

Rural Electrification Corporation Limited

Government of India Enterprise)

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Board
Recommends
Bonus Shares
in the Ratio
of 1:1

EXTRACT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30-06-2016

(₹ in Crore)

Particulars	Quarter Ended	Year Ended	Quarter Ended
	30-06-2016	31-03-2016	30-06-2015
	(Unaudited)	(Audited)	(Unaudited)
Total Income from Operations	5,953.65	23,638.35	5,662.8
Net Profit for the period (before Tax, Exceptional and Extraordinary items)	2,052.73	8,045.21	2,124.2
Net Profit for the period before tax (after Exceptional and Extraordinary items)	2,052.73	8,045.21	2,124.2
Net Profit for the period after tax (after Exceptional and Extraordinary items)	1,420.86	5,627.66	1,478.5
Total Comprehensive Income for the period [Comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	N.A.	N.A.	N.A.
Equity Share Capital (Face Value ₹ 10 per share)	987.46	987.46	987.4
Reserves & Surplus (Excluding Revaluation Reserves) (as per audited balance sheet as at 31st March)	27,630.30	27,630.30	25,279.8
Earnings per Share (of ₹ 10 each) (for continuing and discontinued operations) (in ₹)			
Basic	14.39	56.99	14.9
Diluted	14.39	56.99	14.9

1) During the quarter ended 30th June, 2016, the Company has revised the accounting policy for accounting for derivatives contracts in order to align it with the 'Guidance Note on Accounting for Derivative Contracts' issued by The Institute of Chartered Accountants of India which has become applicable from 1st April, 2016. In accordance with the transitional provisions mentioned in the Guidance Note, an amount of ₹ 86.75 Crores (net of taxes of ₹ 45.92 Crores) has been adjusted in the opening balance of reserves representing the change in the fair value of the interest rate swaps till 31st March, 2016. Further, the fair value gain on interest rate swaps of ₹ 35.89 Crores has been booked in the Statement of Profit & Loss for the quarter ended 30th June, 2016 in accordance with the revised accounting policy.

Further, the accounting policy on treatment of foreign currency exchange differences on the hedged loans and the corresponding derivative contracts has also been revised in order to align the same with existing accounting policy for amortising the foreign exchange fluctuation loss/ (gain) on the long term foreign currency monetary items. The balance period of such items in accordance with AS-11. The impact of this change, foreign exchange fluctuation loss pertaining to the previous years ₹ 29.79 Crores and foreign exchange fluctuation gain pertaining to current period ₹ 1.91 Crores has been adjusted in the Finance Cost for the quarter ended 30th June, 2016. Further, the amount remaining to be amortised in 'Foreign Currency Monetary Item Translation Difference Account' is ₹ 172.36 Crores (As on 30th June 2015 ₹ 403.77 Crores). Due to the changes in accounting policies, profit before tax for the quarter ended 30th June, 2016 is higher by ₹ 8.01 Crores.

As notified by Ministry of Corporate Affairs, the Company shall be implementing Indian Accounting Standards (Ind-AS) from FY 2018-19 onwards. Accordingly, information in respect of 'Other Comprehensive Income' above cannot be provided since the term has been defined only under Ind-AS.

The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results are available on the Stock Exchange websites (www.bseindia.com, www.nse-india.com) and also at the Company's website (www.recindia.com).