PRIVATE PLACEMENT OFFER LETTER SERIES 168

REC LIMITED

(Formerly known as Rural Electrification Corporation Limited)

(A Government of India Enterprise)

Regd. Office: Core-4, SCOPE Complex, 7 Lodi Road, New Delhi 110003
Tel.:+91-11-43091500; **Facsimile:** +91-112436 9849;
E-mail: reccorp@recl.nic.in
Website: www.recindia.com and www.recindia.nic.in
CIN No. – L40101DL1969GOI005095

FOR PRIVATE CIRCULATION ONLY

This Private Placement Offer Letter is issued in conformity with Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debenture) Rules, 2014, as amended, Circular No. RBI/2014-15/475 DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Non-Convertible Debentures (NCDs) by NBFCs". This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per SEBI circular January 05, 2018 bearing reference number SEBI/HO/DDHS/CIR/P/2018/05, and SEBI circular dated August 16, 2018 bearing reference number SEBI/HO/DDHS/CIR/P/2018/122, each as amended ("**SEBI EBP Circulars**"), read with the Updated Operational Guidelines "for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20180424-45 dated April 24 2018 ("**BSE EBP Guidelines**") or the "Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis" issued by the NSE vide their circular number 15/2018 dated April 24 2018 ("**NSE EBP Guidelines**"), as applicable. The SEBI EBP Circulars and the BSE EBP Guidelines / NSE EBP Guidelines shall hereinafter be referred to as the "**Operational Guidelines**". The Issuer intends to use the NSEs bid bond platform for this Issue.

PRIVATE PLACEMENT OFFER LETTER DATED 28 NOVEMBER, 2018

PRIVATE PLACEMENT OFFER LETTER FOR PRIVATE PLACEMENT OF SERIES 168 UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE BONDS, IN THE NATURE OF DEBENTURES FOR CASH AT PAR FOR RS. 500 CRORES ("BASE ISSUE"), WITH OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION UP TO RS. 2052.40 CRORES, AGGREGATING TO RS. 2552.40 CRORES ("ISSUE SIZE").

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

TRUSTEE FOR THE BONDHOLDERS BEACON TRUSTEESHIP LIMITED	REGISTRAR TO THE ISSUE KARVY COMPUTERSHARE PRIVATE LIMITED
Registered Office: F-801, Jay Balaji CHS Ltd, Plot No. 26, Sector-6, Nerul, Navi Mumbai – 400 706 and Corporate office at 4C & D Siddhivinayak Chambers, Gandhi Nagar, Bandra East, Mumbai – 400 051 Tel: +91 022 26558759 Contact Person: Ms. Jayshree Kakani, Company Secretary Email: jayshree@beacontrustee.co.in	**Registered Office:** Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District Nanakramguda, Hyderabad Tel: +91 40 6716 2222; Facsimile: +91 40 2343 1551; Contact Person: Sh. S. P. Venugopal, DGM (Corp. Reg.) Email: venu.sp@karvy.com SEBI Registration No.: INR000000221

ISSUE PROGRAMME	
ISSUE OPENS ON: 28 NOVEMBER, 2018	**ISSUE CLOSES ON: 28 NOVEMBER, 2018**

LISTING

The Bonds are proposed to be listed on wholesale debt market ("**WDM**") segment of the National Stock Exchange of India Ltd. and/or BSE Ltd. The BSE and NSE have granted the in-principle approval by letters dated 26 November 2018, and 26 November 2018 respectively.

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SECTION I
DEFINITIONS AND ABBREVIATIONS

AY	Assessment year.
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.
Applicant/Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Private Placement Offer Letter and the Application Form.
Auditing Standards	Standards of auditing or any addendum thereto for companies or class of companies referred to in sub-section (10) of Section 143 of the Companies Act, 2013.
Associate Company	A company in which the Issuer has a significant influence, but which is not a subsidiary company of Issuer having such influence and includes a joint venture company. Significant influence means control of at least 20% of total share capital, or of business decisions under an agreement.
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 Series 168.
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. 10 Lakh each offered through private placement route under the terms of this Private Placement Offer Letter.
Bondholder(s)	Any person holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories or whose name appears in the Register of Bondholders maintained by the Issuer or Registrar.
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).
Book Closure/Record Date	Record date of interest shall be 15 (fifteen) days prior to each interest payment date and 15 (fifteen) days prior to the date of Maturity. Interest shall be paid to the person whose name appears as sole/first in the Register of Bondholders or Beneficial Owners position of the Depositories on Record Date or to the Bondholders who have converted the Bonds to physical form and their name is registered on the registers maintained by the Issuer or Registrar. In the event of the Issuer not receiving any notice of transfer at least 15 (fifteen) days before the respective due date of payment of interest and at least 15 (fifteen) days prior to the maturity date, the transferees for the Bond shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholder.
BSE	BSE Limited.
BSE Bond-EBP Platform	EBP platform of BSE for issuance of debt securities on private placement basis.
Business Day	Business day is the day when the money market is functioning in Mumbai.
CAG	Comptroller and Auditor General of India.
CAGR	Compounded Annual Growth Rate.
CAR	Capital Adequacy Ratio.
CARE	Credit Analysis & Research Limited.
CDSL	Central Depository Services (India) Limited.

CMD	Chairman and Managing Director of the Issuer.
CRISIL	CRISIL Limited.
Crore	An amount of 1,00,00,000
Committee	A committee of the Board of Directors.
Companies Act	The Companies Act, 1956, as amended (to the extent applicable) and/or the Companies Act, 2013, as applicable.
Companies Act, 2013	The Companies Act, 2013, as amended and to the extent notified by the Ministry of Corporate Affairs, Government of India.
Debt Securities	Non-convertible debt securities which create or acknowledge indebtedness and includes debentures, bonds and such other securities of the Issuer, whether constituting a charge on the assets of the Issuer or not, but excludes security receipts and securitized debt instruments.
Deemed Date of Allotment	The cut-off date on which the duly authorized committee approves the Allotment of the Bonds i.e. the date from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholders. The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant	A Depository participant as defined under Depositories Act, 1996.
Designated Stock Exchange	BSE Limited
DER	Debt Equity Ratio.
Director	A member of the Board of Directors.
DP	Depository Participant.
EBP	Electronic Bidding Platform.
EPS	Earnings Per Share.
Equity Shares	Equity shares of the Issuer of face value of Rs. 10 (ten) each.
FIs	Financial Institutions.
FIIs	Foreign Institutional Investor (as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) and registered with the SEBI under applicable laws in India.
FPI	Foreign portfolio investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, and registered with SEBI.
Financial Year/ FY/ Fiscal	Period of 12 (twelve) months period ending on March 31, of that particular year.
ICRA	ICRA Limited.
IRRPL	India Ratings & Research Private Limited.
GoI	Government of India/Central Government.
HUF	Hindu Undivided Family.
Bond Trustee	BEACON Trusteeship Limited.
Independent Director	An independent director referred to in sub-section (4) of Section 149 of the Companies Act, 2013.
Issuer/ REC	REC Limited (formerly known as Rural Electrification Corporation Limited). A company incorporated under Companies Act and having its registered office at Core-4, SCOPE Complex, 7 Lodi Road, New Delhi 110003 and bearing CIN L40101DL1969GOI005095.
"our"/"we"/"us"	The Issuer together with its subsidiaries, associates and its joint venture on a consolidated basis. As the context may require.
Issue/ Offer	Private placement of Bonds of Rs.500 Crore for Series 168 with option to retain oversubscription under this Private Placement Offer Letter up to a total Rs. 2052.40 crore.; the aggregate amount of Rs. 2552.40 crore constitutes the "Issue Size".
ISIN	International Securities Identification Number.
I.T. Act	The Income Tax Act, 1961, as amended.

IT Department/IT Dept.	Income Tax Department.
IT	Income Tax.
JPY	Japanese Yen.
Key Managerial Personnel	Key managerial personnel, in relation to the Issuer, shall mean: i. Managing Director and chief executive officer or the manager; ii. Company secretary; iii. Whole-time Directors; iv. Chief financial officer; and any such other officer as may be prescribed under the Companies Act, 2013.
Lakh	An amount of 1,00,000.
Listing Agreement	Listing agreement as defined under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.
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 1,000,000.
NBFC – IFC	Infrastructure finance company as a category of non-banking financial company registered with the RBI.
NRIs	Non Resident Indians.
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.
PAN	Permanent Account Number.
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, 2013 and RBI Circular No. RBI/2014-15/475 DNBR (PD) CC NO. 021/03.10.001/2014-15, dated February 20, 2015, as amended.
Private Placement Offer Letter	This private placement offer letter dated 28 November 2018.
Promoter	Entity as declared to the NSE/BSE as on March 31, 2018 under "Promoter & Promoter Group".
PSE	Public sector enterprise.
PSU	Public sector undertaking.
GIR	General Index Registration Number.
Rs.	Indian National Rupee.
RBI	Reserve Bank of India.
RBI Act, 1934	Reserve Bank of India Act, 1934.
Register of Bondholders	The register maintained containing the name of Bondholders entitled to receive coupon/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 coupon/redemption amounts on the Record Date, maintained at the registered office of the Issuer under the Companies Act, 2013.
RTGS	Real Time Gross Settlement.
ROC	Registrar of Companies, National Capital Territory of Delhi and Haryana.
Registrar to the Issue	Karvy Computershare Private Limited.

RBI Guidelines	Any rule, regulations, guideline or amendment as may be issued by RBI from time to time.
SEB	State Electricity Board(s).
SEBI	Securities and Exchange Board established under Securities and Exchange Board of India Act, 1992, as amended.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI Guidelines	Any rule, regulation or amendment as may be issued by SEBI from time to time.
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.
STL	Short term loan.
TDS	Tax Deducted at Source.
WCDL	Working Capital Demand Loan.

SECTION II
DISCLAIMERS

DISCLAIMER OF THE ISSUER

This Private Placement Offer Letter is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in conformity with Companies Act, 2013, Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("**PAS Rules**"), SEBI Guidelines and RBI Guidelines and the relevant rules and regulations therein. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Bonds to be issued by REC. This document is for the exclusive use of the Investors to whom it has been specifically addressed and it should not be circulated or distributed to third party(s). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Bonds issued by the Issuer. This Bond issue is made strictly on private placement basis. Apart from this Private Placement Offer Letter, no offer document or prospectus is being prepared in connection with the offering of this Issue or in relation to Issuer.

This Private Placement Offer Letter is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the Bonds issued by REC. This Private Placement Offer Letter has been prepared to give general information regarding REC to parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require. REC believes that the information contained in this Private Placement Offer Letter is true and correct as of the date hereof. REC does not undertake to update this Private Placement Offer Letter to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with REC. However, REC reserves its right for providing the information at its absolute discretion. REC accepts no responsibility for statements made in any advertisement or another material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in Bonds. It is the responsibility of the prospective subscribers to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds. It is the responsibility of the prospective subscribers to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this Private Placement Offer Letter should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Bonds. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the Bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Bonds and matters incidental thereto.

This Private Placement Offer Letter is not intended for distribution and as per sub-section (7) of section 42 of the Companies Act, 2013, the Issuer shall not release any public advertisements or utilise any media, marketing or distribution channels or agents to inform the public at large in relation to this Issue. It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement basis and this offer does not constitute a public offer/invitation.

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

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

This Private Placement Offer Letter has not been filed with or approved by SEBI. 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. The Issue of Bonds is being made on private placement basis, filing of this Private Placement Offer Letter is not required with SEBI.

Pursuant to Rule 14 (3) of the PAS Rules, a copy of this Private Placement Offer Letter shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014 and the same shall also be filed with SEBI along with fee as provided in the Securities and Exchange Board of India (Payment of Fees) (Amendment) Regulations, 2014 within a period of 30 (thirty) days of circulation of the Private Placement Offer Letter. However SEBI reserves the right to take up at any point of time, with REC, any irregularities or lapses in this Private Placement Offer Letter.

DISCLAIMER OF THE ARRANGERS

It is advised that REC has exercised self-due-diligence to ensure complete compliance of prescribed disclosure norms in this Private Placement Offer Letter. The role of the Arrangers to the Issue in the assignment is confined to marketing and placement of the Bonds on the basis of this Private Placement Offer Letter as prepared by REC. The Arrangers to the Issue have neither scrutinized/vetted nor have they done any due-diligence for verification of the contents of this Private Placement Offer Letter. The Arrangers to the Issue shall use this Private Placement Offer Letter for the purpose of soliciting subscription from qualified institutional investors in the Bonds to be issued by REC on private placement basis. It is to be distinctly understood that the aforesaid use of this Private Placement Offer Letter by the Arrangers to the Issue shall neither in any way be deemed or construed that this Private Placement Offer Letter has been prepared, cleared, approved or vetted by the Arrangers to the Issue, nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Private Placement Offer Letter; 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. The Arrangers to the Issue or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Private Placement Offer Letter.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Private Placement Offer Letter has been submitted to BSE and/or NSE (hereinafter collectively referred to as "**Exchanges**") for hosting the same on its website. It is to be distinctly understood that such submission of the document with BSE and/or NSE or hosting the same on its 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/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. The potential investors may make investment decision in respect of the Bonds offered in terms of this Private Placement Offer Letter solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

SECTION III
GENERAL INFORMATION

3.1. ISSUER

Name of the Issuer	:	REC Limited (formerly known as Rural Electrification Corporation Ltd.)
Registered/ Head Office/ Corporate Office	:	Core-4, SCOPE Complex, 7, Lodi Road New Delhi 110003
Website	:	www.recindia.gov.in
E-mail	:	investorcell@recl.nic.in
Telephone Number	:	+911124361320
Fax Number	:	+911124369849
CIN	:	L40101DL1969GOI005095

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

3.2. COMPLIANCE/NODAL OFFICER AND CHIEF FINANCIAL OFFICER

COMPLIANCE/ NODAL OFFICER	CHIEF FINANCIAL OFFICER - DIRECTOR FINANCE
Vijay Kumar/Daljeet Singh Khatri **Addl. General Manager (Finance)** REC Limited Core-4, SCOPE Complex 7, Lodi Road, New Delhi 110 003 Tel: +91 11 4309 1620 Facsimile: +91 11 2436 9849 E-mail: vkumar@recl.in	**Mr. Ajeet Kumar Agarwal,** REC Limited Core-4, SCOPE Complex 7, Lodi Road New Delhi-110003 Tel: +91 11 24361914 Facsimile: +91 11 24365090 E-mail: ak.agarwal@recl.nic.in

3.3. ARRANGERS TO THE ISSUE

Arrangers to the Issue	Amount (Rs. in Crore)	Arrangers to the Issue	Amount (Rs. in Crore)
TRUST INVESTMENT ADVISORS PRIVATE LIMITED	64.6	ICICI BANK	29.8
A. K. CAPITAL SERVICES LIMITED	44.7	EDELWEISS FINANCIAL SERVICES LIMITED	24.9
TIPSONS CONSULTANCY SERVICES PVT LTD	42.8	DARASHAW & CO PVT LTD.	14.9
ICICI SECURITIES PRIMARY DEALERSHIP LIMITED	40.9	HDFC BANK LIMITED	5
YES BANK	5	AXIS BANK LIMITED	5
KOTAK MAHINDRA BANK LIMITED	5		

TRUST INVESTMENT ADVISORS PVT. LTD.	A. K. CAPITAL SERVICES LTD.
1101, Naman Centre, G Block, C-31, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Telephone No. (022) 40845000 Fax No. (022) 40845066 / 40845007 E-mail: mbd.trust@trustgroup.co.in	609, 6th Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi – 110 001 Telephone No. (011) 23739628 Fax No. (011) 23739627 E-mail: akdelhi@akgroup.co.in
TIPSONS CONSULTANCY SERVICES PVT. LTD.	**ICICI SECURITIES PRIMARY DEALERSHIP LIMITED**
401, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380015 Telephone No. (079) 30002004, (079) 30427790, (011) 23351155 Fax No. (079) 30480298, (011) 23351188 E-mail: dharmendra@tipsons.com	ICICI Tower, 3rd Floor, NBCC Place, Pragati Vihar, Lodi Road, New Delhi – 110003 Telephone No. (011) 24390025/26 Fax No. (011) 43560036 / 24390074 E-mail: s.venkatakrishnan@isedpd.com
ICICI BANK LIMITED	**EDELWEISS FINANCIAL SERVICES LIMITED**
ICICI Bank Towers Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Telephone No. (022) 26531414, (011) 4221 8275 Fax No. (022) 26531063, (022) 26531122, (011) 24360072 E-mail: gmgfixedincome@icicibank.com	Upper Ground Floor, Mercantile House, 15, K.G. Marg, New Delhi – 110001 Telephone No. (011) 43571111 Fax No. (011) 43571122 E-mail: dcmfic@edelweissfin.com
DARASHAW & CO PVT LTD.	**HDFC BANK LTD.**
A-238, 2nd Floor, Defence Colony, New Delhi - 110024 Telephone No. (011) 46008585-90 Fax No. (011) 24333401 E-mail: dcm@darashaw.com	Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013 Telephone No. : 022 6652 1162 / 1006 Fax No. : 022 2496 0696 E-mail : niranjan.kawatkar@hdfcbank.com
YES BANK LIMITED	**AXIS BANK LIMITED**
48 – Nyaya Marg, Chanakyapuri, New Delhi - 110021 Telephone No. (011) 66569094 Fax No. (011) 41680310 E-mail: ankush.siddhu@yesbank.in	Axis House, 4th Floor, Tower 1, Sector-128, Noida-201304 Telephone No. (0120) 6210860 E-mail: vikrant5.verma@axisbank.com
KOTAK MAHINDRA BANK LIMITED	
Kotak Aero City, Asset Area 9, 3rd Floor, IBIS Commercial Block, Hospitality District, IGI Airport New Delhi - 110 037 Telephone No. (011) 66176000/ 66176370 Fax No. (011) 66084595 E-mail: ahmedwiquar.rahim@kotak.com	

Note- Total amount of INR 282.60 crores was mobilised through arrangers, remaining amount of INR 2269.80 Crores was directly mobilised from investors.

3.4. CREDIT RATING AGENCIES

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

3.5 STATUTORY AUDITORS OF THE ISSUER

S. No.	Name	Address	Auditors of the Company since
1	**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 Tel: +91 120 6451160 Email: pawankgoel1@gmail.com Contact Person: Mr. Pawan K. Goel	July 01, 2015
2	**M/s G.S. Mathur & Co.,** Chartered Accountants, ICAI Firm Registration: 008744N	A-160, Defence Colony, New Delhi-110024 Tel:+41554880/81, 24331503 Email: ajay.mathur01@gmail.com Contact Person: Mr. Ajay Mathur	July 29, 2017

Being a government company, the statutory auditors of the Issuer are appointed by the Controller and Auditor General of India ("**CAG**"). The annual accounts of the Issuer are reviewed every year by the CAG and a report is published.

3.6. DETAILS OF CHANGE IN AUDITORS OF THE COMPANY SINCE LAST 3 (THREE) YEARS:

S. No.	Financial Year	Name	Address	Date of Appointment/ Resignation	Remark (if any)
1.	2017-18	M/s A R & Co., Chartered Accountants, having Firm Registration No. 002744C M/s G.S. Mathur & Co., Chartered Accountants, ICAI Firm Registration: 008744N	A 403, Gayatri Apartments, Airlines Group Housing Society, Plot No.27, Sector 10, Dwarka, New Delhi- 110075 A-160, Defence Colony, New Delhi-110024	Appointed on 11.07.2017	M/s G.S. Mathur & Co. was appointed by CAG.

S. No.	Financial Year	Name	Address	Date of Appointment/ Resignation	Remark (if any)
2.	2015-16	M/s A R & Co., Chartered Accountants, having Firm Registration No. 002744C M/s Raj HarGopal & Co., Chartered Accountants, having Firm Registration No.002074N	A 403, Gayatri Apartments, Airlines Group Housing Society, Plot No.27, Sector 10, Dwarka, New Delhi- 110075 412, AnsalBhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001.	Appointed on 01.07.2015	M/s A R & Co. was appointed by CAG.

SECTION IV
BRIEF HISTORY OF ISSUER SINCE INCORPORATION, DETAILS OFACTIVITIES UNDERTAKEN, ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION

4.1. CONSTITUTION

REC is a Government of India ("**GoI**") Public Sector Enterprise, incorporated on July 25, 1969 under the Companies Act, having net worth of over Rs. 35,490.51 Crore (on standalone basis) as on March 31, 2018. It provides financial assistance to SEB, State Government Departments and Rural Electric Cooperatives for village electrification and energisation of pump sets for increasing agricultural production and to other Centre and State utilities as also to the private sector utilities. REC was declared as a Public Financial Institution under Section 4A of the Companies Act, 1956 (corresponding section 2(72) of the Companies Act, 2013) in February 1992 and registered as non-banking financial company under section 45-IA of the RBI Act, 1934 in February 1998. It is also the nodal agency for channelizing finance to aid the GoI's social and economic objective of achieving 100% rural electrification. REC's importance has been further enhanced by the virtual absence of private sector investments in rural electrification.

4.2. CHANGES IN THE REGISTERED AND CORPORATE OFFICE

Our registered and corporate office is currently situated at Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110 003, India. Our registered office was initially situated at Floor No. 3, Jeevan Vihar, Parliament Street, New Delhi-110001, India, pursuant to a resolution of our Board dated September 5, 1969. The table below encapsulates changes in our registered office since our incorporation.

Date of shareholders' resolution	Change in address of the Registered Office
September 5, 1969	Floor No. 3, JeevanVihar, Parliament Street, New Delhi 110 001, India.
March 3, 1970	D-5, NDSE, Part-II, South Extension, New Delhi 110 049, India.
November 30, 1976	2nd and 3rd Floor, DDA Building, Nehru Place, New Delhi 110 019, India.
November 28, 1995	Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110 003, India.

4.3. MAJOR EVENTS AND MILESTONES

Calendar Year	Event
1969	Incorporation of REC.
1970	Commenced lending operations to SEBs.
1974	Authorised by the Ministry of Irrigation and Power to finance rural electrification under the "Minimum Needs Programme".
1979	Central Institute for Rural Electrification (CIRE) set up in Hyderabad.
1988	Launch of Kutir Jyoti and Jal Dhara programmes for rural electrification.
1992	Declared a Public Financial Institution under Section 4A of the Companies Act, 1956.
1993	Entered into MoU with the Ministry of Power for the year 1993-1994 for the first time to achieve certain performance related targets.
1998	Registered as a non-banking financial company by RBI under Section 45(IA) of the RBI Act, 1934.
2001	Allowed to issue capital gains tax exemption bonds under Section 54 EC of the I.T. Act.
	Upgradation from Schedule 'B' to Schedule 'A' Corporation
2002	Grant of Mini Ratna - I status
2005	Appointed as the nodal agency for RGGVY (presently known as Deendayal Upadhyaya Gram Jyoti Yojana).
2006	Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,629 Million.

Calendar Year	Event
	Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million.
2008	Launch of initial public offer and dilution of Promoter's shareholding from 100% to 81.82%. Gross proceeds from initial public offer were Rs. 819.63 Crores. Listed Equity Shares of the Issuer on NSE and BSE. Accorded "*Navratna*" status by the Department of Public Enterprise, GoI for our operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making. Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,902 Million.
2009	Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million. Received 'LAAA' rating from ICRA in relation to Rs. 25,000 Crores long term borrowing programme for the Fiscal 2010.
2010	Follow-on issue of Equity Shares resulting in (a) raising Rs. 2,647.53 Crores of gross proceeds through fresh issue and (b) GoI reducing its ownership to 66.80%. RBI categorised REC as an infrastructure finance company ("**NBFC -IFC**"). REC was included in the MSCI emerging marketing index.
2011	REC successfully priced a USD 500 Million 4.25% 5-year Reg S Senior Unsecured Notes transaction. REC was the first Indian NBFC –IFC to enter into the international debt market.
2012	CHF Bonds through Reg S for CHF 200 Million were issued by REC, which were listed in the SIX Swiss Exchange, Switzerland. Entered into 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, distribution companies ("**DISCOMs**") - both in public and private sector, to improve the infrastructure in distribution sector. REC is the nodal agency for the scheme with a mandate to operationalize the scheme through which amount for interest subsidy will be provided.
2013	REC received DSIJ PSU Award, 2012 for "Fastest Growing Operational Metrics" in the non-manufacturing Navratna category. REC received CIDC Vishwakarma Award 2013 in the category of "Achievement Award for Industry Doyen. REC received Award in the Category of "Non-Banking Financial Services" by India Pride Awards, Dainik Bhaskar and DNA.
2014	Entered into offshore syndicated facility agreements for availing loan facility of USD 285 Million from Hong Kong and Shanghai Banking Corporation Limited, State Bank of India, Singapore Branch and Sumitomo Mitsui Banking Corporation as mandated lead arrangers and book runners in November 2014. 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.

Calendar Year	Event
	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". Nodal agency for operationalization of Deendayal Upadhyaya Gram Jyoti Yojana on December 3, 2014 (including Rural Electrification ("**RE**") component - the erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana ("**RGGVY**") mainly for separation of agriculture and non-agriculture feeders; strengthening and augmentation of sub-transmission and distribution infrastructure in rural areas; and rural electrification for completion of the targets laid down under RGGVY for XII and XIII Plans.
2015	"Fastest Growing Navratna PSU" award from India Today. Third Largest Financier in RE in FY 2015-16 from Ministry of Non-Conventional and Renewable Energy ("**MNRE**")
2016	Rated "Excellent" for Fiscal 2016 in terms of MoU signed with GoI for the 23rd year in succession. Nodal Agency for implementation of Outage Management System and 11 KV Rural Feeder Management System. Received "Best Power Financing Company" award in CBIP Awards 2017. Won Gold Trophy for "SCOPE Meritorious award for Best Public Sector Financing Institution or Insurance Company" for the year 2014-15. Received "SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management" for the year 2014-15.
2017	REC Equity Shares included in 'Nifty Next 50' on National Stock Exchange. 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. Received "Best Power Finance Company" award in CBIP Awards 2018. Received "Governance Now 5th PSU Award – 2017".

Calendar Year	Event
	Received "SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management" for the year 2016-17" under Special Institutional Category, Digitalization.

4.4. DETAILS REGARDING ACQUISITION OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS

The Issuer has neither acquired any entity, business or undertakings nor undertaken any mergers, amalgamation, or revaluation of assets in the last Fiscal.

4.5. HOLDING ENTITY - OUR PROMOTER

Our Promoter is the President of India, acting through the Ministry of Power, holding 58.32% of our Equity Share Capital as on March 31, 2018.

4.6. JOINT VENTURES

Energy Efficiency Services Limited **("EESL") FICRA**

REC, along with three other PSUs, namely Power Grid Corporation of India Limited, National Thermal Power Corporation and Power Finance Corporation as partners, has formed a joint venture company by the name Energy Efficiency Services Limited ("**EESL"**) on December 10, 2009. During the Financial Year 2016-17, 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. Accordingly, as on date REC holds 31.70% of the paid up equity share capital of EESL.

EESL is formed to create and sustain market access of energy efficient technologies particularly in the public facilities like municipalities, buildings, agriculture and industry and to implement several schemes of Bureau of Energy Efficiency, Ministry of Power, GoI. EESL is also leading the market related activities of the National Mission for Enhanced Energy Efficiency, one of the 8 national missions under National Action Plan on Climate Change. The business verticals of REC inter-alia include implementing projects in energy service company ("**ESCO"**) mode in agriculture demand side management ("**AgDSM**"), municipal demand side management ("**MuDSM"**), distribution energy efficiency projects, building, small and medium enterprises ("**SMEs**"), perform, achieve and trade-joint implementation plan ("**PAT-JIP"**) and corporate social responsibility activities. Currently, EESL is implementing municipal street lighting projects with various municipal corporations and AgDSM projects for replacement of inefficient agricultural pump sets in the agriculture sector, 'Unnat Jyoti By Affordable LEDs For All' (formerly 'Domestic Efficient Lighting Programme') in domestic residential sector in ESCO mode with various utilities and corporate social responsibility projects of various companies.

4.7. ENTITIES IN WHICH WE HAVE EQUITY INVESTMENT

Indian Energy Exchange Limited ("IEX")

Pursuant to the approval of Board of Directors in Fiscal 2007, REC acquired 5% (12,50,000 equity shares of face value of Rs. 10 each) of the then equity share capital of IEX. Certain significant details of IEX are provided hereunder:

IEX was incorporated on March 26, 2007 and received its certificate of commencement of business on April 17, 2007. Its registered office is situated at Unit No. 3-6, 4th Floor, TDI Centre, District Centre, Jasola, New Delhi – 110025. IEX offers national level electronic platform to facilitate trading in electricity, subject to supervision of the Central Electricity Regulatory Commission. Entities listed to undertake trading in electricity, distribution licensees and grid connected entities use the platform offered by IEX to purchase and sell electricity. Currently, IEX operates day-ahead market and term-ahead market in electricity as well as the renewable energy certificate market. IEX provides a transparent, demutualised and automated platform enabling efficient price discovery and price risk management for participants. As on March 31, 2018, REC holds 4.12% in the equity share capital of IEX. IEX has been listed on stock exchanges since 23 October 2017.

'Small is Beautiful' Fund ("SIB")

SIB is an Indian venture capital fund organised and settled as a contributory trust and registered with SEBI as a venture capital fund. KSK Trust Private Limited is the trustee for SIB. The office of SIB is situated at Plot No. 84, Kaveri Hills, Phase II, Madhapur, Hyderabad – 500033, Andhra Pradesh, India. SIB is engaged in the business of making investments in power generation and other allied projects in Indian power sector. REC has invested Rs. 22.50 Crore in SIB during FY 2003-04 along with other banks and financial institutions. REC's contribution amounted to 9.74% of the fund corpus. As on March 31, 2018, the outstanding investment of SIB in project companies amounts to Rs. 63.23 Crore.

Investment in NHPC

REC has invested in 26,05,42,050 equity shares of NHPC Limited at the rate of Rs. 21.78 per share (including STT, brokerage and other charges) amounting to Rs. 567.50 Crore in April 2016 during disinvestment by GoI through offer for sale route.

NHPC Limited, a GoI enterprise, was incorporated in the year 1975 with an objective to plan, promote and organise an integrated and efficient development of hydroelectric power in all aspects. Later, NHPC Limited expanded its objects to include development of power in all its aspects through conventional and non-conventional sources in India and abroad. At present, NHPC Limited is a Mini Ratna Category-I PSE of the GoI with an authorised share capital of Rs.15,000 Crores and issued share capital is Rs. 10,259.32 Crores.

NHPC has been assigned credit rating of AAA / stable by CRISIL.

REC sold 7,65,30,185 number of equity shares in the buyback offer by NHPC Limited in February 2017. As on March 31, 2018 REC holds 18,40,11,865 equity shares of NHPC Limited with an investment amount of Rs. 400.80 Crore which amounts to around 1.79% total equity share capital of NHPC Limited.

Housing and Urban Development Corporation Limited ("HUDCO")

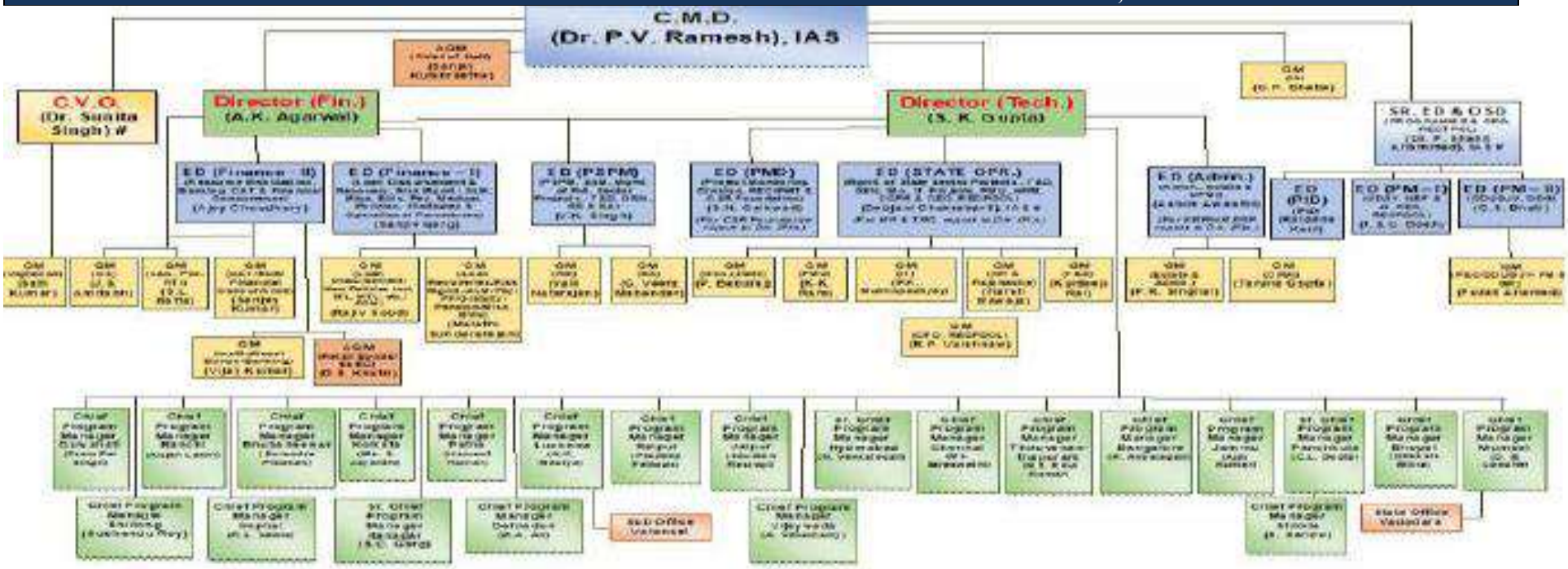
REC has invested in 3,47,429 equity shares of Housing and Urban Development Corporation Limited at the rate of Rs. 60 per share amounting to Rs. 2.08 Crore in May 2017 during the Initial Public Offer by HUDCO.

HUDCO was incorporated on April 25, 1970. HUDCO is a 100% GoI owned entity. HUDCO was notified as a public financial institution under Section 4A of the Companies Acton December 9, 1996, by the Department of Company Affairs, Ministry of Finance, GoI. HUDCO is a Miniratna (Category-I PSE) with excellent MoU ratings for last 3 (three) years. HUDCO has a credit rating of AAA for Long Term Debt.

Lanco Teesta Hydro Power Limited ("LTHPL")

REC has acquired the equity shares of the value of Rs.102 Crores in the project special purpose vehicle, LTHPL through conversion of debt into equity under the implementation of strategic debt restructuring scheme, as per RBI guidelines. The consortium lenders are discussing & deliberating on the various options under the joint lenders forum including takeover of the project by Government of Sikkim or any other entity.

SECTION V
EXISTING CORPORATE ORGANOGRAM AS ON NOVEMBER 26, 2018.



On deputation

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

6.1. OVERVIEW

We are public financial institution in the Indian power infrastructure sector and are engaged in the financing and promotion of transmission, distribution and generation including renewable energy projects throughout India. We commenced our operations in 1969 for the purpose of developing the power infrastructure in rural areas. We have contributed to the development of rural India and India's agriculture through our funding of transmission and distribution projects in rural areas. Our mandate has evolved in accordance with the development priorities of GoI and since Fiscal 2003, we are permitted to finance all segments of the power sector, including generation, transmission and distribution, throughout the country. Our mandate was further extended to include financing other activities with linkages to power projects, such as coal and other mining activities, fuel supply arrangements for the power sector and other power-related infrastructure. In June 2011, we have set up a separate division for funding renewable projects in order to further achieve the goal of conserving fossil fuels and reducing our carbon foot prints. REC is one of only 14 Indian public sector undertakings to be granted "*Navratna*" status by the Department of Public Enterprise by virtue of our operational efficiency and financial strength. The GoI has rated our performance as "*Excellent*" continuously since Fiscal 1994. We have also been ranked among the top ten public sector undertakings in India by the Ministry of Heavy Industries and Public Enterprises for Fiscal 2000, Fiscal 2001, Fiscal 2002, Fiscal 2004 and Fiscal 2005. Domestically, we hold the highest credit rating for long-term borrowing consisting of domestic credit rating from each of IRRPL, CRISL, ICRA and CARE. On an international basis, we hold long-term borrowing ratings from Fitch and Moody's that are at par with sovereign ratings for India.

The President of India, acting through nominees from the Ministry of Power ("**MoP**"), currently holds 58.32% of the issued and paid up equity capital of REC. The GoI, acting through the MoP, oversees our operations and has the power to appoint Directors to our Board. We have a branch network of 19 project offices and 3 sub-offices spread across India. The registered office at New Delhi looks at the matters relating to planning and policy formulation, resource mobilization and financial operations. Project or field 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 funded by REC.

Our Strengths

We believe that the following are our primary strengths:

- Our financial position is strong and our business is profitable.
- We are uniquely positioned to access and appraise borrowers in the Indian power sector.
- We occupy a key strategic position in the GoI's plans for growth of the power sector.
- We have an experienced management team with sector expertise.
- Pan India presence through our zonal/project offices in most of state capitals.

Our Strategy

The key elements of our business strategy are as follows:

- Continue to fund the increased investment in the Indian power sector.
- Maintain the diversity of our asset portfolio and seek higher yielding loan assets.
- Increase our involvement in consortium lending and private sector participation in the Indian power sector.
- Increase our fee-based income.
- Implement technological innovation to manage our growth and remain a dynamic organisation.

6.2. OUR PRODUCTS

Long-term Loans

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

Short-term Loans

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

Others

- **Debt Refinancing**

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

- **Bridge Loans**

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

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

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

- **Medium-term Loans**

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

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

MTL are not provided to the following category of customers:

- who are in default to REC, or,
- utilities categorised as Grade "C", or,
- utilities that have availed transitional financing loan facility.

These loans have a loan period of more than 1 (one) to 3 (three) years. As on March 31st 2018, MTL outstanding amounted to Rs. 8,845.40 Crores.

Loans for Power Purchase through the IEX

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

Deendayal Upadhyaya Gram Jyoti Yojana

Deendayal Upadhyaya Gram Jyoti Yojana ("**DDUGJY**"), an integrated scheme covering all aspects of rural power distribution. Under the DDUGJY 60% of the project cost (85% for special States) is provided as grant by GoI and additional grant up to15% (5% for special States) is provided by GoI on achievement of prescribed milestones. All erstwhile RE schemes (including Rajiv Gandhi Grameen Vidyutikaran Yojana ("**RGGVY**")) have been subsumed in DDUGJY. REC is the nodal agency for implementation of DDUGJY.

DDUGJY is a flagship programme of GoI supplementing over all rural development and facilitating towards "24x7 Power For All" in the country through the following project components:

I. Separation of agriculture and non-agriculture feeders facilitating improved quality power supply to non-agricultural consumers and adequate power supply to agricultural consumers in the rural areas;
II. Strengthening and augmentation of sub-transmission and distribution infrastructure in rural areas;
III. Micro-grid and off-grid distribution network;
IV. Metering of distribution transformers/feeders/consumers; and
V. Rural electrification works (including the erstwhile RGGVY).

In this scheme, earlier population criteria for eligibility of villages/hamlets have been removed and villages/ habitations having a population of less than 100 people are also eligible.

In order to realize the objectives of the scheme, participation of all the stakeholders particularly, public representatives has already been institutionalized through constitution of District Electricity Committees (now "**DISHA**") under the Chairmanship of senior most Member of Parliament. DISHA is empowered to monitor and review the implementation of DDUGJY.

DDUGJY New Projects:

Cumulatively, as on March 31, 2018, Rs. 42,565 Crore have been sanctioned for 32 States/Union Territories, as under:

Particulars	Amount in Rs. Crore
Feeder separation	15,191
System strengthening and Rural Households	20,243
Metering	3,859
Electrification of un-electrified villages	2,668
Sansad Adarsh Gram Yojana works	398
Provision for project management agency	206
Total	**42,565**

As on 31.03.2018, cumulatively, Rs 8862.30 Crores (including grant of Rs 8860.14 Crores) have been released to States under new projects.

Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Honourable PM launched Saubhagya Scheme on September 25, 2017 and subsequently Ministry of Power ("**MOP**") issued Office Memorandum on October 11, 2017 and formulated the detailed guidelines on October 20, 2017. REC has been designated as the Nodal agency for Saubhagya Scheme.

The cost of the Saubhagya Scheme cost is Rs. 16,320 Crores including budgetary support of Rs. 12,320 Crores. The objective of the Saubhagya Scheme is to electrify all the households in India i.e. an estimated 4.54 Crore households by 31st March 2019 and also to achieve universal household electrification through creation of last mile connectivity to all the households in rural and urban areas.

Following are the major features of Saubhagya Scheme:

- The prospective beneficiary households for free electricity connections under the scheme would be identified using Socio Economic Caste Census ("**SECC**") 2011 data. However, un-electrified households not eligible as per SECC data would also be provided electricity connections under the scheme, for which Rs 500 shall be recovered by DISCOMs in 10 installments of Rs 50 each along with electricity bills.
- Monitoring on dedicated web-portal: saubhagya.gov.in.
- Mobile app for documentation and release of connections.
- Solar based off-grid systems for remote households.
- All DISCOMs including private sector DISCOMs, State Power Departments and RE Co-operative Societies are eligible for financial assistance.

Current Status:

- States are in the process of submission of DPRs.
- As on March 31, 2018, ad-hoc advance of Rs. 1540 Crores released to 14 States.
- Progress: 40.03 Lakh households have been electrified up to March 31 2018.

National Electricity Fund

National Electricity Fund ("**NEF**") - Interest Subsidy Scheme, has become operational during the year 2012-13. The scheme has been introduced by GoI to promote the capital investment in the distribution sector. The scheme shall provide interest subsidy, linked with reform measures, on loans taken by private and public power distribution utilities for approved power distribution infrastructure projects.

NEF would provide interest subsidy aggregating to Rs. 84,660 Million (USD 1,355 Million spread over maximum loan tenure of 13 (thirteen) years against loan amount of Rs.250,000 Million (USD 4,000 Million)) for distribution projects approved during 2012-13 and 2013-14. The pre-conditions for eligibility are linked to certain reform measures to be achieved by DISCOMs. Interest subsidy to the tune of 3-7%, is linked to the achievement of mainly two efficiency benchmark i.e., reduction of AT&C losses and reduction in revenue gap (ACS and ARR).

REC is the nodal agency for the scheme with a mandate to operationalize the scheme and pass on the benefit of interest subsidy to eligible distribution utilities. REC will receive service charges at the rate of 0.5% of the total loan amount approved by the NEF Steering Committee.

REC, during Fiscal 2013 and Fiscal 2014, has conveyed approval for projects of loan amounting to Rs. 264,067 Million (USD 4,226 Million) to 25 DISCOMs of 15 (fifteen) states. The interest subsidy shall be released on the basis of continual improvement in performance of DISCOM (mainly reduction of AT&C losses and reduction in revenue gap between - ACS and ARR) to be evaluated on annual basis during the loan tenure. Independent evaluator has been appointed for evaluation of interest subsidy proposal. It is expected that NEF scheme will supplement the efforts of Govt. of India and result in improvement in distribution sector in the country. NEF scheme has given an opportunity to REC to enhance its business prospects in the power distribution sector.

NEF Steering Committee till March 31, 2018, has approved interest subsidy amounting to Rs. 849.15 Million to eligible DISCOMs based on the performance criterion evaluated by an independent evaluator and REC. DISCOMs have started getting the interest subsidy amount under the scheme and the benefits shall ultimately be passed on to the consumers of the respective DISCOMs.

UDAY SCHEME

The recent initiative by Ministry of Power, GoI through Ujwal DISCOM Assurance Yojana (UDAY), launched in November 2015, is a path breaking reform for realizing the Hon'ble Prime Minister's vision of affordable and accessible 24x7 power for all. It is another decisive step furthering the landmark strides made in the power sector over the past 2 (two) years, with the sector witnessing a series of historic improvements across the entire value chain, from fuel supply (highest coal production growth in over 2 (two) decades), to generation (highest ever capacity addition), transmission (highest ever increase in transmission lines) and consumption (over 2.3 Crore light emitting diodes bulbs distributed).

Financially stressed DISCOMs are not able to supply adequate power at affordable rates, which hampers quality of life and overall economic growth and development. Efforts towards 100% village electrification, 24X7 power supply and clean energy cannot be achieved without performing DISCOMs. Power outages also adversely affect national priorities like "Make in India" and "Digital India".

Due to legacy issues, DISCOMs are trapped in a vicious cycle with operational losses being funded by debt. Outstanding debt of DISCOMs has increased from about 2.4 Lakh Crore at the end of Fiscal 2011-12 to about 4.3 Lakh Crore at the end of Fiscal 2014-15. UDAY assures the rise of vibrant and efficient DISCOMs through a permanent resolution of past as well as potential future issues of the sector. It empowers DISCOMs with the opportunity to break even in the next 2-3 (two-three) years. This is through four initiatives: (i) improving operational efficiencies of DISCOMs; (ii) reduction of cost of power; (iii) reduction in interest cost of DISCOMs; and (iv) enforcing financial discipline on DISCOMs through alignment with State finances.

Enterprise Resource Planning E-office and Information Security Management System (ISMS)

REC remains committed to use of technology to increase its efficiency, and in its efforts to increase its efficiency by use of technology and reduce the time involved in business functions like central accounting, project appraisal and sanction, disbursement etc., REC has implemented enterprise resource planning ("**ERP**") system in REC, which has resulted in increase in efficiency and greater customer satisfaction. The ERP system is being migrated from existing ERP (Oracle e-Biz suite) to the latest version - R12.2.7. The new ERP system will have advanced features and other benefits which will further facilitate automation of business operation of REC. We have also implemented digital office solution across all offices of REC. This system has gone live on January 1, 2018. Towards achieving efficient e-governance and transparency, in procurement, now all procurement of goods and services of value above Rs.2 Lakhs is being done through the e-procurement system. The system is also capable of conducting e-reverse auction as per the guidelines of the central vigilance commission. Additionally, various in-house developed systems viz. annual property return, bill payment and tracking system, visitor management system etc. are in operation to improve the efficiency of REC. For better operational environment and internal control and to mitigate security risk, both primary data centre ("**DC**") and disaster recovery centre ("**DR**") of REC are ISO/IEC 27001:2013 certified and comply with the National Cyber Security Policy of the GoI. Also data leakage and prevention system has been implemented at DC and DR for preventing sharing of confidential and critical information outside the corporate network. REC has also initiated steps to comply with the RBI "Master Direction – Information Technology Framework for the NBFC Sector" master direction number DNBS.PPD.No.04/66.15.001/2016-17 dated June 8, 2017, as amended.

6.3. Resource Mobilisation

We generally fund our assets, primarily comprising loans to the power sector, with borrowings of various maturities in the domestic and international markets. Our market borrowings include bonds, short-term loans, medium-term loans, long-term loans and external commercial borrowings. As on March 31, 2018, we had total outstanding borrowing of Rs.198791.51 Crores. The following table sets forth our indebtedness classified by Rupee-denominated and foreign currency-denominated sources and the percentages such resources constituted of our total indebtedness as on March 31, 2016, 2017 and 2018. The Rupee equivalents of foreign currency-denominated debts (other than those that are already fully hedged) are translated with reference to rates of exchange prevailing as at the end of all the periods indicated.

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

Resource Denomination	As on March, 31st					
	2016		2017		2018	
	Amount	%	Amount	%	Amount	%
Rupee	147,182.66	87.04	146,436.84	87.42	168,984.89	85.01
Foreign currency	21,923.72	12.96	21,080.54	12.58	29,806.62	14.99
Total	**169,106.38**	**100.00**	**167,517.38**	**100.00**	**198,791.51**	**100.00**

6.4. Domestic Borrowings

In terms of domestic resources, a significant proportion of our Rupee denominated funds are raised through privately placed bond issues in the domestic market and term loans. We have a diverse investor base of banks, financial institutions, mutual funds, insurance companies, provident fund trusts, gratuity fund trusts, superannuation trusts and individuals. The following table sets forth our outstanding Rupee-denominated indebtedness by type and the percentage such indebtedness constituted of our total Rupee-denominated indebtedness as on March 31, 2016, 2017 and 2018.

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

Rupee Denominated	As on March 31					
	2016		2017		2018	
	Amount	%	Amount	%	Amount	%
Taxable bonds	109677.54	74.52	113449.39	77.47	128870.89	76.26
54EC Capital Gain Tax Exemption bonds	17164.39	11.66	19477.40	13.30	23705.12	14.03
Infrastructure bonds	242.39	0.17	111.64	0.08	110.47	0.07
Tax-free bonds	12648.41	8.59	12648.41	8.64	12648.41	7.48
Term loans	1100.00	0.75	750.00	0.51	400.00	0.24
GoI loans	0.00	0.00	0.00	0.00	0.00	0.00
Commercial paper	5600.00	3.80	0.00	0.00	3250.00	1.92
WCDL	749.93	0.51	0.00	0.00	0.00	0.00
Total	**126995.92**	**100.00**	**146436.84**	**100.00**	**168984.89**	**100.00**

Taxable Bonds

We issue secured/ unsecured, non-convertible, non-cumulative, redeemable, taxable, senior/subordinate bonds typically with a maturity of 3 (three) to 10 (ten) years from the date of issuance and bearing a fixed interest rate that depends upon market conditions at the time of issuance.

54EC – Capital Gain Tax Exemption Bonds

We began issuing 54 EC – Capital Gain Tax Exemption bonds from Fiscal 2001. Section 54EC of the I.T. Act relates to exemption of taxes on long term capital gains, if invested in these bonds, subject to limits and qualifications. We are, therefore, able to price such bonds at a lower rate of interest than would otherwise be available to us. In order to qualify for the tax exemption, these bonds must be held for period not less than 3 (three) years. Up to Fiscal 2007, these bonds have put dates or maturity dates at the end of 3 (three) years from issuance

and thereafter automatic redemption after the lock in period of 3 (three) years. Since January 2007, the GoI has limited the amount of our bonds that an individual investor can utilise to offset long term capital gains to Rs.0.50 Crore in a financial year which has reduced the amount of bonds we have been able to offer for subsequent periods. Now since April 1, 2018, the holding period as well as automatic redemption period has been changed from 3 (three) to 5 (five) years by the GoI. The 54EC – capital gain tax exemption bonds are offered on a domestic private placement basis and are not listed on any exchange.

Infrastructure Bonds

We have issued infrastructure bonds, in Fiscal 2002 to 2005 under Section 88 of the I.T. Act, and in Fiscal 2011 and Fiscal 2012, under Section 80CCF of the I.T. Act. Under provisions of Section 88 of the I.T. Act, deduction is allowed from the amount of Income Tax (as computed before allowing the deductions under Chapter VI) on investor's total income, on investment of these bonds. Under provisions of Section 80CCF of the I.T. Act, deduction is allowed from gross total income of an assessee on investment in these bonds and terms of the issue were subject to notification No. 48/2010/F NO 149/84/2010-SO (TPL) issued by the Central Board of Direct Taxation.

Our infrastructure bonds typically have a maturity of 10 (ten) and 15 (fifteen) years from the date of issuance and bear a fixed interest rate with buyback option after specified years i.e., 5/6/7/8/9 years. The infrastructure bonds were offered on a domestic private placement basis and bond issued in Fiscal 2011 and Fiscal 2012 are listed on NSE and tradable after lock in period.

Tax-free Bonds

We have issued tax-free bonds up to Fiscal 2002 and thereafter issued in Fiscal 2012 to Fiscal 2014 and Fiscal 2016. Under provisions of the I.T. Act, interest on these bonds was tax exempt for bondholders and we were therefore able to price such bonds at a lower rate of interest that would otherwise have been available to us. The weighted average annualise cost of borrowing on all of our outstanding tax free bonds as on March 31, 2018 was 8.06%.

The tax-free bonds issued up to Fiscal 2002, were offered on a domestic private placement basis and listed on the "whole sale debt market segment" of the NSE. The tax-free bonds issued in Fiscal 2012, were offered under domestic public issue and listed on the "whole sale debt market segment" of the BSE. The tax-free bonds issued in Fiscal 2013 and Fiscal 2014, were offered under domestic public issue and private placement and listed on the "retail debt market segment" and "whole sale debt market segment" respectively of the BSE and NSE. The tax-free bonds issued in Fiscal 2016 were offered under domestic public issue and private placement and listed on the "retail debt market segment" and "whole sale debt market segment" respectively of the BSE. Our tax free bonds typically have a maturity of 10 (ten), 15 (fifteen) and 20 (twenty) years from the date of issuance and bear a fixed interest rate.

Term loans from commercial banks and financial institutions

As on March 31, 2018, we had one Rupee denominated secured term loan facilities from Life Insurance Corporation of India having outstanding balance of Rs.400 Crore as on March 31, 2018. These facilities are obtained on commercial terms and have varying maturity dates and interest rates. The weighted average annualised interest rate on all of our outstanding indebtedness under term loan facilities from commercial banks and financial institutions as on March 31, 2018 was 7.35%.

WCDL: As on March 31, 2018, no amount is outstanding on account of WCDL.

STL: As on March 31, 2018, nothing is outstanding on account of STL.

Loans from GoI: As on March 31, 2018, nothing is outstanding on account of GoI.

Commercial Paper**:** The Issuer mobilised funds through commercial paper during various years. These are obtained on varying maturity dates and interest rates. The weighted average annualised interest rate on all new borrowings through commercial paper during Fiscal 2017-18 was 6.54%. Commercial paper of Rs.3250 Crore are outstanding as on March 31, 2018.

6.5 Foreign Currency Resources

We first began arranging for foreign currency borrowings during Fiscal 2007. As on March 31, 2018, outstanding foreign currency loans are Rs. 29806.62 Crores.

6.6 External Commercial Borrowings in Foreign Currency

In Fiscal 2016, the Issuer raised ECB as under:

- Syndicated loan agreement through Mizuho Bank, Ltd, State Bank of India and Bank of Baroda for USD 300 Million. Loan under this agreement bear a variable interest at a spread of 100 basis points over six-month USD LIBOR and will mature in Fiscal 2021. As on March 31, 2018, this loan facility was fully drawn and entire USD 300 Million hedged through principal only swap at 4.9155% pa.

- Syndicated loan agreement for USD 250 Million through Sumitomo Mitsui Banking Corporation, Mizuho Bank Ltd. and MUFG Bank Ltd. to refinance the ECB of USD 250 Million raised in Fiscal 2013, as per approval of RBI. Loan under this agreement bear a variable interest at a spread of 70 basis points over six-month USD LIBOR and will mature in Fiscal 2019. As on March 31, 2018, this loan facility was fully drawn and USD 50 Million hedged through principal only swap at 5.5295% pa, USD 50 Million hedged through call spread options at 4.4985% pa and balance USD 150 Million is unhedged.

- Syndicated loan agreement through State Bank of India and HSBC Bank (Mauritius) Limited for USD 300 Million. Loan under this agreement bear a variable interest at a spread of 105 basis points over six-month USD LIBOR and will mature in Fiscal 2021. As on March 31, 2018, this loan facility was fully drawn and USD 75 Million hedged through principal only swap at 4.9760% pa and USD 225 Million hedged through call spread options at 4.0088% p.a.

- Syndicated loan agreement for USD 250 Million through Mizuho Bank Ltd. and MUFG Bank Ltd. to refinance the ECB of USD 250 Million raised in Fiscal 2013, as per approval of RBI. Loan under this agreement bear a variable interest at a spread of 65 basis points over six-month USD LIBOR and will mature in Fiscal 2019. As on March 31, 2018, this loan facility was fully drawn and entire USD 300 Million hedged through call spread options at 4.1859% p.a.

- Syndicated loan agreement for USD 120 Million through Australia and New Zealand Banking Group Limited to part-refinance the ECB of USD 250 Million raised in Fiscal 2013, as per approval of RBI. Loan under this agreement bear a variable interest at a spread of 95 basis points over six-month USD LIBOR and will mature in Fiscal 2019. As on March 31, 2018, this loan facility was fully drawn and entire USD 75 Million hedged through call spread options at 4.44% p.a.

In Fiscal 2017, the Issuer raised ECB as under:

- Bilateral loan agreement for USD 100 Million through MUFG Bank Ltd. Loan under this agreement bear a variable interest at a spread of 80 basis points over three-month USD LIBOR and will mature in Fiscal 2022. As on March 31, 2018, this loan facility was fully drawn and entire USD 100 Million hedged through call spread options at 4.3195% p.a.

- Syndicated loan agreement through MUFG Bank Ltd., Mizuho Bank, Ltd., and Australia and New Zealand Banking Group Limited for USD 230 Million. Loan under this agreement bear a variable interest at a spread of 80 basis points over one-month USD LIBOR and will mature in Fiscal 2022. As on March 31, 2018, this loan facility was fully drawn and entire USD 230 Million hedged through call spread options at 3.5433% p.a.

In Fiscal 2018, the Issuer raised ECB as under:

- Bilateral loan agreement for USD 200 Million through State Bank of India, London Branch. Under this agreement bear a variable interest at a spread of 65 basis points over three-month USD LIBOR and will mature in Fiscal 2023. As on March 31, 2018, this loan facility was fully drawn and entire USD 200 Million hedged through Principal only swap at 4.1442% p.a.

- USD Reg-S Green Bonds amounting to USD 450 Million under REC MTN programme at a fixed cost of 3.875% for a tenure of 10 (ten) years, listed on Singapore Stock Exchange and London Stock Exchange. The bonds will mature in Fiscal 2028. As on March 31, 2018, the fund under these bonds has been fully drawn and are unhedged.

- Bilateral loan agreement through MUFG Bank Limited for USD 57.50 Million to part refinance the Syndicated term loan of USD 250 Million raised in Fiscal 2015. Loan under this agreement bear a variable interest at a spread of 35 basis points over six-month USD LIBOR and will mature in Fiscal 2020. As on March 31, 2018, this loan facility was fully drawn and is unhedged.

- USD Reg-S Bonds amounting to USD 400 Million under REC MTN programme at a fixed cost of 3.068% for a tenure of 3 (three) years, listed on Singapore Stock Exchange and London Stock Exchange, to refinance the syndicated term loan of USD 400 Million raised in Fiscal 2015. The bonds will mature in Fiscal 2021. As on March 31, 2018, the fund under these bonds has been fully drawn and entire funds have been hedged through seagull options with upfront premium payment of 6.46%.

- Syndicated loan agreement through MUFG Bank Limited, HSBC Bank (Mauritius) Limited and The Hongkong and Shanghai Banking Corporation Limited, Mauritius Branch for USD 240 Million to part refinance Syndicated term loan of USD 400 Million raised in Fiscal 2015. Loan under this agreement bear a variable interest at a spread of 51 basis points over six-month USD LIBOR and will mature in Fiscal 2021. As on March 31, 2018, this loan facility was fully drawn and is unhedged.

- Bilateral loan agreement through Mizuho Bank Limited for USD 160 Million to part refinance the Syndicated term loan of USD 400 Million raised in Fiscal 2015. Loan under this agreement bear a variable interest at a spread of 60 basis points over three-month USD LIBOR and will mature in Fiscal 2021. As on March 31, 2018, this loan facility was fully drawn and is unhedged.

- USD Reg-S Bonds amounting to USD 300 Million under REC MTN programme at a fixed cost of 4.625% for a tenure of 10 (ten) years, listed on Singapore Stock Exchange and London Stock Exchange. The bonds will mature in Fiscal 2028. As on March 31, 2018, the fund under these bonds has been fully drawn and is unhedged.

Bilateral credit agreements: We also have five foreign currency loan facilities from external bilateral credit agencies.

- In Fiscal 2006, we also entered into a loan agreement with JICA for financial assistance of JPY 20,629 Million restated to 16,949.38 Million w.e.f. 29.08.2012. This agreement bears a fixed interest rate of 0.75% per annum and matures in 2021. The GoI has guaranteed borrowings under this facility for which we pay a guarantee fee. As of March 31, 2018, entire outstanding amount of JPY 16,949.38 Million has been drawn under this facility.

- In Fiscal 2008, we entered into a second loan agreement with JICA for financial assistance of JPY 20,902 Million restated to JPY 13,000 Million w.e.f. 18.02.2012 and further restated to JPY 11,809 Million w.e.f. 31.03.2016. This agreement bears a fixed interest rate of 0.65% per annum and matures in Fiscal 2023. The GoI has guaranteed borrowings under this facility for which we pay a guarantee fee. As on March 31, 2018, JPY 11,809 Million have been fully drawn under this facility.

- In Fiscal 2007, we entered into a loan agreement with KfW for financial assistance of Euro 70 Million. Loans under this agreement bear a fixed interest rate of 3.73% per annum and mature in 2018. The GoI has guaranteed borrowings under this facility for which we pay a guarantee fee. As of March 31, 2018, entire loan amount of Euro 70 Million has been drawn under this facility.

- In Fiscal 2009, we entered into a second loan agreement with KfW for financial assistance of Euro 70 Million. This agreement bears a fixed interest rate of 2.89% per annum and matures in 2020. The GoI has guaranteed borrowings under this facility for which we pay a guarantee fee. As of March 31, 2018, entire loan amount of Euro 70 Million has been drawn under this facility.

- In Fiscal 2012, we entered into a third loan agreement with KfW for financial assistance of Euro 100 Million. This agreement bears a fixed interest rate of 1.86% per annum and matures in 2024. The GoI has guaranteed borrowings under this facility for which we pay a guarantee fee. As March 31, 2018, Euro 100 Million has been fully drawn under this facility.

6.7. Business Details of Subsidiaries And Their Special Purpose Vehicles as on March 31, 2018:

6.7.1. REC Transmission Projects Company Limited

RECTPCL was incorporated on January 8, 2007 as a public limited company and its registered office is situated at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi 110 003, India. It received its certificate of commencement of business on February 5, 2007. RECTPCL is engaged inter alia in the business of, to promote, organise or carry on the business of consultancy services and/or project implementation in any field of activity relating to transmission and distribution of electricity in India or abroad.

6.7.2. REC Power Distribution Company Limited

RECPDCL was incorporated on July 12, 2007 as a public limited company and its registered office is situated at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi 110 003, India. It received its certificate of commencement of business on July 31, 2007. RECPDCL is presently engaged inter alia in the business of, to promote, develop, construct, own, operate, distribute and maintain 66KV and below voltage class electrification, distribution, electric supply lines or distribution system.

6.7.3 Dinchang Transmission Limited

Dinchang Transmission Limited has been incorporated as a special purpose vehicle as a wholly owned subsidiary of REC Transmission Projects Company Limited December 2, 2015 as transmission service provider for transmission system for Phase-I Generation Projects in Arunachal Pradesh. A two stage Bidding process featuring separate request for qualification ("**RFQ**") and request for proposal ("**RFP**") has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as transmission service provider. The RFQ of the project was issued on December 4, 2015. Five bidders have participated at the RFQ stage and all five bidders have qualified to participate in next stage of bidding i.e. RFP. The RFP for the project has been issued w.e.f April 13, 2016. However, the bidding process has been kept in abeyance as per the instructions from the Central Electricity Authority.

6.7.4 Ghatampur Transmission Limited

Ghatampur Transmission Limited has been incorporated as a special purpose vehicle as a wholly owned subsidiary of REC Transmission Projects Company Limited on December 2, 2016 as transmission service provider for evacuation of Power from 3x660 MW Ghatampur Thermal Power Project. A two stage Bidding process featuring separate RFQ and RFP has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as a transmission service provider. The RFQ of the project was issued on September 3, 2016. Four bidders participated at the RFQ stage out of which three bidders have qualified to participate in next stage of bidding i.e. RFP. The RFP for the project was issued on January 19, 2018. All three short listed bidders have submitted response to RFP. The responses to the RFP was opened on May 1, 2018 and the same are under evaluation.

6.7.5 Chandil Transmission Limited

Chandil Transmission Limited has been incorporated as a special purpose vehicle, as a wholly owned subsidiary of REC Transmission Projects Company Limited on 14th March, 2018 to undertake activities for development of various elements of transmission system strengthening in Jharkhand State. A two stage bidding process featuring separate RFQ and RFP has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as a transmission service provider. The RFQ for the project has been issued on 10th February, 2018 and evaluation of the same is in process.

6.7.6 Koderma Transmission Limited

Koderma Transmission Limited has been incorporated as a special purpose vehicle, as a wholly owned subsidiary of REC Transmission Projects Company Limited on 19th March, 2018 to undertake activities for development of various elements of Transmission System Strengthening in Jharkhand State. A two stage Bidding process featuring separate RFQ and RFP has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as transmission service provider. The RFQ for the project has been issued on 10th February, 2018 and evaluation of the same is in process.

6.7.7 Dumka Transmission Limited

Dumka Transmission Limited has been incorporated as a special purpose vehicle, as a wholly owned subsidiary of REC Transmission Projects Company Limited on 23rd March, 2018 to undertake activities for development of various elements of Transmission System Strengthening in Jharkhand State. A two stage Bidding process featuring separate RFQ and RFP has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as Transmission Service Provider. The RFQ for the project has been issued on 10th February, 2018 and evaluation of the same is in process.

6.7.8 Mandar Transmission Limited

Mandar Transmission Limited has been incorporated as a special purpose vehicle, as a wholly owned subsidiary of REC Transmission Projects Company Limited on 26th March, 2018 to undertake activities for development of various elements of transmission system strengthening in Jharkhand State. A two stage bidding process featuring separate RFQ and RFP has been adopted in accordance with tariff based competitive bidding guidelines of Ministry of Power, GoI for selection of developer as transmission service provider. The RFQ for the project has been issued on 10th February, 2018 and evaluation of the same is in process.

SECTION VII
OUR MANAGEMENT

7.1. DETAILS OF THE BOARD

Under our Articles of Association, we are required to have not less than 3 (three) directors and not more than 15 (fifteen) directors. We currently have 8 (eight) directors out of which 3 (three) are executive Directors including the Chairman and Managing Director, (1) one is GoI nominee Director and 4 (four) are part-time non-official Independent Directors including one woman Director.

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

Name, Father's/Husband's Name, Designation, Occupation, DIN, Age and Nationality	Residential Address	Director of the Company Since	Other Directorships	Appointment / Resignation
Dr. P.V. Ramesh S/o Shri Penumaka Subba Rao Chairman and Managing Director Occupation: Service (IAS) DIN: 02836069 Age: 59 years Nationality: Indian	B-326, Chandgi Ram Block, Asian Games Village Complex, Near Siri Fort Auditorium, New Delhi - 110049, India.	January 5, 2017	• REC Transmission Projects Company Limited • REC Power Distribution Company Limited	MoP Order No. 46/8/2011-RE dated February 16, 2017
Shri Ajeet Kumar Agarwal S/o Late Shri Shree Gopal Agarwal Director (Finance) Occupation: Service DIN: 02231613 Age: 58 years Nationality: Indian	C-601, Plot GH-7, Shiksha Niketan Apartment, Sector 5, Vasundhara, Ghaziabad, 201012, Uttar Pradesh, India	August 1, 2012	• REC Transmission Projects Company Limited • Indian Energy Exchange Limited • REC Power Distribution Company Limited	MoP Order No. 46/9/2011-RE dated May 17, 2012 read with MoP Order No. 46/9/2011-RE dated 19th July, 2017
Shri Sanjeev Kumar Gupta S/o Shri Bhukan Saran Gupta Director (Technical) Occupation: Service DIN: 03464342 Age: 56 years Nationality: Indian	16-C, Nilgiri-1 Apartment, Sector 34, Noida 201307, Uttar Pradesh, India	October 16, 2015	• REC Power Distribution Company Limited • REC Transmission Projects Company Limited	MoP Order No. 46/14/2014-RE dated October 16, 2015
Dr. Arun Kumar Verma S/o Late Shri Siya Kant Prasad Government Nominee Director Occupation: Service DIN: 02190047 Age: 59 years	E-203, Central Government Residential Complex, Deen Dayal Upadhyay Marg, New Delhi – 110002, India	October 6, 2015	• Power Finance Corporation Limited • PTC India Limited	MoP Order No. 46/8/2015-RE dated October 6, 2015

Name, Father's/Husband's Name, Designation, Occupation, DIN, Age and Nationality	Residential Address	Director of the Company Since	Other Directorships	Appointment / Resignation
Nationality: Indian				
Shri Aravamudan Krishna Kumar S/o Shri K. Aravamudan Part-time non-official (Independent) Director Occupation: Retired Banker DIN: 00871792 Age: 63 years Nationality: Indian	B-603, B Block, 6th Floor, Fortune Towers, Madhapur, Hyderabad – 500081, India	November 13, 2015	• Andhra Bank • Suraksha Asset Reconstruction Private Limited • Sathguru Catalyser Advisors Private Limited • Central Depository Services (India) Limited • TVS Wealth Private Limited	MoP Order No. 46/2/2010-RE-Vol.II (Part-IV) dated November 13, 2015
Prof. Tiruvallur Thattai Rammohan S/o Shri T.T. Vijayaraghavan Part-time non-official (Independent) Director Occupation: Professor DIN:00008651 Age: 62 years Nationality: Indian	House No. 504, Indian Institute of Management, Vastrapur, Ahmedabad – 380015, India	November 13, 2015	• SBICAP Securities Limited • IndusInd Bank Limited • Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited	MoP Order No. 46/2/2010-RE-Vol.II (Part-IV) dated November 13, 2015
Smt. Asha Swarup W/o Shri Dev Swarup Part-time non-official (Independent) Director Occupation: Retired IAS Officer DIN: 00090902 Age: 68 years Nationality: Indian	"UDAY", Lower Ramnagar, Near Dr. Mahajan's Clinic, Dharamsala, District Kangra, Himachal Pradesh–176215, India	February 8, 2017	• Himachal Pradesh Kaushal Vikas Nigam	MoP Order No. 46/2/2010-RE-Vol.II (Part-IV) dated February 8, 2017
Dr. Bhagvat Kisanrao Karad S/o Shri Kisanrao Pandurang Karad Part-time non-official (Independent) Director Occupation: Medical Practitioner DIN: 00998839 Age: 64 years Nationality: Indian	Dr. Karad Hospital Kranti Chowk Samta Nagar Aurangabad - 431001 (Maharashtra)	July 17, 2018	• None	MoP Order No. 20/6/2017 Coord. dated 17th July, 2018

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

Corporate Governance

REC has been complying with the requirements of corporate governance as prescribed under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended ("**LODR**"). As on date, the composition of the Board of Directors is three (3) Executive Directors including the Chairman and Managing Director, four (4) Part-time Non-official (Independent) Directors including one (1) Woman director and one (1) GoI Nominee Director. At present, REC is in compliance with the provisions of the LODR relating to composition of the Board.

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

Name	DIN	Designation	Date of Appointment	Date of Completion of tenure/ Resignation Date	Reason
Shri Badri Narain Sharma	01221452	Government Nominee Director	August 23, 2012	October 6, 2015	Ceased to be a Director pursuant to a notification by the MoP, GoI.
Shri Prakash Thakkar	01120152	Director (Technical)	May 2, 2011	October 12, 2015	Ceased to be a Director pursuant to resignation.
Shri Rajeev Sharma	00973413	Chairman & Managing Director	November 29, 2011	October 1, 2016	Ceased to be a Director pursuant to relinquishment of charge as CMD.
Shri Bhagwati Prasad Pandey	01393312	Chairman & Managing Director	October 1, 2016	January 5, 2017	Ceased to hold the additional charge of CMD REC, pursuant to the appointment of Dr. P.V. Ramesh as CMD REC w.e.f. January 5, 2017.
Dr. Arun Kumar Verma	02190047	Government Nominee Director	October 6, 2015	Continuing	Appointment pursuant to a notification by the MoP, GoI.
Shri Sanjeev Kumar Gupta	03464342	Director (Technical)	October 16, 2015	Continuing	Appointment pursuant to a notification by the MoP, GoI.
Shri Arun Singh	00891728	Part-time non-official Independent Director	November 13, 2015	March 8, 2018	Resigned w.e.f. 8th March, 2018 due to personal reasons.
Shri Aravamudan Krishna Kumar	00871792	Part-time non-official Independent Director	November 13, 2015	Continuing	Appointment pursuant to a notification by the MoP, GoI.
Prof. Tiruvallur Thattai Rammohan	00008651	Part-time non-official Independent Director	November 13, 2015	Continuing	Appointment pursuant to a notification by the MoP, GoI.
Dr. P.V. Ramesh	02836069	Chairman & Managing Director	January 5, 2017	Continuing	Appointed pursuant to a notification by the MoP, GoI.
Smt. Asha Swarup	00090902	Part-time non-official Independent Director	February 8, 2017	Continuing	Appointment pursuant to a notification by the MoP, GoI.
Shri Ajeet Kumar Agarwal	02231613	Director (Finance)	August 1, 2012	Continuing (Extension of tenure)	Extension of tenure of original appointment vide MoP Order No. 46/9/2011-

Name	DIN	Designation	Date of Appointment	Date of Completion of tenure/ Resignation Date	Reason
					RE dated 19th July, 2017. (The original appointment was vide MoP Order No. 46/9/2011-RE dated May 17, 2012).
Dr. Bhagvat Kisanrao Karad	00998839	Part-time non-official Independent Director	July 17, 2018	Continuing	Appointment pursuant to a notification by the MoP, GoI.

SECTION VIII
DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC.

8.1 INTERESTS OF OUR DIRECTORS

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

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

8.2 INTEREST OF KEY MANAGERIAL PERSONS/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. President of India) may be deemed to be interested to the extent of shareholding held in the Issuer.

8.3 LITIGATION

Since the GoI is the Promoter 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 Promoter of the Issuer during the last 3 (three) years.

8.4 REMUNERATION OF DIRECTORS

8.4.1. Chairman and Managing Director and Whole Time Directors

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

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.) ##	Total (Rs.)
Shri. P.V. Ramesh,CMD (w.e.f. 5th Jan 2017)	27,17,465	0	27,17,465
Shri Ajeet Kumar Agarwal, Director (Finance)	49,96,964	12,59,253	62,56,217
Shri Sanjiv Kumar Gupta, Director (Technical)	50,48,127	14,38,641	64,86,768

Note :
The above salaries and allowances are in accordance with section 17(1) of the I.T. Act, include allowances exempt under section 10 of the I.T. Act and taxable medical payments but exclude exempt medical and uniform reimbursements.
This includes perquisites accordance with section 17(2) of the I.T. Act and employer share towards Provident Fund and Superannuation Fund but excludes electricity, entertainment and house attendant payments, travel allowance related payments, gratuity contribution paid by the Issuer, based on actuarial valuation to the REC Gratuity Fund.

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

Name of the Director	Salary& Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.) ##	Total (Rs.)
Shri. P.V. Ramesh,CMD (w.e.f. 5th Jan 2017)	7,27,792	2,010	7,29,802
Shri Bhagwati Prasad Pandey, CMD (w.e.f. October 5, 2016) *	0	0	0
Shri Rajeev Sharma, CMD (upto 1st Oct 2016)	36,21,986	11,41,999	47,63,985
Shri Ajeet Kumar Agarwal, Director (Finance)	45,28,339	10,53,756	55,82,095
Shri Sanjiv Kumar Gupta, Director (Technical)	41,01,989	8,62,004	49,63,993

Note :

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

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

* Shri Bhagwati Prasad Pandey had been given additional charge of CMD of REC.

The following table sets forth the details of remuneration paid to the Whole Time Directors during the Fiscal 2016:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.)	Perquisites, other Benefits (Rs.)	Total (Rs.)
Shri Rajeev Sharma, CMD	47,77,084	10,48,630	58,25,714
Shri Ajeet Kumar Agarwal, Director (Finance)	42,46,990	2,60,905	45,07,895
Shri Prakash Thakkar, Director (Technical) upto 12.10.2015	47,07,475	11,61,156	58,68,631
Shri Sanjiv Kumar Gupta, Director (Technical) w.e.f 16.10.2015	20,00,858	2,20,612	22,21,470

8.4.2. Remuneration of Part-time Non official Directors

The part- time non official Independent Directors do not have any material pecuniary relationship or transaction with the Issuer. The Board of Directors in their meeting held on May 28, 2013 decided to pay following as sitting fee to part-time non-official Independent Directors for Board or Committee meeting:

S. No	Meetings	Sitting fees per Meeting (in Rs.)
1	Board Meeting	20,000
2	Committee Meeting	20,000

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

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

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

Sl. No.	Name of part-time non-official Independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri Arun Singh	1,40,000	1,60,000	3,00,000
2.	Shri A. Krishna Kumar	1,80,000	4,60,000	6,40,000
3.	Prof. T.T. Ram Mohan	1,80,000	3,60,000	5,40,000
4.	Ms. Asha Swarup	40,000	40,000	80,000
	Total			**15,60,000**

Set forth below are the details of the sitting fees paid to Independent Directors during Fiscal 2016:

Sl. No.	Name of part-time non-official Independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Shri Arun Singh	60,000	60,000	1,20,000
2.	Shri A. Krishna Kumar	80,000	1,40,000	2,20,000
3.	Prof. T.T. Ram Mohan	80,000	1,20,000	2,00,000
	Total			**5,40,000**

8.5 RELATIONSHIP WITH OTHER DIRECTORS

None of the Directors of REC are, in any way, related to each other.

8.6 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 2017-18, 2016-17 and 2015-16:

Details of amount due from/ to the related parties:

(Rs. in Crores)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Long-term Debt			
RECTPCL	60.00	60.00	60.00
RECPDCL	10.44	10.44	10.44
Key Managerial Personnel	0.10	0.10	0.10
Loans & Advances			
RECTPCL	0.27	0.28	0.22
RECPDCL	1.23	1.07	0.73
Key Managerial Personnel	0.53	0.50	0.83
Other Current Liabilities			
RECPDCL	4.35	1.51	5.37

Details of transactions with the related parties:

(Rs. in Crores)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Loans & Advances			
Key Managerial Personnel	0.20	0.06	0.53
Disbursement from Subsidy/ Grant Received from Govt. of India			
RECPDCL	0.06	-	6.90

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
RECTPCL	1.52	-	-
Dividend from Subsidiaries			
RECTPCL	13.80	8.65	9.51
RECPDCL	12.11	10.85	0.50
Interest Income - Loans & Advances			
RECPDCL	0.03	-	-
Key Managerial Personnel	0.02	0.03	0.04
Apportionment of Employee Benefit and Other Expenses			
RECTPCL	2.72	2.56	2.35
RECPDCL	5.34	4.65	4.32
Finance Cost			
Interest Paid to RECTPCL	4.70	4.70	4.70
Interest Paid to RECPDCL	0.84	0.82	0.64
Interest Paid to Key Managerial Personnel	0.01	0.01	0.01
Employee Benefits Expense - Managerial Remuneration	2.04	2.09	2.33
CSR Expenses			
RECPDCL	0.19	14.25	91.77
EESL	-	0.86	0.28
Other Expenses			
RECPDCL	16.58	30.65	2.22

8.7 DETAILS OF ANY INSPECTIONS/INVESTIGATION/INQUIRY CONDUCTED UNDER COMPANIES ACT, 2013 AND PREVIOUS COMPANY LAW DURING THE LAST THREE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

NIL

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

8.9 DETAILS OF DEFAULT(S) AND/OR DELAY(S) IN PAYMENTS OF ANY KIND OF STATUTORY DUES, DEBENTURES/ BONDS/ DEBT SECURITIES AND INTEREST THEREON, DEPOSITS AND INTEREST THEREON, LOANS FROM ANY BANK OR FINANCIAL INSTITUTION AND INTEREST THEREON AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE COMPANY.

8.9.1 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.

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

(i) it has serviced all the principal and interest liabilities on all its borrowings on time and there has been no instance of delay or default since inception; and

(ii) it has not affected any kind of roll over or restructuring against any of its borrowings in the past.

8.9.3 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.

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

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

8.11 OUTSTANDING BORROWINGS/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, AT A PREMIUM OR DISCOUNT, OR IN PURSUANCE OF AN OPTION

Other than and to the extent mentioned elsewhere in the Private Placement Offer Letter, the Issuer has not issued any Debt Securities or agreed to issue any Debt Securities or availed any borrowings for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

8.12 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
2017-18	Nil
2016-17	Nil
2015-16	Nil
2014-15	Nil
2013-14	Nil

SECTION IX
MANAGEMENT'S PERCEPTION OF RISK FACTORS

MANAGEMENT PERCEPTION OF RISK FACTORS

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

RISK RELATING TO BUSINESS OR INDUSTRY

1. Our business depends upon policies and support provided by GoI. We are also regulated by other laws such as Companies Act, 2013, guidelines by RBI, SEBI, stock exchanges and other applicable laws. GoI may withdraw its support or tax incentives and can come up with the policies/regulations/laws which may be inconsistent with our business objectives. Any such adverse change in policies of the GoI may affect our business. Also, as a majority stake holder and Promoter, GoI could require us to take actions designed to serve the public interest in India and not necessarily to maximize our profits.

2. Our competitive efficiency depends on our capacity to maintain low cost of funds. Any increase in cost of funds will adversely affect our business. Adverse change in exchange rates on account of our foreign currency borrowings and volatility of interest rates both in international and domestic debt markets may lead to increase in the cost of funds.

3. Any negative trends or financial difficulties, particularly among the borrowers and borrower groups to whom we have the greatest exposure, including SEBs and PSUs, could increase the level of NPAs in our portfolio and that may make us unable to service our outstanding indebtedness. SEBs which were our borrowers and have been restructured may not have transferred liabilities related with loans to new entity, which may affect our ability to enforce the applicable provisions of the original agreement.

4. We may face potential liquidity risks due to varying periods over which our assets and liabilities mature.

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

6. We may not have obtained sufficient security and collateral from our borrowers, or we may not be able to recover or enforce, or there may be a delay in recovering or enforcing, the expected value from any

security and collateral which could have a material adverse effect on our business, financial condition and results of operations.

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

8. We have granted loans to the private sector on a non-recourse or limited recourse basis, which may increase the risk of non-recovery and could expose us to significant losses.

9. Our Directors may have interests in companies/entities similar to ours, which may result in a conflict of interest that may adversely affect future financing opportunity referrals and there can be no assurance that these or other conflicts of interest will be resolved in an impartial manner. We have entered and may enter into certain transactions with related parties, which may not be on an arm's length basis or may lead to conflicts of interest.

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

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

12. We have been granted certain exemption by various authorities like RBI etc. Withdrawal of such exemptions may affect our competitive strength.

13. We may not be in compliance with certain regulations like corporate governance etc. and the same may result in imposition of penalties on us.

14. With the computerization of the accounting, payroll, human resource systems and other areas of REC, there is every possibility of cybercrimes and frauds related to hacking of internal systems, possibility of manual intervention which may lead to destruction of our data.

RISKS RELATING TO INVESTMENT IN THE BONDS

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

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

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

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

EXTERNAL RISK FACTOR

1. A slow-down in economic growth of India, 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, act of terrorism, war, riot etc. may affect our business. Any adverse change in such conditions may result in difficulties in obtaining funding on attractive terms.

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

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

SECTION X
CAPITAL STRUCTURE AND FINANCIAL POSITION OF THE ISSUER

10.1. CAPITAL STRUCTURE

10.1.1. The equity share capital of the Issuer, as on March 31, 2018, is set forth below:

(Rs. in Crores, except share data)

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

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

10.1.2. Changes in the Capital Structure for last 5 (five) years

There is no change in the capital structure of the Issuer as on March 31, 2018, for the last 5 (five) years other than as mentioned below.

10.1.3. Share Capital History

Date of Issue/ allotment	No. of Equity Shares of the Company	Face Value (Rs.)	Issue price (Rs.)	Nature for allotment	Consideration in Cash/ other than cash	Cumulative Share Premium	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs.)
October 7, 1969	2,000	1,000	1,000	Initial subscription	Cash	Nil	2,000,000	2,000,000
January 30, 1970	28,000	1,000	1,000	Further issue	Cash	Nil	28,000,000	30,000,000
December 2, 1970	60,000	1,000	1,000	Further issue	Cash	Nil	60,000,000	90,000,000
April 30, 1971	20,000	1,000	1,000	Further issue	Cash	Nil	20,000,000	110,000,000
January 28, 1972	10,000	1,000	1,000	Further issue	Cash	Nil	10,000,000	120,000,000
August 28, 1972	80,000	1,000	1,000	Further issue	Cash	Nil	80,000,000	200,000,000
September 27, 1973	70,000	1,000	1,000	Further issue	Cash	Nil	70,000,000	270,000,000
March 23, 1974	40,000	1,000	1,000	Further issue	Cash	Nil	40,000,000	310,000,000
October 31, 1974	100,000	1,000	1,000	Further issue	Cash	Nil	100,000,000	410,000,000
February 20, 1975	90,000	1,000	1,000	Further issue	Cash	Nil	90,000,000	500,000,000
March 8, 1976	50,000	1,000	1,000	Further issue	Cash	Nil	50,000,000	550,000,000
August 17, 1976	50,000	1,000	1,000	Further issue	Cash	Nil	50,000,000	600,000,000
July 30, 1977	70,000	1,000	1,000	Further issue	Cash	Nil	70,000,000	670,000,000
September 4, 1978	100,000	1,000	1,000	Further issue	Cash	Nil	100,000,000	770,000,000
July 25, 1979	100,000	1,000	1,000	Further issue	Cash	Nil	100,000,000	870,000,000
April 23,	40,000	1,000	1,000	Further issue	Cash	Nil	40,000,000	910,000,000

Date of Issue/ allotment	No. of Equity Shares of the Company	Face Value (Rs.)	Issue price (Rs.)	Nature for allotment	Consideration in Cash/ other than cash	Cumulative Share Premium	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs.)
1980								
August 23, 1980	15,000	1,000	1,000	Further issue	Cash	Nil	15,000,000	925,000,000
September 22, 1980	75,000	1,000	1,000	Further issue	Cash	Nil	75,000,000	1,000,000,000
July 27, 1981	100,000	1,000	1,000	Further issue	Cash	Nil	100,000,000	1,100,000,000
May 10, 1982	16,600	1,000	1,000	Further issue	Cash	Nil	16,600,000	1,116,600,000
August 16, 1982	83,400	1,000	1,000	Further issue	Cash	Nil	83,400,000	1,200,000,000
May 28, 1983	16,600	1,000	1,000	Further issue	Cash	Nil	16,600,000	1,216,600,000
August 3, 1983	83,400	1,000	1,000	Further issue	Cash	Nil	83,400,000	1,300,000,000
August 17, 1984	110,000	1,000	1,000	Further issue	Cash	Nil	110,000,000	1,410,000,000
May 29, 1985	30,000	1,000	1,000	Further issue	Cash	Nil	30,000,000	1,440,000,000
August 6, 1985	60,000	1,000	1,000	Further issue	Cash	Nil	60,000,000	1,500,000,000
December 17, 1985	110,000	1,000	1,000	Further issue	Cash	Nil	110,000,000	1,610,000,000
May 21, 1986	40,000	1,000	1,000	Further issue	Cash	Nil	40,000,000	1,650,000,000
July 16, 1986	220,000	1,000	1,000	Further issue	Cash	Nil	220,000,000	1,870,000,000
June 8, 1987	47,000	1,000	1,000	Further issue	Cash	Nil	47,000,000	1,917,000,000
August 6, 1987	239,000	1,000	1,000	Further issue	Cash	Nil	239,000,000	2,156,000,000
May 27, 1988	53,300	1,000	1,000	Further issue	Cash	Nil	53,300,000	2,209,300,000
July 30, 1988	266,700	1,000	1,000	Further issue	Cash	Nil	266,700,000	2,476,000,000
June 14, 1989	58,300	1,000	1,000	Further issue	Cash	Nil	58,300,000	2,534,300,000
July 20, 1989	291,700	1,000	1,000	Further issue	Cash	Nil	291,700,000	2,826,000,000
November 15, 1990	300,000	1,000	1,000	Further issue	Cash	Nil	300,000,000	3,126,000,000
January 28, 1991	70,000	1,000	1,000	Further issue	Cash	Nil	70,000,000	3,196,000,000
May 27, 1991	30,000	1,000	1,000	Further issue	Cash	Nil	30,000,000	3,226,000,000
August 21, 1991	200,000	1,000	1,000	Further issue	Cash	Nil	200,000,000	3,426,000,000
November 27, 1991	200,000	1,000	1,000	Further issue	Cash	Nil	200,000,000	3,626,000,000
June 11, 1992	65,000	1,000	1,000	Further issue	Cash	Nil	65,000,000	3,691,000,000
September 17, 1992	210,000	1,000	1,000	Further issue	Cash	Nil	210,000,000	3,901,000,000
June 18, 1993	190,000	1,000	1,000	Further issue	Cash	Nil	190,000,000	4,091,000,000
September 10, 1993	295,000	1,000	1,000	Further issue	Cash	Nil	295,000,000	4,386,000,000

Date of Issue/ allotment	No. of Equity Shares of the Company	Face Value (Rs.)	Issue price (Rs.)	Nature for allotment	Consideration in Cash/ other than cash	Cumulative Share Premium	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs.)
February 23, 1994	40,000	1,000	1,000	Further issue	Cash	Nil	40,000,000	4,426,000,000
August 23, 1994	200,000	1,000	1,000	Further issue	Cash	Nil	200,000,000	4,626,000,000
November 22, 1994	240,000	1,000	1,000	Further issue	Cash	Nil	240,000,000	4,866,000,000
August 25, 1995	240,000	1,000	1,000	Further issue	Cash	Nil	240,000,000	5,106,000,000
September 13, 1995	240,000	1,000	1,000	Further issue	Cash	Nil	240,000,000	5,346,000,000
August 27, 1996	370,000	1,000	1,000	Further issue	Cash	Nil	370,000,000	5,716,000,000
November 21, 1996	110,000	1,000	1,000	Further issue	Cash	Nil	110,000,000	5,826,000,000
July 31, 1997	170,000	1,000	1,000	Further issue	Cash	Nil	170,000,000	5,996,000,000
September 5, 1997	310,000	1,000	1,000	Further issue	Cash	Nil	310,000,000	6,306,000,000
June 29, 1998	160,000	1,000	1,000	Further issue	Cash	Nil	160,000,000	6,466,000,000
September 4, 1998	340,000	1,000	1,000	Further issue	Cash	Nil	340,000,000	6,806,000,000
December 14, 2000	500,000	1,000	1,000	Further issue	Cash	Nil	500,000,000	7,306,000,000
March 13, 2002	500,000	1,000	1,000	Further issue	Cash	Nil	500,000,000	7,806,000,000
The face value of equity shares of the Issuer were split from a face value of Rs.1,000 per equity share to Rs.10 per equity share pursuant to a resolution of our shareholders dated September 27, 2002.								
March 5, 2008	*78,060,000*	10	105	*Initial public offering*	*Cash*	***	780,600,000	8,586,600,000
March 5, 2010	*128,799,000*	10	(193-215)	*Further public offering*	*Cash*	***	*1,287,990,000*	9,874,590,000
September 30, 2016	*98,74,59,000*	10	NIL	*Bonus shares*	--	--	*987,45,90,000*	1974,91,80,000

The Issuer has issued bonus shares in the ratio 1:1 to the shareholders of the Issuer on September 30, 2016. Apart from this, the Issuer has not made any issue of Equity Shares during the preceding 1 (one) year from the date of this Private Placement Offer Letter.

10.1.4. Our Shareholding Pattern

The table below represents the shareholding pattern of the Issuer as on March 31, 2018:

Table I - Summary Statement Holding of Specified Securities

Cate-gory	Category of Share-holder	No of Share-holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Under-lying Deposi-tory Receipts	Total No of Shares Held (VII) = (IV)+(V) +(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Out-standing convertible securities (Including Warrants)	Share-holding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	1	1151678783	0	0	1151678783	58.32	1151678783	0	1151678783	58.32	0	58.32	0	0.00	0	0.00	1151678783
(B)	Public	326427	823239217	0	0	823239217	41.68	823239217	0	823239217	41.68	0	41.68	0	0.00	NA	NA	823183030
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employes Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	**326428**	**1974918000**	**0**	**0**	**1974918000**	**100.00**	**1974918000**	**0**	**1974918000**	**100.00**	**0**	**100.00**	**0**	**0.00**	**0**	**0.00**	**1974861813**

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

Cate gory	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Under lying Depos itory Receipt s	Total No of Shares Held (IV+V+VI)	Share holding as a % of total no of shares (calcula-ted as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstan-ding conver-tible securities (Including Warrants)	Share-holding as a % assuming full conver-sion of conver-tible Securi-ties (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)		1	1151678783	0	0	1151678783	58.32	1151678783	0	1151678783	58.32	0	58.32	0	0.00	0	0.00	1151678783
	President Of India	IN30133020471069	1	1151678783	0	0	1151678783	58.32	1151678783	0	1151678783	58.32	0	58.32	0	0.00	0	0.00	1151678783
(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		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)(1)		**1**	**1151678783**	**0**	**0**	**1151678783**	**58.32**	**1151678783**	**0**	**1151678783**	**58.32**	**0**	**58.32**	**0**	**0.00**	**0**	**0.00**	**1151678783**
(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**	**1151678783**	**0**	**0**	**1151678783**	**58.32**	**1151678783**	**0**	**1151678783**	**58.32**	**0**	**58.32**	**0**	**0.00**	**0**	**0.00**	**1151678783**

Table III - Statement showing Shareholding Pattern of the Public Shareholders

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up Equity Shares held	No of Partly paid-up Equity Shares held	No of Shares Under-lying Deposi-tory Receipts	Total No of Shares Held (IV+V+VI)	Share-holding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Under-lying Outstan-ding conver-tible securities (Including Warrants)	Share-holding as a % assuming full conver-sion of conver-tible Securities (as a percen-tage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds		15	94671528	0	0	94671528	4.79	94671528	0	94671528	4.79	0	4.79	0	0.00	NA	NA	94671528
	HDFC Trustee Company Limited-HDFC Equity Fund	AAATH1809A	1	46084438	0	0	46084438	2.33	46084438	0	46084438	2.33	0	2.33	0	0.00	NA	NA	46084438
	Reliance ETF-Junior BeEs Investment A/C	AAATR0090B	1	21410360	0	0	21410360	1.08	21410360	0	21410360	1.08	0	1.08	0	0.00	NA	NA	21410360
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		529	457735673	0	0	457735673	23.18	457735673	0	457735673	23.18	0	23.18	0	0.00	NA	NA	457735673

	The Prudential Assurance Company Limited	AACCP0514H	1	38771824	0	0	38771824	1.96	38771824	0	38771824	1.96	0	1.96	0	0.00	NA	NA	38771824
(f)	Financial Institutions/Banks		13	9143671	0	0	9143671	0.46	9143671	0	9143671	0.46	0	0.46	0	0.00	NA	NA	9143671
(g)	Insurance Companies		6	67171496	0	0	67171496	3.40	67171496	0	67171496	3.40	0	3.40	0	0.00	NA	NA	67171496
	LIC of India Health Protection Plus Fund	AAACL0582H	1	55151984	0	0	55151984	2.79	55151984	0	55151984	2.79	0	2.79	0	0.00	NA	NA	55151984
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other																		
	Foreign Nationals		1	129000	0	0	129000	0.01	129000	0	129000	0.01	0	0.01	0	0.00	NA	NA	129000
	Sub Total (B)(1)		**564**	**628851368**	**0**	**0**	**628851368**	**31.84**	**628851368**	**0**	**628851368**	**31.84**	**0**	**31.84**	**0**	**0.00**	**NA**	**NA**	**628851368**
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**NA**	**NA**	**0**
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 Lakhs		319279	114378570	0	0	114378570	5.79	114378570	0	114378570	5.79	0	5.79		0.00	NA	NA	114322383
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		407	26959770	0	0	26959770	1.37	26959770	0	26959770	1.37	0	1.37		0.00	NA	NA	26959770
(b)	NBFCs Registered with RBI		17	166202	0	0	166202	0.01	166202	0	166202	0.01	0	0.01	0	0.00	NA	NA	166202

(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other																		
	Alternative Investment Fund		2	130000	0	0	130000	0.01	130000	0	130000	0.01	0	0.01	0	0.00	NA	NA	130000
	Clearing Members		204	9942990	0	0	9942990	0.50	9942990	0	9942990	0.50	0	0.50	0	0.00	NA	NA	9942990
	Investor Education and Protection Fund		1	54751	0	0	54751	0.00	54751	0	54751	0.00	0	0.00	0	0.00	NA	NA	54751
	Bodies Corporates		1485	32017475	0	0	32017475	1.62	32017475	0	32017475	1.62	0	1.62	0	0.00	NA	NA	32017475
	Non Resident Indians		2999	3761419	0	0	3761419	0.19	3761419	0	3761419	0.19	0	0.19	0	0.00	NA	NA	3761419
	Non Resident Indian Non Repatriable		1428	1985525	0	0	1985525	0.10	1985525	0	1985525	0.10	0	0.10	0	0.00	NA	NA	1985525
	Trusts		41	4991147	0	0	4991147	0.25	4991147	0	4991147	0.25	0	0.25	0	0.00	NA	NA	4991147
	Sub Total (B)(3)		**325863**	**194387849**	**0**	**0**	**194387849**	**9.84**	**194387849**	**0**	**194387849**	**9.84**	**0**	**9.84**	**0**	**0.00**			**194331662**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**326427**	**823239217**	**0**	**0**	**823239217**	**41.68**	**823239217**	**0**	**823239217**	**41.68**	**0**	**41.68**	**0**	**0.00**			**823183030**

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

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

The President of India has sold 0.55% Equity Shares through Exchange Traded Fund in November 2017.

10.1.5 Except as set forth below, none of our Directors hold any Equity Shares as on March 31, 2018

1.	Dr. P.V. Ramesh	-	NIL
2.	Mr.Ajeet Kumar Agarwal	-	484 Equity Shares
3.	Mr.Sanjeev Kumar Gupta	-	NIL
4.	Dr. Arun Kumar Verma	-	NIL
5.	Mr. Arun Singh	-	NIL
6.	Mr. Aravamudan Krishna Kumar	-	NIL
7.	Mr. T.T. Ram Mohan	-	NIL
8.	Smt. Asha Swarup	-	NIL

10.1.6 Our top ten shareholders and the number of Equity Shares held by them, as on March 31, 2018 are as follows:

Sl. No.	Name	Shares	% to Equity	Category
1	PRESIDENT OF INDIA	1151678783	58.3153	POI
2	LIFE INSURANCE CORPORATION OF INDIA	45359430	2.2968	INS
3	THE PRUDENTIAL ASSURANCE COMPANY LIMITED	38771824	1.9632	FPI
4	HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	20665000	1.0464	MUT
5	EASTSPRING INVESTMENTS - DEVELOPED AND EMERGING ASIA EQUITY FUND	18949880	0.9595	FPI
6	CPSE ETF	18339388	0.9286	MUT
7	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	14960900	0.7575	MUT
8	BNP PARIBAS ARBITRAGE	13589214	0.6881	FPI
9	EAST BRIDGE CAPITAL MASTER FUND LIMITED	12737653	0.645	FPI
10	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	11888245	0.602	FPI
	TOTAL	1346940317	68.2024	

10.1.7. List of Top ten Bondholders of the Issuer as on March 31, 2018:

S. No.	Name	Total face value amount of bonds held in Rs.
1	CBT EPF	1,58,57,30,00,000.00
2	LIFE INSURANCE CORPORATION OF INDIA	1,57,77,80,00,000.00
3	STATE BANK OF INDIA	79,70,00,00,000.00
4	NPS TRUST- A/C	61,69,50,00,000.00
5	HDFC TRUSTEE COMPANY LIMITED A/C	39,20,00,00,000.00
6	ICICI PRUDENTIAL FUND	37,81,78,90,000.00
7	RELIANCE CAPITAL TRUSTEE CO LTD	36,02,60,00,000.00
8	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	29,97,80,00,000.00
9	UTI	28,08,70,00,000.00
10	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	27,72,70,00,000.00

10.1.8. No Equity Shares of the Issuer as on March 31, 2018 are pledged or otherwise encumbered by the Promoter.

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

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

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

10.1.12. Other than debt securities issued by the Issuer, outstanding as on March 31, 2018 as detailed below, the Issuer has not issued any Debt Securities:

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

(i) Zero Coupon Bonds:

Sr. No.	Instrument Type	Date of Issuance	Number of Bonds/instruments	Face Value per Bond (Rs.)	Discount Per Bond (Rs.)
1.	Zero Coupon Bonds	December 15, 2010	3,92,700	30,000	16,422
2.	Zero Coupon Bonds	February 03, 2011	89,510	30,000	17,033

(ii) Foreign Currency Bonds:

Sr. No.	Instrument Type	Date of Issuance	Issue Size	Issue Value (%)	Discount (%)
1.	International Bonds	07-Jul-2017	USD 450 Million	99.263	0.737
2.	International Bonds	15-Mar-2018	USD 300 Million	98.506	1.494

(iii) Commercial Papers

S.No.	Date of Issue/ Value Date	Number of Commercial Papers (CP/s) issued	Face Value per CP (Rs.)	Discount Per CP (Rs.)
1.	08/03/2018	65,000	5,00,000	17,673

(iv) Bonds issued at Premium

Sr. No.	Date Of Issuance/Value Date	Number of Bonds/ instrument	Face Value per Bond (Rs.)	Premium per Bond (Rs.)
1.	November 29, 2012	500	1000000	1000
2.	August 29,2013	13500	1000000	726
3.	October 11, 2013	1500	1000000	1727
4.	July 23, 2015	3000	1000000	954

10.1.13. Amount of corporate guarantees issued by the Issuer in favour of various counter parties including its subsidiaries, joint venture entities, group companies etc. – Nil

10.2. FINANCIAL INDEBTEDNESS (ON STANDALONE BASIS)

10.2.1. Set forth below is a brief summary of the Issuer's significant outstanding secured borrowings of Rs. 58,892.13 Crores and unsecured borrowings of Rs.1,39899.38Crores, as on March 31, 2018 together with a brief description of certain significant terms of such financing arrangements.

(1) Secured term loans from banks and financial institutions availed by the Issuer

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

Sr. No.	Name of the Lender	Loan documentation	Facility/ Amount Sanctioned (Rs. Crores)	Amount outstanding (Rs. Crores) as on March 31, 2018	Rate of interest (%)	Repayment Date/Schedule	Security
1	LIC	Term loan agreement dated August 6, 2004	2000.00	400.00	7.35 being 48 annualized G-Sec for 10 years + 100 bps, for a period of 7 days reckoned 2 working days prior to the date of disbursement.	Repayable in 10 equal annual installments after a moratorium of 5 years starting from October 1, 2010	The term loans are secured by a charge on the receivables of the Issuer, both present and future, save and except certain specific receivables hypothecated to VISTRA ITCL (INDIA) LIMITED (formerly known as IL&FS Trust Company Limited) on the basis of joint hypothecation agreement dated September 24, 2010 in favour of IDBI Trusteeship Services Limited.
	Total of Term Loans from banks and financial institutions			**400.00**			

(2) Unsecured loans availed by the Issuer

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

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

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (Rs. Crores)	Amount outstanding, as on March 31, 2018	Rate of interest (% p.a.)	Repayment Date/ Schedule
A.	**Unsecured Term Loans**; Nil					
B.	**Unsecured Long term loans availed by the Issuer from the MoF** Nil					
C.	**Foreign Currency Borrowings**					
1	Japan Bank for Internationa	Loan Agreement No. ID-P169 dated March 31, 2006 (1)	JPY 16,949 Million	Rs.136.28 Crores i.e. JPY	0.75%	15 years tenor with a moratorium of 5 years. Repayable in semi-annual equal instalments beginning March 20, 2011 of

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (Rs. Crores)	Amount outstanding, as on March 31, 2018	Rate of interest (% p.a.)	Repayment Date/ Schedule
	l Cooperation		(Revised with effect from August 29, 2012)	2214.38 Million		JPY 982.34 Million, and instalment on Sep 20, 2018 of JPY 638.94 Million and Instalment of JPY 148.27 Million each from March 20, 2019 till March 20, 2021
2	Japan Bank for International Cooperation	Loan Agreement No ID-P190 dated March 10, 2008 (1)	JPY 11,809 Million (Revised with effect from March 31, 2016)	Rs.116.05 Crores i.e. JPY 1885.79 Million	0.65%	15 years tenor with a moratorium of 5 years. Repayable in semi-annual equal instalments beginning March 20, 2013 of JPY 995.34 Million, and instalment on Sep 20, 2017 of JPY 777.11 Million and Instalment of JPY 188.58 Million each from March 20, 2018 till March 20, 2023
3	KfW, Frankfurt am Main^	Loan Agreement dated August 8, 2006(1)	Euro 70 Million	Rs.59.41 Crores i.e. Euro 7.37 Million	3.73%	12 years tenor with a moratorium of 3 years. Repayable in 19 semi-annual instalments beginning December 30, 2009
4	KfW, Frankfurt am Main ^	Loan Agreement dated March 16, 2009(1)	Euro 70 Million	Rs.188.12 Crores i.e. Euro 23.33 Million	2.89%	12 years tenor with a moratorium of 3 years. Repayable in 18 semi-annual instalments beginning June 30, 2012
5	KfW, Frankfurt am Main^	Loan Agreement dated March 30, 2012 (1)	Euro 100 Million	Rs.551.63 Crores i.e. Euro 68.42 Million	1.86%	12 years tenor with a moratorium of 3 years. Repayable in 19 semi-annual instalments beginning June 30, 2015
6	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated November 22, 2013	USD 285 Million	Rs.1853.76 Crores i.e. USD 285 Million	6 months USD LIBOR plus 1.50%	5 years Tenor. Repayable USD 285 Million on December 02, 2018
7	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated May 21, 2014	USD 250 Million	Rs.1252.10 Crores i.e. USD 192.50 Million	6 months USD LIBOR plus 1.70%	5 years Tenor. Repayable USD 250 Million on May 29, 2019
8	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated July 17, 2015	USD 300 Million	Rs. 1951.32 Crores i.e. USD 300 Million	6 months USD LIBOR plus 1.00%	5 years Tenor. Repayable USD 300 Million on July 29, 2020
9	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated September 04, 2015	USD250 Million	Rs. 1626.10 Crores i.e. USD 250 Million	1 month USD LIBOR plus 0.70%	3 years Tenor. Repayable USD 150 Million on September 18, 2018 and USD 100 Million on November 19, 2018.
10	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated November16, 2015	USD 300 Million	Rs. 1951.32 Crores i.e. USD 300 Million	1 month USD LIBOR plus 1.05%	5 years Tenor. Repayable USD 300 Million on December01, 2020
11	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated January 27, 2016	USD 250 Million	Rs.1626.10 Crores i.e. USD 250 Million	1 month USD LIBOR plus 0.65%	3 years Tenor. Repayable USD 250 Million on February 05, 2019

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (Rs. Crores)	Amount outstanding, as on March 31, 2018	Rate of interest (% p.a.)	Repayment Date/ Schedule
12	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated March 11, 2016	USD 120 Million	Rs. 780.53 Crores i.e. USD 120 Million	6 months USD LIBOR plus 0.95%	3 years Tenor. Repayable USD 120 Million on March 21, 2019
13	Bilateral Unsecured Borrowings	Bilateral Facility Agreement dated Sept 26, 2016	USD 100 Million	Rs. 650.44 Crores i.e. USD 100 Million	3 months USD LIBOR plus 0.80%	5 years Tenor. Repayable USD 100 Million on Oct 05, 2021
14	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated January 09, 2017	USD 230 Million	Rs. 1496.01 Crores i.e. USD 230 Million	1 month USD LIBOR plus 0.80%	5 years and 1 day Tenor, Repayable on January 19, 2022
15	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated July 30, 2017	USD 200 Million	Rs. 1300.88 Crores i.e. USD 200 Million	3 month USD LIBOR plus 0.65%	5 years and 1 day Tenor, Repayable on July 28, 2022
16	USD Green Reg-S Bonds	10 Year USD Green Bonds under Reg-S	USD 450 Million	Rs. 2926.98 Crores i.e. USD 450 Million	3.875% (Fixed)	10 years. Repayable on July 07, 2027
17	Bilateral Unsecured Borrowings	Bilateral Facility Agreement dated Nov 23, 2017	USD 57.50 Million	Rs. 374.00 Crores i.e. USD 57.50 Million	6 months USD LIBOR plus 0.35%	1.5 years Tenor. Repayable USD 57.50 Million on May 29, 2019
18	USD Reg-S Bonds	3 Year USD Bonds under Reg-S	USD 400 Million	Rs. 2601.76 Crores i.e. USD 400 Million	3.068% (Fixed)	3 years. Repayable on Dec 18, 2020
19	Syndicated Unsecured Borrowings	Syndicated Facility Agreement dated March 14, 2018	USD 240 Million	Rs. 1561.06 Crores i.e. USD 240 Million	6 month USD LIBOR plus 0.51%	3 years Tenor, Repayable on March 26, 2021
20	Bilateral Unsecured Borrowings	Bilateral Facility Agreement dated March 14, 2018	USD 160 Million	Rs. 1040.71 Crores i.e. USD 160 Million	3 month USD LIBOR plus 0.60%	3 years Tenor, Repayable on March 26, 2021
21	USD Reg-S Bonds	10 Year USD Bonds under Reg-S	USD 300 Million	Rs. 1951.32 Crores i.e. USD 300 Million	4.625% (Fixed)	10 years. Repayable on Mar 22, 2028
	Total Unsecured Loans from MoF, Foreign Banks and other Institutions			**25,995.88**		
	B+ C)			**25,995.88**		

** *These loans were sanctioned for relending to the state governments to be used for relending to state governments/state electricity board for rural electrification programme in the state plans under the 'Minimum Needs Programme'. There is a rebate of 0.25% for prompt repayment or interest payments on these loans.*

(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 three financing agreements with KfW, dated August 8, 2006, March 16, 2009 and March 30, 2012 for a grant of Euro 500,000 each, 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).*

(3) Secured and Unsecured Bonds issued by the Issuer

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

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
A.	**Secured taxable bonds** Set forth below is a brief summary of our secured outstanding taxable bonds.									See Below Table
1	Secured non-convertible redeem-able 'taxable bonds – 2018' ('85thSeries') in the nature of debentures.	June 13, 2008	500.00	500.00	9.68 payable annually	5 years	Redeemable at par on the expiry of 10 years from the date of allotment. June 13, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
2	Secured non-convertible redeem-able 'taxable bonds – 2018' ('86th A Series') in the nature of debentures	July 29, 2008	500.00	500.00	10.70 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. July 29, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
3	Secured non-convertible redeem-able 'taxable bonds – 2018' ('86th B – III Series') in the nature of debentures.	August 14, 2008	432.00	432.00	10.85 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. August 14, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
4	Secured non-convertible redeem-able 'taxable bonds – 2018' ('87th – II Series') in the nature of debentures.	September 30, 2008.	657.40	657.40	10.85 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment September 30,2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) A	Secured	
5	Secured non-convertible redeem-able 'taxable bonds – 2018' ('87th A – III Series') in the nature	October 24, 2008	61.80	61.80	11.15payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. October 24, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	of debentures.									
6	Secured non-convertible redeem-able 'taxable bonds – 2019' ('88th Series') in the nature of debentures	January 15, 2009	1495.00	1495.00	8.65 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. January 15, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
7	Secured non-convertible redeem-able 'taxable bonds – 2019' ('90th Series') in the nature of debentures	August 3, 2009	2000.00	2000.00	8.80 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. August 03, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
8	Secured non-convertible redeem-able 'taxable bonds – 2019' ('90th B Series-II') in the nature of debentures	September 4, 2009	868.20	868.20	8.72 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. September 04, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
9	Secured non-convertible redeem-able 'taxable bonds – 2019' ('90th C Series-II') in the nature of debentures.	October 6, 2009	1040.00	1040.00	8.80, payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. October 6, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
10	Secured non-convertible redeem-able 'taxable bonds – 2019' ('91st Series- II') in the	November 17, 2009	995.90	995.90	8.80 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. November 17, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	nature of debentures									
11	Secured non-convertible redeem-able 'taxable bonds – 2020' ('92nd Series- II') in the nature of debentures	January 22, 2010	945.30	945.30	8.65 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. January 22, 2020	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
12	Secured non-convertible redeem-able 'taxable bonds – 2018' ('116 Series- II') in the nature of debentures	October 17, 2013	850.00	850.00	9.24 payable annually	5 years	Redeemable at par on the expiry of 5 years from the date of allotment. October 17, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
13	Secured non-convertible redeem-able 'taxable bonds – 2018' ('117 Series') in the nature of debentures	November 06, 2013	2878.00	2878.00	9.38 payable annually	5 years	Redeemable at par on the expiry of 5 years from the date of allotment. November 06, 2018	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
14	able bonds – 2019' ('118 Series') in the nature of debentures	January 03, 2014	1655.00	1655.00	9.61 payable annually	5 years	Redeemable at par on the expiry of 5 years from the date of allotment. January 03, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
15	Secured non-convertible redeem-able 'taxable bonds – 2019' ('119 Series') in the nature of debentures	February 05, 2014	2090.00	2090.00	9.63 payable annually	5 years	Redeemable at par on the expiry of 5 years from the date of allotment. February 05, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
16	Secured non-convertible redeem-able	June 18, 2014	1700.00	1700.00	9.02 payable annually	5 years	Redeemable at par on the expiry of 5 years	CRISIL: AAA/Stable;	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	'taxable bonds – 2019' ('122 Series') in the nature of debentures						from the date of allotment. June 18, 2019	CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
17	Secured non-convertible redeem-able 'taxable non-priority sector bonds – ('123 Series Tranche 1') in the nature of debentures	July 17, 2014	1515.00	1515.00	9.40 payable annually	7 years	Redeemable at par on the expiry of 7 years from the date of allotment. July 17, 2021	CRISIL: AAA/STABLE; CARE:CARE AAA; ICRA: [ICRA] AAA; IRPL: IND AAA	Secured	
18	Secured non-convertible redeem-able 'taxable non-priority sector bonds – ('123 Series Tranche 3') Option II in the nature of debentures	August 25, 2014	1955.00	1955.00	9.34 payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. August 25, 2024	CRISIL: AAA/STABLE; CARE:CARE AAA; ICRA: [ICRA] AAA; IRPL: IND AAA	Secured	
Total Secured Bonds through Private Placement of Institutional Bond Series				**22138.60**						
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 bonds Series IX' issued in Fiscal 2015	On Tap Basis	5,337.782	Nil	6.00 payable annually	3 years	Redemption at par on the expiry of 3 years from the Deemed Date of Allotment. **	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind)	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
2.	Secured non-convertible redeemable taxable - 54 EC long term capital gains tax exemption bonds Series X' issued in Fiscal 2016	On Tap Basis	6,476.697	6,476.697	6.00 payable annually	3 years	Redemption at par on the expiry of 3 years from the Deemed Date of Allotment. **	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind)	Secured	
3.	Secured non-convertible redeemable taxable - 54 EC long term capital gains tax exemption bonds Series X' issued in Fiscal 2017	On Tap Basis	7,662.921	7,662.921	6.00 payable annually (Up to 30.11.2017) and 5.25 from 01.12.2017 to 31.03.2017	3 years	Redemption at par on the expiry of 3 years from the Deemed Date of Allotment. **	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind)	Secured	
4.	Secured non-convertible redeemable taxable - 54 EC long term capital gains tax exemption bonds Series XI'	On Tap Basis	9565.50	9565.50	5.25 payable annually	3 years	Redemption at par on the expiry of 3 years from the Deemed Date of Allotment. **	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind)	Secured non-convertible redeemable taxable -54 EC long term capital gains tax exemption bonds Series XI'	On Tap Basis

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	issued in Fiscal 2018								issued in Fiscal 2018	
Secured Capital Gains Tax Exemption Bonds U/S 54EC				**23,705.12**						
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.	March 27, 2012	3,000.00	3,000.00	Category I & II – Series I 7.93%	10 years	Redemption at par on the expiry of 10 years from the date of allotment.	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
					Category I & II – Series II 8.12 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment.			
					Category III – Series I 8.13 %	10 years	Redemption at par on the expiry of 10 years from the date of allotment.			
					Category III – Series II 8.32 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment.			
2.	Series 2-A Tax free secured redeemable non-convertible bonds	November 21, 2012	255.00	255.00	7.21% p.a.	10 years	November 21, 2022	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
3.	Series 2-B Tax free secured redeemable non-convertible bond	November 21, 2012	245.00	245.00	7.38% p.a.	15 years	November 21, 2027	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
4.	Series 2012-13		2017.35	2017.35	7.38%/7.88% p.a.	15 years	December 19, 2027	CRISIL:	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	Tranche – 1 Tax free secured redeemable non-convertible bonds	December 19, 2012						AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
5.	Series 2012-13 Tranche – 1 Ts				7.22%/7.72% p.a.	10 years	December 19, 2022	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
6.	Series 2012-13 Tranche – 2 Tax free secured redeemable non-convertible bonds	March 25, 2013	131.06	131.06	6.88%/7.38% p.a.	10 years	March 25, 2023	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
7.	Series 2012-13 Tranche – 2 Tax free secured redeemable non-convertible bonds	March 25, 2013			7.04%/7.54% p.a.	15 years	March 25, 2028	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
8.	Series 3A Tax free secured redeemable non-convertible bonds	August 29, 2013	209.00	209.00	8.01% p.a.	10 years	August 29, 2023	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
9.	Series 3B Tax free secured redeemable non-converti		1141.00	1141.00	8.46% p.a.	15 years	August 29, 2028	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind)	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	ble bonds							ICRA: LAAA		
10.	Series 1A - 2013-14 Tranche – 1 Tax free secured redeemable non-convertible bonds	September 24, 2013	3440.60	3440.60	8.01%	10 years	September 24, 2023	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
11.	Series 2A - 2013-14 Tranche – 1 Tax free secured redeemable non-convertible bonds				8.46%	15 years	September 24, 2028	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
12.	Series 3A - 2013-14 Tranche – 1 Tax free secured redeemable non-convertible bonds				8.37%	20 years	September 24, 2033	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
13.	Series 1B - 2013-14 Tranche – 1 Tax free secured redeemable non-convertible bonds				8.26%	10 years	September 24, 2023	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
14.	Series 2B - 2013-14 Tranche – 1 Tax free secured redeem-able non-converti				8.71%	15 years	September 24, 2028	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	ble bonds									
15.	Series 3B -2013-14 Tranche – 1 Tax free secured redeemable non-convertible bonds				8.62%	20 years	September 24, 2033	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
16.	Series 4A Tax free secured redeemable non-convertible bonds	October 11, 2013	105.00	105.00	8.18% p.a.	10 years	October 11, 2023	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
17.	Series 4B Tax free secured redeemable non-convertible bonds	October 11, 2013	45.00	45.00	8.54% p.a.	15 years	October 11, 2028	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
18.	Series 1A – 2013-14 Tranche 2 Tax free secured redeemable non-convertible bonds	March 24, 2014	1059.40	1059.40	8.19%	10 years	March 24, 2024	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
19.	Series 2A – 2013-14 Tranche 2 Tax free secured redeemable non-convertible bonds				8.63%	15 years	March 24, 2029	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
20.	Series 3A – 2013-14 Tranche				8.61%	20 years	March 24, 2034	CRISIL: AAA/ Stable;	Secured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	2 Tax free secured redeemable non-convertible bonds							CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
21.	Series 1B – 2013-14 Tranche 2 Tax free secured redeemable non-convertible bonds				8.44%	10 years	March 24, 2024	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
22.	Series 2B – 2013-14 Tranche 2 Tax free secured redeemable non-convertible bonds				8.88%	15 years	March 24, 2029	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
23	Series 3B – 2013-14 Tranche 2 Tax free secured redeemable non-convertible bonds				8.86%	20 years	March 24, 2034	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
24	Series 5A Tax free secured redeemable non-convertible bonds	July 23, 2015	300.00	300.00	7.17%	10 years	July 23, 2035	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Secured	
25	Series 1A – 2015-16 Tranche 1 Tax	November 05, 2015	700.00	700.00	6.89%	10 years	November 05, 2025	CRISIL: AAA/ Stable;		

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	free secured redeemable non-convertible bonds							CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
26	Series 2A – 2015-16 Tranche 1 Tax free secured redeemable non-convertible bonds				7.09%	15 years	November 05, 2030	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
27	Series 3A – 2015-16 Tranche 1 Tax free secured redeemable non-convertible bonds				7.18%	20 years	November 05, 2035	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
28	Series 1B – 2015-16 Tranche 1 Tax free secured redeemable non-convertible bonds				7.14%	10 years	November 05, 2025	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
29	Series 2B – 2015-16 Tranche 1 Tax free secured redeemable non-convertible bonds				7.34%	15 years	November 05,2030	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
30	Series 3B – 2015-16 Tranche 1 Tax				7.43%	20 years	November 05,2035	CRISIL: AAA/ Stable;		

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	free secured redeemable non-convertible bonds							CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
Secured Tax Free Bonds				**12648.41**						

Security Details of the Secured Borrowings –

- The bond series 85, 86A, 86 B-III, 87-II, 87 A-III, 88, 90, 90 B-II, 90 C-II, 91-II, 92-II of institutional bonds are secured by a charge on (a) mortgage of Flat no. 640, Asian Games Village, New Delhi 110 049, India and (b) pari-passu charge on the receivables of the Issuer, both present and future, save and except receivables hypothecated to IL&FS Trust Company Limited on the basis of joint hypothecation agreement dated September 24, 2010 in favour of IDBI Trusteeship Services Ltd.
- The bond series 116-II, 117,118,119 and 122 is secured by first pari-passu charge on the book debts of the Issuer both present and future which are charged to other lender/trustee and as may be agreed between the Issuer and the trustee - IDBI Trusteeship Services Ltd., pursuant to the terms of debenture/bond trust cum hypothecation deed with a minimum security cover of one time of the aggregate face value of the bonds outstanding at all times.
- The bond series 123-1 and 123-3 of institutional bonds are secured by mortgage way of first pari-passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt. Vadodara and (b) the book debts of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the trustee, pursuant to the terms of the bond trust deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.
- The bond series IX of 54EC Capital Gain Tax Exemption Bonds is secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/earmarked to any other lenders / trustees) in favour of IDBI Trusteeship Services Ltd.
- The bond series X and XI of 54EC Capital Gain Tax Exemption Bonds and tax free bonds issued during FY 2015-16, 2016-17 and 2017-18 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/earmarked to any other lenders / trustees) in favour of SBICAP Trustee Company Ltd.
- 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 Rs. 4,998.66 Crores of MSEDCL in favour of IL&FS Trust Co. Ltd.
- Tax free bonds (issued during FY 2012-13 and during FY 2015-16) and series X of 54EC Capital Gain Tax Exemption Bonds 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 in favour of SBI Cap Trustee Co. Ltd.
- Tax free bonds (issued during FY 2013-14) are secured by first pari-passu charge on hypothecation of receivables in favour of SBI Cap Trustee Co. Ltd.
- All the term loans are secured by a charge on the receivables of the Issuer, both present and future, save and except certain specific receivables hypothecated to IL&FS Trust Co. Ltd. on the basis of joint hypothecation agreement last updated on September 24, 2010.

D.	**Unsecured bonds issued by the Issuer** Set forth below is a brief summary of certain of our other outstanding unsecured bonds. These bonds are listed on the wholesale debt market segment in the NSE/BSE.									
1	'94th Taxable non-priority sector bond'	June 08, 2010	1250.00	1250.00	8.75 payable yearly.	15 years	June 08, 2025	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
2	'95th–I Taxable non-priority	July 12, 2010	200.00	200.00	8.70 payable yearly.	9 years	July 12, 2019	CRISIL: AAA/Stable;	Unsecured	-

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	sector bond'							CARE: CARE AAA; FITCH: AAA(Ind) ICRA: LAAA		
3	'95th -II Taxable non-priority sector bond'	July 12, 2010	1800.00	1800.00	8.75 payable yearly.	15 years	July 12, 2025	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
4	'96th Taxable non-priority sector bond'	October 25, 2010	1150.00	1150.00	8.80 payable yearly.	10 years	October 25, 2020	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
5	'97th Taxable non-priority sector bond'	November 29, 2010	2120.50	2120.50	8.80 payable yearly.	10 years	November 29, 2020	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
6	'ZCB-I Taxable non-priority sector bond'	December 15, 2010	533.21 at issue price	951	8.25 (yield)	10 years	December 15, 2020	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
7	'ZCB-II Taxable non-priority sector bond'	February 03, 2011	116.07 at issue price	211.59	8.75 (yield)	10 years	February 03, 2021	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
8	'98th Taxable non-	March 15, 2011	3000.00	3000.00	9.18 payable yearly.	10 years	March 15, 2021	CRISIL: AAA/Stable;	Unsecured	-

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	priority sector bond'							CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
9	'100th Taxable non-priority sector bond'	July 15, 2011	1500.00	1500.00	9.63 payable yearly.	10 years	July 15, 2021	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRORE SA: LAAA	Unsecured	-
10	'101st-III Taxable non-priority sector bond'	August 10, 2011	3171.80	3171.80	9.48 payable yearly.	10 years	August 10, 2021	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
11	'105th Taxable non-priority sector bond'	November 11, 2011	3922.20	3922.20	9.75 payable yearly.	10 years	November 11, 2021	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
12	'107th Taxable non-priority sector bond'	June 15, 2012	2378.20	2378.20	9.35% p.a. payable yearly.	10 years	June 15, 2022	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind)	Unsecured	-
13	'108th – II Taxable non-priority sector bond'	July 20, 2012	960.00	960.00	9.39% p.a. payable yearly	7 years	July 20, 2019	CRISIL: AAA/Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
14	'111th– I Taxable non-priority	November 19, 2012	452.80	452.80	9.02% p.a.	7 years	November 19, 2019	CRISIL: AAA/Stable;	Unsecured	-

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	sector bond'							CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA		
15	'111th – II Taxable non-priority sector bond'	Novem ber 19, 2012	2211.20	2211.20	9.02% p.a.	10 years	November 19, 2022	CRISIL: AAA/Sta ble; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red	-
16	'113th Taxable non-priority sector bond'	March 08, 2013	1542.00	1542.00	8.87% p.a.	7 years	March 08, 2020	CRISIL: AAA/Sta ble; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red	-
17	'114th Taxable non-priority sector bond'	April12 , 2013	4300.00	4300.00	8.82% p.a.	10 years	April12, 2023	CRISIL: AAA/Sta ble; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red	-
18	'115th Taxable non-priority sector bond'	May31, 2013	2500.00	2500.00	8.06% p.a.	10 years	May31, 2020	CRISIL: AAA/Sta ble; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red (Sub-Debt)	-
19	'125th Taxable non-priority sector bond'	Octobe r 13, 2019	3000.00	3000.00	9.04%	5 years	October 12, 2019	CRISIL: AAA/Sta ble; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red	
20	'126th Taxable non-priority	Novem ber 13, 2014	1700.00	1700.00	8.56%	5 years	November 13, 2019	CARE: CARE AAA; CRISIL:	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
	sector bond'							AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable		
21	'127th Taxable non-priority sector bond'	December 04, 2014	1550.00	1550.00	8.44%	7 years	December 04, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
22	'128th Taxable non-priority sector bond'	December 22, 2014	2250.00	2250.00	8.57%	10 years	December 21, 2024	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
23	'129th Taxable non-priority sector bond'	January 23, 2015	1925.00	1925.00	8.23%	10 years	January 23, 2025	CRISIL:C ARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
24	'130th Taxable non-priority sector bond'	Februar y 6, 2015	2325.00	2325.00	8.27%	10 years	February 6, 2025	CRISIL: CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
								AAA/ Stable		
25	'131st Taxable non-priority sector bond'	Februar y 23, 2015	2285.00	2285.00	8.35%	10 years	February 22, 2025	CRISIL:C ARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
26	'132nd Taxable non-priority sector bond'	March 9, 2015	700.00	700.00	8.27%	7 years	March 9, 2022	CARE: CARE AAA; CARE: CARE AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
27	'133rd Taxable non-priority sector bond'	April 10, 2015	2396.00	2396.00	8.30%	10 years	April 10, 2025	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
28	'134th Taxable non-priority sector bond'	August 14, 2015	2675.00	2675.00	8.37%	05 years	August 14, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
29	'135th Taxable non-priority sector bond'	Septem ber 22, 2015	2750.00	2750.00	8.36%	05 years	September 22, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA;	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
								IR&RPL: IND AAA/ Stable		
30	'136th Taxable non-priority sector bond'	October 07, 2015	2585.00	2585.00	8.11%	10 years	October 07, 2025	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
31	'137th Taxable non-priority sector bond'	December 08, 2015	2225.00	2225.00	8.05%	03 years	December 07, 2018	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
32	'139th Taxable non-priority sector bond'	October 21, 2016	2500.00	2500.00	7.24%	05 years	October 21, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
33	'140th Taxable non-priority sector bond'	November 07, 2016	2100.00	2100.00	7.52%	10 years	November 07, 2026	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
34	'141st Taxable non-priority sector bond'	December 09, 2016	1020.00	1020.00	7.14%	05 years	December 09, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
35	'142nd Taxable non-priority sector bond'	December 30, 2016	3000.00	3000.00	7.54%	10 years	December 30, 2026	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
36	'143rd Taxable non-priority sector bond'	January 31, 2017	1275.00	1275.00	6.83%	03 years & 05 months	June 29, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
37	'144th Taxable non-priority sector bond'	February 20, 2017	835.00	835.00	7.13%	03 years & 05 months & 01 day	September 21, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
38	'145th Taxable non-priority sector bond'	Februar y 28, 2017	625.00	625.00	7.46%	05 years	February 28, 2022	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
39	'146th Taxable non-priority sector bond'	March 03, 2017	3300.00	3300.00	6.88%	01 year & 06 months	September 03, 2018	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
40	'147th Taxable non-priority sector bond'	March 14, 2017	2745.00	2745.00	7.95%	10 years	March 14, 2027	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
41	'148th Taxable non-priority sector bond'	March 17, 2017	1200.00	1200.00	7.42%	03 years & 03 months	June 17, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
42	'149th Taxable non-priority sector bond'	August 24, 2017	2485.00	2485.00	6.87%	03 years & 01 month	September 24, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
43	'150th Taxable non-priority sector bond'	Septem ber 07, 2017	2670.00	2670.00	7.03%	05 years	September 07, 2022	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
44	'151st Taxable non-priority sector bond'	Septem ber 26, 2017	1150.00	1150.00	6.75%	01 year & 06 months	March 26, 2019	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
45	'152nd Taxable non-priority sector bond'	Octobe r 17, 2017	1225.00	1225.00	7.09%	05 years	October 17, 2022	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
46	'153rd Taxable non-priority sector bond'	October 31, 2017	2850.00	2850.00	6.99%	03 years & 02 months	December 31, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
47	'154th Taxable non-priority sector bond'	November 21, 2017	600.00	600.00	7.18%	03 years & 06 months	May 21, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
48	'155th Taxable non-priority sector bond'	November 30, 2017	1912.00	1912.00	7.45%	05 years	November 30, 2022	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	
49	'156th Taxable non-priority sector bond'	December 12, 2017	3533.00	3533.00	7.70%	10 years	December 10, 2027	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecured	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
50	'157th Taxable non-priority sector bond'	January 17, 2018	1055.00	1055.00	7.60%	10 years	April 17, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
51	'158th Taxable non-priority sector bond'	Februar y 12, 2018	2465.00	2465.00	7.70%	10 years	March 15, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
52	'159th Taxable non-priority sector bond'	Februar y 23, 2018	950.00	950.00	7.99%	10 years	February 23, 2023	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
53	'160th Taxable non-priority sector bond'	Februar y 28, 2018	1450.00	1450.00	7.77%	10 years	September 16, 2019	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	

S. No.	Nature of the Bonds	Date of Allot-ment	Total value of bonds (Rs. Crores)	Amount outstanding, As on March 31, 2018	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Secu rity
54	'161st – Option (A) Taxable non-priority sector bond'	March 15, 2018	3000.00	3000.00	7.59%	10 years	March 13, 2020	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
55	'161st – Option (B) Taxable non-priority sector bond'	March 15, 2018	800.00	800.00	7.73%	10 years	June 15, 2021	CARE: CARE AAA; CRISIL: AAA/ Stable; ICRA: ICRA AAA; IR&RPL: IND AAA/ Stable	Unsecu red	
Total Un-secured Bonds through Private Placement of Institutional Bond Series				**106732.29**						
E.	**Unsecured infrastructure bonds issued by the Issuer** Set forth below is a brief summary of certain of our other outstanding unsecured bonds. Some of bonds are listed on the whole sale debt market segment in the NSE									
1.	u/s 80CCF of I.T. Act 1961 Tax-able, Non-convertibl e Bonds.	March 31, 2011	218.73	80.9655	8, 8.1 and 8.2 payable annually	10 years	Redeemable par on the expiry of 10 years with pu option after 5/6/7/8/9 years from th date of allotment	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecu red	-
2.	u/s 80CCF of I.T. Act 1961 Tax-able, Non-convertibl e Bonds.	February 15, 2012	157.59	29.504	8.95 and 9.15 payable annually and cumulative	10 years 15 years	Redeemable at par on the expiry of 10/15 years with buyback option after 5/7 years respectively from the date of allotment. February 15, 2022; February 15, 2027	CRISIL: AAA/ Stable; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecure d	-
				110.470						
Total of Bonds - (3) (A to E)				**165334.89**						

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

10.2.2. Corporate Guarantees

The Issuer has not issued any corporate guarantee as on March 31, 2018.

10.2.3. Details of Commercial Paper

The Issuer has issued commercial paper of face value of Rs 12,350 Crore during FY 2017-18 with commercial paper of Rs 3250 Crore outstanding as on March 31, 2018.

10.2.4. Working Capital Demand Loan from Banks

WCDL of Rs NIL is outstanding as on March 31, 2018.

10.2.5. Short Term Loan from Banks

The Issuer has no outstanding short term loans from banks as on March 31, 2018.

10.2.6. FCNR(B) Loans from Banks

The Issuer has raised foreign currency non-resident (B) ("**FCNR(B)**") loans from banks amounting to USD 585.87 Million. As at end of March 31, 2018 Rs. 3811 Crores is outstanding on account of FCNR(B) loans.

10.2.7. Details of Rest of the Borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares)

The Issuer has no outstanding borrowings in form of hybrid debt as on March 31, 2018.

10.3. FINANCIAL INFORMATION (ON STANDALONE BASIS)

(Rs. in Crores)

Particulars	As on/for the year ended 31.03.18 (Audited)	As on/for the year ended 31.03.17 (Audited)	As on/for the year ended 31.03.16 (Audited)
For Financial Entities			
Net worth	35,490.51	33,325.59	28,617.76
Total Debt	198791.51	167517.39	1,69,106.38
of which – Non Current Maturities of Long Term Borrowing	160949.43	149489.33	1,38,789.43
- Short Term Borrowing	5526.54	0	6,349.93
- Current Maturities of Long Term Borrowing	32315.54	18028.06	23,967.02
Net Fixed Assets	247.88	181.26	150.32
Non-Current Assets	2,13,930.37	1,80,460.11	1,60,362.94
Cash and Cash Equivalents	1771.22	4488.04	1,728.19
Current Investments	119.75	149.16	149.16
Current Assets	32,554.09	28,776.13	45,990.03
Current Liabilities	44,614.05	24,520.26	37,591.50
Asset Under Management	N.A.	N.A.	N.A.
Off Balance Sheet Assets	N.A.	N.A.	N.A.
Interest Income on Loan assets	21748.95	22935.61	23,470.66
Finance Costs (including interest expense)	13,829.52	13,450.35	14,283.12
Net interest income	7919.43	9485.26	9,187.54
Provisioning & Write-offs	1,415.55	1,109.47	1,089.85
PAT	4,647.00	6,245.76	5,627.66
Gross NPA (%)	7.15%	2.41%	2.11%
Net NPA (%)	5.68%	1.60%	1.61%
Tier I Capital Adequacy Ratio (%)	16.84%	18.43%	17.48
Tier II Capital Adequacy Ratio (%)	2.55%	2.75%	2.90
Total Loan Assets (net)	235933.05	200293.33	2,00,265.02
Capital Adequacy ratio (%)			
Net interest margin	3.89%	4.65%	4.90%
Yield on Loan Assets	10.55%	11.64%	12.51%
Cost of funds	7.53%	8.13%	8.50%
Return on Net worth (average)	13.51%	20.17%	21.05%
Debt equity ratio (times)	5.60	5.03	5.91
Total Assets	2,46,484.46	209236.24	2,06,352.97
Return on assets (average)	2.04%	3.01%	2.89%

STANDALONE REFORMATTED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crores)

	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
I.	**EQUITY AND LIABILITIES**				
(1)	**Shareholders' Funds**				
	(a) Share Capital	A	1,974.92	1,974.92	987.46
	(b) Reserves and Surplus	B	33,515.59	31,350.67	27,630.30
	Sub-total (1)		**35,490.51**	**33,325.59**	**28,617.76**
(2)	**Non-current Liabilities**				

	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
	(a) Long-term Borrowings	C	1,60,949.43	1,49,489.33	1,38,789.43
	(b) Deferred Tax Liabilties (Net)		66.96	40.26	49.75
	(c) Other Long-term Liabilities	D	4,037.49	12.38	9.50
	(d) Long-term Provisions	E	1,326.02	1,848.42	1,295.03
	Sub-total (2)		**1,66,379.90**	**1,51,390.39**	**1,40,143.71**
(3)	**Current Liabilities**				
	(a) Short-term Borrowings	F	5,526.54	-	6,349.93
	(b) Other current liabilities	G	38,836.01	24,326.04	30,389.52
	(c) Short-term Provisions	E	251.50	194.22	852.05
	Sub-total (3)		**44,614.05**	**24,520.26**	**37,591.50**
	Total (1+2+3)		**2,46,484.46**	**2,09,236.24**	**2,06,352.97**
II.	**ASSETS**				
(1)	**Non-current Assets**				
	(a) Fixed assets	H			
	(i) Tangible Assets		123.08	120.68	117.83
	(ii) Intangible Assets		5.15	0.43	0.91
	(iii) Capital work-in-progress		118.19	58.69	30.37
	(iv) Intangible Assets under Development		1.46	1.46	1.21
			247.88	181.26	150.32
	(b) Non-current Investments	I	2,455.05	2,547.29	2,317.46
	(c) Long-term Loans & Advances	J	2,06,492.49	1,77,348.96	1,57,794.10
	(d) Other Non-current Assets	K	4,734.95	382.60	101.06
	Sub-total (1)		**2,13,930.37**	**1,80,460.11**	**1,60,362.94**
(2)	**Current Assets**				
	(a) Current Investments	I	119.75	149.16	149.16
	(b) Cash & Bank Balances	L	1,773.53	4,490.02	1,728.55
	(c) Short-term Loans & Advances	M	5,673.56	3,594.56	795.26
	(d) Other Current Assets	N	24,987.25	20,542.39	43,317.06
	Sub-total (2)		**32,554.09**	**28,776.13**	**45,990.03**
	Total (1+2)		**2,46,484.46**	**2,09,236.24**	**2,06,352.97**

STANDALONE REFORMATTED STATEMENT OF PROFIT AND LOSS

(Rs. in Crores)

	Particulars	Notes No.	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2016
I.	Revenue from Operations	O	22358.27	23587.3	23,727.54
II.	Other Income	P	82.04	183.28	28.74
III.	**Total Revenue (I+II)**		**22,440.31**	**23,770.58**	**23,756.28**
IV.	**Expenses**				
(i)	Finance Costs	Q	13,829.52	13,450.35	14,283.12
(ii)	Employee Benefits Expense	R	176.87	178.07	137.44
(iii)	Depreciation & Amortization		5.61	5.04	5.45
(iv)	Corporate Social Responsibility Expenses		49.45	69.80	128.20
(v)	Other Expenses	S	111.69	98.80	67.01
(vi)	Provisions and Contingencies	T	1,415.55	1,109.47	1,089.85
	Total Expenses (IV)		**15,588.69**	**14,911.53**	**15,711.07**
V.	**Profit before Prior Period Items & Tax (III-IV)**		6,851.62	8,859.05	8,045.21
VI.	Prior Period Items		-0.47	-1.65	-
VII.	**Profit before Tax (V-VI)**		**6,852.09**	**8,860.70**	**8,045.21**
VIII.	Tax Expense :				
(i)	Current Year		2168.2	2606.29	2,477.89
(ii)	Earlier Years/ (Refunds)		10.19	-27.78	-2.77
(iii)	Deferred Tax		26.7	36.43	-57.57
	Total Tax Expense (i+ii+iii)		**2205.09**	**2614.94**	**2,417.55**
IX.	**Profit for the period from Continuing Operations (VII-VIII)**		**4,647.00**	**6,245.76**	**5,627.66**
X.	**Profit from Discontinuing Operations (after tax)**				**-**
XI.	**Profit for the period (IX+X)**		**4,647.00**	**6,245.76**	**5,627.66**
XII.	**Earnings per Equity Share (in Rs. for an equity share of Rs. 10 each)**				
	(1) Basic		**23.53**	**31.63**	**28.50**
	(2) Diluted		**23.53**	**31.63**	**28.50**

STANDALONE REFORMATED STATEMENT OF CASH FLOWS

(Rs. in Crores)

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
A. Cash Flow from Operating Activities :			
Net Profit before Tax	**6,852.09**	**8,860.70**	**8,045.21**
Adjustments for:			
1. Profit / Loss on Sale of Fixed Assets	0.56	0.52	0.38
2. Depreciation and amortization	5.61	4.40	5.45
3. Provisions and Contingencies	1,415.55	1,109.47	1,089.85
4. Interest on Commercial Paper	135.60	300.46	285.91
5. Excess Provision written back	-	0.00	-0.07
6. Profit on sale/redemption of investments	-	-79.75	-12.29
7. Loss/ Gain(-) on Exchange Rate fluctuation	45.75	55.09	666.13
8.Dividend from Subsidiary Co.	-25.91	-19.50	-10.01
9. Dividend from Investments	-39.77	-66.54	-3.05
10.Interest on Long-Term Investments/ Govt. Securities	-214.64	-226.11	-85.97
11. Provision made for Interest on Advance Income Tax	5.53	2.82	-
12. Provision in respect of Amounts recoverable	6.19	0.00	0.00
13. Discount on Bonds written off	1.66	0.14	3.99
14. Interest Accrued on Zero Coupon Bonds	89.50	82.45	76.17
15. Dividend & Dividend Tax paid in excess of provision	-	0.00	0.00
Operating profit before Changes in Operating Assets & Liabilities:	**8,277.72**	**10,024.15**	**10,061.70**
Increase / Decrease :			
1. Loan Assets	-37,474.64	-650.38	-21,733.35
2. Other Operating Assets	-4,080.83	37.78	27.89
3. Operating Liabilities	4,160.46	-91.32	936.54
Cash flow from Operations	**-29,117.29**	**9,320.23**	**-10,707.22**
1. Income Tax Paid (including TDS)	-2,168.60	-2,548.11	-2,539.74
2. Income Tax refund	2.57	22.07	42.00
Net Cash Flow from Operating Activities	**-31,283.32**	**6,794.19**	**-13,204.96**
B. Cash Flow from Investing Activities			
1. Sale of Fixed Assets	0.14	0.06	0.86
2. Purchase of Fixed Assets (incl. CWIP & Intangible Assets under development)	-78.66	-27.01	-104.63
3. Investment in shares of Energy Efficiency Services Ltd. (including share application money pending allotment)	-	0.00	-124.00
4. Investment in 11.15% Additional Tier-1 Perpetual Bonds of Indian Bank	-	0.00	-500.00
5. Investment in 11.25% Additional Tier-1 Perpetual Bonds of Vijaya Bank	-	0.00	-500.00
6. Investment in 11.25% Additional Tier-1 Perpetual Bonds of Syndicate Bank	-	0.00	-500.00
7. Investment in shares of NHPC Ltd. (net of sale)	-	-400.80	0.00
8. Investment in shares of HUDCO Ltd.	-2.08	-	-
9. Redemption of 8% Government of Madhya Pradesh Power Bonds-II	94.32	94.32	94.32
10. Sale of Long-term Investments	-	76.65	762.53
11. Profit on sale/redemption of investments	-	79.75	12.29
12. Interest on Long-Term Investments/ Govt. Securities	214.64	229.94	106.05
13. Dividend from Subsidiary Co.	25.91	19.50	10.01
14. Dividend from Investments	39.77	66.54	3.05
Net Cash Flow from Investing Activities	**294.04**	**138.95**	**-739.52**

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
C. Cash Flow from Financing Activities			
1. Issue of Bonds (Net of redemptions)	19,558.55	5,871.66	14,972.72
2. Raising of Term Loans/ STL from Banks/ FIs (Net of repayments)	-350.00	-1,099.93	-459.07
3. Raising of Foreign Currency Loan (Net of redemptions and inclusive of related derivative payments)	8,360.41	-833.33	-2,607.56
4. Funds received from GOI for further disbursement as Subsidy/ Grant including interest (Net of refund)	10,635.24	8,027.15	4,436.52
5. Disbursement of grants	-10,563.91	-8,039.66	-4,691.45
6. Repayment of Govt. Loan			-3.07
7. Payment of Final Dividend	-	-503.60	-266.61
8. Payment of Interim Dividend	-1,984.79	-1,382.44	-1,184.95
9. Payment of Corporate Dividend Tax	-397.88	-379.98	-293.47
10. Premium on issue of Securities		0.00	0.28
11. Issue of Commercial Paper (Net of repayments)	3,014.84	-5,833.16	5,246.79
Net Cash flow from Financing Activities	**28,272.46**	**-4,173.29**	**15,150.13**
Net Increase/Decrease in Cash & Cash Equivalents	**-2,716.82**	**2,759.85**	**1,205.65**
Cash & Cash Equivalents as at the beginning of the year	**4,488.04**	**1,728.19**	**522.54**
Cash & Cash Equivalents as at the end of the year	**1,771.22**	**4,488.04**	**1,728.19**

CONSOLIDATED REFORMATTED STATEMENT OF ASSETS & LIABILITIES

(Rs. in Crores)

	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
I.	**EQUITY AND LIABILITIES**				
(1)	**Shareholders' Funds**				
	(a) Share Capital	A	1,974.92	1,974.92	987.46
	(b) Reserves and Surplus	B	33,897.38	31,695.64	27,905.94
	Sub-total (1)		**35,872.30**	**33,670.56**	**28,893.40**
	Share Application Money pending Allotment		**31.39**	-	-
(2)	**Non-current Liabilities**				
	(a) Long-term Borrowings	C	161,434.78	149,680.89	138,783.85
	(b) Deferred Tax Liability (Net)		65.73	39.92	47.54
	(c) Other Long-term Liabilities	D	4,038.46	13.42	10.01
	(d) Long-term Provisions	E	1,340.57	1,849.47	1,295.54
	Sub-total (2)		**166,879.54**	**151,583.70**	**140,136.94**
(3)	**Current Liabilities**				
	(a) Short-term Borrowings	F	5,727.90	110.98	6,460.77
	(b) Trade Payables		448.64	160.39	117.96
	(c) Other current liabilities	G	39,426.54	24,524.99	30,477.43
	(d) Short-term Provisions	E	252.40	194.30	858.42
	Sub-total (3)		**45,855.48**	**24,990.66**	**37,914.58**
	Total (1+2+3)		**248,638.71**	**210,244.92**	**206,944.92**
II.	**ASSETS**				
(1)	**Non-current Assets**				
	(a) Fixed assets	H			
	(i) Tangible Assets		424.14	354.11	253.05
	(ii) Intangible Assets		10.16	0.74	1.03
	(iii) Capital work-in-progress		530.07	164.13	76.84
	(iv) Intangible Assets under Development		1.46	1.46	1.21
			965.83	520.44	332.13
	(b) Non-current Investments	I	2,396.87	2,432.57	2,202.14
	(c) Deferred Tax Assets (Net)		-	-	-
	(d) Long-term Loans & Advances	J	206,495.28	177,351.58	157,796.82
	(e) Other Non-current Assets	K	4,743.92	394.07	109.26
	Sub-total (1)		**214,601.90**	**180,698.66**	**160,440.35**
(2)	**Current Assets**				
	(a) Current Investments	I	183.85	184.36	149.41
	(b) Inventories	U	102.48	51.18	66.79
	(c) Trade Receivables	L	541.86	438.40	231.89
	(d) Cash & Bank Balances	M	2,368.24	4,650.79	1,864.08
	(e) Short-term Loans & Advances	N	5,702.07	3,618.72	809.37
	(f) Other Current Assets	O	25,138.31	20,602.81	43,383.03
	Sub-total (2)		**34,036.81**	**29,546.26**	**46,504.57**
	Total (1+2)		**248,638.71**	**210,244.92**	**206,944.92**

CONSOLIDATED REFORMATTED STATEMENT OF PROFIT AND LOSS

(Rs. in Crores)

	Particulars	Notes No.	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2016
I.	Revenue from Operations	**P**	**23054.42**	24194.92	24,110.86
II.	Other Income	**Q**	**46.98**	166.31	19.07
III.	**Total Revenue (I+II)**		**23,101.40**	**24,361.23**	**24,129.93**
IV.	**Expenses**				
(i)	Finance Costs	**R**	13859.59	13461.59	14,282.35
(ii)	Employee Benefits Expense	**S**	198.46	192.75	143.19
(iii)	Depreciation & Amortization		69.59	40.33	19.67
(iv)	Corporate Social Responsibility Expenses	**T**	50.94	68.94	120.29
(v)	Other Expenses	**T**	285.29	220.58	164.39
(vi)	Provisions and Contingencies	**T**	1421.06	1110.31	1,096.18
(vii)	Purchases of Stock-in-Trade		328.53	273.12	223.60
(viii)	Changes in inventories of Stock-in-Trade & Work-in-Progress	**V**	-53.32	22.76	-66.79
	Total Expenses (IV)		**16160.14**	**15390.38**	**15,982.88**
V.	**Profit before Prior Period Items & Tax (III-IV)**		6941.26	8970.85	8,147.05
VI.	Prior Period Items		0.02	-1.51	0.39
VII.	**Profit before Tax (V-VI)**		**6941.24**	**8972.36**	**8,146.66**
VIII.	Extraordinary Items		-	-	-
VII.	**Profit before Tax (V-VI)**		**6,941.24**	**8,972.36**	**8,146.66**
VIII.	Tax Expense :				
(i)	Current Year		2212.17	2648.37	2,516.85
(ii)	Earlier Years/ (Refunds)		12.21	-27.79	-2.77
(iii)	Deferred Tax		27.4	38.41	-58.84
	Total Tax Expense (i+ii+iii)		**2251.78**	**2658.99**	**2,455.24**
IX.	**Profit for the period from Continuing Operations (VII-VIII)**		**4,689.46**	**6,313.37**	**5,691.42**
X.	**Profit from Discontinuing Operations (after tax)**		-	-	-
XI.	**Profit for the period (IX+X)**		**4689.46**	**6313.37**	**5,691.42**
XII.	**Earnings per Equity Share (in ` for an equity share of ` 10 each)**				
	(1) Basic		**23.75**	**31.97**	**28.82**
	(2) Diluted		**23.75**	**31.97**	**28.82**

CONSOLIDATED REFORMATTED STATEMENT OF CASH FLOWS

(Rs. in Crores)

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
A. Cash Flow from Operating Activities :			
Net Profit before Tax	**6,941.24**	**8,972.36**	**8,146.66**
Adjustments for:			
1. Profit / Loss on Sale of Fixed Assets	0.56	0.52	0.38
2. Depreciation & Amortization	69.59	39.69	19.67
3. Provisions and Contingencies	1,415.83	1,110.31	1,096.18
4. Allowance for Staff Advances	-		
5. Interest on Commercial Paper	135.60	300.46	285.91
6. Interest Expense on Misc. Borrowings	29.91	15.79	3.90
7. Excess Provision written back	-0.71	-1.42	-0.09
8. Gain on Changes in Fair Value of Interest Rate Swaps	-	-	-
9. Profit on sale/redemption of investments	-	-79.75	-12.29
10. Loss/ Gain(-) on Exchange Rate fluctuation	61.65	47.37	666.13
11. Dividend from Investments	-26.85	-63.15	-2.37
12. Interest on Long-term Investments/ Govt. Securities	-231.87	-239.22	-95.76
13. Provision made for Interest on Advance Income Tax	5.53	2.82	-
14. Provision in respect of Amounts recoverable	6.19	-	-
14. Discount on Bonds written off	1.66	0.14	3.99
15. Interest Accrued on Zero Coupon Bonds	89.50	82.45	76.17
16. Dividend & Dividend Tax paid in excess of provision	-	-	-
17. Other Finance Expenses	-	-	-
18. Provision for Diminution in value of Investment	-	-	-
19. Provision for contigencies of Project Cost revisions	-	-	-
Operating profit before Changes in Operating Assets & Liabilities:	**8,497.83**	**10,188.37**	**10,188.48**
Increase / Decrease :			
1. Loan Assets	-37,474.64	-650.38	-21,733.35
2. Other Operating Assets	-4,366.37	-177.34	-229.95
3. Operating Liabilities	4,876.43	13.87	1,029.90
Cash flow from Operations	**-28,466.75**	**9,374.52**	**-10,744.92**
1. Income Tax Paid (including TDS)	-2,213.77	-2,592.07	-2,575.09
2. Income Tax refund	2.57	22.07	42.00
Net Cash Flow from Operating Activities	**-30,677.95**	**6,804.52**	**-13,278.01**
B. Cash Flow from Investing Activities			
1. Sale of Fixed Assets	0.14	0.06	0.85
2. Purchase of Fixed Assets (incl. CWIP & Intangible Assets under development)	-506.29	-203.19	-259.41
3. Investment in shares of Energypro Assets Limited	-56.54	-0.60	
4. Investment in 11.15% Additional Tier-1 Perpetual Bonds of Indian Bank	-	-	-500.00
5. Investment in 11.25% Additional Tier-1 Perpetual Bonds of Vijaya Bank	-	-	-500.00

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
6. Investment in 11.25% Additional Tier-1 Perpetual Bonds of Syndicate Bank	-	-	-500.00
7.Investment in shares of NHPC Ltd. (net of sale)		-400.80	-
8. Investment in shares of HUDCO Ltd.	-2.08	-	
8. Redemption of 8% Government of Madhya Pradesh Power Bonds-II	94.32	94.32	94.32
9. Sale of Long-term Investments		76.65	762.53
10. Profit on sale/redemption of investments		79.75	12.29
11. Interest on Long term Investments/ Govt. Securities	232.49	242.43	114.96
12. Dividend from Investments	39.77	66.54	3.05
13. Investment in Shares of Fellow Subsidiary Companies	0.10	0.05	-0.10
14. Investment in Tax Free Bonds/Others	-	-	-26.28
15. Fixed Deposit made during the year	-212.58	-38.12	-1.25
16. Fixed Deposit matured during the year	46.40	16.95	43.34
Investments in CP/CDs (Net)	-29.00	-35.00	
Net Cash Flow from Investing Activities	**-393.27**	**-100.96**	**-755.70**
C. Cash Flow from Financing Activities			
1. Issue of Shares including Share Application Money	31.39	31.39	-
2. Issue of Bonds (Net of redemptions)	19,558.55	5,871.66	14,969.28
3. Raising of Term Loans/ STL from Banks/ FIs (Net of repayments)	18.27	-881.04	-308.65
4. Raising of Foreign Currency Loan (Net of redemptions and inclusive of related derivative payments)	8,360.41	-833.33	-2,607.56
5. Funds received from GOI for further disbursement as Subsidy/ Grant including interest (Net of refund)	10,635.24	8,027.15	4,436.52
6. Disbursement of grants	-10,563.91	-8,039.66	-4,691.45
7. Repayment of Govt. Loan		-	-3.07
8. Payment of Dividend on equity shares	-1,997.71	-1,889.43	
9. Payment of Interim Dividend			
10. Payment of Corporate Dividend Tax	-404.94	-384.66	-295.51
11. Interst Paid on Misc. Borrowings	-29.91	-15.73	-3.90
12. Premium on issue of securities	3,014.84	-	0.28
13. Issue of Commercial Paper (Net of repayments)		-5,833.16	5,246.79
14. Other Finance Expenses		-	-
Net Cash flow from Financing Activities	**28,622.23**	**-3,946.81**	**16,742.73**
Net Increase/Decrease in Cash & Cash Equivalents	**-2,448.99**	**2,756.75**	**2,709.02**
Cash & Cash Equivalents as at the beginning of the year	4,580.28	1,823.59	559.10
Cash & Cash Equivalents as at the end of the year	2,131.29	4,580.34	1,816.56

IMPORTANT FINANCIAL INDICATORS (ON CONSOLIDATED BASIS)

(Rs. in Crores)

Particulars	As on/ For the year ended 31.03.18 (Audited)	As on/ For the year ended 31.03.17 (Audited)	As on/ For the year ended 31.03.16 (Audited)
For Financial Entities			
Net worth	35,872.30	33,670.56	28,893.40
Total Debt	199,493.14	167,851.64	169,211.64
of which – Non Current Maturities of Long Term Borrowing	161,434.78	149,680.89	138,783.85
- Short Term Borrowing	5,727.9	110.98	6,460.77
- Current Maturities of Long Term Borrowing	32,330.46	18,059.77	23,967.02
Net Fixed Assets	965.83	520.44	332.13
Non-Current Assets	214,601.90	180,698.66	160,440.35
Cash and Cash Equivalents	2,131.29	4,580.34	1,816.56
Current Investments	183.85	184.36	149.41
Current Assets	34,036.81	29,546.26	46,504.57
Current Liabilities	45,855.48	24,990.66	37,914.58
Asset Under Management	N.A.	N.A.	N.A.
Off Balance Sheet Assets	N.A.	N.A.	N.A.
Interest Income	21,748.95	22,935.61	23,470.66
Finance Costs (including interest expense)	13,859.59	13,461.59	14,282.35
Net interest income	7889.36	9474.02	9,188.31
Provisioning & Write-offs	1,421.06	1,110.31	1,096.18
PAT	4,689.46	6,313.37	5,691.42
Gross NPA (%)*	7.15%	2.41%	2.11%
Net NPA (%)*	5.68%	1.60%	1.61%
Tier I Capital Adequacy Ratio (%) *	16.84	18.43	17.48
Tier II Capital Adequacy Ratio (%) *	2.55	2.75	2.90
Total Loan Assets (net)	235,933.05	200,293.33	200,265.02
Capital Adequacy ratio (%)			
Net interest margin*	3.89%	4.65%	4.90%
Yield on Loan Assets*	10.55%	11.64%	12.51%
Cost of funds*	7.53%	8.13%	8.50%
Return on Net worth (average)	13.49%	20.18%	21.09%
Debt equity ratio (times)	5.56	4.99	5.86
Total Assets	248,638.71	210,244.92	206,944.92
Return on assets (average)	2.04%	3.03%	2.92%

* These figures have been given on standalone basis.

10.4. OTHER FINANCIAL PARAMETERS

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Dividend declared (As %age on FV)		96.5%	171%
Interest Coverage Ratio (times)		1.64	1.56

10.5. 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
2017-18	During the year, the Issuer has revised the accounting policy for amortization of one time arrangement fee incurred in raising of foreign currency borrowings and premium paid

Financial Year	Change in accounting policies and their effect
	towards hedging contracts over the period of such borrowings or contracts. Due to this change in accounting policy, profit before tax for the year ended 31st March 2018 is higher by Rs. 220.75 Crores. Further, the policy for recognising the agency fee on GoI schemes has now been changed to recognise such income on accrual basis. Due to this change in accounting policy, profit before tax for the year ended 31st March 2018 is higher by Rs. 136.45 Crores. Since the validity of certain exemptions given by RBI had expired during the current year in respect of classification of loan assets, the Issuer has modified the accounting policy in respect of asset classification and provisioning to bring it in line with RBI regulations from time to time. Due to this change in accounting policy, profit before tax for the year ended 31st March 2018 is lower by Rs. 146.09 Crores. Due to these changes in accounting policies, profit before tax for the year ended 31st March 2018 is higher by Rs. 211.11 Crores.
2016-17	During the quarter ended June 30, 2016, the Issuer had revised the accounting policy for accounting for derivatives contracts in order to align it with the 'Guidance Note on During the year ended 31 March 2017, the Issuer has revised the Significant Accounting Policy No. 16 in respect of accounting for derivatives contracts in order to align it with the 'Guidance Note on Accounting for Derivative Contracts' issued by The Institute of Chartered Accountants of India which has become applicable from 1 April 2016. In accordance with the transitional provisions mentioned in the Guidance Note, an amount of Rs. 86.75 Crores after netting of taxes of Rs. 45.92 Crores had been adjusted in the opening balance of reserves, representing the change in the fair value of the interest rate swaps till 31 March 2016. Further, the fair value gain on interest rate swaps of Rs. 324.77 Crores has been booked to the statement of profit and loss for the year ended 31 March 2017 in accordance with the revised accounting policy. Further, the accounting policy on treatment of foreign currency exchange differences on the hedged loans and the corresponding derivative contracts has also been revised in order to align the same with existing accounting policy for amortising the foreign exchange fluctuation loss/ (gain) on the long term foreign currency monetary items over the balance period of such items in accordance with AS-11. The impact of this change, foreign exchange fluctuation loss pertaining to the previous years Rs. 29.79 Crores and foreign exchange fluctuation gain pertaining to current period Rs. 6.69 Crores has been adjusted in the Finance Cost for the for the year ended 31 March 2017. Due to these changes in accounting policies, profit before tax for the year ended 31 March 2017 is higher by Rs. 301.67 Crores.
2015-16	During the year ended 31st March, 2016, the Issuer had revised the accounting policy in respect of asset classification in line with RBI Guidelines. Further, the accounting policy for creation of allowance against standard loan assets has been modified to align it with the revised provisioning requirements for standard loans as per RBI notification dated 10th November, 2014, as amended. Due to these changes in accounting policy, profit before tax for the year ended 31st March, 2016 is lower by Rs. 87.87 Crores. Further, minor modifications have been made in the accounting policy in respect of basis of preparation of financial statements, revenue recognition, intangible assets and cash flow statements. However, there is no financial impact of such modifications.

SECTION XI
PARTICULARS OF THE OFFER

Eligibility of the Issuer to come out with the Issue and Government Approvals

The Issuer, its Directors and authorised officers have not been prohibited from accessing the debt market under any order or directions passed by SEBI or any other government authority.

This present issue of Bonds is being made in accordance with extant guidelines for floatation of PSU bonds as amended from time to time. The Issuer can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority(s) is required by the Issuer to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time. Further, the RBI vide its Circular No. RBI/2014-15/475 DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015, as amended, has allowed NBFCs to issue unsecured bonds.

Authority for the Placement

The present issue of Bonds is being made pursuant to:

(i) resolutions passed by the Board of Directors of the Issuer on March 22, 2018, October 12, 2018 and delegation provided thereunder;
(ii) special resolution passed by the shareholders of the Issuer under section 42 of the Companies Act, 2013 and sub-rule 2 of Rule 14 of the PAS Rules, as amended in the annual general meeting held on September 25, 2018;
(iii) Article 95(xxii), 96 (i) and 96 (ii) of the Articles of Association of the Issuer.

The Issuer can issue the Bonds proposed by it in view of the present approvals and no further approvals in general from any GoI authority are required by the Issuer to undertake the proposed activity.

Objects of the Issue

The main object clause of the Issuer as contained in the Memorandum of Association and Articles of Association of the Issuer enables it to undertake the activities for which the funds are being raised under the present Issue. Also, the main object clause of the Issuer as contained therein adequately covers its existing and proposed activities. The funds raised by way of the Issue will be utilized for various operations of the Issuer as permitted by laws and regulations.

Utilisation of Issue 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 which is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfilment of the objects of the Issue. The Issuer further confirms that the proceeds of the current issue of Bonds shall not be used for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

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 therefore 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 Issue Size or certain percentage of the Issue Size.

Nature and Class of Securities

The Issuer is issuing unsecured, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures. These Bonds shall be fully paid-up and the claims of the Bondholders shall be unsecured, senior and unsubordinated.

Put and Call Option

Neither the Bondholder(s) shall have any right to exercise any put option nor shall the Issuer have right to exercise any call option in respect of the Bonds.

Contribution made by Promoters or Directors

NIL

Maximum Investors for the Issue

In view of RBI's Circular No. RBI/2014-15/475DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015, as amended, on a private placement basis there is no limit on the number of subscribers in respect of issuances with a minimum subscription of Rs.1 (one) Crore and above.

Issue Price

Each Bond has a face value of Rs.10 (ten) Lakh each and is issued at par. The Bonds shall be redeemable at par i.e. for Rs.10 (ten) 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.

Security

Bonds are unsecured.

Terms of Payment

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

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

Deemed Date of Allotment

The cut-off date declared by the Issuer from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholders is called as 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)/ Refund Order(s)/ Issue of Letter(s) of Allotment

The beneficiary account of the investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 15 (fifteen) 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.

Bonds to be issued in Demat Format only

The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended, rules notified by NSDL, CDSL or Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Bonds shall be allotted in dematerialised form only. However, if any Bondholder wants to convert bonds into physical form he/she makes appropriate application to the Depositories

as per relevant rules and regulations of the Depository.

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 viz.

1. Tripartite agreement dated November 15, 2007 between the Issuer, NSDL and the Registrar, being Karvy Computershare Private Limited

2. Tripartite agreement dated October 16, 2007 between the Issuer, CDSL and Karvy Computershare Private Limited.

The Bonds will be issued in dematerialised form and the same shall be in accordance with the provisions of the SEBI Debt Regulations, Depositories Act and the regulations made thereunder and are to be issued as per 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 as per applicable law.

Procedure for applying for Demat Facility

1. Investor(s) should have / open a beneficiary account with any Depository Participant of NSDL or CDSL.

2. For allotment of Bonds in dematerialized form, the beneficiary account number and depository participants indentification shall be specified in the relevant columns of the Application Form.

3. If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the Depository system, the Allotment of Bonds shall be held in abeyance till such time satisfactory demat account details are provided by the Investor.

4. The Bonds allotted to an Investor in dematerialized form would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice/refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the confirmation of the credit of the Bonds to the investor's Depository Account will be provided to the investor by the Investor's DP.

5. Interest or other benefits with respect to the Bonds held in dematerialized form would be paid to those Bondholders whose names appear on the list of Beneficial Owners given by the depositories to the Issuer as on the Record Date or to the Bondholders who have converted the demat securities to physical form and their names are registered as Bondholders on the registers maintained by the Issuer or Registrar. In case, the Beneficial Owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the Beneficial Owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 (fifteen) days from the date of receiving such intimation.

6. Investors may please note that the Bonds in dematerialised form can be traded only on the stock exchanges having electronic connectivity with NSDL or CDSL.

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.

Market Lot

The market lot for trading of Bonds will be one Bond ("**Market Lot**").

Trading of Bonds

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Bond. Trading of Bonds would be permitted in dematerialised mode only in standard denomination of Rs.10 (ten) Lakh and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case 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

The Bonds shall be transferred subject to and in accordance with the rules/procedures as prescribed by the NSDL, CDSL or 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 his Depository Participant.

Transfer of Bonds to and from foreign investors, in case they seek to hold the Bonds and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Interest on Application Money

In respect of Investors who get Allotment of Bonds in the Issue, interest on Application money shall be paid at the Coupon Rate (subject to deduction of income tax under the provisions of the I.T. Act, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of Application money in the Designated Bank Account up to but excluding the Deemed Date of Allotment. Such interest on Application money shall be paid by the Issuer to the relevant Applicants within 15 (fifteen) days from the Deemed Date of Allotment

Interest on the Bonds

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

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

Computation of Interest

The Bonds will carry interest rates as per the term sheet from the Deemed Date of Allotment. The interest will be paid from the Deemed Date of Allotment (subject to deduction of tax at source at the rates prevailing from time to time under the I.T. Act, or any other statutory modification or re-enactment thereof) as per term sheet. The Interest shall be computed on "Actual / Actual" day count basis.

Record Date

Record date of interest shall be 15 (fifteen) days prior to each interest payment date and 15 (fifteen) days prior to the date of Maturity. Interest shall be paid to the person whose name appears as sole/first in the Register of

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

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" as per Income Tax rules. Bondholders desirous of claiming exemption from deduction of Income Tax at source on the interest payable on Bonds should submit tax exemption certificate/document, under Section 193 of the I.T. Act if any, 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).

Redemption

The face value of the Bonds will be redeemed at par, on the expiry of the tenor of the Bonds series as per details in the summary term sheet from the Deemed Date of Allotment. The Bonds will not carry any obligation, for interest or otherwise, after the date of redemption. 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 Bondholders on the Record Date/ or the Beneficial Owners as per the list provided by the Depositories. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders.

In case 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 Interest/redemption with respect to Bonds, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Settlement/ Payment on Redemption

Payment on redemption will be made by way of cheque(s)/ redemption warrants(s)/ demand draft(s)/ CREDIT through RTGS system in the name of the Bondholders whose name appear on the list of Beneficial Owners given by Depository to the Issuer /or the Bondholders (who have converted the Bonds to physical form), whose names are registered on the register maintained by the Issuer /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/ CDSL/ 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/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant shall be adjusted.

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

Right of Bondholder(s)

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

Besides the above, the Bonds shall be subject to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013 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.

Effect of Holidays

If the interest payment date falls on a holiday, the payment of interest up to original scheduled date, will be made on the following working day, however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.

If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.

It is clarified that Interest/redemption with respect to Bonds, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

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. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

Succession

In the event of the demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, REC will recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bonds by way of succession, the following steps have to be complied:

a. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.
b. Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis.

Who Can Apply

The following categories are eligible to apply for this private placement of Bonds:

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, Gratuity Funds and Superannuation Funds authorised to invest in the

Issue;

7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
8. Insurance funds set up and managed by army, navy or air force of the Union of India;
9. Companies and Bodies Corporate authorized to invest in bonds/debentures;
10. Co-operative Banks and Regional Rural Banks authorized to invest in bonds/debentures;
11. Gratuity Funds and Superannuation Funds;
12. Societies authorized to invest in bonds/ debentures;
13. Trusts authorized to invest in bonds/ debentures;
14. Foreign Institutional Investors and sub-accounts registered with SEBI or 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.

All Applicants are required to comply with the relevant regulations/guidelines applicable to them for investing in the Issue as per 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 or the PDIs 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.

However, out of the aforesaid class of investors eligible to invest, this Private Placement Offer Letter is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective Investor receiving this Private Placement Offer Letter from the Issuer).

The Applications must be accompanied by certified true copies of (1) memorandum and articles of association/ constitution/bye-laws/charter documents; (2) resolution authorizing investment and containing operating instructions (including power of attorney if applicable); (3) specimen signatures of authorized signatories; (4) necessary forms for claiming exemption from deduction of tax at source on the interest income/interest on Application money, wherever applicable; (5) documents relating to withholding tax applicability; (6) copy of PAN card provided by the Income Tax Department, GoI; and (7) any other requirements under the BSE Bond – EBP Platform / NSE Bond – EBP Platform or under any other applicable regulations (including but not limited to those of SEBI) or as may be required by the Issuer from time to time.

Who Cannot Apply

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

1. Minors;
2. Non-resident investors being an individual including NRIs, QFIs(individual), and FPIs (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. HUF; and
8. Partnership firms.

Application under Power of Attorney or by Limited Companies

In case of Applications made under a Power of Attorney or by a Limited 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, at the office of the Registrars to the Issue after submission of the Application Form to the BSE Bond - EPB Platform / NSE Bond - EBP Platform, failing which the applications are liable to be rejected.

Mode of Subscription / 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 application form will be filled in by each Investor and uploaded in accordance with the SEBI regulatory and operational guidelines. Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English as per the instructions contained therein.

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

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

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

(a) **Modification of Bid**

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

(b) **Cancellation of Bid**

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

(c) **Multiple Bids**

Investors may note that multiple bid are permitted. Multiple bids by the Arranger to the Issue are permitted as long as each bid is on behalf of different Investors/ same Investors. Arranger to the Issue can put multiple bids for same Investor provided the total of all bids entered is not equal to or more than Rs.15 crore or 5% of the Base Issue Size, whichever is lower.

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

Applications by Successful Bidders

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. This Application will constitute the application required under section 42 of the Companies Act, 2013 and the PAS Rules. 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. 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**").

Successful bidders must do the funds pay-in to the Designated Bank Account up to 10:30 am on the pay-in date ("**Pay-in Time**"). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of eligible Investors, funds pay-in shall be made from the bank account of such eligible Investors.

Note: In case of failure of any successful bidder 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 bidder.

Cheque(s), demand draft(s), Money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of Rs. 10 (ten) Lakhs per Bond is payable on application.

Applications should be for the number of PDIs applied by the Applicant. Applications not completed in the manner required are liable to be rejected. The name of the Applicant's bank, type of account and account number must be filled in the Application Form.

The Applicant or in the case of an Application in joint names, each of the Applicant, should mention the PAN allotted under the I.T. Act or where the same has not been allotted, the GIR No. and the Income Tax Circle/Ward/District. In accordance with the provision of Section 139A (5A) of the I.T. Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the Investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to Income Tax, the Applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

Basis of Allocation

Beginning from the issue opening date and until the day immediately prior to the Issue closing date, firm allotment against valid applications for the Bonds will be made to applicants in accordance with applicable SEBI regulations, operational guidelines of the Exchanges and all applicable laws. At its sole discretion, the Issuer shall decide the amount of over subscription to be retained over and above the Base Issue size.

The allotment of valid applications received on the closing day shall be done on yield-time priority basis in the following manner:

(a) allotment would be done first on "yield priority" basis;

(b) where two or more bids are at the same yield, then the allotment shall be done on "time-priority" basis;

(c) where two or more bids have the same yield and time, then allotment shall be done on "pro-rata" basis.

If the proportionate allotment of Bonds to such applicants is not a minimum of one Bond or in multiples of one Bond (which is the market lot), the decimal would be rounded off to the next higher whole number if that decimal is 0.5 or higher and to the next lower whole number if the decimal is lower than 0.5. All successful applicants on the Issue closing date would be allotted the number of Bonds arrived at after such rounding off.

Right to Accept or Reject Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject any Application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund if applicable, sent. The Application forms that are not complete in all respects are liable to be rejected and will not be paid any interest on the Application money. 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;
(ii) Applications exceeding the Issue Size;
(iii) Bondholder account details not given;
(iv) Details for issue of Bonds in dematerialized form not given; PAN/GIR and IT Circle/Ward/District not given;
(v) In case of Applications under power of attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bond(s) applied for is/are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

Provisional or Final Allocation

Allocation shall be made on a pro rata basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 10 (ten) Lakh. In relation to any NBFC, the minimum shall be Rs. 1 (one) Crore and in multiples of Rs. 10 (ten) Lakh thereafter. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE Bond – EBP Platform / NSE Bond – EBP Platform. Post receipt of Investor details, the Issuer will upload the final allocation file on the BSE Bond – EBP Platform / NSE Bond – EBP Platform.

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.

Settlement Process

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 Debentures to the demat account of the successful bidder(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 bidder(s) on the same day itself. Upon confirmation from the Depository, the clearing corporation of the relevant Exchanges shall transfer funds to the designated bank account of the Issuer.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018, and SEBI circular dated August 16, 2018 bearing reference number SEBI/HO/DDHS/CIR/P/2018/122, each as amended. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Force Majeure and other Withdrawal of Issue

The Issuer reserves the right to withdraw the Issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Issuer reserves the right to change the Issue schedule.

The Issuer reserves the right to withdraw the Issue as set out under the Operating Guidelines or as permitted under applicable law or regulations.

Acknowledgements

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

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to its Registrars or to such other person(s) at such other address(s) as may be specified by the Issuer from time to time through a suitable communication.

Application by Mutual Funds

In case of Applications by Mutual Funds, a separate Application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the asset management company/trustees/custodian clearly indicate their intention as to the scheme for which the Application has been made.

PAN/GIR Number

All Applicants should mention their PAN or the GIR Number allotted under I.T. Act, and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

Signatures

Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorized official of the Issuer or by a Magistrate/ Notary Public under his/her official seal.

Bondholder not a Shareholder

The Bondholders will not be entitled to any of the rights and privileges available to the shareholder. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their consideration.

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 SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017 as amended ("**First ISIN Circular**") and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018, as amended or any other applicable laws or regulations from time to time ("**Second ISIN Circular**", together with the First ISIN Circular, the "**ISIN Circulars**").

The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the ISIN Circulars.

Right to Re-purchase, Re-issue or Consolidate the Bonds

The Issuer will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Bonds from the secondary markets or otherwise, 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 repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the power to re-issue the Bonds either by re-issuing the same Bonds or by issuing other debentures in their place. The Issuer shall have right to consolidate the Bonds under present series in accordance with applicable law.

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

Future Borrowings

The Issuer shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ 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 (except subordinated debt) of the Issuer.

Bond/Debenture Redemption Reserve

Under the Companies (Share Capital and Debentures) Rules, 2014, as amended ("**Debentures Rules**"), 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 (Amendment) Act, 1997, as amended.

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), including notices referred to under "Payment of Interest" and "Payment on Redemption" 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.

Tax Benefits to the Bondholders of the Issuer

The holder(s) of the Bonds are advised to consider in their own case, the tax implications in respect of subscription to the Bonds after consulting their own tax advisor or legal counsel.

Disputes and Governing Law

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the jurisdiction of courts of New Delhi.

Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavours to resolve the investors' grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application number (including prefix), number of Bonds applied for, amount paid on application and bank and branch / the Issuer collection centre where the Application was submitted, may be addressed to the resource mobilization unit at the head office. All Investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contracted in case of any problem related to this Issue.

SECTION XII
SUMMARY TERM SHEET

REC Limited (formerly known as Rural Electrification Corporation Limited) proposes to raise bonds with Issue Size Rs. 500 Crore each with Green-shoe option to retain oversubscription up to Rs. 2052.40 Crore under Bond Series 168.

Security Name	8.56% Semi-Annual Bond Series 168
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	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, Gratuity Funds and Superannuation Funds authorised to invest in the Issue 7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; 8. Insurance funds set up and managed by army, navy or air force of the Union of India. 9. Companies and Bodies Corporate authorized to invest in bonds/ debentures; 10. Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures; 11. Gratuity Funds and Superannuation Funds; 12. Societies authorized to invest in bonds/ debentures; 13. Trusts authorized to invest in bonds/ debentures; 14. Foreign Institutional Investors and sub-accounts registered with SEBI or Foreign Portfolio Investors (not being an individual or family offices); 15. Statutory Corporations/ Undertakings established by Central/State legislature authorized to invest in bonds/ debentures.
Non-Eligible classes of Investors	1. Minors; 2. Non-resident investors being an individual including NRIs, QFIs which are individual, and FPIs which are individual or family offices; 3. Venture capital fund and foreign venture capital investor; 4. Overseas corporate bodies; 5. Person ineligible to contract under applicable statutory/regulatory requirements; 6. Resident individual investors; 7. HUFs; and, 8. Partnership firms.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	BSE and/or NSE
Rating of the Instrument	IND AAA by IR&RPL CRISIL AAA/Stable by CRISIL ICRA AAA by ICRA

	CARE AAA by CARE
Issue Size	Rs. 500 Crore with green-shoe option to retain oversubscription.
Option to retain oversubscription (Amount)	Upto Rs. 2052.40 Crores aggregating to Rs. 2552.40 Crores.
Reasons of retaining oversubscription	To meet the Issuer's fund requirements for lending and repayment of liabilities.
Objects of the Issue	To augment long-term resources of the Issuer for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Issuer.
Details of the utilization of the Proceeds	The funds raised through this private placement are not meant for any specific project as such and therefore the proceeds of this Issue shall be utilized for the regular business activities of the Issuer. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue.
Coupon Rate	8.56% per annum
Step Up/Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Semi-Annual
Coupon Payment Date*	First Interest payment on 29.05.2019, after that 29th November and 29th May every year and the last interest payment on 29.11.2028 along with maturity proceeds.
Coupon Type	Fixed
Coupon Reset	N.A.
Day Count Basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application money	In respect of Investors to whom Bonds are Allotted in the Issue, interest on Application money shall be paid at the Coupon Rate (subject to deduction of Income Tax under the provisions of the I.T. Act, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of Application money in Designated Bank Account up to but excluding the Deemed Date of Allotment. Such interest on Application money shall be paid by the Issuer to the relevant Applicants within 15 (fifteen) days from the Deemed Date of Allotment.
Interest on Refunded Money against which Allotment is not made	In respect of Applications, which are valid but rejected on account of oversubscription, interest on refunded money shall be paid at the Coupon Rate (subject to deduction of Income Tax under the provisions of the I.T. Act, or any other statutory modification or re-enactment thereof, as applicable) (excluding the valid rejections) for the period starting from and including the date of realization of Application money in Issuer's bank account up to but excluding the Deemed Date of Allotment. The refund amounts together with interest thereon shall be paid by the Issuer to the relevant Applicants within 15 (fifteen) days from the Deemed Date of Allotment.
Default Interest Rate	2% per annum over the coupon rate will be payable by the Issuer for the defaulting period in case of default in payment of interest or redemption amount.
Tenure	10 years
Redemption Date **	29.11.2028
Redemption Amount	Redeemed at face value of Bonds
Redemption Premium /Discount	Nil
Issue Premium/Discount	Nil

Issue Price	Rs.10 Lakh per Bond
Discount at which security is issued and the effective yield as a result of such discount.	Nil
Put option Date	N.A.
Put option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	Rs.10 Lakh per Bond
Minimum Application and in multiples of Debt Securities thereafter	Application must be for a minimum size of Rs. 1 Crores (10 Bonds) and in multiple of Rs. 0.1 Crore (1 Bonds) thereafter.
Bidding Date	28 November, 2018
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	 28 November, 2018 28 November, 2018 29 November, 2018 29 November, 2018
Settlement Cycle	T+1 day ('T' being the bidding date as set out above)
No. of Applications	N.A.***
Issuance mode of the Instrument	In dematerialized mode
Trading mode of the Instrument	In dematerialized mode
Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by way of cheque(s)/ warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by the Banks.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Holiday Convention	If the interest payment date falls on a holiday, the payment of interest up to original scheduled date, will be made on the following working day, however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days when the money market is functioning in Mumbai. If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Record Date	15 (fifteen) days prior to each Coupon Payment Date or Redemption Date.
Security	The Bonds are unsecured.

Reissuance and consolidation	The Issuer shall have right to reissue or consolidate the bonds under present series in accordance with applicable law.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Letter appointing Bond Trustee to the Bondholders; 2. Bond trustee agreement; 3. Bond trust deed; 4. Rating letter from IR&RPL; 5. Rating letter from CARE; 6. Rating letter from CRISIL; 7. Rating letter from ICRA; 8. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; 9. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 10. Letter appointing the Registrar; 11. Application made to BSE and/or NSE for seeking their in-principle approval for listing of Bonds; 12. Listing Agreement with BSE and/or NSE; 13. Letters appointing Arrangers to the Issue; and 14. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.
Additional Covenants	The Issuer shall allot the Bonds within 60 (sixty) days from the date of receipt of the Application money for such Bonds and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers within 15 (fifteen) days from the date of completion of 60 (sixty) days and if the Issuer fails to repay the Application money within the aforesaid period, it shall be liable to repay such money with interest at the rate of 12% p.a. from the expiry of the 60th (sixtieth) day. Listing: The Issuer shall complete all the formalities and seek listing permission within 15 (fifteen) days from the Deemed Date of Allotment. In case of delay in listing of the Bonds within the prescribed period from the Deemed Date of Allotment, the Issuer shall pay penal interest at the rate as mentioned in relevant regulations. In case the Bonds issued to the SEBI registered FIIs / sub-accounts of FIIs/FPIs are not listed within 15 (fifteen) days of issuance to the SEBI registered FIIs/ sub-accounts of FIIs/ FPIs, for any reason, then the FII/sub-account of FII/FPIs shall immediately dispose of the Bonds either by way of sale to a third party or to the Issuer and in case of failure to list the Bonds issued to SEBI registered FIIs/ sub-accounts of FIIs/FPIs within 15 (fifteen) days of issuance, the Issuer shall immediately redeem / buyback such Bonds from the FIIs/sub-accounts of FIIs/FPIs.
Events of Default	As specified in the Bond trust deed.
Remedies	As mentioned in Bond trust deed.
Cross Default	N.A.
Bond Trustee	BEACON Trusteeship Limited.
Registrars	Karvy Computershare Private Limited.
Role and Responsibilities of Bond Trustee	The Bond Trustee shall protect the interest of the Bondholders as stipulated in the Bond Trust Deed and in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Bondholder shall be entitled to proceed directly against REC unless the Bond Trustee, having become so bound to proceed, fail to do so.

Conditions precedent to subscription of Bonds	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from IRRPL, CARE, ICRA and CRISIL not being more than one month old from the issue opening date; 2. Seek a written consent letter from the Bond Trustee conveying their consent to act as Bond Trustee for the Bondholders; and 3. Making an application to BSE and/or NSE for seeking their in-principle approval for listing of Bonds.
Conditions subsequent to subscription of Bonds	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer Letter: 1. Maintaining a complete record of private placement offers in Form PAS-5; 2. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under Section 42(8) of the Companies Act, 2013, with the Registrar of Companies, National Capital Territory of Delhi and Haryana within 15 (fifteen) days of the Deemed Date of Allotment along with fee as provided in the Fees Rules; 3. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within the stipulated time period from the Deemed Date of Allotment; 4. Taking steps for listing of Bonds with BSE and/or NSE within 15 (fifteen) days from the Deemed Date of Allotment of Bonds; 6. Submission of Bond trust deed with BSE and/or NSE within 5 (five) working days of execution of the same for uploading on their website; and 7. Filing of Form PAS-4 and PAS- 5 with SEBI. Further, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter.
Mode of Subscription	Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform or NSE Bond - EBP Platform (as applicable) while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between BSE Bond - EBP Platform / NSE Bond -EBP Platform (as applicable) 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 or NSE (as applicable). Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges as further set out under "Particulars of the Offer' Section of the Private Placement Offer Letter.
Settlement Mechanism	Through clearing corporation of NSE/BSE
Allocation Option	Uniform yield
Bidding type	Closed bidding
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi.

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

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

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

Illustration of Bond Cash Flows for Bond Series 168

Issuer	REC Limited
Face Value (per security)	Rs.10,00,000/-
Date of Allotment	29 November, 2018
Tenure	10 years
Coupon Rate	8.56% per annum
Frequency of the Interest Payment with specified dates	Semi-Annual
Day Count Convention	Actual / Actual

Particulars	Original Date	Revised Date	No. of Days	Cash Flow
1st Coupon	Wednesday 29-05-2019	Wednesday 29-05-2019	181	1,08,34,48,346
2nd Coupon	Friday 29-11-2019	Friday 29-11-2019	184	1,10,14,06,054
3rd Coupon	Friday 29-05-2020	Friday 29-05-2020	182	1,08,64,57,652
4th Coupon	Sunday 29-11-2020	Monday 30-11-2020	184	1,09,83,96,748
5th Coupon	Saturday 29-05-2021	Saturday 29-05-2021	181	1,08,34,48,346
6th Coupon	Monday 29-11-2021	Monday 29-11-2021	184	1,10,14,06,054
7th Coupon	Sunday 29-05-2022	Monday 30-05-2022	181	1,08,34,48,346
8th Coupon	Tuesday 29-11-2022	Tuesday 29-11-2022	184	1,10,14,06,054
9th Coupon	Monday 29-05-2023	Monday 29-05-2023	181	1,08,34,48,346
10th Coupon	Wednesday 29-11-2023	Wednesday 29-11-2023	184	1,10,14,06,054
11th Coupon	Wednesday 29-05-2024	Wednesday 29-05-2024	182	1,08,64,57,652
12th Coupon	Friday 29-11-2024	Friday 29-11-2024	184	1,09,83,96,748
13th Coupon	Thursday 29-05-2025	Thursday 29-05-2025	181	1,08,34,48,346
14th Coupon	Saturday 29-11-2025	Saturday 29-11-2025	184	1,10,14,06,054
15th Coupon	Friday 29-05-2026	Friday 29-05-2026	181	1,08,34,48,346
16th Coupon	Sunday 29-11-2026	Sunday 29-11-2026	184	1,10,14,06,054
17th Coupon	Saturday 29-05-2027	Saturday 29-05-2027	181	1,08,34,48,346
18th Coupon	Monday 29-11-2027	Monday 29-11-2027	184	1,10,14,06,054
19th Coupon	Monday 29-05-2028	Monday 29-05-2028	182	1,08,64,57,652
20th Coupon	Wednesday 29-11-2028	Wednesday 29-11-2028	184	1,09,83,96,748
Principal	Wednesday 29-11-2028	Wednesday 29-11-2028		25,52,40,00,000

SECTION XIII
MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE

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

SECTION XIV
CREDIT RATING AND RATIONALE THEREOF

India Ratings & Research Private Limited ("**IR&RPL**") vide its letter dated November 28, 2018, has assigned a credit rating of "**INDAAA/Stable**" to the long term borrowing programme of REC aggregating to Rs. 60,000 Crore. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of rating letter from IR&RPL is enclosed elsewhere in this Private Placement Offer Letter.

Credit Analysis & Research Limited ("**CARE**") vide its letter dated November 27, 2018, has reaffirmed a credit rating of "**CARE AAA (Triple A)**" to the long term borrowing programme of REC aggregating to Rs. 60,000 Crore. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of rating letter from CARE is enclosed elsewhere in this Private Placement Offer Letter.

CRISIL Limited ("**CRISIL**") its letter dated November 22, 2018, has reaffirmed a credit rating of **"CRISIL AAA/Stable"** to the long term borrowing programme of REC aggregating to Rs. 60,000 Crore. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of rating letter from CRISIL is enclosed elsewhere in this Private Placement Offer Letter.

ICRA Limited ("**ICRA**") its letter dated November 22, 2018, has assigned a credit rating of "**ICRA AAA**" to the long term borrowing programme of REC aggregating to Rs. 60,000 Crore. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of rating letter from CRISIL is enclosed elsewhere in this Private Placement Offer Letter.

Other than the credit ratings mentioned hereinabove, REC has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Private Placement Offer Letter.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

SECTION XV
NAME OF BOND TRUSTEE

In accordance with the provisions of Section 71 of the Companies Act, 2013, the Debentures Rules and Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended ("**Trustee Regulations**"), REC has appointed BEACON Trusteeship Limited to act as Bond Trustee ("**Bond Trustee**") for and on behalf of the holder(s) of the Bonds. The address and contact details of the Bond Trustee is set out below:

BEACON Trusteeship Limited
F-801, Jay Balaji CHS Ltd,
Plot No. 26,
Sector-6, Nerul,
Navi Mumbai – 400 706

and

4C & D Siddhivinayak Chambers,
Gandhi Nagar,
Bandra East,
Mumbai – 400 051

A copy of letter from BEACON Trusteeship Limited conveying their consent to act as Bond Trustee for the current issue of Bonds is enclosed elsewhere in this Private Placement Offer Letter.

The Issuer hereby undertakes that the rights of the Bondholders will be protected as per the agreement/deed executed/to be executed between the Issuer and the Bond Trustee. The Bond trustee agreement or the Bond trust deed shall contain such clauses as may be prescribed under Section 71 of the Companies Act, 2013, the Debentures Rules and those mentioned in Schedule IV of the Trustee Regulations. Further the Bond trustee agreement or the Bond trust deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Bond Trustee or the Issuer in relation to any rights or interests of the holder(s) of the Bonds; (ii) limiting or restricting or waiving the provisions of the SEBI Act, SEBI Debt Regulations and circulars or guidelines issued by SEBI; and (iii) indemnifying the Bond Trustee or the Issuer for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Bond Trustee or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Bond Trustee may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds. Any payment made by the Issuer to the Bond Trustee on behalf of the Bondholder(s) shall discharge the Issuer *pro tanto* to the Bondholder(s). The Bond Trustee shall protect the interest of the Bondholders 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 the Issuer unless the Bond Trustee, having become so bound to proceed, fail to do so. In the event of the Issuer defaulting in payment of interest on Bonds or redemption thereof, any distribution of dividend by the Issuer shall require approval of the Bond Trustee.

SECTION XVI
STOCK EXCHANGE WHERE SECURITIES ARE PROPOSED TO BE LISTED

The unsecured, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures ("**Bonds**") (Series 168) are proposed to be listed on the wholesale debt market segment of the BSE and/or NSE. The Issuer has obtained the in-principle approval of BSE and/or NSE for listing of the Bonds. The Issuer shall make an application to the BSE and/or NSE to list the Bonds to be issued and allotted under this Private Placement Offer Letter and complete all the formalities relating to listing of the Bonds within stipulated time (as per applicable law) from the date of closure of the Issue. If the permission to list and trade the Bonds is not granted by the stock exchanges, the Issuer shall forthwith repay, without interest, all such moneys received from the Applicant in pursuance of this Private Placement Offer Letter and Section 42 of the Companies Act, 2013. If default is made, the Issuer and every officer in default will liable to fine as prescribed in Section 42 of the Companies Act, 2013.

In connection with listing of Bonds with BSE and/or NSE, the Issuer hereby undertakes that:

- It shall comply with conditions of listing of Bonds as may be specified in the Listing Agreement with BSE and/or NSE.

- Ratings obtained by the Issuer shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the Issuer to BSE and/or NSE.

- Any change in rating shall be promptly disseminated to the holder(s) of the Bonds in such manner as BSE and/or NSE may determine from time to time.

- The Issuer, the Bond Trustee and BSE and/or NSE shall disseminate all information and reports on Bonds including compliance reports filed by the Issuer and the Bond Trustee regarding the Bonds to the holder(s) of Bonds and the general public by placing them on their websites.

- The Bond Trustee shall disclose the information to the holder(s) of the Bonds and the general public by issuing a press release in any of the following events:

  (i) default by the Issuer to pay interest on Bonds or redemption amount;
  (ii) revision of rating assigned to the Bonds;

- The information referred to in the paragraph above shall also be placed on the websites of the Bond Trustee, the Issuer, BSE and/or NSE.

SECTION XVII
DEBT EQUITY RATIO (On standalone basis)

As on 28th November, 2018

(Rs. in crores)

Particulars	Pre-Issue*	Post-Issue#
Debt		
Short Term Debt	5,526.54	5,526.54
Long Term Debt	1,95,764.97	2,08,060.17
Total Debt (A)	**2,01,291.51**	**2,13,586.71**
Equity		
Share Capital	1974.92	1974.92
Reserves & Surplus	33515.59	33515.59
Total Equity (B)	**35,490.51**	**35,490.51**
Debt / Equity (A/B)	**5.67**	**6.02**

* Pre issue figures are as on March 31, 2018
# # No effect has been given for changes in equity and debt instruments subsequent to March 31, 2018 except Rs 2500 Crore towards Institutional Bonds Series 162, Rs. 2500 Crore towards Institutional Bond Series 163, Rs. 2171 Crore towards Institutional Bond Series 165, Rs.2571.80 cr towards Institutional Bond Series 167 and Rs.2552.40 cr towards proposed Institutional Bond Series 168.

SECTION XVIII
WILFUL DEFAULTER

Neither the Issuer nor any of the current directors of the Issuer has been declared as wilful defaulter.

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 XIX
SERVICING BEHAVIOUR ON EXISTING DEBT SECURITIES AND OTHER BORROWINGS

The Issuer hereby confirms that:

a) The main constituents of the Issuer's borrowings have been in the form of borrowings from banks and financial institutions and bonds etc.

b) The Issuer has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.

c) The Issuer has neither defaulted in repayment/redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

SECTION XX
UNDERTAKING REGARDING TRANSFER

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

If the Bonds are rematerialized and held in physical form, transfer of Bonds shall be as per the relevant provisions of Companies Act, 2013, and Ministry of Corporate Affairs notification number GSR 463(E) dated June 5, 2015 issued in respect of government companies or any other relevant law. However, the Issuer reserves it right to duly confirm the identity of the transferor and conduct necessary due diligence wherever required.

SECTION XXI
MATERIAL CONTRACTS AND AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

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

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of the Issuer, as amended to date.
2. Certificate of Incorporation dated July 3, 1969 and fresh Certificate of Incorporation dated July 18, 2003.
3. Copy of shareholders resolution obtained for overall borrowing limit.
4. Credit rating letters issued by CARE, IRRPL, ICRA and CRISIL respectively.
5. Auditor's report and standalone financial statements for the Financial Year March 31, 2018, 2017 and 2016 and consolidated financial statements prepared under Indian GAAP for the Financial Year March 31, 2018, 2017 and 2016.
6. Annual report of the Issuer for the last three Fiscals.
7. Board resolutions dated March 22, 2018 and October 12 2018 authorizing issue of Bonds offered on private placement basis.
8. Letter of consent from the Bond Trustee dated June 7, 2018 for acting as Bond Trustee for and on behalf of the holder(s) of the Bonds.
9. Tripartite agreement between the Issuer, NSDL and Karvy Computershare Private Limited for issue of Bonds in dematerialized form.
10. Tripartite agreement between the Issuer, CDSL and Karvy Computershare Private Limited for issue of Bonds in Dematerialized form.
11. Bond trustee agreement between the Issuer and Bond Trustee.
12. Bond trust deed in favour of Bond Trustee.
13. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.

SECTION XXII
DECLARATION

The Issuer undertakes that this Private Placement Offer Letter contains full disclosures in conformity with Form PAS-4 prescribed under Section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 6, 2008, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide circular no. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014, as amended, circular no. DNBD(PD) CC No. 021 /03.10.001/2014-15 dated February 20, 2015 issued by the Reserve Bank of India on "Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs" as amended from time to time.

The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made thereunder. It is to be distinctly understood that compliance with the Companies Act, 2013 and the rules does not imply that payment of interest or repayment of Bonds, is guaranteed by the GoI.

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

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

The undersigned has been authorized by the Board of Directors of the Issuer vide resolution number 441.2.8 dated March 22, 2018 and resolution number 448.2.1 dated October 12, 2018 by the Board to sign this Private Placement Offer Letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this Private Placement Offer Letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Issuer.

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

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

विजय कुमार / VIJAY KUMAR
महाप्रबन्धक (वित्त) / General Manager
रूरल इलेक्ट्रिफिकेशन कॉरपोरेशन लिमिटेड
Rural Electrification Corporation Ltd.
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
कोर-4, स्कोप परिसर / Core-4, SCOPE Complex
7 लोधी रोड, नई दिल्ली / 7, Lodhi Road, New Delhi-03

Vijay Kumar
General Manager (Finance)
Place: New Delhi
Date: 28 November 2018

(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, 2013 and sub-rule 2 of rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, dated September 25, 2018.
(iii) Copy of rating letters from IR&RPL, CARE, ICRA and CRISIL.
(iv) Copy of consent letter from BEACON Trusteeship Limited to act as Bond Trustee for the Bondholders.

SECTION XXIII
ANNEXURES

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

B. CONSENT LETTER OF BOND TRUSTEE

Annexed as Annexure – I

C. CREDIT RATING LETTERS

Annexed as Annexure - II

D. COPY OF SHAREHOLDERS SPECIAL RESOLUTION DATED SEPTEMBER 25, 2018 AND BOARD RESOLUTIONS DATED MARCH 22, 2018 AND OCTOBER 12, 2018

Annexed as Annexure – III

E. FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2018

Annexed as Annexure - IV

BEACON
TRUSTEESHIP

818/BTL/CL/18-19/BT/15

Date: June 7, 2018

Rural Electrification Corporation Limited
Core-IV, Scope Complex 7,
Lodi Road, New Delhi -110003

Kind Attn: Mr. Vijay Kumar (General Manager)

Dear Sir,

Consent to act as Debenture Trustee for REC's Secured/ Un-secured, Non-convertible, Non-cumulative, Taxable, Institutional Bonds.

This is with reference to your letter dated June 4, 2018 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 for FY 2018-19.

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

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.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully,

For Beacon Trusteeship Limited

Jkakani

Authorised Signatory

Beacon Trusteeship Limited

CARE Ratings
Professional Risk Opinion

CELEBRATING 25th Year Analytical Excellence

CARE/DRO/RL/2018-19/2724
Mr. A. K Agarwal
Director (Finance)
Rural Electrification Corporation Limited
Core 4, Scope Complex 7
Lodhi Road, New Delhi – 110003

November 27, 2018

Confidential

Dear Sir,

Credit rating for FY19 Market Borrowing Programme

Please refer to our letter **CARE/DRO/RL/2018-19/2372** dated September 27, 2018 and your request for revalidation of the rating assigned to the Market Borrowing Programme of Rural Electrification Corporation Limited, for a lim t of Rs.60,000 crore.

2. The following ratings have been reviewed:

Instrument	Amount (Rs. crore)	Rating[1]	Remarks
Market Borrowing Programme (FY'19)	60,000.00* (Rs Sixty thousand Crore only)	**CARE AAA; Stable/CARE A1+ [Triple A; Outlook: Stable/ A one Plus]**	**Reaffirmed**
Total	**60,000.00 [Rupees Sixty Thousand Crore only]**		

**Including ST market borrowing programme of Rs.9,000 cr as sublimit of total MBP of Rs.60,000 cr for FY19*

3. The Commercial Paper/Short Term debt Issue would be for a maturity not exceeding one year.
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 Debenture Trustee	Details of top 10 investors

6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
7. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE

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

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel.: +91-22-6754 3436 • Fax: +91-22-6754 3457
Email: care@careratings.com • www.careratings.com

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

CIN-L67190MH1993PLC071691

warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

9. CARE ratings are not recommendations to buy, sell, or hold any securities.

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

Thanking you,

Yours faithfully,

Jyoti Rautela
[Analyst]
jyoti.rautela@careratings.com

Puneet Maheshwari
[AGM]
p.maheshwari@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.
In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

CARE Ratings Limited
(Formerly Known as Credit Analysis & Research Limited)
13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238 • www.careratings.com • CIN-L67190MH1993PLC071691

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RURECLT/207709/LTB/091801118/6
November 22, 2018

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

Dear Mr. Agarwal,

Re: CRISIL Rating on the Rs.51000.0 Crore Long-Term Borrowing Programme^# of Rural Electrification Corporation Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.
Please refer to our rating letter dated October 23, 2018 bearing Ref. no: RURECLT/207709/LTB/091801118/1

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

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Long-Term Borrowing Programme	51000	CRISIL AAA/Stable

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

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

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

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

With warm regards,

Yours sincerely,

Ajit Velonie
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

^ Borrowing programme for fiscal 2019 (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.60000.0 crore.

 # Total incremental long-term bank borrowing and borrowings under the rated long-term bonds programme not to exceed Rs.51000.0 crore any point in time during fiscal 2019. The long-term borrowing programme includes tax-free bonds under Section 10 of the Income Tax Act 1961 and lower Tier II bonds.

A CRISIL rating reflects CRISIL's 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. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating 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. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

CRISIL Limited
Corporate Identity Number: L67120MH1987PLC042363

Ratings

CRISIL
An S&P Global Company

CONFIDENTIAL

RURECLT/207709/STB/091801130/5
November 22, 2018

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

Dear Mr. Agarwal,

Re: CRISIL Rating on the Rs.9000.0 Crore Short Term Borrowing programme^@ of Rural Electrification Corporation Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.
Please refer to our rating letter dated October 23, 2018 bearing Ref. no: RURECLT/207709/STB/091801130/1

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

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Short Term Borrowing programme	9000	CRISIL A1+

For the purpose of issuance of captioned short-term debt programme, this letter is valid for 60 calendar days from the date of the letter. In the event of your company not placing the above programme within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned short-term debt programme with a contracted maturity of one year or less.

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

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

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

With warm regards,

Yours sincerely,

Ajit Velonie
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

^ Borrowing programme for fiscal 2019 (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.60000.0 crore.
@ Short-term bank borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs.9000.0 crore at any point during fiscal 2019.

A CRISIL rating reflects CRISIL's 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. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating 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. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.
CRISIL Limited
Corporate Identity Number: L67120MH1987PLC042363

ICRA

ICRA Limited

D/RAT/2018-2019/R7/07

November 22, 2018

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

Dear Sir,

Re: ICRA Credit Rating of the Rs. 51,000 crore Long Term Borrowing Programme (including Bonds and Long Term Bank Borrowings) of Rural Electrification Corporation Limited for the Financial Year 2018-19

Please refer to your request dated November 22, 2018 for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA]AAA (pronounced as ICRA triple A) rating assigned to your captioned programme and last communicated to you vide our letter dated October 24, 2018 stands. Instruments with this 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.

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. 51,000 crore only. Further the total utilisation of the captioned rated Long Term borrowings programme (including Bonds, Long Term Bank Borrowings and Bank guarantees) and Short Term borrowing (including Commercial Paper & Short term bank borrowings) programme should not exceed Rs. 60,000 crore for financial year 2018-19. 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. More specifically, the rating assumes that there will be no acceleration clause under the proposed borrowing programme.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref No: D/RAT/2017-2018/R7/9 dated March 27, 2018.

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

With kind regards,

Yours sincerely,

For ICRA Limited

Anil Gupta
Vice President
anilg@icraindia.com

Manushree Saggar
Vice President
manushrees@icraindia.com

Mr. A. K. Agarwal
Director – Finance
Rural Electrification Corporation Limited
Core-4, SCOPE Complex,
7-Lodhi Road,
New Delhi – 110003

November 28, 2018

Kind Attn: Mr. A. K. Agarwal, Director – Finance

Dear Sir,

Re: Rural Electrification Corporation Limited – Borrowing Programme Ratings

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

Instrument Type	Size of Issue (billion)	Rating/Outlook
Long-term annual borrowing programme (FY19)	INR510	IND AAA/Stable

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at 022 – 4000 1700.

Sincerely,

India Ratings

Devendra Kumar Pant
Senior Director

Vivek Jain
Director

India Ratings & Research
A Fitch Group Company

India Ratings Affirms Rural Electrification Corp's FY19 Borrowing Programme at 'IND AAA'/Stable

27

SEP 2018

By Devika Malik

India Ratings and Research (Ind-Ra) has affirmed the rating on Rural Electrification Corporation Limited's (REC) FY19 borrowing programme as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Short-term borrowing programme (FY19)*	-	-	-	INR90,000 (increased from INR70,000)	IND A1+	Affirmed
Long-term annual borrowing programme (FY19)	-	-	-	INR510,000 (reduced from INR530,000)	IND AAA/Stable	Affirmed
Short-term borrowing programme (including CP and bank guarantee) (FY18)	-	-	-	INR50,000	WD	Withdrawn (paid in full)

* Includes commercial paper (CP) and bank guarantee

KEY RATING DRIVERS

Nodal Public Policy Institution: REC acts as the nodal agency for financing rural electrification projects under centrally sponsored schemes, and provides low-cost funding to state electricity boards and state-owned power entities for rural electrification. REC is a one-stop point for funding of all three verticals in the power sector - generation, transmission and distribution, including emerging private independent power projects. It has been the nodal agency for the operationalisation of the National Electricity Fund scheme for monitoring grants and implementing Deendayal Upadhyaya Gram Jyoti Yojana. REC is now the nodal agency for the INR163.20 billion Saubhagya Scheme and is responsible for its operationalisation.

Sovereign Support: REC is majorly a government of India (GoI)-owned company (1QFY19: 57.95%). The GoI provides financial support to REC; it is one of the three government entities allowed to raise low-cost funds through capital gain tax bonds (54EC bonds). REC has strong operational and financial linkages with the GoI. It acts as an extended arm of the GoI to finance rural electrification projects, which is a mandatory responsibility of the government. Ind-Ra believes the sovereign will provide timely financial support to REC in the event of a financial distress.

Pick-up in Loan Book: After witnessing a stagnant loan book in FY17 (up 0.32% yoy), REC's loan book increased 18.6% yoy to INR2.39 trillion in FY18. The increase reflects significant growth in disbursements (14.79% CAGR during FY14-FY18) and prepayments came under control. The loan book increased to INR2.42 trillion in 1QFY19.

Operations Inching Up: REC's sanctions increased at an average rate of 21.0% to INR1.1 trillion over FY16-FY18. In FY18, sanctions rose 28.2% yoy and 49% of the overall sanctions were for generation projects. In 1QFY19, REC sanctioned INR187.7 billion (down 44.6% yoy). However, disbursements remained muted in FY18 and grew 6.33% yoy to INR617 billion during the period. The majority of disbursements were to the distribution segment, followed by the generation segment. This indicates stress in the power sector, lack of independent power producer projects and hardening interest rates. The FY18 growth in sanctions will be reflective on the disbursements in subsequent quarters.

Stressed Assets; Quality Dropping: The applicability of the revised framework on the resolution of stressed assets has led to REC's assets to the tune of INR122.55 billion (net) falling into the non-performing asset (NPA) category. As a result, gross NPAs rose to INR171.28 billion at FYE18. This translated into gross NPAs increasing to 7.15% of gross advances at FYE18 (FYE17: 2.41%). However, Ind-Ra believes that the huge rise in gross NPAs was a one-off event due to the policy change.

Furthermore, with aggregate net slippages standing at INR25.2 billion in 1QFY19, REC's gross NPAs increased to 8.12%. This is in line with Ind-Ra's estimates for the asset quality of REC. However, provisioning to the tune of INR93.16 billion has been done by REC, resulting in a provision coverage ratio of 47.41% at 1QFYE19 (FYE18: 20.53%). This led to a net NPA ratio of 4.27% at 1QFYE19 (FYE18: 5.68%).

Assets Liability Mismatch: At FYE18, REC had an asset-liability mismatch in its over three months to one year and over one year to three years maturity buckets. Although REC has more assets than liabilities, short-term asset-liability mismatch needs a closer monitoring of fund-raising. Ind-Ra believes REC will be able to refinance its debt through a variety of debt market instruments. Moreover, a cash and bank balance of INR17.74 billion at FYE18, along with unutilised bank limits (INR39.7 billion as on 26 September 2018), provides comfort.

Fall in Net Interest Margin: In 1QFY19, REC was able to reduce its fund cost by 26bp. However, a 23bp drop in yield further pulled down its net interest margin to 3.72% in 1QFY19 from 3.89% in FY18. REC has been able to reduce its borrowing cost by borrowing though 54EC bonds.

RATING SENSITIVITIES

A Negative Outlook could result from Ind-Ra's expectation of reduced government support. This could result from a significant dilution in the GoI's stake in REC resulting in the weakening of linkages between the two entities, as well as a dilution in REC's role as a public policy institution.

COMPANY PROFILE

REC was set up by the GoI in 1969 to finance and promote rural electrification projects in India. It now acts as a nodal agency for financing rural electrification projects under the GoI-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	1QFY18	1QFY19
Loan assets (INR billion)	2,078.02	2,419.13
Interest Income (INR billion)	54.67	56.69
Net interest income (INR billion)	22.80	20.41
Return on net worth (%)	13.85	18.15
Net interest margin (%)	4.63	3.72
Debt/equity ratio (x)	5.33	6.16
First quarter results as per Indian Accounting Standards Source: REC		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating	28 March 2018	29 March 2017	10 February 2016
Issuer Rating	Long-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Short-term borrowing programme (including CP and bank guarantee) (FY19)	Short-term	INR90,000	IND A1+	IND A1+	-	-
Long-term annual borrowing programme (FY19)#	Long-term	INR510,000	IND AAA/Stable	IND AAA/Stable	-	-
GoI fully serviced bonds#	Long-term	INR40,000	IND AAA/Stable	IND AAA/Stable	-	-
Short-term borrowing programme (including CP and bank guarantee) (FY18)	Short-term	INR50,000	WD	IND A1+	IND A1+	-
Long-term annual borrowing programme (FY18)#	Long-term	INR500,000	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	-
Other long-term annual borrowing programmes (FY09-FY17)#	Long-term	INR1,223,640 (reduced from INR1,301,850)	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable

Details in annexure

ANNEXURE

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating/Outlook
Bonds (FY09)	INE020B07DY9	30 September 2008	10.85	01 October 2018	6,574	IND AAA/Stable
Bonds (FY09)	INE020B07EB5	24 October 2008	11.15	24 October 2018	618	IND AAA/Stable
Bonds (FY09)	INE020B07EG4	15 January 2009	8.65	15 January 2019	14,950	IND AAA/Stable
Bonds (FY10)	INE020B07EP5	03 August 2009	8.8	03 August 2019	20,000	IND AAA/Stable
Bonds (FY10)	INE020B07ER1	04 September 2009	8.72	04 September 2019	8,682	IND AAA/Stable
Bonds (FY10)	INE020B07EV3	06 October 2009	8.8	07 October 2019	10,400	IND AAA/Stable
Bonds (FY10)	INE020B07EY7	17 November 2009	8.8	18 November 2019	9,959	IND AAA/Stable
Bonds (FY10)	INE020B07FC0	22 January 2010	8.65	22 January 2020	9,453	IND AAA/Stable
Bonds (FY11)	INE020B08427	08 June 2010	8.75	09 June 2025	12,500	IND AAA/Stable
Bonds (FY11)	INE020B08435	12 July 2010	8.7	12 July 2019	2,000	IND AAA/Stable
Bonds (FY11)	INE020B08443	12 July 2010	8.75	14 July 2025	18,000	IND AAA/Stable
Bonds (FY11)	INE020B08450	25 October 2010	8.8	26 October 2020	11,500	IND AAA/Stable
Bonds (FY11)	INE020B08468	29 November 2010	8.8	30 November 2020	21,205	IND AAA/Stable
Bonds (FY11)	INE020B08476	15 December 2010	Zero coupon	15 December 2020	5,332	IND AAA/Stable
Bonds (FY11)	INE020B08484	03 February 2011	Zero coupon	03 February 2021	1,161	IND AAA/Stable
Bonds (FY11)	INE020B08492	15 March 2011	9.18	15 March 2021	30,000	IND AAA/Stable
Bonds (FY11)	INE020B08518	31 March 2011	8	31 March 2021	616	IND AAA/Stable
Bonds (FY11)	INE020B08519	31 March 2011	8.1	31 March 2021	16	IND AAA/Stable
Bonds (FY11)	INE020B08526	31 March 2011	8.2	31 March 2021	1,517	IND AAA/Stable
Bonds (FY11)	INE020B08534	31 March 2011	8.2	31 March 2021	38	IND AAA/Stable
Bonds (FY12)	INE020B08567	15 July 2011	9.63	15 July 2021	15,000	IND AAA/Stable
Bonds (FY12)	INE020B08591	10 August 2011	9.48	10 August 2021	31,718	IND AAA/Stable
Bonds (FY12)	INE020B08641	11 November 2011	9.75	11 November 2021	39,222	IND AAA/Stable
Bonds (FY12)	INE020B07GG9	27 March 2012	7.93	27 March 2022	8,397	IND AAA/Stable
Bonds (FY12)	INE020B07GH7	27 March 2012	8.12	27 March 2027	21,603	IND AAA/Stable
Bonds (FY12)	INE020B08682	15 February 2012	9.15	15 February 2019	134	IND AAA/Stable
Bonds (FY12)	INE020B08708	15 February 2012	8.95	15 February 2022	57	IND AAA/Stable
Bonds (FY12)	INE020B08724	15 February 2012	9.15	15 February 2027	28	IND AAA/Stable
Bonds (FY12)	INE020B08690	15 February 2012	9.15	15 February 2019	50	IND AAA/Stable
Bonds (FY12)	INE020B08716	15 February 2012	8.95	15 February 2022	14	IND AAA/Stable
Bonds (FY12)	INE020B08732	15 February 2012	9.15	15 February 2027	11	IND AAA/Stable
Bonds (FY13)	INE020B08740	15 June 2012	9.35	15 June 2022	23,782	IND AAA/Stable
Bonds (FY13)	INE020B08765	20 July 2012	9.39	20 July 2019	9,600	IND AAA/Stable

Bonds (FY13)	INE020B08799	19 November 2012	9.02	19 November 2019	4,528	IND AAA/Stable
Bonds (FY13)	INE020B08807	19 November 2012	9.02	19 November 2022	22,112	IND AAA/Stable
Bonds (FY13)	INE020B08823	08 March 2013	8.87	09 March 2020	15,420	IND AAA/Stable
Bonds (FY13)	INE020B07GU0	21 November 2012	7.21	21 November 2022	2,550	IND AAA/Stable
Bonds (FY13)	INE020B07GV8	21 November 2012	7.38	21 November 2027	2,450	IND AAA/Stable
Bonds (FY13)	INE020B07GW6	19 December 2012	7.22	19 December 2022	11,653	IND AAA/Stable
Bonds (FY13)	INE020B07GX4	19 December 2012	7.38	19 December 2027	8,520	IND AAA/Stable
Bonds (FY13)	INE020B07GY2	25 March 2013	6.88	25 March 2023	814	IND AAA/Stable
Bonds (FY13)	INE020B07GZ9	25 March 2013	7.04	25 March 2028	497	IND AAA/Stable
Bonds (FY14)	INE020B08831	12 April 2013	8.82	12 April 2023	43,000	IND AAA/Stable
Bonds (FY14)	INE020B08849	31 May 2013	8.06	31 May 2023	25,000	IND AAA/Stable
Bonds (FY14)	INE020B07HX2	17 October 2013	9.24	17 October 2018	8,500	IND AAA/Stable
Bonds (FY14)	INE020B07HY0	06 November 2013	9.38	06 November 2018	28,780	IND AAA/Stable
Bonds (FY14)	INE020B07HZ7	03 January 2014	9.61	03 January 2019	16,550	IND AAA/Stable
Bonds (FY14)	INE020B07IA8	05 February 2014	9.63	05 February 2019	20,900	IND AAA/Stable
Bonds (FY14)	INE020B07HM5	29 August 2013	8.01	29 August 2023	2,090	IND AAA/Stable
Bonds (FY14)	INE020B07HN3	29 August 2013	8.46	29 August 2028	11,410	IND AAA/Stable
Bonds (FY14)	INE020B07HO1	24 September 2013	8.01	24 September 2023	2,572	IND AAA/Stable
Bonds (FY14)	INE020B07HR4	24 September 2013	8.26	24 September 2023	3,179	IND AAA/Stable
Bonds (FY14)	INE020B07HP8	24 September 2013	8.46	24 September 2028	17,212	IND AAA/Stable
Bonds (FY14)	INE020B07HS2	24 September 2013	8.71	24 September 2028	10,891	IND AAA/Stable
Bonds (FY14)	INE020B07HQ6	24 September 2013	8.37	24 September 2033	164	IND AAA/Stable
Bonds (FY14)	INE020B07HT0	24 September 2013	8.62	24 September 2033	389	IND AAA/Stable
Bonds (FY14)	INE020B07HU8	11 October 2013	8.18	11 October 2023	1,050	IND AAA/Stable
Bonds (FY14)	INE020B07HV6	11 October 2013	8.54	11 October 2028	450	IND AAA/Stable
Bonds (FY14)	INE020B07IC4	24 March 2014	8.19	24 March 2024	2,903	IND AAA/Stable
Bonds (FY14)	INE020B07IF7	24 March 2014	8.44	24 March 2024	1,291	IND AAA/Stable
Bonds (FY14)	INE020B07ID2	24 March 2014	8.63	24 March 2029	2,481	IND AAA/Stable
Bonds (FY14)	INE020B07IG5	24 March 2014	8.88	24 March 2029	2,823	IND AAA/Stable
Bonds (FY14)	INE020B07IE0	24 March 2014	8.61	24 March 2034	264	IND AAA/Stable
Bonds (FY14)	INE020B07IH3	24 March 2014	8.86	24 March 2034	833	IND AAA/Stable
Bonds (FY15)	INE020B07IV4	18 June 2014	9.02	18 June 2019	17,000	IND AAA/Stable
Bonds (FY15)	INE020B07IW2	17 July 2014	9.4	17 July 2021	15,150	IND AAA/Stable
Bonds (FY15)	INE020B07IZ5	25 August 2014	9.34	23 August 2024	19,550	IND AAA/Stable
Bonds (FY15)	INE020B08856	13 October 2014	9.04	11 October 2019	30,000	IND AAA/Stable
Bonds (FY15)	INE020B08864	13 November 2014	8.56	13 November 2019	17,000	IND AAA/Stable
Bonds (FY15)	INE020B08872	04 December 2014	8.44	04 December 2021	15,500	IND AAA/Stable
Bonds (FY15)	INE020B08880	22 December 2014	8.57	21 December 2024	22,500	IND AAA/Stable
Bonds (FY15)	INE020B08898	23 January 2015	8.23	23 January 2025	19,250	IND AAA/Stable
Bonds (FY15)	INE020B08906	06 February 2015	8.27	06 February 2025	23,250	IND AAA/Stable
Bonds (FY15)	INE020B08914	23 February 2015	8.35	21 February 2025	22,850	IND AAA/Stable
Bonds (FY15)	INE020B08922	09 March 2015	8.27	09 March 2022	7,000	IND AAA/Stable
Bonds (FY16)	INE020B08930	10 April 2015	8.3	10 April 2025	23,960	IND AAA/Stable
Bonds (FY16)	INE020B08948	14 August 2015	8.37	14 August 2020	26,750	IND AAA/Stable
Bonds (FY16)	INE020B08955	22 September 2015	8.36	22 September 2020	27,500	IND AAA/Stable
Bonds (FY16)	INE020B08963	07 October 2015	8.11	07 October 2025	25,850	IND AAA/Stable
Bonds (FY16)	INE020B08971	08 December 2015	8.05	07 December 2018	22,250	IND AAA/Stable
Bonds (FY16)	INE020B07J07	23 July 2015	7.17	23 July 2025	3,000	IND AAA/Stable
Bonds (FY16)	INE020B07JP4	05 November 2015	6.89	05 November 2025	513	IND AAA/Stable
Bonds (FY16)	INE020B07JQ2	05 November 2015	7.14	05 November 2025	547	IND AAA/Stable
Bonds (FY16)	INE020B07JR0	05 November 2015	7.09	05 November 2030	1,337	IND AAA/Stable
Bonds (FY16)	INE020B07JS8	05 November 2015	7.34	05 November 2030	393	IND AAA/Stable
Bonds (FY16)	INE020B07JT6	05 November 2015	7.18	05 November 2035	2,766	IND AAA/Stable
Bonds (FY16)	INE020B07JU4	05 November 2015	7.43	05 November 2035	1,446	IND AAA/Stable
Bonds (FY16)	INE020B07JH1	30 September 2015	6	29 September 2018	4,972	IND AAA/Stable
Bonds (FY16)	INE020B07JI9	31 October 2015	6	31 October 2018	5,412	IND AAA/Stable
Bonds (FY16)	INE020B07JJ7	30 November 2015	6	30 November 2018	4,499	IND AAA/Stable
Bonds (FY16)	INE020B07JK5	31 December 2015	6	31 December 2018	5,852	IND AAA/Stable
Bonds (FY16)	INE020B07JL3	31 January 2016	6	31 January 2019	5,156	IND AAA/Stable
Bonds (FY16)	INE020B07JM1	29 February 2016	6	28 February 2019	5,712	IND AAA/Stable
Bonds (FY16)	INE020B07JN9	31 March 2016	6	30 March 2019	11,629	IND AAA/Stable
Bonds (FY17)	INE020B08997	21 October 2016	7.24	21 October 2021	25,000	IND AAA/Stable
Bonds (FY17)	INE020B08AA3	07 November 2016	7.52	07 November 2026	21,000	IND AAA/Stable
Bonds (FY17)	INE020B08AB1	09 December 2016	7.14	09 December 2021	10,200	IND AAA/Stable
Bonds (FY17)	INE020B08AC9	30 December 2016	7.54	30 December 2026	30,000	IND AAA/Stable
Bonds (FY17)	INE020B08AD7	31 January 2017	6.83	29 June 2020	12,750	IND AAA/Stable
Bonds (FY17)	INE020B08AE5	20 February 2017	7.13	21 September 2020	8,350	IND AAA/Stable

Bonds (FY17)	INE020B08AF2	28 February 2017	7.46	28 February 2022	6,250	IND AAA/Stable
Bonds (FY17)	INE020B08AH8	14 March 2017	7.95	12 March 2027	27,450	IND AAA/Stable
Bonds (FY17)	INE020B08AI6	17 March 2017	7.42	17 June 2020	12,000	IND AAA/Stable
Bonds (FY17)	INE020B07JV2	30 April 2016	6	30 April 2019	5,064	IND AAA/Stable
Bonds (FY17)	INE020B07JW0	31 May 2016	6	31 May 2019	5,252	IND AAA/Stable
Bonds (FY17)	INE020B07JX8	30 June 2016	6	29 June 2019	5,943	IND AAA/Stable
Bonds (FY17)	INE020B07JY6	31 July 2016	6	31 July 2019	7,384	IND AAA/Stable
Bonds (FY17)	INE020B07JZ3	31 August 2016	6	31 August 2019	5,542	IND AAA/Stable
Bonds (FY17)	INE020B07KA4	30 September 2016	6	30 September 2019	6,271	IND AAA/Stable
Bonds (FY17)	INE020B07KB2	31 October 2016	6	31 October 2019	5,885	IND AAA/Stable
Bonds (FY17)	INE020B07KC0	30 November 2016	6	30 November 2019	7,660	IND AAA/Stable
Bonds (FY17)	INE020B07KD8	31 December 2016	5.25	31 December 2019	6,113	IND AAA/Stable
Bonds (FY17)	INE020B07KE6	31 January 2017	5.25	31 January 2020	5,095	IND AAA/Stable
Bonds (FY17)	INE020B07KF3	28 February 2017	5.25	29 February 2020	5,238	IND AAA/Stable
Bonds (FY17)	INE020B07KG1	31 March 2017	5.25	31 March 2020	11,181	IND AAA/Stable
Bonds (FY18)	INE020B07KI7	30 April 2017	5.25	30 April 2020	4,634	IND AAA/Stable
Bonds (FY18)	INE020B07KJ5	31 May 2017	5.25	30 May 2020	5,036	IND AAA/Stable
Bonds (FY18)	INE020B07KK3	30 June 2017	5.25	30 June 2020	5,405	IND AAA/Stable
Bonds (FY18)	INE020B07KL1	31 July 2017	5.25	30 July 2020	7,432	IND AAA/Stable
Bonds (FY18)	INE020B07KM9	31 August 2017	5.25	30 August 2020	5,628	IND AAA/Stable
Bonds (FY18)	INE020B07KN7	30 September 2017	5.25	30 September 2020	5,984	IND AAA/Stable
Bonds (FY18)	INE020B07KO5	31 October 2017	5.25	30 October 2020	6,141	IND AAA/Stable
Bonds (FY18)	INE020B07KP2	30 November 2017	5.25	30 November 2020	6,563	IND AAA/Stable
Bonds (FY18)	INE020B08AJ4	24 August 2017	6.87	24 September 2020	24,850	IND AAA/Stable
Bonds (FY18)	INE020B08AK2	07 September 2017	7.03	07 September 2022	26,700	IND AAA/Stable
Bonds (FY18)	INE020B08AL0	26 September 2017	6.75	26 March 2019	11,500	IND AAA/Stable
Bonds (FY18)	INE020B08AM8	17 October 2017	7.09	17 October 2022	12,250	IND AAA/Stable
Bonds (FY18)	INE020B08AN6	31 October 2017	6.99	31 December 2020	28,500	IND AAA/Stable
Bonds (FY18)	INE020B08AO4	21 November 2017	7.18	21 May 2021	6,000	IND AAA/Stable
Bonds (FY18)	INE020B08AP1	30 November 2017	7.45	30 November 2022	19,120	IND AAA/Stable
Bonds (FY18)	INE020B08AQ9	12 December 2017	7.7	10 December 2027	35,330	IND AAA/Stable
Bonds (FY18)	INE020B07KQ0	31 December 2017	5.25	30 December 2020	7,458	IND AAA/Stable
Bonds (FY18)	INE020B07KR8	31 January 2018	5.25	30 January 2021	7,085	IND AAA/Stable
Bonds (FY18)	INE020B07KS6	28 February 2018	5.25	27 February 2021	8,692	IND AAA/Stable
Bonds (FY18)	INE020B07KT4	31 March 2018	5.25	31 March 2021	25,591	IND AAA/Stable
Bonds (FY18)	INE020B08AR7	17 January 2018	7.6	17 April 2021	10,550	IND AAA/Stable
Bonds (FY18)	INE020B08AS5	12 February 2018	7.7	15 March 2021	24,650	IND AAA/Stable
Bonds (FY18)	INE020B08AT3	23 February 2018	7.99	23 February 2023	9,500	IND AAA/Stable
Bonds (FY18)	INE020B08AU1	28 February 2018	7.77	16 September 2019	14,500	IND AAA/Stable
Bonds (FY18)	INE020B08AV9	15 March 2018	7.59	13 March 2020	30,000	IND AAA/Stable
Bonds (FY18)	INE020B08AW7	15 March 2018	7.73	15 June 2021	8,000	IND AAA/Stable
GoI fully serviced bonds	INE020B08AX5	21 March 2018	8.09	21 March 2028	18,370.00	IND AAA/Stable
GoI fully serviced bonds	INE020B08AY3	26 March 2018	8.01	26 March 2028	14,100.00	IND AAA/Stable
GoI fully serviced bonds	INE020B08AZ0	27 March 2018	8.06	27 March 2028	7,530.00	IND AAA/Stable
Bonds (FY18) (Unutilised)					142,901	IND AAA/Stable
Bonds (FY19)	INE020B07KU2	30 April 2018	5.75%	30 April 2023	2,784.72	IND AAA/Stable
Bonds (FY19)	INE020B07KV0	31 May 2018	5.75%	31 May 2023	4,381.19	IND AAA/Stable
Bonds (FY19)	INE020B07KW8	30 June 2018	5.75%	30 June 2023	5,041.44	IND AAA/Stable
Bonds (FY19)	INE020B07KX6	31 July 2018	5.75%	31 July 2023	6,817.40	IND AAA/Stable
Bonds (FY19)	INE020B07KY4	31 August 2018	5.75%	31 August 2023	4,854.45	IND AAA/Stable
Bonds (FY19) (Unutilised)					486,121	IND AAA/Stable
Total					**2,273,635**	IND AAA/Stable

COMPLEXITY LEVEL OF INSTRUMENTS

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

SOLICITATION DISCLOSURES

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Applicable Criteria

Rating of Public Sector Entities

Analyst Names

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Manager – Corporate Communication
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Extracts of Minutes of the 448th Meeting of the Board of Directors of REC Limited *(Formerly Rural Electrification Corporation Limited)* held on Friday, October 12, 2018 at 11.30 AM at the Registered Office of the Company at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003.

Item No. 448.2.1 Market Borrowing Programme for the Financial Year 2018-19.

Director (Finance) informed that, the Board of Directors in its 441st meeting held on March 22, 2018 had approved the market borrowing programme of the Company for the financial year 2018-19 under different debt instruments for a total amount of ₹60,000 crore (*including Short Term Loans from Banks/FIs/NBFCs and Commercial Paper, but excluding rollovers and WCDL/CC Limit/OD Facility and short term funds raised and repaid during the year*). Against this, the Company has mobilized long term funds of ₹13,788 crore till September 30, 2018, out of which ₹5,000 crore was raised through Institutional Bonds. In addition to this, Company has also raised ₹8,000 crore through Commercial Paper which is repayable within this year itself.

He further informed that apart from above, REC has also raised Extra Budgetary Resource (EBR) on September 28, 2018 for an amount of ₹3,000 crore as per the instructions of Government of India (MoF & MoP). Further, the EBR raised was not a part of the REC's Annual Borrowing programme and the proceeds of EBR will be utilized against Government sponsored schemes (DDUGJY and SAUBHAGYA) as grant from Government of India.

He further informed that as per the RBI Regulations on Private Placement of Bonds, dated June 27, 2013, the Board Resolution authorizing private placement of Bonds issue, should not be more than six months old from the date of the bond issue. In view of this requirement, the approval of the Board of Directors is again required for issue of Bonds under Private Placement Mode.

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

"**RESOLVED THAT** subject to the Memorandum of Association & Articles of Association of the Company, within the overall borrowing limit as approved by the shareholders of the Company from time to time and in accordance with the applicable provisions of the Companies Act, 2013, the proposal to further borrow during the remaining part of Financial Year 2018-19 under various debt instruments such as bonds on private/ public placement basis, term loan from FIs / Banks, Multilateral Funding Agencies, ECBs or in any other manner including short term loans from Banks/ FIs/ NBFCs and Commercial Paper (*but excluding rollovers and WCDL/CC Limit/OD Facility and short term funds raised and repaid during the year*) as may be necessitated due to changes in the market conditions within the overall market borrowing programme of ₹60,000 crore, during the Financial Year 2018-19, as already approved by the Board in its meeting held on March 22, 2018, be and is hereby approved."

"**RESOLVED FURTHER THAT** notwithstanding the above, other resolutions passed under Agenda Item No. 441.2.8, in the 441st meeting held on March 22, 2018, regarding Market Borrowings of the Company, including raising of funds through private placement of bonds/ debentures shall continue to be effective till end of Financial Year 2018-19."

दिनेश गर्ग / DINESH GARG
प्रबंधक (सी. एस.) / Manager (C S)
आरईसी लिमिटेड / REC LIMITED
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
कोर-4, स्कोप परिसर / Core-4, SCOPE Complex
7, लोधी रोड, नई दिल्ली / 7, Lodhi Road, New Delhi-03

CERTIFIED COPY OF THE RESOLUTION PASSED IN THE 441ST BOARD MEETING OF DIRECTORS OF RURAL ELECTRIFICATION CORPORATION LIMITED HELD ON 22ND MARCH, 2018.

Date: 26-Mar-2018

Item No. 441.2.8 Market Borrowing Programme for the Financial Year 2018-19.

The Board, after discussion, approved the proposal as detailed in the Agenda Note and as discussed above; and passed the following resolution:

"**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 2018-19** be kept at ₹ 60,000 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 ₹ 60,000 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.	a) Bonds/Debentures including Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation Indexed, Tax Free Bonds 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. b) External Commercial Borrowings (ECBs) i.e. Export Credit Assistance (ECAs)/ Official Development Assistance Loans (Long/ Medium Term Loans)/ Foreign Currency Convertible Bonds (FCCBs)/ Foreign Currency Non-resident (Bank) [FCNR (B)] Loans/ Export ODA loans/ Foreign Currency Term Loans/Foreign Currency Bonds / Rupee Offshore Bonds/Green Bonds, Masala Bonds etc, from Banks/FIs/NBFCs/Other Institutions / Multilateral Funding Agencies etc. (excluding rollovers).	48,000
2.	Capital Gain Exemption Bonds u/s 54EC of Income Tax Act, 1961	5,000
3.	Short Term Loan from Banks/FIs/NBFCs and Commercial Paper (excluding rollovers and WCDL/CC Limit/OD Facility). Short term funds raised and repaid during the year to be excluded from this limit.	7,000
	TOTAL	60,000

"**RESOLVED FURTHER THAT** bonds/ debentures to be issued during the FY 2018-19 may be issued in any combination as per the following broad scheme:

- Bonds/Debentures including Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation Indexed, Tax Free Bonds, Section 54EC Bonds 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.
- The issuance of instrument(s) may be in one or more series or tranches or on reissuance in existing series.
- Coupon rate (fixed or floating) will be as per the prevailing market interest rates payable annually or otherwise.
- The issue may be kept open and/or extended for such period as may be decided by CMD / Director (Finance).
- Period of redemption – upto 20 years with / without put and call option.
- Arrangers' fee – as decided by CMD and/or Director (Finance).
- Listing – with National Stock Exchange (NSE) / Bombay Stock Exchange (BSE) or any other recognized Stock Exchange(s) or a combination thereof.
- Mode – Private/ Public Placement.
- A maximum of four Bond Issues by way of Private Placement in a month shall be made.
- Pricing and timing of Bond Issue as may be decided by CMD/Director(Finance)."

"**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 debentures such as Term Loans, External Commercial Borrowings (ECBs) i.e. Export Credit Assistance (ECAs)/ Official Development Assistance Loans (ODA loans), Long/ Medium Term Loans/ Foreign Currency Convertible Bonds (FCCBs)/ Foreign Currency Non-resident (Bank) [FCNR (B)] Loans/ Export ODA loans/ Foreign Currency Term Loans /Foreign Currency Bonds / Rupee Offshore Bonds/ Green Bonds, Masala Bonds etc., from Banks/FIs/NBFCs /Other Institutions/Multilateral Funding Agencies, commercial paper, etc. depending upon the prevailing debt market conditions within the above market borrowing programme and take appropriate hedging strategy for borrowings in foreign currency depending upon the market conditions."

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

"**RESOLVED FURTHER THAT** CMD be and is hereby authorized to make the interchangeability of the amount to be mobilized by the Company during the FY 2018-19 by way of Bonds/Debentures including Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation Indexed, Tax Free Bonds, Section 54EC Bonds or any other Bonds/ Debentures as may be permitted by the Regulatory Authorities from time to time whether Unsecured/ Secured, Non-convertible, Redeemable, Taxable/ Tax-free, Term Loans, Commercial Papers, ECBs i.e. FCCBs/ FCNR (B) Loans/ Term Loans/Bonds/ ECAs/ ODA loans/ Rupee Offshore Bonds/Green Bonds, Masala Bonds etc., from Banks/FIs/NBFCs/ Multilateral Funding Agencies etc. within the total limit of ₹ 60,000 crore."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to engage one or more rating agencies, both domestic and international, and approve the terms and conditions of the same for rating of the market borrowing programme of ₹ 60,000 crore comprising of long term and short term debt instruments including issue rating, issuer rating, wherever required, for the FY 2018-19."

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

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

"**RESOLVED FURTHER THAT** CMD/ Director (Finance), be and are hereby severally authorized to open 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 and to also open bank accounts in the name of the Company, in connection with funds raised through Bonds, ECBs, Short Term Loans/ WCDL/ Cash Credit/ Divsdend payment, etc."

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

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/ Executive Director (Finance) be and are hereby severally authorized along with GM (Finance)/AGM (Finance)/ DGM (Finance)/ Chief Manager (Finance) to sign, execute, file and deliver all agreements as may be required in connection with and incidental to the issue of ECBs i.e. FCCB/ ECA route funding/ ODA Loans/ Funding from Multilateral Agencies/Foreign Currency Term Loans/Foreign Currency Bonds/ Rupee Offshore Bonds/ Green Bonds, Masala Bonds etc."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/ Executive Director (Finance) be and are hereby severally authorized along with GM (Finance) /AGM (Finance)/ DGM (Finance) /Chief Manager (Finance) to sign, execute, file and deliver all documents, instruments, instructions, deeds, declarations, amendments, papers, applications, notices or letters to comply with all the formalities as may be required in connection with and incidental to the issue of ECBs i.e. FCCB/ ECA route funding/ ODA Loans/ Funding from Multilateral Agencies/Foreign Currency Term Loans/Foreign Currency Bonds/ Rupee Offshore Bonds/ Green Bonds, Masala Bonds etc. including listing and post-closing of issue formalities."

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

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

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to approve new/renew proposals for Cash Credit/ OD/WCDL Limit/ Short Term Loans from Banks/ FIs/ NBFC(s)/ Corporates etc."

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

"**RESOLVED FURTHER THAT** the existing Cash Credit/WCDL Limit/ Overdraft Limit of ₹ 8,000 crore shall also include availment of Inter Corporate loans."

"**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 Company Law Board/ Court wherever required for the various series of the Bonds/ Debentures issued by the Company from time to time as prescribed under the provisions of the Companies Act 1956 and/or Companies Act 2013."

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

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

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

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ AGM (Finance)/ DGM (Finance) be and are hereby severally authorized to sign and execute the necessary documents including signing of declaration(s) required under Companies Act, 2013 and issue of private placement offer letter for issue of bonds, drawl of Term Loan from Banks/ FIs/ NBFCs etc."

"**RESOLVED FURTHER THAT** Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized along with AGM (Finance)/ DGM (Finance)/Chief Manager (Finance) and GM (Legal) / AGM (Legal) /DGM (Legal) /CM (Legal) to sign and execute the deeds, amendments etc. 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."

"**RESOLVED FURTHER THAT** Executive Director(Finance)/ GM(Finance)/ AGM(Finance)/ DGM (Finance)/ Chief Manager (Finance) / Manager (Finance) be and are hereby severally authorized to execute and sign the letters of offer, deal confirmations and other documents required for issuing Commercial Paper, in his own hands in ink."

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

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

"**RESOLVED FURTHER THAT** Company Secretary and in his absence official authorized by the Company Secretary, be and is hereby authorized to affix common seal of the Company, in India or abroad, wherever required, in accordance with the provisions of the Articles of Association of the Company or in accordance with the applicable statutory provisions, on Term Loans/Short Term Loan/OD/WCDL/Cash Credit documents/ bonds scrips/foreign currency borrowing documents/ debentures/ trust documents/ listing agreements with the stock exchanges or any other document(s) required in connection with the market borrowing programme."

"**RESOLVED FURTHER THAT** ED (Finance) / GM (Finance) / AGM (Finance) or in his absence any officer authorized by him, be and are hereby 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 issue necessary certificates to the stock exchanges / any other statutory bodies wherever required."

प्रमाणित सत्य प्रतिलिपि
CERTIFIED TRUE COPY
कृते रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
For Rural Electrification Corporation Limited

(जे.एस. अमिताभ/J.S. AMITABH)
महाप्रबंधक एवं कम्पनी सचिव/G.M. & Company Secretary

आरईसी
REC
असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
(भारत सरकार का उद्यम) / (A Government of India Enterprise)
Regd. Office: Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi 110 003
Tel: +91-11-43091500 | Fax: +91-11-2436 0644 | Website: www.recindia.nic.in
CIN : L40101DL1969GOI005095 | GST No.: 07AAACR4512R1Z3

सौभाग्य
प्रधानमंत्री सहज बिजली हर घर योजना

स्वच्छ भारत
एक कदम स्वच्छता की ओर

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF RURAL ELECTRIFICATION CORPORATION LIMITED AT THE 49TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON SEPTEMBER 25, 2018.

Item No. 7: To increase the overall Borrowing Limit of the Company.

"**RESOLVED THAT** in supersession of earlier resolution passed by the Company through Postal Ballot on June 10, 2014 and pursuant to Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) & any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to borrow such moneys or sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed aggregate of the paid up capital of the Company and its free reserves, provided that the total amount borrowed and outstanding at any point of time shall not exceed a sum of ₹3,50,000 crore (Rupees Three Lakh Fifty Thousand Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 8 billion (USD Eight Billion only)."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

प्रमाणित सत्य प्रतिलिपि
CERTIFIED TRUE COPY
कृते रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
For Rural Electrification Corporation Limited

ज्योतिशुभ अमिताभ/JYOTI SHUBHRA AMITABH
महाप्रबंधक एवं कम्पनी सचिव/GM & Company Secretary
(एफ सी एस नं. 4298)/(F.C.S. No. 4298)

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

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

Statement of Audited Results for the Quarter and Year Ended 31-03-2018

(₹ in Crores)

Sl. No.		Particulars	Standalone					Consolidated	
			Quarter Ended			Year Ended		Year Ended	
			31-03-18 (Audited)	31-12-17 (Unaudited)	31-03-17 (Audited)	31-03-18 (Audited)	31-03-17 (Audited)	31-03-18 (Audited)	31-03-17 (Audited)
1	A	Interest Income	5,444.59	5,470.08	5,717.39	21,748.95	22,935.61	21,748.95	22,935.61
	B	Other Operating Income	187.41	82.39	131.49	609.32	651.69	1,305.47	1,259.31
	C	**Revenue from Operations (A+B)**	**5,632.00**	**5,552.47**	**5,848.88**	**22,358.27**	**23,587.30**	**23,054.42**	**24,194.92**
	D	Other Income	33.03	5.65	131.70	82.04	183.28	46.98	166.31
		Total Revenue (C+D)	**5,665.03**	**5,558.12**	**5,980.58**	**22,440.31**	**23,770.58**	**23,101.40**	**24,361.23**
2		**Expenses**							
	A	Finance Costs	3,742.66	3,389.54	3,424.77	13,829.52	13,450.35	13,859.59	13,461.59
	B	Employee Benefits Expense	38.06	46.38	59.93	176.87	178.07	198.46	192.75
	C	Corporate Social Responsibility Expenses	25.44	8.80	(40.12)	49.45	69.80	50.94	68.94
	D	Purchases of Stock-in-Trade	-	-	-	-	-	328.53	273.12
	E	Changes in inventories of Stock-in-Trade & Work-in-Progress	-	-	-	-	-	(53.32)	22.76
	F	Other Expenses	35.45	31.91	32.08	111.69	98.80	285.29	220.58
	G	Provisions and Contingencies	557.26	205.31	616.19	1,415.55	1,109.47	1,421.06	1,110.31
	H	Depreciation and amortization expense	1.61	1.40	1.33	5.61	5.04	69.59	40.33
		Total Expenses (A to H)	**4,400.48**	**3,683.34**	**4,094.18**	**15,588.69**	**14,911.53**	**16,160.14**	**15,390.38**
3		**Profit before Prior Period Items & Tax (1-2)**	**1,264.55**	**1,874.78**	**1,886.40**	**6,851.62**	**8,859.05**	**6,941.26**	**8,970.85**
4		Prior Period Items	(0.47)	-	(1.01)	(0.47)	(1.65)	0.02	(1.51)
5		**Profit before Tax (3-4)**	**1,265.02**	**1,874.78**	**1,887.41**	**6,852.09**	**8,860.70**	**6,941.24**	**8,972.36**
6		**Tax Expense**							
	A	Current Year	423.35	596.26	636.34	2,168.20	2,606.29	2,212.17	2,648.37
	B	Earlier Years / (Refund)	10.19	-	(28.14)	10.19	(27.78)	12.21	27.79
	C	Deferred Tax Liability / (Asset)	(3.31)	(17.89)	(40.02)	26.70	36.43	27.40	38.41
		Total Tax Expense (A+B+C)	**430.23**	**578.37**	**568.18**	**2,205.09**	**2,614.94**	**2,251.78**	**2,658.99**
7		**Profit for the period from Continuing Operations (5-6)**	**834.79**	**1,296.41**	**1,319.23**	**4,647.00**	**6,245.76**	**4,689.46**	**6,313.37**
8		**Profit from Discontinuing Operations (after tax)**	-	-	-	-	-	-	-
9		**Profit for the Period (7+8)**	**834.79**	**1,296.41**	**1,319.23**	**4,647.00**	**6,245.76**	**4,689.46**	**6,313.37**
10		Paid up Equity Share Capital (Face Value ₹10 per share)	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
11		Reserves & Surplus (Excluding Revaluation Reserves) (as per audited balance sheet as at 31st March)				33,515.59	31,350.67	33,897.38	31,695.64
12		**Earnings per Share (EPS) (of ₹10 each) (not annualised) (in ₹)**							
	A	Basic	4.23	6.56	6.68	23.53	31.63	23.75	31.97
	B	Diluted	4.23	6.56	6.68	23.53	31.63	23.75	31.97
13		Debt Equity Ratio (times)				5.60	5.03	5.56	4.99
14		Debenture Redemption Reserve				1,121.54	924.95	1,142.20	929.56
15		Net Worth				35,490.51	33,325.59	35,872.30	33,670.56

See accompanying notes to the financial results.

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STATEMENT OF ASSETS AND LIABILITIES

(₹ in Crores)

Sl. No.	Particulars	Standalone		Consolidated	
		As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
A.	EQUITY AND LIABILITIES				
(1)	Shareholders' Funds				
	(a) Share Capital	1,974.92	1,974.92	1,974.92	1,974.92
	(b) Reserves and Surplus	33,515.59	31,350.67	33,897.38	31,695.64
	Sub-total (Shareholders' Funds)	35,490.51	33,325.59	35,872.30	33,670.56
(2)	Share Application Money pending Allotment	-	-	31.90	-
(3)	Non-current Liabilities				
	(a) Long-term Borrowings	1,60,949.43	1,49,489.33	1,61,434.78	1,49,680.89
	(b) Deferred Tax Liabilities	66.96	40.26	66.73	39.92
	(c) Other Long-term Liabilities	4,037.49	12.38	4,038.46	13.42
	(d) Long-term Provisions	1,326.02	1,848.42	1,340.57	1,849.47
	Sub-total (Non-current Liabilities)	1,66,379.90	1,51,390.39	1,66,879.54	1,51,583.70
(4)	Current Liabilities				
	(a) Short term Borrowings	5,526.54	-	5,727.90	110.98
	(b) Trade Payables	-	-	448.64	160.39
	(c) Other current liabilities	38,836.01	24,326.04	39,426.54	24,524.99
	(d) Short-term Provisions	251.50	194.22	252.40	194.30
	Sub-total (Current Liabilities)	44,614.05	24,520.26	45,855.48	24,990.66
	Total (EQUITY AND LIABILITIES)	2,46,484.46	2,09,236.24	2,48,638.71	2,10,244.92
B.	ASSETS				
(1)	Non-current Assets				
	(a) Fixed assets	247.88	181.26	965.83	520.44
	(b) Non-current Investments	2,455.05	7,347.29	2,396.87	7,432.57
	(c) Long-term Loans & Advances	7,06,492.49	1,77,348.96	7,06,495.28	1,77,351.58
	(d) Other Non current Assets	4,734.95	387.60	4,743.92	394.07
	Sub-total (Non-Current Assets)	2,13,930.37	1,80,460.11	2,14,601.90	1,80,698.66
(2)	Current Assets				
	(a) Current Investments	119.75	149.16	183.85	184.36
	(b) Inventories	-	-	107.48	51.18
	(c) Trade Receivables	-	-	541.86	438.40
	(d) Cash & Bank Balances	1,773.53	4,490.02	2,368.24	4,650.79
	(e) Short-term Loans & Advances	5,673.56	3,594.56	5,702.07	3,618.72
	(f) Other Current Assets	24,987.25	20,542.39	25,138.31	20,607.81
	Sub-total (Current Assets)	32,554.09	28,776.13	34,036.81	29,546.26
	Total (ASSETS)	2,46,484.46	2,09,236.24	2,48,638.71	2,10,244.92

Notes:

1. The above financial results for the quarter/ year ended 31st March 2018 were reviewed by the Audit Committee at the meeting held on 28th May 2018 and approved and taken on record by the Board of Directors at the meeting held on 28th May 2018.
2. These results have been audited by the Statutory Auditors of the Company.
3. The audited accounts of the subsidiary companies (REC Transmission Projects Company Limited and REC Power Distribution Company Limited) and unaudited accounts of joint venture (Energy Efficiency Services Limited) have been consolidated in accordance with the Accounting Standard-21 'Consolidated Financial Statements' and Accounting Standard-27 'Financial Reporting of Interests in Joint Ventures'.
4. Changes in Accounting Policies during the period :

(a) During the quarter ended 30th June 2017, the Company had revised the accounting policy for amortization of one time arrangement fee incurred in raising of foreign currency borrowings and premium paid towards hedging contracts over the period of such borrowings/ contracts. Due to this change in accounting policy, profit before tax for the quarter and year ended 31st March 2018 is higher by ₹ 166.25 Crores and ₹ 220.75 Crores respectively.

(b) During the quarter ended 30th September 2017, the policy for recognising the agency fee on Government schemes had been changed to recognise such income on accrual basis. Due to this change in accounting policy, profit before tax for the quarter and year ended 31st March 2018 is higher by ₹ 92.52 Crores and ₹ 136.45 Crores respectively

(c) Since the validity of certain exemptions given by RBI had expired during the current year in respect of classification of loan assets, the Company has modified the accounting policy in respect of asset classification and provisioning to bring it in line with RBI Master Directions. Due to this change in accounting policy, profit before tax for the quarter and year ended 31st March 2018 is lower by ₹ 146.09 Crores.

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5. The company has opted for amortising the foreign exchange fluctuation loss/ gain on the long term foreign currency monetary items over the balance period of such items. The balance in 'Foreign Currency Monetary Item Translation Difference Account' remaining to be amortised as at 31st March 2018 is ₹ 63.10 Crores [As at 31st December 2017 ₹ 89.54 Crores (gain)].

6. RBI, vide its letters dated 25th July 2013 and 4th April 2014, had conveyed to the Company to comply with the Prudential Norms of RBI by 31st March, 2016 and follow the instructions contained in RBI Circular dated 23 January 2014 issued vide Notification No. DNBS (PD) No. 271/ CGM (NSV)-2014 in respect of restructuring of assets. Later, RBI vide its letter dated 11th June 2014 had allowed exemption to the Company from RBI restructuring norms till 31st March 2017 for Transmission & Distribution, Renovation & Modernisation and Life Extension projects and also the Hydro projects in Himalayan region or affected by natural disasters. Further, for project loans to Generating Companies restructured w.e.f. 01/04/2015, the provisioning requirement would be 5% and for stock of loans as on 31/03/2015 of such projects, the provisioning shall commence with a provision of 2.75% w.e.f. 31/03/2015 and reaching 5% by 31/03/2018.

   In accordance with clarification from RBI vide email dated 10 August 17, T&D, R&M and life extension projects as also the hydro projects in Himalayan region or affected by natural disaster will be regulated by RBI restructuring norms with effect from 1st April 2017.

   Further, in response to the Company's letter dated 13 May 2016, RBI vide its letter No. DNBR.PD.CO.No. 2184/03.10.001/2015-16 dated 16 June 2016, has exempted REC, from applicability of RBI's concentration of Credit/Investment norms, in respect of its exposure to Central/ State Government entities up to 31 March 2022.

   During the current quarter, state sector projects upgraded from Restructured Standard Assets category to Standard Assets category has resulted in net reversal of provision of ₹ 338.00 crores. Further, an additional provision amounting to ₹ 8.29 Crores has been created on qualifying restructured loans (comprising of loans to Public Sector ₹ 1,532.57 crores and loans to Private Sector ₹ 4,757.55 crores). The total provision held as on 31st March 2018 against such restructured loans amounts to ₹ 463.95 crores.

7. As at 31st March 2018, the dues of one of the borrowers were overdue for more than 3 months, thus, exceeding the time limit for classification of the borrower as 'Standard Asset'. However, the borrower had obtained an ad-interim order from Hon'ble High Court of Madras on 18th September 2015 not to classify the account as NPA. In view of the same, the classification of the borrower has been retained as 'Restructured Standard Asset' pending final decision of the Court. REC has filed an Application before High Court, Madras for dismissal of the Writ Petition and vacation of stay order.

8. Reserve Bank of India (RBI) vide Notification No. DBR.No.BP.BC.101/21.04.048/2017-18 dated 12th February 2018 issued a Revised Framework for Resolution of Stressed Asset, which superseded the existing guidelines on CDR/ SDR/ Change in ownership outside SDR, Flexible Structuring of Existing Long Term Project Loans (5/25 Scheme) and S4A scheme. While the notification is applicable to all Scheduled Commercial Banks (excluding Regional Rural Banks (RRB)) and all-India Financial Institutions (Exim Bank, NABARD, NHB and SIDBI), the guidelines per se are not applicable to the Company, being NBFC-IFC. However, as a matter of prudence, REC has also followed these guidelines and classified loans amounting to ₹ 9,591.39 crores as NPAs as at 31st March 2018.

   In view of the above, for the current quarter, Provisions and Contingencies are higher and consequently Profit Before tax is lower by ₹ 359.24 crores, making a total provision of ₹ 959.14 crores against such loans.

9. 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.

10. The Company paid an interim dividend of ₹ 7.40 per Equity Share (on face value of ₹ 10/- each) in the month of February 2018. Further, the Board of Directors has recommended final dividend of ₹ 1.75 per share (on face value of ₹ 10/- each) for the year 2017-18, subject to approval of the Shareholders in the ensuing Annual General Meeting. The total dividend (including interim dividend) for the financial year 2017-18 is ₹ 9.15 per share (on face value of ₹ 10/- each).

11. 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 Accounting Standard-17 'Segment Reporting'.

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12. The Company has raised US$ 300 million 10-year US Dollars denominated bonds in March 2018 to finance power infrastructure sector in India within the ambit of applicable ECB Guidelines and the amount has been utilized for the aforementioned purpose.

13. Details of previous due dates for the payment of interest/ repayment of principal along with next due date for the payment of interest/ principal in respect of listed non-convertible debt securities have beeen annexed herewith this statement as Annexure-A in terms of the requirements of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. In view of Ministry of Power's Office Memorandum dated 30th August, 2017 and to have better operational efficiency and to reap the benefits of higher capital base & pooled resources, it was decided to merge two unlisted wholly owned subsidiary companies of Rural Electrification Corporation Limited i.e. REC Power Distribution Company Limited (RECPDCL) and REC Transmission Projects Company Limited (RECTPCL) into one single entity. Accordingly, as per provisions of the Companies Act, 2013 and Rules made thereunder, after the approval of Board of Directors, shareholders, creditors of respective companies and approval of Holding company i.e. REC, an application has been filed with the Ministry of Corporate Affairs (MCA) on 27th March, 2018 for sanction of Scheme of Arrangement for amalgamation of RECTPCL (Transferor Company) with RECPDCL (Transferee Company) and approval of the same is awaited.

15. The Company has not issued any redeemable preference shares till date.

16. For all the secured bonds issued by the Company and outstanding as at 31st March 2018, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.

17. Previous periods/year's figures have been regrouped/rearranged wherever necessary. Figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

For Rural Electrification Corporation Limited

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

Rural Electrification Corporation Ltd. New Delhi

Place: New Delhi
Date: 28th May 2018

S. Mehtani & Co. A-160 Defence Colony New Delhi-24 Chartered Accountants

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Annexure-A

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

(₹ in Crores)

S.No.	ISIN No.	Bond Type	Bond Series	Amount Outstanding	Rate of Interest	Previous Due Date of Interest/ Principal Repayment	Whether the Same has been Paid or Not	Next Due Date for Interest Payment	Amount	Next Due Date for Principal Payment	Amount
1	INE020B07DG6	Institutional Bonds	85	500.00	9.68%	13-06-17	PAID	13-06-18	48.40	13-06-18	500.00
2	INE020B07DT9	Institutional Bonds	86-A	500.00	10.70%	29-07-17	PAID	30-07-18	53.50	30-07-18	500.00
3	INE020B07DW3	Institutional Bonds	86-B III	432.00	10.85%	14-08-17	PAID	14-08-18	46.87	14-08-18	432.00
4	INE020B07DY9	Institutional Bonds	87 - II	657.40	10.85%	03-10-17	PAID	01-10-18	71.33	01-10-18	657.40
5	INE020B07EB5	Institutional Bonds	87A - III	61.80	11.15%	24-10-17	PAID	24-10-18	6.89	24-10-18	61.80
6	INE020B07EG4	Institutional Bonds	88	1,495.00	8.65%	15-01-18	PAID	15-01-19	129.32	15-01-19	1,495.00
7	INE020B07EP5	Institutional Bonds	90	2,000.00	8.80%	03-08-17	PAID	03-08-18	176.00	03-08-19	2,000.00
8	INE020B07ER1	Institutional Bonds	90B-II	868.20	8.72%	04-09-17	PAID	04-09-18	75.71	04-09-19	868.20
9	INE020B07EV3	Institutional Bonds	90C-II	1,040.00	8.80%	06-10-17	PAID	06-10-18	91.52	07-10-19	1,040.00
10	INE020B07EY7	Institutional Bonds	91-II	995.90	8.80%	17-11-17	PAID	17-11-18	87.64	18-11-19	995.90
11	INE020B07FC0	Institutional Bonds	92-II	945.30	8.65%	22-01-18	PAID	22-01-19	81.77	22-01-20	945.30
12	INE020B08427	Institutional Bonds	94	1,250.00	8.75%	08-06-17	PAID	08-06-18	109.38	09-06-25	1,250.00
13	INE020B08435	Institutional Bonds	95-I	200.00	8.70%	12-07-17	PAID	12-07-18	17.40	12-07-19	200.00
14	INE020B08443	Institutional Bonds	95-II	1,800.00	8.75%	12-07-17	PAID	12-07-18	157.50	14-07-25	1,800.00
15	INE020B08450	Institutional Bonds	96	1,150.00	8.80%	25-10-17	PAID	25-10-18	101.20	26-10-20	1,150.00
16	INE020B08468	Institutional Bonds	97	2,120.50	8.80%	29-11-17	PAID	29-11-18	186.60	30-11-20	2,120.50
17	INE020B08492	Institutional Bonds	98	3,000.00	9.18%	15-03-18	PAID	15-03-19	275.40	15-03-21	3,000.00
18	INE020B08567	Institutional Bonds	100	1,500.00	9.63%	15-07-17	PAID	16-07-18	144.45	15-07-21	1,500.00
19	INE020B08591	Institutional Bonds	101-III	3,171.80	9.48%	10-08-17	PAID	10-08-18	300.69	10-08-21	3,171.80
20	INE020B08641	Institutional Bonds	105	3,922.20	9.75%	13-11-17	PAID	12-11-18	382.41	11-11-21	3,922.20
21	INE020B08740	Institutional Bonds	107	2,378.20	9.35%	15-06-17	PAID	15-06-18	222.36	15-06-22	2,378.20
22	INE020B08765	Institutional Bonds	108-II	960.00	9.39%	20-07-17	PAID	20-07-18	90.14	20-07-19	960.00
23	INE020B08799	Institutional Bonds	111-I	452.80	9.02%	20-11-17	PAID	19-11-18	40.84	19-11-19	452.80
24	INE020B08807	Institutional Bonds	111-II	2,211.20	9.02%	20-11-17	PAID	19-11-18	199.45	19-11-22	2,211.20
25	INE020B08823	Institutional Bonds	113	1,542.00	8.87%	08-03-18	PAID	08-03-19	136.78	09-03-20	1,542.00
26	INE020B08831	Institutional Bonds	114	4,300.00	8.82%	12-04-17	PAID	12-04-18	379.26	12-04-23	4,300.00
27	INE020B08849	Institutional Bonds	115	2,500.00	8.06%	31-05-17	PAID	31-05-18	201.50	31-05-23	2,500.00
28	INE020B07HX2	Institutional Bonds	116-II	850.00	9.24%	17-10-17	PAID	17-10-18	78.54	17-10-18	850.00
29	INE020B07HY0	Institutional Bonds	117	2,878.00	9.38%	06-11-17	PAID	06-11-18	269.96	06-11-18	2,878.00
30	INE020B07HZ7	Institutional Bonds	118	1,655.00	9.61%	03-01-18	PAID	03-01-19	159.05	03-01-19	1,655.00
31	INE020B07IA8	Institutional Bonds	119	2,090.00	9.63%	05-02-18	PAID	05-02-19	201.27	05-02-19	2,090.00
32	INE020B07IV4	Institutional Bonds	122	1,700.00	9.02%	19-06-17	PAID	18-06-18	152.92	18-06-19	1,700.00
33	INE020B07IW2	Institutional Bonds	123-I	1,515.00	9.40%	17-07-17	PAID	17-07-18	142.41	17-07-21	1,515.00
34	INE020B07IZ5	Institutional Bonds	123-III-10yrs	1,955.00	9.34%	25-08-17	PAID	27-08-18	183.60	23-08-24	1,955.00
35	INE020B08858	Institutional Bonds	125	3,000.00	9.04%	13-10-17	PAID	15-10-18	272.69	11-10-19	3,000.00
36	INE020B08864	Institutional Bonds	126	1,700.00	8.56%	13-11-17	PAID	13-11-18	145.52	13-11-19	1,700.00

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(₹ in Crores)

S.No.	ISIN No.	Bond Type	Bond Series	Amount Outstanding	Rate of Interest	Previous Due Date of Interest/ Principal Repayment	Whether the Same has been Paid or Not	Next Due Date for Interest Payment	Amount	Next Due Date for Principal Payment	Amount
37	INE020B08872	Institutional Bonds	127	1,550.00	8.44%	15-05-17	PAID	15-05-18	130.82	04-12-21	1,550.00
38	INE020B08880	Institutional Bonds	128	2,250.00	8.57%	15-05-17	PAID	15-05-18	192.83	21-12-24	2,250.00
39	INE020B08898	Institutional Bonds	129	1,925.00	8.23%	15-05-17	PAID	15-05-18	158.43	23-01-25	1,925.00
40	INE020B08906	Institutional Bonds	130	2,325.00	8.27%	15-05-17	PAID	15-05-18	192.28	06-02-25	2,325.00
41	INE020B08916	Institutional Bonds	131	2,285.00	8.35%	23-02-18	PAID	25-02-19	191.84	21-02-25	2,285.00
42	INE020B08922	Institutional Bonds	132	700.00	8.27%	15-05-17	PAID	15-05-18	57.89	09-03-22	700.00
43	INE020B08930	Institutional Bonds	133	2,396.00	8.30%	15-12-17	PAID	15-12-18	198.87	10-04-25	2,396.00
44	INE020B08948	Institutional Bonds	134	2,675.00	8.37%	15-12-17	PAID	15-12-18	223.90	14-08-20	2,675.00
45	INE020B08955	Institutional Bonds	135	2,750.00	8.36%	15-12-17	PAID	15-12-18	229.90	22-09-20	2,750.00
46	INE020B08963	Institutional Bonds	136	2,585.00	8.11%	31-10-17	PAID	31-10-18	209.64	07-10-25	2,585.00
47	INE020B08971	Institutional Bonds	137	2,225.00	8.05%	01-01-18	PAID	07-12-18	166.84	07-12-18	2,225.00
48	INE020B08997	Institutional Bonds	139	2,500.00	7.24%	31-10-17	PAID	31-10-18	181.00	21-10-21	2,500.00
49	INE020B08AA3	Institutional Bonds	140	2,100.00	7.52%	30-11-17	PAID	30-11-18	157.92	07-11-26	2,100.00
50	INE020B08AB1	Institutional Bonds	141	1,020.00	7.14%	01-01-18	PAID	31-12-18	72.53	09-12-21	1,020.00
51	INE020B08AC9	Institutional Bonds	142	3,000.00	7.54%	01-01-18	PAID	31-12-18	225.58	30-12-26	3,000.00
52	INE020B08AD7	Institutional Bonds	143	1,275.00	6.83%	31-01-18	PAID	31-01-19	87.08	29-06-20	1,275.00
53	INE020B08AE5	Institutional Bonds	144	835.00	7.13%	28-02-18	PAID	28-02-19	59.54	21-09-20	835.00
54	INE020B08AF2	Institutional Bonds	145	625.00	7.46%	28-02-18	PAID	28-02-19	46.63	28-02-22	625.00
55	INE020B08AG0	Institutional Bonds	146	3,300.00	6.88%	04-09-17	PAID	03-09-18	227.04	03-09-18	3,300.00
56	INE020B08AH8	Institutional Bonds	147	2,745.00	7.95%	31-03-18	PAID	30-03-19	218.23	12-03-27	2,745.00
57	INE020B08AI6	Institutional Bonds	148	1,200.00	7.42%	17-03-18	PAID	18-03-19	89.04	17-06-20	1,200.00
58	INE020B08AJ4	Institutional Bonds	149	2,485.00	6.87%	25-09-17	PAID	24-09-18	170.72	24-09-20	2,485.00
59	INE020B08AK2	Institutional Bonds	150	2,670.00	7.03%	NA	NA	07-09-18	187.70	07-09-22	2,670.00
60	INE020B08AL0	Institutional Bonds	151	1,150.00	6.75%	26-03-18	PAID	26-03-19	77.63	26-03-19	1,150.00
61	INE020B08AM8	Institutional Bonds	152	1,225.00	7.09%	NA	NA	17-10-18	86.85	17-10-22	1,225.00
62	INE020B08AN6	Institutional Bonds	153	2,850.00	6.99%	01-01-18	PAID	31-12-18	199.22	31-12-20	2,850.00
63	INE020B08AO4	Institutional Bonds	154	600.00	7.18%	NA	NA	21-05-18	21.36	21-05-21	600.00
64	INE020B08AP1	Institutional Bonds	155	1,912.00	7.45%	NA	NA	30-11-18	142.44	30-11-22	1,912.00
65	INE020B08AQ9	Institutional Bonds	156	3,533.00	7.70%	NA	NA	12-12-18	272.04	10-12-27	3,533.00
66	INE020B08AR7	Institutional Bonds	157	1,055.00	7.60%	NA	NA	17-04-18	19.77	17-04-21	1,055.00
67	INE020B08AS5	Institutional Bonds	158	2,465.00	7.70%	15-03-18	PAID	15-03-19	189.81	15-03-21	2,465.00
68	INE020B08AT3	Institutional Bonds	159	950.00	7.99%	NA	NA	25-02-19	75.91	23-02-23	950.00
69	INE020B08AU1	Institutional Bonds	160	1,450.00	7.77%	NA	NA	17-09-18	61.73	16-09-19	1,450.00
70	INE020B08AV9	Institutional Bonds	161-A	3,000.00	7.59%	NA	NA	15-03-19	227.70	13-03-20	3,000.00
71	INE020B08AW7	Institutional Bonds	161-B	800.00	7.73%	NA	NA	15-06-18	15.59	15-06-21	800.00
72	INE020B08476	Zero Coupon Bonds	Series - I	951.00	8.25%	NA	NA	NA	NA	15-12-20	1,178.10
73	INE020B08484	Zero Coupon Bonds	Series - II	211.59	8.75%	NA	NA	NA	NA	03-02-21	268.53
74	INE020B07GG9	Tax Free Bonds	2011-12	692.47	7.93%	01-07-17	PAID	02-07-18	54.91	28-03-22	692.47

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Rural Electrification Corporation Ltd. New Delhi

(₹ in Crores)

S.No.	ISIN No.	Bond Type	Bond Series	Amount Outstanding	Rate of Interest	Previous Due Date of Interest/ Principal Repayment	Whether the Same has been Paid or Not	Next Due Date for Interest Payment	Amount	Next Due Date for Principal Payment	Amount
75	INE020B07GG9	Tax Free Bonds	2011-12	147.20	8.13%	01-07-17	PAID	02-07-18	11.97	28-03-22	147.20
76	INE020B07GH7	Tax Free Bonds	2011-12	1,950.76	8.12%	01-07-17	PAID	02-07-18	158.40	29-03-27	1,950.76
77	INE020B07GH7	Tax Free Bonds	2011-12	209.56	8.32%	01-07-17	PAID	02-07-18	17.44	29-03-27	209.56
78	INE020B07HM5	Tax Free Bonds	Private Placement-2013-14	209.00	8.01%	29-08-17	PAID	29-08-18	16.74	29-08-23	209.00
79	INE020B07HN3	Tax Free Bonds	Private Placement-2013-14	1,141.00	8.46%	29-08-17	PAID	29-08-18	96.53	29-08-28	1,141.00
80	INE020B07HU8	Tax Free Bonds	Private Placement-2013-14	105.00	8.18%	11-10-17	PAID	11-10-18	8.59	11-10-23	105.00
81	INE020B07HV6	Tax Free Bonds	Private Placement-2013-14	45.00	8.54%	11-10-17	PAID	11-10-18	3.84	11-10-28	45.00
82	INE020B07GU0	Tax Free Bonds	Private Placement-2012-13	255.00	7.21%	21-11-17	PAID	22-11-18	18.39	21-11-22	255.00
83	INE020B07GV8	Tax Free Bonds	Private Placement-2012-13	245.00	7.38%	21-11-17	PAID	22-11-18	18.08	22-11-27	245.00
84	INE020B07GW6	Tax Free Bonds	2012-13	789.41	7.22%	01-12-17	PAID	01-12-18	57.00	19-12-22	789.41
85	INE020B07GW6	Tax Free Bonds	2012-13	375.90	7.72%	01-12-17	PAID	01-12-18	29.02	19-12-22	375.90
86	INE020B07GX4	Tax Free Bonds	2012-13	428.58	7.38%	01-12-17	PAID	01-12-18	31.63	20-12-27	428.58
87	INE020B07GX4	Tax Free Bonds	2012-13	423.46	7.88%	01-12-17	PAID	01-12-18	33.37	20-12-27	423.46
88	INE020B07GY2	Tax Free Bonds	2012-13	50.69	6.88%	01-12-17	PAID	01-12-18	3.49	27-03-23	50.69
89	INE020B07GY2	Tax Free Bonds	2012-13	30.66	7.38%	01-12-17	PAID	01-12-18	2.26	27-03-23	30.66
90	INE020B07GZ9	Tax Free Bonds	2012-13	7.07	7.04%	01-12-17	PAID	01-12-18	0.50	27-03-28	7.07
91	INE020B07GZ9	Tax Free Bonds	2012-13	42.64	7.54%	01-12-17	PAID	01-12-18	3.22	27-03-28	42.64
92	INE020B07HO1	Tax Free Bonds	2013-14	262.69	8.01%	01-12-17	PAID	01-12-18	21.04	25-09-23	262.69
93	INE020B07HR4	Tax Free Bonds	2013-14	312.36	8.26%	01-12-17	PAID	01-12-18	25.80	25-09-23	312.36
94	INE020B07HP8	Tax Free Bonds	2013-14	1,757.19	8.46%	01-12-17	PAID	01-12-18	148.66	25-09-28	1,757.19
95	INE020B07HS2	Tax Free Bonds	2013-14	1,053.07	8.71%	01-12-17	PAID	01-12-18	91.72	25-09-28	1,053.07
96	INE020B07HQ6	Tax Free Bonds	2013-14	16.98	8.37%	01-12-17	PAID	01-12-18	1.42	26-09-33	16.98
97	INE020B07HT0	Tax Free Bonds	2013-14	38.31	8.62%	01-12-17	PAID	01-12-18	3.30	26-09-33	38.31
98	INE020B07IC4	Tax Free Bonds	2013-14	291.96	8.19%	01-12-17	PAID	01-12-18	23.91	22-03-24	291.96
99	INE020B07IF7	Tax Free Bonds	2013-14	127.36	8.44%	01-12-17	PAID	01-12-18	10.75	22-03-24	127.36
100	INE020B07ID2	Tax Free Bonds	2013-14	253.01	8.63%	01-12-17	PAID	01-12-18	21.83	23-03-29	253.01
101	INE020B07IG5	Tax Free Bonds	2013-14	277.42	8.88%	01-12-17	PAID	01-12-18	24.63	23-03-29	277.42
102	INE020B07IE0	Tax Free Bonds	2013-14	28.28	8.61%	01-12-17	PAID	01-12-18	2.43	24-03-34	28.28
103	INE020B07IH3	Tax Free Bonds	2013-14	81.38	8.86%	01-12-17	PAID	01-12-18	7.21	24-03-34	81.38
104	INE020B07J07	Tax Free Bonds	Private Placement-2015-16	300.00	7.17%	01-12-17	PAID	01-12-18	21.51	23-07-25	300.00
105	INE020B07JP4	Tax Free Bonds	2015-16	51.51	6.89%	01-12-17	PAID	01-12-18	3.55	05-11-25	51.51
106	INE020B07JQ2	Tax Free Bonds	2015-16	54.41	7.14%	01-12-17	PAID	01-12-18	3.89	05-11-25	54.41
107	INE020B07JR0	Tax Free Bonds	2015-16	133.69	7.09%	01-12-17	PAID	01-12-18	9.48	05-11-30	133.69
108	INE020B07JS8	Tax Free Bonds	2015-16	39.22	7.34%	01-12-17	PAID	01-12-18	2.88	05-11-30	39.22
109	INE020B07JT6	Tax Free Bonds	2015-16	278.74	7.18%	01-12-17	PAID	01-12-18	20.01	05-11-35	278.74
110	INE020B07JU4	Tax Free Bonds	2015-16	142.43	7.43%	01-12-17	PAID	01-12-18	10.58	05-11-35	142.43
111	INE020B08690	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-IV : 15 Years with Annual Int. Option (With Buyback Option on 16.02.2019)	5.00	9.15%	15-02-18	PAID	15-02-19	0.46	15-02-19	5.00

A-160 Defence Colony New Delhi-24 Chartered Accountants

A. R. & CO. FRN 002744 C CHARTERED ACCOUNTANTS

Rural Electrification Corporation Ltd. New Delhi

(₹ in Crores)

S.No.	ISIN No.	Bond Type	Bond Series	Amount Outstanding	Rate of Interest	Previous Due Date of Interest/ Principal Repayment	Whether the Same has been Paid or Not	Next Due Date for Interest Payment	Amount	Next Due Date for Principal Payment	Amount
112	INE020B08716	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-VI : 10 Years with Annual Int. Option (Without Buyback Option)	1.38	8.95%	15-02-18	PAID	15-02-19	0.12	15-02-22	1.38
113	INE020B08732	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-VIII : 15 Years with Annual Int. Option (Without Buyback Option)	1.13	9.15%	15-02-18	PAID	15-02-19	0.10	15-02-27	1.13
114	INE020B08682	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-III : 15 Years with Cumulative Int. Option (With Buyback Option on 16.02.2019)	13.43	9.15%	15-02-18	CUMULATIVE	15-02-19	1.90	15-02-19^	13.43
115	INE020B08708	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-V : 10 Years with Cumulative Int. Option (Without Buyback Option)	5.73	8.95%	15-02-18	CUMULATIVE	15-02-19	0.79	15-02-22^	5.73
116	INE020B08724	Infrastructure Bonds	REC Infrastructure Bonds 2011-12 : Option-VII : 15 Years with Cumulative Int. Option (Without Buyback Option)	2.83	9.15%	15-02-18	CUMULATIVE	15-02-19	0.40	15-02-27^	2.83
117	INE020B08518	Infrastructure Bonds	REC Infrastructure Bonds 2010-11 Option-I : 10 Years with Annual Int. Option (With Buyback Option after 5/6/7/8/9 Years)	17.07	8.00%	31-03-18	PAID	31-03-19	1.39	31-03-19*	17.07
118	INE020B08500	Infrastructure Bonds	REC Infrastructure Bonds 2010-11 Option-II : 10 Years with Annual Int. Option (Without Buyback Option)	1.61	8.10%	31-03-18	PAID	31-03-19	0.13	31-03-21	1.61
119	INE020B08534	Infrastructure Bonds	REC Infrastructure Bonds 2010-11 : Option-I : 10 Years with Annual Int. Option (With Buyback Option after 5/6/7/8/9 Years)	58.50	8.20%	31-03-18	PAID	31-03-19	4.87	31-03-19*	58.50
120	INE020B08526	Infrastructure Bonds	REC Infrastructure Bonds 2010-11 Option-II : 10 Years with Annual Int. Option (Without Buyback Option)	3.79	8.20%	31-03-18	PAID	31-03-19	0.31	31-03-21	3.79

^ Cumulative Interest till date of redemption will also be paid in addition to principal amount.

* The buy-back facility is available with the investor.

Note - REC Infrastructure Bonds are listed on NSE Only.

G. S. Mathur & Co. A-160 Defence Colony New Delhi-24 Chartered Accountants

A. R. & CO. FRN 002744 C CHARTERED ACCOUNTANTS

Rural Electrification Corporation Ltd. New Delhi

G.S. Mathur & Co.
Chartered Accountants
A-160 Defence Colony
New Delhi-110024.

A.R. & Co.
Chartered Accountants
A-403, Gayatri Apartments,
Plot No. 27, Sector 10, Dwarka
New Delhi- 110075.

Auditors' Report on Quarterly Financial results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Rural Electrification Corporation Limited.

We have audited the accompanying quarterly financial results of **Rural Electrification Corporation Limited** ("the Company") for the quarter ended 31st March 2018 and the year to date results for the period 1st April 2017 to 31st March 2018 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results, have been prepared on the basis of financial statements which are the responsibility of the company's Management and approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India which are generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and

G S Mathur & Co. A-160 Defence Colony New Delhi-24 Chartered Accountants

A. R. & CO. FRN 002744 C CHARTERED ACCOUNTANTS

(ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the quarter ended 31st March 2018 and year to date results for the period from 1st April 2017 to 31st March 2018.

The financial results include the results for the quarter ended 31st March 2018 being the balancing figure between audited figures of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subject to limited review by us in terms of our report dated 6th February 2018

For G.S. Mathur & Co.
Chartered Accountants
Firm Regn No 006744N

S.C. Choudhary
Partner
M. No.082023

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

Priyanshu Jain
Partner
M. No.530262

Place : New Delhi
Date : 28th May 2018

G.S. Mathur & Co.
Chartered Accountants
A-160 Defence Colony
New Delhi-110024.

A.R. & Co.
Chartered Accountants
A-403, Gayatri Apartments,
Plot No. 27, Sector 10, Dwarka
New Delhi- 110075.

Auditors' Report on Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Rural Electrification Corporation Limited.

We have audited the consolidated financial results of **Rural Electrification Corporation Limited** ("the Company") for the year ended 31st March, 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results have been prepared from consolidated financial statements which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and which are generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of two subsidiaries (audited by other auditors) and one Joint Venture (unaudited, subject to audit) included in the consolidated year to date results, whose consolidated financial statements reflect total assets of ₹ 2,378.98 Crores (Previous year ₹ *1,230.42* crores) as at 31st March 2018 as well as the total revenue of ₹ 722.11 Crores (Previous year ₹ *652.79* crores) for the year ended 31st March 2018. The consolidated financial statement also include the share of subsidiaries and

G.S. Mathur & Co. A-160 Defence Colony New Delhi-24 Chartered Accountants

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joint venture in respect of net profit after tax of ₹ 81.29 Crores (Previous year ₹ *90.50* crores) as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us (in case of subsidiaries) and unaudited financial statements certified by the management (in case of Joint Venture), and our opinion on the consolidated year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors (in case of subsidiaries) and certification of management (in case of Joint Venture).

In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:

(i) include the year to date financial figures of the following entities :

a) REC Transmission Projects Company Limited (Ownership – 100% as on 31st March 2018)

b) REC Power Distribution Company Limited (Ownership – 100% as on 31st March 2018)

c) Energy Efficiency Services Limited (Ownership – 31.71% as on 31st March 2018)

(ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(iii) gives a true and fair view of the consolidated net profit and other financial information for the consolidated year ended 31st March 2018.

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

S.C. Choudhary
Partner
M. No. 082023

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

Priyanshu Jain
Partner
M. No. 530262

Place : New Delhi
Date : 28th May 2018