

# Illuminating smiles...



**Total Income**  
₹ 5,710 cr.  
UP 21%

**Net Interest Income**  
₹ 2,335 cr.  
UP 23%

**Profit Before Tax**  
₹ 2,124 cr.  
UP 20%

**Net Worth**  
₹ 26,267 cr.  
UP 19%

**Loan Book**  
₹ 1,86,420 cr.  
UP 20%

## Part I STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2015 (₹ in Lakhs)

| Sl. No. | PARTICULARS   | QUARTER ENDED              |                         |                            | YEAR ENDED              |
|---------|---|----------------------------|-------------------------|----------------------------|-------------------------|
|         |   | 30.06.2015<br>(Un-audited) | 31.03.2015<br>(Audited) | 30.06.2014<br>(Un-audited) | 31.03.2015<br>(Audited) |
| 1       | <b>Income from Operations</b>   |                            |                         |                            |                         |
| a       | Interest Income   | 5,64,098                   | 5,29,326                | 4,64,810                   | 20,07,208               |
| b       | Other Operating Income  | 2,191                      | 4,014                   | 1,903                      | 15,745                  |
|         | <b>Total Income from Operations</b>   | <b>5,66,289</b>            | <b>5,33,340</b>         | <b>4,66,713</b>            | <b>20,22,953</b>        |
| 2       | <b>Expenses</b>   |                            |                         |                            |                         |
| a       | Finance Costs   | 3,30,636                   | 3,09,298                | 2,75,229                   | 11,84,461               |
| b       | Employee Benefits Expense   | 3,550                      | 3,833                   | 3,493                      | 13,394                  |
| c       | Corporate Social Responsibility Expenses  | 3,187                      | 8,873                   | 524                        | 10,325                  |
| d       | Other Expenses  | 1,384                      | 1,713                   | 1,630                      | 6,949                   |
| e       | Allowance for bad and doubtful debts  | 2,414                      | 12,177                  | 10,682                     | 23,065                  |
| f       | Contingent Allowance against Standard Loan Assets   | 3,271                      | 9,559                   | 1,437                      | 12,054                  |
| g       | Allowance against Restructured Standard Loans   | 13,965                     | 25,572                  | -                          | 45,177                  |
| h       | Depreciation and amortisation expense   | 134                        | 147                     | 187                        | 676                     |
|         | <b>Total Expenses</b>   | <b>3,58,541</b>            | <b>3,71,172</b>         | <b>2,93,182</b>            | <b>12,96,101</b>        |
| 3       | <b>Profit from Operations before Other Income &amp; Exceptional Items (1-2)</b>                     | <b>2,07,748</b>            | <b>1,62,168</b>         | <b>1,73,531</b>            | <b>7,26,852</b>         |
| 4       | Other Income  | 4,674                      | 3,736                   | 3,957                      | 15,852                  |
| 5       | <b>Profit from Ordinary Activities before Exceptional Items (3+4)</b>                               | <b>2,12,422</b>            | <b>1,65,904</b>         | <b>1,77,488</b>            | <b>7,42,704</b>         |
| 6       | Exceptional Items   | -                          | -                       | -                          | -                       |
| 7       | <b>Profit from Ordinary Activities before Tax (5+6)</b>   | <b>2,12,422</b>            | <b>1,65,904</b>         | <b>1,77,488</b>            | <b>7,42,704</b>         |
| 8       | <b>Tax Expense</b>  |                            |                         |                            |                         |
|         | - Current Year  | 62,219                     | 59,875                  | 51,077                     | 2,23,186                |
|         | - Deferred Tax Liability / (Asset)  | 2,345                      | (3,692)                 | (1,868)                    | (6,599)                 |
|         | - Earlier Years / (Refund)  | -                          | 71                      | -                          | 130                     |
| 9       | <b>Net Profit from Ordinary Activities after Tax (7-8)</b>  | <b>1,47,858</b>            | <b>1,09,650</b>         | <b>1,28,279</b>            | <b>5,25,987</b>         |
| 10      | Extraordinary Items (net of tax expense)  | -                          | -                       | -                          | -                       |
| 11      | <b>Net Profit for the Period (9-10)</b>   | <b>1,47,858</b>            | <b>1,09,650</b>         | <b>1,28,279</b>            | <b>5,25,987</b>         |
| 12      | Paid up Equity Share Capital (Face Value ₹ 10 per share)  | 98,746                     | 98,746                  | 98,746                     | 98,746                  |
| 13      | Reserves & Surplus (Excluding Revaluation Reserves) (as per audited balance sheet as at 31st March) |                            |                         |                            | 23,86,957               |
| 14 i    | <b>Earnings per Share (EPS) (before extraordinary items) (of ₹ 10 each) (not annualised) (in ₹)</b> |                            |                         |                            |                         |
| a       | Basic   | 14.97                      | 11.10                   | 12.99                      | 53.27                   |
| b       | Diluted   | 14.97                      | 11.10                   | 12.99                      | 53.27                   |
| ii      | <b>Earnings per Share (EPS) (after extraordinary items) (of ₹ 10 each) (not annualised) (in ₹)</b>  |                            |                         |                            |                         |
| a       | Basic   | 14.97                      | 11.10                   | 12.99                      | 53.27                   |
| b       | Diluted   | 14.97                      | 11.10                   | 12.99                      | 53.27                   |

## SELECT INFORMATION FOR THE QUARTER ENDED 30.06.2015

| Sl. No. | PARTICULARS  | QUARTER ENDED                   |              |                        | YEAR ENDED   |
|---------|--|---------------------------------|--------------|------------------------|--------------|
|         |  | 30.06.2015                      | 31.03.2015   | 30.06.2014             | 31.03.2015   |
| A       | <b>PARTICULARS OF SHAREHOLDING</b>   |                                 |              |                        |              |
| 1       | <b>Public shareholding</b>   |                                 |              |                        |              |
|         | - Number of shares   | 38,86,91,320                    | 33,92,90,782 | 33,92,90,782           | 33,92,90,782 |
|         | - Percentage of shareholding   | 39.36%                          | 34.36%       | 34.36%                 | 34.36%       |
| 2       | <b>Promoters and Promoter group Shareholding</b>                                     |                                 |              |                        |              |
|         | <b>a) Pledged/ Encumbered</b>  |                                 |              |                        |              |
|         | - Number of shares   | NIL                             | NIL          | NIL                    | NIL          |
|         | - Percentage of shares (as a % of total shareholding of Promoter and Promoter Group) | NIL                             | NIL          | NIL                    | NIL          |
|         | - Percentage of shares (as a % of total share capital of the Co.)                    | NIL                             | NIL          | NIL                    | NIL          |
|         | <b>b) Non-Encumbered shares</b>  |                                 |              |                        |              |
|         | - Number of shares   | 59,87,67,680                    | 64,81,68,218 | 64,81,68,218           | 64,81,68,218 |
|         | - Percentage of shares (as a % of total shareholding of Promoter and Promoter Group) | 100.00%                         | 100.00%      | 100.00%                | 100.00%      |
|         | - Percentage of shares (as a % of total share capital of the Co.)                    | 60.64%                          | 65.64%       | 65.64%                 | 65.64%       |
|         | <b>PARTICULARS</b>   | <b>QUARTER ENDED 30.06.2015</b> |              |                        |              |
|         |  | <b>Equity Securities</b>        |              | <b>Debt Securities</b> |              |
| B       | <b>INVESTOR COMPLAINTS</b>   |                                 |              |                        |              |
|         | Pending at the beginning of the quarter  | 1                               |              | 0                      |              |
|         | Received during the quarter  | 98                              |              | 443                    |              |
|         | Disposed off during the quarter  | 99                              |              | 443                    |              |
|         | Remaining unresolved at the end of the quarter                                       | 0                               |              | 0                      |              |

### Notes:

- The above financial results for the quarter ended 30th June, 2015 were reviewed by the Audit Committee at the meeting held on 7th August, 2015 and approved and taken on record by the Board of Directors at the meeting held on 7th August, 2015
- These results have been subjected to limited review by M/s Raj Har Gopal & Co., Chartered Accountants and M/s P.K. Chopra & Co., Chartered Accountants.
- The company has opted for amortising the foreign exchange fluctuation loss/(gain) on the long term foreign currency monetary items over the balance period of such items. The amount remaining to be amortised in 'Foreign Currency Monetary Item Translation Difference Account' is ₹ 403.77 Crores. (As on 30.06.2014 ₹ 479.52 Crores)
- RBI, vide its letters dated 25th July, 2013 and 4th April, 2014, has conveyed to the Company to comply with the Prudential Norms of RBI by 31st March, 2016 and follow the instructions contained in RBI Circular dated January 23, 2014 issued vide Notification No. DNBS (PD) No. 271/ CGM (NSV)-2014 in respect of restructuring of assets. Later, RBI vide its letter dated 11th June, 2014 has allowed exemption to the Company from RBI restructuring norms till March 31, 2017 for Transmission & Distribution, Renovation & Modernisation and Life Extension projects and also the Hydro projects in Himalayan region or affected by natural disasters. Further, for new project loans to Generating Companies restructured w.e.f. 01.04.2015, the provisioning requirement would be 5% and for stock of loans as on 31.03.2015 of such projects, the provisioning shall commence with a provision of 2.75% w.e.f. 31.03.2015 and reaching 5% by 31.03.2018. Accordingly, during the quarter, an allowance has been made amounting to ₹ 139.65 crores on qualifying loans (comprising of loans to Public Sector ₹ 11,939.27 crores + loans to Private Sector ₹ 6,860.07 crores).
- The Company's main business is to provide finance to power sector. Accordingly, the company does not have more than one segment eligible for reporting in terms of Accounting Standard-17 'Segment Reporting'.
- During the quarter, the Company has revised the accounting policy for creating allowance against Standard Loan assets to align it with the revised provisioning requirements for Standard Loans as per RBI Notification dated 10th November, 2014. Accordingly, an incremental allowance over and above 0.25% already existing as on 31st March, 2015 has been created on standard assets as on that date so as to make it equal to 0.30% by the end of March, 2016 in a phased manner. Further, on incremental standard loan assets during the quarter ended 30th June, 2015, the allowance has been created @ 0.30% in full. Due to this change in accounting policy, profit before tax for the quarter ended 30th June, 2015 is lower by ₹ 22.31 Crores.
- Previous periods/year's figures have been regrouped/rearranged wherever necessary.

## Rural Electrification Corporation Limited

(A Government of India Enterprise)

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Place: New Delhi  
Date: 7th August, 2015

For Rural Electrification Corporation Limited  
Sd/-  
(Rajeev Sharma)  
Chairman & Managing Director  
DIN-00973413

*REC, also a Nodal Agency for DDUGJY, a scheme worth ₹ 76000 crore*