

NOTICE

Notice is hereby given that the Forty Sixth (46th) Annual General Meeting (AGM) of **Rural Electrification Corporation Limited ("REC" or "the Company")** will be held on **Wednesday, September 16, 2015 at 11.00 A.M. at Weightlifting Auditorium, Jawaharlal Nehru Stadium, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Colony, New Delhi - 110003, India** to transact the following businesses:-

ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the audited standalone & consolidated financial statements of the Company for the financial year ended March 31, 2015 along with the Reports of the Board of Directors and Auditors thereon.
- 2) To confirm the payment of Interim Dividend and declare Final Dividend on equity shares of the Company for the financial year 2014-15.
- 3) To appoint a Director in place of Shri Prakash Thakkar (DIN: 01120152), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To fix the remuneration of Auditors for the financial year 2015-16.

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as **Special Resolution**:-

"RESOLVED THAT in accordance with the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 and other applicable SEBI regulations and guidelines, circulars / directions / guidelines issued by Reserve Bank of India, from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other approvals, permissions and sanctions, as may be necessary, including the approval of any existing lenders / trustees of Debenture Holders, if so required under the terms of agreement / deed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, consent of the Company be and is hereby accorded to raise funds through private placement of unsecured/secured non-convertible bonds / debentures upto ₹ 42,000 crore **during a period of one year from the date of passing of this resolution** in one or more tranches, to such person or persons, who may or may not be the bond/debenture holders of the Company, as the Board (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within the overall limit of ₹ 42,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to any Private Placement of unsecured/secured non-convertible bonds/debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and to do and execute all such acts, deeds and things under any other regulatory requirement for the time being in force."

- 6) To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws/rules under any statute for the time being in force and subject to the approval/consent of such appropriate authorities, consent of the Company

be and is hereby accorded for entering into contract(s) or arrangement(s) or transaction(s) with Energy Efficiency Services Limited (EESL) or any other associate company(ies) of Rural Electrification Corporation Limited (REC), **during a period of one year from the date of passing of this Resolution**, in the nature of sale/purchase of goods or materials or property of any kind (directly or through an agent), leasing of property of any kind, availing or rendering of services including financial assistance, appointment of manpower, providing support and other services, from time to time, provided that the cumulative value of contract(s) or arrangement(s) or transaction(s) with such related parties shall not exceed two percent (2 %) of the turnover of REC for the immediately preceding financial year, i.e. financial year 2014-15.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (the “Board”) or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to approve the individual contract(s) or arrangement(s) or transaction(s) with EESL or any other associate company(ies) of REC within the overall limit of two percent (2 %) of the turnover of REC for the financial year 2014-15, including therein the name of the related party and nature of relationship, nature, duration and particulars of the contract or arrangement to be entered with EESL or any other associate company(ies) of REC, material terms of such contract or arrangement *inter-alia* including the value of the contract, advance payment to be made/received, if any, manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract and/or any other matter to be decided in this regard.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board or any authority as may be approved by the Board) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

By order of the Board of Directors
For Rural Electrification Corporation Limited



(J. S. Amitabh)
General Manager & Company Secretary

Registered Office:
Core-4, SCOPE Complex,
7, Lodhi Road,
New Delhi-110003
CIN : L40101DL1969GOI005095
Dated : August 7, 2015

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, IF ANY, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE AGM. BLANK PROXY FORM AND ROUTE MAP OF THE VENUE OF THE MEETING IS ATTACHED AND ALSO AVAILABLE ON THE COMPANY’S WEBSITE i.e. www.recindia.gov.in.
A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A Statement setting out the material facts concerning each item of Special Business, pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
3. Brief Resume of the Director(s) seeking re-appointment or appointed since last Annual General Meeting, as required under Clause 49 of the Listing Agreement executed with the Stock Exchanges is annexed hereto and forms part of Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 11, 2015 to Wednesday, September 16, 2015 (both days inclusive)**.
5. The Final Dividend @ ₹ 2.70 per equity share, as recommended by the Board of Directors in its Meeting held on May 28, 2015, subject to the provisions of Section 123 of the Companies Act, 2013, if approved by the Members at this Annual General Meeting, will be paid on **Wednesday, October 7, 2015** to the members or their mandates whose names appear in

the Register of Members of the Company after giving effect to all valid share transfer requests lodged with the Company or M/s Karvy Computershare Private Limited, Registrar and Share Transfer Agent (R&TA), **on or before Thursday, September 10, 2015**, in respect of physical shares. In respect of dematerialized shares, the final dividend shall be payable to the “beneficial owners” of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours **on Thursday, September 10, 2015**.

Further, the Board of Directors in its Meeting held on February 13, 2015 had declared an interim dividend of ₹ 8.00 per equity share on the paid-up equity share capital of the Company which was paid on February 27, 2015. The Shareholders are also requested to confirm the same.

6. Members who hold shares in physical form are requested to send all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other shares related matter and / or change in address or bank account, to R&TA of the Company and in case of shares held in electronic mode, to their respective Depository Participants.
7. Members who have not received/ encashed their dividend warrants within its validity period may write to the Company at its Registered Office or R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft.

Pursuant to applicable provisions of the Companies Act, 1956 (corresponding provisions of Companies Act, 2013 yet to be notified), the dividend amount which remains unpaid/ unclaimed for a period of seven years, is required to be transferred to the Investor Education & Protection Fund (IEPF) of the Central Government. Further, pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already uploaded details of unpaid and unclaimed amounts lying with the Company as on September 18, 2014 (date of last Annual General Meeting) on the website of the Company (www.recindia.gov.in) and also on the website of the Ministry of Corporate Affairs.

8. Corporate Members are requested to send/attach a duly certified copy of the Board Resolution/Authority Letter authorizing their representative to attend and vote on their behalf at the Annual General Meeting, along with the Proxy Form/ Attendance Slip.
9. **Members are requested to:-**
 - a. **note that copies of Annual Report will not be distributed at the Annual General Meeting and they will have to bring their copies of Annual Report;**
 - b. **bring the Attendance Slip at the venue duly filled-in and signed for attending the meeting, as entry to the Auditorium will be strictly on the basis of the Entry Slip, which will be available at the counters at the meeting venue in exchange of the Attendance Slip;**
 - c. **quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;**
 - d. **note that due to security reasons briefcases, eatables and other belongings shall not be allowed inside the Auditorium; and**
 - e. **note that no gifts / coupons will be distributed at the Annual General Meeting.**
10. As SEBI has made usage of electronic payment modes for making cash payments to the investors mandatory, therefore members are advised to submit their National Electronic Clearing System (NECS)/National Electronic Fund Transfer (NEFT)/Direct Credit mandates or changes therein, to enable the Company to make payment of dividend by means of NECS/NEFT/Direct Credit/Warrants. Shareholders holding shares in physical form may obtain and send the NECS/NEFT/Direct Credit mandate form to R&TA of the Company at the address i.e. **Karvy Computershare Private Limited, Unit : REC, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032, India.** Shareholders holding shares in electronic form may obtain and send the NECS/NEFT/Direct Credit Mandate Form directly to their Depository Participant (DP). Those who have already furnished the NECS/NEFT/Direct Credit Mandate Form to the Company/ R&TA / DP with complete details, need not send it again.
11. In order to avoid the incidence of fraudulent encashment of dividend warrants, the Members who do not wish to opt for NECS/NEFT/Direct Credit facility are advised to submit particulars of their bank account viz. name and address of the branch of the Bank, Bank Account Number, 9-digit MICR code of the Branch, IFSC Code, type of account etc. latest by September 16, 2015 to R&TA to enable them to print these details on the Dividend Warrant.
12. **SEBI has made it mandatory for the transferee(s) to furnish a copy of PAN card to the Company/R&TA for registration of transfers and for securities market transactions and off-market/private transactions involving transfer of shares in**

physical form of listed companies. Accordingly, members holding shares in physical mode should attach a copy of their PAN card for every transfer request sent to Company/R&TA.

13. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its R&TA along with relevant Share Certificates. In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/re-appointed by the Comptroller and Auditor General (C&AG) of India and in terms of Section 142 of the Companies Act, 2013, their remuneration shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine.

In the 45th Annual General Meeting (AGM) of the Company held on September 18, 2014, the Board of Directors were authorized by the Shareholders in pursuance of Section 142 read with Section 139(5) of the Companies Act, 2013 to fix and approve the remuneration of Statutory Auditors/Joint Statutory Auditors of the Company for the financial year 2014-15, on the recommendation of the Audit Committee. Accordingly, the Board of Directors in its Meeting held on November 10, 2014 approved the payment of remuneration of ₹ 25,00,000/- (Rupees Twenty Five Lakh only) plus service tax as applicable to be shared equally by the Joint Statutory Auditors, M/s Raj Har Gopal & Co., Chartered Accountants and M/s P.K. Chopra & Co., Chartered Accountants, for the financial year 2014-15. The Board also approved that in addition to the above remuneration, the Statutory Auditors may be paid such actual reasonable traveling allowance and out-of-pocket expenses for outstation audit work, as may be decided by the CMD/ Director (Finance).

Further, pursuant to Section 139(5) of the Companies Act, 2013, M/s Raj Har Gopal & Co., Chartered Accountants (Firm Reg. No.: 002074N) and M/s A R & Co., Chartered Accountants (Firm Reg. No.: 002744C) have been appointed as Joint Statutory Auditors of the Company for the financial year 2015-16 by the C&AG of India. Therefore, it is proposed to obtain approval of the Members of the Company in Annual General Meeting to fix the remuneration of Auditors for the financial year 2015-16, on similar lines as done for the last financial year. **Accordingly, the Members are requested to authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors/ Joint Statutory Auditors of the Company, as it deems fit, for the financial year 2015-16.**

15. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the R&TA of the Company in Form SH-13 as prescribed in the Companies (Share Capital and Debentures) Rules, 2014. Blank Nomination form is available on Company's website i.e. www.recindia.gov.in. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective Depository Participant (DP).
16. **Members desirous of getting any information on any item(s) of business of this meeting are requested to address their queries to the Company Secretary at the Registered Office of the Company at least ten days prior to the date of the Annual General Meeting, so that the information required can be made available at the time of the meeting.**
17. 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 email addresses besides sending the same in physical form. Accordingly, the Company proposes to send all documents viz. Notice, Audited Financial Statements, Board's Report and Auditors' Report etc. in electronic form to the shareholders whose e-mail IDs are registered with the Company / R&TA. These documents will also be available on the website of the Company. Please note that as a Member of the Company, you are entitled to receive above mentioned and all other documents required under the law, free of cost, in physical form on receipt of your request in this regard.

Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the R&TA of the Company / Depository Participant (DP) of respective Member and take part in the 'Think Green Go Green' Initiative of the Company.

18. The Register of Directors and Key Managerial Personnel (KMP) and their Shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice, will be available for inspection by the Members at the Registered Office of the Company on all working days during business hours and at the time of AGM of the Company at the venue of the Meeting.
19. Non-Resident Indian Members are requested to inform Karvy, immediately of (a) Change in their residential status on return to India for permanent settlement and (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN code, if not furnished earlier.

20. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Clause 35B of the Listing Agreement entered with Stock Exchanges and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the Company has engaged the services of M/s Karvy Computershare Private Limited for providing e-voting facility to enable the Shareholders to exercise their right to vote through electronic means in respect of businesses to be transacted in the Annual General Meeting. Those Shareholders who do not opt to cast their vote through e-voting, may cast their vote through ballot process at the AGM.

The Company has appointed Shri Sanjay Grover, M/s Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi as the Scrutinizer to scrutinize the votes cast by the shareholders, both on the e-voting platform and through ballot process at the Meeting, in a fair and transparent manner.

Further, the Company has fixed **Thursday, the September 10, 2015** as the Cut-off date for determining the eligibility to vote by electronic means or in the general meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The e-voting portal will be open for voting from **Saturday, September 12, 2015 (1000 Hours) to Tuesday, September 15, 2015 (1700 Hours)**. At the end of the said e-voting period, the e-voting portal shall forthwith be blocked.

Members whose e-mail IDs are registered with the Company / R&TA will receive an e-mail from R&TA informing User ID and Password. For other Members, the Unique Password is printed on the Proxy Form. All members are requested to read the following instructions and other information carefully before casting their vote electronically:

- (i) Log on to <https://evoting.karvy.com> or click on the link provided in the e-mail in case a Member receives an e-mail from Karvy. If you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (ii) Otherwise enter the login credentials (i.e. User-ID & password) mentioned at the bottom of the Proxy Form attached to this Notice or in the e-mail received from R&TA. Your folio / DP ID and Client ID will be your User-ID.

User-ID	For Members holding shares in Demat form:-
	a) For NSDL : 8 Character DP ID followed by 8 Digit Client ID
	b) For CDSL : 16 digit beneficiary ID
	For Members holding shares in Physical form:-
	EVENT no. followed by Folio Number registered with the Company.
Password	Your Unique password is printed on the Proxy form enclosed to the Notice/mentioned in the email as received from Karvy
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the E-Voting Event Number for Rural Electrification Corporation Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: scrutinizer.recl@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO.".
 - (xiii) Any person who becomes a member of the Company after dispatch of the Notice of AGM and is holding shares as on the cut-off date may obtain User ID and password for e-voting from the Company's R&TA.
 - (xiv) Further, in case of any query pertaining to e-voting, please visit Help & FAQs section on the website: <https://evoting.karvy.com> or contact our R&TA at toll free number 1800 345 4001 or contact Shri S.V. Raju / Shri S. Balaji Reddy, M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032; Phone: 040-67161569 / 67161571; E-mail: einward.ris@karvy.com / raju.sv@karvy.com / balaji.reddy@karvy.com.
21. Once the vote on a resolution is cast by a Shareholder, he / she shall not be allowed to change it subsequently or cast the vote again.
 22. Once discussion on all the agenda items is completed in the Meeting, every Resolution will be put to vote through a ballot process at the Meeting. Those Shareholders who have cast their vote electronically, may also attend the meeting but shall not be allowed to vote again through the ballot process at the Meeting.
 23. The Scrutinizer shall, after the conclusion of the voting through ballot process at the Annual General Meeting, count the votes cast at the meeting through ballot paper, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Meeting.
 24. The results of the voting indicating the number of votes cast in favour or against each of the Resolutions, invalid votes and whether the Resolution(s) has been carried out or not, together with the Scrutinizer's Report, will be displayed on the Notice Board of the Company at its Registered Office and will also be uploaded on the website of the Company (www.recindia.gov.in) and on Karvy's website (<https://evoting.karvy.com>) and will also be submitted to BSE Limited and National Stock Exchange of India Limited within the prescribed time. Further, the resolutions, if passed by requisite majority, shall be deemed to be passed on the date of Annual General Meeting.
 25. The Company is not providing Video Conferencing facility for this meeting.
 26. The entire Annual Report is also available on the Company's website www.recindia.gov.in.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

THE FOLLOWING STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS SET OUT IN THE NOTICE.

Item No. 5

As per provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non-convertible debentures", it shall be sufficient if the company passes a previous Special Resolution only once in a year for all the offer(s) or invitation(s) for such debentures during the year.

Accordingly, the Shareholders of the Company had passed a Special Resolution at the last (45th) Annual General Meeting (AGM) of the Company held on September 18, 2014, to raise funds through Private Placement of Unsecured/Secured Non-Convertible

Bonds/Debentures upto ₹ 35,000 crore by way of issue of unsecured/secured non-convertible bonds/debentures of the Company, in one or more tranches, to such person or persons, who may or may not be the bond/debenture holders of the Company, within the overall market borrowing programme of the Company. However, the above approval of shareholders is valid only upto September 17, 2015. In order to facilitate raising of funds thereafter and in line with the aforesaid statutory provisions, it is necessary to pass a Special Resolution at this Annual General Meeting for raising of funds through private placement of unsecured/secured non-convertible bonds / debentures during a period of one year from the date of passing of this resolution.

Therefore, it is proposed to pass a Special Resolution to enable the Company to raise funds through private placement of unsecured/secured non-convertible bonds / debentures upto ₹ 42,000 crore, during a period of **one year from the date of passing of this resolution, i.e. upto September 15, 2016**, in one or more tranches, to such person or persons, who may or may not be the bond/ debenture holders of the Company, within the overall market borrowing programme, as may be approved by the Board of Directors of the Company, from time to time. Further, the said limit of ₹ 42,000 crore is within the overall borrowing limit approved by the shareholders vide Special Resolution passed through Postal Ballot on June 10, 2014.

Further, the Board of Directors of the Company (the “Board”) or any Committee duly constituted by the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer Letter and to do and execute all such acts, deeds and things under any other regulatory requirement for the time being in force.

The Memorandum and Articles of Association and all related documents shall be available for inspection by the Members at the Registered Office of the Company on all working days during business hours and the same will also be available at the venue of the AGM.

The Board of Directors of the Company in its Meeting held on August 7, 2015 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by Members of the Company.

In view of the above, you are requested to grant your consent to the Special Resolution as set out at Item No.5 of this Notice.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

Item No. 6

As per provisions of Section 188(1) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company shall not enter into contract or arrangement with a ‘Related party’ in excess of the limits prescribed under the said Act & Rules, except with the prior consent of the Shareholders. The term ‘Related Party’ *inter-alia* includes Energy Efficiency Services Limited (EESL) which is an associate company of Rural Electrification Corporation Limited (REC).

REC may be required to enter into contracts/arrangements/transactions with EESL or any other associate company(ies) of REC, from time to time, in excess of the limits prescribed under the Companies Act, 2013 and Rules made thereunder. Therefore, it is proposed to seek approval of the shareholders for any contract(s) or arrangement(s) or transaction(s) to be entered by REC **during a period of one year from the date of passing of this Resolution**, with EESL or any other associate company(ies) of REC in the nature of sale/purchase of goods or materials or property of any kind (directly or through an agent), leasing of property of any kind, availing or rendering of services including financial assistance, appointment of manpower, support and other services, from time to time, provided that the cumulative value of contract(s) or arrangement(s) or transaction(s) with such related parties shall not exceed two percent (2 %) of the turnover of REC for the immediately preceding financial year, i.e. financial year 2014-15.

The provisions of Section 188(1) of the Companies Act, 2013 are not applicable in case of any transaction(s) entered into by the company in ordinary course of business other than transactions which are not on an arm’s length basis. Accordingly, the approval proposed to be sought is only for those transactions entered with EESL or any other associate company(ies) of REC, which are not on arm’s length basis.

Further, the Board of Directors of the Company (the “Board”) or any duly constituted Committee of the Board or such other authority as may be approved by the Board shall be authorized to finalize and approve the nature, duration, material terms, monetary value and particulars of the contract(s) or arrangement (s) or transaction (s) to be entered with EESL or any other associate company(ies) of REC, within the overall limit of two percent (2 %) of the turnover of the REC for the financial year 2014-15.

The Board of Directors of the Company in its Meeting held on August 7, 2015 has approved the above proposal and recommends the passing of the proposed Resolution as contained in the Notice, by Members of the Company.

In view of the above, you are requested to grant your consent to the Ordinary Resolution as set out at Item No. 6 of this Notice.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

**By order of the Board of Directors
For Rural Electrification Corporation Limited**



(J. S. Amitabh)

General Manager & Company Secretary

Registered Office:

Core-4, SCOPE Complex,

7, Lodhi Road,

New Delhi-110003

CIN : L40101DL1969GOI005095

Dated: August 7, 2015

BRIEF RESUME OF THE DIRECTORS APPOINTED SINCE LAST ANNUAL GENERAL MEETING HELD ON SEPTEMBER 18, 2014.

Since last Annual General Meeting held on September 18, 2014, no Director has been appointed on the Board of Rural Electrification Corporation Limited.

BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 46TH ANNUAL GENERAL MEETING

Name	Shri Prakash Thakkar (DIN: 01120152)
Date of Birth	October 20, 1955 (Age : 59 years)
Date of Appointment	May 2, 2011
Qualifications	Bachelor's degree in Electrical Engineering from Maharaja Sayajirao University, Baroda
Expertise in specific Functional area	Shri Thakkar has over 36 years of rich and diversified experience of power sector which includes Hydro Generation, Substation Engineering and Distribution. He has also served as Advisor to Government of Nepal for operation & maintenance of Devighat Hydro Electric Project during the year 1985-86. He is a member of AIMA and has also served as Nominee Director on the Boards of various companies. He is also the Chairman and Director of Energy Efficiency Services Limited. He has authored/co-authored various technical papers in National and International seminars.
Directorship held in other Companies	<ul style="list-style-type: none"> • REC Transmission Projects Company Limited; • REC Power Distribution Company Limited; and • Energy Efficiency Services Limited.
Membership/Chairmanship of Committees across all Public Companies other than REC	Nil
Number of equity shares held in the Company	4,030 equity shares of ₹ 10/- each.
Remuneration paid	Being a Government Company, the remuneration of Directors on the Board of the Company is fixed by the Government of India.