

ANNEXURE-III TO BOARD'S REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Rural Electrification Corporation Limited,
New Delhi

We have examined the compliance of conditions of Corporate Governance by Rural Electrification Corporation Limited ("The Company") for the financial year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement executed with the Stock Exchanges and Clause 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company, for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement executed by the Company with the Stock Exchanges and Guidelines on Corporate Governance for CPSEs, 2010 issued by DPE. However, during the financial year 2014-15, in the absence of requisite number of Independent Directors/Woman Director on the Board of the Company, the composition of the Board of Directors and Committees thereof is not as per the requirement of the provisions of Clause 49 of the Listing Agreement, the Companies Act, 2013 and Guidelines on Corporate Governance for CPSEs, 2010 issued by DPE.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Raj Har Gopal & Co.
Chartered Accountants
Firm Regn. No. 002074N

(Gopal Krishan)
Partner
M. No. 081085

Place: New Delhi
Date: August 7, 2015

For P. K. Chopra & Co.
Chartered Accountants
Firm Regn No. 006747N

(K.S. Ponnuswami)
Partner
M. No. 070276