



असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

A MAHARATNA COMPANY

Memorandum of Understanding FY 2024-25

BETWEEN

REC Limited

&

***Power Finance
Corporation Limited***





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REC Limited

Consolidated MoU FY 2024-25

S. No.	Name of Parameter	Unit	Weightage	Target 2024-25
1	Revenue from Operations	Rs. In Cr	10	56,322
2	EBTDA as Percentage of Revenue	%	10	37.80
3	Return on Net Worth	%	10	21.70
4	Return on Capital Employed	%	5	11.12
5	Asset Turnover Ratio	%	5	9.64
6	Loans Disbursed to Total Funds Available	%	18	100.00
7	Overdue loans to Total Loans	%	5	0.28
8	NPA to Total Loans	%	10	0.94
9	Cost of raising funds through Bonds as compared to similarly rated CPSEs	BPS	5	-15
10	Acceptance/ Rejection of Invoices of Goods & Services through TReDS Portal within Specified time	%	5	100
11	Procurement from GeM as per approved Procurement Plan	%	2	100
12	Total Return to Shareholders	%	15	100
	Total		100	

Notes:

- Vision provided by the Administrative Ministry is also considered for Benchmarking.
- TRS parameter will be benchmarked to BSE 500 Index and the proportionate marking for achievement as per benchmarked range.
- Proportionate marks for achievement of 50% to 100% Targets except for the parameter on TRS.
- No marks for achievement below 50.00% of Targets.



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Compliance Parameters for MoU FY 2024-25

S. No.	Parameter	Marks	Source/ Verification
1	DPE guidelines issued from time to time on CSR expenditure by CPSEs.	-1	Administrative Ministry
2	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as: (i) Composition of Board of Directors, (ii) Board Committees (Audit Committee etc.), (iii) Holding Board Meetings, (iv) Related Party Transaction, (v) Disclosures and Transparency.	-3	Administrative Ministry on the basis of CAG/ Statutory/ Secretarial Auditor Report(s)
3	Procurement of goods or services through MSEs as % of Total procurement of goods and services: 25%	-1	Administrative Ministry on the basis of Sambandh portal
4	Procurement of goods or services through SC/ST MSEs as % of Total procurement of goods and services: 4%	-1	Administrative Ministry on the basis of Sambandh portal
5	Procurement of goods or services through Women MSEs as % of Total procurement of goods and services : 3%	-1	Administrative Ministry on the basis of Sambandh portal
6	Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs (Target to be prescribed by the Administrative Ministry)	-1	Administrative Ministry



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Place : Delhi / Gurugram

Date : 2nd August, 2024

*Updated MoU was approved by DPE on August 2, 2024,
following the IMC meeting held on July 31, 2024.*







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REC Limited

(A Maharatna Government of India Enterprise)

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