2022	Amount
Total Outstanding to top four credit-impaired assets (Rs. in Crores)	8,645.97
Total Exposure to the above four credit-impaired assets (Rs. in Crores)	8,645.97

15.2 ADDITIONAL DISCLOSURES

15.2.1 A portfolio summary with regard to industries/sectors to which borrowings have been made

Please see Section 7.3 on 'Products' in Chapter VIII "Brief Summary of Business / Activities of Issuer and its Subsidiaries".

15.2.2 NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer

Rs. in Crore

As on	March 31, 2022	March 31, 2021	March 31, 2020
Gross Stage-3	17,160.00	18,256.93	21,255.55
Provision	11,566.00	11,791.31	10,552.13
Net Credit Impaired Assets	5,594.00	6,465.62	10,703.42

15.2.3 Quantum and percentage of secured vis-à-vis unsecured borrowings made as on March 31, 2022

Sr. No.	Particulars	Amount in Crore	Percentage to total
1	Secured Borrowings	39,201.44	11.99%
2	Unsecured Borrowings	287,642.56	88.01%
	Total	326,844.00	100%

15.2.4 Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI

There has been no change in the Promoters' holdings during the last Financial Year beyond the 26% (twenty six percent) threshold, as prescribed by RBI as on March 31, 2022.

15.2.5 Disclosure of latest ALM statements to stock exchange as on March 31, 2022

Rs. In Crore

Time-Buckets as per RBI	Cash Inflows	Cash Outflows
Opening Cash & Bank balance		
1-7 days	770	280
8-14 days	-	386
15-30/31 days	2,969	595
Over 1 month upto 2 Month	3,702	5,679
Over 2 months upto 3 months	12,276	12,913
Over 3 month & up to 6 month	17,969	11,114
Over 6 Month & up to 1 year	36,944	32,865
Over 1 year & upto 3 years	134,954	130,974
Over 3 years & upto 5 years	119,010	102,659
Over 5 Years	255,311	126,750
Total	583,906	424,216

SECTION XVI SUMMARY TERM SHEET

REC Limited (formerly known as Rural Electrification Corporation Limited) proposes to raise bonds with Base Issue Size of Rs. 500 Crore under Series 218-A (with maturity of 3 years, 5 months and 18 days) and Base Issue Size of Rs. 500 Crore under Series 218-B (with maturity of 10 years and 19 days) with Green Shoe Option to retain oversubscription up to Rs. 2500 Crore for Series 218-A and Rs. 1504.40 Crore for Series 218-B.

Series	218-A	218-B
Security Name	7.56%REC Limited 2026	7.69%REC Limited 2033
Issuer	REC Limited (formerly known as Rural Electrification Corporation Limited)	
Type of Instrument	Unsecured, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures.	
Seniority	Unsecured, senior and unsubordinated bond.	
Mode of Issue	Private placement.	
Eligible Investors	<ol style="list-style-type: none"> 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, authorized 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, authorized 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	<ol style="list-style-type: none"> 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 NSE. The Bonds will be listed on the BSE and NSE on or before 3 (three) trading days from the Issue Closing Date.	
Rating of the Instrument	ICRA AAA by ICRA. CRISIL AAA by CRISIL CARE AAA by CARE IND AAA by IRRPL	
Total Issue Size	Rs. 3000 Crore with green-shoe option to retain oversubscription	Rs. 2004.40 Crore with green-shoe option to retain oversubscription
Base Issue Size	Rs. 500 Crores	Rs. 500 Crores
Option to retain oversubscription (Amount)	Rs. 2500 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.	Rs. 1504.40 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

Reasons of retaining oversubscription	To meet the Issuer's fund requirements for lending and repayment of liabilities.	
Minimum Subscription	Not applicable as the Issue is being made on private placement basis.	
Minimum Application and in multiples of Debt Securities thereafter	Application must be for a minimum size of Rs. 1 Crore (100 Bonds) and in multiple of Rs. 1 Lakh (1 Bond) thereafter.	Application must be for a minimum size of Rs. 1 Crore (100 Bonds) and in multiple of Rs. 1 Lakh (1 Bond) thereafter.
Objects of the Issue	100% of the amount raised through this private placement shall be used 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.	100% of the amount raised through this private placement shall be used 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.	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.
Tenure	3 years, 5 months and 18 days.	10 years and 19 days.
Redemption Date **	30 June 2026.	31 January 2033.
Coupon Rate	7.56%	7.69%
Step Up/Step Down Coupon Rate	Not applicable.	Not applicable.
Coupon Payment Frequency	Annually each year.	Annually each year.
Coupon Payment Date*	First interest payment on 30 June 2023, and then on 30 June every year, and the last interest payment on 30 June 2026 along with maturity proceeds.	First interest payment on 31 January 2024, and then on 31 January every year, and the last interest payment on 31 January 2033 along with maturity proceeds.
Coupon Type	Fixed, payable annually.	Fixed, payable annually.
Coupon Reset Frequency	Not applicable.	Not applicable.
Coupon Reset Process	Not applicable.	Not applicable.
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	<p>2% per annum over the Coupon Rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount.</p> <p>2% per annum over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the bond trust deed is not executed in accordance with the timeline under applicable law.</p> <p>1% (one percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.</p>	

	In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.	
Redemption Amount	Redeemed at the face value of Bonds	Redeemed at the face value of Bonds
Redemption Premium /Discount	Nil	Nil
Issue Premium/Discount	Nil	Nil
Issue Price	Rs.1 Lakh per Bond	Rs.1 Lakh per Bond
Face Value	Rs.1 Lakh per Bond	Rs.1 Lakh per Bond
Discount at which security is issued and the effective yield as a result of such discount.	Nil	Nil
Put Option Payment Date	Not Applicable.	Not Applicable.
Put Option Price	Not Applicable.	Not Applicable.
Put Notification Time	Not Applicable.	Not Applicable.
Put Option	Not Applicable.	Not Applicable.
Call Option Payment Date	Not Applicable.	Not Applicable.
Call Option Price	Not Applicable.	Not Applicable.
Call Notification Time	Not Applicable.	Not Applicable.
Call Option	Not Applicable.	Not Applicable.
Bidding Date	10 January 2023	10 January 2023
Issue Opening Date	10 January 2023	10 January 2023
Issue Closing Date	10 January 2023	10 January 2023
Pay-in Date	12 January 2023	12 January 2023
Deemed Date of Allotment	12 January 2023	12 January 2023
Settlement Cycle	T + 2 day ('T' being the bidding date as set out above)	T + 2 day ('T' being the bidding date as set out above)
No. of Applications	N.A.***	N.A.***
Issuance mode of the Instrument	In dematerialized mode.	In dematerialized mode.
Trading mode of the Instrument	In dematerialized mode.	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 Convention	<p>If the Coupon Payment Date falls on a holiday, the payment of Coupon 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.</p> <p>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.</p> <p>It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days when commercial banks are open for business in Mumbai.</p>	

	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.	15 (Fifteen) days prior to each Coupon Payment Date or Redemption Date.
All covenants of the Issue (including side letters, accelerated payment clauses etc).	<p>In addition to those set out in this summary term sheet, the covenants in relation to the Issue of Bonds are as set out in Annexure IV (Clause A) to the Private Placement Offer Letter.</p> <p><i>Side Letters:</i> The Issuer has not entered into any side letters containing separate covenants for the Bonds.</p> <p><i>Accelerated payment:</i> The payment of the Bonds can be accelerated only on the occurrence of an 'Event of Default'. For further details, please refer to Annexure IV (Clause B) to the Private Placement Offer Letter.</p>	
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the Bondholder over and above the coupon rate as specified in the Bond Trust Deed and disclosed in the Private Placement Offer Letter.	The Bonds are unsecured.	
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 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 NSE for seeking their in-principle approval for listing of Bonds; 12. Listing Agreement with BSE and 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.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As set out in Annexure IV (Clause D) to the Private Placement Offer Letter.
Creation of Recovery Expense Fund	The Issuer will create a recovery expense fund with the BSE as the Designated Stock Exchange, in the manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 and circular number SEBI/HO/MIRSD/CRADT/CIR/P/2022/67 dated May 19, 2022, as amended from time to time, and inform the Bond Trustee about the same.
Conditions for Breach of Covenants (as specified in the Bond Trust Deed)	In cases of default by the Issuer in the performance or observance of any covenant, obligation, condition or provision contained in the Bond Trust Deed (other than the obligation to pay principal and Interest) and such default continues for 30 (thirty) business days or is not rectified within 7 (seven) business days after written notice has been given thereof by the Bond Trustee to the Issuer requiring the same to be remedied, the same will be construed as an Event of Default. In cases of default committed in payment of the principal amount or two consecutive defaults on payment of Interest of the Bonds on the due date(s), unless it is due to technical error beyond control of the Issuer, the same will be construed as an Event of Default. The Bond Trustee may waive any breach by the Issuer of any of the covenants and provisions in the Bond Trust Deed.
Remedies on Events of Default	As mentioned in the Bond Trust Deed.
Cross Default	Not applicable. Not applicable.
Bond Trustee	BEACON Trusteeship Limited.
Registrar	Kfin Technologies 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.
Risk Factors Pertaining to the Issue of Bonds	Please refer to Section X (<i>Risk Factors</i>) of the Private Placement Offer Letter for details in respect of risks relating to the Issue of Bonds.
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, IRPPL, ICRA and CRISIL will be valid as on the date of issuance and listing of the Bonds; 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 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 the 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. Making listing application for Bonds and receiving listing permission with BSE and NSE on or before 3 (three) trading days from the Issue Closing Date; and 5. Submission of Bond Trust Deed with BSE and NSE within 5 (five) working days of execution of the same for uploading on their website.

	Further, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in the 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 the 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 the 'Issue Procedure' section of the Private Placement Offer Letter.	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 the 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 the 'Issue Procedure' section of the Private Placement Offer Letter.
Settlement Mechanism	Through clearing corporation of BSE.	Through clearing corporation of BSE.
Allocation Option	Uniform yield.	Uniform yield.
Bidding type	Closed bidding.	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 New Delhi.	

* Under the SEBI Operational Circular, 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 Operational Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the interest amount.

** Under the SEBI Operational Circular, 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 SEBI Operational Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the redemption amount.

*** Under the NBFC Directions, there shall be no limit on the number of subscribers in respect of issuances with a minimum subscription of Rs.1 Crore and above.

Note: If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed. The list of documents which has been executed in connection with the issue and subscription of Bonds are set out in Section XVIII. The principal and Interest amount of the Bonds is unsecured. The recovery of 100% of the amount of the Bonds shall depend on the market scenario prevalent at the time of enforcement. The Issuer has provided granular disclosures in PPOL, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue" in Section XVI "Summary Term Sheet" and Paragraph 9.17.

Illustration of Bond Cash Flows for Bond Series 218 - A

Issuer	REC Limited
Face Value (per security)	Rs.1,00,000/-
Date of Allotment	12 January 2023
Date of Redemption	30 June 2026
Tenure	3 years, 5 months and 18 days
Coupon Rate	7.56%
Frequency of the Interest Payment with specified dates	Annual. First interest payment on 30 June 2023, and then on 30 June every year, and the last interest payment on 30 June 2026 along with maturity proceeds.
Day Count Convention	Actual / Actual

Cash Flows For One Bond With A Face Value of Rs. 1,00,000 for Bond Series 218 - A

Particulars	Original		Revised		No. of Days	Cash Flow
	Day	Date	Day	Date		
1st Coupon	Friday	6/30/2023	Friday	6/30/2023	169	3,500
2nd Coupon	Sunday	6/30/2024	Monday	7/1/2024	366	7,560
3rd Coupon	Monday	6/30/2025	Monday	6/30/2025	365	7,560
4th Coupon	Tuesday	6/30/2026	Tuesday	6/30/2026	365	7,560
Redemption	Tuesday	6/30/2026	Tuesday	6/30/2026	365	100,000
TOTAL:						126,180

Illustration of Bond Cash Flows for Bond Series 218 - B

Issuer	REC Limited
Face Value (per security)	Rs.1,00,000/-
Date of Allotment	12 January 2023
Date of Redemption	31 January 2033
Tenure	10 years and 19 days
Coupon Rate	7.69%
Frequency of the Interest Payment with specified dates	Annual. First interest payment on 31 January 2024, and then on 31 January every year, and the last interest payment on 31 January 2033 along with maturity proceeds.
Day Count Convention	Actual / Actual

Cash Flows For One Bond With A Face Value of Rs. 1,00,000 for Bond Series 218 - B

Particulars	Original		Revised		No. of Days	Cash Flow
	Day	Date	Day	Date		
1st Coupon	Wednesday	1/31/2024	Wednesday	1/31/2024	384	8,090
2nd Coupon	Friday	1/31/2025	Friday	1/31/2025	366	7,690
3rd Coupon	Saturday	1/31/2026	Saturday	1/31/2026	365	7,690
4th Coupon	Sunday	1/31/2027	Monday	2/1/2027	365	7,690
5th Coupon	Monday	1/31/2028	Monday	1/31/2028	365	7,690
6th Coupon	Wednesday	1/31/2029	Wednesday	1/31/2029	366	7,690
7th Coupon	Thursday	1/31/2030	Thursday	1/31/2030	365	7,690
8th Coupon	Friday	1/31/2031	Friday	1/31/2031	365	7,690
9th Coupon	Saturday	1/31/2032	Saturday	1/31/2032	365	7,690
10th Coupon	Monday	1/31/2033	Monday	1/31/2033	366	7,690
Redemption	Monday	1/31/2033	Monday	1/31/2033	366	100,000
TOTAL:						177,300

SECTION XVII ISSUE PROCEDURE

The terms of the Issue are set out under Section XVI “*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.

17.1 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 21, 2022 and delegation provided thereunder;
- (i) 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 September 24, 2021; and
- (ii) 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 EBP 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 NCS 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. 1 (One) Lakh each and is issued at par. The Bonds shall be redeemable at par i.e. for Rs. 1 (One) Lakh 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. This Issue of Bonds does not form part of ‘non-equity regulatory capital’ as set out under Chapter V of the NCS Regulations.

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 (100 (One Hundred) Bonds) and in multiples of INR 1 (One) Lakh (1 (One) Bond) thereafter.	Full Issue Price i.e. INR 1 (One) Lakh 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 Issuer shall have an option at its sole discretion to retain over-subscription up to the Issue Size. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

17.2 ISSUE PROCESS

Who Can Apply

The Investors as specified in Section XVI “*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 XVI “*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 - EPB Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP 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.

Confirmation by Eligible Investor

Each Eligible Investors confirms that it is not using any software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond - EPB Platform / NSE Bond - EBP Platform.

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 EBP 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. Provided that such changes in bidding date or time shall be allowed for a maximum of 2 (two) times in accordance with the EBP Operational Guidelines.

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

(i) Bidding Process

- (a) The bidding process on the BSE Bond - EPB Platform / NSE Bond - EBP Platform shall be on an anonymous order driven system.
- (b) Bid shall be made by way of entering bid in:
 - (A) Price; or
 - (B) Coupon (in %), up to four decimal places; or
 - (C) Spread in basis points (bps).

Further, the bid amount shall be specified in Indian Rupees.

- (c) The bidding process, in cases where the coupon / spread is discovered during bidding, shall be based on the following: the face value remaining constant, bids / quotes shall be placed by the Eligible Investors in terms of coupon / spread.

(ii) Modification of Bid

- (a) Eligible Investors may note that modification of bid is allowed during the bidding period.
- (b) However, in the last 10 (ten) minutes of the bidding period, revision of bid is only allowed for:
 - (A) downward revision of coupon/ spread or upward modification of price; and/or
 - (B) Upward revision in terms of the bid size.

(iii) Cancellation of Bid

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

(iv) **Multiple Bids**

Investors may note that multiple bids are permitted. An Arranger can bid on behalf of multiple participants, subject to the limits of more than 5% (five per cent.) of the Base Issue Size or Rs. 100,00,00,000 (Rupees One Hundred Crores), whichever is lower (or such revised limits as may be specified in the EBP Operational Guidelines from time to time), for each Eligible Investor.

(v) **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 EBP 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:
 - (a) proprietary bid; or
 - (b) a client bid, i.e. being entered on behalf of an Eligible Investor; or
 - (c) 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 client bid(s) (i.e. bids made on behalf of Eligible Investors).
- (iii) For client bids (i.e. 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 (whether qualified institutional buyers or non- qualified institutional buyers); 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 Rs. 100,00,00,000 (Rupees One Hundred Crores), whichever is lower (or such revised limits as may be specified in the EBP Operational Guidelines from time to time). An Arranger can bid, on behalf of multiple Eligible Investor, subject to the above limits, as may be specified in the EBP Operational Guidelines.

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 EBP Operational Guidelines. A withdrawal

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 (i.e. the highest yield at which a bid is accepted) in the Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the EBP, where the Base Issue Size is fully subscribed.

Disclosure of estimated cut-off yield on 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.

If the Issuer has withdrawn the Issue pursuant to point (iii), where the cut-off yield of the Issue is higher than 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.

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

Determination of Coupon

The Coupon will be decided in accordance with the EBP Operational Guidelines.

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, EBP 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. For issuances with open bidding, the details of bids shall be disseminated on a real time basis; however, for issuances with closed bidding, the information shall be disseminated after closure of bidding.

The Issuer shall have an option at its sole discretion to retain over-subscription up to the Issue Size. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

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

- (i) all bids shall be arranged in accordance with “yield priority” basis, further,
 - (a) in case of in case of ‘uniform yield allotment’, allotment and settlement value shall be based on the face value;
 - (b) in case of ‘multiple yield allotment’, allotment and settlement value shall be based on the price adjusted as per the coupon/ spread quoted by each Eligible Investor in the bidding process.
- (ii) where two or more bids have the same coupon/price/spread and time, then allotment shall be done on “pro-rata” basis.

Anchor Portion within the Base Issue Size

There no anchor investor for this Issue of Bonds.

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 an Eligible Investor, 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.

Further, in case of non-fulfillment of pay-in obligations by Eligible Investors, such Eligible Investors shall be debarred from accessing the bidding platform across all EBPs for a period of 30 (thirty) days from the date of such default. In case of 3 (three) instances of non-fulfillment of pay-in obligations, across all EBPs, by Eligible Investors for whom an Arranger has bid, then such Arranger shall be debarred from accessing all EBPs, for a period of 7 (seven) days from the date of the such third or subsequent default.

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 Chapter VI of the SEBI Operational Circular. 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 Coupon 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.

17.3 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. 1 (One) Lakh. 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, Coupon will be paid or Redemption Amount will be paid 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 Section XVI “*Summary 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 maturity.

Default Interest on the Bonds

2% per annum over the coupon rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount.

2% per annum over the coupon rate will be payable by the Issuer for the period of delay in cases where the bond trust deed is not executed in accordance with the timeline under applicable law.

1% (one percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.

In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.

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 the Issuer. This list shall be considered for payment of Coupon or Redemption Amount, as the case may be.

Record Date

Record date of Coupon shall be 15 (fifteen) days prior to each Coupon Payment Date and 15 (fifteen) days prior to the Redemption Date. Coupon shall be paid to the person whose name appears as sole/first in the Register of Debentureholders/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 prior to each Coupon Payment Date and at least 15 (fifteen) days prior to the Redemption Date, the transferees for the Bond shall not have any claim against the Issuer in respect of Coupon 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, Coupon / Redemption Amount will be paid 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 its 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 XVI “*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 Debentureholders 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 Coupon or Redemption Amount with respect to Bonds, Coupon or Redemption Amount payments shall be made only on the days when commercial banks are open for business in Mumbai.

Settlement/Payment on Redemption

Payment on the Redemption Date 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 of Debentureholders 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 Redemption Date in all events. Further the Issuer will not be liable to pay any Coupon, or compensation from the Redemption Date 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.

It is clarified that Coupon or Redemption Amount with respect to the Bonds, the Coupon or Redemption Amount payments shall be made only on the days when commercial banks are open for business in Mumbai.

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 SEBI Operational Circular. 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 SEBI Operational Circular.

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 SEBI Operational Circular 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, 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 corporate office of the Issuer.

SECTION XVIII 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 corporate 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 prepared under IND-AS for the Financial Years ended March 31, 2022, 2021, and 2020.
6. Auditor's report and consolidated financial statements prepared under IND-AS for the Financial Years ended March 31, 2022, 2021, and 2020.
7. Annual report of the Issuer for the last three Fiscals.
8. Board resolution dated March 21, 2022 authorizing issue of Bonds offered on private placement basis.
9. Letter of consent from the Bond Trustee dated April 5, 2022 for acting as Bond Trustee for and on behalf of Bondholders.
10. Tripartite agreement between the Issuer, NSDL and KFin Technologies 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 XIX DECLARATION

It is hereby declared that:

- (i) the Issuer is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, and Companies Act and the rules and regulations made thereunder.
- (ii) the compliance with the Companies Act and the rules does not imply that payment of interest or repayment of Bonds, is guaranteed by the central government of India.
- (iii) 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.
- (iv) 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.

The undersigned has been authorized by the Board of Directors of the Issuer vide resolution number 488.2.5 dated March 21, 2022, 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.

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)

**RAJESH
KUMAR**

Digitally signed by RAJESH KUMAR
DN: c=IN, o=Perovind,
2.5.4.230=7866e4002d781e4237620a182
685e4d325e020627d61e12208a0209
4009, postalCode=110002, st=Delhi,
serialNumber=014027993561, e=RJESH@REC
2005@REC.CO, cn=RAJESH KUMAR
Date: 2023.01.10 10:29:04 +0530'

Mr. Rajesh Kumar,
CGM (Finance)
Place: Gurugram
Date: January 10, 2023

- (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 September 16, 2022.
- (iii) Copy of rating letters rating rationales and press releases from ICRA, CARE, IRRPL and CRISIL.
- (iv) Copy of consent letter from BEACON Trusteeship Limited to act as Bond Trustee for the Bondholders.

**SECTION XX
ANNEXURES**

- A. APPLICATION FORM ALONGWITH GENERAL INSTRUCTIONS – SHALL BE ISSUED SEPARATELY**
- B. CONSENT LETTER AND DUE DILIGENCE LETTER OF BOND TRUSTEE**
Annexed as Annexure – I
- C. CREDIT RATING LETTERS, PRESS RELEASES AND RATING RATIONALES**
Annexed as Annexure- II
- D. COPY OF SHAREHOLDERS SPECIAL RESOLUTION DATED SEPTEMBER 16, 2022 AND BOARD RESOLUTION DATED MARCH 21, 2022**
Annexed as Annexure – III
- E. COVENANTS FOR THE ISSUE**
Annexed as Annexure - IV
- F. FINANCIAL INDEBTEDNESS**
Annexed as Annexure – V
- G. FINANCIAL INFORMATION**
Annexed as Annexure – VI

Annexure I
Debenture Trustee Consent Letter
and Due Diligence Letter

CL/MUM/22-23/BT/2
Date: 04 April 2022

Ref No: BTL/OPR/22-23/20453

REC Limited

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

Kind Attn: Mr. Sumit Mehra

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 2022-23 on private placement basis

This is with reference to your email dated Feb 08th 2022 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 2022-23, we hereby confirm to act as Debenture /Bond Trustee for FY 2022-23 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 REC's 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**




Authorised Signatory

BEACON TRUSTEESHIP LTD.

Corporate Office : 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai - 400 051.

Regd Off : 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai - 400 051. | CIN : U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

DUE DILIGENCE CERTIFICATE – ANNEXURE A
(Pursuant to Regulation 44(3)(b) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2022)

Ref. No.: BTL/OPR/22-23/27619

Date: January 05, 2023

To,
BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
Mumbai -400001

To,
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051

Dear Sir /Madam,

SUB: ISSUE OF UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS UNDER SERIES 218-A OF INR 500 CRORES FOR CASH AT PAR WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UPTO INR 2500 CRORES, AGGREGATING TO INR 3000 CRORE AND UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS UNDER SERIES 218-B OF INR 500 CRORES FOR CASH AT PAR WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UPTO INR 2500 CRORE, AGGREGATING TO INR 3000 CRORE BY WAY OF A PRIVATE PLACEMENT BY REC LIMITED

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

WE CONFIRM that:

- a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
- b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), in the offer document.
- c) Issuer has given an undertaking that debenture trust deed shall be executed before filing of listing application.

For Beacon Trusteeship Limited



Name: Jaydeep Bhattacharya
Designation: Executive Director

Place: Mumbai



BEACON TRUSTEESHIP LIMITED

Registered & Corporate Office: 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai - 400 051.

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

CIN : U74999MH2015PLC271288

Annexure II

Credit Rating Letters,
Press Releases and Rationales

Shri Ajoy Choudhury

Director

REC Limited

I-4, SECTOR-29,

Gurgaon,

Haryana 122007.

December 21, 2022

Confidential

Dear Sir,

Credit rating for Market Borrowing Programme for FY23

Please refer to our letter no. CARE/DRO/RL/2022-23/1430 dated June 30, 2022 and your request for revalidation of the rating assigned to the Market Borrowing Programme for FY23 of company, for a limit of Rs.95,005.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Market Borrowing Programme	90,005.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
2.	Short Term Borrowing	5,000.00	CARE A1+ (A One Plus)	Reaffirmed
	Total Instruments	95,005.00 (Rs. Ninety-Five Thousand Five Crore Only)		

3. The NCDs are repayable as per **Annexure 1**.

4. 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.

5. 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 Trustee/IP A	Details of top 10 investors
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6. CARE Ratings Ltd. 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.

7. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

CARE Ratings Limited

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 Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. 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 Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

8. 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.
9. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
10. CARE Ratings Ltd. 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,

Deepshi Panda

Deepshi Panda

Lead Analyst

deepshi.panda@careedge.in

Neha Kadiyan

Neha Kadiyan

Associate Director

neha.kadiyan@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a 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 Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited'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.

CARE Ratings Limited

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Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

Annexure 1

Details of instruments rated

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)
54EC CGTE Bonds Series XVI	INE020B07MQ6	30-04-2022	5.00%	30-04-2027	797.29
54EC CGTE Bonds Series XVI	INE020B07MR4	31-05-2022	5.00%	31-05-2027	942.45
54EC CGTE Bonds Series XVI	INE020B07MS2	30-06-2022	5.00%	30-06-2027	929.80
54EC CGTE Bonds Series XVI	INE020B07MT0	31-07-2022	5.00%	31-07-2027	1,230.09
54EC CGTE Bonds Series XVI	INE020B07MU8	31-08-2022	5.00%	31-08-2027	697.04
54EC CGTE Bonds Series XVI	INE020B07MV6	30-09-2022	5.00%	30-09-2027	1,018.29
54EC CGTE Bonds Series XVI	INE020B07MW4	31-10-2022	5.00%	31-10-2027	770.93
Series 214-A	INE020B08DW1	23-09-2022	7.32%	28-02-2026	500.00
Series 214-B	INE020B08DX9	23-09-2022	7.50%	28-02-2033	1,947.60
Series 214-B (reissue)	INE020B08DX9	21-10-2022	7.50%	28-02-2033	3,000.00
Series 215	INE020B08DZ4	25-11-2022	7.65%	30-11-2037	3,889.00
Series 216 A	INE020B08EA5	02-12-2022	7.55%	31-03-2028	1,701.50
Series 216 B	INE020B08EB3	02-12-2022	7.67%	30-11-2037	2,000.00
Series 217	INE020B08EC1	16-12-2022	7.53%	31-03-2033	500.00
ICICI Bank (Long term Loan)	-	-	-	15-06-2028	1,150.00
Karnataka Bank (Long term Loan)	-	-	-	15-06-2025	500.00
Deutsche Bank (Long term Loan)	-	-	-	15-06-2027	500.00
IIFCL (Long term Loan)	-	-	-	29-07-2027	500.00
South Indian Bank (Long term Loan)	-	-	-	05-08-2027	200.00
Indian Bank (Long term Loan)	-	-	-	05-08-2029	345.00
Indian Bank (Long term Loan)	-	-	-	06-08-2029	320.00
Indian Bank (Long term Loan)	-	-	-	08-08-2029	175.00
Indian Bank (Long term Loan)	-	-	-	04-08-2029	420.00
HDFC Bank (Long term Loan)	-	-	-	07-09-2027	2000.00
Indian Bank (Long term Loan)	-	-	-	04-08-2029	240.00
Central Bank (Long term Loan)	-	-	-	26-03-2024	1,500.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	1,540.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	1,100.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	360.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	500.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	600.00
Central Bank (Long term Loan)	-	-	-	17-10-2025	400.00
Bank Of Baroda (Long term Loan)	-	-	-	29-09-2029	500.00
Punjab & Sind Bank (Long term Loan)	-	-	-	09-12-2025	320.00
Punjab & Sind Bank (Long term Loan)	-	-	-	09-12-2025	380.00
ECB Loan from State Bank of India, Singapore	-	-	-	13-06-2027	778.02
ECB Loan from State Bank of India, London	-	-	-	28-07-2027	1594.87
ECB Loan from State Bank of India, London	-	-	-	13-09-2027	1195.02
ECB Loan from DBS Bank Ltd., Singapore	-	-	-	27-10-2027	1,247.54
ECB Loan from MUFG Bank Ltd., Singapore	-	-	-	31-10-2027	1,036.38
ECB Loan from State Bank of India, London	-	-	-	31-10-2027	418.74
ECB Loan from HSBC, Gift City Branch	-	-	-	31-10-2027	638.58
FCNR from State Bank of India (USD 200 Million)	-	-	-	24-05-2023	1,550.40
FCNR from ICICI Bank (USD 150 Million)	-	-	-	26-05-2023	1,162.39
FCNR from ICICI Bank (USD 200 Million)	-	-	-	02-06-2023	1,551.41
FCNR from State Bank of India (USD 75 Million)	-	-	-	07-06-2023	581.77

CARE Ratings Limited

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Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)
FCNR from ICICI Bank (USD 150 Million)	-	-	-	21-06-2023	1,170.98
FCNR from State Bank of India (USD 200 Million)	-	-	-	10-12-2023	1,650.96
FCNR from State Bank of India (USD 300 Million)	-	-	-	13-12-2023	2,464.58
FCNR from State Bank of India (USD 75 Million)	-	-	-	13-12-2023	620.38
FCNR from State Bank of India (USD 100 Million)	-	-	-	16-12-2023	824.24
HDFC Bank	-	-	-	Sanctioned yet to disburse	50.00
ICICI Bank	-	-	-		1,200.00
IDBI Bank	-	-	-		750.00
IDFC First	-	-	-		300.00
Indian Bank	-	-	-		1,000.00
IndusInd	-	-	-		500.00
Karnataka Bank	-	-	-		250.00
Mizuho	-	-	-		850.00
PNB	-	-	-		900.00
RBL	-	-	-		500.00
South Indian Bank	-	-	-		500.00
State Bank of India - CC	-	-	-		210.00
Union Bank	-	-	-		750.00
YES Bank	-	-	-		1,000.00
Proposed	-	-	-		-
Long-term Market Borrowing Programme Sub Total (FY23)	-	-	-	-	90,005.00
HDFC Bank	-	-	-	July 2023	1,150.00
KEB Hana Bank	-	-	-	October 2023	100.00
Proposed	-	-	-	-	3,750.00
Short-term Market Borrowing Programme Sub Total (FY23)	-	-	-	-	5,000.00

AK

CARE Ratings Limited

13th Floor, E-1 Block, Videocon Tower,
Jhandewalan Extension, New Delhi - 110055
Phone: +91-11-4533 3200

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off
Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

CONFIDENTIAL

RL/RURECLT/295649/LTBP/0622/35792/106239635/5

December 12, 2022

Mr. Ajoy Choudhary

Director Finance

REC Limited

Core-4, SCOPE Complex 7

Lodhi Road

North Delhi - 110003

9819031234

Dear Mr. Ajeet Agarwal,

Re: CRISIL Rating on the Rs.90000 Crore Long-Term Borrowing Programme[&] of REC Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated November 17, 2022 bearing Ref. no.:RL/RURECLT/295649/LTBP/0622/35792/106239635/4

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Long-TermBorrowing Programme	90000	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 Ratings will be necessary.

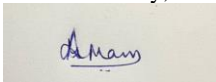
As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per 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 Ratings 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 at debtissue@crisil.com for any clarification you may need.

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

With warm regards,

Yours sincerely,



Aesha Maru
Associate Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



&Borrowing programme for fiscal 2023 (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 1,00,000.0 crore, of which market borrowing programme is of Rs 75,000.0 crore. Total incremental long-term market borrowing not to exceed Rs 75,000.0 crore at any point in time during fiscal 2023.

&Long-term borrowing includes Rs 15,000.0 crore of bank limits (CC/WCDL) over and above market borrowing programme.

&Short-term borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs 10,000.0 crore at any point during fiscal 2023. It also includes commercial paper limit not exceeding Rs 5,000 crore at any point during fiscal 2023.

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301



ICRA Limited

Ref No: ICRA/REC Limited/15122022/1

December 15, 2022

Mr. Sanjay Kumar
Executive Director (Finance)
REC Limited
Core 4 A, SCOPE Complex
7, Lodhi Road, New Delhi – 110003

Dear Sir,

Re: ICRA Credit Rating for the Rs. 75,000 crore Long Term Borrowing Programme of REC Limited for the financial year 2022-23

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 30, 2022 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. 75,000 crore only. Further, the total utilisation of the rated Long-Term Borrowings programme and Short-Term borrowing programme should not exceed Rs. 100,005 crore for financial year 2022-23.

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 dated March 30, 2022.

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

With kind regards,

For ICRA Limited

**KARTHIK
SRINIVASAN** Digitally signed by
KARTHIK SRINIVASAN
Date: 2022.12.15
13:44:45 +05'30'

KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com

Mr. Vivek Kumar Dewangan
Chairman and Managing Director
REC Limited
Core-4, SCOPE Complex, 7-Lodhi Road,
New Delhi - 110003

December 16, 2022

Dear Sir,

Re: Rating Letter for borrowing programme of REC Limited

This is in reference to the rating action commentary released on 31st March 2022

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

Instrument Type	Size of Issue(INR billion)	Rating/Outlook
Long Term Annual Borrowing programme (FY23)	INR750	IND AAA/Stable
Short Term Annual Borrowing programme (Including bank guarantee) (FY23)	INR50	IND A1+

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 email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Dr Devendra Pant
Senior Director

India Ratings Assigns REC's FY23 Borrowing Programme 'IND AAA'/Stable; Affirms Existing Ratings

Mar 31, 2022 | Public Finance

India Ratings and Research (Ind-Ra) has taken the following rating actions on REC Limited:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AAA/Stable	Affirmed
Long-term annual borrowing programme (FY23) *#	-	-	-	INR750	IND AAA/Stable	Assigned
Short-term borrowing programme (including bank guarantee) (FY23) & *#	-	-	-	INR50	IND A1+	Assigned
Short-term borrowing programme - commercial paper (FY23) *#	-	-	-	INR50	IND A1+	Assigned
Proposed short term loans *#	-	-	-	INR150	IND A1+	Assigned
Government of India (GoI) fully-serviced bonds#	-	-	-	INR268.27	IND AAA/Stable	Affirmed
Long-term annual borrowing programmes (FY11-FY21) # @	-	-	-	INR2,068.8 (reduced from INR2,428.91)	IND AAA/Stable	Affirmed
Long-term annual borrowing programme (FY22) # ^	-	-	-	INR1,000	IND AAA/Stable	Affirmed
Short-term borrowing programme (including bank guarantee) (FY22) & #	-	-	-	INR50	IND A1+	Affirmed
Short-term borrowing programme - commercial paper* (FY22) *#	-	-	-	INR50	IND A1+	Affirmed

*unutilised

#Details in annexure

@includes term loans totaling INR338.33 billion from financial institutions and National Small Saving Fund & includes short-term working capital demand loan limit of INR50 billion (INR12.5 billion utilised)

^ includes long term loans totaling INR196 billion from financial institutions

Analytical Approach: The ratings continue to factor in REC's systemic importance to the Gol to address the financing-related issues of the power sector, particularly general and rural electrification in India.

Key Rating Drivers

Growth in Loan Book: REC's loan book increased 3.01% yoy to INR3,887.60 billion in 9MFY22. However, the disbursements declined 22.50% yoy to INR486.64 billion in 9MFY22. During 9MFY22, REC disbursed 29.72% of the total disbursements towards generation (9MFY21: 27.85%, FY21: 28.99), 44.25% towards distribution (55.80%, 56.64%) and 26.02% towards renewable, transmission and short-term loans (16.35%, 14.36%). The sanctions declined 68.30% yoy to INR435.97 billion in 9MFY22 (9MFY21: INR1,375.26 billion, FY21: INR1,548.21 billion). During 9MFY22, REC sanctioned 44.19% of the loans towards transmission and distribution (9MFY21: 59.36%, FY21: 59.27%), 31.62% towards generation (28.70%, 28.61%) and 24.19% towards renewable and short-term loans (11.55%, 11.76%). REC is planning to extend loans to other sectors classified as infrastructure. The company is planning to lend to metro and irrigation projects, and is focussing on private sector for loan book growth. Ind-Ra believes the loan book will continue to grow in the long term.

New Initiative for Revival of Discoms: The Gol announced a new scheme for revival of the power distribution sector in India with an outlay of more than INR3 trillion for five years till FY26. The reforms-based and results-linked revamped distribution sector scheme seeks to improve operational efficiencies and financial sustainability of all distribution companies (discoms). REC and Power Finance Corporation Limited (PFC) expect disbursements of INR800 billion-900 billion under the Gol's revamped distribution scheme. Ind-Ra believes these new initiative will provide REC a new opportunity to increase its loan book size.

Strong Sovereign Ties: PFC acquired 52.63% stake in REC in March 2019 from the Gol to become REC's promoter. However, the ratings continue to reflect REC's linkages with the Gol, in terms of legal ties, strategic importance, control and integration. Also, the ability and willingness of the Gol to support REC remains undiluted. Therefore, Ind-Ra believes that under the current scenario, the financial and operational strengths/weaknesses of PFC are unlikely to have a material impact on REC's ratings.

The acquisition took place to bring in operational synergies between PFC and REC. Since then, REC has been operating as it did prior to the acquisition, along with better coordination with PFC. Ind-Ra does not see any change in the operating environment of REC at least in the foreseeable future.

Nodal Public Policy Institution: REC continues to act as the nodal agency for financing rural electrification projects under centrally-sponsored schemes. It has been the nodal agency for the operationalisation of the National Electricity Fund Scheme for monitoring grants, implementing Deen Dayal Upadhyaya Gram Jyoti Yojana, operationalising the Saubhagya Scheme, National Electricity Fund - Interest Subsidy Scheme, 24 x 7 Power for All, among others. REC continues to be the key source of low-cost funding available to the financially-strapped power entities and a vital medium for the government to route its subsidies. REC is the second-largest Gol institution supporting liquidity and funding requirements of the state power entities. REC has been raising extra budgetary resources in the form of Gol-fully serviced bonds on the direction of the Ministry of Power and will continue to tap these resources, as and when required, by the Gol. Furthermore, REC continues to enjoy the benefits of being a Navratna Central Public Sector Enterprise and a public financial institution – infrastructure finance company. REC is also a joint nodal agency along with PFC for implementing revamped distribution scheme. REC played a key role as a government agency along with PFC in disbursing the relief package announced by the Gol in FY21 for stressed discoms, reiterating its importance and linkages with the Gol.

Sovereign Support: REC continues to enjoy sovereign support in terms of (i) raising low-cost funds via capital gain tax bonds (54EC bonds), and (ii) Gol's budgetary support, if required. Also, the presence of a Gol nominee on REC's board indicates the former's oversight and control over the latter's operational and financial linkages, and its relevance as a policy institution to operationalise various government initiatives in the power sector.

Liquidity Indicator - Adequate: At 3QFY22, there is no mismatch on cumulative basis in any of the asset-liability

bucket after adjusting bank balance of INR80.54 billion. The company has been tapping the commercial paper and bond markets, and raising short-term loans from banks and financial institutions for liquidity requirements. As on 7 February 2022, REC had unutilised working capital limits of INR141.67 billion, sufficient to address its short-term liquidity requirements. Ind-Ra believes REC's liquidity will remain adequate in the medium-to-long term.

Improvement in Net NPA/Average Equity: The net non-performing asset (NPA)/average equity improved to 16.47% in FY21 (FY20: 30.52%), due to (i) a decline in gross NPAs, (ii) adequate provisioning, and (iii) an expansion in the equity base on the back of strong profitability growth. As of 3QFY22, REC had 28 projects in stage-III with a total outstanding of INR197.57 billion. The company has already created provisioning of 65.72% on stage-III accounts as of 3QFY22. Resolution for 15 projects under stage-III is already going under National Company Law Tribunal, while resolution for 13 projects in stage-III is outside the National Company Law Tribunal. Ind-Ra expects the net NPA/average equity to improve by FYE23, if (a) there are no major slippages in 4QFY22, (b) recovery/upgrade in the existing stage-III accounts, and (c) REC maintains the same profitability growth as per past trend.

Adequate Capitalisation: REC's capital risk adequacy ratio (CRAR) at 23.22% (Tier – I: 19.01% & Tier – II: 4.21%) in 3QFY22 (3QFY21:19.27%, FY21: 19.72%), is well above the regulatory threshold of 15%. Ind-Ra believes it will remain so in the near term. REC's average CRAR over FY17-FY21 was 18.82%.

Marginal Improvement in Net Interest Margin: In 9MFY22, REC's yield on loans increased by 6bp to 10.52% from FYE21 (9MFY21: 10.69%). REC's cost of funds declined to 6.87% in 9MFY22 (9MFY21: 7.33%, FY21: 7.13%), This helped net interest margins (NIMs) to increase to 4.31% in 9MFY22 (9MFY21: 3.93%, FY21: 3.89%). Ind-Ra believes REC's NIM could remain at 3.5%-4% in FY22, due to hardening of government securities yield, which may adversely impact REC's borrowing cost but increasing yield may moderate the impact on NIMs.

Improving Asset Quality: REC's gross non-performing assets (GNPA) increased to INR197.15 billion in 3QFY22 (FY21: INR182.57 billion) and its GNPA as a percentage of gross advances increased to 5.07% (4.84%). There were new slippages of INR15.04 billion (provisioning cover: 17.89%) during 3QFY22. The stress in REC's loan book continues to be mainly from its private sector exposure. However, REC's declining exposure to the private sector (3QFYE22: 9.81%, FYE21: 10.23, FYE15: 17.43%) gives comfort. At 3QFYE22, the company maintained an adequate provisioning coverage ratio of 65.72% (3QFY21: 61.87%, FY21: 64.59%), against the impaired assets. As a result, the net NPA ratio increased to 1.74% in 3QFY22 (3QFY21: 1.95%, FY21: 1.71%). Any new power sector specific risk such as slow pace of completion of projects may adversely impact REC's asset quality.

Corporate Governance: REC's board currently does not have an requisite independent director. However, REC has already requested to the Ministry of Power, GoI for the appointment of the requisite number of independent directors on its board and pursuing it with the ministry.

Rating Sensitivities

Negative: Events that could, individually or collectively, lead to a negative rating action are as follows:

- weakening of REC's linkages with the GoI,
- dilution in REC's role as a public policy institution,
- net NPA/equity remaining in excess of 35% for two consecutive years,
- CRAR falling below 17% for two consecutive years.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on REC Limited, either due to their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For

answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

Company Profile

REC was set up by the Gol in 1969 to finance and promote rural electrification projects in India. It now acts as a nodal agency for financing rural electrification projects under Gol-sponsored schemes and provides financial assistance to private power entities, state electricity boards, state government departments and rural electric cooperatives for rural electrification projects.

FINANCIAL SUMMARY

Particulars (INR billion)	FY20	FY21
Total assets	3,464.87	4,002.33
Net interest income*	80.67	124.83
Net income	48.86	83.62
Gross NPA (%)	6.59	4.84
CRAR (%)	16.06	19.72
Source: REC		
* calculated considering the impact of amortisation of transaction exchange losses on long-term foreign currency monetary items		

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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.

Rating History

Instrument Type	Current Rating/Outlook			Sept 2
	Rating Type	Rated Limits (billion)	Rating	
Issuer rating	Long-term	-	IND AAA/Stable	I AAA
Gol-fully serviced bonds	Long-term	INR268.27	IND AAA/Stable	I AAA
Long-term annual borrowing programmes (FY11-FY21)	Long-term	INR2,068.8	IND AAA/Stable	I AAA
Long-term annual borrowing programmes (FY22)	Long-term	INR1,000	IND AAA/Stable	I AAA
Short-term borrowing programme (including bank guarantee) (FY22)	Short-term	INR50	IND A1+	INE
Short-term borrowing programme (FY22) -commercial paper	Short-term	INR50	IND A1+	INE
Long-term annual borrowing programme (FY23)	Long-term	INR750	IND AAA/Stable	

Short-term borrowing programme (including bank guarantee) (FY23)	Short-term	INR50	IND A1+	
Short-term borrowing programme - commercial paper (FY23)	Short-term	INR50	IND A1+	
Proposed short-term loans	Short-term	INR150	IND A1+	

Annexure

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issu (billion)
Bonds (FY11)	INE020B08427	8 June 2010	8.75	9 June 2025	INR12.50
Bonds (FY11)	INE020B08443	12 July 2010	8.75	14 July 2025	INR18.00
Bonds (FY13)	INE020B08740	15 June 2012	9.35	15 June 2022	INR23.78
Bonds (FY13)	INE020B08807	19 November 2012	9.02	19 November 2022	INR22.11
Bonds (FY14)	INE020B08831	12 April 2013	8.82	12 April 2023	INR43.00
Bonds (FY14)	INE020B08849	31 May 2013	8.06	31 May 2023	INR25.00
Bonds (FY15)	INE020B07IZ5	25 August 2014	9.34	23 August 2024	INR19.55
Bonds (FY15)	INE020B08880	22 December 2014	8.57	21 December 2024	INR22.50
Bonds (FY15)	INE020B08898	23 January 2015	8.23	23 January 2025	INR19.25
Bonds (FY15)	INE020B08906	6 February 2015	8.27	6 February 2025	INR23.25
Bonds (FY15)	INE020B08914	23 February 2015	8.35	21 February 2025	INR22.85
Bonds (FY16)	INE020B08930	10 April 2015	8.3	10 April 2025	INR23.96
Bonds (FY16)	INE020B08963	7 October 2015	8.11	7 October 2025	INR25.85
Bonds (FY17)	INE020B08AA3	7 November 2016	7.52	7 November 2026	INR21.00
Bonds (FY17)	INE020B08AC9	30 December 2016	7.54	30 December 2026	INR30.00
Bonds (FY17)	INE020B08AH8	14 March 2017	7.95	12 March 2027	INR27.45
Bonds (FY18)	INE020B08AK2	7 September 2017	7.03	7 September 2022	INR26.70
Bonds (FY18)	INE020B08AM8	17 October 2017	7.09	17 October 2022	INR12.25
Bonds (FY18)	INE020B08AP1	30 November 2017	7.45	30 November 2022	INR19.12
Bonds (FY18)	INE020B08AQ9	12 December 2017	7.7	10 December 2027	INR35.33
Bonds (FY18)	INE020B08AT3	23 February 2018	7.99	23 February 2023	INR9.50
Gol fully serviced bonds (FY18)	INE020B08AX5	21 March 2018	8.09	21 March 2028	INR18.37
Gol fully serviced bonds (FY18)	INE020B08AY3	26 March 2018	8.01	24 March 2028	INR14.10
Gol fully serviced bonds (FY18)	INE020B08AZ0	27 March 2018	8.06	27 March 2028	INR7.53

Bonds (FY19)	INE020B08BA1	9 August 2018	8.55	9 August 2028	INR25.00
Bonds (FY19)	INE020B08BB9	27 August 2018	8.63	25 August 2028	INR25.00
Gol fully serviced bonds (FY19)	INE020B08BC7	28 September 2018	8.7	28 September 2028	INR30.00
Gol fully serviced bonds (FY19)	INE020B08BE3	15 November 2018	8.54	15 November 2028	INR36.00
Bonds (FY19)	INE020B08BG8	29 November 2018	8.56	29 November 2028	INR25.52
Bonds (FY19)	INE020B08BH6	7 December 2018	8.37	7 December 2028	INR25.54
Gol fully serviced bonds (FY19)	INE020B08BJ2	22 January 2019	8.8	22 January 2029	INR20.27
Gol fully serviced bonds (FY19)	INE020B08BL8	8 March 2019	8.6	8 March 2029	INR12.00
Gol fully serviced bonds (FY19)	INE020B08BO2	25 March 2019	8.3	25 March 2029	INR40.00
Bonds (FY19)	INE020B08BP9	28 March 2019	8.97	28 March 2029	INR21.51
Bonds (FY20)	INE020B08BQ7	16 April 2019	8.85	16 April 2029	INR16.01
Bonds (FY20)	INE020B08BS3	14 May 2019	8.8	14 May 2029	INR10.97
Bonds (FY20)	INE020B08BT1	10 June 2019	8.15	10 June 2022	INR10.00
Bonds (FY20)	INE020B08BV7	25 June 2019	8.1	25 June 2024	INR10.18
Bonds (FY20)	INE020B08BU9	25 June 2019	8.3	25 June 2029	INR20.71
Bonds (FY20)	INE020B08BW5	22 August 2019	8.18	22 August 2034	INR50.63
Bonds (FY20)	INE020B08BX3	16 September 2019	8.29	16 September 2034	INR30.28
Bonds (FY20)	INE020B08DS9	26 September 2019	8.25	26 September 2029	INR8.71
Bonds (FY20)	INE020B08CB7	26 September 2019	7.55	26 September 2022	INR3.00
Bonds (FY20)	INE020B08CC5	26 September 2019	7.55	26 September 2023	INR3.00
Bonds (FY20)	INE020B08CD3	13 November 2019	7.09	13 December 2022	INR27.69
Bonds (FY20)	INE020B08CE1	26 November 2019	6.9	30 June 2022	INR25.00
Bonds (FY20)	INE020B08CF8	26 November 2019	7.4	26 November 2024	INR15.00
Bonds (FY20)	INE020B08CG6	26 December 2019	7.24	31 December 2022	INR20.90
Bonds (FY20)	INE020B08CH4	8 January 2020	7.12	31 March 2023	INR14.00
Bonds (FY20)	INE020B08CI2	8 January 2020	7.89	31 March 2030	INR11.00
Bonds (FY20)	INE020B08CJ0	28 January 2020	7.92	31 March 2030	INR30.55
Bonds (FY20)	INE020B08CK8	10 February 2020	6.88	20 March 2025	INR25.00
Bonds (FY20)	INE020B08CN2	25 February 2020	6.8	30 June 2023	INR11.00
Bonds (FY20)	INE020B08CM4	25 February 2020	6.99	30 September 2024	INR11.00
Gol fully serviced bonds (FY20)	INE020B08CO0	2 March 2020	7.14	2 March 2030	INR15.00
Bonds (FY20)	INE020B08CP7	6 March 2020	7.5	28 February 2030	INR23.82
Gol fully serviced bonds (FY20)	INE020B08CR3	26 March 2020	8.25	26 March 2030	INR5.32

Gol fully serviced bonds (FY20)	INE020B08CS1	31 March 2020	7.2	31 March 2030	INR17.50
Bonds (FY21)	INE020B08CT9	22 April 2020	6.92	22 April 2023	INR29.85
Bonds (FY21)	INE020B08CU7	11 May 2020	7.55	11 May 2030	INR37.40
Bonds (FY21)	INE020B08CW3	21 May 2020	7.79	21 May 2030	INR15.69
Bonds (FY21)	INE020B08CX1	8 June 2020	7.96	15 June 2030	INR20.00
Bonds (FY21)	INE020B08CZ6	30 July 2020	5.9	31 March 2025	INR9.00
Bonds (FY21)	INE020B08DA7	30 July 2020	6.9	31 March 2031	INR13.00
Bonds (FY21)	INE020B08DB5	28 August 2020	7.25	30 September 2030	INR35.00
Bonds (FY21)	INE020B08DC3	28 August 2020	5.69	30 September 2023	INR24.74
Bonds (FY21)	INE020B08DE9	29 October 2020	6.8	20 December 2030	INR50.00
Bonds (FY21)	INE020B08DF6	29 October 2020	5.85	20 December 2025	INR27.77
Bonds (FY21)	INE020B08DG4	15 December 2020	6.9	31 January 2031	INR25.00
Bonds (FY21)	INE020B08DH2	15 December 2020	5.81	31 December 2025	INR20.82
Gol fully serviced bonds (FY21)	INE020B08DI0	7 January 2021	6.45	7 January 2031	INR10.00
Bonds (FY21)	INE020B08DJ8	13 January 2021	4.99	31 January 2024	INR21.35
Bonds (FY21)	INE020B08DK6	13 January 2021	5.94	31 January 2026	INR20.00
Bonds (FY21)	INE020B08DM2	28 January 2021	7.02	31 January 2036	INR45.90
Gol fully serviced bonds (FY21)	INE020B08DN0	28 January 2021	6.63	28 January 2031	INR10.00
Bonds (FY21)	INE020B08DO8	12 March 2021	7.4	15 March 2036	INR36.14
Bonds (FY21)	INE020B08DP5	19 March 2021	5.79	20 March 2024	INR15.50
Gol fully serviced bonds (FY21)	INE020B08DQ3	26 March 2021	6.5	26 March 2031	INR5.00
Bonds (FY22)	INE020B08DR1	22 April 2021	5.74	20 June 2024	INR40.00
Bonds (FY22)	INE020B08DT7	21 October 2021	6.23	31 October 2031	INR12.00
Bonds (FY22)	INE020B08DU5	18 November 2021	floating	31 October 2024	INR25.00
Bonds (FY22)	INE020B08DV3	15 December 2021	6.92	20 March 2032	INR13.80
Bonds (FY19)	INE020B07KU2	30 April 2018	5.75	30 April 2023	INR2.78
Bonds (FY19)	INE020B07KV0	31 May 2018	5.75	31 May 2023	INR4.39
Bonds (FY19)	INE020B07KW8	30 June 2018	5.75	30 June 2023	INR5.05
Bonds (FY19)	INE020B07KX6	31 July 2018	5.75	31 July 2023	INR6.84
Bonds (FY19)	INE020B07KY4	31 August 2018	5.75	31 August 2023	INR4.99
Bonds (FY19)	INE020B07KZ1	30 September 2018	5.75	30 September 2023	INR4.94
Bonds (FY19)	INE020B07LA2	31 October 2018	5.75	31 October 2023	INR5.08
Bonds (FY19)	INE020B07LB0	30 November 2018	5.75	30 November 2023	INR4.81

Bonds (FY19)	INE020B07LC8	31 December 2018	5.75	31 December 2023	INR5.66
Bonds (FY19)	INE020B07LD6	31 January 2019	5.75	31 January 2024	INR5.50
Bonds (FY19)	INE020B07LE4	28 February 2019	5.75	28 February 2024	INR5.70
Bonds (FY19)	INE020B07LF1	31 March 2019	5.75	31 March 2024	INR10.78
Bonds (FY20)	INE020B07LG9	30 April 2019	5.75	30 April 2024	INR3.91
Bonds (FY20)	INE020B07LH7	31 May 2019	5.75	31 May 2024	INR4.59
Bonds (FY20)	INE020B07LI5	30 June 2019	5.75	30 June 2024	INR4.13
Bonds (FY20)	INE020B07LJ3	31 July 2019	5.75	31 July 2024	INR5.94
Bonds (FY20)	INE020B07LK1	31 August 2019	5.75	31 August 2024	INR5.00
Bonds (FY20)	INE020B07LL9	30 September 2019	5.75	30 September 2024	INR4.98
Bonds (FY20)	INE020B07LM7	31 October 2019	5.75	31 October 2024	INR5.18
Bonds (FY20)	INE020B07LN5	30 November 2019	5.75	30 November 2024	INR5.53
Bonds (FY20)	INE020B07LO3	31 December 2019	5.75	31 December 2024	INR5.27
Bonds (FY20)	INE020B07LP0	31 January 2020	5.75	31 January 2025	INR4.81
Bonds (FY20)	INE020B07LQ8	28 February 2020	5.75	28 February 2025	INR5.40
Bonds (FY20)	INE020B07LR6	31 March 2020	5.75	31 March 2025	INR6.83
Bonds (FY21)	INE020B07LS4	30 April 2020	5.75	30 April 2025	INR0.53
Bonds (FY21)	INE020B07LT2	31 May 2020	5.75	31 May 2025	INR2.06
Bonds (FY21)	INE020B07LU0	30 June 2020	5.75	30 June 2025	INR5.80
Bonds (FY21)	INE020B07LV8	31 July 2020	5.75	31 July 2025	INR4.40
Bonds (FY21)	INE020B07LW6	31 August 2020	5.00	31 August 2025	INR2.30
Bonds (FY21)	INE020B07LX4	30 September 2020	5.00	30 September 2025	INR3.53
Bonds (FY21)	INE020B07LY2	31 October 2020	5.00	31 October 2025	INR2.90
Bonds (FY21)	INE020B07LZ9	30 November 2020	5.00	30 November 2025	INR3.30
Bonds (FY21)	INE020B07MA0	31 December 2020	5.00	31 December 2025	INR5.44
Bonds (FY21)	INE020B07MB8	31 January 2021	5.00	31 January 2026	INR5.09
Bonds (FY21)	INE020B07MC6	28 February 2021	5.00	28 February 2026	INR5.62
Bonds (FY21)	INE020B07MD4	31 March 2021	5.00	31 March 2026	INR12.14
Bonds (FY22)	INE020B07ME2	30 April 2021	5.00	30 April 2026	INR4.35
Bonds (FY22)	INE020B07MF9	31 May 2021	5.00	31 May 2026	INR3.35
Bonds (FY22)	INE020B07MG7	30 June 2021	5.00	30 June 2026	INR5.06
Bonds (FY22)	INE020B07MH5	31 July 2021	5.00	31 July 2026	INR6.00
Bonds (FY22)	INE020B07MI3	31 August 2021	5.00	31 August 2026	INR2.17

Bonds (FY22)	INE020B07MN3	31 January 2022	5.00	31 January 2027	INR5.83
Bonds (FY22)	INE020B07MO1	28 February 2022	5.00	28 February 2027	INR6.40
Bonds (FY12)	INE020B07GH7	27 March 2012	8.12/8.32	27 March 2027	INR21.60
Bonds (FY13)	INE020B07GU0	21 November 2012	7.21	21 November 2022	INR2.55
Bonds (FY13)	INE020B07GV8	21 November 2012	7.38	21 November 2027	INR2.45
Bonds (FY13)	INE020B07GW6	19 December 2012	7.22/7.72	19 December 2022	INR11.65
Bonds (FY13)	INE020B07GX4	19 December 2012	7.38/7.88	19 December 2027	INR8.52
Bonds (FY13)	INE020B07GY2	25 March 2013	6.88/7.38	25 March 2023	INR0.81
Bonds (FY13)	INE020B07GZ9	25 March 2013	7.04/7.54	25 March 2028	INR0.50
Bonds (FY14)	INE020B07HM5	29 August 2013	8.01	29 August 2023	INR2.09
Bonds (FY14)	INE020B07HN3	29 August 2013	8.46	29 August 2028	INR11.41
Bonds (FY14)	INE020B07HO1	24 September 2013	8.01	24 September 2023	INR2.46
Bonds (FY14)	INE020B07HR4	24 September 2013	8.01/8.26	24 September 2023	INR3.30
Bonds (FY14)	INE020B07HP8	24 September 2013	8.46	24 September 2028	INR16.39
Bonds (FY14)	INE020B07HS2	24 September 2013	8.46/8.71	24 September 2028	INR11.71
Bonds (FY14)	INE020B07HQ6	24 September 2013	8.37	24 September 2033	INR0.14
Bonds (FY14)	INE020B07HT0	24 September 2013	8.37/8.62	24 September 2033	INR0.42
Bonds (FY14)	INE020B07HU8	11 October 2013	8.18	11 October 2023	INR1.05
Bonds (FY14)	INE020B07HV6	11 October 2013	8.54	11 October 2028	INR0.45
Bonds (FY14)	INE020B07IC4	24 March 2014	8.19	24 March 2024	INR2.89
Bonds (FY14)	INE020B07IF7	24 March 2014	8.19/8.44	24 March 2024	INR1.30
Bonds (FY14)	INE020B07ID2	24 March 2014	8.63	24 March 2029	INR2.38
Bonds (FY14)	INE020B07IG5	24 March 2014	8.63/8.88	24 March 2029	INR2.93
Bonds (FY14)	INE020B07IE0	24 March 2014	8.61	24 March 2034	INR0.25
Bonds (FY14)	INE020B07IH3	24 March 2014	8.86	24 March 2034	INR0.85
Bonds (FY16)	INE020B07JO7	23 July 2015	7.17	23 July 2025	INR3.00
Bonds (FY16)	INE020B07JP4	5 November 2015	6.89	5 November 2025	INR0.51
Bonds (FY16)	INE020B07JQ2	5 November 2015	6.89/7.14	5 November 2025	INR0.55
Bonds (FY16)	INE020B07JR0	5 November 2015	7.09	5 November 2030	INR1.34
Bonds (FY16)	INE020B07JS8	5 November 2015	7.09/7.34	5 November 2030	INR0.39
Bonds (FY16)	INE020B07JT6	5 November 2015	7.18	5 November 2035	INR2.35
Bonds (FY16)	INE020B07JU4	5 November 2015	7.18/7.43	5 November 2035	INR1.86
Bonds (FY12)	INE020B08724	15 February 2012	9.15	15 February 2027	INR0.03

Bonds (FY12)	INE020B08732	15 February 2012	9.15	15 February 2027	INR0.01
GoI fully serviced bonds (unutilised)					INR27.18
FY22 long term borrowing programme (unutilised)					INR680.04
FY22 short term borrowing programme- Bank loans (Unutilised)					INR37.5.01
FY22 short term borrowing programme-Commercial Paper (Unutilised)					INR50.00
FY23 long term borrowing programme(unutilised)					INR750.00
FY23 short term borrowing programme- Bank loans (unutilised)					INR50.00
FY23 short term borrowing programme-Commercial Paper (unutilised)					INR50.00
Proposed short-term bank loans (unutilised)					INR150.00
					INR3,890.24

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating
Bonds (FY12)	INE020B08708	15 February 2012	8.95	15 February 2022	INR0.06	WD (Paid in full)
Bonds (FY12)	INE020B08716	15 February 2012	8.95	15 February 2022	INR0.01	WD (Paid in full)
Bonds (FY15)	INE020B08872	4 December 2014	8.44	4 December 2021	INR15.50	WD (Paid in full)
Bonds (FY15)	INE020B08922	9 March 2015	8.27	9 March 2022	INR7.00	WD (Paid in full)
Bonds (FY17)	INE020B08997	21 October 2016	7.24	21 October 2021	INR25.00	WD (Paid in full)
Bonds (FY17)	INE020B08AB1	9 December 2016	7.14	9 December 2021	INR10.20	WD (Paid in full)
Bonds (FY17)	INE020B08AF2	28 February 2017	7.46	28 February 2022	INR6.25	WD (Paid in full)
Bonds (FY19)	INE020B08BD5	22 October 2018	8.83	21 January 2022	INR21.71	WD (Paid in full)
Bonds (FY19)	INE020B08BM6	13 March 2019	8.35	13 March 2022	INR25.00	WD (Paid in full)
Bonds (FY20)	INE020B08BR5	6 May 2019	8.5	20 December 2021	INR12.45	WD (Paid in full)
Bonds (FY20)	INE020B08CL6	10 February 2020	6.32	31 December 2021	INR24.89	WD (Paid in full)

Bonds (FY20)	INE020B08CQ5	13 March 2020	6.99	31 December 2021	INR11.15	WD (Paid in full)
Bonds (FY21)	INE020B08CV5	21 May 2020	6.6	21 March 2022	INR25.96	WD (Paid in full)
Bonds (FY12)	INE020B08641	11 November 2011	9.75	11 November 2021	INR39.22	WD (Paid in full)
Bonds (FY19)	INE020B08BF0	22 November 2018	8.45	22 March 2022	25.72	WD (Paid in full)
Bonds (FY12)	INE020B07GG9	27 March 2012	7.93/8.13	27 March 2022	8.40	WD (Paid in full)

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Bank loan	Low
Gol-serviced bonds	Low
Tax Free	Low
Taxable Bond	Low
Commercial paper	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

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APPLICABLE CRITERIA

Evaluating Corporate Governance

Rating of Public Sector Entities

Revenue-Supported Rating Criteria

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REC Limited (Revised)

March 29, 2022

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Market Borrowing Programme for FY23	90,005.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Long Term Bonds (Gov Fully Serviced Bonds)	15,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY11)	9,969.78	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY12)	8,623.50	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY13)	4,589.40	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY14)	7,250.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY15)	14,505.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY16)	7,731.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Program (FY17)	16,125.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Market Borrowing Programme (FY21)	97,000.00**	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long term Market Borrowing Programme (FY22)	1,00,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Perpetual Bonds	3,000.00^***	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Reaffirmed
Total Long Term Instruments	3,73,798.68 (Rs. Three lakhs seventy-three thousand seven hundred ninety-eight crore and sixty-eight lakhs only)		
Commercial Paper (FY23)	5,000.00	CARE A1+ (A One Plus)	Assigned
Commercial Paper Issue (FY21)	4,000.00 [§]	CARE A1+ (A One Plus)	Reaffirmed
Commercial Paper Issue (FY22)	5,000.00	CARE A1+ (A One Plus)	Reaffirmed
Short Term Market Borrowing Programme (FY23)	5,000.00	CARE A1+ (A One Plus)	Assigned
Short Term Market Borrowing Programme (FY21)	6,000.00 [§]	CARE A1+ (A One Plus)	Reaffirmed
Short Term Market Borrowing Programme (FY22)	5,000.00	CARE A1+ (A One Plus)	Reaffirmed
Total Short Term Instruments	30,000.00 (Rs. Thirty Thousand Crore Only)		
Long Term / Short Term Market Borrowing Programme (FY18)	55,000.00	CARE AAA; Stable / CARE A1+ (Triple A; Outlook: Stable / A One Plus)	Reaffirmed

¹Complete definitions of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications.

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term / Short Term Market Borrowing Programme (FY19)	85,000.00	CARE AAA; Stable / CARE A1+ (Triple A; Outlook: Stable/ A One Plus)	Reaffirmed
Long Term / Short Term Market Borrowing Programme (FY20)	94,000.00	CARE AAA; Stable / CARE A1+ (Triple A; Outlook: Stable/ A One Plus)	Reaffirmed
Total Long Term /Short Term Instruments	2,34,000.00 (Rs. Two Lakhs Thirty- Four Thousand Crore Only)		

Details of instruments/facilities in Annexure-1

**The overall market borrowing programme (MBP) for FY 21 at Rs.1,00,000 crore.

^Long Term Perpetual Debt of upto Rs.3,000 crore that has been carved out of MBP FY21 of Rs.1,00,000 crore and assigned a rating of CARE AA+; Stable

\$To be withdrawn subject to receipt of confirmation

Detailed Rationale & Key Rating Drivers

The rating assigned to the market borrowing programme of REC Limited (REC) continues to factor in its parentage as well as its strategic importance to Government of India (GoI) in the development of power sector in India. The ratings also draw comfort from REC's quasi-sovereign status that allows it to have a diversified resource profile, adequate profitability and comfortable capitalization levels. However, the ratings also factor in the risks associated with weakness in REC's asset quality in exposure to private sector, high exposure to weak state power utilities and high sector-wise as well as borrower concentration risk.

With respect to the acquisition of GoI's then existing 52.63% equity shareholding in REC Limited by Power Finance Corporation Limited (PFC; rated 'CARE AAA; Stable/ CARE A1+'), the acquisition transaction was completed on March 28, 2019. PFC is majority owned by GoI and post the transaction, REC became a subsidiary of PFC. CARE Ratings expects REC's strategic importance to GoI and its role in development of power sector to continue as earlier. The ratings on borrowing programme of REC factor in sovereign ownership/economic interest and hence an expectation of continued strong support from GoI given their strategic importance. Going forward, continued sovereign ownership (indirectly through PFC) and support from GoI in maintaining comfortable capital structure and asset quality will remain the key rating sensitivities

Rating Sensitivities

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

- Any major change in the shareholding pattern and/or expectation of reduced support from the Government of India (indirectly through PFC)
- Deterioration in the standalone credit profile of REC thereby adversely affecting financial metrics

Detailed description of the key rating drivers

Key Rating Strengths

Parentage and status of nodal agency: REC plays a pivotal role in financing power projects from both the state and private sector, thereby being instrumental in strengthening the power infrastructure of the country. REC has been designated as the nodal agency by the Ministry of Power (MoP), GoI for implementing the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), [formerly known as Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY)], National Electricity Fund (Nodal Agency), Financial Restructuring Plan (FRP), Smart Grid task force etc. REC is also designated as joint nodal agency in the new Revamped Distribution Sector Scheme announced by GoI. The company was conferred the Navratna status in 2008-09.

As on December 31, 2021, PFC held majority shareholding owning 52.63% stake of REC. This was after GoI's share was transferred to PFC in March 2019. However, CARE expects REC's strategic importance to GoI and its role in development of power sector to continue as earlier. CARE will closely monitor the developments in this regard and continue to assess any impact on credit and financial profile of REC. While the ownership change is not expected to impact the financial profile of REC, given that majority ownership of REC has transferred from GoI to PFC, REC's credit profile has linkages with that of PFC.

Diversified resource profile: As a quasi-sovereign financial institution, REC is able to manage a well-diversified resource profile and can mobilize funds at cost effective rates from various sources such as external commercial borrowings (ECB), domestic financial institutions, long-term bonds, bank loans, commercial paper, capital gains tax exemption bonds, infrastructure bonds

and tax-free bonds etc. After getting the status of Infrastructure Finance Company in September 2010, REC has become eligible for issuance of infrastructure bonds and for raising funds up to USD 750 million through ECB in a year under automatic route.

REC's total borrowing stood at Rs. 3,35,917 crore as on December 31, 2021, up by 9% YOY. Of the total borrowings, the share of bonds (institutional, subordinate and zero-coupon bonds) remains high at 49%, followed by another 18% via borrowings from banks & FIs and another 19% via foreign currency borrowings. The company reported weighted average cost of funds at 6.87% as on December 31, 2021 down from 7.13% as on March 31, 2021. During 9MFY22, REC raised Rs. 66,109 crore of funds, which included Rs. 19,300 crore via term loans from banks and FIs, Rs. 3,950 crore as short-term loans from banks, Rs. 13,883 crore via capital gains bonds, Institutional Bonds/ Subordinate debt and Rs. 26,976 crore by way of foreign currency borrowings and FCNR loan. Commercial paper borrowings of Rs. 2,000 crore were raised during the year.

Adequate capitalization: REC had comfortable capitalization marked by healthy Tier I capital adequacy ratio (CAR) due to large net worth base and comfortable internal accruals. End nine months of FY22, the Tier 1 and total CAR stood at 19.01% and 23.22%, respectively, up from 16.31% and 19.72%, respectively, as on March 31, 2021. As a part of its liquidity relief package, the GoI announced Rs.120,000 crore liquidity injection to state discoms in the form of State government guaranteed loans through REC/PFC to clear outstanding dues of Power generation and Transmission companies. REC has sanctioned and disbursed amounts of Rs.67,838 crore and Rs.54,660 crore, respectively, till February 02, 2022, as part of this liquidity package to discoms. These loans can be granted only if they are backed by state guarantee (state government guaranteed exposures carry risk weights of 20%).

As on December 31, 2021, the company's net worth stood at Rs. 50,258 crore translating into gearing ratio of 6.81x improved from 7.59x as on March 31, 2021.

Stable profitability metric: In 9MFY22, the company reported 23.30% YOY in net profit to Rs. 7,758 crore underpinned by a growth in the total income by 12.83% YOY, despite increase in the operating expenses (including net translation/ transaction losses) by 44.69% YOY. The loan book registered healthy growth with yield on loans rising to 10.41% as on December 31, 2021 up from 10.24% as on March 31, 2021 and decline in borrowing cost at 6.63% as on December 31, 2021 down from 6.98% as on March 31, 2021, leading to spread of 3.78% in 9MFY22 up from 3.27% in FY21. The net interest income grew by 26% YOY in 9MFY22 and RoTA improved to 2.53% in 9MFY22 from 2.24% in FY21.

End Q3FY22, REC reported net profit of Rs. 2,773 crore (+23% YOY and 11% QOQ) on total income (net of interest and expenses) of Rs. 4,240 crore (+18% YOY and -3% QOQ). There was a gain in net fair value charges of Rs. 247 crore. However, the company reported a loss on foreign exchange transaction of Rs. 115 crore in Q3FY22 as against gain on foreign exchange transaction of Rs. 78 crore reported in Q2FY22, leading to significant increase in total expenses to Rs. 463 crore from Rs. 140 crore previous quarter and Rs. 61 crore previous year.

ESG initiatives: REC is a non-banking financial company (NBFC) offering financial products, which include loans to Renewable Energy projects for environmental sustainability. As a part of its appraisal process for all the power projects it finances, the company identifies and assesses the potential environmental risks of the projects. REC also finances installation of pollution control equipment in thermal power plants, in line with Government directives. This includes installation of Flue Gas Desulphurization (FGD), Selective Catalytic Reduction (SCR) and Electrostatic Precipitators (ESP), which contribute towards curbing of harmful emissions and particulate matter. Furthermore, CSR activities are carried out in the areas of sanitation and hygiene, promotion of healthcare, skill development, women empowerment, environmental sustainability and rural infrastructural development.

Key Rating Weaknesses

Growth in credit portfolio though borrower wise concentration remains high: REC is the nodal agency engaged in financing projects in the complete power sector value chain. The product portfolio of REC includes financial products and services such as project term loan, short-term loan, equipment lease financing and consultancy services, etc, for various power projects **in generation, transmission and distribution sector. REC's clients mainly include state power utilities, private power sector utilities** (including independent power producers), joint sector power utilities and power equipment manufacturers. As on December 31, 2021, **REC's gross loans and advances stood at Rs. 3,88,760 crore, remaining at same level on quarterly basis with registering degrowth on all segments except generation.** On yearly basis, REC reported 9% growth on gross loans and advances with growth on all segments except renewable. The loans towards renewable segment has been declining over the quarters since December 31, 2020. The loan towards Transmission and Distribution has remained majority as on December 31, 2021 with 56% of gross loans and advances followed by loan towards Generation with 40% gross loans and advances.

In respect of Central/State Government entities, RBI dated June 16, 2016, had exempted REC from applicability of RBI's concentration of credit/investment norms till March 31, 2022. In view of the above, REC's maximum credit exposure limits to Central and State power Utilities continue to vary from 50% to 250% of owned funds, depending upon entity appraisal. Subsequently, REC continues to remain exposed to high sector and borrower concentration risk as it caters only to the power sector with approximately 85% of the total advances as on June 30, 2021, towards state power utilities (SPUs), up from 75% in fiscal 2017. The share of private sector exposure has been coming down and stood at 10% as on December 31, 2021. Furthermore, the single borrower concentration continues to remain high with top ten borrowers constituting around 42.82% of the loan book as on December 31, 2021 with the largest borrower Tamil Nadu Generation and Distribution Corporation accounting for 9.50% of the loan book as on December 31, 2021 up from 7.5% of the loan book as on June 30, 2021

Moderate asset quality metrics: GNPA and NNPA ratios as on December 31, 2021, remained largely similar to December 31, 2020 levels, though they have deteriorated as compared to March 31, 2021 level. As on December 30, 2021, the absolute gross NPA stood at Rs. 19,715 crore up by 8% YOY and QOQ (GNPA ratio of 5.07% vs 4.84% as on March 31, 2021 and 5.1% as on December 31, 2020), whereas, the net NPA on yearly basis came down to Rs. 6,758 crore by 3% at 1.74% as on December 31, 2021 vs 1.71% as on March 31, 2021 and 1.95% as on December 31, 2020), Consequently, PCR as on December 30, 2021 increased to 66% from 62% previous year. The asset quality remains comfortable with no NPA in its state sector exposures and **all NPAs emanating from company's private sector exposure. Of the total GNPA as on December 30, 2021, 95% are from gencos** while the remaining is from transcos and renewable.

Liquidity: Adequate

The liquidity profile of REC is expected to remain comfortable with REC' strong financial flexibility; arising from sovereign ownership and diversified funding profile as well as undrawn sanctioned bank lines. As per provisional Asset Liability Maturity (ALM) statement on June 30, 2021, REC had positive cumulative mismatches upto 1 month in its ALM maturity buckets. However, **REC's ability to mobilize resources from diversified sources** and financial flexibility arising from GoI ownership provides cushion to the liquidity profile. Additionally, REC has cash and bank balances of Rs. 3,700 crore as on December 31, 2021.

RBI Vide its Liquidity Framework dated November 4, 2019, had stipulated the implementation of Liquidity Coverage Ratio (LCR) for Non-Deposit taking NBFCs with asset size of more than Rs.10,000 crore w.e.f December 1, 2020. LCR aims to ensure that the company has an adequate stock of unencumbered high-quality liquid assets (HOLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30-calendar-day liquidity stress scenario. Accordingly, REC has started computing and making investments in HOLA under LCR Regime of the regulator. The company is maintaining the LCR at 65% as on December 31, 2021 as per RBI Guidelines under different class of HQLAs such as Govt.-Securities/SDRs/AAA/AA Corporate and auto swap balances with banks

Analytical approach: Standalone, factoring in the sovereign ownership (indirectly through PFC) and support from GoI

Applicable Criteria

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

[Rating Methodology: Notching by factoring linkages with Government](#)

[Financial Ratios – Financial Sector](#)

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology - Non Banking Finance Companies \(NBFCs\)](#)

About the Company

REC was established in 1969 under the Companies Act, 1956, in pursuance of the recommendations of the All India Rural Credit Review Committee constituted by the Reserve Bank of India. It was declared a Public Financial Institution in 1992 under Sec. 4A of the Companies Act and also registered as "systemically important" NBFC under Sec. 45- IA of the RBI Act in 1998. The company received from RBI the status of an Infrastructure Finance Company (NBFC-ND-IFC) in September 2010. REC plays an important role in partnering with Ministry of Power (MoP), GoI, in their major initiatives to improve the power distribution sector in the country, by its involvement in programmes like Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) (Nodal Agency) [formerly known as Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY)], National Electricity Fund (Nodal Agency), Financial Restructuring Plan (FRP), Smart Grid task force, etc. The company was conferred the Navratna status in 2008-09. The product portfolio of REC includes financial products and services like project term loan, short-term loan, equipment lease financing and consultancy services, etc., for various power projects in generation, transmission and distribution sector. **REC's clients mainly include** state power utilities, private power sector utilities (including independent power producers), joint sector power utilities and power equipment manufacturers.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22 (UA)
Total operating income	29,829	35,410	29,629
PAT	4,886	8,362	7,758
Interest coverage (times)	1.37	1.50	1.57
Total Assets	3,46,488	4,00,233	4,18,790
Net NPA (%)	3.32	1.71	1.74
ROTA (%)	1.52	2.24	2.53

A: Audited, UA: UnAudited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with Rating Outlook
					(Rs. Cr)	
Bonds (FY11)	INE020B08427	08-06-2010	8.75%	09-06-2025	1250	CARE AAA; Stable
Bonds (FY11)	INE020B08443	12-07-2010	8.75%	14-07-2025	1800	CARE AAA; Stable
Bonds (FY11)	INE020B08450	25-10-2010	8.80%	26-10-2020	1150	CARE AAA; Stable
Bonds (FY11)	INE020B08468	29-11-2010	8.80%	30-11-2020	2120.5	CARE AAA; Stable
Bonds (FY11)	INE020B08476	15-12-2010	0%	15-12-2020	533.208	CARE AAA; Stable
Bonds (FY11)	INE020B08484	03-02-2011	0%	03-02-2021	116.07	CARE AAA; Stable
Bonds (FY11)	INE020B08492	15-03-2011	9.18%	15-03-2021	3000	CARE AAA; Stable
<i>Sub Total</i>					<i>9,969.78</i>	
Bonds (FY12)	INE020B08567	15-07-2011	9.63%	15-07-2021	1500	CARE AAA; Stable
Bonds (FY12)	INE020B08591	10-08-2011	9.48%	10-08-2021	3171.8	CARE AAA; Stable
Bonds (FY12)	INE020B08641	11-11-2011	9.75%	11-11-2021	3922.2	CARE AAA; Stable
Proposed					29.5	CARE AAA; Stable
<i>Sub Total</i>					<i>8,623.50</i>	
Bonds (FY13)	INE020B08740	15-06-2012	9.35%	15-06-2022	2378.2	CARE AAA; Stable
Bonds (FY13)	INE020B08807	19-11-2012	9.02%	19-11-2022	2211.2	CARE AAA; Stable
<i>Sub Total</i>					<i>4,589.40</i>	
Bonds (FY14)	INE020B08831	12-04-2013	8.82%	12-04-2023	4300	CARE AAA; Stable
Bonds (FY14)	INE020B08849	31-05-2013	8.06%	31-05-2023	2500	CARE AAA; Stable
Proposed					450	CARE AAA; Stable
<i>Sub Total</i>					<i>7,250.00</i>	
Bonds (FY15)	INE020B07IW2	17-07-2014	9.40%	17-07-2021	1515	CARE AAA; Stable
Bonds (FY15)	INE020B07IZ5	25-08-2014	9.34%	23-08-2024	1955	CARE AAA; Stable
Bonds (FY15)	INE020B08872	04-12-2014	8.44%	04-12-2021	1550	CARE AAA; Stable
Bonds (FY15)	INE020B08880	22-12-2014	8.57%	21-12-2024	2250	CARE AAA; Stable
Bonds (FY15)	INE020B08898	23-01-2015	8.23%	23-01-2025	1925	CARE AAA; Stable
Bonds (FY15)	INE020B08906	06-02-2015	8.27%	06-02-2025	2325	CARE AAA; Stable
Bonds (FY15)	INE020B08914	23-02-2015	8.35%	21-02-2025	2285	CARE AAA; Stable
Bonds (FY15)	INE020B08922	09-03-2015	8.27%	09-03-2022	700	CARE AAA; Stable
<i>Sub Total</i>					<i>14,505.00</i>	
Bonds (FY16)	INE020B08930	10-04-2015	8.30%	10-04-2025	2396	CARE AAA; Stable
Bonds (FY16)	INE020B08955	22-09-2015	8.36%	22-09-2020	2750	CARE AAA; Stable
Bonds (FY16)	INE020B08963	07-10-2015	8.11%	07-10-2025	2585	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with Rating Outlook
					(Rs. Cr)	
<i>Sub Total</i>					7,731.00	
Bonds (FY17)	INE020B08997	21-10-2016	7.24%	21-10-2021	2500	CARE AAA; Stable
Bonds (FY17)	INE020B08AA3	07-11-2016	7.52%	07-11-2026	2100	CARE AAA; Stable
Bonds (FY17)	INE020B08AB1	09-12-2016	7.14%	09-12-2021	1020	CARE AAA; Stable
Bonds (FY17)	INE020B08AC9	30-12-2016	7.54%	30-12-2026	3000	CARE AAA; Stable
Bonds (FY17)	INE020B08AE5	20-02-2017	7.13%	21-09-2020	835	CARE AAA; Stable
Bonds (FY17)	INE020B08AF2	28-02-2017	7.46%	28-02-2022	625	CARE AAA; Stable
Bonds (FY17)	INE020B08AH8	14-03-2017	7.95%	12-03-2027	2745	CARE AAA; Stable
Proposed					3300	CARE AAA; Stable
<i>Sub Total</i>					16,125.00	
Bonds (FY18)	INE020B08AJ4	24-08-2017	6.87%	24-09-2020	2,485.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AK2	07-09-2017	7.03%	07-09-2022	2,670.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AM8	17-10-2017	7.09%	17-10-2022	1,225.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AN6	31-10-2017	6.99%	31-12-2020	2,850.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AO4	21-11-2017	7.18%	21-05-2021	600	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AP1	30-11-2017	7.45%	30-11-2022	1,912.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AQ9	12-12-2017	7.70%	10-12-2027	3,533.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AR7	17-01-2018	7.60%	17-04-2021	1,055.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AS5	12-02-2018	7.70%	15-03-2021	2,465.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AT3	23-02-2018	7.99%	23-02-2023	950	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AW7	15-03-2018	7.73%	15-06-2021	800	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AX5	21-03-2018	8.09%	21-03-2028	1,837.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AY3	26-03-2018	8.01%	24-03-2028	1,410.00	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B08AZ0	27-03-2018	8.06%	27-03-2028	753	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KN7	30-09-2017	5.25%	30-09-2020	598.42	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KO5	31-10-2017	5.25%	31-10-2020	614.12	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KP2	30-11-2017	5.25%	30-11-2020	656.33	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KQ0	31-12-2017	5.25%	31-12-2020	745.84	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KR8	31-01-2018	5.25%	31-01-2021	708.49	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KS6	28-02-2018	5.25%	28-02-2021	869.16	CARE AAA; Stable / CARE A1 +
Bonds (FY18)	INE020B07KT4	31-03-2018	5.25%	31-03-2021	2,559.32	CARE AAA; Stable / CARE A1 +
Proposed					23,703.32	CARE AAA; Stable / CARE A1 +
<i>Sub Total</i>					55,000.00	
54 EC Capital Gain Bonds	INE020B07KU2	30-04-2018	5.75%	30-04-2023	278.472	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07KV0	31-05-2018	5.75%	31-05-2023	438.649	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07KW8	30-06-2018	5.75%	30-06-2023	504.737	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07KX6	31-07-2018	5.75%	31-07-2023	683.918	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07KY4	31-08-2018	5.75%	31-08-2023	499.334	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07KZ1	30-09-2018	5.75%	30-09-2023	493.836	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07LA2	31-10-2018	5.75%	31-10-2023	507.788	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07LB0	30-11-2018	5.75%	30-11-2023	480.953	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07LC8	31-12-2018	5.75%	31-12-2023	565.709	CARE AAA; Stable / CARE A1 +
54 EC Capital Gain Bonds	INE020B07LD6	31-01-2019	5.75%	31-01-2024	549.945	CARE AAA; Stable / CARE A1 +

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with Rating Outlook
					(Rs. Cr)	
54 EC Capital Gain Bonds	INE020B07LE4	28-02-2019	5.75%	29-02-2024	569.946	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LF1	31-03-2019	5.75%	31-03-2024	1078.478	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BC7	28-09-2018	8.70%	28-09-2028	3000	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BE3	15-11-2018	8.54%	15-11-2028	3600	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BJ2	22-01-2019	8.80%	22-01-2029	2027	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BL8	08-03-2019	8.60%	08-03-2029	1200	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BM6	13-03-2019	8.35%	13-03-2022	2500	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BN4	18-03-2019	8.15%	18-06-2021	2720	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BO2	25-03-2019	8.30%	25-03-2029	4000	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BA1	09-08-2018	8.55%	09-08-2028	2500	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BB9	27-08-2018	8.63%	25-08-2028	2500	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BD5	22-10-2018	8.83%	21-01-2022	2171	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BF0	22-11-2018	8.45%	22-03-2022	2571.8	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BG8	29-11-2018	8.56%	29-11-2028	2552.4	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BH6	07-12-2018	8.37%	07-12-2028	2554	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BP9	28-03-2019	8.97%	28-03-2029	2151.2	CARE AAA; Stable / CARE A1+
Term Loans					16500	CARE AAA; Stable / CARE A1+
Proposed					25800.835	CARE AAA; Stable / CARE A1+
<i>Sub Total</i>					<i>85,000.00</i>	
Institutional Bonds	INE020B08BQ7	16-04-2019	8.85%	16-04-2029	1,600.70	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BR5	06-05-2019	8.50%	20-12-2021	1,245	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BS3	14-05-2019	8.80%	14-05-2029	1,097	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BT1	10-06-2019	8.15%	10-06-2022	1,000	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BV7	25-06-2019	8.10%	25-06-2024	1,018	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BU9	25-06-2019	8.30%	25-06-2029	2,070.90	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BW5	22-08-2019	8.18%	22-08-2034	5,063	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BX3	16-09-2019	8.29%	16-09-2034	3,028	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BY1	26-09-2019	8.25%	26-09-2029	290.2	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08BZ8	26-09-2019	7.55%	26-09-2020	300	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CA9	26-09-2019	7.55%	26-09-2021	300	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CB7	26-09-2019	7.55%	26-09-2022	300	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CC5	26-09-2019	7.55%	26-09-2023	300	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CD3	13-11-2019	7.09%	13-12-2022	2,769.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CE1	26-11-2019	6.90%	30-06-2022	2,500.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CF8	26-11-2019	7.40%	26-11-2024	1,500.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CG6	26-12-2019	7.24%	31-12-2022	2,090.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CH4	08-01-2020	7.12%	31-03-2023	1,400.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CI2	08-01-2020	7.89%	31-03-2030	1,100.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CJ0	28-01-2020	7.92%	31-03-2030	3,054.90	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CK8	10-02-2020	6.88%	20-03-2025	2,500.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CL6	10-02-2020	6.32%	31-12-2021	2,489.40	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CN2	25-02-2020	6.80%	30-06-2023	1,100.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CM4	25-02-2020	6.99%	30-09-2024	1,100.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CO0	02-03-2020	7.14%	02-03-2030	1,500.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CP7	06-03-2020	7.50%	28-02-2030	2,382.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CQ5	13-03-2020	6.99%	31-12-2021	1,115.00	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CR3	26-03-2020	8.25%	26-03-2030	532.3	CARE AAA; Stable / CARE A1+
Institutional Bonds	INE020B08CS1	31-03-2020	7.20%	31-03-2030	1,750.00	CARE AAA; Stable / CARE A1+
54 EC Capital Gain	INE020B07LG9	30-04-2019	5.75%	30-04-2024	391.12	CARE AAA; Stable / CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with Rating Outlook
					(Rs. Cr)	
Bonds						
54 EC Capital Gain Bonds	INE020B07LH7	31-05-2019	5.75%	31-05-2024	459.1	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LI5	30-06-2019	5.75%	30-06-2024	413.49	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LJ3	31-07-2019	5.75%	31-07-2024	594.94	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LK1	31-08-2019	5.75%	31-08-2024	500.25	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LL9	30-09-2019	5.75%	30-09-2024	497.55	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LM7	31-10-2019	5.75%	31-10-2024	518.4	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LN5	30-11-2019	5.75%	30-11-2024	552.73	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LO3	31-12-2019	5.75%	31-12-2024	527.04	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LP0	31-01-2020	5.75%	31-01-2025	481	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LQ8	29-02-2020	5.75%	28-02-2025	540.1	CARE AAA; Stable / CARE A1+
54 EC Capital Gain Bonds	INE020B07LR6	31-03-2020	5.75%	31-03-2025	682.3	CARE AAA; Stable / CARE A1+
Proposed					41,346.58	CARE AAA; Stable / CARE A1+
<i>Sub Total</i>					<i>94,000.00</i>	
195	INE020B08CT9	22-04-2020	6.92%	22-04-2023	2985.00	CARE AAA; Stable
197	INE020B08CU7	11-05-2020	7.55%	11-05-2030	3740.00	CARE AAA; Stable
198A	INE020B08CV5	21-05-2020	6.60%	21-03-2022	2596.00	CARE AAA; Stable
198B	INE020B08CW3	21-05-2020	7.79%	21-05-2030	1569.00	CARE AAA; Stable
199	INE020B08CX1	08-06-2020	7.96%	15-06-2030	1999.50	CARE AAA; Stable
201A	INE020B08CZ6	30-07-2020	5.90%	31-03-2025	900.00	CARE AAA; Stable
201B	INE020B08DA7	30-07-2020	6.90%	31-03-2031	1300.00	CARE AAA; Stable
202A	INE020B08DB5	28-08-2020	7.25%	30-09-2030	3500.00	CARE AAA; Stable
202B	INE020B08DC3	28-08-2020	5.69%	30-09-2023	2474.00	CARE AAA; Stable
203A	INE020B08DE9	29-10-2020	6.80%	20-12-2030	5000.00	CARE AAA; Stable
203B	INE020B08DF6	29-10-2020	5.85%	20-12-2025	2777.00	CARE AAA; Stable
204A	INE020B08DG4	15-12-2020	6.90%	31-01-2031	2500.00	CARE AAA; Stable
204B	INE020B08DH2	15-12-2020	5.81%	31-12-2025	2082.00	CARE AAA; Stable
205A	INE020B08DJ8	13-01-2021	4.99%	31-01-2024	2135.00	CARE AAA; Stable
205B	INE020B08DK6	13-01-2021	5.94%	31-01-2026	2000.00	CARE AAA; Stable
207	INE020B08DM2	28-01-2021	7.02%	31-01-2036	4589.90	CARE AAA; Stable
208	INE020B08DO8	12-03-2021	7.40%	15-03-2036	3613.80	CARE AAA; Stable
209	INE020B08DP5	19-03-2021	5.79%	20-03-2024	1550.00	CARE AAA; Stable
54EC Series XIV	INE020B07LS4	30-Apr-20	5.75	30-Apr-25	52.58	CARE AAA; Stable
54EC Series XIV	INE020B07LT2	31-May-20	5.75	31-May-25	206.41	CARE AAA; Stable
54EC Series XIV	INE020B07LU0	30-Jun-20	5.75	30-Jun-25	579.60	CARE AAA; Stable
54EC Series XIV	INE020B07LV8	31-Jul-20	5.75	31-Jul-25	440.46	CARE AAA; Stable
54EC Series XIV	INE020B07LW6	31-Aug-20	5.00	31-Aug-25	229.98	CARE AAA; Stable
54EC Series XIV	INE020B07LX4	30-Sep-20	5.00	30-Sep-25	353.17	CARE AAA; Stable
54EC Series XIV	INE020B07LY2	31-Oct-20	5.00	31-Oct-25	290.28	CARE AAA; Stable
54EC Series XIV	INE020B07LZ9	30-Nov-20	5.00	30-Nov-25	330.11	CARE AAA; Stable
54EC Series XIV	INE020B07MA0	31-Dec-20	5.00	31-Dec-25	543.64	CARE AAA; Stable
54EC Series XIV	INE020B07MB8	31-Jan-21	5.00	31-Jan-26	509.48	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with Rating Outlook
					(Rs. Cr)	
54EC Series XIV	INE020B07MC6	28-Feb-21	5.00	28-Feb-26	562.04	CARE AAA; Stable
54EC Series XIV	INE020B07MD4	31-Mar-21	5.00	31-Mar-26	1214.02	CARE AAA; Stable
Proposed					44377.03	CARE AAA; Stable
<i>Sub Total</i>					<i>97,000.00</i>	
206-PDI	INE020B08DL4	22-01-2021	7.97%	-	558.40	CARE AA+; Stable
Proposed PDI					2441.60	CARE AA+; Stable
<i>Sub Total</i>					<i>3,000.00</i>	
54EC Series XV	INE020B07ME2	30-Apr-21	5.00	30-Apr-26	434.65	CARE AAA; Stable
54EC Series XV	INE020B07MF9	31-May-21	5.00	31-May-26	334.08	CARE AAA; Stable
54EC Series XV	INE020B07MG7	30-Jun-21	5.00	30-Jun-26	504.44	CARE AAA; Stable
54EC Series XV	INE020B07MH5	31-Jul-21	5.00	31-Jul-26	584.50	CARE AAA; Stable
54EC Series XV	INE020B07MI3	31-Aug-21	5.00	31-Aug-26	216.53	CARE AAA; Stable
Institutional Bond - 210	INE020B08DR1	22-04-2021	5.74%	20-06-2024	4000.00	CARE AAA; Stable
Proposed					93925.8	CARE AAA; Stable
<i>Sub Total</i>					<i>1,00,000.00</i>	
Long term bonds (Govt fully serviced bonds)					15,000.00	CARE AAA; Stable
Commercial Paper issue (FY21)					4,000.00	CARE A1+
Commercial Paper issue (FY22)					5,000.00	CARE A1+
Short Term Market Borrowing Programme (FY21)					6,000.00	CARE A1+
Short term Market Borrowing Programme (FY22)					5,000.00	CARE A1+
Long term Market Borrowing Programme (FY23)		Proposed			90,005.00	CARE AAA; Stable
Short term Market Borrowing Programme (FY23)		Proposed			5,000.00	CARE A1+
Commercial Paper issue (FY23)		Proposed			5,000.00	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Borrowings-Unsecured Long Term	LT	-	-	-	-	-	1)Withdrawn (03-Oct-18)
2	Borrowings-Secured Long-Term Borrowings	LT	-	-	-	1)Withdrawn (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
3	Borrowings-Secured Long-Term Borrowings	LT	-	-	-	1)Withdrawn (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
4	Borrowings-Secured Long-Term Borrowings	LT	9969.78	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
5	Borrowings-Market Borrowing Programme	LT	8623.50	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
6	Borrowings-Market Borrowing Programme	LT	4589.40	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
7	Borrowings-Market Borrowing Programme	LT	7250.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
8	Borrowings-Market Borrowing Programme	LT	14505.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
9	Borrowings-Market Borrowing Programme	LT	7731.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
10	Borrowings-Market Borrowing Programme	LT	16125.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (13-Dec-18) 2)CARE AAA; Stable (03-Oct-18)
11	Borrowings-Market Borrowing Programme	LT/ST*	55000.00	CARE AAA; Stable /	1)CARE AAA;	1)CARE AAA; Stable / CARE A1+	1)CARE AAA;	1)CARE AAA; Stable / CARE A1+

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
				CARE A1+	Stable / CARE A1+ (20-Sep-21)	(21-Sep-20)	Stable / CARE A1+ (24-Sep-19)	(13-Dec-18) 2)CARE AAA; Stable / CARE A1+ (03-Oct-18)
12	Borrowings-Market Borrowing Programme	LT/ST*	85000.00	CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+ (20-Sep-21)	1)CARE AAA; Stable / CARE A1+ (21-Sep-20)	1)CARE AAA; Stable / CARE A1+ (24-Sep-19) 2)CARE AAA; Stable / CARE A1+ (01-Apr-19)	1)CARE AAA; Stable / CARE A1+ (26-Feb-19) 2)CARE AAA; Stable / CARE A1+ (13-Dec-18) 3)CARE AAA; Stable / CARE A1+ (03-Oct-18) 4)CARE AAA; Stable / CARE A1+ (05-Apr-18)
13	Bonds	LT	15000.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (24-Sep-19)	1)CARE AAA; Stable (31-Jan-19)
14	Borrowings-Market Borrowing Programme	LT/ST*	94000.00	CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+ (20-Sep-21)	1)CARE AAA; Stable / CARE A1+ (21-Sep-20)	1)CARE AAA; Stable / CARE A1+ (28-Mar-20) 2)CARE AAA; Stable / CARE A1+ (24-Sep-19) 3)CARE AAA; Stable / CARE A1+ (01-Apr-19)	-
15	Borrowings-Market Borrowing Programme	LT	97000.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (16-Oct-20) 2)CARE AAA; Stable (21-Sep-20)	1)CARE AAA; Stable (28-Mar-20)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
16	Short Term Instruments-Short Term Borrowing	ST	6000.00	CARE A1+	1)CARE A1+ (20-Sep-21)	1)CARE A1+ (21-Sep-20)	1)CARE A1+ (28-Mar-20)	-
17	Commercial Paper-Commercial Paper (Standalone)	ST	4000.00	CARE A1+	1)CARE A1+ (20-Sep-21)	1)CARE A1+ (21-Sep-20)	1)CARE A1+ (28-Mar-20)	-
18	Bonds-Perpetual Bonds	LT	3000.00	CARE AA+; Stable	1)CARE AA+; Stable (20-Sep-21)	1)CARE AA+; Stable (16-Oct-20)	-	-
19	Commercial Paper-Commercial Paper (Standalone)	ST	5000.00	CARE A1+	1)CARE A1+ (20-Sep-21)	1)CARE A1+ (30-Mar-21)	-	-
20	Short Term Instruments-Short Term Borrowing	ST	5000.00	CARE A1+	1)CARE A1+ (20-Sep-21)	1)CARE A1+ (30-Mar-21)	-	-
21	Borrowings-Market Borrowing Programme	LT	100000.00	CARE AAA; Stable	1)CARE AAA; Stable (20-Sep-21)	1)CARE AAA; Stable (30-Mar-21)	-	-
22	Borrowings-Market Borrowing Programme	LT	90005.00	CARE AAA; Stable				
23	Short Term Instruments-Short Term Borrowing	ST	5000.00	CARE A1+				
24	Commercial Paper-Commercial Paper (Standalone)	ST	5000.00	CARE A1+				

*Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities- Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of Instrument	Complexity level
1	Bonds-Perpetual Bonds	Complex
2	Bonds	Simple
3	Borrowings-Market Borrowing Programme	Simple
4	Borrowings-Secured Long Term Borrowings	Simple
5	Commercial Paper-Commercial Paper (Standalone)	Simple
6	Short Term Instruments-Short Term Borrowing	Simple

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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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.

**For detailed Rationale Report and subscription information, please contact us at www.careedge.in

Rating Rationale

March 31, 2022 | Mumbai

REC Limited

'CRISIL AAA/Stable' assigned to Long-term borrowing programme; 'CRISIL A1+' assigned to Short term borrowing programme

Rating Action

Rs.90000 Crore Long-Term Borrowing Programme&	CRISIL AAA/Stable (Assigned)
Rs.10000 Crore Short Term Borrowing programme&	CRISIL A1+ (Assigned)
Rs.100000 Crore Long-Term Borrowing Programme\$	CRISIL AAA/Stable (Reaffirmed)
Rs.100000 Crore Long-Term Borrowing Programme^	CRISIL AAA/Stable (Reaffirmed)
Rs.1000 Crore Long Term Principal Protected Market Linked Debentures^	CRISIL PPMLD AAA r /Stable (Reaffirmed)
Rs.15000 Crore Bond@@	CRISIL AAA/Stable (Reaffirmed)
Rs.3000 Crore Perpetual Non Convertible Debentures^	CRISIL AAA/Stable (Reaffirmed)
Rs.10000 Crore Short Term Borrowing programme\$	CRISIL A1+ (Reaffirmed)
Long-Term Borrowing Programme Aggregating Rs.194514.83 Crore#**	CRISIL AAA/Stable (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

& Borrowing programme for fiscal 2023 (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.100000.0 crore, of which market borrowing programme is of Rs. 75000.0 crore. Total incremental long-term market borrowing not to exceed Rs.75000.0 crore any point in time during fiscal 2023.

&Long term borrowing includes Rs. 15000.0 crore of Bank limits (CC/WCDL) over and above market borrowing programme.

&Short-term borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs.10000.0 crore at any point during fiscal 2023.It also includes commercial paper limit not exceeding Rs 5000 crore at any point during fiscal 2023

\$ Borrowing programme for fiscal 2022

^Borrowing programme for fiscal 2021

#Past year's borrowing programme

**Includes Rs.9259.30 crore of extra budgetary resources raised by REC on behalf of Ministry of Power

@@ GOI Fully serviced bonds

Detailed Rationale

CRISIL Ratings has assigned its 'CRISIL AAA/Stable' rating to the long term borrowing programme of REC Limited (REC) and its 'CRISIL A1+' rating to the short term borrowing programme of the company. CRISIL Ratings has also reaffirmed its ratings on the other debt instruments of REC at 'CRISIL AAA/Stable/CRISIL A1+'.

The nationwide lockdown imposed by the government to contain the Covid-19 pandemic had impacted power consumption across the country, hence funding requirements from distribution companies (discoms) were lower. Although lockdown has been eased in a phased manner revenue collections of distribution companies (discoms) were impacted severely which also adversely affected their ability to repay their dues to the generating companies (gencos). To improve the liquidity position of discoms, GoI announced a Rs 90,000 crore discoms package with REC and PFC as lending partners, which was further increased to 1.25 lakhs crore. As of September 2021, REC along with PFC have sanctioned around Rs 1.35 lakh crore, of which disbursements stood at around Rs 85,000 crore. The package is expected to support discoms in meeting their payment obligations to generation companies (gencos), which in turn would improve the ability of gencos to meet their debt obligations, including their dues to PFC and REC. Also, given that REC would be incrementally lending to borrowers with state government guarantee which have a lower risk weightage at 20%, it will help in improving capital ratios. CRISIL will continue to monitor developments in this regards.

Government of India had announced, Revamped Distribution Sector Scheme(RDSS) reforms-based and results-linked scheme with an outlay of 3.04 lakh crore over a period of 5 years, which would be available till fiscal 2026. REC & Power Finance Corporation has been appointed as nodal lending agencies for facilitating implementation this vital scheme. The scheme aims to improve operational efficiencies and financial sustainability of DISCOMs by providing reform linked financial assistance for strengthening of supply

Asset quality has been improving led by recoveries in large delinquent private sector exposures, however it has slightly increased due to further slippages in Q3 of fiscal 2022. Gross non-performing assets (NPAs) and net NPAs stood at 5.1% and 1.7%, respectively, as on December 31, 2021 versus 5.1% and 2.0%, respectively, a year earlier (4.8% and 1.7%, respectively, as on March 31, 2021). Most of the credit impaired accounts are under a resolution process/or at advanced stages of resolution, as most of the stress in the private sector recognized, and the current stage 2 accounts likely to benefit from the discoms

package, there may not be further large private sector slippages in the near to medium term. Nevertheless, the performance of the loan book and recovery from resolution will remain a key monitorable.

The ratings continue to reflect the strategic importance to the Gol given the key role the company plays in financing the Indian power sector, and majority ownership by the government. The ratings also factor in a strong market position and adequate capitalisation and resource profile. These strengths are partially offset by inherent vulnerability of the asset quality to the weak credit risk profiles of borrowers and significant sectoral and customer concentration in revenue.

Analytical Approach

For arriving at the ratings, CRISIL Ratings has combined the business and financial risk profile of REC and its subsidiaries. Furthermore, currently, CRISIL factors in support from the ultimate parent, Gol given its key role in financing the Indian power sector and expectation of continued support to REC by Gol, albeit routed through PFC.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Strategic importance to Gol, given REC's key role in financing India's power sector**

REC is strategically important to Gol as it plays an important role in the Indian power sector, not only by providing finance but also by implementing Gol's power sector policies. It is the nodal agency for channeling finance towards its rural electrification programme under the Deendayal Upadhyaya Gram Jyoti Yojana (formerly known as Rajiv Gandhi Grameen Vidyutikaran Yojana) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (translated as the Prime Minister's Programme to provide easy electricity access to all households), or 'Saubhagya'. Furthermore, the company has been nominated as the sole nodal agency to operate the National Electricity Fund Scheme—an interest subsidy scheme introduced by Gol—to promote capital investment in the power distribution sector. REC, along with Power Finance Corporation are two organisation designated as nodal agency for reform based result linked Revamped Distribution Sector Scheme. REC is the second-largest lender to the sector. The company plays a developmental role in channeling finance to meet the power sector's large funding requirement, particularly of State Power Utilities (SPUs), which constitute 90% of its portfolio as on December 31, 2021.

The government supports the company financially and operationally in various ways, including conferring special status to raise capital gains tax exemption bonds. Even after stake sale to PFC, Gol indirectly controls REC. CRISIL believes that Gol has strong strategic reasons and a moral obligation to support REC, both on an ongoing basis and in the event of distress, given the latter's role in implementing the government's power sector policies.

- **Dominant market position in the power financing segment**

REC plays an important role in the Indian power sector, not only by providing finance but also by implementing Gol's power sector policies. REC provides project-based long-term loans for generation, transmission and distribution activities and renewable energy. Besides, the company also offers short-term loans for working capital requirement, bridge loans, and debt refinancing. REC's outstanding loan book had exposure of 86%, 4%, and 10% to state sector, joint sector units, and private sector, respectively, as on December 31, 2021. The importance of REC in channelling financing to the domestic power sector is underscored by the fact that REC, together with PFC, accounted for a significant portion of the aggregate debt raised by SPUs. To support this role, REC has also received exemption from single and group borrower exposure norms for exposures to state power utilities (SPUs) till March 2022. Clearly, REC will remain a key financier to SPUs and, therefore, play a crucial role in sustaining their operations. Loans outstanding to government sector stood at Rs 3.50 lakh crore as on December 31, 2021 (Rs 3.39 lakh crore as on March 31, 2021; Rs 2.85 lakh crore as on March 31, 2020). As on December 31, 2021, overall loan book stood at Rs 3.89 lakh crore (Rs 3.77 lakh crore as on March 31, 2021; Rs 3.22 lakh crore as on March 31, 2020)

- **Strong resource profile**

REC's credit risk profile is supported by its sound resource profile, with competitive borrowing costs and a diversified, albeit wholesale, resource base. As on December 31, 2021, overall borrowings stood at Rs 3.36 lakh crore with domestic bonds forming the largest share at 49%, foreign currency borrowings at 22%, funding from banks/FIs at 18% and capital gains/tax free bonds at 11%. The company raised Rs 2000 crore of short-term commercial paper borrowings as on December 31, 2021 (Nil as on March 31, 2021). On a steady state, CP borrowings are likely to remain within 5% of the total borrowings. REC's debt instruments have wide market acceptability and the company typically borrows at low spreads over government securities. Its cost of borrowing is lower than that of most of its peers, and stood at 6.87% in the first nine months of fiscal 2022 (7.24% in fiscal 2021; 8.23% in fiscal 2020).

- **Adequate capitalisation**

REC's capital profile provides a cushion against asset-side risks arising from high sectoral and customer concentration. The net worth was Rs 50,258 crore as on December 31, 2021 (Rs 43,426 crore as on March 31, 2021). The overall capital adequacy ratio (CAR) and Tier 1 CAR stood at 23.22% and 19.01%, respectively, as on December 31, 2021 (19.72% and 16.31%, respectively, as on March 31, 2021). Gearing stood at 6.7 times as on December 31, 2021 (7.4 times as on March 31, 2021). The net worth/net NPA ratio was around 7.4 times as on December 31, 2021 (6.7 times as on March 31, 2021). Capitalisation is expected to remain adequate over the medium term, supported by a demonstrated ability to raise capital through private placement). Accretion to net worth will be supported by the company's ability to maintain good interest spreads and a low operating expense ratio. The return on assets (RoA) ratio was 2.2% in fiscal 2021 as against 1.5% in fiscal 2020 (RoA (annualised) stood at 2.5% in the first nine months of fiscal 2022). Profitability was impacted in fiscal 2020

due to increase in credit costs and foreign exchange (forex) losses. Ability to contain credit costs and hence improve profitability and capitalisation will remain a key monitorable.

Weakness:

• **Inherent vulnerability in asset quality, and significant sectoral and customer concentration**

REC's asset quality remains inherently vulnerable as it caters only to the power sector and faces inherent asset quality challenges because of the weak financial risk profiles of its main customers, SPUs, comprising around 90% of overall advances as on December 31, 2021. Further, top 10 borrowers constitute ~43% of total loan book. Effective execution of various reform measures is extremely critical for SPUs to produce the desired positive impact, and broad-based political consensus is necessary to implement the much-needed tariff hikes to ensure sustained improvement in the performance of SPUs. However, REC has been able to manage overall asset quality risks in this segment owing to its criticality to borrowers and through various asset protection mechanisms.

REC also has around 10% exposure to the private sector as on December 31, 2021 (10% as on March 31, 2021), which has been vulnerable to asset quality risks owing to issues such as lack of fuel availability, inability to pass on fuel price increases, and absence of long-term power purchase agreements for assured power offtake. As on December 31, 2021, the overall gross NPAs and Net NPAs decreased to 5.1% and 1.7%, respectively, from 5.1% and 2.0%, respectively, a year ago (4.8% and 1.7%, respectively, as on March 31, 2021) led by recovery from large private delinquent accounts. As on December 31, 2021, 52% of private sectors loans have been recognized as stage III assets on which the company has a provision coverage of 66%.

Overall, CRISIL believes that the asset quality will remain vulnerable over the medium term primarily because of the increased challenges likely to be faced with private sector borrowers. The ability to resolve stressed accounts will also be a key monitorable going ahead.

Liquidity: Superior

Asset Liability Maturity (ALM) profile of REC shows that liquidity position is superior. The mismatches in the ALM buckets up to one year given the relatively long tenure of its assets are managed mainly through unutilised bank lines. Additionally, the debt repayments are well staggered across months, supporting its liquidity profile.

As on February 07, 2022, REC had a liquidity cushion of Rs 21340 crore on a standalone basis (Rs 7173 crore of cash and equivalents including liquid investments and Rs 14167 crore of unutilised bank lines including undrawn term loans) as against debt obligation of Rs 13138 crore in the next two months till April 30, 2022.

REC continues to tap debt capital markets for fresh issuances. Around Rs 13,883 crore were raised as domestic bonds in the first nine months of fiscal 2022. REC also raised term loans of Rs 19,300 crore and foreign currency borrowings of Rs 17,226 crore over the same period.

Outlook: Stable

CRISIL Ratings believes that REC will continue to benefit from Gol's support, given its strategic role in the implementation of Gol's power sector initiatives. Moreover, REC will maintain its healthy position in the infrastructure-financing segment along with comfortable capitalisation and earnings.

In addition, the rating on the perpetual bonds remains sensitive to the capital buffer maintained by REC over regulatory capital requirements; rating transition on these instruments could potentially be sharper than that on other debt instruments and bank facilities.

Rating Sensitivity factors

Downward Factors:

- Decline in REC's strategic importance to, or in the direct or indirect support it receives from, Gol by way of reduction in PFC's shareholding below 50%
- Significant deterioration in asset quality, thereby impacting profitability and capitalisation.

About the Company

Incorporated in 1969, REC is a public financial institution under the administrative control of the Ministry of Power, Gol. The company is registered with Reserve Bank of India as a non-banking infrastructure finance company (NBFC-IFC). Until 2003, its primary objective was to provide financial assistance on concession to SPUs for rural electrification. Its mandate was broadened in 2003 to include financing of all segments of the power sector; REC finances generation projects, including independent power projects. Since September 2009, the company's mandate has been further widened to include financing activities allied to the power sector, and power-related infrastructure, such as coal and other mining activities, and fuel supply arrangements.

In March 2019, Power Finance Corporation completed the acquisition of Government of India's (Gol's) 52.63% stake in REC. The rating reaffirmation is driven by strategic importance of REC to Gol and support, if any, required will be provided by Gol. Even post the sale of Gol stake in REC to PFC, the company continues to play its respective policy role and remains nodal agencies for implementing Gol's power sector policies. Further, it is expected to operate all functions independently as is it did prior to the acquisition. Gol will continue to appoint the Board and CMD of REC and also have representation on the Board even after the stake sale.

Further, REC continues to operate as public financial institution (PFI), Infrastructure Finance Company (NBFC-IFC) and a Central Public Sector Enterprise (CPSE). Also, the entity continues to accrue all the benefits it was eligible for prior to stake sale by Gol, including raising bonds under Section 54EC. Capital support, if required, by REC, will be provided by government, albeit through PFC.

Even after the proposed stake sale, given that PFC is majority owned by Gol, CRISIL believes that Gol will continue to be involved in matters related to REC and that PFC and Gol would act in concert to support REC, if required. The rating also reflect REC's sound resource profile and adequate capitalisation. The rating strengths are partially offset by the company's exposure to risks relating to inherent vulnerability of asset quality, and significant customer and sectoral concentration.

For fiscal 2021, REC reported a profit after tax (PAT) of Rs 8,362 crore and total income (net of interest) of Rs 13,921 crore (Rs 4,886 crore and Rs 10,832 crore, respectively in the previous fiscal). For the nine months ended December 31, 2021, REC reported a PAT of Rs 7,758 crore on a total income (net of interest expense) of Rs 12,929 crore as against a PAT of Rs 6,292 crore on a total income (net of interest expense) of Rs 10,210 crore for the corresponding period of the previous fiscal.

Key Financial Indicators

As on / for the period ended December 31	Unit	2021	2020
Total Assets	Rs. Cr.	418790	3,79,193
Total income (net of interest)	Rs. Cr.	12,929	10,210
Profit after tax	Rs. Cr.	7758	6,292
Gross NPA	%	5.1	5.1
Gearing	Times	6.7	7.4
Overall capital adequacy ratio	%	23.2	19.3

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of the Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity level	Rating with Outlook
INE020B08DR1	Bonds	22-Apr-21	5.74%	20-Jun-24	4000	Simple	CRISIL AAA/Stable
INE020B08DO8	Bonds	12-Mar-21	7.40%	15-Mar-36	3613.8	Simple	CRISIL AAA/Stable
INE020B08682	Bonds	15-Feb-12	0.0915	15-Feb-27	2500	Simple	CRISIL AAA/Stable
INE020B07LS4	Bonds	30-Apr-20	5.75%	30-Apr-25	2500	Simple	CRISIL AAA/Stable
INE020B07LT2	Bonds	31-May-20	5.75%	31-May-25	2500	Simple	CRISIL AAA/Stable
INE020B07LU0	Bonds	30-Jun-20	5.75%	30-Jun-25	2500	Simple	CRISIL AAA/Stable
INE020B07LV8	Bonds	31-Jul-20	5.75%	31-Jul-25	2500	Simple	CRISIL AAA/Stable
INE020B07LW6	Bonds	31-Aug-20	5%	31-Aug-25	2500	Simple	CRISIL AAA/Stable
INE020B07LZ9	Bonds	30-Nov-20	5%	30-Nov-25	2500	Simple	CRISIL AAA/Stable
INE020B07MA0	Bonds	31-Dec-20	5%	31-Dec-25	2500	Simple	CRISIL AAA/Stable
INE020B07MB8	Bonds	31-Jan-21	5%	31-Jan-26	2500	Simple	CRISIL AAA/Stable
INE020B07MC6	Bonds	28-Feb-21	5%	28-Feb-26	2500	Simple	CRISIL AAA/Stable
INE020B07MD4	Bonds	31-Mar-21	5%	31-Mar-26	2500	Simple	CRISIL AAA/Stable
INE020B08DP5	Bonds	19-Mar-21	5.79%	20-Mar-24	1550	Simple	CRISIL AAA/Stable
INE020B08DD1	Bonds	26-Sep-19	8.25%	26-Sep-29	1451	Simple	CRISIL AAA/Stable
INE020B08DT7	Bonds	21-Oct-21	6.23%	31-Oct-31	1200	Simple	CRISIL AAA/Stable
INE020B08DQ3	Bonds	26-Mar-21	6.50%	26-Mar-31	500	Simple	CRISIL AAA/Stable
INE020B07ME2	Bonds	30-Apr-21	0.05	30-Apr-26	385.56	Simple	CRISIL AAA/Stable
INE020B07MJ1	Bonds	30-Sep-21	5%	30-Sep-26	341.82	Simple	CRISIL AAA/Stable

INE020B07MH5	Bonds	31-Jul-21	5%	31-Jul-26	282.3	Simple	CRISIL AAA/Stable
INE020B07MF9	Bonds	31-May-21	5%	31-May-26	141.41	Simple	CRISIL AAA/Stable
INE020B07LY2	Bonds	31-Oct-20	5%	31-Oct-25	25	Simple	CRISIL AAA/Stable
INE020B08BO2	Bonds (Gol Fully Serviced)@@	25-Mar-19	8.30%	25-Mar-29	4,000.00	Simple	CRISIL AAA/Stable
INE020B08CS1	Bonds (Gol Fully Serviced)@@	31-Mar-20	7.20%	31-Mar-30	1,750.00	Simple	CRISIL AAA/Stable
INE020B08CO0	Bonds (Gol Fully Serviced)@@	2-Mar-20	7.14%	2-Mar-30	1,500.00	Simple	CRISIL AAA/Stable
INE020B08BL8	Bonds (Gol Fully Serviced)@@	8-Mar-19	8.60%	8-Mar-29	1,200.00	Simple	CRISIL AAA/Stable
INE020B08DI0	Bonds (Gol Fully Serviced)@@	7-Jan-21	6.45%	7-Jan-31	1,000.00	Simple	CRISIL AAA/Stable
INE020B08DN0	Bonds (Gol Fully Serviced)@@	28-Jan-21	6.63%	28-Jan-31	1,000.00	Simple	CRISIL AAA/Stable
INE020B08CR3	Bonds (Gol Fully Serviced)@@	26-Mar-20	8.25%	26-Mar-30	532.3	Simple	CRISIL AAA/Stable
NA	Bonds (Gol Fully Serviced)@@^^	NA	NA	NA	4,017.70	Simple	CRISIL AAA/Stable
INE020B07LX4	Debentures	30-Sep-20	5.75%	30-Sep-25	10000	Simple	CRISIL AAA/Stable
INE020B08724	Infrastructure Bonds	15-Feb-12	9.15%	15-Feb-27	2.8	Simple	CRISIL AAA/Stable
INE020B08732	Infrastructure Bonds	15-Feb-12	9.15%	15-Feb-27	1.1	Simple	CRISIL AAA/Stable
INE020B08DE9	Institutional Bond#	29-Oct-20	6.80%	20-Dec-30	5,000.00	Simple	CRISIL AAA/Stable
INE020B08DM2	Institutional Bond#	28-Jan-21	7.02%	31-Jan-36	4,589.90	Simple	CRISIL AAA/Stable
INE020B08CU7	Institutional Bond#	11-May-20	7.55%	11-May-30	3,740.00	Simple	CRISIL AAA/Stable
INE020B08DB5	Institutional Bond#	28-Aug-20	7.25%	30-Sep-30	3,500.00	Simple	CRISIL AAA/Stable
INE020B08CT9	Institutional Bond#	22-Apr-20	6.92%	22-Apr-23	2,985.00	Simple	CRISIL AAA/Stable
INE020B08DF6	Institutional Bond#	29-Oct-20	5.85%	20-Dec-25	2,777.00	Simple	CRISIL AAA/Stable
INE020B08CV5	Institutional Bond#	21-May-20	6.60%	21-Mar-22	2,596.00	Simple	CRISIL AAA/Stable
INE020B08DG4	Institutional Bond#	15-Dec-20	6.90%	31-Jan-31	2,500.00	Simple	CRISIL AAA/Stable
INE020B08DC3	Institutional Bond#	28-Aug-20	5.69%	30-Sep-23	2,474.00	Simple	CRISIL AAA/Stable
INE020B08DJ8	Institutional Bond#	13-Jan-21	4.99%	31-Jan-24	2,135.00	Simple	CRISIL AAA/Stable
INE020B08DH2	Institutional Bond#	15-Dec-20	5.81%	31-Dec-25	2,082.00	Simple	CRISIL AAA/Stable
INE020B08DK6	Institutional Bond#	13-Jan-21	5.94%	31-Jan-26	2,000.00	Simple	CRISIL AAA/Stable
INE020B08CX1	Institutional Bond#	8-Jun-20	7.96%	15-Jun-30	1,999.50	Simple	CRISIL AAA/Stable
INE020B08CW3	Institutional Bond#	21-May-20	7.79%	21-May-30	1,569.00	Simple	CRISIL AAA/Stable
INE020B08DA7	Institutional Bond#	30-Jul-20	6.90%	31-Mar-31	1,300.00	Simple	CRISIL AAA/Stable
INE020B08CZ6	Institutional Bond#	30-Jul-20	5.90%	31-Mar-25	900	Simple	CRISIL AAA/Stable
INE020B08831	Institutional Bonds	12-Apr-13	8.82%	12-Apr-23	4,300.00	Simple	CRISIL AAA/Stable
INE020B08AQ9	Institutional Bonds	12-Dec-17	7.70%	10-Dec-27	3,533.00	Simple	CRISIL AAA/Stable
INE020B08AC9	Institutional Bonds	30-Dec-16	7.54%	30-Dec-26	3,000.00	Simple	CRISIL AAA/Stable
INE020B08AH8	Institutional Bonds	14-Mar-17	7.95%	12-Mar-27	2,745.00	Simple	CRISIL AAA/Stable
INE020B08AK2	Institutional Bonds	7-Sep-17	7.03%	7-Sep-22	2,670.00	Simple	CRISIL AAA/Stable
INE020B08963	Institutional Bonds	7-Oct-15	8.11%	7-Oct-25	2,585.00	Simple	CRISIL AAA/Stable
INE020B08BF0	Institutional Bonds	22-Nov-18	8.45%	22-Mar-22	2,571.80	Simple	CRISIL AAA/Stable
INE020B08BH6	Institutional Bonds	7-Dec-18	8.37%	7-Dec-28	2,554.00	Simple	CRISIL AAA/Stable

INE020B08BG8	Institutional Bonds	29-Nov-18	8.56%	29-Nov-28	2,552.40	Simple	CRISIL AAA/Stable
INE020B08849	Institutional Bonds	31-May-13	8.06%	31-May-23	2,500.00	Simple	CRISIL AAA/Stable
INE020B08BA1	Institutional Bonds	9-Aug-18	8.55%	9-Aug-28	2,500.00	Simple	CRISIL AAA/Stable
INE020B08BB9	Institutional Bonds	27-Aug-18	8.63%	25-Aug-28	2,500.00	Simple	CRISIL AAA/Stable
INE020B08BM6	Institutional Bonds	13-Mar-19	8.35%	13-Mar-22	2,500.00	Simple	CRISIL AAA/Stable
INE020B08930	Institutional Bonds	10-Apr-15	8.30%	10-Apr-25	2,396.00	Simple	CRISIL AAA/Stable
INE020B08740	Institutional Bonds	15-Jun-12	9.35%	15-Jun-22	2,378.20	Simple	CRISIL AAA/Stable
INE020B08906	Institutional Bonds	6-Feb-15	8.27%	6-Feb-25	2,325.00	Simple	CRISIL AAA/Stable
INE020B08914	Institutional Bonds	23-Feb-15	8.35%	22-Feb-25	2,285.00	Simple	CRISIL AAA/Stable
INE020B08880	Institutional Bonds	22-Dec-14	8.57%	21-Dec-24	2,250.00	Simple	CRISIL AAA/Stable
INE020B08807	Institutional Bonds	19-Nov-12	9.02%	19-Nov-22	2,211.20	Simple	CRISIL AAA/Stable
INE020B08BP9	Institutional Bonds	28-Mar-19	8.97%	28-Mar-29	2,151.20	Simple	CRISIL AAA/Stable
INE020B08AA3	Institutional Bonds	7-Nov-16	7.52%	7-Nov-26	2,100.00	Simple	CRISIL AAA/Stable
INE020B07IZ5	Institutional Bonds	25-Aug-14	9.34%	25-Aug-24	1,955.00	Simple	CRISIL AAA/Stable
INE020B08898	Institutional Bonds	23-Jan-15	8.23%	23-Jan-25	1,925.00	Simple	CRISIL AAA/Stable
INE020B08AP1	Institutional Bonds	30-Nov-17	7.45%	30-Nov-22	1,912.00	Simple	CRISIL AAA/Stable
INE020B08443	Institutional Bonds	12-Jul-10	8.75%	12-Jul-25	1,800.00	Simple	CRISIL AAA/Stable
INE020B08427	Institutional Bonds	8-Jun-10	8.75%	8-Jun-25	1,250.00	Simple	CRISIL AAA/Stable
INE020B08AM8	Institutional Bonds	17-Oct-17	7.09%	17-Oct-22	1,225.00	Simple	CRISIL AAA/Stable
INE020B07LF1	Institutional Bonds	31-Mar-19	5.75%	31-Mar-24	1,078.50	Simple	CRISIL AAA/Stable
INE020B08AT3	Institutional Bonds	23-Feb-18	7.99%	23-Feb-23	950	Simple	CRISIL AAA/Stable
INE020B08922	Institutional Bonds	9-Mar-15	8.27%	9-Mar-22	700	Simple	CRISIL AAA/Stable
INE020B07KX6	Institutional Bonds	31-Jul-18	5.75%	31-Jul-23	683.9	Simple	CRISIL AAA/Stable
INE020B08AF2	Institutional Bonds	28-Feb-17	7.46%	28-Feb-22	625	Simple	CRISIL AAA/Stable
INE020B07LE4	Institutional Bonds	28-Feb-19	5.75%	28-Feb-24	570	Simple	CRISIL AAA/Stable
INE020B07LC8	Institutional Bonds	31-Dec-18	5.75%	31-Dec-23	565.7	Simple	CRISIL AAA/Stable
INE020B07LD6	Institutional Bonds	31-Jan-19	5.75%	31-Jan-24	550	Simple	CRISIL AAA/Stable
INE020B07LA2	Institutional Bonds	31-Oct-18	5.75	31-Oct-23	507.8	Simple	CRISIL AAA/Stable
INE020B07KW8	Institutional Bonds	30-Jun-18	5.75%	30-Jun-23	504.7	Simple	CRISIL AAA/Stable
INE020B07KY4	Institutional Bonds	31-Aug-18	5.75%	31-Aug-23	499.3	Simple	CRISIL AAA/Stable
INE020B07KZ1	Institutional Bonds	30-Sep-18	5.75%	30-Sep-23	493.8	Simple	CRISIL AAA/Stable
INE020B07LB0	Institutional Bonds	30-Nov-18	5.75%	30-Nov-23	481	Simple	CRISIL AAA/Stable
INE020B07KV0	Institutional Bonds	31-May-18	5.75%	31-May-23	438.7	Simple	CRISIL AAA/Stable
INE020B07KU2	Institutional Bonds	30-Apr-18	5.75%	30-Apr-23	278.5	Simple	CRISIL AAA/Stable
INE020B08BE3	Institutional Bonds (Gol Serviced)	15-Nov-18	8.54%	15-Nov-28	3,600.00	Simple	CRISIL AAA/Stable
INE020B08BC7	Institutional Bonds (Gol Serviced)	28-Sep-18	8.70%	28-Sep-28	3,000.00	Simple	CRISIL AAA/Stable
INE020B08BJ2	Institutional Bonds (Gol Serviced)	22-Jan-19	8.80%	22-Jan-29	2,027.00	Simple	CRISIL AAA/Stable
INE020B08AX5	Institutional Bonds (Gol Serviced)	21-Mar-18	8.09%	21-Mar-28	1,837.00	Simple	CRISIL AAA/Stable
INE020B08AY3	Institutional Bonds (Gol Serviced)	26-Mar-18	8.01%	24-Mar-28	1,410.00	Simple	CRISIL AAA/Stable
INE020B08AZ0	Institutional Bonds (Gol Serviced)	27-Mar-18	8.06%	27-Mar-28	753	Simple	CRISIL AAA/Stable

INE020B08BW5	Institutional Bonds&	22-Aug-19	8.18%	22-Aug-34	5,063.00	Simple	CRISIL AAA/Stable
INE020B08CJ0	Institutional Bonds&	28-Jan-20	7.92%	31-Mar-30	3,054.90	Simple	CRISIL AAA/Stable
INE020B08BX3	Institutional Bonds&	16-Sep-19	8.29%	16-Sep-34	3,028.00	Simple	CRISIL AAA/Stable
INE020B08CD3	Institutional Bonds&	13-Nov-19	7.09%	13-Dec-22	2,769.00	Simple	CRISIL AAA/Stable
INE020B08CE1	Institutional Bonds&	26-Nov-19	6.90%	30-Jun-22	2,500.00	Simple	CRISIL AAA/Stable
INE020B08CK8	Institutional Bonds&	10-Feb-20	6.88%	20-Mar-25	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LR6	Institutional Bonds&	31-Mar-20	5.75%	31-Mar-25	2,500.00	Simple	CRISIL AAA/Stable
INE020B08CP7	Institutional Bonds&	6-Mar-20	7.50%	28-Feb-30	2,382.00	Simple	CRISIL AAA/Stable
INE020B08CG6	Institutional Bonds&	26-Dec-19	7.24%	31-Dec-22	2,090.00	Simple	CRISIL AAA/Stable
INE020B08BU9	Institutional Bonds&	25-Jun-19	8.30%	25-Jun-29	2,070.90	Simple	CRISIL AAA/Stable
INE020B08BQ7	Institutional Bonds&	16-Apr-19	8.85%	16-Apr-29	1,600.70	Simple	CRISIL AAA/Stable
INE020B08CF8	Institutional Bonds&	26-Nov-19	7.40%	26-Nov-24	1,500.00	Simple	CRISIL AAA/Stable
INE020B08CH4	Institutional Bonds&	8-Jan-20	7.12%	31-Mar-23	1,400.00	Simple	CRISIL AAA/Stable
INE020B08CI2	Institutional Bonds&	8-Jan-20	7.89%	31-Mar-30	1,100.00	Simple	CRISIL AAA/Stable
INE020B08CN2	Institutional Bonds&	25-Feb-20	6.80%	30-Jun-23	1,100.00	Simple	CRISIL AAA/Stable
INE020B08CM4	Institutional Bonds&	25-Feb-20	6.99%	30-Sep-24	1,100.00	Simple	CRISIL AAA/Stable
INE020B08BS3	Institutional Bonds&	14-May-19	8.80%	14-May-29	1,097.00	Simple	CRISIL AAA/Stable
INE020B08BV7	Institutional Bonds&	25-Jun-19	8.1	25-Jun-24	1,018.00	Simple	CRISIL AAA/Stable
INE020B07LJ3	Institutional Bonds&	31-Jul-19	5.75%	31-Jul-24	594.62	Simple	CRISIL AAA/Stable
INE020B07LN5	Institutional Bonds&	30-Nov-19	5.75%	30-Nov-24	552.73	Simple	CRISIL AAA/Stable
INE020B07LO3	Institutional Bonds&	31-Dec-19	5.75%	31-Dec-24	527.04	Simple	CRISIL AAA/Stable
INE020B07LM7	Institutional Bonds&	31-Oct-19	5.75%	31-Oct-24	518.4	Simple	CRISIL AAA/Stable
INE020B07LQ8	Institutional Bonds&	28-Feb-20	5.75%	28-Feb-25	501.2	Simple	CRISIL AAA/Stable
INE020B07LK1	Institutional Bonds&	31-Aug-19	5.75%	31-Aug-24	500.25	Simple	CRISIL AAA/Stable
INE020B07LL9	Institutional Bonds&	30-Sep-19	5.75%	30-Sep-24	497.55	Simple	CRISIL AAA/Stable
INE020B07LP0	Institutional Bonds&	31-Jan-20	5.75%	31-Jan-25	480.2	Simple	CRISIL AAA/Stable
INE020B07LH7	Institutional Bonds&	31-May-19	5.75%	31-May-24	459.1	Simple	CRISIL AAA/Stable
INE020B07LI5	Institutional Bonds&	30-Jun-19	5.75%	30-Jun-24	413.49	Simple	CRISIL AAA/Stable
INE020B07LG9	Institutional Bonds&	30-Apr-19	5.75%	30-Apr-24	391.12	Simple	CRISIL AAA/Stable
INE020B08CB7	Institutional Bonds&	26-Sep-19	7.55%	26-Sep-22	300	Simple	CRISIL AAA/Stable
INE020B08CC5	Institutional Bonds&	26-Sep-19	7.55%	26-Sep-23	300	Simple	CRISIL AAA/Stable
INE020B08BY1	Institutional Bonds&	26-Sep-19	8.25%	26-Sep-29	290.2	Simple	CRISIL AAA/Stable
INE020B08BT1	Institutional Bonds&	10-Jun-19	8.15%	10-Jun-22	1,000.00	Simple	CRISIL AAA/Stable
NA	Long term borrowing programme (FY22) ^{^^}	NA	NA	NA	80943.24	Simple	CRISIL AAA/Stable
NA	Long term borrowing programme (FY23) ^{^^}	NA	NA	NA	90000	Simple	CRISIL AAA/Stable
NA	Short term	NA	NA	NA	10000	Simple	CRISIL A1+

	borrowing programme (FY23) ^{^^}						
INE020B08CY9	Long Term Principal Protected Market Linked Debentures#	8-Jul-20	Linked to 10 year G-Sec	30-Jun-23	500	Highly Complex	CRISIL PP-MLD AAAr/Stable
NA	Long Term Principal Protected Market Linked Debentures ^{^^} #	NA	NA	NA	500	Highly Complex	CRISIL PP-MLD AAAr/Stable
NA	Perpetual Non-Convertible Debentures#	NA	NA	NA	2,441.60	Highly Complex	CRISIL AAA/Stable
INE020B08DL4	Perpetual Non-Convertible Debentures#	44218	0.0797	Perpetual	558.4	Highly Complex	CRISIL AAA/Stable
NA	Short term borrowing programme (FY22) ^{^^}	NA	NA	NA	7,645.00	Simple	CRISIL A1+
INE020B07GH7	Tax Free Bonds	27-Mar-12	8.12%/8.32%	27-Mar-27	2,160.30	Simple	CRISIL AAA/Stable
INE020B07HP8	Tax Free Bonds	24-Sep-13	8.46%	24-Sep-28	1,721.20	Simple	CRISIL AAA/Stable
INE020B07GW6	Tax Free Bonds	19-Dec-12	7.22%/7.72%	19-Dec-22	1,165.30	Simple	CRISIL AAA/Stable
INE020B07HN3	Tax Free Bonds	29-Aug-13	8.46%	29-Aug-28	1,141.00	Simple	CRISIL AAA/Stable
INE020B07HS2	Tax Free Bonds	24-Sep-13	8.71%	24-Sep-28	1,089.10	Simple	CRISIL AAA/Stable
INE020B07GX4	Tax Free Bonds	19-Dec-12	7.38%/7.88%	19-Dec-27	852	Simple	CRISIL AAA/Stable
INE020B07GG9	Tax Free Bonds	27-Mar-12	7.93%/8.13%	27-Mar-22	839.7	Simple	CRISIL AAA/Stable
INE020B07HR4	Tax Free Bonds	24-Sep-13	8.26%	24-Sep-23	317.9	Simple	CRISIL AAA/Stable
INE020B07JO7	Tax Free Bonds	23-Jul-15	7.17%	23-Jul-25	300	Simple	CRISIL AAA/Stable
INE020B07IC4	Tax Free Bonds	24-Mar-14	8.19%	24-Mar-24	290.3	Simple	CRISIL AAA/Stable
INE020B07IG5	Tax Free Bonds	24-Mar-14	8.88%	24-Mar-29	282.3	Simple	CRISIL AAA/Stable
INE020B07JT6	Tax Free Bonds	5-Nov-15	7.18%	5-Nov-35	276.6	Simple	CRISIL AAA/Stable
INE020B07HO1	Tax Free Bonds	24-Sep-13	8.01%	24-Sep-23	257.2	Simple	CRISIL AAA/Stable
INE020B07GU0	Tax Free Bonds	21-Nov-12	7.21%	21-Nov-22	255	Simple	CRISIL AAA/Stable
INE020B07ID2	Tax Free Bonds	24-Mar-14	8.63%	24-Mar-29	248.1	Simple	CRISIL AAA/Stable
INE020B07GV8	Tax Free Bonds	21-Nov-12	7.38%	21-Nov-27	245	Simple	CRISIL AAA/Stable
INE020B07HM5	Tax Free Bonds	29-Aug-13	8.01%	29-Aug-23	209	Simple	CRISIL AAA/Stable
INE020B07JU4	Tax Free Bonds	5-Nov-15	7.43%	5-Nov-35	144.6	Simple	CRISIL AAA/Stable
INE020B07JR0	Tax Free Bonds	5-Nov-15	7.09%	5-Nov-30	133.7	Simple	CRISIL AAA/Stable
INE020B07IF7	Tax Free Bonds	24-Mar-14	8.44%	24-Mar-24	129.1	Simple	CRISIL AAA/Stable
INE020B07HU8	Tax Free Bonds	11-Oct-13	8.18%	11-Oct-23	105	Simple	CRISIL AAA/Stable
INE020B07IH3	Tax Free Bonds	24-Mar-14	8.86%	24-Mar-34	83.3	Simple	CRISIL AAA/Stable
INE020B07GY2	Tax Free Bonds	25-Mar-13	6.88%/7.38%	25-Mar-23	81.4	Simple	CRISIL AAA/Stable
INE020B07JQ2	Tax Free Bonds	5-Nov-15	7.14%	5-Nov-25	54.7	Simple	CRISIL AAA/Stable
INE020B07JP4	Tax Free Bonds	5-Nov-15	6.89%	5-Nov-25	51.3	Simple	CRISIL AAA/Stable
INE020B07GZ9	Tax Free Bonds	25-Mar-13	7.04%/7.54%	25-Mar-28	49.7	Simple	CRISIL AAA/Stable

INE020B07HV6	Tax Free Bonds	11-Oct-13	8.54%	11-Oct-28	45	Simple	CRISIL AAA/Stable
INE020B07JS8	Tax Free Bonds	5-Nov-15	7.34%	5-Nov-30	39.3	Simple	CRISIL AAA/Stable
INE020B07HT0	Tax Free Bonds	24-Sep-13	8.62%	24-Sep-33	38.9	Simple	CRISIL AAA/Stable
INE020B07IE0	Tax Free Bonds	24-Mar-14	8.61%	24-Mar-34	26.4	Simple	CRISIL AAA/Stable
INE020B07HQ6	Tax Free Bonds	24-Sep-13	8.37%	24-Sep-33	16.4	Simple	CRISIL AAA/Stable
NA	Short Term Loan	NA	NA	NA	2350.0	Simple	CRISIL A1+
NA	Overdraft Facility	NA	NA	NA	5	Simple	CRISIL A1+
NA	Working Capital Demand Loan	NA	NA	NA	1,200.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	1,200.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	750.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	300.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	100.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	300.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	900.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	500.0	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	4,500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	27-Sep-28	750.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	18-Dec-23	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	21-May-24	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	30-Sep-22	650.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	15-Jun-23	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	30-Sep-23	1,500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	4-Dec-22	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	19-Jun-23	1,500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	29-Sep-23	300.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	11-Oct-23	350.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	5-Nov-23	350.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	15-Jan-24	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	17-Nov-26	850.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	19-May-25	565.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	6-Jul-26	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	25-Mar-30	85.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	18-Dec-25	187.5	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	25-Mar-	900.0	Simple	CRISIL AAA/Stable

				26			
NA	Long Term Loan	NA	NA	9-Jul-26	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	28-Mar-30	665.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	28-Sep-31	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	9-Dec-31	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	23-Jun-23	800.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	3-Jun-22	1,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	9-Aug-26	1,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	25-Feb-24	1,500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	14-Mar-24	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	25-Mar-26	1,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	29-Mar-26	1,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	28-Oct-26	300.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	26-Mar-24	1,500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	250.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	29-Oct-26	250.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	21-Jan-27	300.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	13-Dec-28	5,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	4-Oct-29	5,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	27-Aug-25	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	11-Nov-26	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	1,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	5-Mar-23	500.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	5-Mar-24	5,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	14-Jul-25	2,300.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	8-Nov-26	4,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	29-Oct-31	5,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	2,000.0	Simple	CRISIL AAA/Stable
NA	Long Term Loan	NA	NA	NA	750.0	Simple	CRISIL AAA/Stable

Notes: Institutional bonds, 54EC Capital Gain Tax Exemption Bonds, Tax free bonds, Zero coupon bonds, infrastructure bonds and term loans from banks/financial institution are part of long-term borrowing programme,

^^Not yet issued

#Part of borrowing programme for fiscal 2021

&Part of borrowing programme for fiscal 2020

@@ GOI fully serviced bonds

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
REC Power Development and Consultancy Limited*	Full	Subsidiary
Energy Efficiency Services Limited	Part	Joint Venture

* Formerly known as REC Power Distribution Company Limited

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2022 (History)		2021		2020		2019		Start of 2019
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Bond	LT	15000.0	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	08-10-20	CRISIL AAA/Stable	29-03-19	CRISIL AAA/Stable	--
			--		--		--	10-08-20	CRISIL AAA/Stable	05-03-19	CRISIL AAA/Stable	--
			--		--		--	26-05-20	CRISIL		--	--

									AAA/Stable			
			--		--		--	30-03-20	CRISIL AAA/Stable		--	--
Long-Term Borrowing Programme	LT	484514.83	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	08-10-20	CRISIL AAA/Stable	29-03-19	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--		--	10-08-20	CRISIL AAA/Stable	05-03-19	CRISIL AAA/Stable	--
			--		--		--	26-05-20	CRISIL AAA/Stable	21-02-19	CRISIL AAA/Stable	--
			--		--		--	30-03-20	CRISIL AAA/Stable	15-02-19	CRISIL AAA/Stable	--
Perpetual Non Convertible Debentures	LT	3000.0	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	08-10-20	CRISIL AAA/Stable		--	--
Short Term Borrowing programme	ST	20000.0	CRISIL A1+	24-03-22	CRISIL A1+	31-03-21	CRISIL A1+	08-10-20	CRISIL A1+	29-03-19	CRISIL A1+	CRISIL A1+
			--		--		--	10-08-20	CRISIL A1+	05-03-19	CRISIL A1+	--
			--		--		--	26-05-20	CRISIL A1+	21-02-19	CRISIL A1+	--
			--		--		--	30-03-20	CRISIL A1+	15-02-19	CRISIL A1+	--
Short Term Debt	ST		--		--		--	30-03-20	Withdrawn	29-03-19	CRISIL A1+	CRISIL A1+
			--		--		--		--	05-03-19	CRISIL A1+	--
			--		--		--		--	21-02-19	CRISIL A1+	--
			--		--		--		--	15-02-19	CRISIL A1+	--
Long Term Principal Protected Market Linked Debentures	LT	1000.0	CRISIL PPMLD AAA r /Stable	24-03-22	CRISIL PPMLD AAA r /Stable	31-03-21	CRISIL PPMLD AAA r /Stable	08-10-20	CRISIL PPMLD AAA r /Stable		--	--
			--		--		--	10-08-20	CRISIL PPMLD AAA r /Stable		--	--
			--		--		--	26-05-20	CRISIL PPMLD AAA r /Stable		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities*

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Short Term Loan	700	Central Bank Of India	CRISIL A1+
Short Term Loan	400	Sumitomo Mitsui banking Corporation	CRISIL A1+
Short Term Loan	250	The South Indian Bank Limited	CRISIL A1+
Short Term Loan	1,000	YES Bank Limited	CRISIL A1+
Overdraft Facility	5	ICICI Bank Limited	CRISIL A1+
Working Capital Demand Loan	1,200	HDFC Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	1,200	ICICI Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	750	IDBI Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	300	IDFC FIRST Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	100	KEB Hana Bank	CRISIL AAA/Stable
Working Capital Demand Loan	300	Mizuho Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	900	Punjab National Bank	CRISIL AAA/Stable
Working Capital Demand Loan	500	RBL Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	4,500	State Bank of India	CRISIL AAA/Stable

Long Term Loan	250	The Karnataka Bank Limited	CRISIL AAA/Stable
Long Term Loan	500	IndusInd Bank Limited	CRISIL AAA/Stable
Long Term Loan	750	Bank of India	CRISIL AAA/Stable
Long Term Loan	500	Central Bank Of India	CRISIL AAA/Stable
Long Term Loan	1,500.00	Deutsche Bank AG	CRISIL AAA/Stable
Long Term Loan	12,000.00	HDFC Bank Limited	CRISIL AAA/Stable
Long Term Loan	3,402.50	HSBC Bank	CRISIL AAA/Stable
Long Term Loan	4,000.00	ICICI Bank Limited	CRISIL AAA/Stable
Long Term Loan	6,800.00	IIFCL	CRISIL AAA/Stable
Long Term Loan	300	The Jammu and Kashmir Bank Limited	CRISIL AAA/Stable
Long Term Loan	1,500.00	JP Morgan	CRISIL AAA/Stable
Long Term Loan	250	Karur Vysya Bank	CRISIL AAA/Stable
Long Term Loan	300	Mizuho Bank Limited	CRISIL AAA/Stable
Long Term Loan	5,000.00	Punjab National Bank	CRISIL AAA/Stable
Long Term Loan	16,300.00	State Bank of India	CRISIL AAA/Stable
Long Term Loan	500	The South Indian Bank Limited	CRISIL AAA/Stable
Long Term Loan	2,750.00	Union Bank of India	CRISIL AAA/Stable
Long Term Loan	10,000.00	National Small Savings Fund	CRISIL AAA/Stable

*Bank Lenders are part of Borrowing program of company

This Annexure has been updated on 31-Mar-22 in line with the lender-wise facility details as on 26-Aug-21 received from the rated entity.

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Banks and Financial Institutions
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support
CRISILs Criteria for Consolidation

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March 31, 2022

REC Limited: [ICRA]AAA(Stable)/[ICRA]A1+ assigned; earlier ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term borrowing programme FY2023	-	75,000	[ICRA]AAA(Stable); assigned
Short-term borrowing programme%	-	5,000	[ICRA]A1+; assigned
Commercial Paper	-	5,000	[ICRA]A1+; assigned
Bank Facilities	-	15,005	[ICRA]AAA(Stable)/[ICRA]A1+; assigned
Long-term borrowing programme FY2022	100,000	100,000	[ICRA]AAA(Stable); reaffirmed
Short-term borrowing programme FY2022	10,000	10,000	[ICRA]A1+; reaffirmed
Long-term borrowing programme FY2021	1,00,000	1,00,000	[ICRA]AAA(Stable); reaffirmed
Short-term borrowing programme FY2021	10,000	10,000	[ICRA]A1+; reaffirmed
LT-Market Linked Debenture	1,000	1,000	PP-MLD[ICRA]AAA (Stable); reaffirmed
Long-term borrowing programme FY2020	76,350	76,350	[ICRA]AAA(Stable); reaffirmed
LT borrowing programmes from earlier years	112,409.71	112,409.71	[ICRA]AAA(Stable); reaffirmed
LT borrowing programmes from earlier years	28,143.08	-	[ICRA]AAA(Stable); reaffirmed and withdrawn#
Gol fully serviced bonds	15,000	15,000	[ICRA]AAA(Stable); reaffirmed
Total	452,902.8	524,764.7	

*Instrument details are provided in Annexure-1; #Withdrawn as instruments/ISINs stand fully redeemed basis publicly available information and/or confirmation from the company; %Short term loans

Rationale

While arriving at the ratings, ICRA takes a consolidated view of the credit profiles of Power Finance Corporation Ltd. (PFC) and REC Limited (REC), as REC is a subsidiary of PFC and both entities are in a similar line of business with strategic importance to the Government of India (Gol) and overlapping clientele.

The ratings continue to draw significant strength from REC's sovereign ownership, its importance to the Gol, given its role as a nodal agency for various power sector schemes, and its dominant market position (including REC) in the power sector financing segment. The ratings also continue to draw comfort from the diversified borrowing mix, healthy financial flexibility by virtue of ownership, adequate liquidity and established track record of healthy profitability. The aforesaid strengths are partly offset by the moderate capitalisation with a consolidated gearing of about 7.0x as on December 31, 2021. The group also remains exposed to risks arising from exposure to a single sector (i.e. power) with a high concentration towards relatively weak state power utilities as well as the vulnerability of its exposure to private sector borrowers. This is reflected by the elevated asset quality indicators with the gross stage 3 assets at 5.1% of total advances at standalone level as of December 31, 2021, despite having improved significantly over last two years. REC is also exposed to risks arising from fluctuations in foreign exchange rates, given the sizeable foreign currency denominated borrowings, nonetheless the risk is somewhat mitigated with 88% of foreign exchange borrowings with residual maturity of up to 5 years fully hedged as on date.

ICRA believes that prudent capitalisation is a key mitigant against the risks arising out of the sectoral and credit concentration. In this context, cognizance has been taken of the Atamnirbhar Discom Scheme with PFC and REC as lending partners, wherein Rs. 1.33 lakh crore has been sanctioned and Rs. 1.04 lakh crore has been disbursed up till February 2022. The impact on the capitalisation ratios has been cushioned by the lower risk weight applicable to the exposures backed by state government guarantees. Based on discussions with the managements and stakeholders of both entities, including the principal shareholder, ICRA understands that PFC and REC remain important vehicles for the implementation of the GoI's various power sector schemes. Moreover, support will be forthcoming from the GoI if needed. Support to REC, if required, will be extended by the GoI through PFC. Thus, the Stable outlook reflects ICRA's expectation that PFC, along with REC, will remain strategically important to the GoI and will continue to play a major role in various power sector schemes of the Government. Consequently, PFC and REC are likely to retain a dominant position in power sector financing while maintaining an adequate profitability, borrowing and capitalisation profile.

Notwithstanding the ratings of [ICRA]AAA(Stable) and [ICRA]A1+ outstanding on the other borrowing programmes of the company, the one notch lower rating for the perpetual debt programme reflects the specific features of these instruments as per the guidelines issued by the Reserve Bank of India (RBI) for hybrid debt capital instruments.

Key rating drivers and their description

Credit strengths

Majority ownership by GoI and importance, given the role played in implementing various GoI schemes and dominant position in power sector financing – As nodal agencies for implementing various GoI schemes aimed at developing the country's power sector (such as Revamped Distribution Sector Scheme (RDSS), Saubhagya (Sahaj Har Ghar Bijli Yojana), Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), REC remains strategically important to the GoI for achieving its objective of augmenting the power capacity across the country.

Given the GoI's support, REC has been able to raise funds at competitive rates. REC has maintained a dominant position in power sector financing with a large share of funding to state power utilities. At the same time, with PFC and REC being a part of the same group, sustained challenges in incremental fund-raising owing to the group exposure limits of lenders will remain a monitorable.

Good financial flexibility and resource profile – The group enjoys good financial flexibility, given its sovereign ownership, which augurs well for raising long-term funding from both domestic and international financial institutions at competitive rates. The funding mix remains adequately diversified and includes long term market instruments, foreign currency borrowings, Banks and FIs. REC has hedged 88% of its foreign currency borrowing with residual maturity of up to 5 years, as on date.

Established track record of healthy profitability – More than commensurate decline in cost of funds as compared to the decline in yields and decline in gearing resulted in improvement in NIMs to 3.4% FY2021 as compared to 2.4% in FY2020. Notwithstanding the elevated levels (though declining) share of gross stage 3 assets resulting in increased credit costs 0.8% in FY2021 as compared to 0.3% in FY2020 on a consolidated basis. Given the wholesale nature of business, the operating expenses remained stable at 0.1% in FY2021 (0.1% in FY2020) on a consolidated basis. REC's profitability remains healthy with a return on equity (RoE) of 22% at the standalone level in FY2021. At the standalone level, REC's three-year average RoA and RoE for FY2018-FY2021 stood at 1.9% and 18%, respectively. Further, profitability remained strong in 9MFY2022 with RoA and RoE of 2.5% and 22% respectively for REC on standalone basis.

Credit challenges

High concentration risk and portfolio vulnerability – REC and PFC's exposure to a single sector (i.e. power), large ticket size of loans, high concentration of exposure towards financially weak state power utilities and the vulnerability of its exposure to private sector borrowers increase the portfolio vulnerability. The independent power producer (IPP) portfolio remains

impacted by concerns regarding fuel availability, disputed and competitive power sale tariffs, absence of power purchase agreements (PPAs), environmental clearance and land acquisition issues.

The gross stage 3 assets as on December 31, 2021 stood elevated at 5.1% of total advances at standalone level though, having improved from peak of over 8%. With provision cover of 66%, the net stage 3 assets as of December 31, 2021 stood at 1.7% of total advances. As on December 31, 2021, about 52% of the consolidated private sector book is recognised as a part of the Stage III assets on which the company has made sizeable provisions of 66%. ICRA, however, believes that any incremental stress in the loan book is likely to be restricted to the private sector book, wherein most of the stressed loans are already in stage 3. Going forward, the Group's ability to grow its loan book, while controlling the credit costs and maintaining the profitability, would be imperative.

Moderate capitalisation – In the past, the acquisition of REC by PFC impacted the Group's consolidated capitalisation. While a considerable recovery has been witnessed since then, nonetheless leverage remains moderate with a consolidated gearing of about 7x as on December 31, 2021. Comparatively, REC's capitalisation as of December 31, 2021 was, characterised by a CRAR of 23.2%. ICRA believes that prudent capitalisation is a key mitigant against the risks arising out of the sectoral and credit concentration. In this context, cognizance has been taken of the Atamnirbhar Discom Scheme with PFC and REC as lending partners, wherein Rs. 1.33 lakh crore has been sanctioned and Rs. 1.04 lakh crore has been disbursed up till February 2022. The impact on the capitalisation ratios will be cushioned by the lower risk weight applicable to the exposures backed by state government guarantees.

Liquidity position: Adequate

As of December 31, 2021, REC's ALM profile is typically characterised by sizeable cumulative negative mismatches in the up to one-year buckets, given the relatively long tenure of the loans extended by it. As on December 31, 2021, the company's ALM reflected debt maturities (principal only) of about Rs. 73,275 crore for the 12-month period ending December 31, 2022, against which its scheduled inflows from advances were Rs. 80,584 crore. Any gaps between outflows and inflows are partially bridged through sizeable unutilised bank lines (about Rs. 6,882 crore as of December 31, 2021) and cash & equivalents (Rs. 6,685 crore as of December 31, 2021), REC also relies on interest income and refinancing to repay its maturing debt. Nevertheless, the healthy financial flexibility, supported by the sovereign ownership and ability to raise funds at short notice, provides comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – ICRA could change the rating outlook to Negative or downgrade the ratings on a change in ownership and/or a change in REC's strategic role or importance to the GoI. The ratings would also be revised if there is any change in the credit profile of REC's parent i.e. PFC. A deterioration in the consolidated solvency (Net Stage III/Tier I Capital), to a level above 40% on a sustained basis, will be a negative for the credit profile.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Rating Approach - Implicit parent or group support Rating Approach - Consolidation Policy of Withdrawal of Credit Ratings
Parent/Group Support	While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of PFC and REC as REC is a subsidiary of PFC and both entities are in a similar line of business with strategic importance to the GoI and overlapping clientele. The ratings derive strength from the strategic importance of PFC and REC to the GoI and their role as nodal agencies for various power sector schemes of the Government, and likely

	support from the Gol, if required. The Gol ownership supports the financial flexibility of PFC and REC.
Consolidation/Standalone	Consolidation

About the company

REC Limited, incorporated in 1969, is a non-banking financial company (NBFC) with infrastructure finance company status. It is majority owned by Power Finance Corporation Ltd. (52.63% as of December 31, 2021), which, in turn, is majority owned by the Government of India (56% as of December 31, 2021).

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

REC reported a PAT of Rs. 8,362 crore in FY2021 against PAT of Rs. 4,886 crore in FY2020. Subsequently, in 9MFY2022, it has achieved a PAT of Rs. 7,758 crore. As of December 31, 2021, its reported capital adequacy was 23.2% with Tier 1 of 19.0%, and it had a total loan book of Rs. 374,225 crore (Rs. 377,418 crore as of March 31, 2021).

Key financial indicators - REC

Amounts in Rs. Crore	FY2020	FY2021	9MFY2022
	Audited	Audited	Provisional
PAT	4,886	8,362	7,758
Net Worth	35,077	43,426	50,258
Loan Book	322,425	377,418	388,760
CRAR (%)	16.1%	19.7%	23.2%
Tier I (%)	13.2%	16.3%	19.0%
Gearing (ex. Gol FSBs; times)	8.0	7.4	6.7
Return on Net Worth (%)	14.1%	21.3%	22.1%
Gross Stage 3 (%)	6.6%	4.8%	5.1%
Net Stage 3 (%)	3.4%	1.7%	1.7%
Net Stage 3/Net Worth	31%	15%	13%
Net Stage 3/NOF [^]	34%	19%	15%

Source: Financial statements of REC; Amounts in Rs. Crore; [^] Reported basis – Not adjusted for reserve available in the form of reserve for bad & doubtful debt

Power Finance Corporation Limited

PFC, incorporated in 1986, is a non-banking financial company (NBFC) with infrastructure finance company status. It was set up by the Government of India (Gol) as a specialised development financial institution to fund projects in the domestic power sector. The Gol held a 56% stake in the company as on December 31, 2021.

PFC provides loans for a range of power sector activities including generation, distribution, transmission, and plant renovation and maintenance. It finances state sector entities including generating and distribution companies as well as IPPs. PFC is also the nodal agency for the development of Ultra Mega Power Projects (UMPPs) and the Integrated Power Development Scheme (IPDS) and the bid process coordinator for the Independent Transmission Projects (ITP) Scheme.

PFC is the promoter and holding company of REC Limited. In March 2019, it acquired 103.94-crore equity shares of REC from the President of India constituting 52.63% of the paid-up share capital of REC.

At the consolidated level, PFC achieved a PAT of Rs. 15,716 crore in FY2021 compared to PAT of Rs. 9,477 crore in FY2020. Subsequently, in 9M FY2022, it has reported a PAT of Rs. 14,483 crore. As of December 31, 2021, it had a total loan book of Rs. 760,409 crore (Rs. 748,190 crore as on March 31, 2021)

Key financial indicators - PFC

Amounts in Rs. crore	Consolidated			
	FY2019	FY2020	FY2021	6M FY2022
	Audited	Audited	Audited	Provisional
PAT	12,640	9,477	15,716	9,578
Net Worth	63,484	66,165	81,790	90311
Loan Book	5,96,142	6,67,330	7,48,190	7,59,009
CRAR (%)				
Tier I (%)				
Gearing (ex. Gol FSBs; times)	8.5	9.0	8.1	7.4
Return on Net Worth (%)	21%	15%	21%	11%
Gross Stage 3 (%)	8.4%	7.4%	5.3%	5.2%
Net Stage 3 (%)	4.4%	3.7%	1.9%	1.7%
Net Stage 3/Net Worth	39%	36%	17%	14%
Net Stage 3/NOF [^]	50%	44%	20%	16%

Source: Financial statements of PFC and REC; Amounts in Rs. Crore; [^] Reported basis – Not adjusted for reserve available in the form of reserve for bad & doubtful debt

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Rating History for the Past 3 Years								
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	31-Mar-22	FY2022	FY2021		FY2019					
						1-Apr-21	5-Jun-20	1-Apr-20	28-Mar-19	7-Mar-19	12-Dec-18	3-Oct-18	2-Apr-18	
1	LT borrowing programme FY2023	LT	75,000	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-
2	ST borrowing programme	LT	5,000	-	[ICRA]A1+	-	-	-	-	-	-	-	-	-
3	Commercial Paper	ST	5,000	-	[ICRA]A1+	-	-	-	-	-	-	-	-	-
4	Bank Facilities	ST	15,005	-	[ICRA]AAA (Stable) / [ICRA]A1+	-	-	-	-	-	-	-	-	-
3	LT borrowing programme FY2022	LT	1,00,000	74944.73	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
4	ST borrowing programme FY2022	ST	10,000	4,870	[ICRA]A1+	[ICRA]A1+	-	-	-	-	-	-	-	-
5	LT borrowing programme FY2021	LT	1,00,000	55,070.69	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
6	ST borrowing programme FY2021	ST	10,000	0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-	-	-	-	-
7	LT borrowing programme FY2020	LT	76,350	62,796.25	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-
10	LT borrowing programmes of earlier years	LT	112,409.71	112,409.71	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA &	[ICRA]AAA &	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
11	LT borrowing programmes of earlier years	LT	28,143.08	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA &	[ICRA]AAA &	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
12	GoI FSBs	LT	15,000	7,232.3	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-
13	LT-Market Linked Debenture	LT	1,000	500	PP-MLD [ICRA]AAA (Stable)	PP-MLD [ICRA]AAA (Stable)	PP-MLD [ICRA]AAA (Stable)	-	-	-	-	-	-	-

Source: ICRA research; **Note:** LT: Long term, ST: Short term, Long-term/short-term borrowing programmes include bonds, commercial papers, bank lines and other instruments; & Under Rating Watch with Developing Implications; Outstanding as on December 31, 2021

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term borrowing programme	Simple
Short-term borrowing programme	Simple
LT-Market Linked Debenture	Complex
Gol fully serviced bonds	Simple
Commercial Paper	Simple
Bank Facilities	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details as on December 31, 2021

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE020B07IW2	NCD	17-Jul-14	9.40%	17-Jul-21	1,515.00	[ICRA]AAA (Stable)
INE020B07IZ5	NCD	25-Aug-14	9.34%	25-Aug-24	1,955.00	[ICRA]AAA (Stable)
INE020B08427	NCD	8-Jun-10	8.75%	8-Jun-25	1,250.00	[ICRA]AAA (Stable)
INE020B08443	NCD	12-Jul-10	8.75%	12-Jul-25	1,800.00	[ICRA]AAA (Stable)
INE020B08567	NCD	15-Jul-11	9.63%	15-Jul-21	1,500.00	[ICRA]AAA (Stable)
INE020B08591	NCD	10-Aug-11	9.48%	10-Aug-21	3,171.80	[ICRA]AAA (Stable)
INE020B08641	NCD	11-Nov-11	9.75%	11-Nov-21	3,922.20	[ICRA]AAA (Stable)
INE020B08740	NCD	15-Jun-12	9.35%	15-Jun-22	2,378.20	[ICRA]AAA (Stable)
INE020B08807	NCD	19-Nov-12	9.02%	19-Nov-22	2,211.20	[ICRA]AAA (Stable)
INE020B08831	NCD	12-Apr-13	8.82%	12-Apr-23	4,300.00	[ICRA]AAA (Stable)
INE020B08872	NCD	4-Dec-14	8.44%	4-Dec-21	1,550.00	[ICRA]AAA (Stable)
INE020B08880	NCD	22-Dec-14	8.57%	21-Dec-24	2,250.00	[ICRA]AAA (Stable)
INE020B08898	NCD	23-Jan-15	8.23%	23-Jan-25	1,925.00	[ICRA]AAA (Stable)
INE020B08906	NCD	6-Feb-15	8.27%	6-Feb-25	2,325.00	[ICRA]AAA (Stable)
INE020B08914	NCD	23-Feb-15	8.35%	22-Feb-25	2,285.00	[ICRA]AAA (Stable)
INE020B08930	NCD	10-Apr-15	8.30%	10-Apr-25	2,396.00	[ICRA]AAA (Stable)
INE020B08963	NCD	7-Oct-15	8.11%	7-Oct-25	2,585.00	[ICRA]AAA (Stable)
INE020B08997	NCD	21-Oct-16	7.24%	21-Oct-21	2,500.00	[ICRA]AAA (Stable)
INE020B08AA3	NCD	7-Nov-16	7.52%	7-Nov-26	2,100.00	[ICRA]AAA (Stable)
INE020B08AB1	NCD	9-Dec-16	7.14%	9-Dec-21	1,020.00	[ICRA]AAA (Stable)
INE020B08AC9	NCD	30-Dec-16	7.54%	30-Dec-26	3,000.00	[ICRA]AAA (Stable)
INE020B08AF2	NCD	28-Feb-17	7.46%	28-Feb-22	625	[ICRA]AAA (Stable)
INE020B08AH8	NCD	14-Mar-17	7.95%	12-Mar-27	2,745.00	[ICRA]AAA (Stable)
INE020B08AK2	NCD	7-Sep-17	7.03%	7-Sep-22	2,670.00	[ICRA]AAA (Stable)
INE020B08AM8	NCD	17-Oct-17	7.09%	17-Oct-22	1,225.00	[ICRA]AAA (Stable)
INE020B08AO4	NCD	21-Nov-17	7.18%	21-May-21	600	[ICRA]AAA (Stable)
INE020B08AQ9	NCD	12-Dec-17	7.70%	10-Dec-27	3,533.00	[ICRA]AAA (Stable)
INE020B08AR7	NCD	17-Jan-18	7.60%	17-Apr-21	1,055.00	[ICRA]AAA (Stable)
INE020B08AT3	NCD	23-Feb-18	7.99%	23-Feb-23	950	[ICRA]AAA (Stable)
INE020B08AW7	NCD	15-Mar-18	7.73%	15-Jun-21	800	[ICRA]AAA (Stable)
INE020B08BA1	NCD	9-Aug-18	8.55%	9-Aug-28	2,500.00	[ICRA]AAA (Stable)
INE020B08BB9	NCD	27-Aug-18	8.63%	25-Aug-28	2,500.00	[ICRA]AAA (Stable)
INE020B08AP1	NCD	30-Nov-17	7.45%	30-Nov-22	1,912.00	[ICRA]AAA (Stable)
INE020B08BD5	NCD	22-Oct-18	8.83%	21-Jan-22	2,171.00	[ICRA]AAA (Stable)
INE020B08BF0	NCD	22-Nov-18	8.45%	22-Mar-22	2,571.80	[ICRA]AAA (Stable)
INE020B08BG8	NCD	29-Nov-18	8.56%	29-Nov-28	2,552.40	[ICRA]AAA (Stable)
INE020B08BH6	NCD	7-Dec-18	8.37%	7-Dec-28	2,554.00	[ICRA]AAA (Stable)
INE020B08BM6	NCD	13-Mar-19	8.35%	13-Mar-22	2,500.00	[ICRA]AAA (Stable)
INE020B08BN4	NCD	18-Mar-19	8.15%	18-Jun-21	2,720.00	[ICRA]AAA (Stable)
INE020B08BQ7	NCD	16-Apr-19	8.85%	16-Apr-29	1,600.70	[ICRA]AAA (Stable)
INE020B08BR5	NCD	6-May-19	8.50%	20-Dec-21	1,245.00	[ICRA]AAA (Stable)
INE020B08BS3	NCD	14-May-19	8.80%	14-May-29	1,097.00	[ICRA]AAA (Stable)
INE020B08BT1	NCD	10-Jun-19	8.15%	10-Jun-22	1,000.00	[ICRA]AAA (Stable)
INE020B08BU9	NCD	25-Jun-19	8.30%	25-Jun-29	2,070.90	[ICRA]AAA (Stable)
INE020B08BV7	NCD	25-Jun-19	8.10%	25-Jun-24	1,018.00	[ICRA]AAA (Stable)
INE020B08BW5	NCD	22-Aug-19	8.18%	22-Aug-34	5,063.00	[ICRA]AAA (Stable)
INE020B08BX3	NCD	16-Sep-19	8.29%	16-Sep-34	3,028.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE020B08CD3	NCD	13-Nov-19	7.09%	13-Dec-22	2,769.00	[ICRA]AAA (Stable)
INE020B08CE1	NCD	26-Nov-19	6.90%	30-Jun-22	2,500.00	[ICRA]AAA (Stable)
INE020B08CF8	NCD	26-Nov-19	7.40%	26-Nov-24	1,500.00	[ICRA]AAA (Stable)
INE020B08CG6	NCD	26-Dec-19	7.24%	31-Dec-22	2,090.00	[ICRA]AAA (Stable)
INE020B08CH4	NCD	8-Jan-20	7.12%	31-Mar-23	1,400.00	[ICRA]AAA (Stable)
INE020B08CI2	NCD	8-Jan-20	7.89%	31-Mar-30	1,100.00	[ICRA]AAA (Stable)
INE020B08CJ0	NCD	28-Jan-20	7.92%	31-Mar-30	3,054.90	[ICRA]AAA (Stable)
INE020B08CK8	NCD	10-Feb-20	6.88%	20-Mar-25	2,500.00	[ICRA]AAA (Stable)
INE020B08CL6	NCD	10-Feb-20	6.32%	31-Dec-21	2,489.40	[ICRA]AAA (Stable)
INE020B08CM4	NCD	25-Feb-20	6.99%	30-Sep-24	1,100.00	[ICRA]AAA (Stable)
INE020B08CN2	NCD	25-Feb-20	6.80%	30-Jun-23	1,100.00	[ICRA]AAA (Stable)
INE020B08CP7	NCD	6-Mar-20	7.50%	28-Feb-30	2,382.00	[ICRA]AAA (Stable)
INE020B08CQ5	NCD	13-Mar-20	6.99%	31-Dec-21	1,115.00	[ICRA]AAA (Stable)
INE020B08CT9	NCD	22-Apr-20	6.92%	22-Apr-23	2,985.00	[ICRA]AAA (Stable)
INE020B08CU7	NCD	11-May-20	7.55%	11-May-30	3,740.00	[ICRA]AAA (Stable)
INE020B08CV5	NCD	21-May-20	6.60%	21-Mar-22	2,596.00	[ICRA]AAA (Stable)
INE020B08CW3	NCD	21-May-20	7.79%	21-May-30	1,569.00	[ICRA]AAA (Stable)
INE020B08CS1	NCD	31-Mar-20	7.20%	31-Mar-30	1,750.00	[ICRA]AAA (Stable)
INE020B08922	NCD	9-Mar-15	8.27%	9-Mar-22	700	[ICRA]AAA (Stable)
INE020B08CA9	NCD	26-Sep-19	7.55%	26-Sep-21	300	[ICRA]AAA (Stable)
INE020B08CB7	NCD	26-Sep-19	7.55%	26-Sep-22	300	[ICRA]AAA (Stable)
INE020B08CC5	NCD	26-Sep-19	7.55%	26-Sep-23	300	[ICRA]AAA (Stable)
INE020B08BY1	NCD	26-Sep-19	8.25%	26-Sep-29	290.2	[ICRA]AAA (Stable)
INE020B07GG9	Tax Free Bonds	27-Mar-12	7.93%/8.13%	27-Mar-22	839.67	[ICRA]AAA (Stable)
INE020B07GH7	Tax Free Bonds	27-Mar-12	8.12%/8.32%	27-Mar-27	2160.33	[ICRA]AAA (Stable)
INE020B07GU0	Tax Free Bonds	21-Nov-12	7.21%	21-Nov-22	255.00	[ICRA]AAA (Stable)
INE020B07GV8	Tax Free Bonds	21-Nov-12	7.38%	21-Nov-27	245.00	[ICRA]AAA (Stable)
INE020B07GW6	Tax Free Bonds	19-Dec-12	7.22%/7.72%	19-Dec-22	1165.31	[ICRA]AAA (Stable)
INE020B07GX4	Tax Free Bonds	19-Dec-12	7.38%/7.88%	19-Dec-27	852.04	[ICRA]AAA (Stable)
INE020B07GY2	Tax Free Bonds	25-Mar-13	6.88%/7.38%	25-Mar-23	81.35	[ICRA]AAA (Stable)
INE020B07GZ9	Tax Free Bonds	25-Mar-13	7.04%/7.54%	25-Mar-28	49.71	[ICRA]AAA (Stable)
INE020B07HM5	Tax Free Bonds	29-Aug-13	8.01%	29-Aug-23	209.00	[ICRA]AAA (Stable)
INE020B07HN3	Tax Free Bonds	29-Aug-13	8.46%	29-Aug-28	1141.00	[ICRA]AAA (Stable)
INE020B07HO1	Tax Free Bonds	24-Sep-13	8.01%	24-Sep-23	257.21	[ICRA]AAA (Stable)
INE020B07HP8	Tax Free Bonds	24-Sep-13	8.46%	24-Sep-28	1721.20	[ICRA]AAA (Stable)
INE020B07HQ6	Tax Free Bonds	24-Sep-13	8.37%	24-Sep-33	16.40	[ICRA]AAA (Stable)
INE020B07HR4	Tax Free Bonds	24-Sep-13	8.26%	24-Sep-23	317.85	[ICRA]AAA (Stable)
INE020B07HS2	Tax Free Bonds	24-Sep-13	8.71%	24-Sep-28	1089.06	[ICRA]AAA (Stable)
INE020B07HT0	Tax Free Bonds	24-Sep-13	8.62%	24-Sep-33	38.88	[ICRA]AAA (Stable)
INE020B07HU8	Tax Free Bonds	11-Oct-13	8.18%	11-Oct-23	105.00	[ICRA]AAA (Stable)
INE020B07HV6	Tax Free Bonds	11-Oct-13	8.54%	11-Oct-28	45.00	[ICRA]AAA (Stable)
INE020B07IC4	Tax Free Bonds	24-Mar-14	8.19%	24-Mar-24	290.26	[ICRA]AAA (Stable)
INE020B07ID2	Tax Free Bonds	24-Mar-14	8.63%	24-Mar-29	248.09	[ICRA]AAA (Stable)
INE020B07IE0	Tax Free Bonds	24-Mar-14	8.61%	24-Mar-34	26.39	[ICRA]AAA (Stable)
INE020B07IF7	Tax Free Bonds	24-Mar-14	8.44%	24-Mar-24	129.06	[ICRA]AAA (Stable)
INE020B07IG5	Tax Free Bonds	24-Mar-14	8.88%	24-Mar-29	282.33	[ICRA]AAA (Stable)
INE020B07IH3	Tax Free Bonds	24-Mar-14	8.86%	24-Mar-34	83.26	[ICRA]AAA (Stable)
INE020B07JO7	Tax Free Bonds	23-Jul-15	7.17%	23-Jul-25	300.00	[ICRA]AAA (Stable)
INE020B07JP4	Tax Free Bonds	5-Nov-15	6.89%	5-Nov-25	51.25	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE020B07JQ2	Tax Free Bonds	5-Nov-15	7.14%	5-Nov-25	54.68	[ICRA]AAA (Stable)
INE020B07JR0	Tax Free Bonds	5-Nov-15	7.09%	5-Nov-30	133.66	[ICRA]AAA (Stable)
INE020B07JS8	Tax Free Bonds	5-Nov-15	7.34%	5-Nov-30	39.25	[ICRA]AAA (Stable)
INE020B07JT6	Tax Free Bonds	5-Nov-15	7.18%	5-Nov-35	276.61	[ICRA]AAA (Stable)
INE020B07JU4	Tax Free Bonds	5-Nov-15	7.43%	5-Nov-35	144.55	[ICRA]AAA (Stable)
INE020B08849	Tier II Bonds	31-May-13	8.06%	31-May-23	2,500.00	[ICRA]AAA (Stable)
INE020B08BP9	Tier II Bonds	28-Mar-19	8.97%	28-Mar-29	2,151.20	[ICRA]AAA (Stable)
INE020B08500	Infra Bonds	31-Mar-11	8.10%	31-Mar-21	1.61	[ICRA]AAA (Stable)
INE020B08518	Infra Bonds	31-Mar-11	8.00%	31-Mar-21	16.92	[ICRA]AAA (Stable)
INE020B08526	Infra Bonds	31-Mar-11	8.20%	31-Mar-21	3.79	[ICRA]AAA (Stable)
INE020B08534	Infra Bonds	31-Mar-11	8.20%	31-Mar-21	58.04	[ICRA]AAA (Stable)
INE020B08708	Infra Bonds	15-Feb-12	8.95%	15-Feb-22	5.73	[ICRA]AAA (Stable)
INE020B08716	Infra Bonds	15-Feb-12	8.95%	15-Feb-22	1.38	[ICRA]AAA (Stable)
INE020B08724	Infra Bonds	15-Feb-12	9.15%	15-Feb-27	2.83	[ICRA]AAA (Stable)
INE020B08732	Infra Bonds	15-Feb-12	9.15%	15-Feb-27	1.13	[ICRA]AAA (Stable)
INE020B08BC7	Gol FSB^	28-Sep-18	8.70%	28-Sep-28	3,000.00	[ICRA]AAA (Stable)
INE020B08BJ2	Gol FSB^	22-Jan-19	8.80%	22-Jan-29	2,027.00	[ICRA]AAA (Stable)
INE020B08AX5	Gol FSB^	21-Mar-18	8.09%	21-Mar-28	1,837.00	[ICRA]AAA (Stable)
INE020B08AY3	Gol FSB^	26-Mar-18	8.01%	24-Mar-28	1,410.00	[ICRA]AAA (Stable)
INE020B08AZ0	Gol FSB^	27-Mar-18	8.06%	27-Mar-28	753	[ICRA]AAA (Stable)
INE020B08BL8	Gol FSB	8-Mar-19	8.60%	8-Mar-29	1,200.00	[ICRA]AAA (Stable)
INE020B08BO2	Gol FSB	25-Mar-19	8.30%	25-Mar-29	4,000.00	[ICRA]AAA (Stable)
INE020B08BE3	Gol FSB^	15-Nov-18	8.54%	15-Nov-28	3,600.00	[ICRA]AAA (Stable)
INE020B08CO0	Gol FSB	2-Mar-20	7.14%	2-Mar-30	1,500.00	[ICRA]AAA (Stable)
INE020B08CR3	Gol FSB	26-Mar-20	8.25%	26-Mar-30	532.3	[ICRA]AAA (Stable)
INE020B07KT4	CG Bonds	31-Mar-18	5.25%	31-Mar-21	2,559.32	[ICRA]AAA (Stable)
INE020B07KU2	CG Bonds	30-Apr-18	5.75%	30-Apr-23	278.47	[ICRA]AAA (Stable)
INE020B07KVO	CG Bonds	31-May-18	5.75%	31-May-23	438.65	[ICRA]AAA (Stable)
INE020B07KW8	CG Bonds	30-Jun-18	5.75%	30-Jun-23	504.79	[ICRA]AAA (Stable)
INE020B07KX6	CG Bonds	31-Jul-18	5.75%	31-Jul-23	683.92	[ICRA]AAA (Stable)
INE020B07KY4	CG Bonds	31-Aug-18	5.75%	31-Aug-23	499.34	[ICRA]AAA (Stable)
INE020B07KZ1	CG Bonds	30-Sep-18	5.75%	30-Sep-23	493.84	[ICRA]AAA (Stable)
INE020B07LA2	CG Bonds	31-Oct-18	5.75%	31-Oct-23	507.79	[ICRA]AAA (Stable)
INE020B07LB0	CG Bonds	30-Nov-18	5.75%	30-Nov-23	480.95	[ICRA]AAA (Stable)
INE020B07LC8	CG Bonds	31-Dec-18	5.75%	31-Dec-23	565.71	[ICRA]AAA (Stable)
INE020B07LD6	CG Bonds	31-Jan-19	5.75%	31-Jan-24	549.95	[ICRA]AAA (Stable)
INE020B07LE4	CG Bonds	28-Feb-19	5.75%	28-Feb-24	569.95	[ICRA]AAA (Stable)
INE020B07LF1	CG Bonds	31-Mar-19	5.75%	31-Mar-24	1,078.48	[ICRA]AAA (Stable)
INE020B07LG9	CG Bonds	30-Apr-19	5.75%	30-Apr-24	391.12	[ICRA]AAA (Stable)
INE020B07LH7	CG Bonds	31-May-19	5.75%	31-May-24	459.1	[ICRA]AAA (Stable)
INE020B07LI5	CG Bonds	30-Jun-19	5.75%	30-Jun-24	413.49	[ICRA]AAA (Stable)
INE020B07LJ3	CG Bonds	31-Jul-19	5.75%	31-Jul-24	594.94	[ICRA]AAA (Stable)
INE020B07LK1	CG Bonds	31-Aug-19	5.75%	31-Aug-24	500.25	[ICRA]AAA (Stable)
INE020B07LL9	CG Bonds	30-Sep-19	5.75%	30-Sep-24	497.55	[ICRA]AAA (Stable)
INE020B07LM7	CG Bonds	31-Oct-19	5.75%	31-Oct-24	518.4	[ICRA]AAA (Stable)
INE020B07LN5	CG Bonds	30-Nov-19	5.75%	30-Nov-24	552.73	[ICRA]AAA (Stable)
INE020B07LO3	CG Bonds	31-Dec-19	5.75%	31-Dec-24	527.04	[ICRA]AAA (Stable)
INE020B07LP0	CG Bonds	31-Jan-20	5.75%	31-Jan-25	480.2	[ICRA]AAA (Stable)
INE020B07LQ8	CG Bonds	28-Feb-20	5.75%	28-Feb-25	501.2	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE020B07LS4	CG Bonds	30-Apr-20	5.75%	30-Apr-25	2,500.00	[ICRA]AAA (Stable)
INE020B07LR6	CG Bonds	31-Mar-20	5.75%	31-Mar-25	683.448	[ICRA]AAA (Stable)
INE020B07LT2	CG Bonds	31-May-20	5.75%	31-May-25	206.409	[ICRA]AAA (Stable)
INE020B07LU0	CG Bonds	30-Jun-20	5.75%	30-Jun-25	579.597	[ICRA]AAA (Stable)
INE020B07LV8	CG Bonds	31-Jul-20	5.75%	31-Jul-25	440.462	[ICRA]AAA (Stable)
INE020B07LW6	CG Bonds	31-Aug-20	5.00%	31-Aug-25	229.978	[ICRA]AAA (Stable)
INE020B07LX4	CG Bonds	30-Sep-20	5.00%	30-Sep-25	353.226	[ICRA]AAA (Stable)
INE020B07LY2	CG Bonds	31-Oct-20	5.00%	31-Oct-25	290.28	[ICRA]AAA (Stable)
INE020B07LZ9	CG Bonds	30-Nov-20	5.00%	30-Nov-25	330.109	[ICRA]AAA (Stable)
INE020B07MA0	CG Bonds	31-Dec-20	5.00%	31-Dec-25	543.635	[ICRA]AAA (Stable)
INE020B07MB8	CG Bonds	31-Jan-21	5.00%	31-Jan-26	509.481	[ICRA]AAA (Stable)
INE020B07MC6	CG Bonds	28-Feb-21	5.00%	28-Feb-26	562.035	[ICRA]AAA (Stable)
INE020B07MD4	CG Bonds	31-Mar-21	5.00%	31-Mar-26	1214.278	[ICRA]AAA (Stable)
INE020B07ME2	CG Bonds	30-Apr-21	5.00%	30-Apr-26	436.54	[ICRA]AAA (Stable)
INE020B07MF9	CG Bonds	31-May-21	5.00%	31-May-26	337.12	[ICRA]AAA (Stable)
INE020B07MG7	CG Bonds	30-Jun-21	5.00%	30-Jun-26	507.9	[ICRA]AAA (Stable)
INE020B07MH5	CG Bonds	31-Jul-21	5.00%	31-Jul-26	603.53	[ICRA]AAA (Stable)
INE020B07MI3	CG Bonds	31-Aug-21	5.00%	31-Aug-26	500.76	[ICRA]AAA (Stable)
INE020B07MJ1	CG Bonds	30-Sep-21	5.00%	30-Sep-26	717.65	[ICRA]AAA (Stable)
INE020B07MK9	CG Bonds	31-Oct-21	5.00%	31-Oct-26	489.25	[ICRA]AAA (Stable)
INE020B07ML7	CG Bonds	30-Nov-21	5.00%	30-Nov-26	484.6	[ICRA]AAA (Stable)
INE020B07MM5	CG Bonds	31-Dec-21	5.00%	31-Dec-26	322.38	[ICRA]AAA (Stable)
INE020B08DS9	NCD	26-Sep-19	8.25%	26-Sep-29	870.6	[ICRA]AAA (Stable)
INE020B08CY9	LT-Market Linked Debenture	8-Jul-20	5.36%	30-Jun-23	500	PP-MLD[ICRA]AAA (Stable)
INE020B08CX1	NCD	8-Jun-20	7.96%	15-Jun-30	1999.5	[ICRA]AAA (Stable)
INE020B08CZ6	NCD	30-Jul-20	5.90%	31-Mar-25	900	[ICRA]AAA (Stable)
INE020B08DA7	NCD	30-Jul-20	6.90%	31-Mar-31	1300	[ICRA]AAA (Stable)
INE020B08DB5	NCD	28-Aug-20	7.25%	30-Sep-30	3500	[ICRA]AAA (Stable)
INE020B08DC3	NCD	28-Aug-20	5.69%	30-Sep-23	2474	[ICRA]AAA (Stable)
INE020B08DE9	NCD	29-Oct-20	6.80%	20-Dec-30	5000	[ICRA]AAA (Stable)
INE020B08DF6	NCD	29-Oct-20	5.85%	20-Dec-25	2777	[ICRA]AAA (Stable)
INE020B08DG4	NCD	15-Dec-20	6.90%	31-Jan-31	2500	[ICRA]AAA (Stable)
INE020B08DH2	NCD	15-Dec-20	5.81%	31-Dec-25	2082	[ICRA]AAA (Stable)
INE020B08DJ8	NCD	13-Jan-21	4.99%	31-Jan-24	2135	[ICRA]AAA (Stable)
INE020B08DK6	NCD	13-Jan-21	5.94%	31-Jan-26	2000	[ICRA]AAA (Stable)
INE020B08DM2	NCD	28-Jan-21	7.02%	31-Jan-36	4589.9	[ICRA]AAA (Stable)
INE020B08DO8	NCD	12-Mar-21	7.40%	15-Mar-36	3613.8	[ICRA]AAA (Stable)
INE020B08DP5	NCD	19-Mar-21	5.79%	20-Mar-24	1550	[ICRA]AAA (Stable)
INE020B08DR1	NCD	22-Apr-21	5.74%	20-Jun-24	4000	[ICRA]AAA (Stable)
INE020B08DT7	NCD	21-Oct-21	6.23%	31-Oct-31	1200	[ICRA]AAA (Stable)
INE020B08DU5	NCD	18-Nov-21	Floating	31-Oct-24	2500	[ICRA]AAA (Stable)
INE020B08DV3	NCD	15-Dec-21	6.92%	20-Mar-32	1380	[ICRA]AAA (Stable)
INE020B07IW2	NCD	17-Jul-14	9.40%	17-Jul-21	1,515.00	[ICRA]AAA (Stable); withdrawn
INE020B08567	NCD	15-Jul-11	9.63%	15-Jul-21	1,500.00	[ICRA]AAA (Stable); withdrawn
INE020B08591	NCD	10-Aug-11	9.48%	10-Aug-21	3,171.80	[ICRA]AAA (Stable); withdrawn
INE020B08641	NCD	11-Nov-11	9.75%	11-Nov-21	3,922.20	[ICRA]AAA (Stable); withdrawn
INE020B08872	NCD	4-Dec-14	8.44%	4-Dec-21	1,550.00	[ICRA]AAA (Stable); withdrawn
INE020B08997	NCD	21-Oct-16	7.24%	21-Oct-21	2,500.00	[ICRA]AAA (Stable); withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated	Current Rating and Outlook
INE020B08AB1	NCD	9-Dec-16	7.14%	9-Dec-21	1,020.00	[ICRA]AAA (Stable); withdrawn
INE020B08AO4	NCD	21-Nov-17	7.18%	21-May-21	600	[ICRA]AAA (Stable); withdrawn
INE020B08AR7	NCD	17-Jan-18	7.60%	17-Apr-21	1,055.00	[ICRA]AAA (Stable); withdrawn
INE020B08AW7	NCD	15-Mar-18	7.73%	15-Jun-21	800	[ICRA]AAA (Stable); withdrawn
INE020B08BN4	NCD	18-Mar-19	8.15%	18-Jun-21	2,720.00	[ICRA]AAA (Stable); withdrawn
INE020B08BR5	NCD	6-May-19	8.50%	20-Dec-21	1,245.00	[ICRA]AAA (Stable); withdrawn
INE020B08CL6	NCD	10-Feb-20	6.32%	31-Dec-21	2,489.40	[ICRA]AAA (Stable); withdrawn
INE020B08CQ5	NCD	13-Mar-20	6.99%	31-Dec-21	1,115.00	[ICRA]AAA (Stable); withdrawn
INE020B08CA9	NCD	26-Sep-19	7.55%	26-Sep-21	300	[ICRA]AAA (Stable); withdrawn
INE020B08500	Infra Bonds	31-Mar-11	8.10%	31-Mar-21	1.61	[ICRA]AAA (Stable); withdrawn
INE020B08518	Infra Bonds	31-Mar-11	8.00%	31-Mar-21	16.92	[ICRA]AAA (Stable); withdrawn
INE020B08526	Infra Bonds	31-Mar-11	8.20%	31-Mar-21	3.79	[ICRA]AAA (Stable); withdrawn
INE020B08534	Infra Bonds	31-Mar-11	8.20%	31-Mar-21	58.04	[ICRA]AAA (Stable); withdrawn
INE020B07KT4	CG Bonds	31-Mar-18	5.25%	31-Mar-21	2,559.32	[ICRA]AAA (Stable); withdrawn
NA	LT Borrowing Programme FY22	NA	NA	NA	62,465.00	[ICRA]AAA (Stable)
NA	ST Borrowing Programme FY22	NA	NA	7-365 days	4,870.00	[ICRA]A1+
NA	LT Borrowing Programme FY22*	NA	NA	NA	24,055.27	[ICRA]AAA (Stable)
NA	ST Borrowing Programme FY22*	NA	NA	7-365 days	5,130.00	[ICRA]A1+
NA	GoIFSBs%	NA	NA	NA	7,767.70	[ICRA]AAA (Stable)
NA	LT-Market Linked Debenture%	NA	NA	NA	500.00	PP-MLD[ICRA]AAA (Stable)
NA	LT Borrowing Programme FY20*	NA	NA	NA	13,553.75	[ICRA]AAA (Stable)
NA	LT Borrowing Programme FY21*	NA	NA	NA	44,929.31	[ICRA]AAA (Stable)
NA	ST Borrowing Programme FY21	NA	NA	7-365 days	10,000.00	[ICRA]A1+
NA	LT Borrowing Programme FY23*	NA	NA	NA	75,000.00	[ICRA]AAA (Stable)
NA	ST Borrowing Programme*	NA	NA	7-365 days	5,000.00	[ICRA]A1+
NA	Commercial Paper%	NA	NA	7-365 days	5,000.00	[ICRA]A1+
NA	Bank facilities*	NA	NA	NA	15,005.00	[ICRA]AAA (Stable)/[ICRA]A1+

Source: ICRA; Note: CG bonds: 54EC bonds or capital gain bonds; *Excluding those placed and captured above; ^ under LT borrowing programme; %To be placed

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis (for current year and/or previous years)

Company Name	Ownership	Consolidation Approach
Power Finance Corporation Ltd.	Parent	Full Consolidation
REC Limited	Rated Entity	Full Consolidation

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Branches



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Annexure III

Board and Shareholder Resolutions



REC Limited | आर ई सी लिमिटेड

(भारत सरकार का उद्यम) / (A Government of India Enterprise)

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Corporate Office: REC World Headquarters, Plot No. 1-4, Near IFFCO Chowk Metro Station, Sector-29, Gurugram - 122001 (Haryana)

Tel: +91 124 444 1300 | Website: www.recindia.com

CIN : L40101DL1969GOI005095 | GST No: 06AAACR4512R3Z3

CERTIFIED COPY OF THE RESOLUTION PASSED IN THE 488TH BOARD MEETING OF DIRECTORS OF REC LIMITED HELD ON MARCH 21, 2022.

Item no. 488.2.5 Market Borrowing Programme for the financial year 2022-23.

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 2022-23, excluding funds raised under Extra Budgetary Resource (EBR), be kept at ₹ 85,000 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 ₹ 85,000 crore as per following details, in consonance with the Memorandum and Articles of Association of REC be and is hereby approved.

S. No	Description	₹ in crore
1.	<ul style="list-style-type: none">Domestic Bonds/ Debentures including but not limited to Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation-Indexed, Tax-Free, Principal Protected, Market Linked, Green Bonds, Environmental, Social, and Governance (ESG) Bonds, Partly Paid, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity, Cumulative Interest, Step Up Coupon, 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 or public placement basis;Capital Gains Tax Exemption Bonds u/s 54EC of Income Tax Act, 1961;Rupee Term Loans from Banks/FIs/NBFCs/Other Institutions;External Commercial Borrowings (ECBs) including but not limited to Foreign Currency Term Loans/ Foreign	75,000

Regional Offices: Bengaluru, Bhopal, Bhubaneswar, Chennai, Dehradun, Guwahati, Hyderabad, Jaipur, Jammu, Kolkata, Lucknow, Mumbai, Panchkula, Patna, Raipur, Ranchi, Shimla, Thiruvananthapuram & Vijaywada

State Offices : Vadodara

Training Centre : REC Institute of Power Management & Training (RECIPMT), Hyderabad



	Currency Bonds/ Rupee Offshore Bonds (Masala or any other bonds)/ Green Bonds, Environmental, Social, and Governance (ESG) bonds etc.; Export Credit Assistance (ECAs); Official Development Assistance Loans (Long/ Medium/ Short 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).	
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). <i>Short Term Loan from Banks/FIs/NBFCs etc. raised and repaid during the financial year to be excluded from this limit.</i>	5,000
3.	Commercial Papers <i>Commercial Paper raised and repaid during the financial year to be excluded from this limit.</i>	5,000
	TOTAL	85,000

“RESOLVED FURTHER THAT CMD/Director (Finance) be and are hereby severally authorized to approve the interchangeability, among the various borrowing instruments, if required, based on the prevailing market conditions, within the above-mentioned overall limit of ₹ 85,000 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 (including Capital Gains Tax Exemption Bonds u/s 54EC of Income Tax Act, 1961), 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 the rating of the market borrowing programme of ₹85,000 crore comprising of long/ short term debt instruments and ₹15,000 crore short term limits in the form of CC/ OD/ WCDL/ STL including issue rating, issuer rating, wherever required.”

“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/ practicing professionals (CA/ CMA/ CS) / issuing and paying Agents (IPA)/ registrar and transfer agents/ payee and collecting bankers or any other intermediary agencies on such terms & conditions considering prevailing debt market conditions or regulatory requirements.”

“RESOLVED FURTHER THAT Domestic bonds/ debentures to be issued during the FY 2022-23 may be issued in any combination as per the following broad scheme:

- Domestic Bonds/ Debentures including but not limited to Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation-Indexed, Tax-Free, Principal Protected, Market Linked, Green Bonds, Environmental, Social, and Governance (ESG) Bonds, Partly Paid, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity, Cumulative Interest, Step Up Coupon, 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 or public placement basis.
- The issuance of the 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 arranger's fees.



- Listing – with National Stock Exchanges (NSE) / Bombay Stock Exchange (BSE) or any other recognized Stock Exchange(s), within or outside India 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 the 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/ 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 a 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 anyone member or any officer of an appropriate level authorized by the Committee 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. CMD / Director (Finance), be and are 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, clarifications, 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 HoD (CS)/ CGM(CS)/ SR. GM (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 the 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, MCA 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 any debt ETFs including Bharat Bond ETF through the Bond Series launched by the Company, within the overall Market Borrowing Programme for the year 2022-23 and as per the terms and conditions as may be decided.”

“RESOLVED FURTHER THAT CMD/ Director (Finance)/ Executive Director (Fin)/ CGM (Finance)/ SR. GM (Finance)/ GM (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 or abroad in respect of securities issued/ to be issued by the Company from time to time.”

“RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ CGM (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)/ HoD (Resource Mobilisation)/ CGM (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)/ HoD (Resource Mobilisation)/ CGM (Finance)/ SR. GM (Finance)/ GM (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)/ HoD (Resource Mobilisation)/ CGM (Finance)/ SR. GM (Finance)/ GM (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) / HoD (Resource Mobilisation)/ CGM (Finance)/ SR. GM (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 launch the fresh series/ extend the series of REC 54 EC Capital Gains Tax Exemption Bonds, approve the terms of the issue on which the bonds shall be raised like deciding rate of interest and any changes thereof, base issue, green shoe option to retain over subscription, security, issue opening and closing dates, preclosure/ extension of the issue, face value, mode of issue, minimum and maximum application size, tenor, date of payments, lock-in-period, transferability and any other matter in connection with the 54 EC Capital Gain Bond issuance.”

“RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to take all necessary action with regard to appointment/ reappointment and fixing the terms of engagement and fees of various intermediaries and associates such as Mobilizers, Bankers, Debenture Trustees, Legal Counsel, Registrar and Transfer Agent, Printer, Internal Auditor at RTA Office, Chartered Accountant, Website Developer including any other intermediaries which are necessary for 54 EC Capital Gain Bonds, Tax-Free Bonds or Infrastructure Bonds.”

“RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance)/ DGM (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 seek affixation of signatures of any two officers of the level of Executive Director (Finance)/ CGM (Finance)/ Sr.GM (Finance)/ G.M. (Finance) or any other authority as decided by



CMD/ Director (Finance), by means of physical signature or mechanical printing on bond certificates.”

“RESOLVED FURTHER THAT Director (Finance)/Executive Director (Finance)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance) be and are hereby severally authorized to file necessary documents with ROC/NSDL/CDSL/SEBI/ Stock Exchange(s), to issue corrigendum/modification to Information Memorandum, if any 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 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)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance)/ DGM (Finance) alongwith CGM (Legal)/ SR. GM (Legal)/ GM (Legal)/ DGM (Legal) be and are hereby jointly 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 filing of the petitions before the National Company Law Tribunal / Court wherever required for the various series of the Secured Borrowings/ Bonds/ Debentures/ loans issued/ availed 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) 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/ Commercial Paper/ Rupee Offshore Bonds (Masala Bonds etc.)/ Green Bonds / FCNR/ 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), 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), be and are hereby severally authorized to undertake derivative transactions up to USD 500 million or equivalent on per transaction basis or to give /revoke the authority, from time to time, in favour of any



executives of the company/authorized person, up to this amount, for the purpose mentioned hereunder:-

- i. Booking, extending and cancellation of foreign exchange contracts (cash/tom/spot/forwards); and
- ii. To undertake, from time to time, all generic and structured derivatives products permitted by the Reserve Bank of India with the counter-parties operating in India;
- iii. Negotiating and taking all steps and signing of :
 - a. All such papers, forms, documentation and confirmation,
 - b. ISDA agreements, schedules and related documents,As may be necessary for concluding the transactions, as referred to in the items (i) and (ii) above.”

“RESOLVED FURTHER THAT Any of the two signatories comprising of CMD/ Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance)/ be and hereby authorized 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 ECBs issued during FY 2022-23 or any previous financial year (s) 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 amount outstanding on any specific date during the financial year 2022-23 towards Short Term Loans (STL) of a period less than 6 months, Working Capital Demand Loans (WC DL), Cash Credit (CC), Overdraft facilities (OD) or any other facility/ arrangement of similar nature be shall not exceed ₹ 15,000 crore.”

“RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to approve new proposals for Cash Credit/ WC DL/ OD/ Short Term Loans from Banks/ FIs/ NBFC(s)/ Corporates etc.”

“RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ HoD (Treasury)/ CGM (Finance) be and are hereby severally authorized to approve the renewal of limits of Cash Credit/ WC DL/ OD/ Short Term Loans from Banks/ FIs/ NBFC(s)/ Corporates etc.”

“RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ CGM (Finance)/ SR. GM (Finance)/ GM (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)/ HoD (Treasury)/ CGM (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 the ranking of their rates as and when required and such facilities as per its terms can be repaid considering the availability of surplus funds, prevalent market conditions and all other relevant factors.”

“RESOLVED FURTHER THAT Director (Finance)/ Executive Director (Finance)/ HoD (Treasury)/ CGM (Finance) be and are hereby severally authorized to approve prepayment of Term Loans raised from Banks/ FIs/ NBFCs/ Corporates etc. as per the terms and conditions of the loans based on the availability of surplus funds, prevalent market conditions and all other relevant factors in this regard.”

“RESOLVED FURTHER THAT Executive Director (Finance)/ HOD (Resource Mobilisation/ CGM (Finance)/ Sr. GM (Finance)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized to approve payment of interest, maturity amount, currency conversion charges, commitment charges or any other finance cost/ bank charges with regard to the funds mobilized by the Company through different debt instruments/ loans as and when required.”

“RESOLVED FURTHER THAT Executive Director (Fin)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance)/ DGM (Finance)/ Chief 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 FURTHER THAT Executive Director (Finance)/ CGM (Finance)/ SR. GM (Finance)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized to execute and sign the letters of offer, deal confirmations, disclosure/ listing documents or any other documents required for issuing and listing of Commercial Paper.”

“RESOLVED FURTHER THAT CMD/ Director (Finance)/ ED (Finance)/ HoD (Treasury)/ CGM (Finance), be and are hereby severally authorized to open/ close one or more Savings, Current, Cash Credit, Overdraft or any other type of 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 Chief 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/ CC/ OD for any official purpose including Dividend payment, both interim and final and Government Grants."

"RESOLVED FURTHER THAT Company Secretary and in his absence, an official authorized by the Company Secretary, be and is hereby authorized to affix the 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"

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


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



REC Limited | आर ई सी लिमिटेड

(भारत सरकार का उद्यम) / (A Government of India Enterprise)

Regd. Office: Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003

Corporate Office: REC World Headquarters, Plot No. 1-4,

Near IFFCO Chowk Metro Station, Sector-29, Gurugram - 122001 (Haryana)

Tel: +91 124 444 1300 | Website: www.recindia.com

CIN : L40101DL1969GOI005095 | GST No.: 06AAACR4512R3Z3

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF REC LIMITED AT THE 53RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, SEPTEMBER 16, 2022.

Item No. 8: 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) Regulations, 2021 and any amendments thereof 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 nonconvertible 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,

1/2

Regional Offices: Bengaluru, Bhopal, Bhubaneswar, Chennai, Dehradun, Guwahati, Hyderabad, Jaipur, Jammu, Kolkata, Lucknow, Mumbai, Panchkula, Patna, Raipur, Ranchi, Shimla, Thiruvananthapuram & Visakhapatnam

State Offices : Vadodara

Training Centre : REC Institute of Power Management & Training (RECIPMT), Hyderabad



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.”

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CERTIFIED TRUE COPY
कृते आरईसी लिमिटेड / For REC LIMITED


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

Annexure IV

Covenants for the Issue

ANNEXURE IV COVENANTS FOR THE ISSUE

The following provisions are indicative and will be more particularly set out in the Transaction Documents.

A. Covenants of the Issue

The covenants set out below, where applicable, may have customary carve outs, such as to the best of knowledge, materiality or have timelines within which activities are to be conducted:

1. *Allotment*: The Issuer shall allot the Bonds within the timeline in accordance with applicable law, and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers with additional interest as provided under applicable law.
2. *Listing*: The Issuer shall complete all the formalities and seek listing permission within the timeline under applicable law. 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.
3. *Execution of Bond Trust Deed*: 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.
4. *Covenant to pay*: (i) Payment of principal and interest in accordance with the Private Placement Offer Letter and the Bond Trust Deed; (ii) payment of default interest in accordance with applicable law; and (iii) adherence to the financial covenants as set out in the Bond Trust Deed.
5. *Form of the Bonds*: The Bonds shall be in dematerialized form and in accordance with the provisions of applicable law. The Bondholders will have a right to convert the dematerialized Bonds into physical form under applicable law.
6. *Financial Covenants and Conditions*: There are financial covenants binding on the Issuer. Provisions include: (i) requirement to pay Interest to the person appearing in the register of Bondholders on the Record Date (for physical form Bonds) or record of depositories (for dematerialized Bonds); (ii) requirement to pay redemption amount to the person appearing in the register of Bondholders on the Record Date (for physical form Bonds) or record of depositories (for dematerialized Bonds); (iii) payment of Interest and redemption amount to be in accordance with the business day / holiday convention under applicable law; (iv) Interest payments are subject to taxation laws; (v) there is no restriction on further borrowings by the Issuer; (vi) transfer of Bonds to be in accordance with applicable laws; (vii) Bondholders are not entitled to shareholder's rights; (viii) variation of Bondholder rights will be done in accordance with a special resolution of the Bondholders; (ix) information to be provided to Bond Trustee, stock exchange, depositories under applicable law; and (x) once the Bonds have become repayable but not repaid, the Bond Trustee may at its discretion and without further notice institute such proceedings against the Issuer.
7. *Affirmative representations and covenants*: The Issuer (i) is in compliance with all applicable law, save as disclosed in the Private Placement Offer Letter; (ii) has no director which is disqualified; (iii) has the requisite corporate status, corporate power and authority to sign the Bond Trust Deed and entering into the Bond Trust Deed shall not violate, any applicable law; (iv) does not require any separate Government approval required with the issuance of Bonds; (v) does not have any litigation against it that has a material adverse effect; (vi) has filed all tax returns, save those contested in good faith; (vii) shall execute all deeds, documents and assurances for the Bond Trustee to exercise its rights under the Bond Trust Deed; (viii) the Issuer is solvent; (ix) shall not pay dividend to its shareholders during any financial year unless it has paid the installment of principal and Interest then due and payable on the Bonds, or has made provision satisfactory to the Bond Trustee for making such payment; (x) will comply with regulatory directions in relation to the Issue comply in all material respects including in a timely manner, with covenants in the Bond Trust Deed; (xi) will keep proper books of accounts open for inspection by the Bond Trustee; (xii) will attend to and redress the

grievances, if any, of the Bondholders; (xiii) is liable for all deficiency in payment of the Bonds; and (xiv) there are no facts which could have a material adverse effect on the Issuer.

8. *Information Covenants:* The Issuer will (unless otherwise agreed in writing): (i) inform the Bond Trustee of any labour strikes, lockouts, shut-downs, fires or any event likely to have a material adverse effect, loss or damage, which the Issuer may suffer due to force majeure circumstances or act of God, change in the composition of its Board of Directors or of any amalgamation, merger, or reconstruction; (ii) notify the Bond Trustee of the occurrence of a rating downgrade event, any change in nature of business by Issuer before such change any major change in Board of Directors, which may amount to change in control; (iii) provide know your customer documentation and other evidence as is reasonably requested by the Bond Trustee; (iv) provide information required by the Bond Trustee for the effective discharge of its duties including information required to disclose to third parties in accordance with applicable law; (v) provide information as required under SEBI LODR Regulations; (vi) provide end use certificates as required under applicable laws; (vii) provide quarterly reports with details of Bondholders; and (viii) provide bank account details to the Bond Trustee from which the Issuer proposes to pay the redemption amount.
9. *Reissuance and consolidation:* The Issuer shall have right to reissue or consolidate the Bonds under present series in accordance with applicable law.
10. *Debenture Redemption Reserve:* The Issuer will not maintain debenture redemption reserve unless required under applicable laws.
11. *Other:* The Bond Trustee may waive any Issuer breach of covenants materially prejudicial to the interests of the Bondholders, and to modify the terms of the Bonds or any Transaction Document which is formal, minor or technical or is to correct a manifest error. Any other change or modification to the terms of the Bonds or the Bond Trust Deed shall require approval by the Bondholders under a special resolution.

B. Events of Default

Upon the occurrence of an Event of Default, the Bond Trustee, on its discretion or, upon request in writing of the Bondholders representing no less than three-fourths of the aggregate amount of the Bonds for the time being outstanding duly passed at the meeting of the Bondholders for the Bonds, shall be entitled to call an Event of Default by issuing a notice thereof in writing to the Issuer stating that an Event of Default has occurred and can declare the principal amount of the Bonds and all Interest on Bonds to be due and payable on Bonds forthwith.

The following constitute an "Event of Default":

1. Default is committed in payment of the principal amount of the Bonds;
2. 2 (two) consecutive defaults on payment of Interest on the Bonds on the due date(s), unless it is due to technical error beyond control of the Issuer;
3. Default by the Issuer in the performance or observance of any covenant, obligation, condition or provision contained in the Bond Trust Deed presents and/or the financial covenants and conditions (other than the obligation to pay principal and Interest) continues for 30 (thirty) business days or is not rectified within 7 (seven) business days after written notice;
4. Any information given by the Issuer to the Bondholders or the Bond Trustee in any reports and the representations and warranties given or deemed to have been given by it to the Bond Trustee is misleading or incorrect in any material respect;
5. The Issuer is unable to or has admitted, in writing, its inability to pay its debts as they mature;
6. A receiver or a liquidator has been appointed or allowed to be appointed of all or any substantial part of the undertaking of the Issuer or an attachment, sequestration, distress or execution (or analogous process) is levied or enforced upon or issued against a substantial part of the assets of the Issuer;

7. If any extra-ordinary circumstances have occurred, that makes it improbable for the Issuer to fulfill its obligation under the Bond Trust Deed and/or the Bonds;
8. The Issuer ceases or threatens to cease to carry on its business without consent of the Bondholders or gives notice of its intention to do so;
9. If, the Issuer is unable to pay its debts under applicable law and orders for winding up has been passed by the court; and
10. If such listing of the Bonds ceases at any point of time prior to the Redemption Date due to an act of the Issuer or failure by the Issuer to take all necessary action to ensure re-listing.

On happening of any of the Events of Default, the Bondholders or Bond Trustee shall also have the right to:

1. Appoint a nominee on the Board of Directors of the Issuer;
2. Disclose or publish details of the Issuer to the RBI or any other statutory or regulatory authority or publish as a defaulter; or
3. File petitions before the National Company Law Tribunal, court or Government authority.

C. Intercreditor Agreement

Upon a non-payment of Interest or principal amount in full on the pre-agreed date or as required under applicable laws, where lenders of the Issuer enter into any inter-creditor agreement as may be required pursuant to the Issuer becoming a stressed company or in respect of any proposed or actual resolution plan for restructuring of the financial indebtedness of the Issuer or as may be determined in accordance with applicable law, the Bond Trustee shall promptly convene a meeting or procure resolutions of Bondholders, obtain consent from Bondholders to execute any intercreditor agreement or provide instructions or take actions under any debt resolution plan of the Issuer as required in accordance with applicable laws and in accordance with the timing and the voting thresholds set out under applicable law.

The Bondholders, may determine all aspects in relation to any such intercreditor agreement or debt resolution plan and as at all times in accordance with their rights under the Transaction Documents and in accordance with applicable laws.

D. Voting

The Bond Trustee or the Issuer may, at any time, and the Bond Trustee on written request 10% (ten percent) Bondholders, convene a Bondholder meeting. The quorum for such meeting is at least 3/4th (three-fourth) of the aggregate outstanding Bonds. 21 (twenty one) days' notice is given for any such meeting. A resolution is passed based on a poll. Proxies can be appointed for such voting by a Bondholder.

Any vote will be passed by way of special resolution, being a 3/4th (three-fourths) of the aggregate outstanding amount of the Bonds. For written consent of Bondholders, the Bond Trustee must notify each Bondholder at least 10 (ten) business days prior to the date on which any decision is required to be made or consent to be provided is.

The record date of such notice shall be the date falling 3 (three) business days prior to the date of dispatch of such notice. The voting is subject to applicable laws and the Transaction Documents.

Annexure V

Financial Indebtedness

ANNEXURE 5 – FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of the Issuer’s significant outstanding secured borrowings of ₹ 45,740 Crores and unsecured borrowings of ₹ 2,84,141 Crores, as on September 30, 2022 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 September 30, 2022.

(II) UNSECURED LOANS AVAILED BY THE ISSUER

Set forth below is a brief summary of our outstanding unsecured borrowings as on September 30, 2022.

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

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ 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 June 17, 2020	2000.00	2019.77	Repo plus 140 bps with reset upon change in Repo rate	Repayable in 3 equal annual instalments after initial moratorium of 2 years.	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.	Punjab National Bank	Loan agreement dated November 10, 2021	2000.00	2023.45	Repo plus 159 bps with reset upon change in Repo rate	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.
3.	Punjab National Bank	Loan agreement dated March 28, 2022	1000.00	999.85	Repo plus 160 bps with reset upon change in Repo rate	Repayable in 9 years and 9 months in 5 equal annual installment, first instalment starting from 29.03.2028 and ending on 29.12.2031	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
4.	State Bank of India	Loan agreement dated October 15, 2018	4,000.00	2349.86	1 month 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.
5.	State Bank of India	Loan agreement dated March 5, 2019	1,840.00	919.46	1 month MCLR	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.
6.	State Bank of India	Loan agreement dated July 14, 2020	5,000.00	4284.97	1 month MCLR	Repayable in 7 half yearly instalments after initial moratorium is 18 months.	

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ Crores)**	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
7.	State Bank of India	Loan agreement dated July 14, 2020	4,000.00	3999.99	3 Months FBIL Treasury-Bill Rate plus 272 bps	Repayable in 17 half yearly instalments after a moratorium period of 18 months from first drawl in progressive manner as under: <ul style="list-style-type: none"> • 4 half yearly instalments of 2.50% each • 6 half yearly instalments of 5.00% each • 4 half yearly instalments of 7.50% each • 3 half yearly instalments of 10.00% each 2% prepayment charges if prepaid within 18 months from the date of disbursement of each tranche, and after that, NIL.	
8.	HDFC Bank Limited	Loan agreement dated September 29, 2018	300.00	300.06	Repo plus 210 bps with monthly reset	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.
9.	HDFC Bank Limited	Loan agreement dated October 11, 2018	350.00	350.07	Repo plus 210 bps with monthly reset	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.
10.	HDFC Bank Limited	Loan agreement dated November 6, 2018	350.00	350.07	Repo plus 210 bps with monthly reset	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.
11.	HDFC Bank Limited	Loan agreement dated January 15, 2019	500.00	500.10	Repo plus 210 bps with monthly reset	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.
12.	HDFC Bank Limited	Loan agreement dated June 19, 2020	1500.00	1509.12	Repo plus 200 bps with monthly reset	Bullet repayment on maturity with put/call option every 6 months	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
13.	HDFC Bank Limited	Loan agreement dated May 11, 2021	2000	2011.10	Repo plus 140 bps with monthly reset	Bullet repayment on maturity with put/call option every 6 months	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
14.	HDFC Bank Limited	Loan agreement dated May 11, 2021	2000	2011.42	Repo plus 155 bps with monthly reset	Bullet repayment on maturity with put/call option every 6 months	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
15.	HDFC Bank Limited	Loan agreement dated September 28, 2021	1500	1507.89	Repo plus 100 bps with monthly reset	Bullet repayment on maturity with put/call option every 6 months	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
16.	HDFC Bank Limited	Loan agreement dated November 11, 2021	850	855.00	Repo plus 175 bps with monthly reset	Bullet repayment on maturity with put/call option every 6 months	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
17.	HDFC Bank Limited	Loan agreement dated March 23, 2022	2000	2012.19	1 Month T-Bill linked	Bullet repayment on maturity with put/call option every 6 months	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
18.	HDFC Bank Limited	Loan agreement dated August 31, 2022	2000	2009.01	1 Month T-Bill linked	Bullet repayment on maturity with put/call option every 6 months	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
19.	Union Bank of India	Loan agreement dated March 23, 2022	2000	2000.10	3 Month T-Bill linked	Repayable in 5 annual instalments after initial moratorium of 4 years, first installment starting from 31.03.2027	
20.	IIFCL	Loan agreement dated February 22, 2021	2000	2000	5.38% and 5.49%	Bullet on maturity-3 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ Crores)**	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
						interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	
21.	IIFCL	Loan agreement dated March 25, 2021	2000	2000	Average of 10 days PSU Bond rate	Bullet on maturity-5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 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.
22.	IIFCL	Loan agreement dated August 03, 2021	1000	1000	Average of 10 days PSU Bond rate	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 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.
23.	IIFCL	Loan agreement dated July 28, 2022	500	500	3 Month T-Bill linked	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 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.
24.	HSBC	Loan agreement dated May 18, 2020	565	565.12	1 Month T-Bill linked	Bullet on maturity- 5 years Lockin period of 6 months and onwards, prepayment option available on reset dates	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
25.	HSBC	Loan agreement dated December 3, 2020	187.50	187.54	1 Month T-Bill linked	Bullet on maturity- 5 years Lockin period of 6 months	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
26.	HSBC	Loan agreement dated March 18, 2021	900	900.19	1 Month T-Bill linked	Bullet on maturity- 5 years Lockin period of 6 months	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
27.	HSBC	Loan agreement dated June 14, 2021	1000	1000.19	1 Month T-Bill linked	Bullet on maturity- 5 years Lockin period of 6 months	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
28.	HSBC	Loan agreement dated March 23, 2022	750	750.15	1 Month T-Bill linked	Bullet on maturity- 8 years Lockin period of 6 months	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
29.	Deutsche Bank	Loan agreement dated December 15, 2020	500	500.09	Repo Linked	Bullet repayment after 3 years Prepayment allowed on every month end	
30.	Deutsche Bank	Loan agreement dated December 15, 2020	500	500.10	Repo Linked	Bullet repayment after 3 years Prepayment allowed on every month end	
31.	Deutsche Bank	Loan agreement dated June 13, 2022	500	500.09	3 month T Bill linked	Bullet repayment after 5 years Prepayment allowed within 7 days of quarterly interest rate reset	

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
32.	ICICI Bank	Loan agreement dated September 28, 2021	2000	2000.39	3 month T Bill linked	Repayable in 9 equal annual instalments after initial moratorium of 2 years.	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
33.	ICICI Bank	Loan agreement dated November 22, 2021	850	850.17	3 month T Bill linked	Repayable in 20 half yearly instalments after a moratorium period of 18 months from first drawl in progressive manner as under: <ul style="list-style-type: none"> • 3 half yearly instalments of 0% each • 4 half yearly instalments of 1.25% each • 5 half yearly instalments of 5.00% each • 4 half yearly instalments of 7.50% each • 4 half yearly instalments of 10.00% each 	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
34.	ICICI Bank	Loan agreement dated June 14, 2022	1150	1150.22	3 month T Bill rate linked	Repayable in 7 installments after moratorium period of 18 months from first drawl in the below mentioned manner: <ul style="list-style-type: none"> • 6 yearly installments of 5% each • remaining 70% at the time of maturity 	
35.	Bank of India	Loan agreement dated August 16, 2021	750	749.99	Overnight MCLR linked	Repayable in 5 equal annual instalments after initial moratorium of 2 years.	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
36.	Karur Vysya Bank	Loan agreement dated October 27, 2021	250	250.05	Repo linked	Bullet repayment after 5 years 3% prepayment charges (excluding GST) on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer	Additional interest of 3% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
37.	Jammu & Kashmir Bank	Loan agreement dated October 25, 2021	300	300.04	Repo linked	Bullet repayment after 5 years Lockin period of 6 months	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
38.	South Indian Bank	Loan agreement dated October 28, 2021	300	300	3 month T Bill linked	Bullet repayment after 5 years Nil, with a written notice served 7 days prior to pre-payment/ pre-closure subject to Lock-in period of 6 months from the date of disbursement	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
39.	South Indian Bank	Loan agreement dated October 28, 2021	200	200	Repo linked	Bullet repayment after 5 years Nil, with a written notice served 7 days prior to pre-payment/ pre-closure subject to Lock-in period of 6 months from the date of disbursement	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
40.	Mizuho Bank	Loan agreement dated December 06, 2021	300	300	3 month T Bill linked	Bullet repayment after 5 years Prepayment allowed on the date of interest reset every quarter	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
41.	Central Bank of India	Loan agreement dated March 24, 2022	500	499.99	Repo linked	Repayable in 7 equal annual instalments after initial moratorium of 3 years, first instalment starting from 28.02.2026. Nil	
42.	Central Bank of India	Loan agreement dated March 24, 2022	1500	1504.02	Repo linked	Bullet repayment after 1.5 years Pre-payment to be allowed without any prepayment premium	

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
43.	Karnataka Bank	Loan agreement dated June 14, 2022	500	500	6 month T Bill rate + spread	Bullet repayment after 5 years Nil, if paid out of own sources	Additional interest of 2% p.a. on the entire loan, on the happening of certain events specified in the loan agreement.
44.	Indian Bank	Loan agreement dated August 04, 2022	1500	1507.66	Overnight MCLR linked	Repayment in 6 annual installments of Rs. 250 crore each after initial moratorium of 1 year Prepayment charges Nil	
45.	Bank of Baroda	Loan agreement dated September 22, 2022	5000	1540.30	Overnight MCLR linked	Repayable in 6 structured yearly installments after a moratorium period of 1 year from first drawl in progressive manner as under: • 1 yearly instalments of 0% each • 1 yearly instalments of 2.50% each • 1 yearly instalments of 7.50% each • 2 yearly instalments of 12.50% each • 1 yearly instalments of 25.00% each • 1 yearly instalments of 40.00% each	
	Total of unsecured term loan from banks and financial institutions			₹ 54,069.73			
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	5122.96	8.16% per annum	Bullet on maturity-10 years Prepayment permitted with the prior approval of the budget division, department of economic affairs.	N/A
2.	NSSF	Loan agreement dated September 30, 2019	5000.00	5204.41	8.29% per annum	Bullet on maturity- 10 years. 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			₹ 10327.37			
C.	Foreign currency borrowings(ECB+ODA lines)						
1.	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)	10.65	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.
2.	KfW, Frankfurt am Main	Loan Agreement dated March 30, 2012 ⁽¹⁾⁽²⁾	Euro 100 Million	169.24	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.
3.	KfW, Frankfurt am Main	Loan Agreement dated August 13, 2018	USD 228 Million	1677.25	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. 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.
4.	ECB-25 USD Green Reg-S bonds	10 Year USD green bonds under Reg-S	USD 450 Million	3367.08	3.875% (Fixed)	10 years tenor. Repayable on July 07, 2027.	--

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on Sept 30, 2022 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
5.	ECB-29 USD Reg-S bonds	10 Year USD bonds under Reg-S	USD 300 Million	2267.25	4.625% (Fixed)	10 years tenor. Repayable on March 22, 2028.	--
6.	ECB-30 Bilateral unsecured borrowings	Bilateral facility agreement dated August 17, 2018	USD 250 Million	2048.16	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.
7.	ECB-31 Bilateral unsecured borrowings	Bilateral facility agreement dated July 31, 2018	JPY 10327.12 Million	577.86	Overnight TONA plus 0.25809%	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.
8.	ECB-32 USD 144 A bonds	5 Year USD bonds under 144 A	USD 700 Million	5803.60	5.25% (Fixed)	5 years tenor. Repayable on November 13, 2023.	--
9.	ECB-33 Bilateral unsecured borrowings	Bilateral facility agreement dated March 25, 2019	USD 250 Million	2021.66	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.
10.	ECB-34 Bilateral unsecured borrowings	Bilateral facility agreement dated March 25, 2019 and increase confirmation effective May 7, 2019	USD 150 Million	1213.80	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.
11.	ECB-35 Bilateral unsecured borrowing	Bilateral facility agreement dated June 24, 2019	USD 100 Million	819.55	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.
12.	ECB-36 USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 650 Million	5318.87	3.375% (Fixed)	5 years tenor. Repayable on July 25, 2024.	--
13.	ECB-38 USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 500 Million	4113.11	3.50% (Fixed)	5 years tenor. Repayable on Dec12, 2024.	--
14.	ECB-39 Bilateral unsecured borrowing	Bilateral facility agreement dated Mar13, 2020	SGD72.07 Million	404.89	Overnight SORA plus 0.71%	5 years tenor. Repayable on March30, 2025. 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.	ECB-40 Bilateral unsecured borrowing	Bilateral facility agreement dated Mar13, 2020	USD75.00 Million	603.25	6 month USD LIBOR plus 1.30%	5 years tenor. Repayable on March 30, 2025. 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.
16.	ECB-41 USD Reg-S bonds	3 Year USD bonds under Reg-S	USD 500 Million	4144.83	4.75% (Fixed)	3 years tenor. Repayable on May 19, 2023.	
17.	ECB-42 Bilateral unsecured borrowing	Bilateral facility agreement dated April 20, 2020	USD 300 Million	2474.86	Overnight SOFR plus 2.29% plus 1.90%	10 years tenor. Repayable on June 02, 2030. 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.	ECB-43 Bilateral unsecured borrowing	Bilateral facility agreement dated June 09, 2020	USD 170 Million	1387.35	6 month USD LIBOR plus 2.10%	5 years tenor. Repayable on March 26, 2025 (100 Million) & Oct 06,2025 (70 Million).	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 Sept 30, 2022 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
						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.	
19.	ECB-44 Bilateral unsecured borrowings	Bilateral facility agreement dated July 07, 2020, Amendment agreement dated August 25, 2020	JPY 10,519.00 Million	587.90	Overnight TONA plus 1.15%	5 years tenor. Repayable on September 25, 2025. 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.
20.	ECB-45 Syndicated unsecured borrowing	Syndicated facility agreement dated Mar 04, 2021	USD 425.00 Million	3444.67	6 month USD LIBOR plus 1.254%	5 years tenor. Repayable on March 16, 2026. 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.	ECB-46 USD Reg-S bonds	5.5 Years USD bonds under Reg-S	USD 500 Million	4072.74	2.25% (Fixed)	5.5 years tenor. Repayable on September 01 2026.	
22.	ECB-47 Syndicated unsecured borrowing	Syndicated facility agreement dated Aug 11, 2021	USD 600.00 Million	4849.49	6 month USD LIBOR plus 1.168%	5 years tenor. Repayable on August 25, 2026. 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.
23.	ECB-48 USD Reg-S bonds	5.5 Years USD bonds under Reg-S	USD 400 Million	3275.12	2.75% (Fixed)	5.5 years tenor. Repayable on January 13, 2027.	
24.	ECB-49 Bilateral unsecured borrowing	Facility agreement dated Sept. 23, 2021	USD 75.00 Million	612.56	Overnight SOFR plus 1.30%	5 years tenor. Repayable on October 7, 2027. 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.
25.	ECB-51 Syndicated unsecured borrowing	Facility agreement dated December 22, 2021	USD 1175.00 Million	9504.52	6 month USD LIBOR plus 1.02%	5 years tenor. Repayable on December 29, 2027. 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.
28.	ECB-50 Syndicated unsecured borrowing	Facility agreement dated February 14, 2022	JPY 37506.625 Million	2083.76	Overnight TONA plus 0.83154%	5 years tenor. Repayable on March 03, 2027. 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.
29.	ECB-52 Syndicated unsecured borrowing	Facility agreement dated May 25, 2022	USD 100.00 Million	812.81	6 month sofr plus 1.25%	5 years tenor. Repayable on June 14, 2027. 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.
30.	ECB-53 Syndicated unsecured borrowing	Facility agreement dated July 19, 2022	USD 200.00 Million	1618.14	Overnight sofr plus 1.25%	5 years tenor. Repayable on July 28, 2027. 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.
31..	ECB-54 Syndicated unsecured borrowing	Facility agreement dated Aug 25, 2022	USD 150.00 Million	1208.79	Overnight sofr plus 1.25%	5 years tenor. Repayable on Sep 13, 2027. 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 Sept 30, 2022 (₹ Crores)***	Rate of interest (% per annum)	Repayment Date/ Schedule and prepayment penalty if any	Penalty
	Total Unsecured Loans from Foreign Banks and other Institutions			₹ 70493.75			
	Total Unsecured Loans (2) (A+B+ C)			₹ 1,34,890.85			

(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

Set forth below is a brief summary of the secured and unsecured non-convertible debentures issued by the Issuer as on September 30, 2022.

(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 Sept 30 2022***	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.									
1.	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	1,918.14	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: AAA; IRPL: IND AAA	Secured	See Table Below
	Total Secured Bonds through Private Placement of Institutional Bond Series			1,918.14						
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 XII' issued in Fiscal 2019	On Tap Basis	6,651.665	6747.09	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
2.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XIII' issued in Fiscal 2020	On Tap Basis	6157.823	6241.98	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
3.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XIV' issued in Fiscal 2021	On Tap Basis	5312.066	5374.70	5.75% till 31.07.2020 5.00% from 01.08.2020 onwards, 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	Secured	See Table Below
4.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption	On Tap Basis	7313.795	7394.17	5.00% 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+	Secured	See Table Below

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
	bond series XV' issued in Fiscal 2022							CRISIL: AAA/Stable CRISIL		
5.	5 Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XVI' issued in Fiscal 2023	On Tap Basis	4745.245	4790.18	5.00% 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: AAA/Stable CRISIL	Secured	See Table Below
	Application money pending for allotment)		877.72	877.20						
Secured Capital Gains Tax Exemption Bonds U/S 54EC				31,425.32						
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	2160.33	2200.69	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	530.98	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 – I I Series I tax free secured redeemable non-convertible bonds (public issue)	December 19, 2012	2,017.35	2,141.24	7.22%/7.72%	10 years	December 19, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
5.	Series 2012-13 Tranche – II 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	138.81	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				7.04%/7.54%	15 years	March 27, 2028	CRISIL:AAA; CARE: CARE AAA;	Secured	

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
	Tax free secured redeemable non-convertible bonds (public issue)							FITCH: AAA(ind) ICRA: LAAA		
8.	Series 3A 2013-14 tax free secured redeemable non-convertible bonds on a private placement basis	August 29, 2013	1,350.00	1,357.14	8.01%	10 years	August 29, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: (ICRA) AAA	Secured	
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	3675.67	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 redeemable 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	161.75	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	1,132.53	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 Sept 30 2022***	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	317.14	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	700.00	740.16	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				12,396.12						
Security Details of the Secured Borrowings										
<ul style="list-style-type: none"> • 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 Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.). • 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. • The Bond Series XI, XII and XIII of 54EC Capital Gain Tax Exemption Bonds and 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 Bond Series XIV and Series XV of 54EC Capital Gain Tax Exemption Bonds are secured by first pari passu charge on hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) 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.										

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
1.	Bond series 94 'taxable non-priority sector bond'.	June 8, 2010	1,250.00	1284.46	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	1834.95	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 111 – II 'taxable non-priority sector bond'.	November 19, 2012	2,211.20	2383.84	9.02% per annum payable yearly	10 years	November 19, 2022	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
4.	Bond series 114 'taxable non-priority sector bond'.	April 12, 2013	4,300.00	4478.47	8.82% per annum payable yearly	10 years	April12, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
5.	Bond series 115 'taxable non-priority sector bond'.	May 31, 2013	2,500.00	2567.75	8.06% per annum payable yearly	10 years	May 31, 2023	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured (Subordinated Debt)	-
6.	Bond series 128 'taxable non-priority sector bond'.	December 22, 2014	2,250.00	2321.80	8.57% per annum payable yearly	10 years	December 21, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
7.	Bond series 129 'taxable non-priority sector bond'.	January 23, 2015	1,925.00	1983.94	8.23% per annum payable yearly	10 years	January 23, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
8.	Bond series 130 'taxable non-priority sector bond'.	February 6, 2015	2,325.00	2396.55	8.27% per annum payable yearly	10 years	February 6, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
9.	Bond series 131'taxable non-priority sector bond'.	February 23, 2015	2,285.00	2399.92	8.35%per annum payable yearly	10 years	February 21, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
10.	Bond series 133 'taxable non-priority sector bond'.	April 10, 2015	2,396.00	2553.32	8.30%per annum payable yearly	10 years	April 10, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
11.	Bond series 136 'taxable non-priority sector bond'.	October 7, 2015	2,585.00	2775.98	8.11% per annum payable yearly	10 years	October 7, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
12.	Bond series 140 'taxable non-priority sector bond'.	November 7, 2016	2,100.00	2198.04	7.52%	10 years	November 7, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
13.	Bond series 142 'taxable non-priority sector bond'.	December 30, 2016	3,000.00	3070.76	7.54% per annum payable yearly	10 years	December 30, 2026	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 Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
14.	Bond series 147 'taxable non-priority sector bond'.	March 14, 2017	2,745.00	2756.77	7.95% per annum payable yearly	10 years	March 12, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
15.	Bond series 152 'taxable non-priority sector bond'.	October 17, 2017	1,225.00	1308.04	7.09% per annum payable yearly	5 years	October 17, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
16.	Bond series 155 'taxable non-priority sector bond'.	November 30, 2017	1,912.00	2030.98	7.45% per annum payable yearly	5 years	November 30, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
17.	Bond series 156 'taxable non-priority sector bond'.	December 12, 2017	3,533.00	3750.74	7.70% per annum payable yearly	10 years	December 10, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
18.	Bond series 159 'taxable non-priority sector bond'.	February 23, 2018	950.00	995.68	7.99% per annum payable yearly	5 years	February 23, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
19.	Bond series 162 'taxable non-priority sector bond'.	August 9, 2018	2,500.00	2530.82	8.55% per annum payable yearly	10 years	August 9, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
20.	Bond series 163 'taxable non-priority sector bond'.	August 27, 2018	2,500.00	2520.45	8.63% per annum payable yearly	10 years	August 25, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
21.	Bond series 168 'taxable non-priority sector bond'.	November 29, 2018	2,552.40	2626.90	8.56% per annum payable semi annually	10 years	November 29, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
22.	Bond series 169 'taxable non-priority sector bond'	December 7, 2018	2,554.00	2621.58	8.37% per annum payable semi annually	10 years	December 07,2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
23.	Bond series 175 'taxable non-priority sector bond'	March 28, 2019	2,151.20	2106.28	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)	-
24.	Bond series 176 'taxable non-priority sector bond'	April 16, 2019	1,600.70	1665.13	8.85% per annum payable yearly	10 years	April 16, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
25.	Bond series 178 'taxable non-priority sector bond'	May 14, 2019	1,097.00	1122.45	8.80% per annum payable yearly	10 years	May 14, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
26.	Bond series 180-A 'taxable non-priority sector bond'	June 25, 2019	1,018.00	1035.26	8.10% per annum payable yearly	5 years	June 25, 2024	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 Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
27.	Bond series 180-B 'taxable non-priority sector bond'	June 25, 2019	2,070.90	2085.55	8.30% per annum payable yearly	10 years	June 25, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
28.	Bond series 182 'taxable non-priority sector bond'	August 22, 2019	5,063.00	5108.16	8.18% per annum payable yearly	15 years	August 22, 2034	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
29.	Bond series 183 'taxable non-priority sector bond'	September 16, 2019	3,028.00	3038.08	8.29% per annum payable yearly	15 years	September 16, 2034	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
30.	Bond series 184-A 'taxable non-priority sector bond'	September 26, 2019	870.60	1161.96	8.25% per annum payable yearly	10 years	September 26, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
31.	Bond series 184-B (D) 'taxable non-priority sector bond'	September 26, 2019	300.00	300.29	7.55% per annum payable yearly	4 years	September 26, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
32.	Bond series 185 'taxable non-priority sector bond'	November 13, 2019	2769.00	2925.98	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	
33.	Bond series 186-B 'taxable non-priority sector bond'	November 26, 2019	1500.00	1593.64	7.40% per annum payable yearly	5 years	November 26, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
34.	Bond series 187 'taxable non-priority sector bond'	December 26, 2019	2090.00	2203.52	7.24% per annum payable yearly	3 years	December 31, 2022	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
35.	Bond series 188A 'taxable non-priority sector bond'	January 08, 2020	1400.00	1450.22	7.12% per annum payable yearly	3 years 2 months 23 days	March 31, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
36.	Bond series 188B 'taxable non-priority sector bond'	January 08, 2020	1100.00	1143.61	7.89% per annum payable yearly	10 years 2 months 23 days	March 31, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
37.	Bond series 189 'taxable non-priority sector bond'	January 28, 2020	3054.90	3176.24	7.92% per annum payable yearly	10 years 2 months 03 days	March 31, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
38.	Bond series 190A 'taxable non-priority sector bond'	February 10, 2020	2500.00	2600.81	6.88% per annum payable yearly	05 years 01 month 10 days	March 20, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
39.	Bond series 191A 'taxable non-priority sector bond'	February 25, 2020	1100.00	1143.96	6.80% per annum payable yearly	3 years 4 months 5 days	June 30, 2023	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 Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
40.	Bond series 191B 'taxable non-priority sector bond'	February 25, 2020	1100.00	1145.08	6.99% per annum payable yearly	4 years 7 months 5 days	September 30, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
41.	Bond series 192 'taxable non-priority sector bond'	March 06, 2020	2382.00	2485.99	7.50% per annum payable yearly	9 years 11 months 22 days	February 28, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
42.	Bond series 195 'taxable non-priority sector bond'	April 22, 2020	2985.00	3076.55	6.92% per annum payable yearly	03 Years	April 22, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
43.	Bond series 197 'taxable non-priority sector bond'	May 11, 2020	3740.00	3849.16	7.55% per annum payable yearly	10 Years	May 11, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
44.	Bond series 198B 'taxable non-priority sector bond'	May 21, 2020	1569.00	1612.85	7.79% per annum payable yearly	10 Years	May 21, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
45.	Bond series 199 'taxable non-priority sector bond'	June 08, 2020	1999.50	1880.01	7.96% per annum payable yearly	10 Years 07 Days	June 15, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
46.	Bond series 200 'taxable non-priority sector bond'	July 08, 2020	500.00	559.60	5.36% per annum payable yearly	02 Years 11 Months 23 Days	June 30, 2023	CRISIL: AAA ICRA: ICRA AAA	Unsecured	
47.	Bond series 201-A 'taxable non-priority sector bond'	July 30, 2020	900.00	908.93	5.90% per annum payable yearly	04 Years 08 Months 1 Day	March 31, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
48.	Bond series 201-B 'taxable non-priority sector bond'	July 30, 2020	1300.00	1315.07	6.90% per annum payable yearly	10 Years 08 Months 1 Day	March 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
49.	Bond series 202-A 'taxable non-priority sector bond'	August 28, 2020	3500.00	3500.51	7.25% per annum payable yearly	10 Years 1 Month 2 Days	September 30, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
50.	Bond series 202-B 'taxable non-priority sector bond'	August 28, 2020	2474.00	2474.08	5.69% per annum payable yearly	3 Years 1 Month 2 Days	September 30, 2023	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
51.	Bond series 203-A 'taxable non-priority sector bond'	October 29, 2020	5000.00	5264.52	6.80% per annum payable yearly	10 Years 1 Month 21 Days	December 20, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
52.	Bond series 203-B 'taxable non-priority sector bond'	October 29, 2020	2777.00	2902.46	5.85% per annum payable yearly	05 Years 1 Month 21 Days	December 20, 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 Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
53.	Bond series 204-A 'taxable non-priority sector bond'	December 15, 2020	2500.00	2614.27	6.90% per annum payable yearly	10 Years 1 Month 16 Days	January 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
54.	Bond series 204-B 'taxable non-priority sector bond'	December 15, 2020	2082.00	2172.12	5.81% per annum payable yearly	05 Years 16 Days	December 31, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
55.	Bond series 205-A 'taxable non-priority sector bond'	January 13, 2021	2135.00	2205.20	4.99% per annum payable yearly	03 Years 18 Days	January 31, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
56.	Bond series 205-B 'taxable non-priority sector bond'	January 13, 2021	2000.00	2040.81	5.94% per annum payable yearly	05 Years 18 Days	January 31, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
57.	Bond series 207 'taxable non-priority sector bond'	January 28, 2021	4589.90	4803.30	7.02% per annum payable yearly	15 Years 03 Days	January 31, 2036	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
58.	Bond series 208 'taxable non-priority sector bond'	March 12, 2021	3613.80	3759.55	7.40% per annum payable yearly	15 Years 03 Days	March 15, 2036	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
59.	Bond series 209 'taxable non-priority sector bond'	March 19, 2021	1550.00	1597.37	5.79% per annum payable yearly	03 Years 1 Day	March 20, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
60.	Bond series 210 'taxable non-priority sector bond'	April 22, 2021	4000.00	4064.14	5.40% per annum payable yearly	3 years 1 month 29 days	June 20, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
61.	Bond series 211 'taxable non-priority sector bond'	October 21, 2021	1200.00	1270.08	6.23% per annum payable yearly	10 years 10 days	October 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
62.	Bond series 212 'taxable non-priority sector bond'	November, 18 2021	2500.00	2604.77	Floating per annum payable yearly	2 years 11 months 10 days	October 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
63.	Bond series 213 'taxable non-priority sector bond'	December ,15 2021	1380.00	1430.75	6.92% per annum payable yearly	10 years 03 months 05 days	March 20, 2032	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
64.	Bond series 214A 'taxable non-priority sector bond'	September ,23 2022	500.00	500.74	7.32% per annum payable yearly	03 years 05 months 05 days	February 28, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
65.	Bond series 214B 'taxable non-priority sector bond'	September ,23 2022	1947.60	1950.57	7.50% per annum payable yearly	10 years 05 months 05 days	February 28, 2033	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
Total Un-secured Bonds through Private Placement of Institutional Bond Series				1,49,241.36						

S. No.	Nature of the Debentures and Series	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, As on Sept 30 2022***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
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.	8.37	February 15, 2012	3.96	8.00	9.15% payable annually and cumulative	15 years	Redeemable at par on the expiry of 15 years with buyback option after 5/7 years respectively from the date of allotment. February 15, 2027	CRISIL: AAA; CARE: CARE AAA; FITCH: AAA (ind) ICRA: LAAA	Unsecured	-
				8.37						
Total of Bonds - (3) (A to E)				194989.31						

** The bonds have been issued on private placement basis and are currently listed on the 'debt market segment' of 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 SEPTEMBER 30, 2022

The Issuer has not issued any corporate guarantee as on September 30, 2022.

(V) DETAILS OF REST OF THE BORROWINGS (IF ANY INCLUDING HYBRID DEBT LIKE FCCB, OPTIONALLY CONVERTIBLE DEBENTURES/PREFERENCE SHARES) AS ON SEPTEMBER 30, 2022

The Issuer has no outstanding borrowings in form of hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares as on September 30, 2022.

(VI) DETAILS OF COMMERCIAL PAPER AS ON SEPTEMBER 30, 2022

The Issuer has no commercial paper outstanding as on September 30, 2022

(VII) WORKING CAPITAL DEMAND LOAN/SHORT TERM LOAN FROM BANKS AS ON SEPTEMBER 30, 2022

The Issuer has Rs.2901.03 Crores working capital demand loan/short term loan outstanding as on September 30, 2022.

(VIII) FCNR(B) LOANS FROM BANKS AS ON SEPTEMBER 30, 2022

The Issuer has raised foreign currency non-resident (B) ("FCNR(B)") loans from banks amounting to USD 1350.00 Million. As at end of September 30, 2022, ₹ 11,012.63 Crores is outstanding on account of FCNR (B) loans.

(IX) LIST OF TOP TEN DEBENTURE HOLDERS OF THE ISSUER AS AT QUARTER END DATED SEPTEMBER 30, 2022

Sr. No.	Name	Total face value amount of debentures held
1	LIFE INSURANCE CORPORATION OF INDIA - P & GS FUND	2,20,28,50,00,000.00
2	CBT EPF-09-C-DM	2,09,13,40,00,000.00
3	STATE BANK OF INDIA	96,75,00,00,000.00
4	BHARAT BOND ETF - APRIL 2031	65,95,00,00,000.00
5	NPS TRUST- A/C ICICI PRUDENTIAL PENSION FUND SCHEM	65,92,90,00,000.00
6	HDFC TRUSTEE COMPANY LTD A/C HDFC CORPORATE BOND FUND	39,87,60,00,000.00
7	STATE BANK OF INDIA EMPLOYEES PENSION FUND	35,24,20,00,000.00
8	IDFC CORPORATE BOND FUND	29,08,80,00,000.00
9	SBI FIXED MATURITY PLAN (FMP) - SERIES 42 (1857 DA	25,06,00,00,000.00
10	EMPLOYEES' STATE INSURANCE CORPORATION A/C SBI FUN	22,57,70,00,000.00

(X) OTHER DISCLOSURES

Other than debt securities issued by the Issuer, outstanding as on September 30, 2022 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) 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	March 22, 2018	USD 300 Million	98.506	1.494
3.	International Bonds	November 13, 2018	USD 700 Million	99.437	0.563
4.	International Bonds	July 25, 2019	USD 650 Million	99.463	0.537
5.	International Bonds	Dec 12, 2019	USD 500 Million	99.746	0.254
6.	International Bonds	May 19, 2020	USD 500 Million	99.696	0.304
7.	International Bonds	Mar 01, 2021	USD 500 Million	99.728	0.272
8.	International Bonds	July 13, 2021	USD 400 Million	99.894	0.106

(ii) 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, 201	3,000	10,00,000	954

Annexure VI

Standalone And Consolidated Financial Results

31 March 2022, 2021 and 2020

Statement of Audited Standalone Financial Results for the year ended 31-03-2022

(₹ in Crores)

S. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022 (Audited)	31-12-2021 (Unaudited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Income					
A	Interest income					
(i)	Interest income on loan assets	9,235.26	9,573.69	8,809.97	37,810.84	34,229.92
(ii)	Other interest income	80.01	136.26	36.49	375.62	453.86
	Sub-total (A) - Interest Income	9,315.27	9,709.95	8,846.46	38,186.46	34,683.78
B	Other Operating Income					
(i)	Dividend income	10.02	-	22.28	26.64	36.40
(ii)	Fees and commission income	198.82	50.43	32.47	572.82	95.38
(iii)	Net gain/(loss) on fair value changes	55.99	246.51	244.40	346.57	572.33
	Sub-total (B) - Other Operating Income	264.83	296.94	299.15	946.03	704.11
C	Total Revenue from Operations (A+B)	9,580.10	10,006.89	9,145.61	39,132.49	35,387.89
D	Other Income	21.47	32.05	4.23	97.96	22.55
	Total income (C+D)	9,601.57	10,038.94	9,149.84	39,230.45	35,410.44
2	Expenses					
A	Finance costs	5,353.08	5,548.72	5,438.14	22,052.91	21,489.08
B	Net translation/ transaction exchange loss/ (gain)	471.18	114.79	213.29	799.05	330.26
C	Fees and commission expense	4.42	3.27	1.03	16.73	9.95
D	Impairment on financial instruments	754.34	819.02	697.64	3,473.31	2,419.62
E	Employee benefits expenses	36.07	40.91	34.62	158.86	144.84
F	Depreciation and amortization	5.43	5.07	2.65	17.96	9.53
G	Corporate social responsibility expenses	110.07	23.31	36.19	170.67	144.32
H	Other expenses	33.86	32.15	30.51	116.06	106.71
	Total expenses (A to H)	6,768.45	6,587.24	6,454.07	26,805.55	24,654.31
3	Profit before tax (1-2)	2,833.12	3,451.70	2,695.77	12,424.90	10,756.13
4	Tax expense					
A	Current tax					
	- Current year	673.49	784.47	622.41	3,051.33	2,683.62
	- Earlier years	(3.96)	-	89.55	(3.96)	223.28
B	Deferred tax	(124.29)	(105.42)	(85.82)	(668.39)	(512.55)
	Total tax expense (A+B)	545.24	679.05	626.14	2,379.98	2,394.35
5	Net profit for the period (3-4)	2,287.88	2,772.65	2,069.63	10,045.92	8,361.78
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	(8.84)	2.16	(11.36)	(8.33)	(14.26)
(b)	Changes in fair value of FVOCI equity instruments	(17.80)	(17.78)	30.02	22.19	166.53
(c)	Income tax relating to these items					
	- Re-measurement gains/(losses) on defined benefit plans	2.23	(0.53)	2.86	2.10	3.59
	- Changes in fair value of FVOCI equity instruments	3.43	(0.88)	(1.54)	2.55	(6.01)
	Sub-total (i)	(20.98)	(17.05)	19.98	18.51	149.85
(ii)	Items that will be reclassified to profit or loss					
(a)	Effective Portion of Cash Flow Hedges	302.90	153.25	92.61	480.84	80.81
(b)	Cost of hedging reserve	(657.10)	79.50	(115.83)	(564.51)	329.00
(c)	Income tax relating to these items					
	- Effective Portion of Cash Flow Hedges	(83.79)	(38.57)	(23.31)	(121.02)	(20.34)
	- Cost of hedging reserve	165.38	(20.01)	29.16	147.11	(82.80)
	Sub-total (ii)	(242.61)	174.17	(17.37)	(77.58)	306.67
	Other comprehensive Income/(Loss) for the period (i+ii)	(263.59)	157.12	2.61	(59.07)	456.52
7	Total comprehensive income for the period (5+6)	2,024.29	2,929.77	2,072.24	9,986.85	8,818.30
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
9	Other equity (as per audited balance sheet as at 31st March)				49,010.68	41,451.45
10	Basic & Diluted earnings per equity share of ₹ 10 each (in ₹) (not annualised)					
A	For continuing operations	11.58	14.04	10.48	50.87	42.34
B	For continuing and discontinued operations	11.58	14.04	10.48	50.87	42.34

See accompanying notes to the financial results.



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Statement of Audited Consolidated Financial Results for the year ended 31-03-2022

(₹ in Crores)

S. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022 (Audited)	31-12-2021 (Unaudited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Income					
A	Interest Income					
(i)	Interest income on loan assets	9,235.26	9,573.69	8,809.97	37,810.84	34,229.92
(ii)	Other interest income	81.72	138.32	41.67	383.65	463.59
	Sub-total (A) - Interest Income	9,316.98	9,712.01	8,851.64	38,194.49	34,693.51
B	Other Operating Income					
(i)	Dividend income	2.50	-	22.28	4.21	27.97
(ii)	Fees and commission income	198.82	50.43	32.47	572.82	95.38
(iii)	Net gain/(loss) on fair value changes	35.99	246.51	244.80	246.57	572.33
(iv)	Sale of services	39.08	28.10	60.83	150.96	163.65
	Sub-total (B) - Other Operating Income	316.39	325.04	359.98	1,074.56	859.33
C	Total Revenue from Operations (A+B)	9,633.37	10,037.05	9,211.62	39,269.05	35,552.84
D	Other Income	19.90	33.37	4.30	70.15	22.72
	Total Income (C+D)	9,653.27	10,070.42	9,215.92	39,339.20	35,575.56
2	Expenses					
A	Finance costs	5,353.08	5,547.87	5,440.71	22,050.96	21,489.05
B	Net translation/ transaction exchange loss/ (gain)	471.18	114.79	213.29	799.05	330.26
C	Fees and commission expense	4.42	3.27	1.03	16.73	9.95
D	Impairment on financial instruments	761.86	815.02	719.46	3,470.02	2,445.94
E	Cost of services rendered	15.51	18.91	30.98	65.11	88.67
F	Employee benefits expenses	42.88	46.04	39.72	180.09	163.62
G	Depreciation and amortization	5.49	5.14	2.87	18.24	10.86
H	Corporate social responsibility expenses	110.89	23.65	35.88	172.35	146.27
I	Other expenses	30.64	44.13	32.04	124.31	109.38
	Total Expenses (A to I)	6,795.95	6,618.82	6,515.99	26,896.86	24,794.00
3	Share of Profit/(Loss) of Joint Venture accounted for using equity method	-	-	4.45	(11.81)	(1.97)
4	Profit before Tax (1-2+3)	2,857.32	3,451.60	2,704.38	12,430.53	10,779.59
5	Tax Expense					
A	Current Tax					
-	Current Year	681.89	785.78	626.63	3,069.23	2,698.02
-	Earlier Years	(3.90)	-	89.23	(3.96)	222.95
B	Deferred Tax	(121.95)	(107.62)	(89.32)	(670.44)	(519.62)
	Total Tax Expense (A+B)	555.98	678.16	626.54	2,394.83	2,401.35
6	Net profit for the period (4-5)	2,301.33	2,773.44	2,077.84	10,035.70	8,378.24
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	(8.84)	2.16	(11.36)	(8.33)	(14.26)
(b)	Changes in fair value of FVOCI equity instruments	(17.80)	(17.78)	30.02	22.19	166.53
(c)	Share of Profit of Joint Venture accounted for using equity method	-	-	(0.07)	(0.02)	(0.03)
(d)	Income tax relating to these items					
-	Re-measurement gains/(losses) on defined benefit plans	2.23	(0.55)	2.86	2.10	3.59
-	Changes in fair value of FVOCI equity instruments	3.43	(0.88)	(1.34)	2.55	(6.01)
	Sub-total (i)	(30.98)	(17.05)	19.91	18.49	149.80
(ii)	Items that will be reclassified to profit or loss					
(a)	Effective Portion of Cash Flow Hedges	332.90	153.25	92.61	480.84	80.81
(b)	Cost of hedging reserve	(657.10)	79.50	(115.83)	(584.51)	329.00
(c)	Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	-	-	-	1.19	1.29
(d)	Income tax relating to these items					
-	Effective Portion of Cash Flow Hedges	(83.79)	(38.57)	(23.31)	(121.02)	(20.34)
-	Cost of hedging reserve	165.38	(20.01)	29.16	147.11	(82.80)
	Sub-total (ii)	(242.61)	174.77	(17.37)	(76.39)	307.96
	Other comprehensive income/(loss) for the period (i + ii)	(263.59)	157.12	2.54	(57.90)	457.76
8	Total comprehensive Income for the period (6+7)	2,037.74	2,930.56	2,080.38	9,977.80	8,836.00
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
10	Other Equity (as per audited balance sheet as at 31st March)				49,339.18	41,789.01
11	Basic & Diluted earnings per equity share of ₹ 10 each (in ₹)					
(Not annualised)						
A	For continuing operations	11.65	14.04	10.53	50.82	42.42
B	For continuing and discontinued operations	11.65	14.04	10.53	50.82	42.42

See accompanying notes to the financial results



Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		31-03-2022 (Audited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
	ASSETS				
(1)	Financial Assets				
(a)	Cash and cash equivalents	126.40	1,140.49	140.99	1,179.24
(b)	Bank balances other than (a) above	2,295.30	1,929.06	2,518.96	2,223.58
(c)	Trade receivables	-	-	94.55	140.07
(d)	Derivative financial instruments	5,510.17	2,311.22	3,510.17	2,311.22
(e)	Loans	3,71,930.54	3,65,261.49	3,71,930.54	3,65,261.49
(f)	Investments	2,157.97	1,909.77	2,190.44	1,723.68
(g)	Other financial assets	24,396.94	24,399.21	24,435.31	24,419.88
	Total - Financial Assets (1)	4,06,417.32	3,96,951.24	4,06,860.96	3,97,259.16
(2)	Non-Financial Assets				
(a)	Current tax assets (net)	179.64	160.07	191.56	168.92
(b)	Deferred tax assets (net)	3,134.74	2,437.71	3,160.12	2,461.03
(c)	Investment Property	-	0.01	-	0.01
(d)	Property, Plant & Equipment	623.67	268.12	624.04	260.70
(e)	Capital Work-in-Progress	6.07	335.67	6.07	335.67
(f)	Intangible Assets Under Development	-	0.77	-	0.77
(g)	Other Intangible Assets	4.25	6.10	4.28	6.15
(h)	Other non-financial assets	46.06	81.30	68.68	102.67
(i)	Investments accounted for using equity method	-	-	-	257.74
	Total - Non-Financial Assets (2)	3,994.43	3,281.55	4,054.75	3,593.66
(3)	Assets classified as held for sale	0.86	-	4.38	14.05
	Total ASSETS (1+2+3)	4,10,412.61	4,05,233.19	4,10,860.09	4,00,866.87
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	Financial Liabilities				
(a)	Derivative financial instruments	553.14	846.31	553.14	846.31
(b)	Trade payables	-	-	-	0.01
	(i) total outstanding dues of MSMEs	-	-	36.48	61.84
	(ii) total outstanding dues of creditors other than MSMEs	-	-	-	-
(c)	Debt securities	2,19,633.57	2,37,328.06	2,19,574.61	2,37,269.11
(d)	Borrowings (other than debt securities)	1,06,651.59	85,507.36	1,06,651.39	85,507.36
(e)	Subordinated liabilities	6,816.47	6,946.89	6,816.47	6,946.89
(f)	Other financial liabilities	25,575.84	25,934.10	25,708.64	26,213.00
	Total - Financial Liabilities (1)	3,59,230.61	3,56,562.72	3,59,340.93	3,56,844.52
(2)	Non-Financial Liabilities				
(a)	Current tax liabilities (net)	10.25	10.62	10.25	14.40
(b)	Provisions	104.51	112.97	105.67	113.69
(c)	Other non-financial liabilities	81.64	120.51	89.13	130.25
	Total - Non-Financial Liabilities (2)	196.40	244.10	205.05	258.34
(3)	Liabilities directly associated with assets classified as held for sale	-	-	0.01	0.98
(4)	EQUITY				
(a)	Equity Share Capital	1,974.92	1,974.92	1,974.92	1,974.92
(b)	Instruments Entirely Equity In Nature	558.40	558.40	558.40	558.40
(c)	Other equity	48,452.28	40,893.05	48,780.76	41,230.61
	Total - Equity (4)	50,985.60	43,426.37	51,314.10	43,763.93
	Total - LIABILITIES AND EQUITY (1+2+3+4)	4,10,412.61	4,00,233.19	4,10,860.09	4,00,866.87



Statement of Cash Flows for the year ended 31st March 2022

(₹ in Crores)

S No.	Particulars	Standalone		Consolidated	
		Year ended		Year ended	
		31-03-2022 (Audited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
A.	Cash Flow from Operating Activities -				
	Net Profit before tax	12,474.90	10,756.13	12,430.53	10,776.59
	Adjustments for:				
1.	Loss/(Gain) on derecognition of Property, Plant and Equipment (net)	0.97	4.03	0.97	4.69
2.	Loss/(Gain) on derecognition of Assets held for sale (net)	(30.19)	-	(30.19)	-
3.	Loss/(Gain) on cessation of significant influence in Joint Venture (E2SL)	(29.01)	-	-	-
4.	Depreciation & Amortization	17.96	9.53	18.24	10.86
5.	Impairment allowance on Assets Classified as Held for Sale	-	-	9.71	-
6.	Impairment losses on Financial Instruments	3,473.31	2,419.62	3,470.02	2,445.94
7.	Adjustments towards Effective Interest Rate in respect of Loans	(11.95)	32.61	(11.95)	32.61
8.	Adjustments towards Effective Interest Rate in respect of Borrowings	(111.31)	152.19	(111.31)	152.19
9.	Fair Value Changes in Derivatives	(351.36)	(545.92)	(351.36)	(545.92)
10.	Fair Value Changes in Investments	12.78	(2.43)	12.78	(2.43)
11.	Interest on Commercial Paper	14.76	35.32	14.76	35.32
12.	Interest Accrued on Zero Coupon Bonds	-	81.78	-	81.78
13.	Loss/(Gain) on Exchange Rate fluctuation	(2,164.42)	526.71	(2,164.42)	526.71
14.	Provision made for Interest on Advance Income Tax	-	22.71	-	22.71
15.	Share of Profit/Loss of Joint Venture accounted for using equity method	-	-	11.81	1.97
	Operating profit before Changes in Operating Assets & Liabilities	13,246.64	13,492.28	13,299.59	13,246.02
	Below / (Outflow) on account of:				
1.	Loan Assets	(6,877.12)	(56,522.42)	(6,877.12)	(56,522.42)
2.	Derivatives	(2,460.52)	711.20	(2,460.52)	711.20
3.	Other Operating Assets	(631.18)	(1,706.71)	(633.09)	(1,627.24)
4.	Operating Liabilities	(1,186.90)	3,187.83	(1,360.41)	3,264.38
	Cash flow from Operations	1909.20	(60,607.82)	883.55	(60,827.84)
1.	Income Tax Paid (including TDS)	(3,076.64)	(2,694.33)	(3,101.39)	(2,696.20)
2.	Income Tax refund	23.26	11.73	23.26	11.73
	Net Cash Flow from Operating Activities	(3,962.64)	(63,320.42)	(3,990.68)	(63,512.31)
B.	Cash Flow from Investing Activities				
1.	Sale of Property, Plant & Equipment	0.10	0.16	0.10	0.35
2.	Sale of assets held for sale	31.24	-	31.24	-
3.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(47.84)	(73.18)	(47.90)	(73.30)
4.	Investment in Intangible Assets (including intangible assets under development & Capital Advances)	(3.25)	(3.98)	(3.25)	(4.95)
5.	Finance Costs Capitalised	(5.10)	(22.04)	(5.10)	(22.04)
6.	Sale/(Investment) in Equity Shares and Venture Capital Fund	431.17	249.92	431.17	249.92
7.	Sale/(Investment) of/in shares of associate companies (Net)	-	-	0.82	(0.40)
8.	Redemption/(Investment) in Debt Securities other than HQLAs (net)	96.53	1,582.15	96.07	1,582.15
9.	Redemption/(Investment) in High Quality Liquid Assets (HQLAs) (net)	(716.17)	(872.28)	(716.17)	(872.28)
10.	Maturity/(Investment) of Corporate and Term deposits	-	(77.44)	-	(2.93)
	Net Cash Flow from Investing Activities	(210.32)	863.83	(287.46)	866.52
C.	Cash Flow from Financing Activities				
1.	Issue/(Redemption) of Rupee Debt Securities (Net)	(20,844.10)	15,499.66	(20,844.10)	15,499.66
2.	Issue/(Redemption) of Commercial Paper (net)	(14.76)	(2,925.00)	(14.75)	(2,925.00)
3.	Raising/(Repayments) of Rupee Term Loans/ WCCL from Govt./ Banks/ FIs (net)	2,164.16	26,275.47	2,164.16	26,270.47
4.	Raising/(Repayments) of Foreign Currency Debt Securities and Borrowings (net)	24,310.58	2,884.39	24,310.58	2,884.39
5.	Raising/(Redemption) of Subordinated Liabilities (net)	-	1,999.50	-	1,999.50
6.	Issue of Perpetual Debt Instruments entirely equity in nature	-	558.40	-	558.40
7.	Issue Expenses on Perpetual Debt Instruments entirely equity in nature	-	(0.94)	-	(0.94)
8.	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(45.60)	-	(45.60)	-
9.	Payment of Dividend on Equity Shares	(2,411.37)	(2,172.41)	(2,411.37)	(2,172.41)
10.	Repayment towards Lease Liability	(0.02)	(0.02)	(0.02)	(0.73)
	Net Cash flow from Financing Activities	3,158.89	42,119.88	3,158.89	42,113.34
	Net Increase/Decrease in Cash & Cash Equivalents	(1,014.09)	(537.54)	(1,028.25)	(538.47)
	Cash & Cash Equivalents as at the beginning of the year	1,140.49	1,678.03	1,179.24	1,717.71
	Cash & Cash Equivalents as at the end of the year	126.40	1,140.49	140.99	1,179.24



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Notes to the financial results:

- 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 meeting held on 13th May, 2022. These results have been audited by the Statutory Auditors of the Company.
- The audited consolidated accounts of the subsidiary company REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited) has been consolidated in accordance with the Indian Accounting Standard (Ind AS) 'Consolidated Financial Statements'.
- Provisioning on loan assets is based on "ECL (Expected Credit Loss) methodology" approved by the Board of Directors of the Company and upon the report provided by an independent agency appointed by the Company, which also considers ratings by the Ministry of Power, as and when they are updated, for Distribution Companies (DISCOMs). This is further enhanced by management overlays in certain accounts wherever necessary considering the risk involved in the account and also on account of aligning the provisions with the lead lender. Details are as follows:

S No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
1.	Loan assets	3,68,311.37	17,139.89	3,85,451.26	3,59,161.22	18,256.93	3,77,418.15
2.	Impairment loss allowance (net of movements)	3,138.95	11,565.73	14,704.68	1,414.80	11,791.31	13,206.11
	Provisioning Coverage (%) (2/1)	0.85%	67.40%	3.82%	0.39%	64.59%	3.50%

- Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of such assets.
- 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'.
- In pursuance to the Orders for implementation of resolution/liquidation plans under Insolvency and Bankruptcy Code (IBC), a sum of ₹ 1,884.56 crores and ₹ 1,924.01 crores has been written off (with reversal of ECL thereon) towards certain loan assets (net of cash recoveries/ issuance of fresh loan(s)/ securities(s)), during the quarter and year ended 31st March 2022 respectively.
- The Board of Directors at its meeting held on 13th May, 2022 recommended final dividend of ₹ 4.80/- per equity share (on face value of ₹ 10/- each) for the financial year 2021 -22, subject to approval of Shareholders in the ensuing Annual General Meeting.
- The Company has not issued any redeemable preference shares till date.
- The additional information as required under Regulation 32(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as Annexure - A.
- Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secured fixed non convertible debt securities issued by the Company and outstanding as at 31st March, 2022 are fully secured (1.15 times) by way of mortgage on certain immovable properties and/or charge on the receivables of the Company, in terms of respective offer document/ information memorandum and/ or Debenture Trust Deed. Further, security cover for total non-convertible debt securities issued by the Company is 1.15 times as at 31st March 2022.
- The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by Issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CD/2021/613 dated 10th August 2021. Necessary disclosure as required in the said framework regarding issuance of debt securities is annexed as Annexure-B.
- The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and bonds of different tenors through private placement of debt securities. The amounts raised during the period have been utilized for the stated objects in the offer document/ information memorandum, pursuant to Regulation 5(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there has been no default on 31st March, 2022 in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the period.
- In respect of Central/State Government entities RBI has exempted the Company from applicability of its canonization of credit/investment norms till 31st March 2022. The Company has again represented to RBI for further extension of above exemption for a further period of five years. The matter, considering Company's business model and strategic positioning being a Government Company, is under consideration of RBI and the response is awaited.
- There are no reportable cases of loans transferred/ acquired during the FY 2021-22 (previous year Nil) under Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021. Further, there are no cases during the FY 2021-22 (previous year Nil) where resolution plan implemented under the Resolution Framework for Covid-19 related stress as per RBI circular dated 6th August 2020.
- Since outbreak of COVID-19, our Country has experienced two further waves of pandemic following the discovery of mutant coronavirus variants. These waves led to temporary reimposition of localised /regional lockdown, which were subsequently lifted. With improving coverage of vaccination programme and resumption of economic activities, India is witnessing recovery in demand. Company's strong credit profile, liquidity access and availability of contingency buffers provides it no reasons to believe that the current crisis will have any significant impact on its operations, including the going concern assessment. However, the impact will continue to be dependent, among other things, on uncertain future developments about discovery of further coronavirus variants and any action to contain its spread, whether government mandated or otherwise.
- The disclosure in respect of related party transactions for the half year ended 31st March 2022 has been annexed as Annexure-C.
- The figures for the quarter ended 31st March 2022 and 31st March 2021 have been derived by deducting the year to date figures for the period ended 31st December 2021 and 31st December 2020 from the audited figures for the year ended 31st March 2022 and 31st March 2021 respectively.
- Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

Place: Gurugram
Date: 13th May 2022



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For REC Limited

(R.S. Dhillon)
Chairman & Managing Director
DIN - 00279074



Disclosures to be made by Large Corporate entities as required by SEBI

The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Disclosures required under the said circular are given below:

(all figures in ₹ Crores)

Particulars	Details
(1) Name of the company	REC Limited
(2) CIN	L40101DL1969GOI005095
(3) Outstanding borrowing of company as on 31st March 2022 *	251504.70
(4) Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	ICRA AAA, CRISIL AAA, CARE AAA, IRRPL AAA
(5) Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange
Details of the borrowings	
(i) 2-year block period	2021-22 & 2022-23
(ii) Incremental borrowing done in the FY 2021-22 (a)	42,966.99
(iii) Mandatory borrowing to be done through debt securities in FY 2021-22 (b) = (25% of a)	10,741.75
(iv) Actual borrowings done through debt securities in FY 2021-22 (c)	16,686.31
(v) Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 (d)	Nil
(vi) Quantum of (d), which has been met from (c) (e)	Nil
(vii) Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 (after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22 (f) = (b) - [(c) - (e)]	Nil

* Borrowings as mentioned in (3) above include all outstanding borrowings with original maturity of more than 1 year, but do not include external commercial borrowings as per the SEBI Circular.




Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended 31st March, 2022 on standalone basis:

S. No.	Particulars	Unit	As at/ For the quarter ended 31.03.2022	As at/ For the year ended 31.03.2022
1	Debt Equity Ratio ¹	times		6.41
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth ²	₹ in Crores		50,985.60
5	Total debts to total assets ³	times		0.80
6	Operating Margin ⁴	%	29.35	31.50
7	Net profit Margin ⁵	%	23.83	25.61
8	Sector specific equivalent ratios			
(a)	CRAR ⁶	%		23.22
(b)	Gross Credit Impaired Assets Ratio ⁷	%		4.45
(c)	Net Credit Impaired Assets Ratio ⁸	%		1.45

Notes:

- 1 Debt/Equity Ratio = Net Debt / Net Worth (Net debt represents principal outstanding less cash and cash equivalents available.)
- 2 Net Worth is calculated as defined in section 2(57) of Companies Act, 2013.
- 3 Total debts to total assets = Total Debt / Total Assets.
- 4 Operating Margin = Net Operating Profit Before Tax / Total Revenue from Operation.
- 5 Net profit Margin = Net Profit after Tax / Total Income.
- 6 CRAR = Adjusted Net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.
- 7 Gross Credit Impaired Asset Ratio = Gross Credit Impaired Assets / Gross Loan Assets.
- 8 Net Credit Impaired Asset Ratio = Net Credit Impaired Assets / Gross Loan Assets.
- 9 Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtors Turnover, Inventory Turnover and Bad Debts to Accounts Receivable Ratio is not applicable to the company.




Disclosure of related party transactions for the half-year ended March 31, 2022

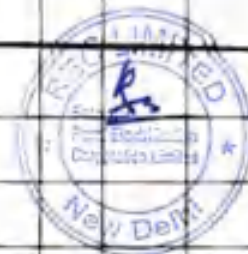
							Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.										
S. No	Details of the party (listed entity/subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments			
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured
1	RBC Limited		Dr. Manoj Manohar Pande, Independent Director		Key Managerial Personnel	Sitting Fees		0.05									
2	RBC Limited		Dr. Gambhoo Singh, Independent Director		Key Managerial Personnel	Sitting Fees		0.05									
3	RBC Limited		Dr. Durgesh Nandini, Independent Director		Key Managerial Personnel	Sitting Fees		0.03									
4	RBC Limited		PPC Limited		Holding Company	Dividend Paid		1061.32									
5	RBC Limited		PPC Limited		Holding Company	Sitting Fees		0.03									
6	RBC Limited		RBC PDCL		Subsidiary Company	Govt. funds disbursed		6.09									
7	RBC Limited		RBC PDCL		Subsidiary Company	Apportionment of Employee Benefits and Other Expenses		10.61									
8	RBC Limited		RBC PDCL		Subsidiary Company	Dividend Income		7.53									
9	RBC Limited		RBC PDCL		Subsidiary Company	Finance Costs - Interest Paid		4.41									
10	RBC Limited		RBC PDCL		Subsidiary Company	Other Expenses		7.79									
11	RBC Limited		RBC PDCL		Subsidiary Company	Rental Income		4.86									
12	RBC Limited		RBC Foundation		Entities over which control is exercised	Payments towards Corporate Social Responsibility (CSR) Expenses		82.00									
13	RBC Limited		RBC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Contributions made by the Company		7.61									
14	RBC Limited		RBC Retired Employees Medical Trust		Post employment benefit plans of the Company	Contributions made by the Company		7.71									
15	RBC Limited		RBC Employee Benevolent Fund		Post employment benefit plans of the Company	Contributions made by the Company		0.02									
16	RBC Limited		RBC LTD Gratuity Fund		Post employment benefit plans of the Company	Contributions made by the Company		2.94									



											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.						
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments			
	Name	TAN	Name	FAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured
17	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Finance Costs - Interest Paid	0.04	-	-								
18	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Finance Costs - Interest Paid	2.65	-	-								
19	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Finance Costs - Interest Paid	0.27	-	-								
20	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Redemption of the bonds of Company	2.28	-	-								
21	REC Limited		NHPC LTD		Companies in which Key Managerial Personnel are Directors	Dividend Income	4.13	-	-								
22	REC Limited		NHPC LTD		Companies in which Key Managerial Personnel are Directors	Finance Costs - Interest Paid	0.38	-	-								
23	REC Limited		Shri Sanjay Malhotra		Key Management Personnel	Remuneration	0.16	-	-								
24	REC Limited		Shri Sanjeev Kumar Gupta		Key Management Personnel	Remuneration	0.22	-	-								
25	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Remuneration	0.35	-	-								
26	REC Limited		J.S. Amitabh		Key Management Personnel	Remuneration	0.40	-	-								
27	REC Limited		REC PDCL		Subsidiary Company	Debt Securities Issued		57.44	57.44								
28	REC Limited		REC PDCL		Subsidiary Company	Other Financial Assets/Receivable		4.23	5.26								
29	REC Limited		REC PDCL		Subsidiary Company	Other Financial Liabilities/Payable		5.98	6.10								
30	REC Limited		REC Foundation		Entities over which control is exercised	Advance Given/Other Non Financial Assets		1.54	1.20								
31	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Debt Securities Issued		4.00	4.00								
32	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Debt Securities Issued		4.70	4.70								
33	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Other financial liabilities- GOI Serviced Bonds Issued		29.30	29.30								



										Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S.No	Details of the party (listed entity/subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments			
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured
34	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Debt Securities Issued		4.30	1.90								
35	REC Limited		J.S. Amitabh		Key Management Personnel	Unsecured Staff Loans & Advances Given		0.13	0.11								
36	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Unsecured Staff Loans & Advances Given		0.09	0.07								
37	REC Limited		J.S. Amitabh		Key Management Personnel	Interest Income on Staff Loans		0.03	-								
38	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Interest Income on Staff Loans		0.02	-								
39	REC Limited		Shri Sanjeev Kumar Gupta		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.01	-								
40	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.04	-								
41	REC Limited		J.S. Amitabh		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.05	-								
42	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Finance Costs - Interest Paid		0.01									
43	REC Limited		J.S. Amitabh		Key Management Personnel	Finance Costs - Interest Paid		0.01									
44	REC Limited		Shri Ajay Choudhary		Key Management Personnel	Debt Securities Issued			0.06								
45	REC Limited		J.S. Amitabh		Key Management Personnel	Debt Securities Issued			0.11								
46	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Provision/Liabilities			0.71								
47	REC Limited		REC LTD Gratuity Fund		Post employment benefit plans of the Company	Provision/Liabilities		1.65	0.34								
48	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Debt Securities of the Holding Company		18.40	18.40								
49	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Debt Securities of the Holding Company		1.90	1.90								
50	REC Limited		SH. VISHAL KAPOOR		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid											



							Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.										
S. No.	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments			
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured
51	RBC Limited		SMT. PARMINDER CHOPRA		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid	0.01										
52	REC Limited		MR. RAVINDER SINGH DHILLON		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid	0**										
53	REC Limited		SH. VISHAL KAPOOR		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued			0.01								
54	REC Limited		SMT. PARMINDER CHOPRA		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued			0.14								
55	REC Limited		MR. RAVINDER SINGH DHILLON		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued		0.02	0.02								
56	REC Limited		MR. MANISH KUMAR		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued			0**								

**Denotes amount less than Rs. Fifty thousand.



BALANCE SHEET AS AT 31ST MARCH 2021

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS				
(1) Financial Assets				
(a)	Cash and cash equivalents	6	1,140.49	1,678.03
(b)	Bank balances other than (a) above	7	1,929.06	2,021.96
(c)	Derivative financial instruments	8	2,311.22	3,318.85
(d)	Loans	9	365,261.49	312,083.50
(e)	Investments	10	1,909.77	2,313.21
(f)	Other financial assets	11	24,399.21	22,081.59
	Total - Financial Assets (1)		396,951.24	343,497.14
(2) Non-Financial Assets				
(a)	Current tax assets (net)	12	160.07	392.66
(b)	Deferred tax assets (net)	13	2,437.71	2,034.32
(c)	Investment Property	14	0.01	0.01
(d)	Property, Plant & Equipment	15	260.12	153.00
(e)	Capital Work-in-Progress	15	335.67	287.62
(f)	Intangible Assets Under Development	15	0.77	0.77
(g)	Other Intangible Assets	15	6.10	8.80
(h)	Other non-financial assets	16	81.50	113.27
	Total - Non-Financial Assets (2)		3,281.95	2,990.45
	Total ASSETS (1+2)		400,233.19	346,487.59
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a)	Derivative financial instruments	8	846.31	1,325.73
(b)	Debt Securities	17	237,328.06	219,977.22
(c)	Borrowings (other than debt securities)	18	85,507.36	61,543.61
(d)	Subordinated Liabilities	19	6,946.89	4,819.65
(e)	Other financial liabilities	20	25,943.11	23,562.70
	Total - Financial Liabilities (1)		356,571.73	311,228.91
(2) Non-Financial Liabilities				
(a)	Current tax liabilities (net)	21	10.62	-
(b)	Provisions	22	103.96	106.51
(c)	Other non-financial liabilities	23	120.51	75.61
	Total - Non-Financial Liabilities (2)		235.09	182.12
(3) EQUITY				
(a)	Equity Share Capital	24	1,974.92	1,974.92
(b)	Instruments Entirely Equity In Nature	25	558.40	-
(c)	Other equity	26	40,893.05	33,101.64
	Total - Equity (3)		43,426.37	35,076.56
	Total - LIABILITIES AND EQUITY (1+2+3)		400,233.19	346,487.59
Company Overview and Significant Accounting Policies		1 to 5		

Accompanying Notes to Financial Statements

1 to 63

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

S. Murthy
Partner
M.No. : 072290

Atul Aggarwal
Partner
M.No. : 092656

Place : New Delhi
Date : 28th May 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31-03-2021	Year ended 31-03-2020
	Revenue from Operations			
(i)	Interest Income	27	34,683.78	29,663.07
(ii)	Dividend Income	28	36.40	89.04
(iii)	Fees and Commission Income	29	95.38	38.95
(iv)	Net translation/ transaction exchange gain		-	-
(iv)	Net gain/ (loss) on fair value changes	34	572.33	(25.85)
I.	Total Revenue from Operations (i to iv)		35,387.89	29,765.21
II.	Other Income	30	22.55	63.92
III.	Total Income (I+II)		35,410.44	29,829.13
	Expenses			
(i)	Finance Costs	31	21,489.08	18,997.05
(ii)	Net translation/ transaction exchange loss	32	330.26	2,357.90
(iii)	Fees and commission Expense	33	9.95	25.44
(iv)	Impairment on financial instruments	35	2,419.62	889.56
(v)	Employee Benefits Expenses	36	144.84	175.79
(vi)	Depreciation and amortization	37	9.53	10.00
(vii)	Corporate Social Responsibility Expenses	38	144.32	258.40
(viii)	Other Expenses	39	106.71	131.70
IV.	Total Expenses (i to viii)		24,654.31	22,845.84
V.	Profit before Tax (III-IV)		10,756.13	6,983.29
VI.	Tax Expense	40		
(i)	Current tax		2,906.90	1,615.87
(ii)	Deferred Tax		(512.55)	481.26
	Total Tax Expense (i+ii)		2,394.35	2,097.13
VII.	Profit for the year		8,361.78	4,886.16
	Other comprehensive Income/(Loss)			
	Items that will not be reclassified to profit or loss			
(a)	Re-measurement gains/(losses) on defined benefit plans		(14.26)	(2.87)
(b)	Changes in Fair Value of FVOCI Equity Instruments		166.53	(129.20)
(c)	Income tax relating to these items			
	- Re-measurement gains/(losses) on defined benefit plans		3.59	0.72
	- Changes in Fair Value of FVOCI Equity Instruments		(6.01)	12.39
	Sub-Total (i)		149.85	(118.96)
(ii)	Items that will be reclassified to profit or loss			
(a)	Effective Portion of Cash Flow Hedges		80.81	(302.12)
(b)	Cost of hedging reserve		329.00	(273.61)
(c)	Income tax relating to these items			
	- Effective Portion of Cash Flow Hedges		(20.34)	76.04
	- Cost of hedging reserve		(82.80)	68.86
	Sub-Total (ii)		306.67	(430.83)
VIII.	Other comprehensive Income/(Loss) for the year (i+ii)		456.52	(549.79)
IX.	Total comprehensive Income for the year (VII+VIII)		8,818.30	4,336.37
X.	Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)	41		
(1)	For continuing operations		42.34	24.74
(2)	For continuing and discontinued operations		42.34	24.74
	Company Overview and Significant Accounting Policies	1 to 5		

Accompanying Notes to Financial Statements

1 to 63

For and on behalf of the Board

J.S. Amitabh
 ED & Company Secretary

Ajoy Choudhury
 Director (Finance)
 DIN - 06629871

Sanjay Malhotra
 Chairman & Managing Director
 DIN - 00992744

In terms of our Audit Report of even date

 For S.K. Mittal & Co.
 Chartered Accountants
 Firm Reg. No.: 001135N

 For O.P. Bagla & Co. LLP.
 Chartered Accountants
 Firm Reg. No.: 000018N/N500091

S. Murthy
 Partner
 M.No. : 072290

Atul Aggarwal
 Partner
 M.No. : 092656

 Place : New Delhi
 Date : 28th May 2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

													(₹ in Crores)	
A Equity share capital													As at 31-03-2021	As at 31-03-2020
Particulars														
Opening Balance													1,974.92	1,974.92
Changes in equity share capital during the year													-	-
Closing Balance													1,974.92	1,974.92
<i>Refer note 24 for detail</i>														
B Instruments entirely equity in nature													(₹ in Crores)	
Particulars													As at 31-03-2021	As at 31-03-2020
Opening Balance													-	-
Changes in instruments entirely equity in nature during the year													558.40	-
Closing Balance													558.40	-
<i>Refer note 24 for detail</i>														
C Other Equity													(₹ in Crores)	
Particulars	Reserves & Surplus												Total	
	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(vii) of the Income Tax Act, 1961	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Debt Redemption Reserve	Securities Premium Account	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings	FVOCI-Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve		
Balance as at 31 st March 2019	15,136.78	3,034.72	1,153.00	1,318.13	2,236.54	(764.82)	5,177.40	-	4,899.39	136.88	-	-	32,328.02	
Profit for the year									4,886.16				4,886.16	
Remeasurement of Defined Benefit Plans (net of taxes)									(2.15)				(2.15)	
Recognition through Other Comprehensive Income (net of taxes)										(116.81)	(226.08)	(204.75)	(547.64)	
Total Comprehensive Income	-	-	-	-	-	-	-	-	4,884.01	(116.81)	(226.08)	(204.75)	4,336.37	
Other adjustments														
Transferred to/ (from) Retained Earnings	1,522.32	336.52	978.00	49.15				793.29	(3,679.28)				-	
Transferred to General Reserve		(378.41)		(1,367.28)			1,745.69						-	
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)									(86.19)	86.19			-	
Foreign Currency Translation gain/ (loss) on long term monetary items during the year						(1,630.51)							(1,630.51)	
Amortisation during the year						675.95							675.95	
Total- Other adjustments	1,522.32	(41.89)	978.00	(1,318.13)	-	(954.56)	1,745.69	793.29	(3,765.47)	86.19	-	-	(954.56)	
Dividends									(2,172.41)				(2,172.41)	
Dividend Distribution Tax									(435.78)				(435.78)	
Total- Transaction with owners	-	-	-	-	-	-	-	-	(2,608.19)	-	-	-	(2,608.19)	
Balance as at 31 st March 2020	16,659.10	2,992.83	2,131.00	-	2,236.54	(1,719.38)	6,923.09	793.29	3,409.74	106.26	(226.08)	(204.75)	33,101.64	
Profit for the year									8,361.78				8,361.78	
Remeasurement of Defined Benefit Plans (net of taxes)									(10.67)				(10.67)	
Recognition through Other Comprehensive Income (net of taxes)										160.52	60.47	246.20	467.19	
Total Comprehensive Income	-	-	-	-	-	-	-	-	8,351.11	160.52	60.47	246.20	8,818.30	
Other adjustments														
Transferred to/ (from) Retained Earnings	2,563.13	288.13	1,673.00	-	-	1,146.22	2,926.94	(793.29)	(5,505.36)				1,145.52	
Transferred to General Reserve	-	(1,152.55)		-	-		1,945.84	(793.29)					-	
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)									242.71	(242.71)			-	
Foreign Currency Translation gain/ (loss) on long term monetary items during the year						437.65							437.65	
Amortisation during the year						708.57							708.57	
Issue expenses on Perpetual Debt Instruments (net of taxes)									(0.70)				(0.70)	
Total- Other adjustments	2,563.13	(864.42)	1,673.00	-	-	1,146.22	2,926.94	(793.29)	(5,263.35)	(242.71)	-	-	1,145.52	
Dividends									(2,172.41)				(2,172.41)	
Total- Transaction with owners	-	-	-	-	-	-	-	-	(2,172.41)	-	-	-	(2,172.41)	
Balance as at 31 st March 2021	19,222.23	2,128.41	3,804.00	-	2,236.54	(573.16)	9,850.03	-	4,325.09	24.07	(165.61)	41.45	40,893.05	

Refer Note No. 26.1 for details regarding drawdown/ transfers from Reserves and Note No. 26.8 for transfer from Impairment Reserve

Accompanying Notes to Financial Statements 1 to 63

In terms of our Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

For and on behalf of the Board

S. Murthy
Partner
M.No. : 072290

Atul Aggarwal
Partner
M.No. : 092656

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

Place : New Delhi
Date : 28th May 2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Crores)

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
A. Cash Flow from Operating Activities :		
Net Profit before Tax	10,756.13	6,983.29
Adjustments for:		
1. Loss on derecognition of Property, Plant and Equipment (net)	4.03	1.69
2. Depreciation & Amortization	9.53	10.00
3. Impairment losses on Financial Instruments	2,419.62	889.56
4. Adjustments towards Effective Interest Rate in respect of Loans	32.61	53.02
5. Adjustments towards Effective Interest Rate in respect of Borrowings	152.19	62.31
6. Fair Value Changes in Derivatives	(545.92)	47.72
7. Fair Value Changes in FVTPL Instruments	(2.43)	(6.40)
8. Interest on Commercial Paper	35.32	463.66
9. Interest Accrued on Zero Coupon Bonds	81.78	105.29
10. Loss/ (Gain) on Exchange Rate fluctuation	526.71	2,342.27
11. Provision made for Interest on Advance Income Tax	22.71	-
Operating profit before Changes in Operating Assets & Liabilities	13,492.28	10,952.41
Inflow / (Outflow) on account of :		
1. Loan Assets	(56,522.42)	(41,664.59)
2. Derivatives	711.20	(407.70)
3. Other Operating Assets	(1,706.71)	(5,372.97)
4. Operating Liabilities	3,187.83	5,776.56
Cash flow from Operations	(40,837.82)	(30,716.29)
1. Income Tax Paid (including TDS)	(2,694.33)	(1,748.64)
2. Income Tax refund	11.73	16.67
Net Cash Flow from Operating Activities	(43,520.42)	(32,448.26)
B. Cash Flow from Investing Activities		
1. Sale of Property, Plant & Equipment	0.16	0.11
2. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(73.18)	(97.09)
3. Investment in Intangible Assets (including intangible assets under development & Capital Advances)	(0.90)	(2.75)
4. Finance Costs Capitalised	(22.04)	(15.79)
5. Investment in Equity Shares of Joint Venture (EESL)	-	(71.60)
6. Sale of Equity Shares of Indian Energy Exchange Limited	249.92	4.23
7. Redemption/ (Investment) in Debt Securities (net)	1,357.65	47.16
8. Redemption/ (Investment) in Government Securities (net)	(647.78)	-
Net Cash Flow from Investing Activities	863.83	(135.73)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

(₹ in Crores)

Particulars	Year ended 31-03-2021		Year ended 31-03-2020	
C. Cash Flow from Financing Activities				
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	15,499.66		21,280.39	
2. Issue/ (Redemption) of Commercial Paper (net)	(2,925.00)		(5,270.30)	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks / FIs (net)	26,275.47		7,899.65	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	2,884.39		12,617.57	
5. Raising/ (Redemption) of Subordinated Liabilities (net)	1,999.50		-	
6. Issue of Perpetual Debt Instruments entirely equity in nature	558.40		-	
7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature	(0.94)		-	
8. Payment of Dividend on Equity Shares	(2,172.41)		(2,172.41)	
9. Payment of Corporate Dividend Tax	-		(435.78)	
10. Repayment towards Lease Liability	(0.02)		(0.04)	
11. Repayment towards Lease Liability Interest amount				
Net Cash flow from Financing Activities		42,119.05		33,919.08
Net Increase/Decrease in Cash & Cash Equivalents		(537.54)		1,335.09
Cash & Cash Equivalents as at the beginning of the year		1,678.03		342.94
Cash & Cash Equivalents as at the end of the year		1,140.49		1,678.03

During the year, the Company has received Dividend of ₹ 36.40 crores (previous year ₹ 89.04 crores). Further, during the year, the Company has paid an amount of ₹ 147.78 crores (previous year ₹ 258.40 crores) towards Corporate Social Responsibility.

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

Particulars	As at 31-03-2021	As at 31-03-2020
- Cash in Hand (including postage & imprest)	0.12	0.06
- Balances with Banks	237.93	1,173.41
- Short-term Deposits with Scheduled Banks	902.44	504.56
Total Cash & Cash Equivalents	1,140.49	1,678.03

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)
Reconciliation of liabilities arising from financing activities

(₹ in Crores)

Particulars	Opening Balance	Cash Flows during the year (net)	Movement in Interest Accrued *	Other Adjustments		Closing Balance
				Exchange Differences	EIR Adjustments	
Year ended 31-03-2021						
Rupee Debt Securities	195,022.98	15,499.66	657.68	-	87.34	211,267.66
Commercial Paper	2,889.68	(2,925.00)	-	-	35.32	-
Rupee Term Loans/ WCDL	32,978.45	26,275.47	27.44	-	-	59,281.36
Foreign Currency Debt Securities & other Borrowings	50,629.65	2,884.39	16.81	(1,392.24)	147.74	52,286.35
Subordinated Liabilities	4,819.65	1,999.50	128.90	-	(1.16)	6,946.89
Total	286,340.41	43,734.02	830.83	(1,392.24)	269.24	329,782.26
Year ended 31-03-2020						
Rupee Debt Securities	172,971.40	21,280.39	729.47	-	41.72	195,022.98
Commercial Paper	7,696.32	(5,270.30)	-	-	463.66	2,889.68
Rupee Term Loans/ WCDL	24,884.25	7,899.65	194.55	-	-	32,978.45
Foreign Currency Debt Securities & other Borrowings	33,950.25	12,617.57	73.78	3,930.12	57.93	50,629.65
Subordinated Liabilities	4,818.76	-	0.61	-	0.28	4,819.65
Total	244,320.98	36,527.31	998.41	3,930.12	563.59	286,340.41

* 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
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

S. Murthy
Partner
M.No. : 072290

Atul Aggarwal
Partner
M.No. : 092656

Place : New Delhi
Date : 28th May 2021

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS				
(1)	Financial Assets			
(a)	Cash and cash equivalents	6	1,179.24	1,717.71
(b)	Bank balances other than (a) above	7	2,223.58	2,257.45
(c)	Trade receivables	8	140.07	109.07
(d)	Derivative financial instruments	9	2,311.22	3,318.85
(e)	Loans	10	365,261.49	312,083.50
(f)	Investments	11	1,723.68	2,127.11
(g)	Other financial assets	12	24,419.88	22,101.32
	Total - Financial Assets (1)		397,259.16	343,715.01
(2)	Non-Financial Assets			
(a)	Current tax assets (net)	13	168.92	409.94
(b)	Deferred tax assets (net)	14	2,461.03	2,050.57
(c)	Investment Property	15	0.01	0.01
(d)	Property, Plant & Equipment	16	260.70	156.97
(e)	Capital Work-in-Progress	16	335.67	287.62
(f)	Intangible Assets Under Development	16	0.77	0.77
(g)	Other Intangible Assets	16	6.15	8.82
(h)	Other non-financial assets	17	102.67	132.37
(i)	Investments accounted for using equity method	11	257.74	258.47
	Total - Non-Financial Assets (2)		3,593.66	3,305.54
(3)	Assets classified as held for sale	18	14.05	9.53
	Total ASSETS (1+2+3)		400,866.87	347,030.08
LIABILITIES AND EQUITY				
LIABILITIES				
(1)	Financial Liabilities			
(a)	Derivative financial instruments	9	846.31	1,325.73
(b)	Trade Payables			
	(i) total outstanding dues of MSMEs	19	0.01	0.15
	(ii) total outstanding dues of creditors other than MSMEs	19	61.50	46.00
(c)	Debt Securities	20	237,269.11	219,918.25
(d)	Borrowings (other than debt securities)	21	85,507.36	61,550.66
(e)	Subordinated Liabilities	22	6,946.89	4,819.65
(f)	Other financial liabilities	23	26,222.35	23,782.21
	Total - Financial Liabilities (1)		356,853.53	311,442.65
(2)	Non-Financial Liabilities			
(a)	Current tax liabilities (net)	24	14.40	-
(b)	Provisions	25	104.68	107.09
(c)	Other non-financial liabilities	26	130.25	83.23
	Total - Non-Financial Liabilities (2)		249.33	190.32
(3)	Liabilities directly associated with assets classified as held for sale	18	0.08	0.68
(4)	EQUITY			
(a)	Equity Share Capital	27	1,974.92	1,974.92
(b)	Instruments Entirely Equity In Nature	28	558.40	-
(c)	Other equity	29	41,230.61	33,421.51
	Total - Equity (4)		43,763.93	35,396.43
	Total - LIABILITIES AND EQUITY (1+2+3+4)		400,866.87	347,030.08
	Company Overview and Significant Accounting Policies	1 to 5		

Accompanying Notes to Financial Statements

1 to 70

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

Gaurav Mittal
Partner
M.No. : 099387

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : New Delhi
Date : 28th May 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31.03.2020	Year ended 31.03.2019
	Revenue from Operations			
(i)	Interest Income	30	34,693.35	29,671.78
(ii)	Dividend Income	31	27.97	36.94
(iii)	Fees and Commission Income	32	95.38	38.95
(iv)	Net gain/ (loss) on fair value changes	38	572.33	(25.85)
(v)	Sale of services	33	163.65	182.11
I.	Total Revenue from Operations (i to v)		35,552.68	29,903.93
II.	Other Income	34	22.72	77.27
III.	Total Income (I+II)		35,575.40	29,981.20
	Expenses			
(i)	Finance Costs	35	21,489.05	18,991.30
(ii)	Net translation/ transaction exchange loss	36	330.26	2,357.90
(iii)	Fees and commission Expense	37	9.95	25.44
(iv)	Impairment on financial instruments	39	2445.94	919.49
(v)	Cost of services rendered	40	88.51	71.61
(vi)	Employee Benefits Expenses	41	163.62	193.15
(vii)	Depreciation and amortization	42	10.86	11.77
(viii)	Corporate Social Responsibility Expenses	43	146.27	259.29
(ix)	Other Expenses	44	109.38	130.41
IV.	Total Expenses (i to ix)		24,793.84	22,960.36
V.	Profit before Tax (III-IV)		10,781.56	7,020.84
V.	Share of Profit/Loss of Joint Venture accounted for using equity method		(1.97)	9.14
VI.	Profit before Tax (III-IV+V)		10,779.59	7,029.98
VII.	Tax Expense	45		
(i)	Current tax		2,920.97	1,645.06
(ii)	Deferred Tax		(519.62)	412.65
	Total Tax Expense (i+ii)		2,401.35	2,057.71
VIII.	Profit for the period		8,378.24	4,972.27
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		(14.26)	(2.87)
(b)	Changes in Fair Value of FVOCI Equity Instruments		166.53	(129.20)
(c)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		(0.05)	(0.12)
(d)	Income tax relating to these items			
	- Re-measurement gains/(losses) on defined benefit plans		3.59	0.72
	- Changes in Fair Value of FVOCI Equity Instruments		(6.01)	12.39
	Sub-Total (i)		149.80	(119.08)
(ii)	Items that will be reclassified to profit or loss			
(a)	Effective Portion of Cash Flow Hedges		80.81	(302.12)
(b)	Cost of hedging reserve		329.00	(273.61)
(c)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		1.29	(3.94)
(d)	Income tax relating to these items			
	-Effective Portion of Cash Flow Hedges		(20.34)	76.04
	- Cost of hedging reserve		(82.80)	68.86
	Sub-Total (ii)		307.96	(434.77)
	Other comprehensive Income/(Loss) for the period (i+ii)		457.76	(553.85)
X.	Total comprehensive Income for the period (VIII+IX)		8,836.00	4,418.42
XI.	Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)	46		
(1)	For continuing operations		42.42	25.18
(2)	For continuing and discontinued operations		42.42	25.18
	Company Overview and Significant Accounting Policies	1 to 5		

Accompanying Notes to Financial Statements

1 to 70

For and on behalf of the Board

J.S. Amitabh
 ED & Company Secretary

Ajoy Choudhury
 Director (Finance)
 DIN - 06629871

Sanjay Malhotra
 Chairman & Managing Director
 DIN - 00992744

In terms of our Audit Report of even date

For S.K. Mittal & Co.
 Chartered Accountants
 Firm Reg. No.: 001135N

Gaurav Mittal
 Partner
 M.No. : 099387

For O.P. Bagla & Co. LLP.
 Chartered Accountants
 Firm Reg. No.: 000018N/N500091

Atul Aggarwal
 Partner
 M.No. : 092656

 Place : New Delhi
 Date : 28th May 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021

Particulars	As at 31.03.2021	As at 31.03.2020
A Equity share capital		
Opening Balance	1,974.92	1,974.92
Changes in equity share capital during the year	-	-
Closing Balance	1,974.92	1,974.92
Refer note 27 for detail		
B Instruments entirely equity in nature		
Opening Balance	-	-
Changes in instruments entirely equity in nature during the year	558.40	-
Closing Balance	558.40	-
C Other Equity		
Opening Balance	As at 31.03.2021	As at 31.03.2020
Changes in instruments entirely equity in nature during the year	-	-
Closing Balance	558.40	-

Particulars	Special Reserve created (vii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts (viii) of the Income Tax Act, 1961	Reserve for Fund of 45-C of Reserve Bank of India Act, 1934	Debiture Redemption Reserve	Securities Premium Account	Reserves & Surplus Capital Reserve	Foreign Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	FVOCI-Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
Balance as at 31 st March 2019	15,136.78	3,034.72	1,153.00	1,318.13	2,236.54	-	(764.82)	5,230.54	-	5,088.19	1.46	136.88	-	-	32,571.42
Profit for the period	-	-	-	-	-	-	-	-	-	4,972.27	-	-	-	-	4,972.27
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(2.15)	-	-	-	-	(2.15)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	-	(0.12)	(3.94)	(116.81)	(226.08)	(204.75)	(551.70)
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	4,970.00	(3.94)	(116.81)	(226.08)	(204.75)	4,418.42
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to/ (from) Retained Earnings	1,522.32	(386.52)	978.00	49.15	-	-	-	793.29	(3,679.28)	-	-	-	-	-	-
Transferred to General Reserve	-	(378.41)	-	(1,367.28)	-	-	-	1,745.69	-	(86.19)	-	86.19	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	(1,630.51)	-	-	-	-	-	-	-	(1,630.51)
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on increase in share in EESL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.70
Amortisation during the year	-	-	-	-	-	-	675.95	-	-	-	-	-	-	-	675.95
Dividends	1,522.32	(41.89)	978.00	(1,318.13)	-	4.70	(954.56)	1,745.69	793.29	(3,765.47)	-	86.19	-	-	(949.86)
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	(446.06)	-	-	-	-	(446.06)
Total- Transaction with owners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 st March 2020	16,659.10	2,992.83	2,131.00	-	2,236.54	4.70	(1,719.38)	6,976.23	793.29	3,674.25	(2.48)	106.26	(226.08)	(204.75)	33,421.51
Profit for the period	-	-	-	-	-	-	-	-	-	8,376.24	-	-	-	-	8,376.24
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(10.67)	-	-	-	-	(10.67)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	-	(0.05)	1.29	160.52	60.47	246.20	468.43
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	8,365.52	1.29	160.52	60.47	246.20	8,836.00
Transferred to/ (from) Retained Earnings	2,563.13	(288.13)	1,673.00	-	-	-	981.10	-	-	(5,505.36)	-	-	-	-	-
Transferred to/ (from) General Reserve	-	(1,152.55)	-	-	-	-	1,945.83	-	(793.29)	-	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	-	-	-	242.71	-	(242.71)	-	-	(0.01)
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortisation during the year	-	-	-	-	-	-	437.65	-	-	-	-	-	-	-	437.65
Issue expense on Perpetual Instruments	2,563.13	(864.42)	1,673.00	-	-	-	708.57	-	-	(0.70)	-	-	-	-	708.57
Total- Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total- Transaction with owners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 st March 2021	19,222.23	2,128.41	3,804.00	-	2,236.54	4.70	(573.16)	9,903.16	-	4,606.01	(1.19)	24.07	(165.61)	41.45	41,230.61

Refer Note No. 29.1 for details regarding drawdown/ transfers from Reserves and Note No. 29.8 for transfer from Impairment Reserve

1 to 70

Accompanying Notes to Financial Statements
In terms of our Report of even date

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No.: 092656

Place : New Delhi
Date : 28th May 2021

For and on behalf of the Board

Ajoy Choudhury
Director (Finance)
DIN - 006629871

J.S. Amitabh
ED & Company Secretary

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Crores)

PARTICULARS	Year Ended 31.03.2021	Year Ended 31.03.2020
A. Cash Flow from Operating Activities :		
Net Profit before Tax	10,779.59	7,029.98
Adjustments for:		
1. Loss on derecognition of Property, Plant and Equipment (net)	4.69	1.69
2. Depreciation & Amortization	10.86	11.78
3. Impairment losses on Financial Instruments	2,445.94	919.48
4. Adjustments towards Effective Interest Rate in respect of Loans	32.61	53.02
5. Adjustments towards Effective Interest Rate in respect of Borrowings	152.19	62.31
6. Fair Value Changes in Derivatives	(545.92)	47.72
7. Fair Value Changes in FVTPL Instruments	(2.43)	(6.40)
8. Interest on Commercial Paper	35.32	463.66
9. Interest Accrued on Zero Coupon Bonds	81.78	105.29
10. Loss/ (Gain) on Exchange Rate fluctuation	526.71	2,342.27
11. Loss/ (Gain) on sale of investments	-	(3.16)
12. Provision made for Interest on Advance Income Tax	22.71	-
13. Share of Profit/Loss of Joint Venture accounted for using equity method	1.97	(9.14)
Operating profit before Changes in Operating Assets & Liabilities	13,546.02	11,018.50
Inflow / (Outflow) on account of :		
1. Loan Assets	(56,522.42)	(41,664.59)
2. Derivatives	711.20	(407.70)
3. Other Operating Assets	(1,827.24)	(5,112.80)
4. Operating Liabilities	3,264.58	5,485.70
Cash flow from Operations	(40,827.86)	(30,680.89)
1. Income Tax Paid (including TDS)	(2,696.20)	(1,777.35)
2. Income Tax refund	11.73	16.67
Net Cash Flow from Operating Activities	(43,512.33)	(32,441.57)
B. Cash Flow from Investing Activities		
1. Sale of Property, Plant & Equipment	0.35	0.11
2. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(73.30)	(97.51)
3. Investment in Intangible Assets (including intangible assets under development)	(0.95)	(2.75)
4. Finance Costs Capitalised	(22.04)	(15.79)
5. Investment in Equity Shares of Joint Venture (EESL)	-	(71.60)
6. Sale of Equity Shares of Indian Energy Exchange Limited	249.92	4.23
7. Sale/(Investment) of/in shares of associate companies (Net)	(0.40)	0.30
8. Redemption/ (Investment) in Debt Securities (net)	1,357.65	50.31
9. Redemption/ (Investment) in Government Securities (net)	(647.78)	-
10. Maturity/(Investment) of/in Corporate and Term deposits	(2.93)	(18.31)
11. Realisation of investments accounted for using equity method	-	2.10
Net Cash Flow from Investing Activities	860.52	(148.91)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020 (CONTD.)

(₹ in Crores)

PARTICULARS	Year Ended 31.03.2021	Year Ended 31.03.2020
C. Cash Flow from Financing Activities		
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	15,499.66	21,293.39
2. Issue/ (Redemption) of Commercial Paper (net)	(2,925.00)	(5,270.30)
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net)	26,270.47	7,904.65
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	2,884.39	12,617.57
5. Raising/ (Redemption) of Subordinated Liabilities (net)	1,999.50	-
6. Issue of Perpetual Debt Instruments entirely equity in nature	558.40	-
7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature	(0.94)	-
8. Payment of Dividend on Equity Shares	(2,172.41)	(2,172.41)
9. Payment of Corporate Dividend Tax	-	(446.06)
10. Repayment towards Lease Liability	(0.73)	(0.64)
Net Cash flow from Financing Activities	42,113.34	33,926.20
Net Increase/Decrease in Cash & Cash Equivalents	(538.47)	1,335.72
Cash & Cash Equivalents as at the beginning of the year	1,717.71	381.99
Cash & Cash Equivalents as at the end of the year	1,179.24	1,717.71

During the year, the Group has received Dividend of ₹ 27.97 crores (previous year ₹ 36.94 crores). Further, during the year, the Company has paid an amount of ₹ 150.31 crores (previous year ₹ 259.29 crores) towards Corporate Social Responsibility.

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

(₹ in Crores)

PARTICULARS	Year Ended 31.03.2021	Year Ended 31.03.2020
- Cash in Hand (including postage & imprest)	0.12	0.06
- Balances with Banks	247.82	1,195.40
- Short-term Deposits with Scheduled Banks	931.30	522.25
Total Cash & Cash Equivalents	1,179.24	1,717.71

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020 (CONTD.)
Reconciliation of liabilities arising from financing activities

(₹ in Crores)

Particulars	Opening Balance	Cash Flows during the period (net)	Movements in Interest Accrued *	Other Adjustments		Closing Balance
				Exchange Differences	EIR Adjustments	
Year ended 31-03-2021						
Rupee Debt Securities	194,964.01	15,499.66	657.70	-	87.34	211,208.71
Commercial Paper	2,889.68	(2,925.00)	-	-	35.32	-
Rupee Term Loans/ WCDL	32,983.45	26,270.47	27.44	-	-	59,281.36
Foreign Currency Debt Securities & other Borrowings	50,629.65	2,884.39	16.81	(1,392.24)	147.74	52,286.35
Subordinated Liabilities	4,819.65	1,999.50	128.90	-	(1.16)	6,946.89
Total	286,286.44	43,729.02	830.85	(1,392.24)	269.24	329,723.31
Year ended 31-03-2020						
Rupee Debt Securities	172,899.12	21,293.39	729.78	-	41.72	194,964.01
Commercial Paper	7,696.32	(5,270.30)	-	-	463.66	2,889.68
Rupee Term Loans/ WCDL	24,884.25	7,904.65	194.55	-	-	32,983.45
Foreign Currency Debt Securities & Bonds	33,950.25	12,617.57	73.78	3,930.12	57.93	50,629.65
Subordinated Liabilities	4,818.76	-	0.61	-	0.28	4,819.65
Total	244,248.70	36,545.31	998.72	3,930.12	563.59	286,286.44

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

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

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

Sanjay Malhotra
Chairman & Managing Director
DIN - 00992744

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Gaurav Mittal
Partner
M.No. : 099387

Atul Aggarwal
Partner
M.No. : 092656

Place : New Delhi
Date : 28th May 2021

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: L44101DL1969GO1005095

Statement of Audited Standalone Financial Results for the year ended 31-03-2020

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2020 (Audited)	31-12-2019 (Unaudited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
1	Income					
	A Interest income					
	(i) Interest income on loan assets	7,691.16	7,464.76	6,493.49	29,422.33	24,727.90
	(ii) Other interest income	64.47	66.82	56.87	240.74	243.12
	Sub-total (A) - Interest Income	7,755.63	7,531.58	6,550.36	29,663.07	24,971.02
	B Other Operating Income					
	(i) Dividend income	73.78	-	56.97	89.04	113.61
	(ii) Fees and commission income	9.99	12.03	2.80	38.95	225.09
	Sub-total (B) - Other Operating Income	83.77	12.03	59.77	127.99	338.70
	C Total Revenue from Operations (A+B)	7,839.40	7,543.61	6,610.13	29,791.06	25,309.72
	D Other Income	55.28	2.23	14.09	63.92	31.44
	Total income (C+D)	7,894.68	7,545.84	6,624.22	29,854.98	25,341.16
2	Expenses					
	A Finance costs	4,941.80	4,767.95	4,161.13	18,997.05	15,641.54
	B Net translation/ transaction exchange loss/ (gain)	1,332.75	353.02	(61.68)	2,357.90	521.19
	C Fees and commission expense	10.49	4.11	12.31	25.44	34.38
	D Net loss/ (gain) on fair value changes	117.97	(107.15)	762.03	25.85	348.52
	D Impairment on financial instruments	538.46	78.33	17.78	889.56	240.33
	E Employee benefits expenses	42.11	39.72	46.47	175.79	157.53
	F Depreciation and amortization	3.15	2.29	2.03	10.00	7.17
	G Corporate social responsibility expenses	176.37	31.04	18.88	258.40	103.39
	H Other expenses	33.35	33.25	30.97	131.70	186.61
	Total expenses (A to H)	7,196.45	5,202.56	4,989.92	22,871.69	17,240.66
3	Profit before tax (1-2)	698.23	2,343.28	1,634.30	6,983.29	8,100.50
4	Tax expense					
	A Current tax					
	- Current year	290.80	447.31	353.13	1,552.99	1,805.65
	- Earlier years	(1.23)	53.81	(14.01)	62.88	(14.01)
	B Deferred tax	(27.05)	199.81	39.05	481.26	545.14
	Total tax expense (A+B)	262.52	700.93	378.17	2,097.13	2,336.78
5	Net profit for the period (3-4)	435.71	1,642.35	1,256.13	4,886.16	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	(10.83)	-	(26.83)	(2.87)	(19.37)
	(b) Changes in fair value of FVOCI equity instruments	(86.89)	56.13	(22.02)	(129.20)	(47.26)
	(c) Income tax relating to these items					
	- Re-measurement gains/(losses) on defined benefit plans	2.72	-	9.38	0.72	6.77
	- Changes in fair value of FVOCI equity instruments	(0.40)	0.40	0.12	12.39	(0.68)
	Sub-total (i)	(97.40)	56.53	(39.35)	(118.96)	(60.54)
	(ii) Items that will be reclassified to profit or loss					
	(a) Effective Portion of Cash Flow Hedges	(302.12)	-	-	(302.12)	-
	(b) Cost of hedging reserve	(273.61)	-	-	(273.61)	-
	(c) Income tax relating to these items					
	- Effective Portion of Cash Flow Hedges	76.04	-	-	76.04	-
	- Cost of hedging reserve	68.86	-	-	68.86	-
	Sub-total (ii)	(430.83)	-	-	(430.83)	-
	Other comprehensive Income/(Loss) for the period (i-ii)	(528.23)	56.53	(39.35)	(549.79)	(60.54)
7	Total comprehensive income for the period (5+6)	(92.52)	1,698.88	1,216.78	4,336.37	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
9	Other equity (as per audited balance sheet as at 31st March)				33,101.64	32,328.02
10	Basic & Diluted earnings per equity share of ₹ 10 each) (in ₹)					
	A For continuing operations	2.21	8.32	6.36	24.74	29.18
	B For continuing and discontinued operations	2.21	8.32	6.36	24.74	29.18

See accompanying notes to the financial results.



Statement of Audited Consolidated Financial Results for the year ended 31-03-2020

(₹ in Crores)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2020 (Audited)	31-12-2019 (Unaudited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
1	Income					
	A Interest Income					
	(i) Interest income on loan assets	7,691.16	7,464.76	6,493.49	29,422.33	24,727.90
	(ii) Other interest income	66.62	67.10	59.88	249.45	255.72
	Sub-total (A) - Interest Income	7,757.78	7,531.86	6,553.37	29,671.78	24,983.62
	B Other Operating Income					
	(i) Dividend income	23.78	(2.10)	10.08	36.94	20.38
	(ii) Fees and commission income	9.99	12.03	2.80	38.95	225.09
	(iv) Sale of services	49.93	61.87	83.40	182.11	169.93
	Sub-total (B) - Other Operating Income	83.70	71.80	96.28	258.00	415.40
	C Total Revenue from Operations (A+B)	7,841.48	7,603.66	6,649.65	29,929.78	25,399.02
	D Other Income	62.08	5.91	14.18	77.27	32.31
	Total income (C+D)	7,903.56	7,609.57	6,663.83	30,007.05	25,431.33
2	Expenses					
	A Finance costs	4,940.22	4,766.22	4,160.52	18,991.30	15,639.20
	B Net translation/ transaction exchange loss/ (gain)	1,332.75	353.02	(61.68)	2,357.90	521.19
	C Fees and commission expense	10.49	4.11	12.31	25.44	34.38
	D Net loss/ (gain) on fair value changes	117.97	(107.15)	762.03	25.85	348.52
	D Impairment on financial instruments	556.56	81.56	21.49	919.49	243.49
	E Cost of services rendered	23.04	17.15	38.01	71.61	85.15
	F Employee benefits expenses	45.89	44.23	51.19	193.15	177.37
	G Depreciation and amortization	3.56	2.77	2.28	11.77	8.29
	H Corporate social responsibility expenses	176.42	31.21	19.58	259.29	104.49
	I Other expenses	34.21	33.08	27.32	130.41	188.76
	Total Expenses (A to I)	7,241.11	5,226.15	5,033.05	22,986.21	17,390.84
3	Share of Profit of Joint Venture accounted for using equity method	1.78	3.05	10.32	9.14	9.95
4	Profit before Tax (1-2+3)	664.23	2,386.47	1,641.10	7,029.98	8,090.44
5	Tax Expenses					
	A Current Tax					
	- Current Year	295.19	458.62	366.62	1,579.79	1,826.51
	- Earlier Years	1.16	53.81	(13.28)	65.27	(13.28)
	B Deferred Tax	(106.11)	207.23	35.10	412.65	535.83
	Total Tax Expense (A+B)	190.24	719.66	388.44	2,057.71	2,349.06
6	Net profit for the period (4-5)	473.99	1,666.81	1,252.66	4,972.27	5,741.38
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	(10.83)	-	(26.83)	(2.87)	(19.37)
	(b) Changes in fair value of FVOCI equity instruments	(88.89)	56.13	(22.02)	(129.20)	(47.26)
	(c) Share of Profit of Joint Venture accounted for using equity method	(0.02)	-	(0.09)	(0.12)	(0.05)
	(d) Income tax relating to these items					
	- Re-measurement gains/(losses) on defined benefit plans	2.72	-	9.38	0.72	6.77
	- Changes in fair value of FVOCI equity instruments	(0.40)	0.40	0.12	12.39	(0.68)
	Sub-total (i)	(97.42)	56.53	(39.44)	(119.08)	(60.89)
	(ii) Items that will be reclassified to profit or loss					
	(a) Effective Portion of Cash Flow Hedges	(302.12)	-	-	(302.12)	-
	(b) Cost of hedging reserve	(273.61)	-	-	(273.61)	-
	(c) Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	(0.80)	-	-	(3.94)	-
	(d) Income tax relating to these items					
	- Effective Portion of Cash Flow Hedges	76.04	-	-	76.04	-
	- Cost of hedging reserve	68.86	-	-	68.86	-
	Sub-total (ii)	(431.63)	-	-	(434.77)	-
	Other comprehensive income/(loss) for the period (i + ii)	(529.05)	56.53	(39.44)	(553.85)	(60.59)
8	Total comprehensive Income for the period (6+7)	(55.06)	1,723.34	1,213.22	4,418.42	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
10	Other Equity				33,421.51	32,571.42
	(as per audited balance sheet as at 31st March)					
11	Basic & Diluted earnings per equity share of ₹ 10 each (in ₹)					
	A For continuing operations	2.40	8.44	6.34	25.18	29.07
	B For continuing and discontinued operations	2.40	8.44	6.34	25.18	29.07

See accompanying notes to the financial results.



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Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		30.03.2020	31.03.2019	30.03.2020	31.03.2019
		(Audited)	(Audited)	(Audited)	(Audited)
	ASSETS				
(1)	Financial Assets				
(a)	Cash and cash equivalents	1,678.03	342.94	1,717.71	381.99
(b)	Other Bank Balances	2,021.96	1,253.31	2,257.45	1,733.05
(c)	Trade receivables	-	-	110.72	137.72
(d)	Derivative financial instruments	3,318.85	1,802.58	3,318.85	1,802.58
(e)	Loans	3,12,083.50	2,70,490.92	3,12,083.50	2,70,490.92
(f)	Investments	2,313.21	2,397.62	2,127.11	2,283.13
(g)	Other financial assets	22,081.59	18,342.48	22,099.67	18,363.99
	Total - Financial Assets (1)	3,43,497.14	2,94,589.85	3,43,715.01	2,95,153.41
(2)	Non-Financial Assets				
(a)	Current tax assets (net)	392.66	275.83	409.94	293.17
(b)	Deferred tax assets (net)	2,034.32	2,358.29	2,050.57	2,305.93
(c)	Investment Property	0.01	0.01	0.01	0.01
(d)	Property, Plant & Equipment	153.00	153.98	156.97	156.63
(e)	Capital Work-in-Progress	287.62	196.94	287.62	196.94
(f)	Intangible Assets Under Development	0.77	1.59	0.77	1.59
(g)	Other Intangible Assets	8.80	8.51	8.82	8.55
(h)	Other non-financial assets	113.27	132.30	132.37	148.41
(i)	Investments accounted for using equity method	-	-	258.47	179.63
	Total - Non-Financial Assets (2)	2,990.45	3,127.45	3,305.94	3,290.86
(3)	Assets classified as held for sale	-	-	9.53	9.56
	Total ASSETS (1+2+3)	3,46,487.59	2,97,717.30	3,47,030.08	2,98,453.83
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	Financial Liabilities				
(a)	Derivative financial instruments	1,325.73	139.40	1,325.73	139.40
(b)	Trade payables				
(i)	Trade payables	-	-	0.15	2.65
(ii)	total outstanding dues of MSMEs	-	-	46.00	64.64
(iii)	total outstanding dues of creditors other than MSMEs	-	-	-	-
(c)	Debt securities	2,19,977.22	1,92,839.79	2,19,918.25	1,92,767.51
(d)	Borrowings (other than debt securities)	61,543.61	46,662.54	61,550.66	46,662.54
(e)	Subordinated liabilities	4,819.65	4,818.76	4,819.65	4,818.76
(f)	Other financial liabilities	23,562.70	18,751.75	23,782.21	19,227.07
	Total - Financial Liabilities (1)	3,11,228.91	2,63,232.24	3,11,442.68	2,63,702.57
(2)	Non-Financial Liabilities				
(a)	Provisions	106.51	99.58	107.09	100.24
(b)	Other non-financial liabilities	75.61	82.54	83.23	104.60
	Total - Non-Financial Liabilities (2)	182.12	182.12	190.32	204.84
(3)	Liabilities directly associated with assets classified as held for sale	-	-	0.68	0.08
(4)	EQUITY				
(a)	Equity Share Capital	1,974.92	1,974.92	1,974.92	1,974.92
(b)	Other equity	33,101.64	32,328.02	33,421.51	32,571.42
	Total - Equity (4)	35,076.56	34,302.94	35,396.43	34,546.34
	Total - LIABILITIES AND EQUITY (1+2+3+4)	3,46,487.59	2,97,717.30	3,47,030.08	2,98,453.83



Statement of Cash Flows for the year ended 31st March 2020

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		Year ended		Year ended	
		31-03-2020 (Audited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
A.	Cash Flow from Operating Activities				
	Net Profit before tax	6,983.29	8,100.50	7,029.98	8,090.44
	Adjustments for:				
1.	Loss on derecognition of property, plant and equipment (net)	1.69	0.86	1.69	0.86
2.	Depreciation & amortization	10.00	7.17	11.78	8.29
3.	Impairment losses on financial assets	889.56	240.33	919.49	243.49
4.	Adjustments towards Effective Interest Rate in respect of Loans	53.02	1.33	53.02	1.33
5.	Adjustments towards Effective Interest Rate in respect of borrowings	62.31	(788.28)	62.31	(788.28)
6.	Fair Value Changes in Derivatives	47.72	351.52	47.72	351.52
7.	Fair Value Changes in FVTPL Instruments	(6.40)	-	(6.40)	-
8.	Interest on Commercial Paper	463.66	402.84	463.66	402.84
9.	Interest Accrued on Zero Coupon Bonds	105.29	97.02	105.29	97.02
10.	Loss/ (Gain) on Exchange Rate fluctuation	2,342.27	558.51	2,342.27	558.51
11.	Loss/ (Gain) on sale of investments	-	-	(3.16)	-
12.	Dividend Income	(89.04)	(113.61)	(36.94)	(20.38)
13.	Interest Income on Investments & others	(172.40)	(193.31)	(181.15)	(205.88)
14.	Provision made for Interest on Advance Income Tax	-	3.46	0.03	3.70
15.	Liabilities no longer required written back	-	-	-	(0.46)
16.	Interest expense on other liabilities	-	-	0.21	-
17.	Share of Profit/Loss of joint Venture accounted for using equity method	-	-	(9.14)	(9.95)
	Operating profit before Changes in Operating Assets & Liabilities	10,698.97	8,668.34	10,800.66	8,733.05
	Inflow / (Outflow) on account of:				
1.	Loan Assets	(41,664.59)	(41,760.36)	(41,664.59)	(41,760.36)
2.	Derivatives	(407.70)	(1,622.07)	(407.70)	(1,622.07)
3.	Other Operating Assets	(5,426.96)	(13,895.21)	(5,165.04)	(13,856.89)
4.	Operating Liabilities	5,776.56	14,639.43	5,485.44	14,711.38
	Cash flow from Operations	(31,001.72)	(33,969.87)	(30,951.23)	(33,794.89)
1.	Income Tax Paid (including TDS)	(1,748.64)	(2,043.14)	(1,777.35)	(2,070.91)
2.	Income Tax refund	16.67	-	16.67	-
	Net Cash Flow from Operating Activities	(32,763.69)	(36,013.01)	(32,711.91)	(35,865.80)
B.	Cash Flow from Investing Activities				
1.	Sale of Property, Plant & Equipment	0.11	0.10	0.11	0.10
2.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(97.09)	(85.51)	(97.51)	(85.88)
3.	Investment in Intangible Assets (including intangible assets under development)	(2.75)	(5.00)	(2.75)	(5.04)
4.	Finance Costs Capitalised	(15.79)	(11.37)	(15.79)	(11.37)
5.	Investment in Equity Shares of EESL	(71.60)	-	(71.60)	-
6.	Sale of Equity Shares	4.23	24.39	4.23	24.39
7.	Sale/(Investment) of/in shares of associate companies (Net)	-	-	0.30	(0.40)
8.	Redemption of Debt Securities (net of investment)	47.16	398.17	47.16	398.17
9.	Interest Income from investments	226.39	150.68	231.04	158.07
10.	Investment in Term Deposits (incl. interest)	-	-	(15.90)	(106.64)
11.	Investment in Staggered Papers	-	-	(18.00)	-
12.	Sale of investments in bonds	-	-	21.15	-
13.	Maturity/(Investment) of Corporate and Term deposits	-	-	(0.05)	64.99
14.	Dividend Income	89.04	113.61	36.94	20.38
15.	Realisation of investments accounted for using equity method	-	2.10	-	-
	Net Cash Flow from Investing Activities	179.70	585.07	121.43	456.77
C.	Cash Flow from Financing Activities				
1.	Issue/ (Redemption) of Rupee Debt Securities (Net)	21,280.39	4,220.72	21,293.39	4,220.72
2.	Issue/ (Redemption) of Commercial Paper (net)	(5,270.30)	4,143.04	(5,270.30)	4,143.04
3.	Raising/ (Repayments) of Rupee Term Loans/ WCCL from Govt./ Banks/ FIs (net)	7,899.65	24,350.00	7,904.65	24,350.00
4.	Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	12,617.57	3,718.78	12,617.57	3,718.78
5.	Raising/ (Redemption) of Subordinated Liabilities (net)	-	2,151.20	-	2,151.20
6.	Payment of Dividend on Equity Shares	(2,172.41)	(2,518.02)	(2,172.41)	(2,515.63)
7.	Payment of Corporate Dividend Tax	(435.78)	(506.84)	(446.06)	(525.52)
8.	Repayment towards Lease Liability Principal amount	(0.04)	-	(0.64)	-
	Net Cash flow from Financing Activities	33,919.68	33,588.88	33,926.20	35,542.59
	Net Increase/Decrease in Cash & Cash Equivalents	1,338.09	130.94	1,335.72	133.56
	Cash & Cash Equivalents as at the beginning of the period	342.94	212.00	383.99	248.43
	Cash & Cash Equivalents as at the end of the period	1,678.03	342.94	1,717.71	381.99



Notes:

- 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 meetings held on 17th June 2020. These results have been audited by the Statutory Auditors of the Company.
- The audited accounts of the subsidiary companies, REC Power Distribution Company Limited (standalone) and REC Transmission Projects Company Limited (consolidated) and unaudited standalone accounts of joint venture (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'.
- Details of credit-impaired loan assets and impairment loss allowance maintained in respect of such accounts are as under:

(₹ in Crores)			
S. No.	Particulars	As at 31st March 2020	As at 31st March 2019
1.	Credit-impaired loan assets	21,255.55	20,348.44
2.	Impairment loss allowance	10,552.13	9,698.95
	Impairment Allowance Coverage (%) (2/1)	49.64%	47.66%

- Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of such assets.
- 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 ₹ 2.65 crores have been recognised as the Right of Use assets (ROU) on the initial date of application, which is equivalent to the lease liability.
- The Company has applied hedge accounting requirements in Ind AS 109 prospectively from 1 January 2020, wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency.
- As required by RBI Notification No. DOR (NBFC) CC PD.No.109/22.10.106/2019-20 dated 13th March 2020 in respect of Implementation of Ind-AS in NBFC, the Company has appropriated the difference between the impairment allowance under Ind AS 109 and the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) Norms (including standard asset provisioning) issued by RBI to "Impairment Reserve".
- 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'.
- The Company had exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. According it has recognised the Provision for Income Tax (current tax) for the quarter and year ended 31st March 2020 and also re-measured Deferred Tax Assets/ Liability on the basis of the rate prescribed under Section 115BAA.
- 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 had been transferred to General Reserve during the quarter ended 30th Sept. 2019.
- The domestic debt instruments of REC continue to enjoy "AAA" rating, the highest rating assigned by CRISIL, CARE, India Ratings & Research & ICRA, Credit Rating Agencies. Further, the Company enjoys international credit rating of "Baa3" and "BBB-" from International Credit Rating Agencies Moody's and Fitch respectively.
- 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 been annexed herewith this statement as Annexure-A in terms of the requirements of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has not issued any redeemable preference shares till date.
- The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as below:

S. No.	Particulars	Unit	As at 31st March 2020
(i)	Net Worth	₹ in Crores	35,076.56
(ii)	Debenture Redemption Reserve	₹ in Crores	-
(iii)	Debt-Equity Ratio	times	7.99

- The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November 2018. Necessary disclosure as required in the said framework regarding issuance of debt securities is annexed as Annexure-B.
- For all the secured bonds issued by the Company and outstanding as at 31st March 2020, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.
- The SARS-COV-2 virus responsible for Covid-19 continues to spread across the Globe including India, which has resulted in a significant decline and volatility in global and Indian financial markets. It has also caused a significant disruption in the Global and Indian economic activities. On 11 March 2020, the Covid-19 outbreak was declared a global pandemic by the World Health Organisation (WHO). The situation has been under close watch by the Company to take prompt actions for continuity of business operations in an optimised manner. The impact of Covid-19 outbreak on the business operations of the Company is annexed as Annexure-C.
- The disclosure in respect of related party transactions on a Consolidated basis for the year ended 31st March 2020 have been annexed herewith this statement as Annexure-D.
- The figures for the quarter ended 31st March 2020 and 31st March 2019 are derived by deducting the year to date figures for the period ended 31st December 2019 and 31st December 2018 from the audited figures for the year ended 31st March 2020 and 31st March 2019 respectively.
- Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

For REC Limited

Sanjeev Kumar Gupta
CMD and Director (Technical)

DIN - 03464342

Place: New Delhi
Date: 17th June 2020

