

ANNEXURE - VII TO BOARD'S REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

(as on the financial year ended on March 31, 2015)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	L40101DL1969GOI005095
(ii)	Registration Date	July 25, 1969
(iii)	Name of the Company	Rural Electrification Corporation Limited
(iv)	Category/Sub-Category of the Company	Company Limited by Shares / Union Government Company
(v)	Address of the Registered Office and Contact Details-	
	Address	Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India.
	Contact Details	Phone No.- 91-11-24365161 Fax No.- 91-11-24360644
(vi)	Whether Listed Company (Yes/No)	Yes
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any-	
	Name	Karvy Computershare Private Limited
	Address	Karvy Selenium Tower-B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032, India.
	Contact Details	Phone No.- 91-40-67161500 Fax No.- 91-40-23420814
	E-mail	einward.ris@karvy.com, balaji.reddy@karvy.com, rajju.sv@karvy.com
	Website	www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the Company
1	Other Financial Services and Activities - Other Credit Granting	64920	100 %

Note: The Company is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI), categorised as Infrastructure Finance Company (IFC), and the Company is engaged in the business of providing finance for Power Sector.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS ON MARCH 31, 2015

Sl. No.	Name of the Company	Address of the Registered Office	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	REC Power Distribution Company Limited	Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi - 110003	U40101DL2007GOI165779	Subsidiary	100 %	2(87)
2	REC Transmission Projects Company Limited (RECTPCL)		U40101DL2007GOI157558	Subsidiary	100 %	2(87)
3	Nellore Transmission Limited		U40104DL2012GOI245654	Subsidiary of RECTPCL	100 %	2(87)
4	Baira Siul Sarna Transmission Limited		U40106DL2013GOI247564	Subsidiary of RECTPCL	100 %	2(87)
5	Gadarwara (A) Transco Limited		U40300DL2014GOI269918	Subsidiary of RECTPCL	100 %	2(87)
6	Gadarwara (B) Transmission Limited		U40109DL2014GOI269652	Subsidiary of RECTPCL	100 %	2(87)
7	Maheshwaram Transmission Limited		U40102DL2014GOI270446	Subsidiary of RECTPCL	100 %	2(87)
8	Energy Efficiency Services Limited	4 th Floor, Sewa Bhawan, RK Puram, New Delhi - 110066	U40200DL2009PLC196789	Associate Company	25 %	2(6)

Notes:-

- The Ministry of Power (MoP), Government of India, has designated REC Transmission Projects Company Limited (RECTPCL) as "Bid Process Coordinator" for selection of Transmission Service Provider for independent transmission projects allocated by MoP from time to time, through Tariff Based Competitive Bidding Process notified for inter state transmission projects. In order to initiate development of each independent inter state transmission project allocated by the MoP, RECTPCL incorporates project specific Special Purpose Vehicles (SPVs) as its wholly-owned subsidiary companies. The wholly-owned subsidiaries of RECTPCL are also wholly-owned subsidiaries of REC as per Section 2(87) of the Companies Act, 2013. After selection of the successful bidder through Tariff Based Competitive Bidding Process notified for such transmission projects, the respective project specific SPV along with all its assets and liabilities, is transferred to the successful bidder. None of the subsidiary companies of RECTPCL are consolidated in the financial statements of REC, in terms of the provisions of Para 11 of AS 21 (Consolidated Financial Statements).
- After March 31, 2015, the companies 'Gadarwara (A) Transco Limited' and 'Gadarwara (B) Transmission Limited' ceased to be subsidiaries of RECTPCL, as they were transferred alongwith all assets & liabilities to the successful bidder i.e., Power Grid Corporation of India Limited on April 24, 2015.
- After March 31, 2015, three (3) new companies were incorporated as subsidiaries of RECTPCL for newly allocated transmission projects, i.e., Vemagiri-II Transmission Limited (CIN U40106DL2015GOI278746) incorporated on April 6, 2015; Alipurduar Transmission Limited (CIN U40109DL2015GOI278992) incorporated on April 13, 2015; and NER-II Transmission Limited (CIN U40106DL2015GOI279300) incorporated on April 21, 2015.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)**(i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2014)				No. of Shares held at the end of the year (March 31, 2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0.00
b) Central Govt.	64,81,68,218	0	64,81,68,218	65.64	64,81,68,218	0	64,81,68,218	65.64	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
e) Banks/FI	0	0	0	0	0	0	0	0	0.00
f) Any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (1)	64,81,68,218	0	64,81,68,218	65.64	64,81,68,218	0	64,81,68,218	65.64	0.00
2. Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	64,81,68,218	0	64,81,68,218	65.64	64,81,68,218	0	64,81,68,218	65.64	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	3,41,35,283	0	3,41,35,283	3.46	3,15,15,282	0	3,15,15,282	3.19	-0.27
b) Banks/FI	68,11,999	0	68,11,999	0.69	27,46,062	0	27,46,062	0.28	-0.41
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2014)				No. of Shares held at the end of the year (March 31, 2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	5,63,88,536	0	5,63,88,536	5.71	3,84,14,283	0	3,84,14,283	3.89	-1.82
g) FIIs	18,44,92,738	0	18,44,92,738	18.68	20,60,21,271	0	20,60,21,271	20.86	2.18
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	28,18,28,556	0	28,18,28,556	28.54	27,86,96,898	0	27,86,96,898	28.22	-0.32
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2,69,38,990	0	2,69,38,990	2.73	2,90,72,645	0	2,90,72,645	2.94	0.21
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	2,65,95,136	12,147	2,66,07,283	2.70	2,46,21,508	13,046	2,46,34,554	2.50	-0.20
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	16,75,649	0	16,75,649	0.17	49,94,182	0	49,94,182	0.51	0.34
c) Others (specified below)	22,40,304	0	22,40,304	0.22	18,92,503	0	18,92,503	0.19	-0.03
- Clearing Members	13,10,192	0	13,10,192	0.13	5,26,860	0	5,26,860	0.05	-0.08
- Non Resident Indians	6,18,401	0	6,18,401	0.06	8,73,596	0	8,73,596	0.09	0.03
- Trusts	3,11,711	0	3,11,711	0.03	4,92,047	0	4,92,047	0.05	0.02
Sub-total (B)(2)	5,74,50,079	12,147	5,74,62,226	5.82	6,05,80,838	13,046	6,05,93,884	6.14	0.32
Total Public Shareholding (B)= (B)(1)+(B)(2)	33,92,78,635	12,147	33,92,90,782	34.36	33,92,77,736	13,046	33,92,90,782	34.36	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	98,74,46,853	12,147	98,74,59,000	100.00	98,74,45,954	13,046	98,74,59,000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2014)			Shareholding at the end of the year (March 31, 2015)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	President of India	64,81,68,218	65.64	-	64,81,68,218	65.64	-	No change
	Total	64,81,68,218	65.64	-	64,81,68,218	65.64	-	

Note: During the financial year 2014-15, there was no change in the shareholding of the Promoter. However, pursuant to an Offer for Sale by the President of India through stock exchange mechanism, 4,93,72,950 equity shares were sold on April 8, 2015 and through an off-market transaction under 'CPSE ETF', 27,588 equity shares were sold on April 10, 2015. Accordingly, the shareholding of the President of India has now decreased to 59,87,67,680 equity shares of ₹ 10/- each (i.e., 60.64 % of the total paid up share capital of the Company).

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2014)		Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	President of India				
	At the beginning of the year	64,81,68,218	65.64		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No change			
	At the end of the year			64,81,68,218	65.64

Note: During the financial year 2014-15, there was no change in the shareholding of the Promoter. However, pursuant to an Offer for Sale by the President of India through stock exchange mechanism, 4,93,72,950 equity shares were sold on April 8, 2015 and through an off-market transaction under 'CPSE ETF', 27,588 equity shares were sold on April 10, 2015. Accordingly, the shareholding of the President of India has now decreased to 59,87,67,680 equity shares of ₹ 10/- each (i.e., 60.64 % of the total paid up share capital of the Company).

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (April 1, 2014)		Increase / Decrease in shareholding		Cumulative Shareholding at the end of the year (March 31, 2015)	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1	Life Insurance Corporation of India *	4,17,83,217	4.23		(109,05,436)	3,08,77,781	3.13
2	HDFC Standard Life Insurance Company Limited *	1,83,46,074	1.86		(53,86,995)	1,29,59,079	1.31
3	DB International (Asia) Limited *	1,75,07,459	1.77	28,30,826		2,03,38,285	2.06
4	HSBC Global Investment Funds A/C HSBC GIF Mauritius Limited *	1,28,78,435	1.30		(37,10,531)	91,67,904	0.93
5	CPSE ETF *	1,14,38,782	1.16		(63,13,233)	51,25,549	0.52
6	HDFC Trustee Company Limited - HDFC Equity Fund *	85,83,350	0.87	12,63,100		98,46,450	1.00
7	Vanguard Emerging Markets Stock Index Fund, Aseries of Vanguard International Equity Index Fund *	63,30,551	0.64	1,83,882		65,14,433	0.66
8	HDFC Trustee Company Limited - HDFC Top 200 Fund @	61,60,603	0.62		(16,21,834)	45,38,769	0.46
9	LIC of India Market Plus 1 Growth Fund @	47,13,443	0.48		(47,13,443)	0	0.00
10	Life Insurance Corporation of India P&GS Fund @	46,25,109	0.47		(37,08,659)	9,16,450	0.09
11	Abu Dhabi Investment Authority - Gulab #	43,54,098	0.44	2,22,277		45,76,375	0.46
12	Morgan Stanley Asia (Singapore) Pte. #	0	0.00	50,75,258		50,75,258	0.51
13	Wisdomtree Trust A/C Wisdomtree India Investment Portfolio, Inc. #	0	0.00	62,82,267		62,82,267	0.64

Notes:

The shares of the Company are traded on a daily basis and hence, the date-wise increase / decrease in shareholding is not indicated.

* denotes Top 10 shareholder on both April 1, 2014 and March 31, 2015

@ denotes Top 10 shareholder only on April 1, 2014

denotes Top 10 shareholder only on March 31, 2015

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Name of the Director / KMP	Shareholding at the beginning of the year (April 1, 2014)		Date wise Increase / Decrease in Shareholding during the year	Cumulative shareholding at the end of the year (March 31, 2015)	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	Shri Rajeev Sharma, Chairman & Managing Director	60	Negligible	No change	60	Negligible
2	Shri Prakash Thakkar, Director (Technical)	4,030	Negligible	No change	4,030	Negligible
3	Shri Ajeet Kumar Agarwal, Director (Finance)	242	Negligible	No change	242	Negligible
4	Shri Badri Narain Sharma, Government Nominee Director	0	0.00	No change	0	0.00
5	Dr. Devi Singh, Part-time Non-official Independent Director (upto June 9, 2014)	0	0.00	No change	0	0.00
6	Shri Venkataraman Subramanian, Part-time Non-official Independent Director (upto June 9, 2014)	0	0.00	No change	0	0.00
7	Dr. Sunil Kumar Gupta, Part-time Non-official Independent Director (upto March 15, 2015)	0	0.00	No change	0	0.00
8	Shri Jyoti Shubhra Amitabh, Company Secretary	121	Negligible	No change	121	Negligible

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on April 1, 2014)				
i) Principal Amount	58,055.71	68,184.48	-	1,26,240.19
ii) Interest due but not paid	1.10	-	-	1.10
iii) Interest accrued but not due	1,974.33	2,450.14	-	4,424.47
Total (i+ii+iii)	60,031.14	70,634.62	-	1,30,665.76
Change in Indebtedness during the financial year				
* Addition	18,802.78	23,191.44	-	41,994.22
* (Reduction)	9,729.64	7,543.46	-	17,273.10
* Foreign Exchange gain / loss	-	62.80	-	62.80
Net Change	9,073.14	15,710.78	-	24,783.92
Indebtedness at the end of the financial year (As on March 31, 2015)				
i) Principal Amount	67,128.85	83,895.27	-	1,51,024.12
ii) Interest due but not paid	1.10	-	-	1.10
iii) Interest accrued but not due	2,624.65	2,676.94	-	5,301.59
Total (i+ii+iii)	69,754.60	86,572.21	-	1,56,326.81

Note: Commercial Papers and Working Capital Demand Loan raised and redeemed during the year has not been considered in "Addition / Reduction" head.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Shri Rajeev Sharma - CMD	Shri Prakash Thakkar - Director (Technical)	Shri Ajeet Kumar Agarwal - Director (Finance)	Total Amount
1	Gross Salary				
	a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	50,13,141	44,98,378	41,45,923	136,57,442
	b) Value of Perquisites under Section 17 (2) of the Income Tax Act, 1961	8,01,006	6,48,791	11,172	14,60,969
	c) Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission				
	: as % of profit	NIL	NIL	NIL	NIL
	: other, specify	NIL	NIL	NIL	NIL
5	Other, as specified below				
	- Employer Statutory PF Contribution	2,46,711	2,41,030	2,20,780	7,08,521
	- Employer Statutory Pension Contribution	1,85,034	1,80,772	1,65,590	5,31,396
	Total (A)	62,45,892	55,68,971	45,43,465	163,58,328
	Ceiling as per the Act	Exempt for Government Companies as per MCA Notification dated June 5, 2015			

B. Remuneration to other Directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Independent Directors			Government Nominee Director	Total Amount
		Dr. Devi Singh (upto June 9, 2014)	Shri Venkataraman Subramanian (upto June 9, 2014)	Dr. Sunil Kumar Gupta (upto March 15, 2015)	Shri Badri Narain Sharma	
1	Independent Directors					
	* Fee for attending Board/Committee meetings	1,40,000	1,00,000	4,40,000		6,80,000
	* Commission	NIL	NIL	NIL		NIL
	* Others (Refer Note @ below)	10,000	NIL	NIL		10,000
	Total (1)	1,50,000	1,00,000	4,40,000		6,90,000
2	Other Non- Executive Directors					
	* Fee for attending Board/Committee meetings				NIL	NIL
	* Commission				NIL	NIL
	* Others, please specify				NIL	NIL
	Total (2)				NIL	NIL
	Total (B) =(1+2)	1,50,000	1,00,000	4,40,000	NIL	6,90,000
	Total Managerial Remuneration (A+B)					170,48,328
	Overall Ceiling as per the Act	Exempt for Government Companies as per MCA Notification dated June 5, 2015				

@ Paid by way of Honorarium for attending meeting of Departmental Promotion Committee (DPC).

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

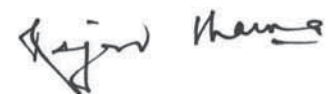
(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Shri J.S. Amitabh - Company Secretary	CFO	
1	Gross Salary	Not Applicable			
	a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961		28,82,525		28,82,525
	b) Value of Perquisites under Section 17 (2) of the Income Tax Act, 1961		1,67,784		1,67,784
	c) Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961		NIL		NIL
2	Stock Option		NIL	Not Applicable	NIL
3	Sweat Equity		NIL		NIL
4	Commission				
	: as % of profit		NIL		NIL
	: other, specify		NIL		NIL
5	Other, as specified below				
	- Employer Statutory PF Contribution		2,05,050		2,05,050
	- Employer Statutory Pension Contribution		1,53,786		1,53,786
	Total (C)		34,09,145		34,09,145

Note: Being a Government Company, the role of CEO is being performed by "CMD, REC" and the role of CFO is being performed by "Director (Finance), REC".

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty					
	Punishment			None		
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment			None		
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment			None		
	Compounding					



(Rajeev Sharma)

 Chairman & Managing Director
 (DIN: 00973413)