

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(₹ in crores)

Particulars	YEAR ENDED 31.03.2014		YEAR ENDED 31.03.2013	
<b>A. Cash Flow from Operating Activities :</b>				
Net Profit before Tax	6,531.12		5,163.95	
Adjustments for:				
1. Profit (-) / Loss on Sale of Fixed Assets	0.69		0.33	
2. Depreciation	4.21		3.75	
3. Allowance for bad & doubtful debts	47.32		25.00	
4. Contingent Allowance against Standard Loan Assets	264.70		105.68	
5. Allowance for Staff Advances	0.07		-	
6. Interest on Commercial Paper	230.88		86.49	
7. Excess Provision written back	-3.18		-0.04	
8. Profit on sale/redemption of investments	-		-0.34	
9. Loss/ Gain(-) on Exchange Rate fluctuation	304.27		77.51	
10. Dividend from Subsidiary Co.	-0.15		-0.15	
11. Dividend from Investments	-0.38		-0.25	
12. Interest on 8% Government of Madhya Pradesh Power Bonds-II	-47.16		-54.71	
13. Provision made for Interest on Advance Income Tax	2.96		2.06	
14. Discount on Bonds written off	4.83		4.83	
15. Interest Accrued on Zero Coupon Bonds	64.97		59.88	
16. Dividend & Dividend Tax paid in excess of provision	0.01		0.01	
<b>Operating profit before Changes in Operating Assets &amp; Liabilities:</b>	<b>7,405.16</b>		<b>5,474.00</b>	
Increase / Decrease :				
1. Loan Assets	-22,427.06		-25,929.26	
2. Other Operating Assets	-355.16		89.29	
3. Operating Liabilities	-273.94		1,676.09	
<b>Cash flow from Operations</b>	<b>-15,651.00</b>		<b>-18,689.88</b>	
1. Income Tax Paid (including TDS)	-1,640.06		-1,375.84	
2. Income Tax refund	8.27		-	
<b>Net Cash Flow from Operating Activities</b>		<b>-17,282.79</b>		<b>-20,065.72</b>
<b>B. Cash Flow from Investing Activities</b>				
1. Sale of Fixed Assets	0.31		0.05	
2. Purchase of Fixed Assets (incl. CWIP & Intangible Assets under development)	-3.46		-4.95	
3. Redemption of 8% Government of Madhya Pradesh Power Bonds-II	94.32		94.32	
4. Redemption of units of "Small is Beautiful" Fund	-		0.15	
5. Profit on sale/redemption of investments	-		0.34	
6. Refund of Share Application Money in Energy Efficiency Services Ltd.	-		2.50	
7. Dividend from Subsidiary Co.	0.15		0.15	
8. Interest on 8% Government of Madhya Pradesh Power Bonds-II	47.16		54.71	
9. Dividend from Investments	0.38		0.25	
<b>Net Cash Flow from Investing Activities</b>		<b>138.86</b>		<b>147.52</b>
<b>C. Cash Flow from Financing Activities</b>				
1. Issue of Bonds (Net of redemptions)	17,492.70		13,816.96	
2. Raising of Term Loans/ STL from Banks/ FIs (Net of repayments)	-3,044.40		-1,652.74	
3. Raising of Foreign Currency Loan (Net of redemptions)	1,706.32		4,484.19	

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014

(₹ in crores)

Particulars	YEAR ENDED 31.03.2014		YEAR ENDED 31.03.2013	
4. Grants received from GOI including interest (Net of refund)	2,920.69		606.77	
5. Disbursement of grants	-2,429.28		-940.37	
6. Repayment of Govt. Loan	-7.21		-9.50	
7. Payment of Final Dividend	-148.13		-246.86	
8. Payment of Interim Dividend	-765.28		-666.54	
9. Payment of Corporate Dividend Tax	-155.20		-148.16	
10. Premium on issue of securities	1.24		0.05	
11. Issue of Commercial Paper (Net of repayments)	1,281.16		847.18	
<b>Net Cash flow from Financing Activities</b>		<b>16,852.61</b>		<b>16,090.98</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents</b>		<b>-291.32</b>		<b>-3,827.22</b>
Cash & Cash Equivalents as at the beginning of the year		<b>1,484.26</b>		<b>5,311.48</b>
Cash & Cash Equivalents as at the end of the year		<b>1,192.94</b>		<b>1,484.26</b>

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

(₹ in Crores)

PARTICULARS	YEAR ENDED 31.03.2014		YEAR ENDED 31.03.2013	
- Balances with Banks in:				
- Current Account with RBI and other banks		<b>103.75</b>		<b>352.59</b>
- Undisbursed RGGVY Grant #		<b>0.20</b>		<b>2.81</b>
- Undisbursed AG&SP Grant #		<b>3.97</b>		<b>6.11</b>
- Other undisbursed Subsidies/ Grants #		<b>1.75</b>		<b>2.35</b>
- Tax Free Bonds Public Issue Accounts #		<b>5.96</b>		<b>0.63</b>
- Unpaid Dividend Accounts #		<b>2.31</b>		<b>1.84</b>
- Short-term Deposits with Scheduled Banks		<b>1,075.00</b>		<b>1,117.93</b>
<b>Total Cash &amp; Cash Equivalents</b>		<b>1,192.94</b>		<b>1,484.26</b>

# These balances are not available for free use by the Company as they represent earmarked balances held in respective grant accounts, balances in public issue account and unpaid dividends. Further, Balances with Banks include ₹ 2.38 Crores (Previous year Nil) set aside for grants disbursement and Short-term Deposits with Scheduled Banks include ₹ 503.50 Crores (Previous year ₹ 10.00 Crores) earmarked towards RGGVY grant and not available for free use by the Company.

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

For and on behalf of the Board

**J. S. Amitabh**  
GM & Company Secretary

**Ajeet Kumar Agarwal**  
Director (Finance)

**Rajeev Sharma**  
Chairman and Managing Director

In terms of our Report of even date

**For Raj Har Gopal & Co.**  
Chartered Accountants  
Firm Reg. No.: 002074N

**For P.K. Chopra & Co.**  
Chartered Accountants  
Firm Reg. No.: 006747N

**Gopal Krishan**  
Partner  
M.No.: 081085

**K. S. Ponnuswami**  
Partner  
M.No.: 070276

Place : New Delhi  
Date : 26<sup>th</sup> May, 2014

## ANNEXURE TO BE ENCLOSED WITH BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2014

(AS PRESCRIBED BY RBI)

(Particulars as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, in so far as they are applicable to Rural Electrification Corporation Limited)

(₹ in Crores)

Particulars	Amount Outstanding	Amount Overdue
<b>LIABILITY SIDE:</b>		
Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures/ Bonds :		
(i) Secured	55,042.41	-
(ii) Unsecured	47,765.40	-
(b) Foreign Currency Loan	17,621.15	-
(c) Term Loan from Govt. of India	7.93	-
(d) Term Loan from Financial Institution	2,995.00	-
(e) Term Loan from Banks	269.40	-
(f) Overdrafts from Bank	-	-
(g) Loans Repayable on Demand from Banks & Fis	-	-
(g) Commercial Paper	2,540.00	-
<b>ASSET SIDE :</b>		
Break-up of Loans and Advances including bills receivables		
(a) Secured	113,998.15	
(b) Unsecured	34,559.85	
<b>INVESTMENTS :</b>		
Long Term Investments:		
Unquoted:		
(i) Shares : (a) Equity	39.85	
(b) Preference	-	
(ii) Debentures and Bonds	1,141.50	
(iii) Units of mutual funds	7.68	
(iv) Government Securities	518.76	
(v) Others	-	

**Borrower Group-wise classification of all leased assets, stock-on-hire and loans and advances :**

Category	AMOUNT NET OF PROVISIONS		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	3.63	3.63
(b) Companies in the same Group	-	-	-
(c) Other related Parties	0.01	0.08	0.09
2. Other than Related Parties	113,998.14	34,556.14	148,554.28
<b>Total</b>	<b>113,998.15</b>	<b>34,559.85</b>	<b>148,558.00</b>

Investor group-wise classification of investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Crores)

Category	AMOUNT NET OF PROVISIONS	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties</b>		
(a) Subsidiaries	0.10	0.10
(b) Companies in the same Group	-	-
(c) Other related Parties	22.50	22.50
<b>2. Other than Related Parties</b>	1,684.96	1,685.19
<b>Total</b>	<b>1,707.56</b>	<b>1,707.79</b>

Other Information

Particulars	(₹ in Crores)
(i) Gross Non-Performing Assets	
(a) Related Parties	
(b) Other than related Parties	490.40
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related Parties	353.54
(iii) Asset acquired in satisfaction of debts	-

For and on behalf of the Board

**J. S. Amitabh**  
GM & Company Secretary

**Ajeet Kumar Agarwal**  
Director (Finance)

**Rajeev Sharma**  
Chairman and Managing Director

In terms of our Report of even date

**For Raj Har Gopal & Co.**  
Chartered Accountants  
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