

REC Limited

A Maharatna Company

INVESTOR PRESENTATION

PERFORMANCE HIGHLIGHTS

Q4 & 12 MONTHS FY 2024-25



Generation



Transmission



Renewable



E-Mobility



Energy Transition



Distribution



Infrastructure





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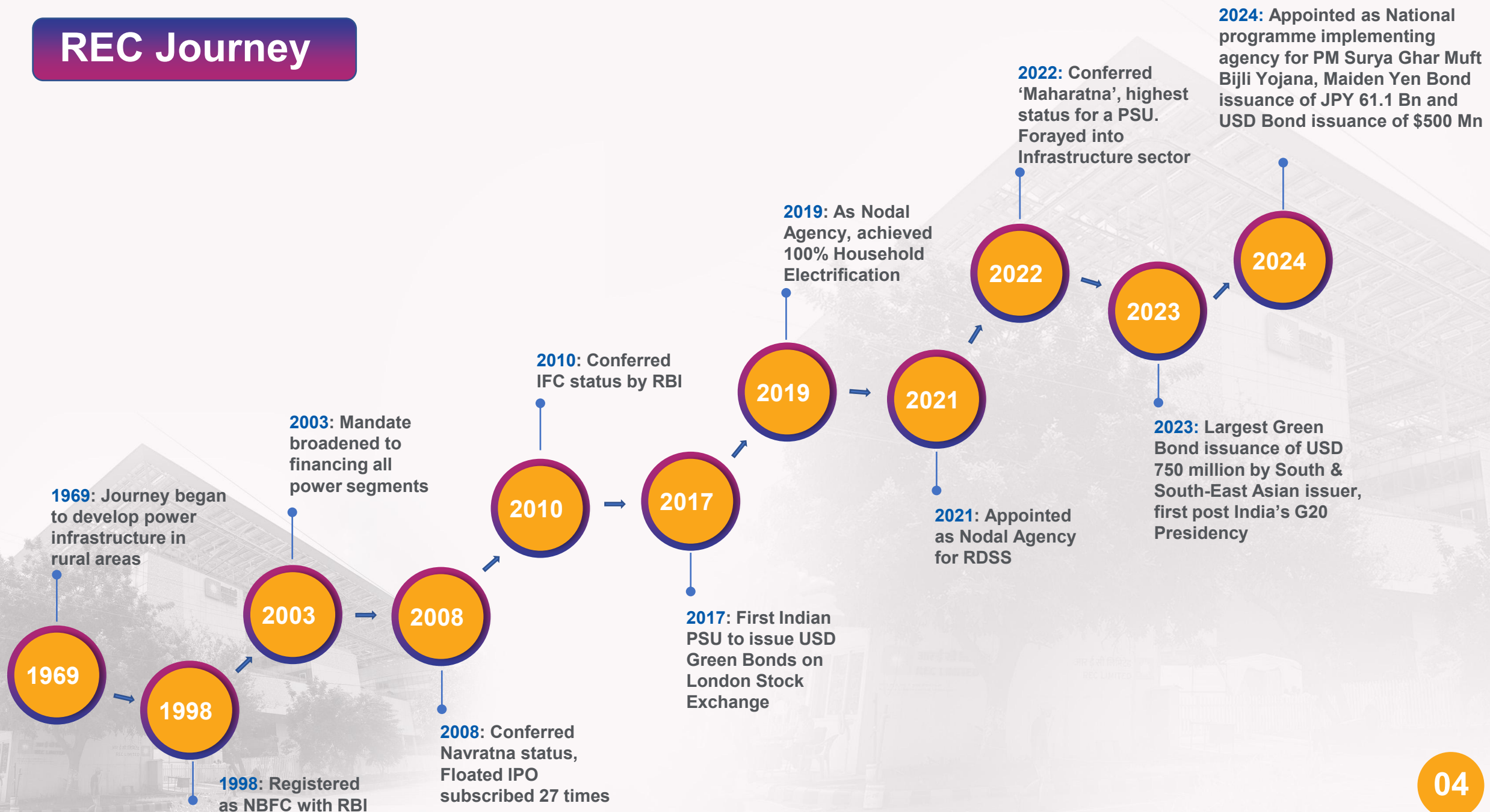
01

REC OVERVIEW

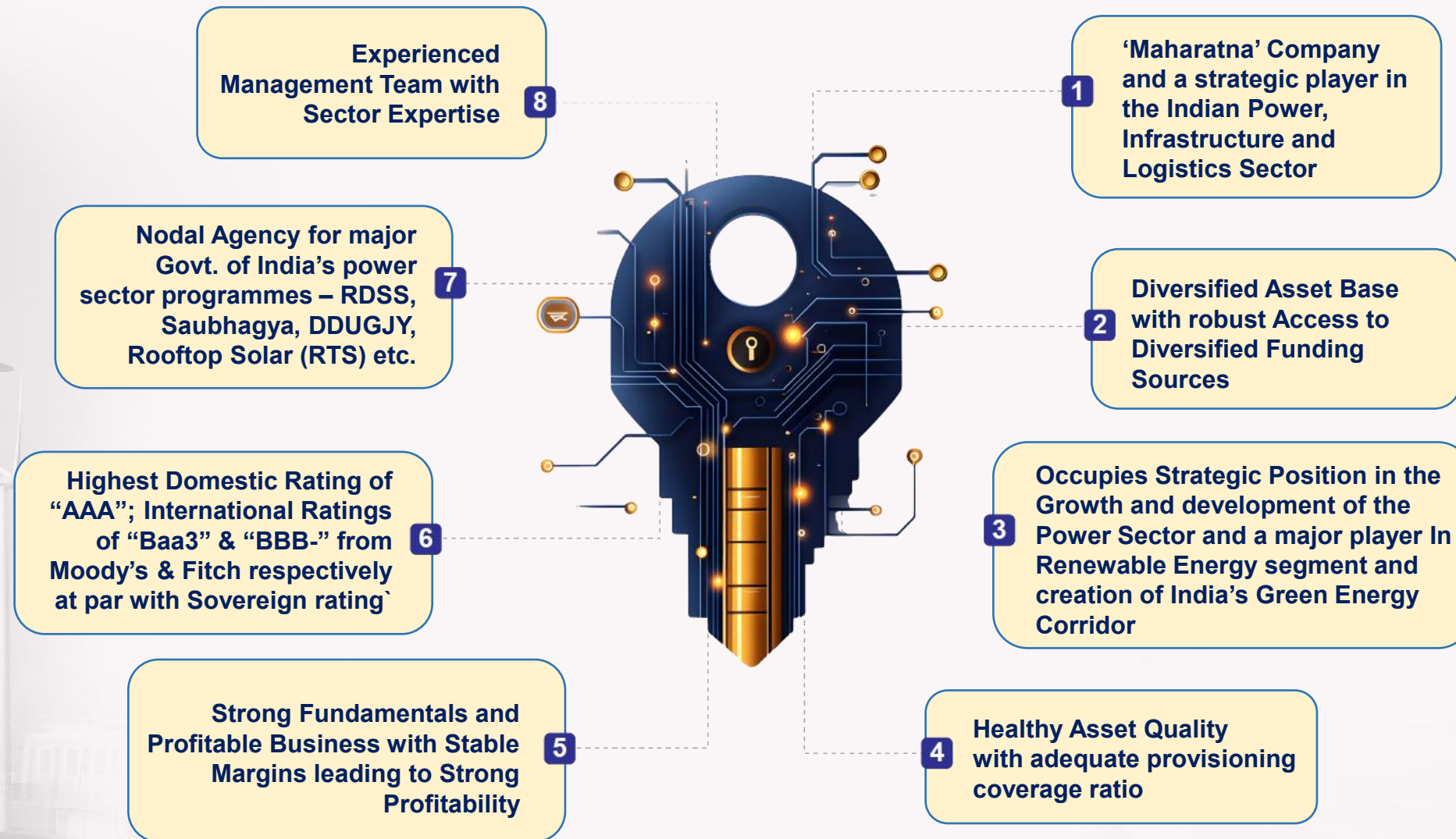


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REC Journey



Key Strengths

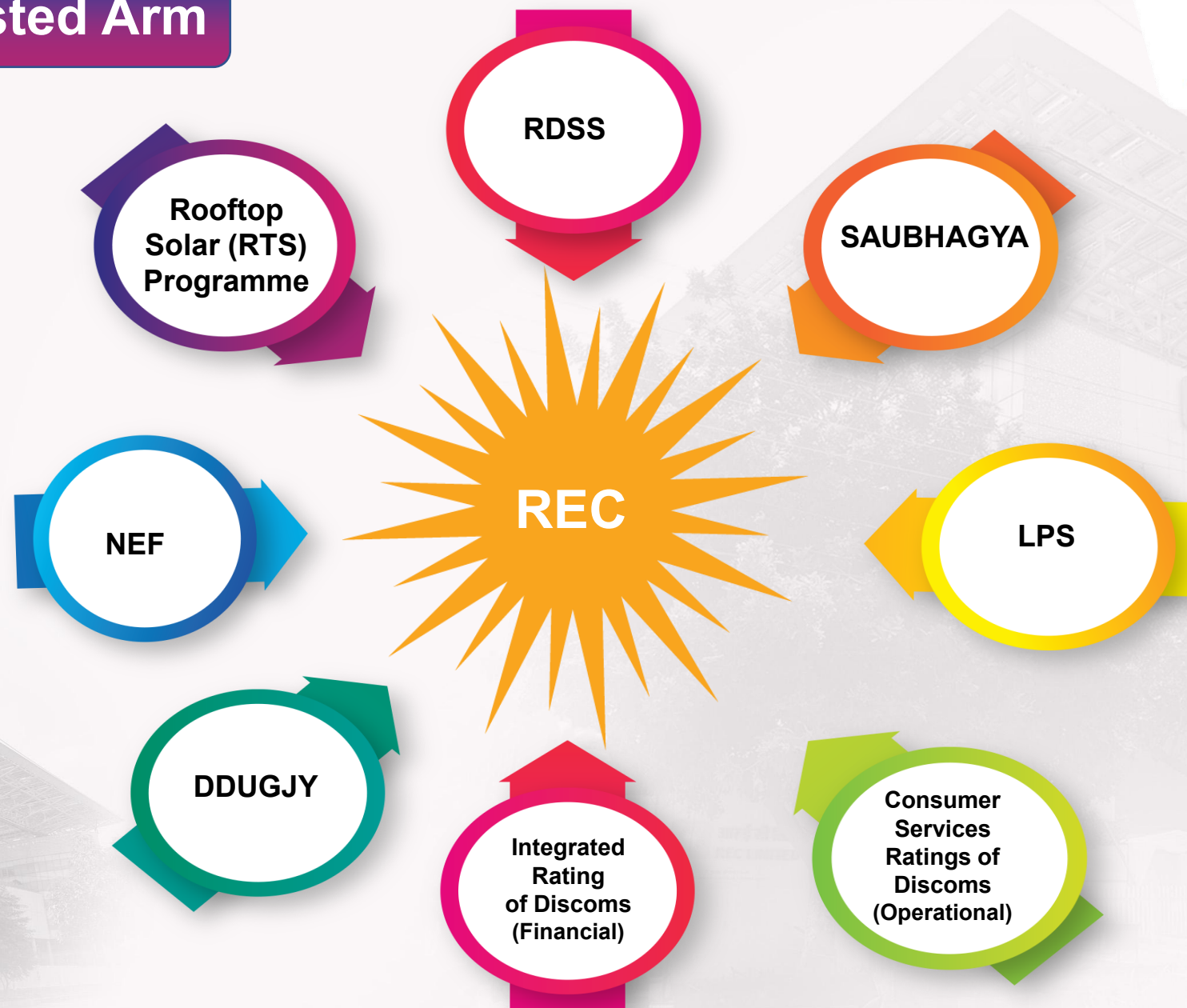


Government's Trusted Arm



Endless energy. Infinite possibilities.

A MAHARATNA COMPANY



Maharatna Status (accorded in FY 2022-23)



REC is amongst the Coveted Few Indian PSUs



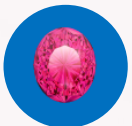
Maharatna

- Highest rank for top-performing PSUs in India
- Total of 14 PSUs accorded this status



Navratna

- 2nd highest rank of top-performing PSUs in India
- Total of 26 PSUs accorded this status



Miniratna I

- 3rd highest rank of PSUs in India
- Total of 49 PSUs accorded this status



Miniratna II

- 4th rank of PSUs in India
- Total of 10 PSUs accorded this status

Maharatna – Business advantages



Gives greater operational & financial autonomy



Allows strategic investments by incorporating JVs, Subsidiaries and M&A activities in India and abroad

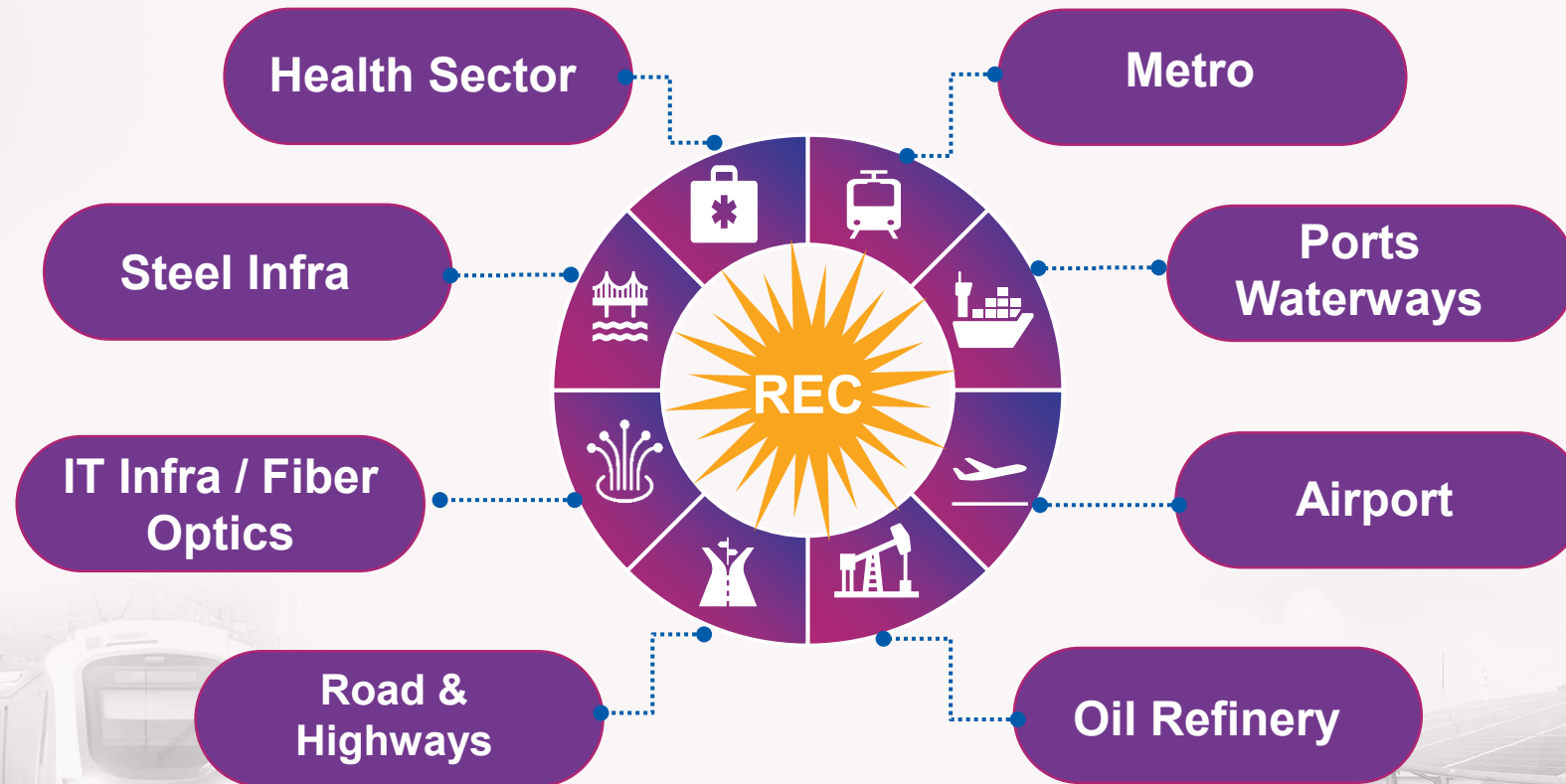


Accelerating growth and supporting Govt's vision for power sector



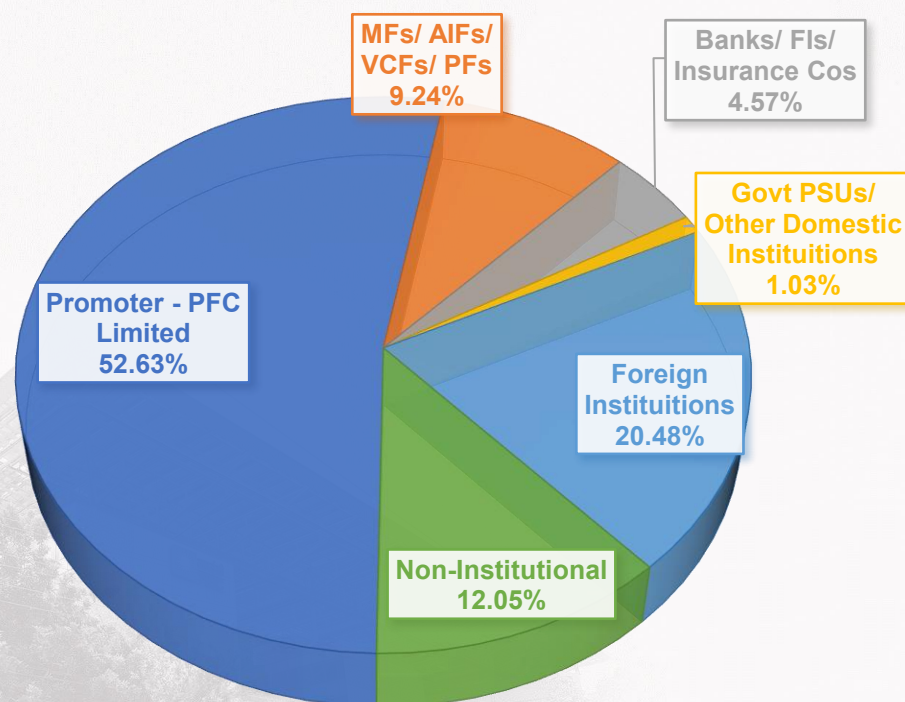
Forayed into Infra Sector: For Nation's Accelerated Development

REC has diversified loan portfolio in the Infrastructure and Logistics sector



Shareholders Outlook

Shareholding Pattern as on March 31, 2025



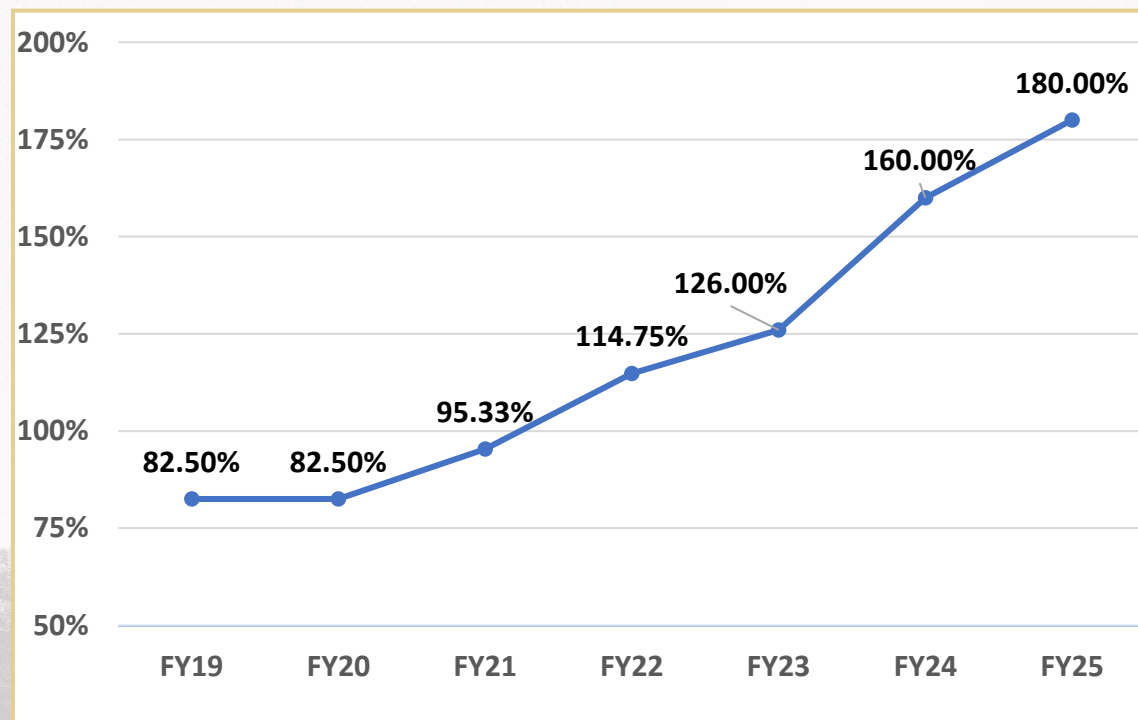
Top 10 Shareholders as on March 31, 2025

Rank	Particulars	Shareholding (%)
1	Power Finance Corporation Limited	52.63
2	Life Insurance Corporation Of India	1.27
3	SBI Life Insurance Co. Limited	0.74
4	HDFC Trustee Company Ltd. A/C HDFC Balanced Advantage Fund	0.72
5	Vanguard Total International Stock Index Fund	0.67
6	TATA AIG General Insurance Company Limited	0.63
7	Vanguard Emerging Markets Stock Index Fund - Vanguard International Equity Index Funds	0.61
8	Government of Singapore	0.56
9	Government Pension Fund Global	0.52
10	Blackrock Emerging Markets Fund, Inc.	0.50
	TOTAL	62.07

FPIs/ FIIs have reposed faith in REC and have consistently held ~ 20% since IPO in 2008

Shareholders Outlook Continued..

Dividend as a % of Equity Share Capital Consistently high dividend paying company



- Dividend adjusted for Bonus in the ratio of 1:3 in Aug 2022.
- Actual dividend 110.00%, 110.00%, 127.10% and 153.00% pre bonus for the year FY19, FY20, FY21 & FY22



Final dividend recommended for FY25 of ₹2.60 (26%) per share



Total dividend for FY25 of ₹18 (180%) per share including proposed final dividend



Earnings per Share (EPS) - ₹59.55



Book Value per Share (BVPS) - ₹294.84

Awards and Accolades

Awarded 'Gold Shield' under the 'Financial Services Sector (Other than Banking and Insurance)' category 'ICAI Awards for Excellence in Financial Reporting for the financial year 2023-24'



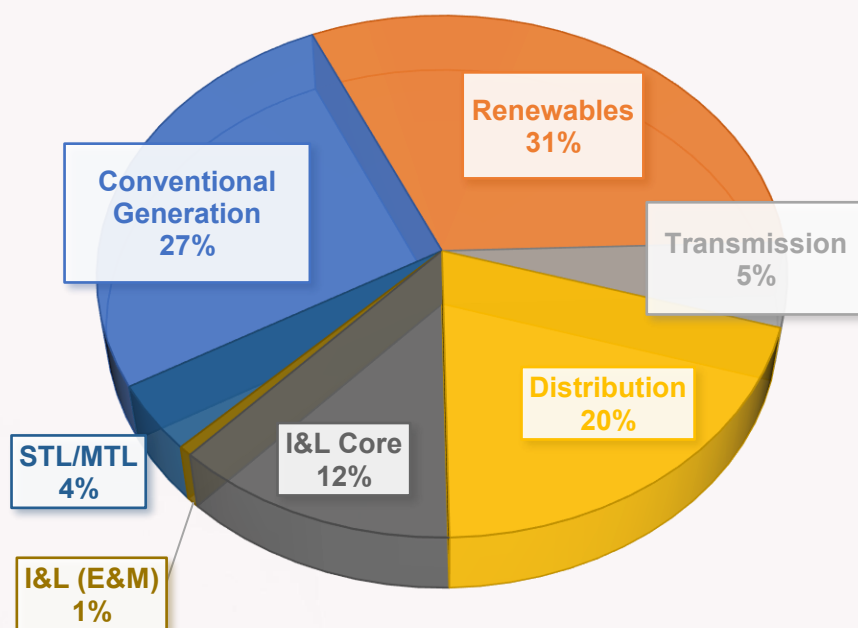
02

OPERATIONAL PERFORMANCE

- Sanctions
- Disbursements
- Outstanding loans
- Pan India presence – Loan Assets
- Outstanding Loans – Major Borrowers

Sanctions - Composition

Sector-wise breakup of Sanctions for FY 24-25



Robust sanctions across diversified disciplines

(₹ in crore)

Discipline-wise in	Q4				12M			
	FY25	%	FY24	%	FY25	%	FY24	%
Conventional Generation incl. Coal mining & purchase	13,959	21	3,710	11	89,632	27	67,112	19
Renewables incl. Large Hydro	26,124	40	11,462	35	1,05,259	31	1,36,516	38
Transmission	2,773	4	657	2	17,559	5	19,690	5
Distribution	17,815	28	13,598	41	67,481	20	82,304	23
a) Distribution Capex	15,415	24	7,847	24	41,881	13	41,513	12
b) LPS & LIS ¹	500	1	1,401	4	500	0	16,021	4
c) RBPF ²	-	-	4,350	13	13,700	4	15,350	4
d) Other Non Capex	1,900	3	-	-	11,400	3	9,420	3
I&L ³ -Core	960	1	500	2	41,239	12	37,455	10
I&L - E&M ⁴	-	-	-	-	2,000	1	3,114	1
STL/MTL	3,734	6	2,948	9	14,009	4	12,625	4
Total Sanctions	65,365	100	32,875	100	3,37,179	100	3,58,816	100

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme

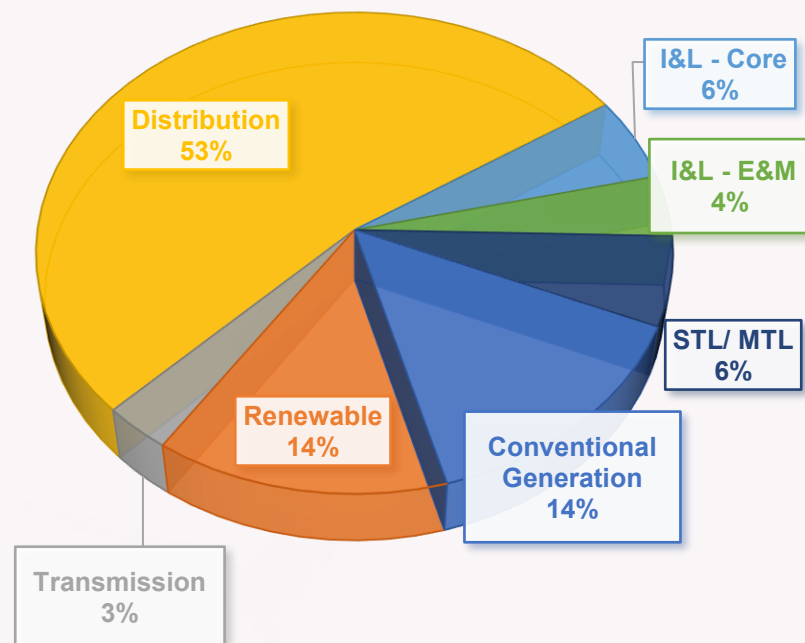
²RBPF - Revolving Bills Payment Facility

³I&L – Infrastructure & Logistics

⁴I&L-E&M Infrastructure & Logistics – Electrical and Mechanical

Disbursements - Composition

Sector-wise breakup of Disbursement for FY 24-25



Highest ever disbursements
in a financial year

(₹ in crore)

Discipline-wise	Q4				12M			
	FY 25	%	FY 24	%	FY 25	%	FY 24	%
Conventional Generation	7,484	16	4,179	11	27,478	14	25,054	16
Renewables incl. Large Hydro	8,575	19	6,167	16	26,186	14	16,024	10
Transmission	1,637	4	1,916	5	6,064	3	6,566	4
Distribution	23,099	51	20,989	53	1,01,777	53	86,291	53
a) Distribution Capex	3,910	8	2,373	6	10,598	6	9,184	5
b) LPS & LIS ¹	1,207	3	1,735	4	12,299	6	23,960	15
c) RDSS ²	254	1	-	-	1,592	1	70	-
d) RBPF ³	17,728	39	16,881	43	77,288	40	53,077	33
I&L ⁴ - Core	109	-	831	2	10,772	6	7,676	5
I&L - E&M ⁵	1,454	3	3,028	7	7,849	4	9,339	6
STL/MTL	3,180	7	2,264	6	11,059	6	10,512	6
Total Disbursements	45,538	100	39,374	100	1,91,185	100	1,61,462	100
Growth in Total Disbursements YoY							29,723	18%
Growth in Renewables (incl. Large Hydro) Disbursements YoY							10,162	63%

¹ LPS – Late payment surcharge & LIS – Liquidity infusion scheme

² RDSS- Revamped Distribution Sector Scheme

³ RBPF - Revolving Bills Payment Facility

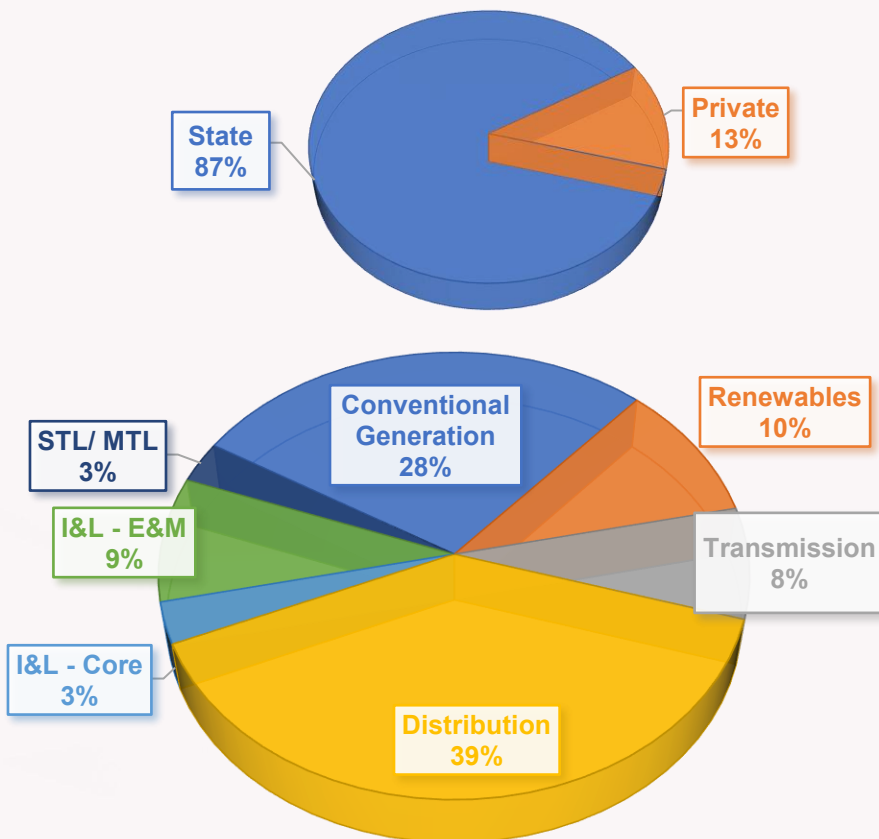
⁴ I&L – Infrastructure & Logistics

⁵ I&L - E&M - Infrastructure & Logistics- Electrical and Mechanical

Outstanding Loans – Composition

Sector-wise breakup of Loan Book for FY 24-25

(₹ in crore)



Discipline-wise	As on					
	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount	%	Amount	%	Amount	%
State	4,94,578	87	4,54,647	89	3,93,225	90
Private	72,305	13	54,724	11	41,787	10
Total	5,66,883	100	5,09,371	100	4,35,012	100
Conventional Generation	1,55,071	28	1,45,271	29	1,32,517	30
Renewables incl Large Hydro	57,994	10	38,971	8	27,095	6
Transmission	46,743	8	48,046	9	48,327	11
Distribution	2,20,626	39	2,14,672	42	1,85,806	43
a) Distribution Capex	84,591	15	85,515	17	90,287	21
b) LPS & LIS ¹	49,272	9	39,317	8	16,147	4
c) Special Loan	42,382	7	51,420	10	55,178	12
d) RDSS ²	1,280	-	-	-	-	-
e) RBPF ³	43,101	8	38,420	7	24,194	6
I&L - Core ⁴	18,448	3	7,676	1	-	-
I&L - E&M ⁵	50,953	9	45,875	9	38,248	9
STL/MTL	17,048	3	8,860	2	3,019	1
TOTAL	5,66,883	100	5,09,371	100	4,35,012	100

¹ LPS – Late payment surcharge & LIS – Liquidity infusion scheme

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Loan Book has grown at a robust rate of ~11% YoY

(₹ in crore)

PAN India presence – Loan Book

Lending across 26 States & UTs

State/ Joint Sector Borrowers

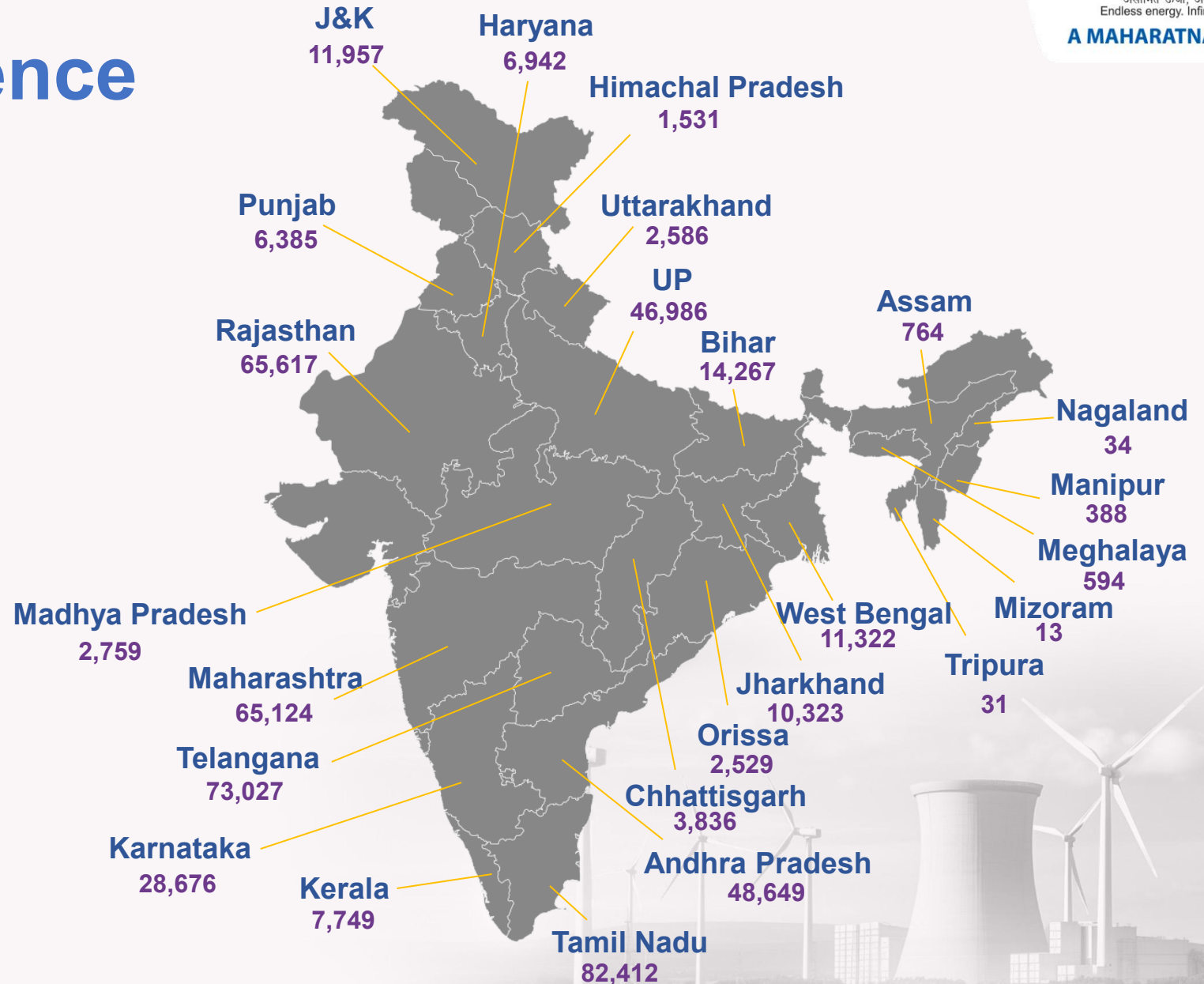
₹4,94,578 crore

Private Sector Borrowers

₹72,305 crore

Total Loan Outstanding

₹5,66,883 crore



03

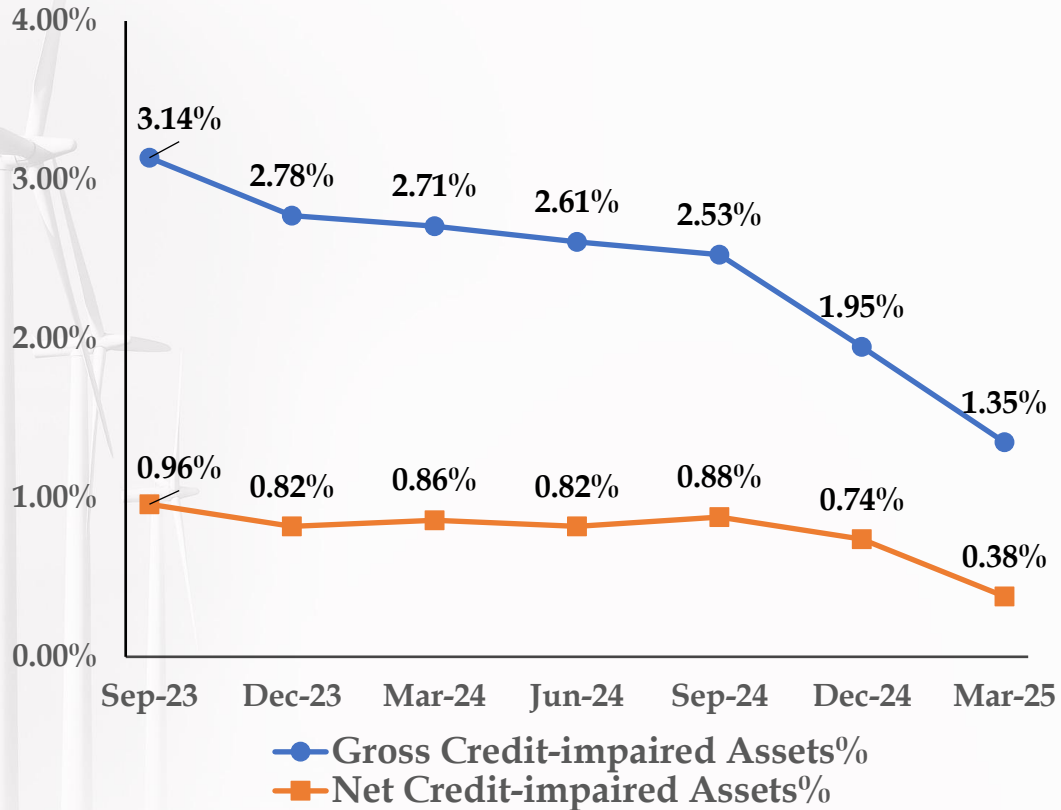
ASSET QUALITY

- Asset quality and provision coverage
- Loan portfolio and ECL provisioning
- Credit impaired assets and resolution status

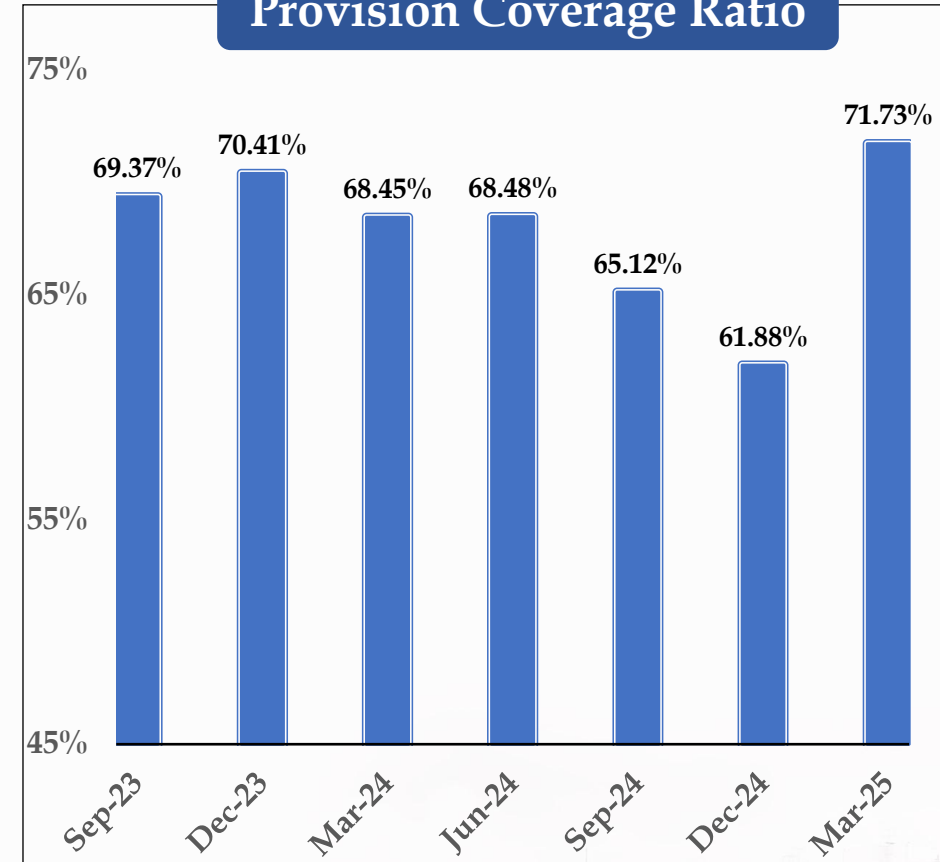


Asset Quality and provisioning coverage

Improving Asset Quality



Provision Coverage Ratio



5 assets having aggregate outstanding loan of ₹6,171 crore resolved during FY25

Loan Portfolio and ECL provisioning

(₹ in crore)

Particulars	Loan	Credit Impaired Assets (Stage – III)			Standard Assets (Stage – I & II)			Total ECL #
	O/s	O/s	ECL	Provision coverage ratio (%)	O/s	ECL	Provision coverage ratio (%) @	
State Sector								
-Generation	1,39,290	-	-	-	1,39,290	1,496	1.07%	1,496
-Renewables incl Large Hydro	9,301	-	-	-	9,301	102	1.10%	102
-Transmission	42,162	-	-	-	42,162	23	0.06%	23
-Distribution	2,20,626	-	-	-	2,20,626	2,661	1.21%	2,661
a) Distribution Capex	84,591	-	-	-	84,591	840	0.99%	840
b) LPS & LIS ¹	49,272	-	-	-	49,272	773	1.57%	773
c) RBPF ²	43,101	-	-	-	43,101	496	1.15%	496
d) RDSS ³	1,280	-	-	-	1,280	3	0.25%	3
e) Special Loan	42,382	-	-	-	42,382	549	1.30%	549
-I&L ⁴ – Core	17,097	-	-	-	17,097	6	0.03%	6
-I&L - E&M ⁵	49,053	-	-	-	49,053	42	0.09%	42
-STL/MTL	17,049	-	-	-	17,049	282	1.66%	282
Total State Sector	4,94,578	-	-	-	4,94,578	4,612	0.93%	4,612
Private Sector								
-Generation	15,780	7,347	5,231	71.19%	8,433	37	0.44%	5,268
-Renewables incl Large Hydro	48,693	306	259	84.78%	48,387	638	1.32%	897
-Transmission	4,581	-	-	-	4,581	17	0.37%	17
-I&L ⁴ – Core	1,351	-	-	-	1,351	1	0.10%	1
-I&L - E&M ⁵	1,900	-	-	-	1,900	1	0.05%	1
-Distribution	0*	-	-	-	0*	0*	0.91%	0*
Total Private Sector	72,305	7,653	5,490	71.73%	64,652	694	1.07%	6,184
Grand Total	5,66,883	7,653	5,490	71.73%	5,59,230	5,306	0.95%	10,796

*0 denotes amount less than 1 crore.

In addition to the above, Reserves available in the form of Statutory Reserve u/s 45-IC of RBI Act and Reserve for Bad & Doubtful debts u/s 36(1)(vii) of the Income Tax Act, 1961 amounting to ₹13,972 crore and ₹842 crore respectively.

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme ²RBPF - Revolving Bills Payment Facility ³RDSS- Revamped Distribution Sector Scheme ⁴I&L – Infrastructure & Logistics

⁵I&L - E&M- Infrastructure & Logistics- Electrical and Mechanical

Credit Impaired Assets – Resolution Status



Resolution status of Credit Impaired Assets

Under NCLT

- ₹6,149 crore in NCLT
- 11 projects
- 77% provision

Outside NCLT

- ₹1,504 crore resolution pursued outside NCLT
- 1 project
- 50% provision

04

BORROWING PROFILE

- Credit ratings for long term borrowings
- Outstanding borrowings

Credit Ratings for Long Term Borrowings

Long-term International Ratings

MOODY'S

Baa3 (Stable)–Key Highlights

- ✓ REC Limited (REC) remains strategically important to the Indian power sector and plays a key role in implementing the central government policy initiatives.
- ✓ REC finances all segments of domestic power infrastructure projects, covering transmission, distribution and generation facilities throughout the country, with a focus on rural electrification projects.

FitchRatings

BBB- (Stable)–Key Highlights

- ✓ REC remains an important government-related entity (GRE) due to its strategic role in supporting India's power sector. Hence, Fitch believes the government has strong incentive to provide extraordinary support to REC, if needed.



Japan Credit Rating Agency

BBB+ (Stable)–Key Highlights

REC plays a very important role in the implementation of the Government of India's (GOI) power sector plans. The ratings strongly reflect the country's creditworthiness and are in line with the Republic of India's Long-term Issuer Ratings (FC: BBB+/Stable and LC: BBB+/Stable). It is based on REC's strong capital and personal relationship with GOI, its important position as an institution that financially supports the development of power infrastructure across India, and its strong integration with GOI, supported by its position as a Nodal agency for power policy initiatives in India.

Long-term Domestic Ratings

CRISIL

An S&P Global Company

"AAA"



"AAA"

CARE Ratings
Professional Risk Opinion

"AAA"

India Ratings
& Research
A Fitch Group Company

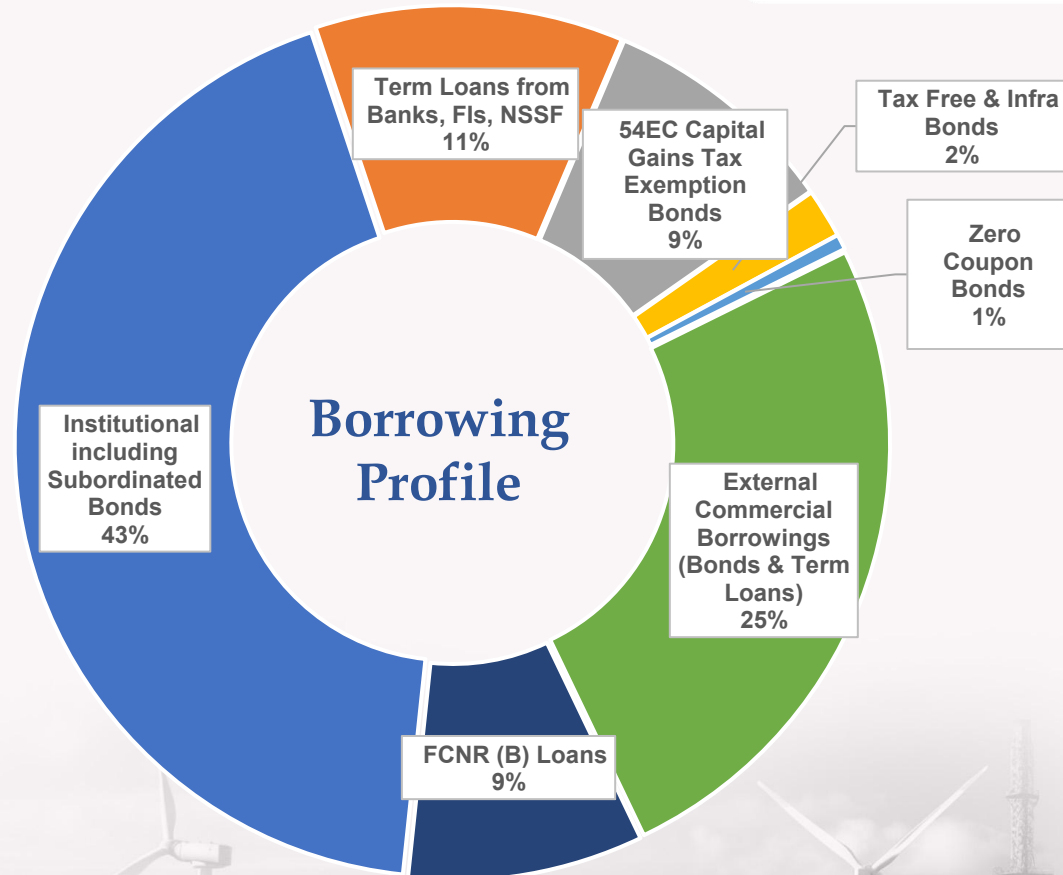
"AAA"

Perpetual Debt Instruments also rated "AAA" by CARE Ratings and CRISIL

Outstanding Borrowings

(₹ in crore)

Particulars	March 31, 2025	March 31, 2024
(A) Domestic Borrowings		
Institutional including Subordinated Bonds	2,10,039	1,81,471
Loans from Banks, FIs, NSSF, etc.	56,550	79,806
54EC Capital Gains Tax Exemption Bonds	43,832	42,356
Commercial Papers	-	-
Tax Free Bonds	8,999	8,999
Infra Bonds	4	4
Zero Coupon Bonds	2,796	-
Sub Total (A)	3,22,220	3,12,636
(B) Foreign Currency Borrowings		
External Commercial Borrowings (Bonds & Term Loans)	1,22,857	1,00,169
FCNR (B) Loans	43,182	25,139
Sub Total (B)	1,66,039	1,25,308
Grand Total (A+B)	4,88,259	4,37,944



- Access to multiple sources of funding with a mix of international and domestic sources to meet the business growth
- One of the five Companies allowed to raise low-cost Capital Gains Tax Exemption Bonds

05

FINANCIAL HIGHLIGHTS

- Key Financial Highlights
- Key Ratios
- Standalone Statement of Profit & Loss
- Standalone Statement of Assets and Liabilities

Key Financial Highlights for FY25 vs FY24



Highest ever Annual Profit

₹15,713 crore vs
₹14,019 crore
(12% growth)



Total Income

₹55,980 crore vs
₹47,214 crore
(19% growth)



Net Interest Income

₹19,878 crore vs
₹15,685 crore
(27% growth)



Highest Loan Book

₹5.67 lakh crore vs
₹5.09 lakh crore
(11% growth)



Net Credit Impaired Assets

0.38% vs 0.86%



Highest Net Worth

₹77,638 crore vs
₹68,783 crore
(13% growth)

Capital Adequacy Ratio at 25.99% (Tier – I : 23.76% & Tier – II : 2.23%)

Key Ratios

Particulars	12 Months	
	FY 25	FY 24
Yield on Loan Assets (%)	10.05	9.99
Cost of Funds (%)	7.11	7.13
Interest Spread (%)	2.94	2.86
Net Interest Margin (%)	3.63	3.57
Return on Net Worth (%)	21.46	22.17
Interest Coverage Ratio (Times)	1.58	1.59
Debt Equity Ratio (Times)	6.29	6.37

The yield on loans has increased to 10.05% in 12M FY 25 from 9.99% in 12M FY 24 due to realignment of interest rates amongst borrowers, while the cost of borrowings has come down to 7.11% from 7.13% in the corresponding period due to judicious mix of borrowing and the innovative derivative structures undertaken by the company for hedging its foreign currency exposure, resulting in improvement in spread by 8 bps.

- Yield = Ratio of interest income on interest bearing Loan Asset to daily average of interest earning loan assets
- Cost of funds = Ratio of finance costs + loss (gain) on Forex translation/transaction + loss (gain) on Fair Value changes + Fees & Commission Expenses to daily average of borrowings
- Interest Spread = Yield minus Cost of Funds
- Net Interest Margin = Ratio of net interest income + gain/ (loss) on Translation/transaction + gain (loss) on Fair Value changes to daily average of interest earning loan assets
- Interest Coverage Ratio = Ratio of PBIT to Finance Cost + Fee & Commission Expense
- Debt Equity = Ratio of Total Borrowings (net of cash & cash equivalents) to Net Worth
- Return on Average Net worth = Ratio of PAT to average Net Worth

Standalone Statement of Profit & Loss

(₹ in crore)

Particulars	Q4		12 Months	
	FY 25	FY 24	FY 25	FY 24
Interest Income on Loan assets	14,647	12,168	54,026	45,659
Less: Finance Costs ¹	8,771	7,905	34,148	29,974
Net Interest Income	5,876	4,263	19,878	15,685
Other Operating Income	531	309	1,536	1,013
Net notional gain/ (loss) on fair value changes	(18)	136	348	474
Other Income	14	30	69	68
Total Income (Net of Finance Cost)	6,403	4,738	21,831	17,240
Less: Translation/transaction exchange loss/(gain)	47	60	208	167
Less: Other costs ²	191	243	744	651
Less: Impairment on financial instruments	780	-712	1,019	-1,358
Profit Before Tax	5,385	5,147	19,860	17,780
Less: Tax Expense	1,149	1,131	4,147	3,761
Profit After Tax	4,236	4,016	15,713	14,019
Add: Other Comprehensive Income/(Loss)	(1,050)	1,167	(1,517)	1,044
Total Comprehensive Income/(Loss)	3,186	5,183	14,196	15,063

¹Finance Costs includes fees and commission expense ²Other Costs include Employee Benefit, CSR, Depreciation & Amortization and Other Expenses

Standalone Statement of Assets and Liabilities

(₹ in crore)

Particulars	As at 31.03.2025	As at 31.03.2024
Assets		
(1) Financial Assets		
Cash and bank balances	1,750	2,499
Derivative financial instruments	17,432	12,482
Loans (Ind-AS)	5,59,088	4,99,192
Investments	6,641	5,320
Other financial assets	24,606	24,425
Total Financial Assets (1)	6,09,517	5,43,918
(2) Non-Financial Assets		
Current tax assets (net)	399	294
Deferred tax assets (net)	2,853	2,485
Investment Property, Property, Plant & Equipment, Capital Work-in-Progress, Other Intangible assets	704	654
Other non-financial assets including receivables	82	89
Total Non-Financial Assets (2)	4,038	3,522
Total Assets (1+2)	6,13,555	5,47,440
Liabilities		
(1) Financial Liabilities		
Derivative financial instruments	1,670	760
Debt Securities	2,92,475	2,66,110
Borrowings other than Debt Securities	1,94,300	1,72,092
Subordinated Liabilities	9,514	7,412
Other financial liabilities including payables	37,559	31,840
Total Financial Liabilities (1)	5,35,518	4,78,214
(2) Non-Financial Liabilities		
Current Tax Liabilities (Net)	-	66
Provisions	137	137
Other non-financial liabilities	262	240
Total Non-Financial Liabilities (2)	399	443
(3) Equity		
Equity Share Capital	2633	2,633
Instruments entirely equity in nature	558	558
Other equity	74,447	65,592
Total Equity (3)	77,638	68,783
Total Liabilities and Equity (1+2+3)	6,13,555	5,47,440

06

ESG

- ESG at REC Limited
- ESG Highlights
- REC's Contribution for clean energy projects



ESG at REC Limited

REC ESG Policy

REC adopted board approved ESG policy.

2023
JAN

ESG Targets

Assigned company wide ESG targets for quarterly compliance.

2023
JUNE

ESG Gap Assessment

New ESG related policies introduced, More human rights and well being trainings organized

2024
FEB

Baselining of GHG Emissions

Assessment of GHG emissions of all REC offices

2024
APR

ESG Report

Published 1st ever ESG report referenced to GRI format

2024
AUG

REC Net Zero Plan

REC committed to Net Zero in Scope 1 & 2 emissions

2024
OCT

Stakeholders ESG Assessment

ESG Assessment of Private Borrowers and Suppliers started.

2025
JAN

Strategic Lending for a Sustainable Future



REC, through focusing on Green Infrastructure financing, demonstrates its unwavering commitment for '**Panchamrit**' goals & fostering environmental sustainability.

63% YoY growth in Renewables' Disbursements

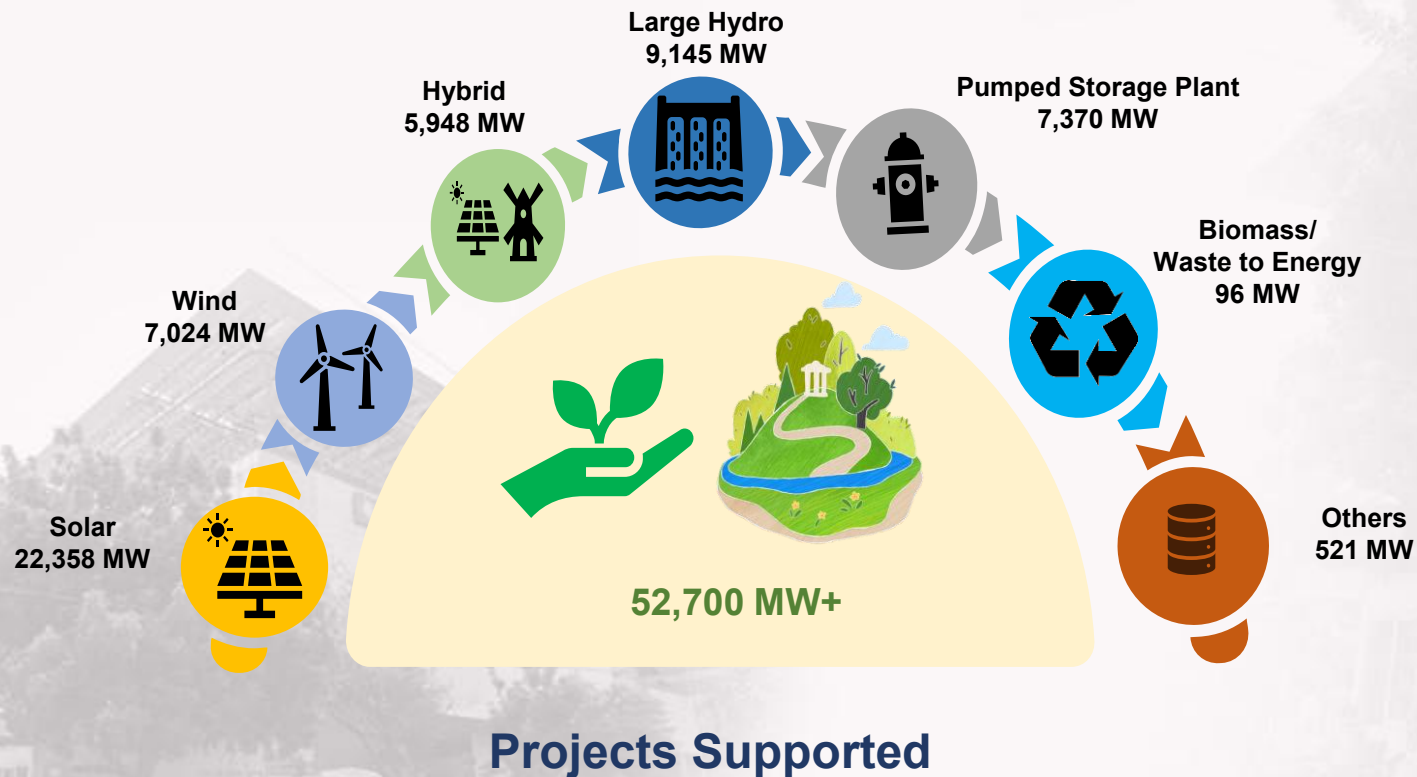
49% YoY growth in Renewables' Loan Book

31% of Total Sanctions ~ ₹1,05,259 crore (16,444 MW)

4.87 Mt CO2 emissions avoided (17%↑) through 70 operational projects amassing 5008 MW

REC's Contribution for Clean Energy Projects

For India's energy transition, REC, being the stepping stone, has tailored its lending strategies to align with nation's commitment towards harnessing clean and green energy sources.



Highlights of ESG Performance FY 2024-25



Environment

Avoided Emissions of RE Projects funded for FY25 (PCAF Method)

6.1 million t CO2 (17.4% ↑)

REC Corporate office has STP that treats 100% waste water

Zero Discharge

Total RE Capacity Sanctioned by REC

52 GW

Conversion of Conventional office fleet to EV

76%

RE Projects supported by REC

₹ 82,275 Crore

In house Roof top solar contribution in office electricity consumption

34.7%

RE Loan Book Growth

49%

Waste Management

Onboarded Authorized Vendor



Social

Complaints on Human Rights & POSH

Zero

Employee Turnover Ratio

6.08 %

Community Expenditure

₹ 289 Crore (17% ↑)

Women Employee Ratio

15 %

Lost Time Injury Frequency Rate (LTIFR)

Zero

Gender Pay Gap at Grade Level

Zero

Instances of Data Breaches

Zero

Graduate Apprentice supported(Nos)

44



Governance

Total Board Meetings

15

Women ratio in the Board

12.5 %

Training on NGRBC and ESG to BoD & KMP

100%

ESG Risk rating by Sustainalytics

17.1 (Low Risk)

Training man days to employees and stakeholders by RECIPMT

18,935

ESG Score by CRISIL

62 (↑ Strong)

Training man days on ethics, code of conduct

437

ESG Score by SES

76.3 (↑ B+)

Investor Resources



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Contact Information



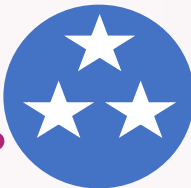
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