

REC Limited

A Maharatna Company

INVESTOR PRESENTATION

Performance Highlights
H1 FY 2025-26

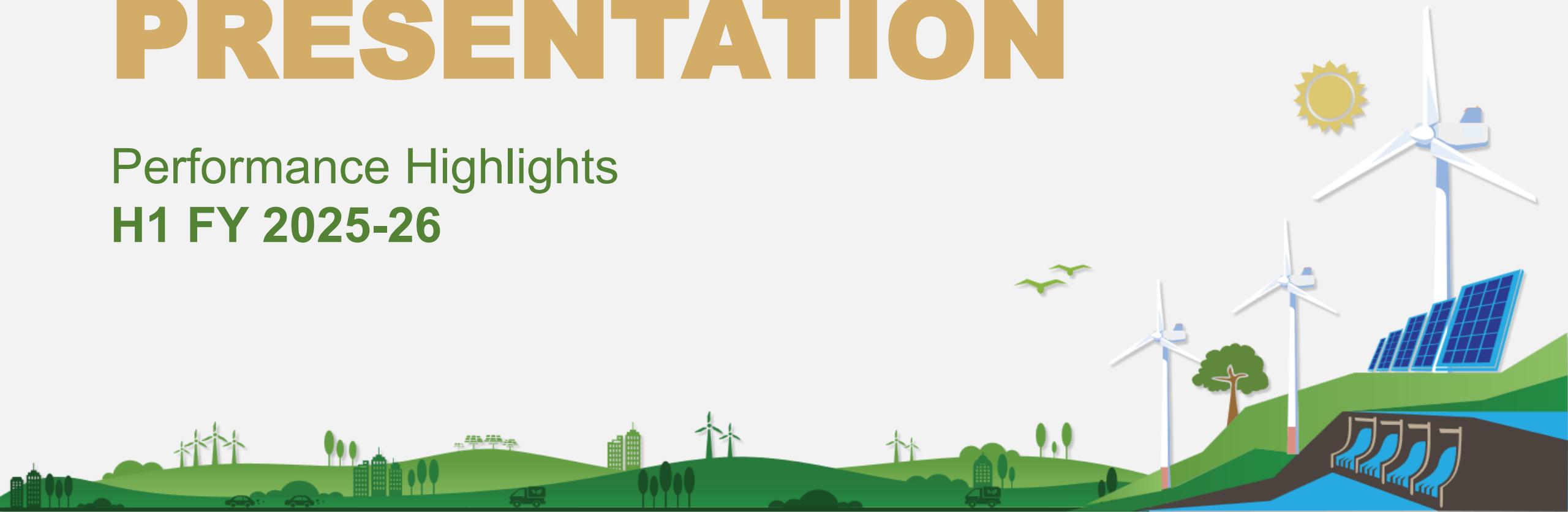


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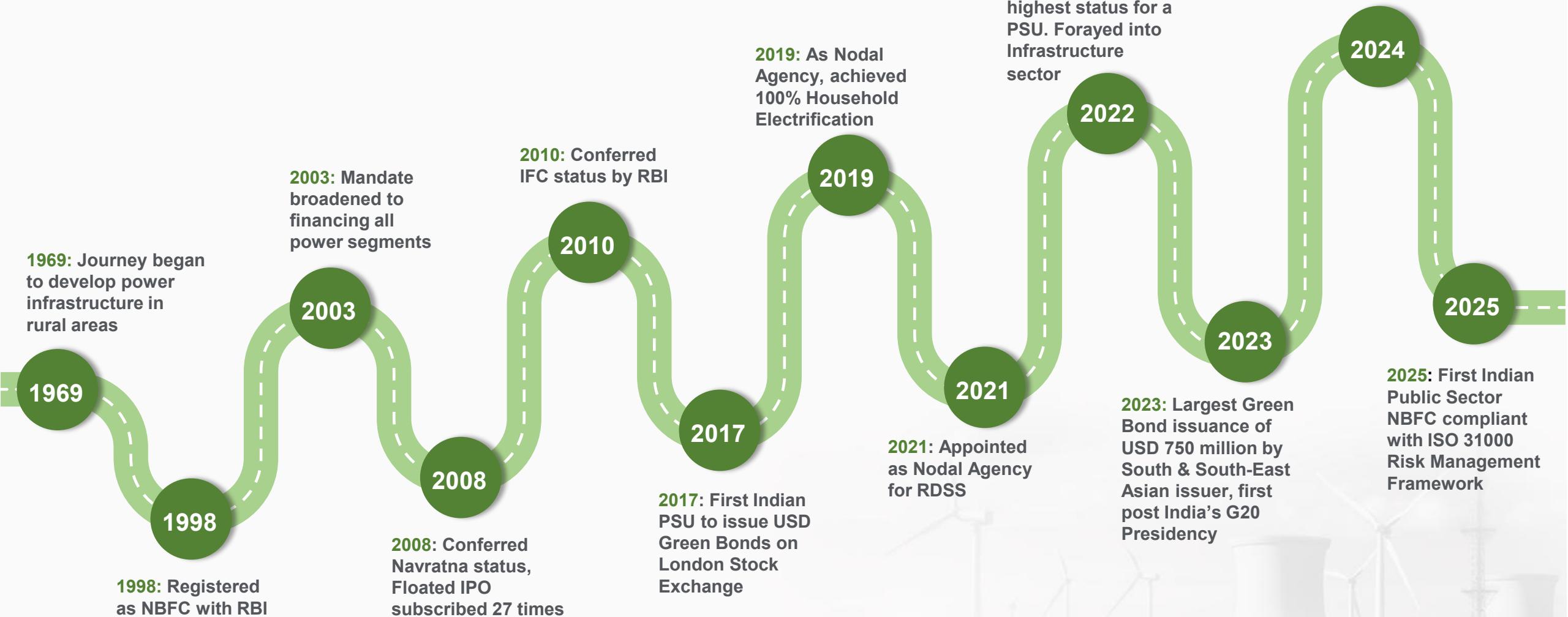
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01

REC OVERVIEW



REC Journey



Key Strengths



Highest Domestic Rating of “AAA”



International Ratings of “Baa3” & “BBB-” at par with Sovereign Rating



Nodal Agency for major Govt. of India’s Power Sector Programs



Healthy Asset Quality with adequate Provision Coverage Ratio

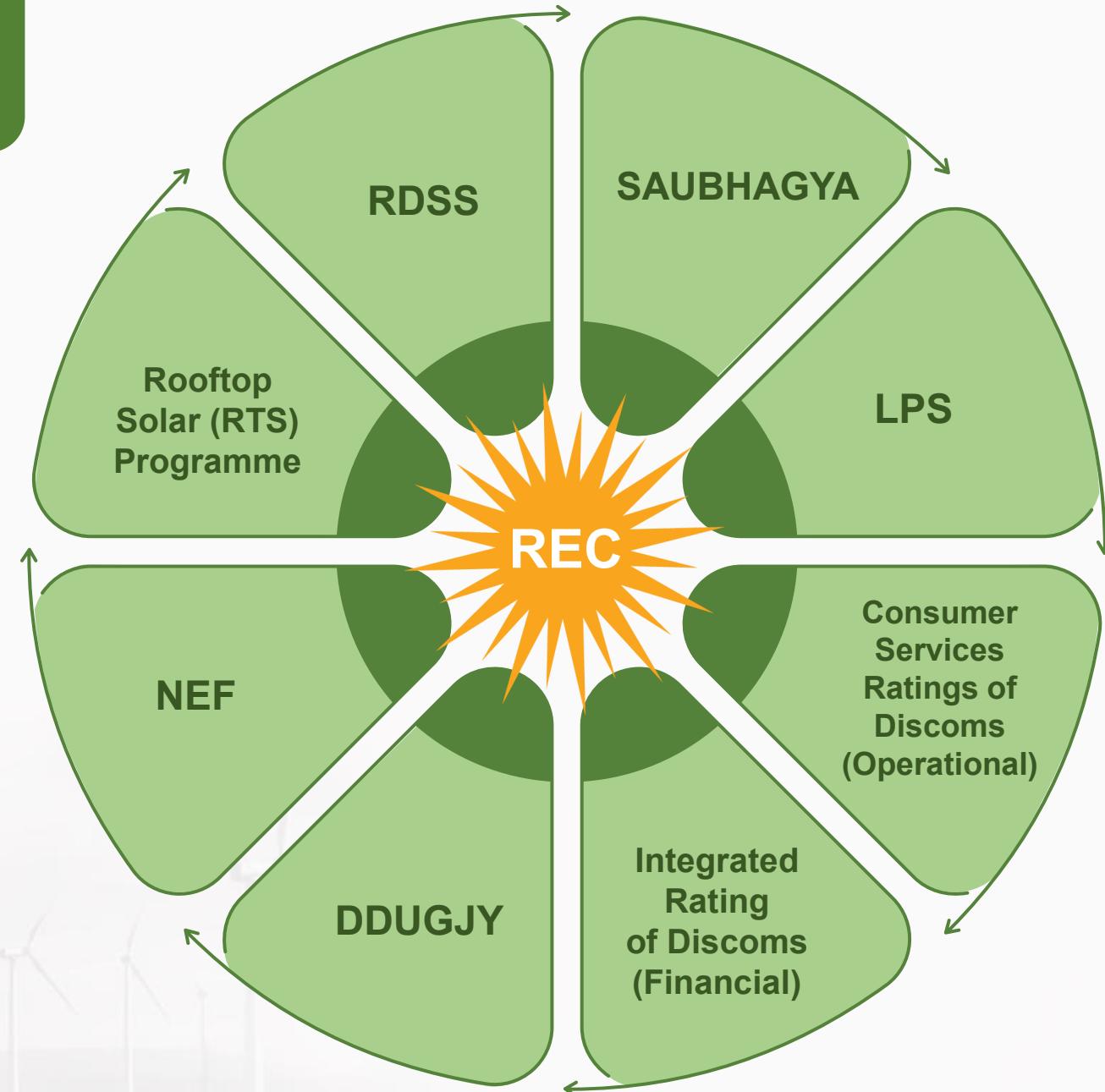


Major player in Renewable Energy segment and creation of India’s Green Energy Corridor

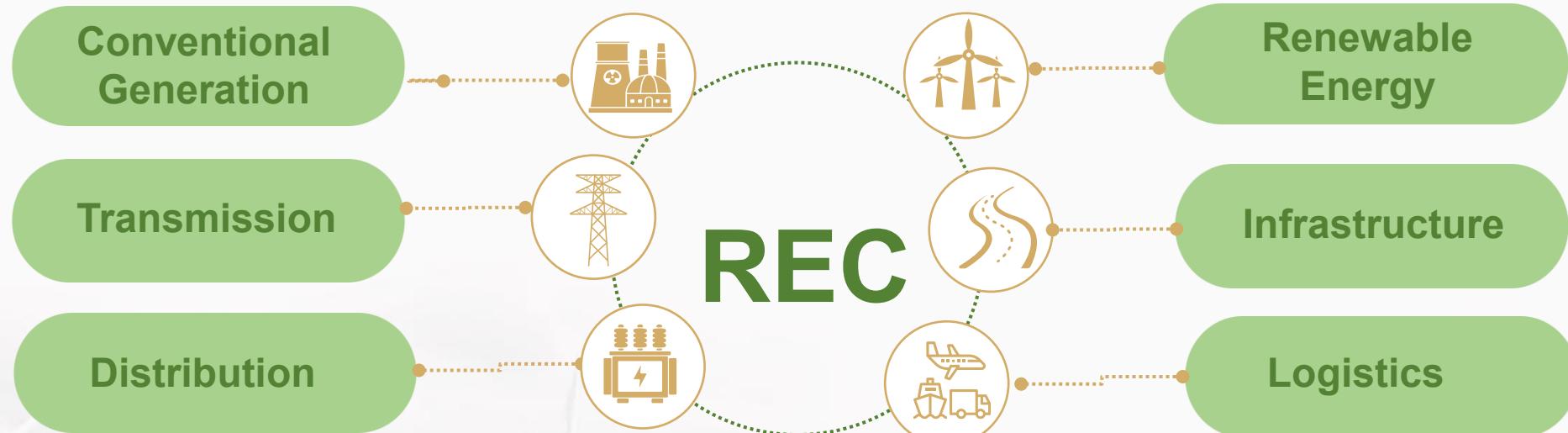


Strategic player in the Indian Power and Infrastructure & Logistics Sector

Government's Trusted Arm



Diversified Portfolio



Awards and Accolades



02

FINANCIAL HIGHLIGHTS



Key Financial Highlights for H1 FY26 vs H1 FY25



Highest Ever Half Yearly Profit

₹8,877 crore vs
₹7,448 crore
(19% growth)



Loan Book

₹5.82 lakh crore vs
₹5.46 lakh crore
(7% growth)



Total Income

₹29,828 crore vs
₹26,633 crore
(12% growth)



Net Credit Impaired Assets

0.24% vs 0.88%



Net Interest Income

₹10,608 crore vs
₹9,261 crore
(15% growth)



Highest Net Worth

₹82,739 crore vs
₹72,893 crore
(14% growth)

Capital Adequacy Ratio at 23.74% (Tier – I : 21.73% & Tier – II : 2.01%)

Revenue & Profits

(₹ in crore)

Particulars	H1 FY26	H1 FY25	Q2 FY26	Q2 FY25	12M FY25
Interest Income on Loan assets (including DIPI)	28,686	25,798	14,348	13,284	54,321
Less: Finance Costs (including fee & comm)	18,078	16,537	9,133	8,511	34,149
Net Interest Income	10,608	9,261	5,215	4,773	20,172
Profit After Tax	8,877	7,448	4,426	4,005	15,713
Total Comprehensive Income	7,081	6,279	5,094	2,754	14,196

Key Ratios

Particulars	H1 FY26	H1 FY25	12M FY25
Yield on Loan Assets (%)	10.06	10.08	10.05
Cost of Funds (%)	7.17	7.12	7.11
Interest Spread (%)	2.89	2.96	2.94
Net Interest Margin (%)	3.64	3.64	3.63
Return on Net Worth (%)	22.14	21.03	21.46
Interest Coverage Ratio (Times)	1.62	1.57	1.58
Debt Equity Ratio (Times)	6.07	6.47	6.29

03

OPERATIONAL PERFORMANCE



Sanctions – Composition



Highest Ever Quarterly and Half Yearly Sanctions



**97% growth in Total Sanctions
(YoY Q2 FY26 vs. Q2 FY25)**

(₹ in crore)

Discipline-wise	Q2		H1		12 M
	FY 26	FY 25	FY 26	FY 25	FY 25
Conventional Generation	85,107	18,326	1,13,344	53,879	89,632
Renewable Energy	26,050	20,737	45,692	60,391	1,05,259
Transmission	6,967	6,282	14,338	13,451	17,559
Distribution	28,754	28,855	71,514	36,455	67,481
Infra & Logistics	1,954	-	3,395	19,815	43,239
Others	1,000	2,000	2,150	5,000	14,009
Total Sanctions	1,49,832	76,200	2,50,433	1,88,991	3,37,179

Percentages for H1 FY 26

Conventional Generation 45%	Distribution 29%	Renewable 18%	Transmis- sion 6%	I&L 1%	Others 1%
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Disbursements – Composition



Highest Ever Half Yearly Disbursements



27% growth in Total Disbursements YoY

(₹ in crore)

Discipline-wise	Q2		H1		12 M
	FY 26	FY 25	FY 26	FY 25	FY 25
Conventional Generation	8,616	6,493	11,934	11,161	27,478
Renewable Energy	5,809	5,946	13,042	11,297	26,186
Transmission	1,437	2,474	2,658	3,917	6,064
Distribution	35,788	25,303	79,776	46,017	1,01,777
Infra & Logistics	2,828	5,553	4,376	13,535	18,621
Others	1,484	1,534	3,684	5,028	11,059
Total Disbursements	55,962	47,303	1,15,470	90,955	1,91,185

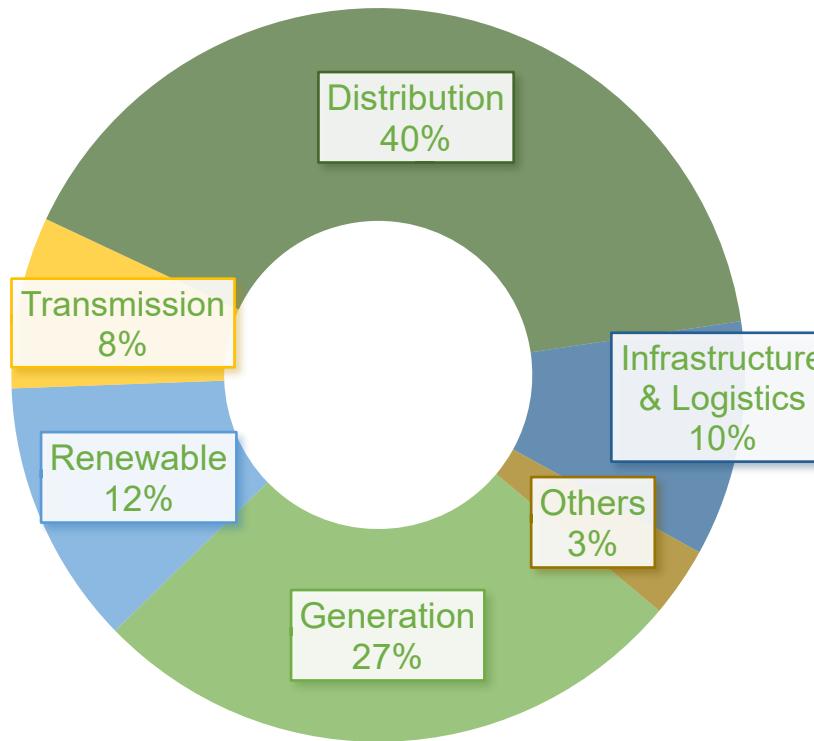
Percentages for H1 FY 26

Distribution 69%	Conventional Generation 11%	Renewable 11%	I&L 4%	Others 3%	Trans- mission 2%
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Outstanding Loan Assets



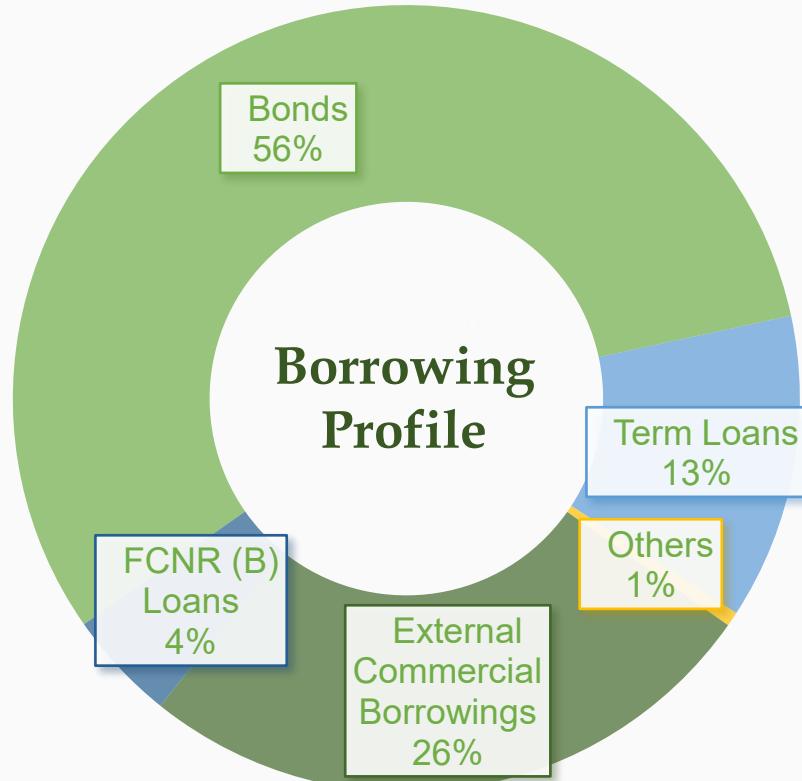
Loan Book has grown at robust rate of ~7% YoY



(₹ in crore)

Discipline-wise	As on					
	September 30, 2025		September 30, 2024		March 31, 2025	
	Amount	%	Amount	%	Amount	%
State	4,99,918	86	4,80,818	88	4,94,578	87
Private	82,249	14	65,299	12	72,305	13
Total	5,82,167	100	5,46,117	100	5,66,883	100
Conventional Generation	1,54,948	27	1,50,937	28	1,55,071	28
Renewable Energy	68,033	12	47,820	9	57,994	10
Transmission	44,083	8	48,592	9	46,743	8
Distribution	2,36,768	40	2,19,990	40	2,20,626	39
Infra & Logistics	60,382	10	65,812	12	69,401	12
Others	17,953	3	12,966	2	17,048	3
Total	5,82,167	100	5,46,117	100	5,66,883	100

Outstanding Borrowings



- More than 99% of the total foreign currency borrowings are hedged.

Particulars	September 30, 2025	September 30, 2024	March 31, 2025
(A) Domestic Borrowings			
Bonds	2,85,671	2,55,532	2,65,670
Term Loans	63,796	71,508	56,550
Others	3,000	-	-
Sub Total (A)	3,52,467	3,27,040	3,22,220
(B) Foreign Currency Borrowings			
External Commercial Borrowings	1,31,985	1,13,976	1,22,857
FCNR (B) Loans	23,015	34,816	43,182
Sub Total (B)	1,55,000	1,48,792	1,66,039
Grand Total (A+B)	5,07,467	4,75,832	4,88,259

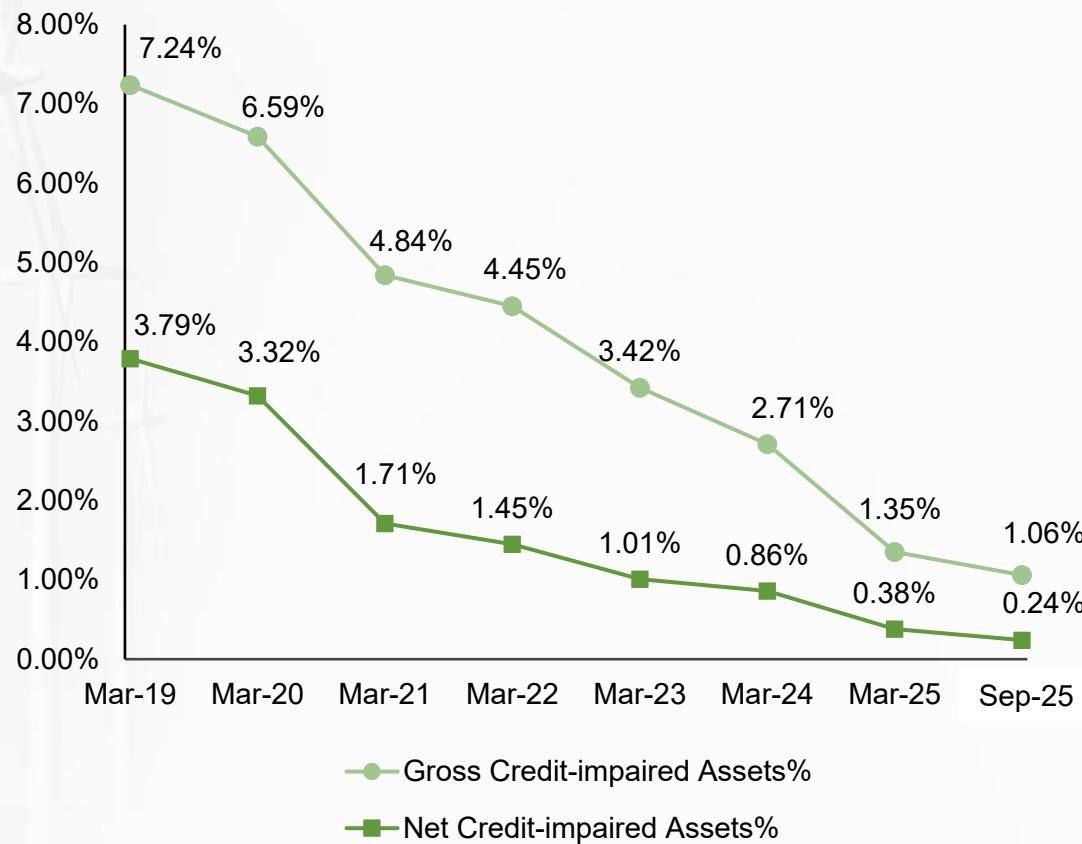
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ASSET QUALITY

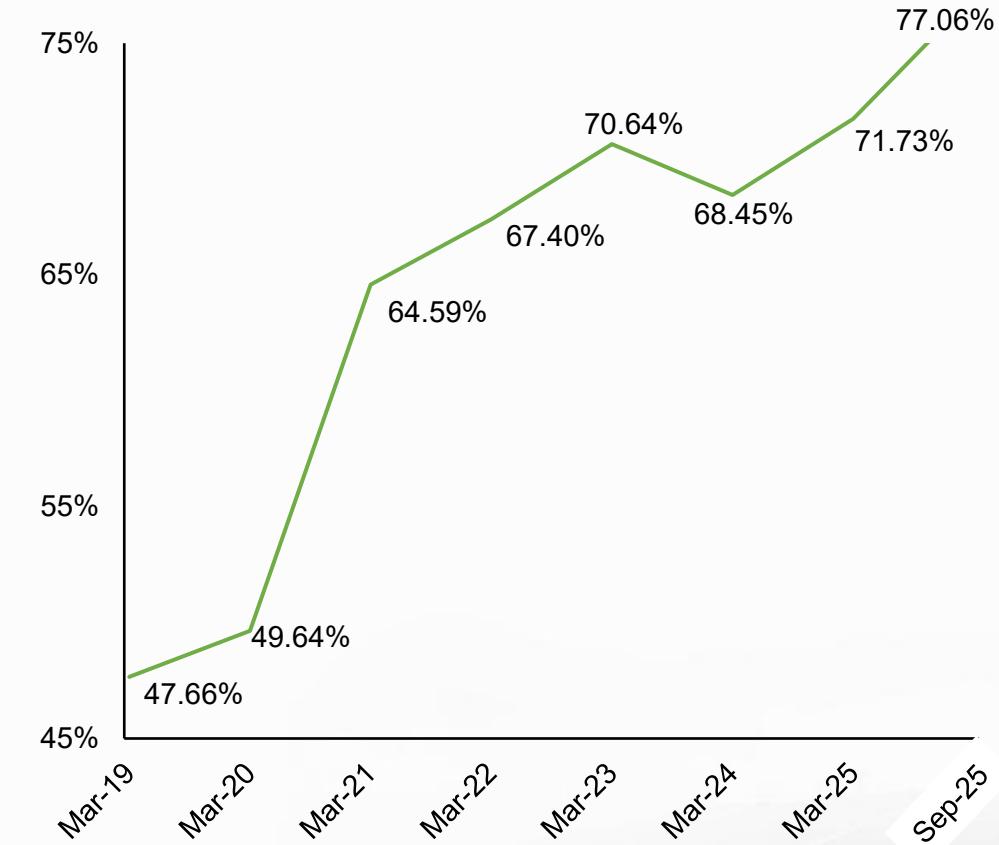


Asset Quality and provisioning coverage

Continuously Improving Asset Quality



Bettering Provision Coverage Ratio



Loan Portfolio and ECL provisioning

(₹ in crore)

Outstanding Loan Assets	Stage I	Stage II	Stage III	Total
State Sector	4,89,426	10,492*	-	4,99,918
Private Sector	70,483	5,620	6,146	82,249
Total Outstanding	5,59,909	16,112	6,146	5,82,167
% of Total Loan Assets	96.18%	2.77%	1.06%	100%
Provisioning	4,807	338	4,736	9,881
Provisioning (%)	0.86%	2.10%	77.06%	1.70%
Net Assets	5,55,102	15,774	1,410	5,72,286

In addition to the above provisioning, 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)(c) of the Income Tax Act, 1961 amounting to ₹15,747 crore and ₹910 crore respectively.

** During Q2 FY26, an amount of ₹11,413 crore has been recovered from Kaleshwaram Irrigation Project Corporation Limited (Stage-II Asset)*

Credit Impaired Assets – Resolution Status



One stressed asset having outstanding loan of ₹1,504 crore has been resolved during H1 FY26

Resolution status of Credit Impaired Assets

Under NCLT

₹6,134 crore worth projects in NCLT
10 projects
77.18% provision

Outside NCLT

₹12 crore worth projects outside NCLT
1 project
20% provision

05

SHAREHOLDERS OUTLOOK



Dividend History



Consistently
High Dividend
paying
company



Interim
dividend for
Q2 FY26 of
₹4.60 (46%)
per share



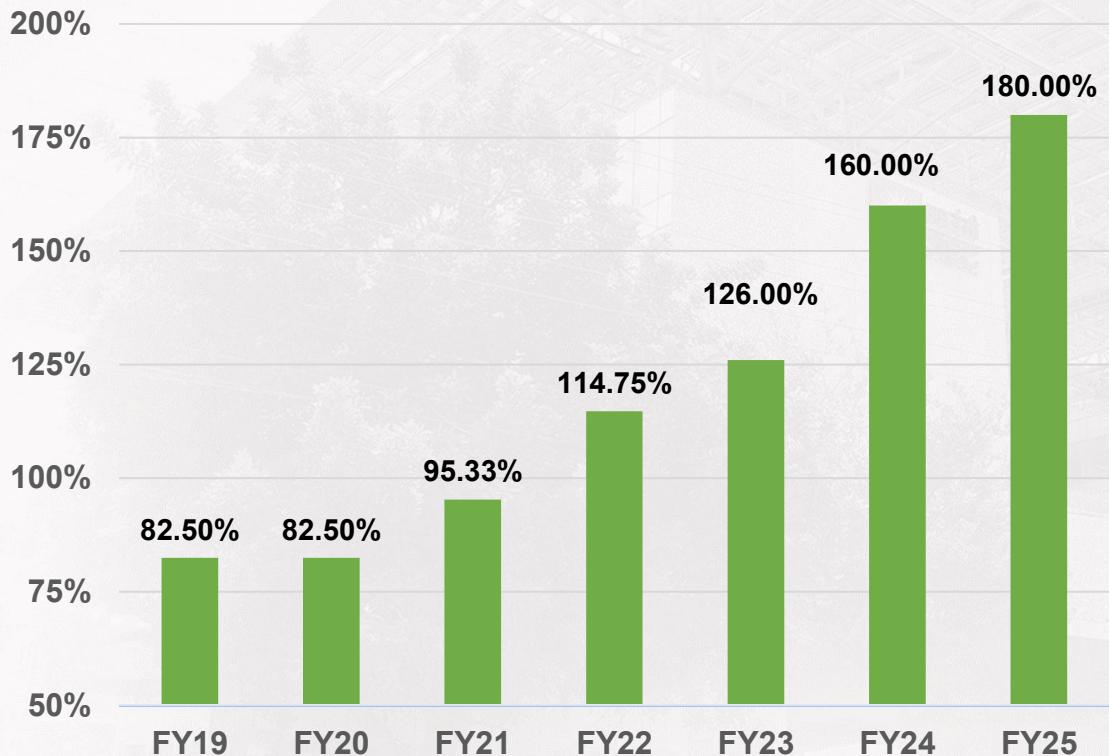
Earnings per
Share (EPS) -
₹33.71



Book Value per
Share (BVPS) -
₹314.21

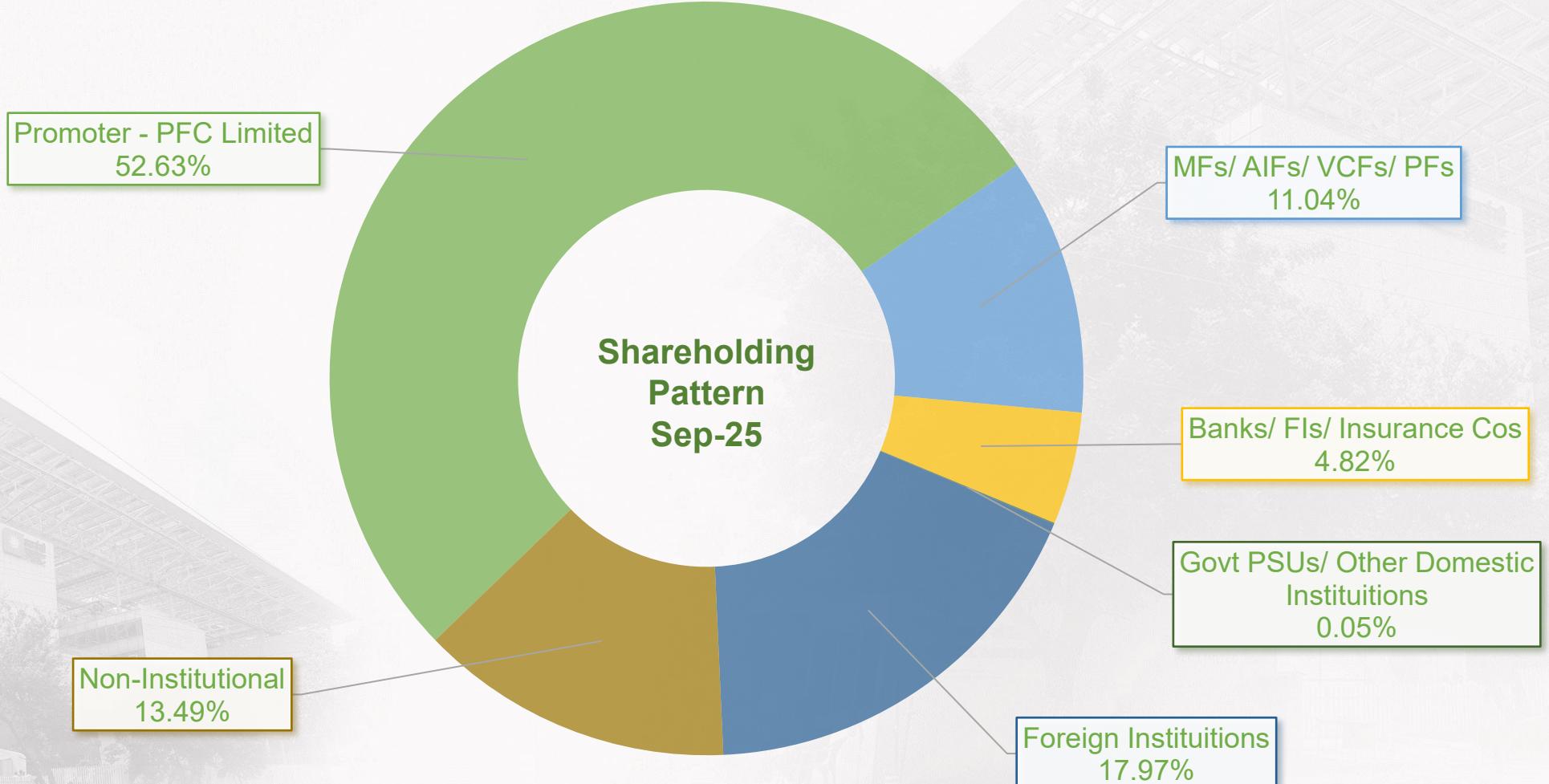
- Total dividend of ₹9.20 per share for H1 FY 26

Dividend Payout History



- 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

Shareholding Pattern



06

ESG AT REC



ESG at REC Limited

REC ESG Policy

Formalized ESG implementation by adopting board approved ESG policy.



ESG Gap Assessment

New ESG related policies introduced, More human rights, Ethics, Health & Safety trainings organized

2023 JUNE

2024 FEB

ESG Targets
Assigned company wide ESG targets for quarterly compliance.



ESG Report

Published 1st ever ESG report referenced to GRI format. Submitted CDP & S&P CSA response

2024 APR

Baselining of GHG Emissions
Assessment of GHG emissions of all REC offices



2024 AUG



Stakeholders ESG Assessment

ESG Assessment of Private Borrowers and Suppliers started.

2025 JAN



ESG Report

Published 2nd ESG report referenced to GRI format. Submitted CDP response

2025 AUG

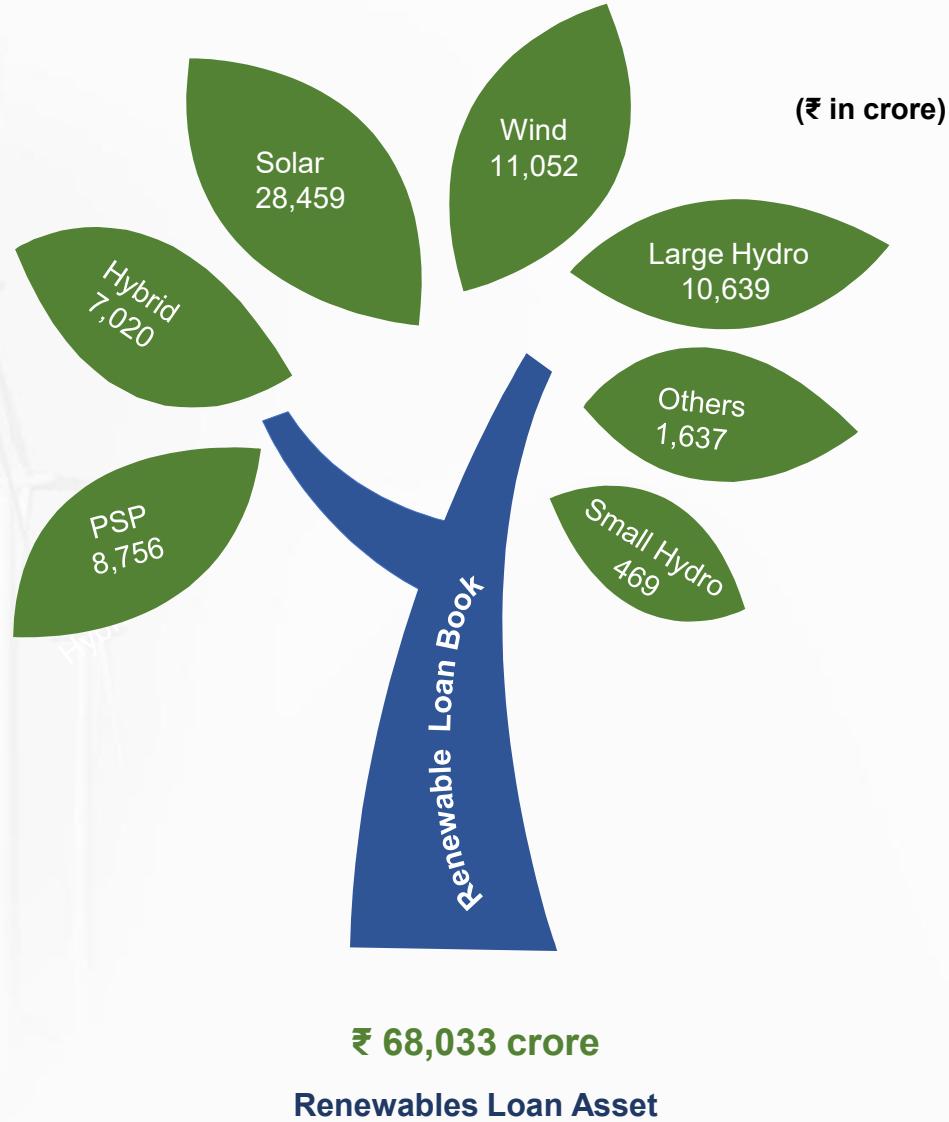
Green Power for operations
100% green power by DHBVN for REC Corporate Office
93% EV/Hybrid office fleet conversion achieved



REC's ESG Rating

S. No.	Rating Agency	ESG Score of REC	ESG Score Grading
1	Morningstar Sustainalytics ESG Risk Rating	15.7 (Low Risk)	Negligible Risk: 0-10 Low Risk: 10-20 Medium: 20-30 High Risk: 30-40 Severe Risk: 40+
2	CRISIL	64 (Strong)	Weak (0-40) Below average (41-50) Adequate (51-60) Strong (61-70) Leadership (71-100)
3	NSE Sustainability Ratings	77	0 -100 100 being maximum, 0 being minimum
4	SES ESG	79.3 (Medium Risk)	0-60 High Risk 60-80 Medium Risk 80-100 Low Risk
5	S&P Global ESG Score	37 (Above Industry Average)	Below the industry average Above Industry Average
6	MSCI ESG Ratings	BB	Laggard: CCC, B Average: BB, BBB, A Leader: AA, AAA
7	CDP	C	D/D-, C/C-, B/B, A

REC's Contribution for Clean Energy Projects



**Renewable Loan Book
Grows >3x in 5 Years**



Highlights of ESG Performance



Environmental

6.1 mn ton CO2	Avoided Emissions of RE Projects funded for FY25 (PCAF Method)
52 GW	Total RE Capacity Sanctioned by REC
82,275 Cr.	RE Projects supported by REC
49%	RE Loan Book Growth
Zero Discharge	REC Corporate office has STP that treats 100% waste water
76%	Conversion of Conventional office fleet to EV
34.7%	In house Roof top solar contribution in office electricity consumption
Onboarded vendor	Waste Management



Social

Zero	Complaints on Human Rights & POSH
289 Cr.	Community Expenditure
Zero	Lost Time Injury Frequency Rate (LTIFR)
Zero	Instances of Data Breaches
6.08%	Employee Turnover Ratio
14.5%	Women Employee Ratio
Zero	Gender Pay Gap at Grade Level
44	Graduate Apprentice supported (Nos)



Governance

15	Total Board Meetings
100%	Training on NGRBC and ESG to BoD & KMP
18935	Training man days to employees and stakeholders by RECIPMT
437	Training man days on ethics, code of conduct
12.5%	Women ratio in the Board
15.7 (Low risk)	ESG Risk rating by Sustainalytics
64 (Strong)	ESG Score by CRISIL
79.3 (↑ B+)	ESG Score by SES

Investor Resources

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Annual Report:
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Financial Results:
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ESG Report:
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Recent reports relevant to power sector :
<https://powermin.gov.in/en/content/annual-reports-year-wise-ministry>

Contact Information

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thank you



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