

SEC-1/187(2)/2016/2074

Dated: August 11, 2016

Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	Corporate Relationship Department BSE Limited 1st Floor, Phiroze Jeejeebhoy Towers Dalal Street Fort, Mumbai – 400 001.
Scrip Code-- RECLTD	Scrip Code-- 532955

Sub: Submission of Outcome of Board Meeting of Rural Electrification Corporation Limited held on August 11, 2016.

Dear Sirs,

Pursuant to Regulation 30 and Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that the Board of Directors of Rural Electrification Corporation Limited (REC), in its Meeting held on August 11, 2016 has approved the following:-

1. Recommendation for issue of Bonus Shares:-

Subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting and any other approval as may be required from the appropriate authorities, the Board of Directors of the Company has recommended the issue of Bonus shares in the ratio 1:1 (i.e. **One** new equity share of ₹ 10/- each for **every** equity share of ₹ 10/- each held as on the Record Date) by capitalization of a sum not exceeding of ₹ 987,45,90,000/- (Rupees Nine Hundred Eighty Seven Crore Forty Five Lakh Ninety Thousand only) out of 'Securities Premium Account' of the Company and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of equity shares not exceeding 98,74,59,000 (Ninety Eight Crore Seventy Four Lakh Fifty Nine Thousand only) equity shares of ₹ 10/- each as Bonus Shares credited as fully paid up, to the eligible Members of the Company. Further, the following dates have been approved by the Board to give effect to this proposal:-

Sl. No.	Particulars	Date
1.	Record date for ascertaining entitlement of eligibility of shareholders for Bonus Shares.	29th September, 2016 (Thursday)
2.	Completion of dispatch of Physical Share Certificates on account of bonus issue / credit of bonus shares in demat account(s).	On or before 10th October, 2016 (Monday)

2. Adoption of amended Articles of Association of the Company, in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company:-

Subject to approval of shareholders in the ensuing Annual General Meeting, the Board of Directors has accorded approval for adoption of the amended Articles of Association of the

Company, subject to approval of shareholders. The said amended Articles have been prepared keeping the following into consideration:-

- a. To align the extant Articles of Association of REC with the provisions of the Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015;
 - b. To incorporate certain new articles as per provisions of the Companies Act, 2013, Rules made thereunder and incorporating powers delegated by Government of India to Navratna companies;
 - c. For better clarity of the existing Articles and making them self-explanatory; and
 - d. To remove inconsistencies and repetitions contained in the extant Articles.
3. **Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder.**

Subject to approval of shareholders in the ensuing Annual General Meeting, the Board of Directors of the Company has approved the proposal for issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement upto ₹ 50,000 crore during a period of one year from the date of passing of resolution in the ensuing AGM.

4. **Approval of Dividend Distribution Policy of REC :-**

As per Regulation 43A of SEBI (LODR) Amendment Regulations, 2016, the Board of Directors of the Company has approved the Dividend Distribution Policy of REC *inter-alia* specifying the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

Further, the Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered e-mail addresses, besides sending the same in physical form. Accordingly, the Annual Reports for the financial year 2015-16 and Notice of AGM are being sent electronically to those members, whose E-mail IDs are already registered with R&TA/Depository Participant and who have not opted for receiving Annual Report in physical form. The Annual Report/AGM Notice and other documents will also be made available on the Company's website at www.recindia.com.

Thanking you,

Yours faithfully,


(J. S. Amitabh)
GM & Company Secretary