KEY INFORMATION DOCUMENT

SERIES 235

REC LIMITED
(Formerly Rural Electrification Corporation Limited)
(A Maharatna Enterprise of the Government of India)

Corporate Identification Number: L40101DL1969GOI005095. **Permanent Account Number**: AAACR4512R
Date and Place of Incorporation: New Delhi. July 25, 1969
Registered Office: Core - 4, SCOPE Complex, 7 Lodi Road, New Delhi, 110003.
Corporate Office: REC Limited, Sector 29, Gurugram, Haryana, 122009
Telephone: (+91 11) 4309 1527. **E-mail**: investorcell@recl.in. **Website**: www.recindia.nic.in
Compliance Officer to the Issue: Mr. Pankaj Verma HOD (Finance); **Telephone**: (+91-12) 4444 1300; **E-mail**: pverma@recl.in
Company Secretary: Mr. J.S. Amitabh, Company Secretary; **Telephone**: (+91 11) 2436 7305; **E-mail:** jsamitabh@recl.in
Director (Finance) / Chief Financial Officer: Mr. Vivek Kumar Dewangan**; Telephone**: (+91-11) 43091504, 24361914**;** E-mail**:** cmd@recl.in
RBI Certificate of Registration Number: 14.000011

KEY INFORMATION DOCUMENT FOR PRIVATE PLACEMENT OF UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS OF RS. 700 CRORE FOR CASH AT PAR ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION BY WAY OF GREEN SHOE OPTION OF RS. 3300 CRORE, AGGREGATING TO RS. 4000 CRORE ("SERIES 235 TRANCHE ISSUE" OR "TRANCHE ISSUE"). THE ISSUER CONFIRMS THAT THE GREEN SHOE OPTION UNDER THE SERIES 235 TRANCHE ISSUE DOES NOT EXCEED FIVE TIMES THE BASE ISSUE SIZE. BONDS ISSUED UNDER THE SERIES 235 TRANCHE ISSUE MATURE IN 10 YEARS, 1 MONTH AND 17 DAYS.

THE KEY INFORMATION DOCUMENT SHOULD BE READ TOGETHER WITH THE GENERAL INFORMATION DOCUMENT. THE GENERAL INFORMATION DOCUMENT SHALL BE SUBJECT TO THE TERMS AND CONDITIONS PERTAINING TO THE BONDS OUTLINED HEREUNDER AS MODIFIED / SUPPLEMENTED BY THE TERMS OF THE KEY INFORMATION DOCUMENT IN RELATION TO THE TRANCHE ISSUE AND OTHER DOCUMENTS IN RELATION TO SUCH ISSUANCE INCLUDING THE PRIVATE PLACEMENT OFFER LETTER(S). THE TERMS AND CONDITIONS CONTAINED IN THE GENERAL INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE PROVISIONS CONTAINED IN THE KEY INFORMATION DOCUMENT, AND IN CASE OF ANY REPUGNANCY, INCONSISTENCY OR WHERE THERE IS A CONFLICT BETWEEN THE TERMS AND CONDITIONS AS ARE STIPULATED IN THE KEY INFORMATION DOCUMENT ON ONE HAND, AND THE TERMS AND CONDITIONS IN THE GENERAL INFORMATION DOCUMENT ON THE OTHER, THE PROVISIONS CONTAINED IN THE KEY INFORMATION DOCUMENT SHALL PREVAIL OVER AND OVERRIDE THE PROVISIONS OF THE GENERAL INFORMATION DOCUMENT FOR ALL INTENTS AND PURPOSES.

THE KEY INFORMATION DOCUMENT IS THE FOURTH TRANCHE UNDER THE GENERAL INFORMATION DOCUMENT DATED MARCH 20, 2024. THE GENERAL INFORMATION DOCUMENT IS VALID FOR A PERIOD OF 1 (ONE) YEAR FROM THE ISSUE OPENING DATE OF THE FIRST TRANCHE ISSUE OF BONDS.

KEY INFORMATION DOCUMENT NUMBER REC/04 - DATED JUNE 13, 2024

The Tranche Issue is being made in conformity with the Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, ("**NCS Regulations**"), Form PAS-4 prescribed under Section 42 and Rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debenture) Rules, 2014, as amended, RBI's Master Direction – (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, Circular Number: RBI/DoR/2023-24/105, Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended, and is a 'key information document' for the purposes of the NCS Regulations. The issuance under the Key Information Document would be under the electronic book mechanism for issuance of debt securities on private placement basis in accordance with Chapter VI of the SEBI circular on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", dated May 22, 2024, as amended, modified, supplemented or restated from time to time ("**SEBI Master Circular")** read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20221228-1 dated December 28, 2022 ("**BSE EBP Guidelines**") or read with the "Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis" issued by the NSE vide their circular number 16/2022 dated December 28, 2022 ("**NSE EBP Guidelines**"), as applicable. Chapter VI of the SEBI Master Circular and the BSE EBP Guidelines / NSE EBP Guidelines shall hereinafter be collectively referred to as the "**EBP Operational Guidelines**". The Issuer intends to use the NSE's bid bond platform the Tranche Issue. There will not been any underwriting in the Tranche Issue.
The Tranche Issue of Bonds does not form part of 'non-equity regulatory capital' as set out under Chapter V of the NCS Regulations.

PROMOTERS

The Promoters are the President of India, acting through the Ministry of Power, Government of India and the Power Finance Corporation Limited (telephone number (+91 11) 2345 6000 and email address: pfcbonds@pfcindia.com).

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Eligible Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Eligible Investors must rely on their examination of the Tranche Issue including the risks involved in it. Specific attention of Investors is invited to statement of risk factors contained under Section X "*Risk Factors*" (page 41 onwards) of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or the Eligible Investor's decision to purchase such securities.

ELECTRONIC BOOK PROVIDER PLATFORM

THE ISSUER HAD USED THE NSE's BID BOND PLATFORM FOR THE TRANCHE ISSUE. THE KEY INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS. THE KEY INFORMATION DOCUMENT WAS UPLOADED ON THE NSE's ELECTRONIC BOOK PROVIDER PLATFORM. AN OFFER UNDER SECTION 42 OF THE COMPANIES ACT 2013, WAS MADE TO SUCCESSFUL IDENTIFIED INVESTORS ACCEPTABLE TO THE ISSUER WHICH WERE ISSUED A SERIALLY NUMBERED AND SPECIFICALLY ADDRESSED PRIVATE PLACEMENT OFFER LETTER AND ACCOMPANYING APPLICATION FORM AFTER COMPLETION OF THE ELECTRONIC BIDDING.

LISTING

The Bonds are proposed to be listed on debt market segment of the National Stock Exchange of India Limited and BSE Limited. The BSE and NSE have granted their respective in-principle approvals to the General Information Document by letters dated March 20, 2024, and March 20, 2024 respectively.

COUPON RATE	COUPON PAYMENT FREQUENCY	COUPON TYPE	REDEMPTION DATE	REDEMPTION AMOUNT
7.35%	Semi-Annual	Fixed	31 July 2034	Rs. 1 (One) Lakh per Bond

ELIGIBLE INVESTORS

For details relating to Eligible Investors, see Section XVI "Summary Term Sheet" of this Key Information Document.

CREDIT RATING AGENCIES

INDIA RATINGS & RESEARCH PRIVATE LIMITED	CRISIL LIMITED
Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai – 400051 Contact person: Mrs. Arunima Basu Email Address: infoGrp@indiaratings.co.in Telephone: (+91 22) 4035 6190 Website: www.indiaratings.co.in	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076 Contact person: Mr. Krishnan Sitaraman Email Address: crisilratingdesk@crisil.com Telephone: (+ 91 22) 3342 3000 Website: www.crisil.com

CREDIT RATINGS

The Bonds proposed to be issued under the Issue have been rated 'IND AAA/Stable' by IRRPL vide its letter dated May 23, 2024 and 'CRISIL AAA/Stable' by CRISIL vide its revalidated letter dated May 21, 2024. The ratings provided by IRRPL and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold the Bonds and investors should take their own decisions. For further details, please refer to Annexure II for the rating letters, press releases, and the rationales for the ratings. The following press releases are not older than one year from the date of this Key Information Document.

Link to IRRPL press release: https://www.indiaratings.co.in/pressrelease/69298
Link to CRISIL press release: https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/RECLimited_March%2029_%202024_RR_340680.html

REGISTRAR TO THE ISSUE	BOND TRUSTEE
ALANKIT ASSIGNMENTS LIMITED	**BEACON TRUSTEESHIP LIMITED**
205-208, Anarkali Complex, Jhandewalan Extension, New Delhi- 110055 Telephone: (+91 11) 4254 1234, Mobile: 7290071335 Fax: (+91 11) 2355 2001 Email: recbond@alankitassignments.com Website: www.alankit.com Contact Person: Mr. Akshay Tanwar, Assistant Manager, RTA SEBI Registration Number: INR000002532	5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra East, Mumbai- 400051. Telephone: 022 46060278 Fax: NA Email: compliance@beacontrustee.co.in Website: http://beacontrustee.co.in/ Contact Person: Mr. Kaustubh Kulkarni, Director SEBI Registration Number: IND000000569

STATUTORY AUDITORS

M/s S C V & Co. LLP.	M/s Kailash Chand Jain & Co.
B-41, Panchsheel Enclave, New Delhi – 110017. Telephone: +91 9873073964 Email: abhinav.khosla@scvindia.com Contact Person: Mr. Abhinav Khosla, Partner Website Link: https://www.scvindia.com/ ICAI Firm Registration: 000235N/N50089	819, Laxmi Deep Building, Laxmi Nagar District Center, Laxmi Nagar, New Delhi - 110092. Telephone: +91 9930048282 Email: saurabh@kcjainco.com Contact Person: Mr. Saurabh Chouhan, Partner Website Link: N/A ICAI Firm Registration: 112318W

TRANCHE ISSUE PROGRAMME

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY IN DATE	DEEMED DATE OF ALLOTMENT
June 13, 2024	June 13, 2024	June 14, 2024	June 14, 2024

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SECTION I
DEFINITIONS AND ABBREVIATIONS

For the purpose of this Key Information Document, in addition to the terms defined in the cover page above and elsewhere in this Key Information Document, the following terms shall have the following meanings assigned to them herein below unless repugnant to the meaning, subject or context thereof. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications.

Articles/Articles of Association/AoA	Articles of association of the Issuer as amended.
Allotment/Allot	The issue and allotment of the Bonds under a Series to the successful Applicants pursuant to this Key Information Document.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds under a Series and which will be considered as the application for Allotment of Bonds under a Series under this Key Information Document.
Applicant / Eligible Investor	An eligible investor as defined in Section XVI "*Summary Term-Sheet*" of this Key Information Document, who bids under this Tranche Issue for Bonds under a Series pursuant to the terms of the General Information Document, the Key Information Document, each serially numbered and specifically addressed Private Placement Offer Letter and the Application Form.
Arrangers	Arrangers are the entities as listed in this Key Information Document.
Board/Board of Directors	The board of directors of the Issuer or Committee thereof.
Bonds	Unsecured, listed, rated, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures of face value of Rs. 1 (One) Lakh each offered under the Series 235 Bonds, through private placement route under the terms of the General Information Document, the Key Information Document, each serially numbered and specifically addressed Private Placement Offer Letter and the Application Form. The Tranche Issue of Bonds does not form part of 'non-equity regulatory capital' as set out under Chapter V of the NCS Regulations.
Bond Trustee	Trustee for the Bonds under a Series, being BEACON Trusteeship Limited.
Bondholder(s)	The Eligible Investors for a Series, who have been issued and allotted the Bonds under a Series in accordance with the terms and conditions of this Key Information Document for such Series, and on transfer of the Bonds under a Series, shall include the Persons whose names are entered/shall be entered in the Register of Bondholders of the Issuer and shall include Beneficial Owners for a Series.
Beneficial Owner(s)	The persons who are for the time being the beneficiaries of the Bonds under a Series pursuant to the list of the Beneficial Owner(s) for a Series maintained by the Depositories, namely National Securities Depository Ltd. And Central Depository Services (India) Ltd., in dematerialized form and being furnished to the Issuer as at the Record Date for a Series.
BSE	BSE Limited.
BSE Bond-EBP Platform	EBP platform of BSE for issuance of debt securities on private placement basis.
BSE EBP Guidelines	"Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20221228-1 dated December 28, 2022, as amended.
Business Day	Business day is the day when commercial banks are open for business in Mumbai.
CAG	Comptroller and Auditor General of India.
CAR	Capital Adequacy Ratio.
CARE	Credit Analysis & Research Limited.
CDSL	Central Depository Services (India) Limited.
CMD	Chairman and Managing Director of the Issuer.
Committee	A committee of the Board of Directors.
Companies Act /Act	The Companies Act, 2013, as amended.
Coupon	The coupon as mentioned in Section XVI "*Summary Term-Sheet*" of this Key Information Document for such Series.
Coupon Payment Date	The date as mentioned in Section XVI "*Summary Term-Sheet*" of this Key Information Document for such Series.

CRISIL	CRISIL Limited.
Crore	An amount of Rs. 1,00,00,000.
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
Deemed Date of Allotment	The cut-off date on which the duly authorized committee approves the Allotment for a Series, i.e. the date from which all benefits under the Bonds under a Series including Coupon on the Bonds under a Series shall be available to the Bondholder(s) for a Series. The actual allotment of Bonds under a Series (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant / DP	A depository participant as defined under Depositories Act, 1996.
Designated Bank Account	Shall have the meaning as set out in Section XVII "*Issue Procedure*".
Designated Stock Exchange	BSE Limited.
DISCOM	Distribution company.
Director	A member of the Board of Directors.
EBP	Electronic Bidding Platform.
EBP Operational Guidelines	Collectively, Chapter VI of the SEBI Master Circular and the BSE EBP Guidelines / NSE EBP Guidelines.
EESL	Energy Efficiency Services Limited.
Equity Shares	Equity shares of the Issuer of face value of Rs. 10 (ten) each.
Exchanges	BSE and NSE.
FPI	Foreign portfolio investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended, and registered with SEBI.
Financial Year/ FY/ Fiscal	Period of 12 (twelve) months period ending on March 31, of that particular year.
General Information Document	The General Information Document dated March 20, 2024 for private placement of the Bonds and Commercial Papers, as the same may be amended and supplemented from time to time.
GOI / Government / Government of India	Government of India/Central Government.
HUDCO	Housing and Urban Development Corporation Limited.
ICRA	ICRA Limited.
Indian GAAP	Accounting Standards in accordance with the Companies (Accounting standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.
IND-AS	Indian accounting standards (IND-AS) in accordance with Companies (Indian Accounting Standards) Rules, 2015, as amended notified under section 133 of the Act and other relevant provisions of the Act.
Independent Director	An independent director referred to in sub-section (4) of Section 149 of the Companies Act.
IEX	Indian Energy Exchange Limited.
IRRPL	India Ratings & Research Private Limited.
Issuer / REC / Company	REC Limited (formerly known as Rural Electrification Corporation Limited), a company incorporated under the Companies Act, 1956 and having its registered office at 'Core-4, SCOPE Complex, 7 Lodi Road, New Delhi 110003', and corporate office at 'REC Limited, Sector 29, Gurugram, Haryana, 122009' and bearing CIN L40101DL1969GOI005095.
ISIN	International Securities Identification Number.
I.T. Act	The Income-tax Act, 1961, as amended.
JPY	Japanese Yen.
Key Information Document	This document dated June 13, 2024, supplementing the General Information Document, whereby subscription to the Bonds are invited by the Issuer on a private placement basis.

Key Managerial Personnel	Key managerial personnel, in relation to the Issuer, shall mean: i. Managing Director or chief executive officer or the manager; ii. Company secretary; iii. Whole-time director; iv. Chief financial officer; and v. any such other officer as may be prescribed under the Companies Act.
Lakh	An amount of Rs.1,00,000.
Listing Agreement	Listing agreement as defined under the SEBI LODR.
Memorandum/Memorandum of Association	Memorandum of Association of the Issuer as originally framed or as altered from time to time in pursuance of the Companies Act.
Million	An amount of Rs.1,000,000.
MoP	Ministry of Power.
NBFC	A non-banking financial company registered with the RBI.
NBFC-IFC	Infrastructure finance company as a category of non-banking financial company registered with the RBI.
NBFC Directions	RBI Master Direction – (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, Circular Number: RBI/DoR/2023-24/105, Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended.
NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.
NEF	National Electricity Fund.
NHPC	NHPC Limited.
NPA	Non-performing asset.
NSE	National Stock Exchange of India Ltd.
NSE Bond Platform	EBP platform of NSE for issuance of debt securities on private placement basis.
NSE EBP Guidelines	"Electronic Bidding Platform for Issuance of Debt Securities on Private Placement Basis" issued by the NSE vide their circular number 16/2022 dated December 28, 2022, as amended.
NSDL	National Securities Depository Ltd.
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.
Pay-in Time	Shall have the meaning as set out in Section XVII "*Issue Procedure*".
PFC	Power Finance Corporation Limited.
PMA	As defined in in Section VII "*Brief Summary of Business / Activities of Issuer and its Subsidiaries*".
PMDP	The Prime Minister Development Package for Jammu and Kashmir 2015.
Private Placement	Offer of Bonds under a Series or invitation to subscribe to the Bonds under a Series of the Issuer (other than by way of public offer) through issue of this Key Information Document to Investors on such conditions including the form and manner of private placement as prescribed under the Companies Act, and the NBFC Directions.
Private Placement Offer Letter	The serially numbered and specifically addressed private placement offer letter dated June 13, 2024, for the relevant Series of Bonds.
Promoter	A promoter as referred to to in sub-section (69) of Section 2 of the Companies Act.
Quarter End	Means the last day of each financial quarter of each Financial Year.
Rs.	Indian National Rupee.
RBI	Reserve Bank of India.
RBI Act, 1934	Reserve Bank of India Act, 1934, as amended.
RBI Guidelines	Any rule, regulations, guideline or amendment as may be issued by RBI from time to time.
RDSS	As defined in in Section VII "*Brief Summary of Business / Activities of Issuer and its Subsidiaries*".
Register of Debentureholders	The register maintained containing the name of Bondholder(s) for a Series entitled to receive coupon/redemption amount in respect of the Bonds under a Series on the Record Date and whose name appears in the list of Bondholder(s) for a Series appearing in the record of Beneficial Owners for a Series maintained by the Depository as the Bonds under a Series are issued in dematerialised form only; and, if any Bonds under a Series are subsequently rematerialized, the register maintained by the Issuer of the names of Bondholder(s) for a Series entitled to receive coupon or redemption amounts on the Record Date for such Series, maintained at the registered office of the Issuer under the

	Companies Act.
RECPDCL	REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited).
RECTPCL	REC Transmission Projects Company Limited.
Record Date	Record date of Coupon shall be 15 (fifteen) days prior to each Coupon Payment Date and 15 (fifteen) days prior to the Redemption Date. Coupon shall be paid to the person whose name appears as sole/first Beneficial Owner(s) in the records of the Depositories on Record Date or to the Bondholder(s) who have converted the Bonds to physical form and their name is registered on the registers maintained by the Issuer or Registrar. In the event of the Issuer not receiving any notice of transfer at least 15 (fifteen) days prior to each Coupon Payment Date and at least 15 (fifteen) days prior to the Redemption Date, the transferees for the Bond shall not have any claim against the Issuer in respect of Coupon so paid to the registered Bondholder(s).
Redemption Amount	The amount as mentioned in Section XVI "*Summary Term-Sheet*" of this Key Information Document for such Series.
Redemption Date	The date as mentioned in Section XVI "*Summary Term-Sheet*" of this Key Information Document for such Series.
Registrar	Alankit Assignments Limited.
ROC	Registrar of Companies, National Capital Territory of Delhi and Haryana.
RTGS	Real Time Gross Settlement.
SAUBHAGYA Scheme	Pradhan Mantri Sahaj Bijli Har Ghar Yojana – 'Saubhagya' a scheme launched by the Hon'ble Prime Minister of India on September 25, 2017.
SEB	State Electricity Board(s).
SEBI	Securities and Exchange Board of India established under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI Debenture Trustee Master Circular	The SEBI's "Master Circular for Debenture Trustees", dated May 16, 2024, as amended.
SEBI Guidelines	Any rule, regulation or amendment as may be issued by SEBI from time to time.
SEBI LODR	SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.
SEBI Master Circular	The SEBI's "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", dated May 22, 2024, as amended.
Series	Shall mean the Series 235 Bonds.
Series 235 Bonds	Unsecured, listed, rated, redeemable, non-convertible, non-cumulative, taxable bonds in the nature of debentures of face value of Rs. 1 (One) Lakh each, issued under the Series 235 Tranche Issue, in accordance with the General Information Document, the Key Information Document, each serially numbered and specifically addressed Private Placement Offer Letter and the Application Form.
Tranche Issue or Tranche Offer or Series 235 Tranche Issue	Private placement of Bonds for Rs. 700 Crore for cash at par with an option to retain oversubscription by way of green shoe option of Rs. 3300 Crore, aggregating to Rs. 4000 Crore. The "Issue Size" shall mean the Series 235 Tranche Issue.

SECTION II
ISSUER UNDERTAKINGS

Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this Tranche Issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the Tranche Issue including the risks involved. The relevant Series of Bonds have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of the General Information Document or this Key Information Document. Specific attention of Eligible Investors is invited to Section X "*Risk Factors*" (page 41 onwards) of this Key Information Document for details in respect of risks relating to the issue of the relevant Series of Bonds.

ISSUER'S ABSOLUTE RESPONSIBILITY
THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THE GENERAL INFORMATION DOCUMENT READ WITH THIS KEY INFORMATION DOCUMENT CONTAINS / WILL CONTAIN ALL INFORMATION WITH REGARD TO THE ISSUER AND THE TRANCHE ISSUE WHICH IS MATERIAL IN THE CONTEXT OF THE TRANCHE ISSUE, THAT THE INFORMATION CONTAINED IN THIS KEY INFORMATION DOCUMENT IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS KEY INFORMATION DOCUMENT AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING.

The Issuer has no side letter with any Bondholder(s) for a Series. Any covenants later added shall be disclosed on the stock exchange websites where the Bonds under a Series are listed.

THE ISSUER DECLARES THAT NOTHING IN THIS KEY INFORMATION DOCUMENT IS CONTRARY TO THE PROVISIONS OF THE COMPANIES ACT, THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER, EACH AS AMENDED FROM TIME TO TIME.

The Issue is being made in conformity with the Companies Act, NCS Regulations, Form PAS-4 prescribed under Section 42 and Rule 14 (1) of the PAS Rules, the Companies (Share Capital and Debenture) Rules, 2014, as amended, the NBFC Directions, and is a 'key information document' for the purposes of the NCS Regulations.

The issuance under the Key Information Document would be under the electronic book mechanism for issuance of debt securities on private placement basis in accordance with Chapter VI of the SEBI Master Circular read with the BSE EBP Guidelines or read with the NSE EBP Guidelines, as applicable.

The Issuer has updated this Key Information Document for (i) the issue specific details of the relevant Series of Bonds, and (ii) all disclosures as required under applicable law.

SECTION III
DISCLAIMERS

DISCLAIMER OF THE ISSUER

This Key Information Document is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with Companies Act, and Rule 14 of the PAS Rules, SEBI Guidelines including NCS Regulations and RBI Guidelines. This Key Information Document does not and shall not be deemed to constitute an offer or an invitation to the public generally to subscribe for or otherwise acquire the Bonds under a Series to be issued by the Issuer. The issuance of the Bonds under a Series is being made on private placement basis. Section 26 of the Companies Act is not applicable to the issuance of the Bonds under a Series, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act under this Key Information Document and accordingly, a copy of this Key Information Document has not been filed with the relevant Registrar of Companies.

This Key Information Document is for the exclusive use of the Eligible Investors and it should not be circulated or distributed to third party(s). The issue of Bonds under a Series will be made strictly on private placement basis.

This Key Information Document shall be subject to the terms and conditions pertaining to the Bonds under a Series outlined hereunder and filed with the Stock Exchange in relation to the Tranche Issue and other documents in relation to such issuance. The terms and conditions contained in the General Information Document shall be read in conjunction with the provisions contained in the Key Information Document, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the Key Information Document on one hand, and the terms and conditions in the General Information Document on the other, the provisions contained in the Key Information Document shall prevail over and override the provisions of the General Information Document for all intents and purposes.

THE KEY INFORMATION DOCUMENT DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY SUCH PARTY MAY REQUIRE AFTER THE DATE HEREOF. THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS KEY INFORMATION DOCUMENT OR ANY OTHER MATERIAL EXPRESSLY STATED TO BE ISSUED BY OR AT THE INSTANCE OF THE ISSUER IN CONNECTION WITH THE ISSUE OF THE BONDS UNDER A SERIES AND THE ELIGIBLE INVESTOR(S) PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OR ITS OWN RISK.

The Issuer does not undertake to update this Key Information Document to reflect subsequent events. The Issuer accepts no responsibility for statements made in any advertisement or another material and anyone placing reliance on any other source of information does so at his own risk and responsibility.

Prospective Eligible Investors must make their own independent evaluation and investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer before making any investment and should be able to bear the economic risk of investing in Bonds under a Series. It is the responsibility of prospective Eligible Investors to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for and purchase the Bonds under a Series.

Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds under a Series and should analyse such investment and the suitability of such investment to such Eligible Investor's particular circumstances.

The person who is in receipt of this Key Information Document shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Issuer.

Issuer reserves the right to withdraw the private placement of the issue of Bonds under a Series prior to the issue closing date of each Series of Bonds as set out in this Key Information Document, in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc. In such an event, the Issuer will refund the Application money in respect of the relevant Bonds under a Series, if any, along with interest payable on such Application money in respect of the Bonds under a Series, if any. The Investors confirm that they are aware of and understand the contents as set out under this section.

Unless specifically stated otherwise, all financial data in this Key Information Document is derived from the standalone financial statements of the Issuer.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THIS KEY INFORMATION DOCUMENT WITH THE SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THE THAT SAME HAS BEEN CLEARED OR APPROVED BY SEBI. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE TRANCHE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS KEY INFORMATION DOCUMENT. THE ISSUER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS KEY INFORMATION DOCUMENT IS GENERALLY ADEQUATE AND IN CONFORMITY WITH THE NCS REGULATIONS. THIS REQUIREMENT IS TO FACILITATE ELIGIBLE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED TRANCHE ISSUE.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Key Information Document has been submitted to the Exchanges for hosting the same on its website. It is to be distinctly understood that such submission of this Key Information Document with the Exchanges or hosting the same on their website should not in any way be deemed or construed that this Key Information Document has been cleared or approved by the Exchanges; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document; nor do they warrant that the Issuer's Bonds under a Series will be listed or continue to be listed on the Exchanges; nor do they take responsibility for the financial or other soundness of the Issuer, its Promoter, its management or any scheme or project of REC. Every person who desires to apply for or otherwise acquire any Bonds under a Series may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the relevant Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE RESERVE BANK OF INDIA

The Bonds under a Series have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Key Information Document. It is to be distinctly understood that this Key Information Document should not, in any way, be deemed or construed that the Bonds under a Series have been recommended for investment by the RBI. The RBI does not take any responsibility either for the financial soundness of the Issuer, or the Bonds under a Series being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Key Information Document. Potential Eligible Investors may make investment decision in respect of the Bonds under a Series offered in terms of this Key Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing or repayment of such investment.

DISCLAIMER OF THE CREDIT RATING AGENCIES

The credit rating agencies have based their respective ratings on information obtained from sources believed by them to be accurate and reliable. The credit rating agencies do not, however, guarantee the accuracy, adequacy or completeness of any information and are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the respective credit rating agencies have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

DISCLAIMER IN RESPECT OF JURISDICTION

The Bonds under a Series shall be governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi.

SECTION IV
GENERAL INFORMATION

4.1 ISSUER

Name of the Issuer	REC Limited (formerly known as Rural Electrification Corporation Ltd.)
Registered Office	Core-4, SCOPE Complex, 7, Lodi Road, New Delhi, 110003
Corporate Office	REC Limited, Sector 29, Gurugram, Haryana, 122009
Website	www.recindia.nic.in
E-mail	investorcell@recl.in
Telephone Number	(+91 11) 4309 1500
Fax Number	(+91 11) 2436 9849
CIN	L40101DL1969GOI005095
Date of Incorporation	July 25, 1969

4.2 ISSUE SCHEDULE

Particulars	Date
Issue Opening Date	June 13, 2024
Issue Closing Date	June 13, 2024
Pay-in Date	June 14, 2024
Deemed Date of Allotment	June 14, 2024

4.3 STOCK EXCHANGES

The Bonds under a Series are proposed to be listed on debt market segment of NSE and BSE. The BSE and NSE have granted their respective in-principle approvals to the General Information Document by letters dated March 20, 2024, and March 20, 2024 respectively. The designated stock exchange is the BSE. The recovery expense fund has been created on the BSE.

4.4 BOND TRUSTEE

Name	:	**BEACON TRUSTEESHIP LIMITED**
Address	:	5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra East, Mumbai- 400051.
Website	:	http://beacontrustee.co.in/
Email address	:	compliance@beacontrustee.co.in
Telephone Number	:	022 46060278
Contact Person	:	Mr. Kaustubh Kulkarni, Director

REC has appointed BEACON Trusteeship Limited to act as Bond Trustee for and on behalf of the Bondholder(s) for a Series. The Bond Trustee has given his consent to the Issuer for his appointment under the NCS Regulations and in all the subsequent periodical communications sent to the holders of debt securities. REC shall pay to the Bond Trustee in accordance with the engagement letter bearing reference number 49585/CL/MUM/23-24/BT/593 dated March 29, 2024 as may be amended from time to time. A copy of letter from BEACON Trusteeship Limited conveying their consent to act as Bond Trustee for the issue of Bonds under a Series is enclosed in **Annexure I** to this Key Information Document. A copy of the due-diligence letter is enclosed in **Annexure I** to this Key Information Document.

4.5 REGISTRAR FOR THE SERIES

Name	:	**ALANKIT ASSIGNMENTS LIMITED**
Address	:	205-208, Anarkali Complex, Jhandewalan Extension, New Delhi, 110055
Website	:	www.alankit.com
Email address	:	recbond@alankitassignments.com
Telephone Number	:	(+91 11) 4254 1234; 7290071335
Contact Person	:	Mr. Akshay Tanwar, Assistant Manager, RTA

4.6 LEGAL COUNSEL TO THE ISSUE

Name	:	**ZBA**
Address	:	412 Raheja Chambers, 213 Nariman Point, Mumbai 400 021
Website	:	https://zba.co.in/
Email address	:	mail@zba.co.in
Telephone Number	:	(+91 22) 6743 5013
Contact Person	:	Mrs. Niloufer Lam

4.7 CREDIT RATING AGENCIES

Name	:	**INDIA RATINGS & RESEARCH PRIVATE LIMITED**
Address	:	Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East, Mumbai – 400051
Website	:	www.indiaratings.co.in
Email address	:	infoGrp@indiaratings.co.in
Telephone Number	:	(+91 22) 4035 6190
Contact Person	:	Mrs. Arunima Basu, Compliance Officer

Name	:	**CRISIL RATINGS LIMITED**
Address	:	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai, 400 076
Website	:	www.crisil.com
Email address	:	crisilratingdesk@crisil.com
Telephone Number	:	(+91 22) 3342 3000
Contact Person	:	Mr. Krishnan Sitaraman

The Bonds proposed to be issued under the Issue have been rated 'IND AAA/Stable' by IRRPL vide its letter dated May 23, 2024 and 'CRISIL AAA/Stable' by CRISIL vide its revalidated letter dated May 21, 2024. The ratings provided by IRRPL and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating.

These ratings are not a recommendation to buy, sell or hold the Bonds and investors should take their own decisions. For further details, please refer to **Annexure II** for the rating letters, press releases, and the rationales for the ratings.

4.8 STATUTORY AUDITORS OF THE ISSUER

S. No	Name	Address	Auditors of the Issuer since
1	**M/s Kailash Chand Jain & Co.**, Chartered Accountants, ICAI Firm Registration: 112318W Peer Review Certificate Number: 013026	819, Laxmi Deep Building, Laxmi Nagar District Center, Laxmi Nagar, New Delhi-110092. Telephone: +91 99300-48282 Email: saurabh@kcjainco.com Contact Person: Mr. Saurabh Chouhan, Partner Website Link: N/A	Appointed vide C&AG letter dated September 12, 2023. The appointment was accepted on September 18, 2023.
2	**M/s S C V & Co. LLP.**, Chartered Accountants, ICAI Firm Registration: 000235N/N50089 Peer Review Certificate Number: 012654	B-41, Panchsheel Enclave, New Delhi - 110017 Telephone: +91 98730-73964 Email: abhinav.khosla@scvindia.com Contact Person: Mr. Abhinav Khosla, Partner Website Link: https://www.scvindia.com/	Appointed vide C&AG letter dated September 12, 2023. The appointment was accepted on September 21, 2023.

Being a government company, the statutory auditors of the Issuer are appointed by the CAG. The annual accounts of the Issuer are reviewed every year by the CAG and their comments are published in the Issuer's annual report.

4.9 DETAILS OF CHANGE IN AUDITORS OF THE ISSUER SINCE LAST 3 (THREE) YEARS AND THE CURRENT FINANCIAL YEAR

S. No	Financial Year	Name	Address	Date of Appointment/ Cessation	Auditor of the Issuer since (in case of Cessation)	Remark (if any)
1.	2023 – 24	M/s Kailash Chand Jain & Co., Chartered Accountants, ICAI Firm Registration: 112318W Peer Review Certificate Number: 013026	819, Laxmi Deep Building, Laxmi Nagar District Center, Laxmi Nagar, New Delhi-110092.	Appointed on September 12, 2023.	-	The C&AG communicated vide letter dated September 12, 2023.
2.	2023 – 24	M/s S C V & Co. LLP, Chartered Accountants, ICAI Firm Registration: 000235N/N50089 Peer Review Certificate Number: 012654	B-41, Panchsheel Enclave, New Delhi- 110017.	Appointed on September 12, 2023.	-	The C&AG communicated vide letter dated September 12, 2023.
3.	2022-23	M/s S.K. Mittal & Co., Chartered Accountants, ICAI Firm Registration: 001135N Peer Review Certificate Number: 013582	E-29, South Extension Part II, New Delhi-110049	Ceased to be the statutory auditor on September 11, 2023.	Reappointed on August 30, 2022 by C&AG*	The C&AG communicated the change of auditors on September 12, 2023.
4.	2022-23	M/s O.P. Bagla & Co. LLP., Chartered Accountants, ICAI Firm Registration: 000018N Peer Review Certificate Number: 014112	B-225, 5th Floor, Okhla Industrial Area Phase-I, New Delhi – 110019	Ceased to be the statutory auditor on September 11, 2023.	Reappointed on August 30, 2022 by C&AG*	The C&AG communicated the change of auditors on September 12, 2023.

** Note: M/s S.K. Mittal & Co., Chartered Accountants, and M/s O.P. Bagla & Co.LLP., Chartered Accountants, were the statutory auditors of the Issuer since the Financial Year 2019-20.*

4.10 ARRANGERS

ICICI Securities Primary Dealership Limited		
Name	:	ICICI Securities Primary Dealership Limited
Address	:	501 – B First International Financial Centre, Plot No- C-54 & 55 G Block, Bandra Kurla Complex, Bandra East, Mumbai-400098
Website	:	www.icicisecuritiespd.com
Email	:	Ashutosh.garg@isecpd.com
Telephone	:	011 24369989 / +91 9810444388
Contact Person	:	Mr. Ashutosh Garg, Vice President

YES BANK		
Name	:	YES Bank Limited
Address	:	5th Floor, Max Towers, Sector 16B, Noida (UP) - 201301
Website	:	ankush.siddhu@yesbank.in
Email	:	www.yesbank.in
Telephone	:	+91-8826311225, 0120-6791611
Contact Person	:	Mr. Ankush Siddhu

SBI Capital Markets Limited		
Name	:	SBI Capital Markets Limited
Address	:	SBI Capital Markets, 4th Floor, Sood Towers (East), Barakhamba Road, Delhi, India, Pin-110001
Website	:	www.sbicaps.com
Email	:	Shweta.narang@sbicaps.com
Telephone	:	011-23485261
Contact Person	:	Ms. Shweta Narang

Name	:	Trust Investment Advisors Private Limited
Address	:	109/110, 1st Floor, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. 1101, Naman Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.
Website	:	www.trustgroup.in
Email	:	mbd.trust@trustgroup.in
Telephone	:	+91 022 4084 5000
Contact Person	:	Ms. Nipa Sheth

Name	:	PNB Gilts Limited
Address	:	PNB House 4th Floor, Sir PM Road, Fort, Mumbai 400001
Website	:	www.pnbgilts.com
Email	:	mumbai.sales@pnbgilts.com
Telephone	:	9769209915
Contact Person	:	Mr. Rahul Rehpade

Name	:	Genev Capital Private Limited
Address	:	Eucharistic Congress III, 10th Floor, 5 Convent Road, Colaba, Mumbai - 400 039.
Website	:	www.genevcap.com
Email	:	dcm@genevcap.com
Telephone	:	(+91 22) 66064600
Contact Person	:	Ms. Pankhuri Agarwal

Name	:	Nuvama Wealth Management Limited
Address	:	Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, 400051
Website	:	nuvama.com
Email	:	prakash.sharma@nuvama.com
Telephone	:	+91 98208 27116
Contact Person	:	Mr. Prakash Sharma

Name	:	Kotak Mahindra Bank Ltd
Address	:	Kotak Aero City, Asset Area-9, 3rd Floor, IBIS Commercial Block, Hospitality District, IGI Airport, New Delhi- 110 037
Website	:	www.kotak.com
Email	:	anil.kumar@kotak.com
Telephone	:	011-66176370
Contact Person	:	Mr. Anil Kumar.C

Name	:	A. K. Capital Services Limited
Address	:	204-206, 2nd Floor, Plot No. D-1, Salcon Rasvilas, Saket District Centre, Saket, New Delhi – 110017, India
Website	:	www.akgroup.co.in
Email	:	pankaj.agrawal@akgroup.co.in; akcapitals@gmail.com
Telephone	:	Board: +91-11-47340685; Mobile: +91 9999305903
Contact Person	:	Mr. Pankaj Agrawal, Director

Name	:	HDFC Bank Limited
Address	:	Peninsula Business Park, 4th Floor, Tower B, Senapati Bapat Marg, Lower Parel – (W), Mumbai – 400 013
Website	:	www.hdfcbank.com
Email	:	gaurav.shah2@hdfcbank.com
Telephone	:	022 66521455
Contact Person	:	Mr. Gaurav Shah

Name	:	ICICI Bank Limited
Address	:	ICICI Bank Limited, Service Centre NBCC Palace, Bhism Pitamah Marg Pragati Vihar, New Delhi - 110003
Website	:	www.icicibank.com
Email	:	gmgfixedincome@icicibank.com
Telephone	:	011-42218004
Contact Person	:	Mr. Prem Singla

Name	:	IDBI Capital Markets and Securities Limited
Address	:	5th and 6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005
Website	:	https://idbicapital.com/index.asp
Email	:	hiral.shah@idbicapital.com
Telephone	:	022-68361258
Contact Person	:	Ms Hiral Shah, Asst Vice President

Name	:	LKP Securities Limited
Address	:	Suit No. 38, 3rd Floor, Indra Place, H Block, Connaught Place, New Delhi - 110001
Website	:	www.lkpsec.com
Email	:	pallavi_kumari@lkpsec.com dcm@lkpsec.com
Telephone	:	+91 8588861110 / +91 9811718270
Contact Person	:	Ms. Pallavi Kumari, Asst. Vice President - DCM

Name	:	Real Growth Securities Private Limited
Address	:	112-A, 1st Floor, Jyoti Shikhar Building, District Centre, Janakpuri, New Delhi-110058
Website	:	http://www.realgrowth.org.in
Email	:	gurpreet.kaur@realgrowth.org.in
Telephone	:	9811222548 / 011-25532213
Contact Person	:	Ms. Gurpreet Kaur

Name	:	STCI Primary Dealer Limited
Address	:	A/B1-801, A Wing, 8th Floor, Marathon Innova, Marathon Nextgen Compound, Off G K Marg, Lower Parel (West), Mumbai – 400013
Website	:	www.stcipd.com
Email	:	Kamal@stcipd.com; gurudatta@stcipd.com
Telephone	:	022-66202227 / 28 /29
Contact Person	:	Mr. Kamal Vora

Name	:	Tipsons Consultancy Services Private Limited
Address	:	Shertone House, Opp Ketav Petrol Pump, Ambawadi, Ahmedabad 380015
Website	:	www.tipsons.com
Email	:	mehul.mehta@tipsons.com
Telephone	:	7966828070
Contact Person	:	Mr. Mehul Mehta

Name	:	Union Bank of India
Address	:	Union Bank of India, Treasury Branch, 3rd Floor, 239, Vidhan Bhawan Marg,Union Bank Bhawan, Nariman Point, Mumbai
Website	:	www.unionbankofindia.co.in
Email	:	nonslr.fo@unionbankofindia.bank , nonslrbackoffice@unionbankofindia.bank
Telephone	:	022-22892139
Contact Person	:	Mr. Paritosh Kumar

SECTION V
BRIEF HISTORY OF ISSUER SINCE INCORPORATION

5.1 CONSTITUTION

REC is a Government of India public sector enterprise and was originally incorporated as a private limited company under the Companies Act, 1956 on July 25, 1969 at New Delhi as "Rural Electrification Corporation Private Limited". The word "private" was deleted from the name of the Issuer on June 3, 1970. The Issuer became a deemed public limited company with effect from July 1, 1975. The Issuer was converted into a public limited company with effect from July 18, 2003. The name of the Issuer has changed from "Rural Electrification Corporation Limited" to "REC Limited" pursuant to the shareholders resolution dated September 25, 2018, with effect from October 13, 2018.

The Issuer was declared as a 'Public Financial Institution' under Section 4A of the Companies Act, 1956 (corresponding section 2(72) of the Companies Act) in February 1992 and registered as non-banking financial company under section 45-IA of the RBI Act, 1934 in February 1998. Further, the RBI *vide* its letter dated September 17, 2010 categorised it as a NBFC-IFC, in terms of their circular dated February 12, 2010, and REC was allotted NBFC registration number 14.000011, by the RBI. A fresh certificate of registration bearing number 14.000011 dated November 28, 2018 was allotted by the RBI in the name of REC Limited.

On September 21, 2022, the Issuer was accorded "*Maharatna*" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength.

The Issuer is a leading player in the Indian power infrastructure sector and is engaged in the financing and promotion of transmission, distribution and generation including renewable energy projects throughout India[1]. The Issuer is also the nodal agency for the RDSS and NEF.

5.2 CHANGES IN THE REGISTERED AND CORPORATE OFFICE

The registered office of the Issuer currently situated at Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110 003, India. The registered office was initially situated at Floor No. 3, Jeevan Vihar, Parliament Street, New Delhi-110001, India, pursuant to a resolution of the Board dated September 5, 1969, and was subsequently situated at D-5, NDSE, Part-II, New Delhi 110 049, India. On February 7, 1977, the Issuer changed its registered office to 2nd and 3rd Floor, DDA Building, Nehru Place, New Delhi 110 019, India, and on May 31, 1996, the Issuer shifted to its current registered office.

The Issuer shifted to the current corporate office situated at REC Limited, Sector 29, Gurugram, Haryana, 122009, on July 25, 2021.

5.3 PROMOTER

The Issuer's Promoters are:

(i) The President of India acting through the Ministry of Power, Government of India, and
(ii) Power Finance Corporation Limited.

In pursuance of the in-principle approval of Cabinet Committee on Economic Affairs dated December 6, 2018, the President of India, acting through Ministry of Power, Government of India entered into a Share Purchase Agreement with Power Finance Corporation Limited (PFC) on March 20, 2019 for sale of 103,93,99,343 (One Hundred Three Crores Ninety Three Lakhs Ninety Nine Thousand Three Hundred Forty Three) equity shares of Rs.10/- each of REC Limited, representing 52.63% (Fifty Two Point Six Three Percent) of the total paid-up share capital of the Issuer. In terms of the said Agreement, the entire shareholding of President of India in REC Limited, i.e. 103,93,99,343 equity shares representing 52.63% of the total paid-up share capital of the Issuer, was transferred by Government of India to PFC on March 28, 2019 and accordingly, PFC is treated as part of the "Promoter Group".

[1] Ministry of Power, annual report for 2022-23.
Available at: https://powermin.gov.in/sites/default/files/uploads/MOP_Annual_Report_Eng_2022-23.pdf

Brief background of PFC

PFC was incorporated in July 16, 1986 under the Companies Act, 1956, as a public limited company, registered with the RoC, National Territory of Delhi and Haryana and received the certificate for commencement of business on December 31, 1987. PFC was incorporated as a financial institution to finance, facilitate and promote India's power sector development and was notified as a public financial institution under Section 4A of the Companies Act 1956 (now section 2(72) of Companies Act) on August 31, 1990. PFC is registered with RBI as a non-deposit taking systemically important NBFC and on July 28, 2010, PFC was classified as an Infrastructure Finance Company. PFC was conferred with the 'Mini Ratna' (Category – I) status in the year 1998, on June 22, 2007, PFC was notified as a Navratna company by the GOI and on October 12, 2021, PFC was notified as a Maharatna company by the GOI. The permanent account number of PFC is AAACP1570H.

5.4 MAJOR EVENTS AND MILESTONES

Calendar Year	Event
1969	• Incorporation of REC.
1970	• Commenced lending operations to SEBs
1974	• Authorised by the Ministry of Irrigation and Power to finance rural electrification under the "Minimum Needs Programme".
1979	• Central Institute for Rural Electrification (CIRE) set up in Hyderabad.
1988	• Launch of Kutir Jyoti programme for rural electrification.
1992	• Declared a Public Financial Institution under Section 4A of the Companies Act, 1956.
1993	• Entered into MoU with the Ministry of Power for the year 1993-1994 for the first time to achieve certain performance related targets.
1998	• Registered as a non-banking financial company by RBI under Section 45(IA) of the RBI Act, 1934.
2001	• Allowed to issue capital gains tax exemption bonds under Section 54 EC of the I.T. Act. • Upgradation from Schedule 'B' to Schedule 'A' Corporation.
2002	• Grant of Mini Ratna - I status.
2005	• Appointed as the nodal agency for RGGVY (presently known as Deen Dayal Upadhyaya Gram Jyoti Yojana - DDUGJY).
2006	• Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,629 Million. • Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million.
2008	• Launch of initial public offer and dilution of GOI's shareholding from 100% to 81.82%. Gross proceeds from initial public offer were Rs. 819.63 Crores. • Listed Equity Shares of the Issuer on NSE and BSE. • Accorded "*Navratna*" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making. • Entered into agreement with Japan International Cooperation Agency for availing a loan facility of JPY 20,902 Million.
2009	• Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 70 Million. • Received 'LAAA' rating from ICRA in relation to Rs. 25,000 Crores long term borrowing programme for the Fiscal 2010.
2010	• Follow-on issue of Equity Shares resulting in (a) raising Rs. 2,647.53 Crores of gross proceeds through fresh issue and (b) GOI reducing its ownership to 66.80%. • RBI categorised REC as an IFC.
2011	• REC successfully priced a 'USD 500 Million 4.25% 5-year Reg S Senior Unsecured Notes' transaction. • REC was the first Indian NBFC–IFC to enter into the international debt market.
2012	• CHF Bonds through Reg S for CHF 200 Million were issued by REC, which were listed in the SIX Swiss Exchange, Switzerland. • Entered into an agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 100 Million. • National Electricity Fund (Interest Subsidy Scheme) has been set up by Ministry of Power to provide interest subsidy on loans disbursed to the State power utilities, DISCOMs - both in public and private sector, to improve the infrastructure in distribution sector. REC is the nodal agency for the scheme with a mandate to operationalize the scheme through which amount for interest subsidy will be provided.
2013	• REC received DSIJ PSU Award, 2012 for "Fastest Growing Operational Metrics" in the non-manufacturing Navratna category. • REC received CIDC Vishwakarma Award 2013 in the category of "Achievement Award for Industry Doyen". • REC received Award in the Category of "Non-Banking Financial Services" by India Pride Awards, Dainik Bhaskar and DNA.
2014	• Entered into offshore syndicated facility agreements for availing loan facility of USD 285 Million from Hong Kong and Shanghai Banking Corporation Limited, State Bank of India, Singapore Branch and Sumitomo Mitsui Banking Corporation as mandated lead arrangers and book runners in November 2014. • Nodal agency for operationalization of Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) on December 3, 2014 (including Rural Electrification ("**RE**") component - the erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana ("**RGGVY**") mainly for separation of agriculture and non-agriculture feeders; strengthening and

Calendar Year	Event
	augmentation of sub-transmission and distribution infrastructure in rural areas; and rural electrification for completion of the targets laid down under RGGVY for XII and XIII Plans.
2016	• Nodal Agency for implementation of Outage Management System and 11 KV Rural Feeder Management System.
2017	• REC Equity Shares included in 'Nifty Next 50' on National Stock Exchange of India Limited. • SAUBHAGYA Scheme launched. • USD 400 Million Reg S Bond for refinancing issued and listed on London Stock Exchange and Singapore Stock Exchange. • Green bond of REC listed on London Stock Exchange.
2018	• Achieved 100% village electrification on April 28, 2018 under Deen Dayal Upadhaya Gram Jyoti Yojana (DDUGJY). • Entered into agreement with KfW, Frankfurt am Main for availing a loan facility of Euro 200 Million. • Name of company changed from Rural Electrification Corporation Limited to REC Limited on October 13, 2018. • REC has been placed amongst top 10 Profit making CPSEs of the country by Public Enterprises Survey 2017-18.
2019	• Cabinet Committee on Economic Affairs on December 6, 2018 gave "in-principle" approval for acquisition of shares held by GOI in the Issuer to Power Finance Corporation Limited (PFC) along with management control. On March 20, 2019 Board of PFC gave its approval for acquisition of GOI's entire shareholding of 52.63% held in the Issuer to PFC and making PFC as the majority shareholder of the Issuer. In accordance with the filing done by PFC on March 28, 2019 with the Stock Exchange(s) under Regulation 10(6) of the SEBI Listing Regulations, PFC has acquired complete 52.63% shares held by GOI in the Issuer. After such acquisition the Issuer shall remain to be a Government Company pursuant to Section 2 (45) of the Companies Act. • USD 650 Million, 5 year Reg S bond, with a semi annual coupon of 3.375% per annum, for financing power projects and listed on London Stock Exchange's International Securities Market (ISM), Singapore Exchange (SGX-ST), India International Exchange (India INX) and NSE IFSC. • Achieved Universal Household Electrification by providing Electricity Connection to 2.63 Crores Households under Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) • REC completed 50 (Fifty) years of its existence on July 25, 2019.
2020	• During COVID-19 pandemic, REC has donated Rs. 150 Crores to the PM-Cares fund in addition to one day salary of its employees and also facilitated food and ration for over 36,500 needy people throughout the country. • REC Foundation, the CSR arm of REC, has distributed 5000 customized packets carrying essentials for labourers and the needy, who are affected because of the lockdown due to the COVID-19 pandemic. • REC successfully raised 3 year USD 500 Million Bond from Regulation 144A market on May 12, 2020 at a coupon of 4.75%, under its USD 7 Billion GMTN Programme. This is the first USD cross border issuance out of India following the COVID-19 pandemic (since Mar 5, 2020). • REC recognized as the Best Organization for Women Empowerment. • REC received "Excellent" Rating in MoU 2018-19. • REC Limited's corporate communication team is recognized as one of the 'Top 30 Corporate Communication Teams' in India by Reputation Today.
2021	• REC signs MoU for financing 600 MW Hydro Electric Project in Bhutan. • REC's new corporate office building inaugurated at Gurugram on the occasion of its 52nd foundation day by the Hon'ble Cabinet Minister (Power, New & Renewable Energy). • REC Limited and J-PAL South Asia enter Data-sharing Agreement. • RECTPCL has been amalgamated into RECPDCL with effect from February 6, 2021. • REC provides funding for Tata Memorial Centre.
2022	• REC achieves a 'Perfect' score on MoU parameters for FY 2020-21 - the best amongst all CPSEs • REC closes largest-ever syndicated term loan by an Indian NBFC with USD 1,175 Million term loan[2]. • Accorded "Maharatna" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength. • REC has forayed into infrastructure and logistics sector financing with the Government's permission. • REC organized 'Bijli Utsav' in Uttarakhand , Gujrat & Assam as a part of Azadi Ka Amrit Mahotsav. • Hon'ble Prime Minister inaugurated 10 Mobile Health Clinics 'Doctor Apke Dwar' under REC's CSR project worth Rs. 12.68 Crore in Bhojpur, Bihar.
2023	• REC records its highest ever Quarterly Profit of ₹2,878 Crore in Q3FY23. • REC has achieved highest ever sanction and disbursement in FY 22-23. • REC issues green bonds of USD 750 million of 5-year tenor. • REC lists USD 750 million green bonds on international stock exchanges at GIFT City • REC secures place in Morgan Stanley Capital International (MSCI) Global Standard Index with effect from September 1, 2023 • REC launched its 54EC bonds mobile application - 'SUGAM REC'. • REC organized workshop on customized debt financing for commercial mining, Mine Developers and Operators (MDOs) with Secretary, Ministry of Coal as the Chief Guest. • REC marks 10-year milestone of REC Foundation with CSR symposium. • Honourable Minister of Power, Shri R K Singh laid foundation stone for REC residential complex in Gurugram.

Calendar Year	Event
2024	• With market sentiment on the rise and investors showing stronger interest, REC confidently ascended from Mid Cap to Large-Cap basket in the latest list (January 2024) published by Asssociation of Mutual Funds in India • REC Issued first ever Yen denominated Green bonds by Indian PSU of JPY 61.1 Billion. This issuance marked the largest ever Euro-Yen issuance and also non-sovereign Yen-denominated issuance ever by a South & South-East Asian issuer.

5.5 AWARDS AND ACCREDITATIONS

A few select awards and accreditations received by the Issuer are as follows:

Calendar Year	Awards/Accreditations
1994	• Received rating of "excellent" by the GOI, for the first time, for fulfilling the targets pursuant to the MoU entered into the MoP for the year 1993-1994
2000	• Declared to be among the top ten public sector enterprises by the GOI*
2008	• Accorded "*Navratna*" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength, which affords greater operational freedom and autonomy in decision making.
2009	• Received the Award for Excellence in Rural Electrification for Rural India Connect in India Pride Awards organised by Dainik Bhaskar. • Received SCOPE Meritorious Award under the category of the Best Managed Bank, Financial Institution or Insurance Company.
2010	• Received Dalal Street Investment Journal ("DSIJ"), PSU Award 2010, for The Best Wealth Creator". • Received India Pride Award 2010 "The Best NBFC". • Received Asia Pacific HRM Congress Award 2010 for "Organizational Development and Leadership". • REC was included in the MSCI emerging marketing index.
2011	• Received DSIJ PSU Award 2011 for "Speed King" for fastest growing PSUs across Maharatnas, Navratnas and Miniratnas. • Featured in Dun & Bradstreet's India Top PSUs.
2012	• Received "Best Listed CPSE Award" from Department of Public Enterprises, GOI for fiscal 2010. • Conferred with "Best Company to work for 2012" being ranked among Top 50 Companies hiring upto 1000 employees by Great Place to Work Institute India in association with The Economic Times.
2013	• Received DSIJ PSU Award, 2012 for "Fastest Growing Operational Metrics" in Non-Manufacturing Navratna Category. • Received CIDC Vishwakarma Award 2013 in the category of "Achievement Award for Industry Doyen". • Received IPE_ CSR Corporate Governance Award from IPE, Hyderabad. • Received Award in the category of "Non Banking Financial Services" by India Pride Awards, Dainik Bhaskar and DNA.
2014	• Received 13th ICSI National Awards for Excellence in Corporate Governance, 2013. • Received Award in "Energy & Power Sector" from India Pride Awards, Dainik Bhaskar and DNA. • The Issuer is rated among the "Best Employers in India" by Aeon Hewitt. • Received DSIJ PSU Award 2013 for "Best Value creating Navratna with a balance Sheet of more than Rs. 1 Lakh Crore". • REC named "Best Employer India 2013" and also been awarded "The Aon Hewitt Voice of Employee Award Public Sector Enterprise India 2013" by Aon Hewitt. • Received "Best HR Practices" Award in the Navratna PSU's category from India Today PSUs Award 2014. • REC received DSIJ PSU Award, 2014 for "Fastest Growing Navratna of the Year in "Non-Manufacturing Category". • "Rural sector PSE of the Year making Grass Root Infrastructure Impact" from IPSE Award 2014. • "Best Power Financing Company" for outstanding contribution in terms of providing financial assistance and promoting rural electrification projects all over India having consistent record of excellent all round performance growth and profitability since inception and contribution to the growth of India from CBIP. • "Best Governed Company" by Institute of Company Secretaries of India and REC has been awarded "ICSI National Award for excellence in corporate governance".
2015	• Received award for "Operational Excellence in Financial Services" from India Pride Awards, DainikBhaskar and DNA. • "Fastest Growing Navratna PSU" award from India Today.
2016	• Received the Central Board of Irrigation and Power award for Best Power Financing Company. • Received a certificate of recognition for its contribution in Transforming REC by the Governance Now group (SAB TV). • Awarded the "SCOPE Excellence Award for outstanding contribution to the Public Sector Management – Institutional Category I (Maharatna & Navratna)" and "SCOPE Meritorious Award for Best Managed Bank, Financial Institution Category" at the Standing Conference of Public Enterprises (SCOPE) Awards. • Received "Best Power Financing Company" award in CBIP Awards 2017.
2017	• Received the Dainik Bhaskar India Pride Award 2017 for being the leading Financial Services NBFC in the Central PSU category. • Received the Central Board of Irrigation and Power award for Best Power Financing Company. • Received the first prize for "Brand Building through Inclusive Growth Initiatives" at the Corporate Communication Excellence Awards 2017 organized by the SCOPE. • Received "Best Power Finance Company" award in CBIP Awards 2018. • Received "Governance Now 5th PSU Award – 2017".

Calendar Year	Awards/Accreditations
	• Received "SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management" for the year 2016-17" under Special Institutional Category, Digitalization.
2018	• Received the Vishwakarma award for Gurugram World HQ project. • Received two awards at the Dainik Bhaskar India Pride Awards 2018 for "Excellence in Navratna" and HOD in the Finance category. • Received the most efficient NBFC award at the Chambers of Indian Micro, Small and Medium Enterprise Awards 2018. • Received the award for "Excellence in Financial Services" at the Dun & Bradstreet PSU Awards 2018. • Received the DSIJ PSU Award 2018 for "India's Best Public Sector Undertaking Award, 2018 – Highest Wealth Creator- Market Returns (Navratna)". • Received Golden Peacock Awards – 2018 for Corporate Governance & Sustainability. • Received CIMSME Banking Excellence Award. • Received Award for Best PSU Issuer on Electronic Bidding Platform of NSE. • Received Award for highest employee efficiency enterprise by Dalal Street Investment Journal.
2019	• Received India Smart Grid Forum (ISGF) Innovation Awards 2019 for Best Project for Household Electrification. • Won SCOPE CC Excellence Awards 2019 under following three categories: - 1st prize in Best House Journal English (for WattsUp) - 2nd prize in Best Internal Communication Campaign (for REC Engage) - 3rd prize in effective use of digital media (for SAUBHAGAYA Scheme) • Received "PSE Excellence Award, 2018" by the Indian Chamber of Commerce (ICC), as runner up in the Navratna & Maharatna category, for excellence in corporate governance.
2020	• Swachh Bharat Puraskar for contribution to the Swachh Bharat Kosh of the Ministry of Jal Shakti, Government of India. • REC bags ICAI Award for Financial Reporting for FY 2018-19 in 'Public Sector Entities' category. • REC has been awarded with 10th PSE Excellence Awards 2019 in Corporate Governance. • REC bags SKOCH Award for 'Response To Covid'.
2021	• Best Organization for Women Empowerment' award at Women Achievers Awards 2020 by Exchange4Media. • Conferred the 'CSR Shining Star Award in the field of "Women Empowerment" by the Wockhardt Foundation • Conferred the Mahatma Award for CSR Excellence 2020 in the fields of education, nutrition and health.
2022	• Named as India's Leading NBFC in Infrastructure Financing Category by Dun & Bradstreet at its BFSI & FinTech Award. • Received 'Platinum' recognition at the prestigious Titan Business Awards. The Issuer was declared the winner in two categories: 'Financial Services' and 'Fastest-growing Company of the Year'. • Accorded "*Maharatna*" status by the Department of Public Enterprise, GOI for the Issuer's operational efficiency and financial strength. • REC Limited has been awarded as the 'Best PSU' in the Financial Services category and also as the 'Best Navratna' by Dun & Bradstreet for FY21-22. • REC bagged the 'Best Public Sector IT Project ' award at the Technology Excellence Awards 2022 • REC recognized as one of the 'Best Brands' of 2022 by The Economic Times • REC Limited won the 'Golden Peacock Award for Excellence in Corporate Governance-2022' by Golden Peacock Awards, instituted by the Institute of Directors (IOD). • Recognized as one of the 'Best Brands' of 2022 by The Economic Times .
2023	• REC bags 'Operational Performance Excellence' award at the 12th PSE Excellence Awards. • CMD, REC bags 'The Most Promising Business Leaders of Asia' Award. • Felicitated with Green Ribbon Champions Award for its Commitment to Environmental Sustainability. • Conferred with Golden Award by GeM in 'highest value single bid procurements in in FY 2022-23. • Honored with 'Issuer of the Year' award at the 6th National Summit for corporate bond market by Assocham. • Awarded first prize among power PSUs for implementing official language by Hindi Advisory Committee. • Received Mahatma Award for CSR, Sustainability SER & ESG for Corporations and Public Sector Enterprises. • Awarded the Dun & Bradstreet award for 'Best Central PSU' - Financial Services category. • Felicitated with 'Golden Peacock Award for Risk Management -2023' by Golden Peacock Awards, instituted by the Institute of Directors (IOD). • Honored with the 'Best Employer in Diversity & Inclusion' Award at 4th Diversity & Inclusion Excellence Awards and Conclave organized by ASSOCHAM. • CMD, REC received the 'Most Sustainable Maharatna Leader' award at the World Sustainability Congress held in Mauritius. • Conferred with three awards, including winner in the CSR & Sustainability and runners-up in Operational Performance Excellence and Corporate Governance categories by Indian Chamber of Commerce during XIII PSE Excellence Awards. • Received the 'CSR Leadership Award 2023' at 14th Agriculture Leadership Award 2023. • Won ICAI Award for Excellence in Financial Reporting 2022-23. • Honored with the prestigious Scope Excellence Award in the category of Special Institutional Category (Digitalization).
2024	• REC Limited wins Best Green Bond - Corporate Award at the Asset Triple A Awards for Sustainable Finance. • REC honoured with the 'Innovative Technology Development Award' at the 'Building India 2047: Technology for Better Tomorrow', an IIT Madras CSR Summit.

***** *REC has also been ranked among the top ten profit making public sector undertakings for the Fiscals 2015, 2016, 2017, 2018 and 2020 by the Ministry of Heavy Industries and Public Enterprises, GOI.*

SECTION VI
CORPORATE STRUCTURE - EXISTING CORPORATE ORGANOGRAM

SECTION VII
BRIEF SUMMARY OF BUSINESS/ACTIVITIES OF ISSUER AND ITS SUBSIDIARIES

7.1 OVERVIEW

The Issuer is a public financial institution in the Indian power infrastructure sector and is engaged in the financing and promotion of transmission, distribution and generation including renewable energy projects throughout India. The Issuer commenced operations in 1969 for the purpose of developing the power infrastructure in rural areas. The Issuer has contributed to the development of rural India and India's agriculture through its funding of transmission and distribution projects in rural areas.

The Issuer's mandate has evolved in accordance with the development priorities of the Government and, since Fiscal 2003, has permitted the Issuer to finance all segments of the power sector, including generation, transmission and distribution, throughout the country.

The Issuer's mandate was further extended to include financing other activities linked to power projects, such as coal and other mining activities, fuel supply arrangements for the power sector and other power-related infrastructure. In June 2011, the Issuer set up a separate division for funding renewable projects in order to further achieve the goal of conserving fossil fuels and reducing our carbon footprint. On September 24, 2021, the Issuer's mandate was extended to cover financing of: (i) electrical and electromechanical/hydro systems, smart city electrification of railway lines and airports; (ii) energy conservation, energy efficiency and environmental aspects of power; (iii) financing activities having forward and/or backward linkage with power projects and to meet other enabling infrastructure facility(ies) that may be required for the development of the power/energy sector.

The Board of the Issuer, on September 15, 2022, and the shareholders on October 27, 2022, *inter alia*, approved extending the mandate of the Issuer to *"lend to logistics and infrastructure sectors to the extent permitted by the Government* of *India"*. The Ministry of Power has also permitted the Issuer to lend to infrastructure and logistics sector subject to the condition that the annual sanction in infrastructure does not exceed one third of the Issuer's total sanctions including for power infrastructure and green energy projects and subject to a ceiling of 30 per cent. of the Issuer's outstanding loan book. The Issuer has started financing / exploring sub-sectors such as airports, metro rail, roads and highways, green hydrogen/green ammonia, irrigation/water resources, multi-modal logistics parks, cold chains, railway stations redevelopment, ports and healthcare infrastructure.

REC is one of only 13 (thirteen) Indian public sector undertakings to be granted "*Maharatna*" status by the Department of Public Enterprise by virtue of its operational efficiency and financial strength. The Government had rated the Issuer's performance as "*Excellent*" from Fiscal 1994 to Fiscal 2017, "Very Good" in Fiscal 2018, "Excellent" in Fiscal 2019, "Very Good" in Fiscal 2020 and "Excellent" in Fiscal 2021 and "Very Good" in Fiscal 2022 and "Excellent" in Fiscal 2023. In Fiscal 2021, the Issuer received the highest score of 100, and was the only entity evaluated with a perfect score amongst 123 public sector undertakings across 32 sectors.

The Issuer has also been ranked among the top 10 public sector undertakings in India by the Department of Public Enterprises, GOI for Fiscal 2015, Fiscal 2016, Fiscal 2017, Fiscal 2018, Fiscal 2020, Fiscal 2021, Fiscal 2022 and Fiscal 2023. Domestically, the Issuer holds the highest credit rating for long-term borrowing consisting of domestic credit rating from each of IRRPL, CRISIL, ICRA and CARE. On an international basis, the Issuer holds long-term borrowing ratings from Fitch and Moody's that are at par with sovereign ratings for India.

The Issuer has a branch network of regional and state offices, spread across India. The location of our offices can be accessed at: https://recindia.nic.in/office-location

The Issuer's registered office is at New Delhi and corporate office is at Gurugram. The Issuer also has 1 (one) training centre in Hyderabad. The registered office in New Delhi and corporate office in Gurugram deal with planning and policy formulation, resource mobilization and financial operations. Project, field or regional offices attend functions relating to preliminary processing of new schemes, monitoring of on-going schemes, scrutiny of loan claims, recovery of dues and maintain liaison with SEBs and state governments for effective implementation of rural electrification programme and projects funded by REC.

The Board of Directors at their meeting held on June 30, 2022 provided their in-principle approval to the proposal for setting up of a wholly owned subsidiary of the Issuer in Gujarat International Finance Tec-City IFSC, India.

7.2 BUSINESS

Strengths

The Issuer believes that the following are its primary strengths:

- strong financial position and profitable business;
- unique position to access and appraise borrowers in Indian power sector;
- key strategic position in the GOI's plans for growth of the power sector;
- experienced management team with sector expertise; and
- pan India presence through its zonal/project offices in state capitals.

Strategy

The key elements of the business strategy are:

- fund the increased investment in the Indian power sector;
- maintain diversity of its asset portfolio and seek higher yielding loan assets;
- increased involvement in consortium lending and private sector participation in Indian power sector;
- increased fee-based income; and
- implement technological innovation.

7.3 PRODUCTS

Types of Loans

REC offers the following types of loans:

A. *Long-term Loans*

REC offers its long-term loans to central-sector power utilities, state-sector power utilities, joint-sector power utilities, state power departments, private sector power utilities and rural electricity cooperatives. REC's long-term loans generally are sanctioned with respect to a specific power-related project at project inception or as bulk loans for procurement of equipment. REC's long-term loans to the public sector for transmission and distribution projects typically require the borrower to obtain a state government guarantee of the loan and/or hypothecate a portion of their existing assets or hypothecate all of their project assets to secure the loan. The percentage of guarantee and hypothecation of assets differs on a case-to-case basis.

B. *Short-term Loans*

REC offers short-term loans to its state sector borrowers to meet their immediate working capital requirements, including for the purchase of fuel for power plants, system and network maintenance, including transformer repairs, the purchase of power, the purchase of materials and minor equipment.

C. ***Medium-term Loans***

REC offers medium-term loans ("**MTL**") to the Central/State Government Power Utilities and State Governments that are not in default to REC for the following purposes:

- purchase of fuel for power plant;
- system and network maintenance including transformer repairs;
- purchase of power;
- any other requirement due to inadequate tariff revision, repayment of loan obligation, delay in receipt of support from GOI.

MTL are not provided to customers (i) who are in default to REC, or, (ii) utilities categorised as Grade "C".

These loans have a loan period of more than 1 year up to a maximum of 3 years.

D. *Others*

- **Debt Refinancing**

  REC may offer a debt refinancing scheme for borrowers who have borrowed funds from other lending institutions at a higher rate of interest. The refinancing facility is available generally for commissioned projects. REC offers debt refinancing products on the same or lower interest rate terms as its long-term loans; however, the maturity of its debt refinancing products may generally be not later than the maturity of the refinanced indebtedness.

- **Bridge Loans**

  REC may provide short-term bridge loan financing for borrowers that have been sanctioned financial assistance from or through REC, primarily in the form of grants or long-term loans, and have received a sanction letter for the funding but are awaiting disbursements pending formalities or clearances.

- **Short-term Loans to Equipment Manufacturers**

  REC may offer short-term loans to manufacturers of equipment or materials. To be eligible to receive these loans the equipment manufacturers must have been awarded a firm order for executing contracts in power projects in India by power utilities. REC does not currently have any such loans outstanding.

- **Loans for Power Purchase through the IEX**

  In December 2009, the Board of Directors approved a new scheme pursuant to which REC intends to finance power purchases made through the IEX, which is one of two energy exchanges operating in India. It is currently intended that these power purchase loans may be offered to REC's existing public sector borrowers for the purpose of non-speculative purchases of power through the IEX with a maturity of 90 (ninety) days from disbursement. Power purchase loans will be secured by escrow arrangements or bank guarantees, at the discretion of the borrower.

Grading of State Power Utilities

REC has well defined policy/guidelines for grading of state power utilities. They are reviewed periodically in view of significant changes in the power sector. REC has classified state power utilities (generation/transmission/trading utilities/joint ventures/state entities) into A++, A+, A, B and C categories. Categorization (is based on evaluation of the utility's performance against operational, financial and technical performance including regulatory environment, audited financial statements. For state power distribution utilities (including SEBs/utilities with integrated operations), REC follows the Ministry of Power's "Integrated Ratings" by aligning such ratings or grading with REC's standard categories of A+, A, B and C. The categorization enables REC to determine credit exposure limits and interest rates to state power utilities etc.

7.4 LENDING POLICIES

The Issuer has well-developed policies and/or guidelines in order to streamline the funding process. Regular review based on prevailing market practices, formulation of new policies and guidelines are also being carried out from time to time to strengthen the funding process. Some of the major lending guidelines and/or policies are:

(a) entity appraisal guidelines;
(b) conventional generation project appraisal guidelines;
(c) renewable energy project appraisal guidelines;
(d) guidelines for transmission and distribution schemes;
(e) guidelines for renewable energy projects;
(f) guidelines for generation, renovation and modernization projects;
(g) guidelines for system improvement;
(h) policy for short-term loans;
(i) policy for medium-term loans;
(j) project monitoring guidelines for generation and system improvement projects;
(k) guidelines for financing coal mining projects;

(l) guidelines on the framework for projects under implementation and monitoring of stressed assets based on RBI notifications;
(m) guidelines on project financing framework for flexible structuring based on the RBI notifications;
(n) guidelines on refinancing of project loans based on the RBI notifications;
(o) policy for funding against regulatory assets (excluding return on equity component) of power utilities;
(p) policy for post commercial operation date timely payment interest rate rebate;
(q) policy for Investment of surplus funds; and
(r) policy for long-term investments.

Project Financing Process

While specific terms and conditions may vary for different types of loans provided to different sectors of borrowers, project financing will generally follow the following processes:

Loan Application: The prospective borrower provides a set of information and the funding requirements in the pre-specified formats. There are different kinds of formats for different kind of projects or loans.

The appraisal guidelines for all the projects have been divided into two parts – entity appraisal and project appraisal.

Entity Appraisal: The Issuer has its own guidelines for the appraisal of private sector conventional and renewable power generation projects. The appraisal is carried out for the core promoters on the basis of the financial performance, creditworthiness, management proficiency and sectoral experience of the promoter entities. The interest rates charged, and security structure required, by the Issuer are linked to the grades assigned to the private sector projects.

Project Appraisal: Project appraisal consists of technical and financial appraisal of the projects indicating technical feasibility and financial viability and debt servicing capability of the project, along with the project execution abilities of the management. During the project appraisal process, the Issuer identifies the risks and quantifies them in order to decide the grading of projects so as to determine the exposure, as well as the lending rates. The key instruments used at this stage are:

(a) due diligence on various project parameters such as the technology used, the status of various approvals and clearances, the fuel supply arrangement, the water supply arrangement, the power supply arrangements, transportation arrangement and the power evacuation system;
(b) the project grading matrix;
(c) the financial model; and
(d) the site visit report.

Loan Sanction: Once the decision on funding is approved by the competent authority, the quantum of funding, the stipulation of pre-commitment conditions, pre-disbursement and post-disbursement conditions are determined and communicated to the borrower through the issue of a sanction letter. Along with the terms and conditions, the Issuer prepares a list of key parameters that could trigger re-appraisal and re-grading of the account. This list is being developed based on the results of the sensitivity analysis.

Loan Documentation: After the sanction of a loan, the process of loan documentation and execution of different agreements such as, among others, the trust and retention agreement, the security trustee agreement and other financing and security documents are done.

Funding: After the documentation and funding requirement are received from the borrowers at different stages of the project and after reviewing the pre-disbursement conditions, the funds are disbursed to the borrower for the development and/or construction of power projects.

Monitoring and Review: Since the conditions prevailing at the time of the appraisal cannot be expected to remain the same throughout the life of the project, there is a need for the periodic review of the status and progress. The key parameters for monitoring are developments with respect to licenses, the commercial performance of the borrower, key contracts and events having an impact on the project, deviations with respect to compliance to terms and conditions and collateral securities and variance with respect to key risk parameters.

The Issuer's project monitoring guidelines involve appointment of a 'Project Monitoring Agency ("**PMA**"), stationed at the project site, to closely monitor various project execution activities including pricing of invoices and fund utilization. The PMA assists the lenders by the real time monitoring of expenditures and the actual physical progress at the site.

Re-grading of the Project: Re-grading of the project can be initiated, if there is significant variance on key parameters relating to:

(a) the pre-commissioning stage such as a status change in statutory licenses, major developments in acquisition of land, developments of key contracts, changes to project implementation schedule and time and cost overrun in the project; and

(b) the operation and maintenance stage such as the commissioning of units, actual operating parameters and developments with respect to financial parameters.

Re-appraisal of the Project: Re-appraisal of the project may be initiated either by the Issuer or at the request of the borrower. The details are as follows:

(a) re-appraisal may be initiated by the Issuer when there are developments with respect to time durations between loan sanction and disbursement, significant changes to project costs, major events such as natural disasters and policy-related changes, changes to collateral securities and changes in the project stage; and

(b) in the instance when the borrower requests additional funding or the lowering of the interest rates. Depending upon the changes in the integrated rating of the borrower, after the re-appraisal, the terms and conditions may be revised, further disbursements may be stopped, the loan may be rescheduled and the loan may be restructured.

Recovery

The Issuer's status as a public finance institution provides access to the SARFAESI Act, 2002 which grants certain special rights to banks and financial institutions to enforce their security interests without the intervention of the courts. Further, the Recovery of Debts and Bankruptcy Act, 1993, as amended (the **Debt Recovery Act**) provides for the establishment of debt recovery tribunals for the expeditious adjudication and recovery of debts due to any bank or public financial institution or to a consortium of banks and public financial institutions. Under the Debt Recovery Act, the procedures for recoveries of debt have been simplified and time frames have been fixed for speedy disposal of cases. Upon the establishment of the debt recovery tribunal, no court or other authority can exercise jurisdiction in relation to matters covered by the Debt Recovery Act, except for the higher courts in India in certain circumstances. Further, in accordance with the Insolvency Code, the Issuer, in its capacity as a creditor, is permitted to initiate the insolvency resolution process over its debtors.

7.5 PARTICIPATION IN GOVERNMENT PROGRAMMES

The Government has a number of programmes aimed at accelerating the growth and development of the power sector. REC plays a key role in implementation of the following programmes.

Revamped Distribution Sector Scheme

The Government of India on July 20, 2021, approved the Revamped Distribution Sector Scheme - a Reforms-based and Results-linked Scheme (**RDSS**) with an outlay of Rs. 3,03,758 Crore and an estimated government budgetary support of Rs. 97,631 Crore from the central government over a period of five years from FY 2021-22 to FY 2025-26. The Issuer and PFC are the nodal agencies for facilitating the implementation of the RDSS.

The RDSS seeks to improve the operational efficiencies and financial sustainability of all DISCOMs / power departments excluding private sector DISCOMs by providing conditional financial assistance to DISCOMs for the strengthening of supply infrastructure based on meeting pre-qualifying criteria as well as upon achievement of basic minimum benchmarks by the DISCOM evaluated on the basis of an agreed evaluation framework tied to financial improvements.

The RDSS aims to reduce the AT&C losses to pan-India levels of 12 to 15 per cent. and the ACS-ARR gap to zero by 2024-25.

The RDSS has the following components: (i) Part A: financial support for prepaid smart metering and system metering and up-gradation of the distribution infrastructure and appointment of project management agency by DISCOM, and (ii) Part B: training and capacity building and other enabling and supporting activities. The schemes of the DDUGJY along with PMDP (for the erstwhile State of Jammu and Kashmir) are subsumed in the RDSS, and will be implemented pursuant to their respective guidelines, terms and conditions. No new projects were permitted to be sanctioned under these schemes, however projects already sanctioned under the DDUGJY were eligible to receive funds up to March 31, 2022 under the RDSS.

Projects worth Rs. 1,427,976 Million sanctioned under smart metering works and loss reduction works, including PMA. An amount of Rs. 59,026.03 Million was released to the DISCOMs up to March 31, 2024.

National Electricity Fund

NEF has an interest subsidy scheme aims to promote capital investment in the distribution sector. The scheme provides interest subsidy, linked with reform measures, for loans taken by private and public power distribution utilities for approved power distribution infrastructure projects. REC is the nodal agency for the scheme with a mandate to operationalize it and pass on the benefit of interest subsidy to eligible distribution utilities. REC receives service charges at the rate of 0.5% of the total loan amount approved by the NEF steering committee. Performance is evaluated on an annual basis during the loan tenure. Independent evaluators are appointed for evaluation of interest subsidy proposal.

Historically, REC has played a key role in the following Government programmes:

i) ***Deendayal Upadhyaya Gram Jyoti Yojana***

DDUGJY, the flagship scheme of the Government of India was launched in December 2014 and covered all aspects of rural power distribution. Under the scheme 60% of the project cost (85% for special States) was provided as a grant by Government and an additional grant of up to 15% (5% for special States) was provided by the Government on the achievement of prescribed milestones. All erstwhile rural electrification schemes were subsumed in DDUGJY. REC was the nodal agency for the operationalization of DDUGJY.

The outlay of the DDUGJY scheme was Rs. 758,930 Million including a gross budgetary support of Rs. 630,270 Million. As on April 28, 2018, all census inhabited villages were electrified.

DDUGJY- RE	: Grant of Rs. 5,46,273.11 Million has been released to the states.
DDUGJY- New	: Grant of Rs. 2,67,153.32 Million has been released to the states.
DDUGJY- Addl. Infra	: Grant of Rs. 75,664.90 Million has been released to the states.

ii) ***Electrification of Un-electrified Villages***

In the Independence Day address to India on August 15, 2015, the Honourable Prime Minister of India pledged that all remaining un-electrified villages in India would be electrified within 1,000 days with the help of states and local bodies. Accordingly, the MoP had expedited the electrification of all 18,374 villages as a priority. As these remaining 18,374 un-electrified villages were located in inaccessible areas, several measures and intensive monitoring mechanism strategies were adopted, to electrify these remaining villages in India. Since Financial Year 2014-15, grants aggregating to Rs. 587,629.25 Million has been released by Government of India under DDUGJY scheme. This scheme was closed on March 31, 2022.

iii) ***Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)***

The Honorable Prime Minister of India launched the SAUBHAGYA Scheme on September 25, 2017 to achieve universal household electrification in India through electrification of all households in both rural and urban areas. REC was designated by the MoP as the nodal agency for operationalization of the SAUBHAGYA Scheme. The capital outlay of the SAUBHAGYA scheme was Rs. 163,200 Million including a gross budgetary support of Rs. 123,200 Million.

Since the launch of the SAUBHAGYA Scheme, as on March 31, 2021 all the States have reported 100% electrification of all the willing un-electrified households, identified before March 31,2019. As reported by the States, 28.17 Million households have been electrified since the launch of the SAUBHAGYA, Scheme up to March 31, 2021. Further, States reported that 443,000 additional households have been electrified under DDUGJY. Accordingly, as on March 31, 2022, A total of 28.6 Million households has been electrified since launch of the SAUBHAGYA Scheme. A grant of Rs. 63,303.50 Million was released by the Government of India under the SAUBHAGYA Scheme.

iv) ***GOI Fully Serviced Bonds***

Pursuant to the directions of the MoP and the Ministry of Finance, REC has issued non-convertible debentures in the nature of 'GOI Fully Serviced Bonds', through private placement. The payment of interest and repayment of principal is met by GOI by making suitable budgetary provision, therefore no separate guarantee is provided by the Government. Funds raised through these GOI Fully Serviced Bonds have been utilized exclusively for the purpose of DDUGJY and/or the SAUBHAGYA Scheme. The details of the GOI Fully Serviced Bonds for the previous five fiscal years are as follows:

Year	Amount (Rs. Crores)
2018-2019	13827
2019-2020	3782.3
2020-2021	2500
2021-2022	-
2022-2023	-

v) ***The Prime Minister Development Package for Jammu and Kashmir 2015 (PMDP)***

The PMDP for erstwhile State of Jammu and Kashmir (now the Union Territory of Jammu and Kashmir and Union Territory of Ladakh), was announced by the Honorable Prime Minister of India on November 27, 2015, with an approved project cost of Rs. 25,701.40 Million (wherein 90% i.e. Rs. 23,016.20 Million was covered by way of a Government's grant) for distribution strengthening projects for rural areas and urban areas. The major works covered under the scheme are system strengthening, connecting unconnected households, replacing of barbed wire and worn-out poles, underground cables at tourist places, consumer metering, construction of 33/11 kV sub-stations at industrial areas and electrical infrastructure at religious shrines.

The project cost of Rs. 10,297.0 Million (with the Government of India's grant being Rs 9,267.3 Million) and PMA grant of Rs. 51.5 Million has been sanctioned for distribution strengthening works in rural areas. Further, the Ministry of Power has sanctioned an additional project cost of Rs. 5,275.5 Million, PMA charges of Rs. 26.5 Million and PIA charges of Rs. 284.4 Million for distribution strengthening projects in rural areas under PMDP.

A grant of Rs. 8,316.31 Million has been released by the Government of India to the Union Territories of Jammu and Kashmir and Ladakh under PMDP (Rural).

7.6 SUBSIDIARY AND ITS SPECIAL PURPOSE VEHICLE AS ON MARCH 31, 2024

As on March 31, 2024, REC has one wholly owned subsidiary i.e. REC Power Development and Consultancy Limited ("**RECPDCL**"). RECPDCL is engaged in/as:

(i) engineering consultancy services involving detailed project report ("**DPR**") preparation, project monitoring, project implementation, handholding etc. to different power sector utilities for their projects not covered under Government of India schemes.
(ii) carrying out the third party inspection, quality monitoring and supervision under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) / Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) / Saubhagya Schemes.
(iii) preparation of DPR, project management consultancy and PMA under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) Schemes and Revamped Distribution Sector Scheme (RDSS).
(iv) execution of works of Information Technology ("**IT**") implementation and installation of IT Infrastructure under R-APDRP Part A Schemes, PMA / project implementation agency for implementation of various Government of India Projects viz. Prime Minister's Development Package (PMPD), Power System Development Fund (PSDF) (Urja Mitra, Rural Feeder Monitoring Scheme (RFMS), National Feeder Monitoring Scheme (NFMS) and Implementation of Smart Metering Project under RDSS.
(v) PMA for turnkey execution of smart grid project under NSGM of Government of India, execution of solar standalone /roof top power plants at various locations across the country.
(vi) bid process coordinator ("**BPC**") under the "*Scheme for Flexibility in Generation and Scheduling of Thermal / Hydro Power Stations through bundling with Renewable Energy and Storage Power, 2022*".
(vii) BPC for 'Inter State Transmission Systems' and 'Intra State Transmission Systems' on 'Tariff Based Competitive Mode'. RECPDCL is conducting the bidding process for these projects starting from incorporation, survey, cost estimation of special purpose vehicle ("**SPV**") and selection of qualified bidders to handing over of the SPV to the lowest bidder.

Further, pursuant to the provisions of Section 2 (87) of Companies Act, 2013, the wholly owned subsidiaries of RECPDCL are also subsidiaries of the Issuer. As on March 31, 2024 RECPDCL has the following project specific SPVs as wholly-owned subsidiaries of RECPDCL and REC:

Sr. No.	Name of Special Purpose Vehicle	Date of Incorporation
1.	Chandil Transmission Limited	March 14, 2018
2.	Koderma Transmission Limited	March 19, 2018
3.	Dumka Transmission Limited	March 23, 2018
4.	Mandar Transmission Limited	March 26, 2018
5.	Khavda II-D Transmission Limited#	April 25, 2022
6.	Luhri Power Transmission Limited	October 28, 2022
7.	Meerut Shamli Power Transmission Limited*	December 14, 2022
8.	NERES XVI Power Transmission Limited	January 10, 2023
9.	Jalpura Khurja Power Transmission Limited**	April 28, 2023
10.	Rajasthan Part I Power Transmission Limited	April 30, 2023
11.	Shongtong Power Transmission Limited	June 14, 2023
12.	Kallam Transco Limited***	September 15, 2023
13.	Khavda IV C Power Transmission Limited	September 27, 2023
14.	Khavda IVA Power Transmission Limited	October 9, 2023
15.	Khavda IV-E2 Power Trasmission Limited	October 5, 2023
16.	Khavda V-A Power Transmission Limited	October 10, 2023
17.	Rajasthan IV A Power Transmission Limited	October 10, 2023
18.	Rajasthan IV C Power Transmission Limited	October 11, 2023
19.	Rajasthan IV E Power Transmission Limited	October 14, 2023
20.	Rajasthan IV H1 Power Transmission Limited	October 13, 2023
21.	Tumkur-II REZ Power Transmission Limited	December 13, 2023
22.	NERGS-I Power Transmission Limited	December 13, 2023
23.	Kankani Power Transmission Limited	December 18, 2023
24.	ERES-XXXIX Power Transmission Limited	March 27, 2024

**Note:*

 # Khavda II-D Transmission Limited is under process of being struck off.

The following special purpose vehicles were transferred after March 31, 2024:

** Meerut Shamli Power Transmission Limited has been transferred to M/s Megha Engineering & Infrastructures Limited on April 06, 2024.*
*** Jalpura Khurja Power Transmission Limited has been transferred to M/s The Tata Power Company Limited on April 05, 2024.*
****Kallam Transco Limited has been transferred to M/s Indigrid 2 Limited (Lead) and Indigrid 1 Limited (Other) – Consortium on April 05, 2024.*

The following special purpose vehicles were transferred before March 31, 2024:

Bidar Transmission Limited has been transferred to M/s Powergrid Corporation of India Limited on February 09, 2024.
Sikar Khetri Transmission Limited has been transferred to M/s Powergrid Corporation of India Limited on February 09, 2024.
Dhule Power Transmission Limited has been transferred to M/s Indigrid 2 Limited (Lead) and Indigrid 1 Limited (Other) – Consortium on February 09, 2024.
Ishanagar Power Transmission Limited has been transferred to M/s Indigrid 2 Limited (Lead) and Indigrid 1 Limited (Other) – Consortium on February 09, 2024.
Karera Power Transmission Limited has been transferred to M/s Apraava Energy Private Limited on February 09, 2024.
Pachora Transmission Limited has been transferred to M/s G R Infra Projects Limited on February 14, 2024.

Wholly Owned Subsidiary in Gujarat International Finance Tec-City

REC has received "No Objection Certificate" dated May 3, 2024 from the RBI for setting up a wholly owned subsidiary in International Financial Services Centre (IFSC), Gujarat International Finance Tec-City, Gandhinagar, Gujarat.

7.7 ENTITIES IN WHICH REC HAS EQUITY INVESTMENT AS ON MARCH 31, 2024

Energy Efficiency Services Limited ("EESL")

REC, along with three public sector undertakings, namely, Power Grid Corporation of India Limited, NTPC Limited (earlier known as National Thermal Power Corporation Limited) and Power Finance Corporation Limited, had formed a joint venture company being EESL on December 10, 2009. The equity investment of REC in EESL was increased to 14,65,00,000 equity shares of Rs. 10 each, with effect from April 25, 2016 during the Financial Year 2016-17 and this was further increased to 21,81,00,000 equity shares of Rs. 10 each during FY 2019-20. In terms of the agreement executed between the joint venture partners, EESL has ceased to be a jointly controlled entity under the IND-AS framework. As on March 31, 2024, the equity investment of REC in EESL is 218,100,000 equity shares of Rs. 10.00 each. As on March 31, 2024, REC holds 11.55% of the paid-up equity share capital of EESL.

Universal Commodity Exchange Limited (UCX)

Pursuant to a Board resolution dated December 16, 2011, REC approved the acquisition of 16% of the initial capital of Rs. 100 Crore of UCX by paying a consideration of Rs. 16 Crore.

The equity shares of UCX are not listed on any stock exchange and the shares are presently fair valued at Nil in the book of accounts. As of March 31, 2024, REC holds a 16% shareholding in UCX.

NHPC Limited (NHPC)

In April 2016, REC invested in 260,542,050 equity shares of NHPC at Rs. 21.78 per share amounting to Rs. 567.5 Crore.

NHPC, a GOI enterprise plans, promotes and organizes integrated and efficient development of hydroelectric power as well as development conventional and non-conventional power sources in India and abroad. At present, NHPC is a 'Miniratna' (a category-I public sector enterprise). As on March 31, 2024, REC holds 1,04,69,555 equity shares of NHPC with a market value of Rs. 93.912 Crore.

PFC Projects Limited

The Board of Directors at their meeting held on August 4, 2022, have approved subscription by the Issuer of 50 per cent. equity shareholding not exceeding Rs. 50 Crore in PFC Projects Limited, a power asset management company, as a 50:50 joint venture company with PFC. Further approvals may be required at the time of investment.

SECTION VIII
MANAGEMENT

8.1 DETAILS OF THE BOARD

The following table sets forth details regarding the Board as on the date of this Key Information Document:

Name, Designation, Term, Occupation, DIN, Age and Nationality	Residential Address	Date of Appointment / Reappointment	Other Directorships	Appointment / Resignation
Shri Vivek Kumar Dewangan S/o Shri Chandulal Dewangan Chairman & Managing Director Term: Until further orders Occupation: IAS DIN: 01377212 Age: 57 years Nationality: Indian	C-1/69, Bapa Nagar, Dr. Zakir Hussain Marg, Behind Delhi High Court, New Delhi-110003	May 17, 2022	• REC Power Development and Consultancy Limited	ACC communication no. 36/02/2022-EO (SM-I) dated May 13, 2022 and MoP Order No. 46/2/2019-RE dated May 17, 2022 read with joining documents.
Shri Vijay Kumar Singh S/o Shri Pratap Singh Director (Projects) Whole time Director Term: Till the date of his superannuation i.e., June 30, 2025 or until further orders Occupation: Service DIN: 02772733 Age: 58 years Nationality: Indian	K-003 Amrapali Sapphire, Sector-45, Noida, Gautam Buddha Nagar U.P - 201301	July 15, 2022	• REC Power Development and Consultancy Limited • Maharashtra State Electricity Distribution Company Limited	MoP Order No. 46/1/2022-RE (MOP) dated July 15, 2022.
Shri Harsh Baweja S/o Late Shri Anand Prakash Baweja Director (Finance) Whole time Director Term: Till the date of superannuation i.e., January 31, 2026, or until further orders, whichever is earlier Occupation: Service DIN: 09769272 Age: 58 years Nationality: Indian	B-58 Sethi Colony, Adarsh Nagar, Jawahar Nagar, Jaipur Rajasthan-302004	May 14, 2024	• Luhri Power Transmission Limited • NERES XVI Power Transmission Limited	MoP Officer Order F. No. 46/9/2011-RE (MoP) dated May 14, 2024
Shri Shashank Misra S/o Late Shri Bhirgu Nath Misra Government Nominee Director Term: Until further orders from the Ministry of Power. Occupation: I.A.S. DIN: 08364288 Age: 41 years Nationality: Indian	H. No. 204, Block A, Central Government Flats, DDU Marg, New Delhi - 110002	August 21, 2023	-	MoP Office Order No. 46/8/2015-RE dated August 21, 2023
Shri Manoj Sharma S/o Late Shri A.S. Sharma Nominee Director of Power Finance Corporation Limited Term: Until further orders from the Ministry of Power. Occupation: Service DIN: 06822395 Age: 58 years Nationality: Indian	Flat no. 604, Plot no. 39B, Santosh Apartment, Sector 6, Dwarka, New Delhi – 110075	July 11, 2023	• Power Finance Corporation Limited • PFC Projects Limited • Jharkhand Infrapower Limited • PFC Consulting Limited • Bihar Mega Power Limited • Deoghar Mega Power Limited • PFC Infra Finance IFSC Limited	MoP letter no. 27-46/1/2018-PFC/REC dated July 11, 2023
Dr. Gambheer Singh S/o Late Shri Ben Singh Sendram	Old ACS Bunglow, Kali badi Chowk, Near Vishesh Police Thana, Budhapara, Raipur,	November 15, 2021	• Samarpan Hospital Private Limited	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated November 15, 2021

Name, Designation, Term, Occupation, DIN, Age and Nationality	Residential Address	Date of Appointment / Reappointment	Other Directorships	Appointment / Resignation
Independent Director Term: 3 years from the date of notification of appointment or until further orders. Occupation: Doctor DIN: 02003319 Age: 55 years Nationality: Indian	Chhattisgarh – 495117, India			
Dr. Manoj Manohar Pande S/o Shri Manohar Pande Independent Director Term: 3 years from the date of notification of appointment or until further orders. Occupation: Doctor DIN: 09388430 Age: 52 years Nationality: Indian	Shinghaniya Nagar, Arni Road, Yavatmal, Maharashtra – 445001, India	November 15, 2021	-	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated November 15, 2021
Dr. Durgesh Nandini W/o Shri Ramji Tiwari Independent Director Term: 3 years from the date of notification of appointment or until further orders. Occupation: Educationist DIN: 09398540 Age: 52 years Nationality: Indian	Nikhil Nilyam, Near Khorabar Thana, Suba Bazar, Gorakhpur, Uttar Pradesh – 273010, India	December 30, 2021	-	MoP Order No. 46/2/2010-RE (Vol.-II) (Part-4) dated 27.12.2021 read with resolution passed by circulation on December 30, 2021
Shri Narayanan Thirupathy S/o Shri Krishnan Thirupathy Independent Director Term: 3 years from the date of notification of appointment or until further orders. Occupation: Service DIN:10063245 Age: 55 years Nationality: Indian	Old No. 11, New No. 20, Sangam Apartments, Nehru Nagar, 1st Main Road, Adyar, Chennai, Tamilnadu - 600020	March 6, 2023	-	MoP Order No. F.No. 46/2/2010-RE (Vol II) (Part-4) dated March 3, 2023.

8.2 CORPORATE GOVERNANCE

The Issuer has generally been complying with the requirements of corporate governance as prescribed under the SEBI LODR. The Issuer has a total of nine (9) directors, out of which three (3) are whole time Directors including the Chairman & Managing Director, Directors (Projects) and Director (Finance), one (1) is nominee director of the Government of India, one (1) is nominee director of Power Finance Corporation Limited and four (4) are part-time non-official Independent Directors. Thus, according to the requirements prescribed under SEBI LODR, the Board is short of one (1) of Independent Director. Being a Government Company, the power to appoint Directors on the Board is vested with the President of India acting through the administrative ministry, which is the Ministry of Power, and the Issuer has no control in the appointment of Directors on its Board.

Issuer has been requesting and following up with the Ministry of Power, Government of India, for appointment of the requisite number of Independent Director on its Board. Further, once an Independent Director is appointed, the Company will be compliant with the requirements of SEBI LODR. In view of the above, as on the date of this Key Information Document, the Issuer is in compliance with the corporate governance requirements in respect of board composition envisaged under the SEBI LODR.

8.3 DETAILS OF CHANGES IN DIRECTORS IN LAST 3 (THREE) YEARS

Name	DIN	Designation	Date of Appointment	Date of Completion of Tenure	Reason
Shri Praveen Kumar Singh	03548218	Nominee Director – Power Finance Corporation Limited (PFC)	June 18, 2019	January 31, 2022	Ceased to be a Director with effect from February 1, 2022, as superannuated from the nominating authority (PFC).
Shri Mritunjay Kumar Narayan	03426753	Nominee Director – Government of India	September 2, 2019	November 5, 2020	Ceased to be a Director with effect from November 5, 2020 pursuant to MoP Order.
Shri Sanjay Malhotra	00992744	Chairman & Managing Director	November 9, 2020	February 10, 2022 (F/N)	Ceased to be a Director with effect from February 10, 2022 (A/N) due to appointment as Secretary, Department of Financial Services.
Shri Tanmay Kumar	02574098	Government Nominee Director	November 5, 2020	September 7, 2021	Ceased to be a Director with effect from September 7, 2021 pursuant to MoP Order.
Shri Sanjeev Kumar Gupta	03464342	Director (Technical) Held additional charge as CMD during June 1, 2020 to November 8, 2020.	October 16, 2015	October 31, 2021	Ceased to be a Director with effect from November 1, 2021 due to superannuation.
Dr. Gambheer Singh	02003319	Independent Director	November 15, 2021	Continuing	Appointment pursuant to MoP Order.
Dr. Manoj Manohar Pande	09388430	Independent Director	November 15, 2021	Continuing	Appointment pursuant to MoP Order.
Dr. Durgesh Nandini	09398540	Independent Director	December 30, 2021	Continuing	Appointment pursuant to MoP Order read with resolution passed by circulation on December 30, 2021
Smt. Parminder Chopra	08530587	Nominee Director of Power Finance Corporation Limited (PFC)	February 4, 2022	July 11, 2023	Ceased to be a Director with effect from July 11, 2023,
Shri Sudhir Kumar Gangadhar Rahate	05254178	Chairman & Managing Director (Additional Charge)	February 22, 2022	May 9, 2022	Ceased to be a Director with effect from May 10, 2022 on appointment as Secretary, Department of Justice, Ministry of Law & Justice
Shri Ravinder Singh Dhillon	00278074	Chairman & Managing Director (Additional Charge)	May 10, 2022	May 16, 2022	Ceased to be a Director with effect from May 17, 2022 due to appointment of Shri Vivek Kumar Dewangan in the position of CMD.
Shri Vivek Kumar Dewangan	01377212	Chairman & Managing Director	May 17, 2022	Continuing	Appointment pursuant to ACC communication no. 36/02/2022-EO (SM-I) dated May 13, 2022 and MoP Order No. 46/2/2019-RE dated May 18, 2022 read with joining documents.
Shri Vijay Kumar Singh	02772733	Director (Projects)	July 15, 2022	Continuing	Appointment pursuant to MoP Order No. 46/1/2022-RE (MOP) dated July 15, 2022.
Shri Vishal Kapoor	08700132	Government Nominee Director	September 7, 2021	September 13, 2022	Ceased to be a Director with effect from September 14, 2022 pursuant to MoP Order.
Shri Piyush Singh	07492389	Government Nominee Director	September 14, 2022	August 21, 2023	Ceased pursuant to MoP Office Order No. 46/8/2015-RE dated August 21, 2023
Shri Narayanan Thirupathy	10063245	Independent Director	March 6, 2023	Continuing	Appointed pursuant to MoP Order No. F.No. 46/2/2010-RE (Vol II) (Part-4) dated March 3, 2023.
Shri Manoj Sharma	06822395	Nominee Director of Power Finance Corporation Limited (PFC)	July 11, 2023	Continuing	MoP letter no. 27-46/1/2018-PFC/REC dated July 11, 2023
Shri Shashank Misra	08364288	Government Nominee Director	August 21, 2023	Continuing	Appointed pursuant to MoP Office Order No. 46/8/2015-RE dated August 21, 2023
Shri Ajoy Choudhury	06629871	Director (Finance)	June 1, 2020	January 31, 2024	Ceased to be a Director with effect from February 1, 2024
Shri Harsh Baweja	09769272	Director (Finance)	May 14, 2024	January 31, 2026	Appointed pursuant to MoP Officer Order F. No. 46/9/2011-RE (MoP) dated May 14, 2024

SECTION IX
REGULATORY DISCLOSURES

9.1 ANY FINANCIAL OR OTHER MATERIAL INTEREST OF DIRECTORS OR KEY MANAGERIAL PERSONS OR SENIOR MANAGEMENT OR PROMOTERS IN THE OFFER OF BONDS UNDER A SERIES AND THE EFFECT OF SUCH INTEREST IN SO FAR AS IT IS DIFFERENT FROM THE INTERESTS OF OTHER PERSONS

There shall be no financial or other material interest of the Directors or Key Managerial Personnel or senior management or Promoter (i.e. PFC) in the offer of Bonds under a Series.

Except as otherwise stated in "Financial Statements – Related Party Transactions" REC has not entered into any contract, agreements and arrangement during the 3 (three) financial years preceding the date of this Key Information Document in which the Directors are interested directly or indirectly and no payments have been made to them in respect of such contracts or agreements. All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses payable to them. Kindly refer to paragraph 9.4 of this Section IX "*Regulatory Disclosures*" below for details of remuneration paid to the Directors of REC. Kindly refer to paragraph 9.4.3.2 of this Section IX "*Regulatory Disclosures*" for shareholding of the Directors in REC.

All Key Managerial Personnel or senior management may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as to the extent of shareholding held by them in REC.

The Promoter may be deemed to be interested to the extent of shareholding held in the Issuer.

9.2 CONTRIBUTION BEING MADE BY THE DIRECTORS AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF SUCH OBJECTS

There is no contribution being made by the Directors as part of the offer or Bonds under a Series or separately in furtherance of such objects.

9.3 DETAILS OF ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY ANY MINISTRY DEPARTMENT OR OF THE GOVERNMENT OR A STATUTORY AUTHORITY OR REGULATORY BODY AGAINST ANY PROMOTER OF THE ISSUER DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE ISSUE OF THE KEY INFORMATION DOCUMENT

9.3.1 PFC may be involved in various legal proceedings including taxation related proceedings, before various courts and other forums in the ordinary course of business and may have received directions in this regard.

9.3.2 Since the GOI is a part of the Promoter Group of the Issuer, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the GOI or a statutory authority against the GOI during the last 3 (three) years.

9.4 REMUNERATION OF DIRECTORS

9.4.1 Remuneration of Chairman and Managing Director and Whole Time Directors

The following table sets forth the details of remuneration paid to the whole-time directors during FY 2023-24:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri Vivek Kumar Dewangan, IAS (MN: 1993), CMD -w.e.f 17-05-2022 to Present	39,08,304	1,27,169	40,35,473
Shri Ajoy Choudhury, Director (Finance) -w.e.f. 01-06-2020 to 31-12-2023. Superannuated on 31-1-2024 and ceased to be a Director w,e.f. 1-2-2024	1,03,58,056	4,86,129	1,08,44,185
Shri. V K Singh, Director (Technical) -w.e.f. 15-07-2022 to Present	90,85,948	6,07,291	96,93,239

The following table sets forth the details of remuneration paid to the whole-time directors during FY 2022-23:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri Vivek Kumar Dewangan, IAS (MN: 1993), CMD ##### -w.e.f 17-05-2022 to Present	29,27,661/-	63,358/-	29,91,019/-
Shri Ravinder Singh Dhillon, CMD #### -w.e.f 10-05-2022 to 16-05-2022	-	-	-
Shri S.K.G. Rahate, IAS (JH:1990), CMD -w.e.f 22-02-2022 to 09-05-2022	-	-	-
Shri Ajoy Choudhury, Director (Finance) -w.e.f. 01-06-2020. Superannuated on 31-1-2024 and ceased to be a Director w,e.f. 1-2-2024	88,51,048/-	6,06,713/-	94,57,761/-
Shri. V K Singh, Director (Technical) -w.e.f. 15-07-2022 to Present	55,53,782	3,93,281/-	59,47,063/-

The following table sets forth the details of remuneration paid to the whole-time Directors during FY 2021-22:

Name of the Director	Salary & Allowances, Performance linked Incentive/Ex-gratia (Rs.) #	Perquisites, other Benefits (Rs.)##	Total (Rs.)
Shri S.K.G. Rahate, CMD (w.e.f. February 22, 2022 to May 9, 2022)******	-	-	-
Shri Sanjay Malhotra, CMD (w.e.f November 09, 2020 to February 10, 2022)### Additional Charge of Director (Technical) (w.e.f November 1, 2021 to January 31, 2022****)	32,21,518	67,492	32,89,010
Shri Sanjeev Kumar Gupta Director (Technical)*****(w.e.f. December 1, 2015 to October 31, 2021. Superannuated on October 31, 2021)	73,32,051	16,72,778	90,04,829
Shri Ajoy Choudhury, Director (Finance) -w.e.f. 01-06-2020. Superannuated on 31-1-2024 and ceased to be a Director w,e.f. 1-2- 2024	82,37,779	7,11,577	89,49,356

Note to tables above:

 # The above salaries and allowances are in accordance with section 17(1) of the I.T. Act, include allowances exempt under section 10 of the I.T. Act and employer contribution towards superannuation fund.

This includes perquisites accordance with section 17(2) of the I.T. Act and employer share towards provident fund but excludes electricity, entertainment and house attendant payments, travel allowance related payments, exempt medical and uniform reimbursements, gratuity contribution paid by REC Limited, based on an actuarial valuation to the REC gratuity fund.

** Shri Ajoy Choudhury was appointed as Director (Finance) with effect from June 1, 2020 and accordingly, the salary & allowances have been reported with effect from June 1, 2020.*

*** Shri Sanjay Malhotra had been appointed as CMD with effect from November 9, 2020 and accordingly, the salary & allowances have been reported with effect from November 9, 2020.*

**** Shri Sanjeev Kumar Gupta, Director (Technical), had taken the additional charge of CMD for the period June 1, 2020 to November 8, 2020.*

***** Ministry of Power, Government of India vide its order dated October 21, 2021 had assigned additional charge of Director (Technical) to Shri Sanjay Malhotra, CMD for a period of three months with effect from November 1, 2021 to January 31, 2022 or until further orders, whichever is earlier.*

****** Shri Sanjeev Kumar Gupta, Director (Technical), superannuated from the services of REC Limited on October 31, 2021 and ceased to be a Director on the Board of the Issuer.*

******* In pursuance of Ministry of Power communication No. 46/02/2019- RE dated February 22, 2022, issued with the approval of Hon'ble Minister of Power, GOI Shri S.K.G. Rahate, IAS (JH:1990) had taken over the charge of Chairman and Managing Director, REC Limited w.e.f. February 22, 2022 (F/N) in addition to his current job responsibilities for a period of three months or until further orders, whichever is earlier.*

In pursuance of communication No. 36/01/2022-EO(SM-) dated February 8, 2022 issued by the Secretariat of the Appointments Committee of the Cabinet, Ministry of Personnel, Public Grievances and Pensions, Department of Personnel and Training notifying the appointment of Shri Sanjay Malhotra, IAS (RJ:90), Chairman and Managing Director, REC REC Limited as Secretary, Department of Financial Services, Ministry of Finance, Shri Sanjay Malhotra is relieved from the charge of CMD, REC Limited w.e.f. February 10, 2022 (A/N).

Pursuant to Ministry of Power Order N o.46/2/2019-RE dated 10.05.2022 conveying the decision of Hon'ble Minister of Power and New & Renewable Energy regarding Shri Ravinder Singh Dhillon, CMD, PFC Limited, to look after the work of CMD, REC Limited in addition to his post responsibilities w.e.f. 10.05.2022, Shri Ravinder Singh Dhillon had assumed the additional charge of Chairman & Managing Director, REC Limited w.e.f. 10.05.2022 for a period of three months or until further orders, whichever is earlier.

In pursuance of communication no. 36/02/2022-EO (SM-I) dated 13.05.2022 of the sect. of the Appointments Committee Of The Cabinet, Ministry Of Personnel, Public Grievances And Pensions, Department Of Personnel And Training, Government Of India regarding appointment of Shri Vivek Kumar Dewangan, IAS (MN: 1993), Additional Secretary, Ministry of Power as Chairman and Managing Director, REC Limited in the rank and pay of Additional Secretary to the Government of India, Shri Vivek Kumar Dewangan, IAS (MN: 1993) had assumed the charge of Chairman And Managing Director, REC Limited w.e.f. 17.05.2022(F/N).

9.4.2 Remuneration of Part-time Non official Directors

The following table sets forth the details of the sitting fees paid to the Independent / Nominee Director during FY 2023-24:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1	Dr. Gambheer Singh, Independent Director	5,20,000	5,40,000	10,60,000
2	Dr. Manoj Manohar Pande, Independent Director	5,20,000	5,40,000	10,60,000
3	Dr. Durgesh Nandini, Independent Director	5,20,000	5,40,000	10,60,000
4	Shri Narayan Thirupathy, Independent Director	5,20,000	2,70,000	7,90,000
5	Shri Manoj Sharma, Nominee Director – PFC	3,20,000	1,80,000	5,00,000
	Total	**24,00,000**	**20,70,000**	44,70,000

Set forth below are the details of the sitting fees paid to Independent / Nominee Director during FY 2022-23:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Dr. Gambheer Singh, Independent Director	4,80,000	8,40,000	13,20,000
2.	Dr. Manoj Manohar Pande, Independent Director	4,80,000	9,00,000	13,80,000
3.	Dr. Durgesh Nandini, Independent Director	4,80,000	5,70,000	10,50,000
4.	Shri Narayan Thirupathy, Independent Director	80,000	-	80,000
	Total	**15,20,000**	**23,10,000**	**38,30,000**

Set forth below are the details of the sitting fees paid to Independent / Nominee Director during FY 2021-22:

S. No.	Name of part-time non-official independent Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Dr. Gambheer Singh, Independent Director	1,20,000	3,60,000	4,80,000
2.	Dr. Manoj Manohar Pande, Independent Director	1,20,000	3,30,000	4,50,000
3.	Dr. Durgesh Nandini, Independent Director	80,000	1,50,000	2,30,000
4.	Shri P K Singh, Nominee Director of PFC (ceased to be Director of the Issuer w.e.f. February 1, 2022)	3,60,000	4,20,000	7,80,000
5.	Smt. Parminder Chopra, Nominee Director of PFC (appointed w.e.f. February 4, 2022) *	--	--	--
	Total	**6,80,000**	**12,60,000**	**19,40,000**

**No sitting fees is being paid to PFC Nominee Director since February, 2022 by REC for attending Board/ Committee(s) meeting of REC.*

9.4.3 Additional Details of Directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years)

9.4.3.1 As on the date of this Key Information Document, there is no remuneration payable to the Directors by the subsidiary or associate company of the Issuer.

9.4.3.2 As on the date of this Key Information Document, none of the Directors of the Issuer hold any Equity Shares in the Issuer.

9.4.3.3 None of the Directors hold any equity shares in a subsidiary or associate company of the Issuer as on March 31, 2024, except as a nominee shareholder on behalf of the holding company.

9.4.3.4 None of the relatives of the Directors hold any office or place of profit in the Issuer, its subsidiary or associate company, except as a nominee shareholder on behalf of the holding company.

9.4.3.5 None of the Directors of the Directors of the Issuer hold any interest in: (i) the promotion of the Issuer, or (ii) in any immoveable property acquired by the Issuer in the 2 (two) years preceding the date of the Key Information Document or any immoveable property proposed to be acquired by the Issuer, or (iii) in connection with the promotion or formation of the Issuer, where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company.

9.5 RELATED PARTY TRANSACTIONS

Related party transactions entered during the last 3 (three) Financial Years immediately preceding the year of circulation of this Key Information Document and the and current Financial including with regard to loans made or guarantees given or securities provided:

FY 2023-24, FY 2022-23, and FY 2021-22

Details of amount due from or to the related parties:

(Rs.in Crores)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Power Finance Corporation Ltd.			
Loan Repayable on Demand			-
Other Financial Assets	0.51	3.54	-
Other Financial Liabilities- Unpaid Dividend	623.70		
RECPDCL			
Debt Securities	45.44	54.44	57.44
Other Financial Assets	6.96	6.7	5.98
Other Financial Liabilities	1.16	1.43	6.1
Post-employment Benefit Plan Trusts			
Debt Securities	5.70	3.7	8.7
Debt Securities- Holding Company	-	-	19.9
Other financial liabilities- GOI Serviced Bonds	29.30	29.3	29.3
Provisions	0.13	2.68	1.05
Other financial assets	23.55	15.11	-
Post-employment Benefit Plan Trusts of Ultimate Holding Company			
Debt Securities		1.8	1.9
Key Managerial Personnel			
Debt Securities	0.05	0.05	0.16
Staff Loans & Advances	0.30	0.22	0.18
Key Managerial Personnel of Ultimate Holding Company			
Debt Securities	0.15	0.17	0.17
REC Foundation			
Other Non Financial Assets	1.25	-	1.2
Companies in which Key Managerial Personnel are Directors			
Debt Securities	-	-	-
Investment in Equity Shares of Energy Efficiency Services Limited (EESL) (Carried at Fair Value)	-	140.43	214.74
Other Financial Assets- NTPC Limited	-	5.24	-
Other Financial Assets- SJVN Limited	-	0.36	-

Details of transactions with related parties:

(Rs.in Crores)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Power Finance Corporation Ltd.			
Dividend Paid	1,018.71	1,642.40	1,269.22
Directors' Sitting Fee	0.02	-	0.08
Loan Repayable on Demand Raised		-	-
Recovery of Expenses incurred in Govt. Programmes	0.36	3.54	-
Finance Cost on Loan Repayable on Demand from Power Finance Corporation Ltd.		-	14.47
REC PDCL			
Govt. funds disbursed	-	0.18	0.11
Redemption of the bonds of the company	-	12	-
Apportionment of Employee Benefit and Other Expenses	9.06	18.37	19.97
Dividend Income	23.4	27.45	22.43
Rental Income	3.5	4.34	4.88
Other Income	4.8	2.58	-
Finance Costs - Interest Paid	3.7	4.51	4.56
Other Expenses	2.04	3.54	12.45

Limit assigned by REC to ACPL with Ultimate benficiary being REC PDCL	19.8	-	-
Investment	0.3	-	-
REC TPCL			
Subscription to Bonds of the company		-	-
Govt. funds disbursed		-	-
Apportionment of Employee Benefit and Other Expenses		-	-
Dividend Income		-	-
Finance Costs - Interest Paid		-	-
Other Expenses		-	-
Post-employment Benefits Plan Trusts			
Contributions made by the Company during the year	10.95	31.25	18.28
Redemption of the bonds of Company		5	-
Finance Costs - Interest Paid	1.44	3.28	3.28
Post-employment Benefits Plan Trusts of Holding Company			
Redemption of the bonds of Company		0.1	2.2
Finance Costs - Interest Paid		0.16	0.38
Key Managerial Personnel			
Repayment/ Recovery of Staff Loans & Advances	0.11	**0.12**	**0.1**
Repayment/Recover of Debt Securities		0.1	-
Interest Income on Staff Loans	0.02	0.03	0.04
Finance Costs – Interest Paid	0.01	0.06	0.07
Employee Benefits Expense–- Managerial Remuneration	1.96	2.84	3.05
Director" Sitting Fee	0.19	0.38	0.12
Disbursement of Staff Loans & Advances	0.35		
Key Managerial Personnel of Ultimate Holding Company			
Finance Cost		0.01	0.01
REC Foundation			
Payment towards Corporate Social Responsibility (CSR) Expenses	45	151.95	112
Companies in which Key Managerial Personnel are Directors			
Rental Income from NTPC Limited		14.58	-
Recovery of Expenses incurred in Govt. Programmes- NTPC Limited		0.3	-
Recovery of Expenses incurred in Govt. Programmes- SJVNL		0.3	-
Finance Cost on bonds of the company–- NHPC Limited		-	0.35
Dividend Income on equity shares of NHPC Limited		-	4.13

9.6 REFERENCE TO THE RELEVANT PAGE NUMBER OF THE AUDIT REPORT WHICH SETS OUT THE DETAILS OF THE RELATED PARTY TRANSACTIONS ENTERED DURING THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE ISSUE OF THE KEY INFORMATION DOCUMENT

- **Financial Year 2023-24**: Pages 14 to 21 of the audited financial results as on March 31, 2024.
  Available at: https://recindia.nic.in/uploads/files/co-cs-fin-res-qtr4-fy23-24-dt300424.pdf

- **Financial Year 2022-23**: Pages 249 to 255 of the annual report.
  Available at: https://recindia.nic.in/uploads/files/REC-Annual-Report-FY-2022-23.pdf

- **Financial Year 2021-22**: Pages 247 to 252 of the annual report.
  Available at: https://recindia.nic.in/uploads/files/REC-Annual-Report-FY-2021-22.pdf

9.7 DETAILS OF PENDING PROCEEDINGS INITIATED AGAINST THE ISSUER FOR ECONOMIC OFFENCES, IF ANY

As on the date of this Key Information Document, there are no pending proceedings initiated against the Issuer for economic offences.

9.8 DETAILS OF PENDING LITIGATION INVOLVING THE ISSUER, PROMOTER, DIRECTOR, SUBSIDIARIES, GROUP COMPANIES OR ANY OTHER PERSON, WHOSE OUTCOME COULD HAVE MATERIAL ADVERSE EFFECT ON THE FINANCIAL POSITION OF THE ISSUER, WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE BONDS

There is no pending litigation involving the Issuer, Promoter, Directors, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Tranche Issue or the Eligible Investor's decision to invest / continue to invest in the Bonds.

9.9 DETAILS OF ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE SECURITIES LAWS OR COMPANIES ACT OR ANY PREVIOUS COMPANY LAW IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF THE KEY INFORMATION DOCUMENT AGAINST THE COMPANY AND ITS SUBSIDIARIES

There have been no inquiry, inspection or investigation initiated or conducted against the Issuer or its subsidiaries under securities laws, the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this Key Information Document. Further there was no prosecution filed, fines imposed, compounding of offences against the Issuer or its subsidiaries in the last 3 (three) years immediately preceding the year of circulation of this Key Information Document.

9.10 DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR, IF ANY, AND IF SO, THE ACTION TAKEN BY THE COMPANY

There has been no act of material fraud committed against the Issuer in the last 3 (three) years immediately preceding the year of circulation of this Key Information Document.

9.11 ANY DEFAULT IN ANNUAL FILING OF THE ISSUER UNDER THE COMPANIES ACT AND THE RULES MADE THEREUNDER

As on the date of this Key Information Document, there has been no default in annual filing of the Issuer under the Companies Act and the rules made thereunder.

9.12 NAME AND ADDRESS OF THE VALUER WHO PERFORMED VALUATION OF THE SECURITY OFFERED, AND BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER, AND RELEVANT DATE WITH REFERENCE TO WHICH THE PRICE HAS BEEN ARRIVED AT

Not applicable.

9.13 CHANGE IN CONTROL, IF ANY, IN THE ISSUER THAT WOULD OCCUR SUBSEQUENT TO THE PRIVATE PLACEMENT OF BONDS UNDER A SERIES

There will be no change in control in the Issuer pursuant to the private placement of the Bonds under a Series.

9.14 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE ISSUER AND ITS FUTURE OPERATIONS

As on the date of this Key Information Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Issuer and its future operations.

9.15 PROJECT COST AND MEANS OF FINANCING IN CASE OF FUNDING OF NEW PROJECT

REC is in the business of on-lending to the power sector. Accordingly, the project costs of the relevant borrower(s) in the power sector is not relevant to REC.

9.16 ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES

There are no material events or development or change as on date of this Key Information Document, which affects the Issue or an Eligible Investor's decision to invest / continue to invest in the Bonds under a Series.

9.17 AUDITORS' QUALIFICATIONS

Details with respect to qualifications, reservations and adverse remarks of the auditors of the Issuer in the last five financial years immediately preceding the year of circulation of this Key Information Document and their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said qualifications, reservations and adverse remarks are given as under:

Financial Year	Auditors' qualifications, reservations and adverse remarks
2023-24	Nil
2022-23	Nil
2021-22	Nil
2020-21	Nil
2019-20	Nil

9.18 IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE KEY INFORMATION DOCUMENT

Not applicable.

9.19 PROJECT DETAILS: GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT

Not applicable.

9.20 DECLARATION

The Issuer confirms that the permanent account number of PFC and permanent account number of directors have been or, as applicable, will be, submitted to the stock exchange on which the Bonds under a Series are proposed to be listed, at the time of filing this Key Information Document.

9.21 GOVERNMENT APPROVAL UNDER THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, AS AMENDED, FOR INVESTMENT IN THE DEBENTURES

Not applicable.

9.22 ANNUAL REPORTS

The annual reports of the Issuer for the last 3 (three) Financial Years are available at: https://recindia.nic.in/annual-reports

9.23 REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE FINANCIAL YEARS AND THE CURRENT FINANCIAL YEAR BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD

Not applicable.

9.24 EXPENSES OF THE TRANCHE ISSUE

The following are the estimated expenses:

Sr. No	Particulars	Amount (in Rs.)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expenses of the Issue (in %)
1.	Lead manager(s) fees*	Not applicable		Not applicable
2.	Underwriting commission*	Not applicable	Not applicable	Not applicable
3.	Brokerage, selling commission and upload fees*	-	-	0.00%
4.	Fees payable to the R&T Agent	1,400.00	0.000%	0.01%
5.	Fees payable to the legal advisors*	Not applicable	Not applicable	Not applicable
6.	Advertising and marketing expenses*	Not applicable	Not applicable	Not applicable
7.	Fees payable to the regulators including stock exchanges	2,23,29,175.00	0.056%	81.86%
8.	Expenses incurred on printing and distribution of issue of stationary*	Not applicable	Not applicable	Not applicable
9.	Any other fees, commission or payments under whatever nomenclature**	49,45,200.00	0.012%	18.13%
	TOTAL	**2,72,75,775.00**	**0.07%**	**100.00%**

**Not Applicable. The issue is made on private placement basis under Section 42 of the Companies Act.*
Note: The amount set out in the table above excludes GST.

9.25 OBJECTS OF THE TRANCHE ISSUE

Particulars	Percentage
To augment long-term resources of the Issuer for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Issuer.	**100%**

9.26 EXPERT OPINIONS

The Issuer has not obtained any expert opinions in connection with the Key Information Document.

9.27 CONSENT OF DIRECTORS, AUDITORS, BANKERS TO ISSUE, TRUSTEES, SOLICITORS OR ADVOCATES, LEGAL ADVISORS, LEAD MANAGER, REGISTRAR, AND LENDERS (IF REQUIRED, AS PER THE TERMS OF THE AGREEMENT) AND EXPERTS.

Consents from directors, trustee, solicitors or advocates to the Issue, and registrar to the Issue have been obtained by the Issuer. The statutory auditors of the Issuer, M/s Kailash Chand Jain & Co. and M/s S. C. V. & Co. LLP., have been appointed vide C&AG letter dated September 12, 2023, and the appointment was accepted on September 18, 2023 and September 21, 2023, respectively.

Consents from bankers to issue, legal advisors to the issue, lead managers to the issue, and lenders and experts are not applicable for the present Issue.

SECTION X
RISK FACTORS

The management of the Issuer believe that the following factors may affect the Issuer's ability to fulfil its obligations under the Bonds under a Series. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Investors should carefully consider all the information in the Key Information Document, including the risks and uncertainties described below, before making an investment in the Bonds under a Series. To obtain a complete understanding, prospective Investors should read this section in conjunction with the remaining sections of the Key Information Document, as well as the other financial and statistical information contained in the Key Information Document. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Bonds under a Series could decline, and the Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Bonds under a Series such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Bonds under a Series. The inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds under a Series may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. The Investor must rely on its own examination of the Issuer and this Issue, including the risks and uncertainties involved. The Investor should carefully consider all the information in the Key Information Document, including the risks and uncertainties described below before making an investment in the Bonds under a Series. The risks and uncertainties described in this section are not the only risks that the Issuer currently faces. Additional risks and uncertainties not known to the Issuer or that it currently believes to be immaterial may also have an adverse effect on its business, prospects, results of operations and financial condition.

RISK RELATING TO BUSINESS OR INDUSTRY

1. The Issuer's business, and the industry in which it conducts its business, are dependent on the policies and support of the Government and the Issuer is susceptible to changes to such policies and the level of support we receive. If the changes in Government policies, are not in favour of the Issuer's business, then the same are likely to adversely affect its business, financial condition and results of its operations. A situation may occur where GOI may withdraw its support, tax incentives, etc., and can come up with the policies, regulations or laws which may be inconsistent with the Issuer's business objectives. Any such adverse change in policies of the GOI may affect the Issuer's business.

2. The Issuer has a significant concentration of outstanding loans to certain borrowers and if the loans to these borrowers become non-performing, the quality of the Issuer's asset portfolio may be adversely affected.

3. The Issuer's competitive efficiency is dependent on the Issuer's ability to maintain a low and effective cost of funds; if the Issuer is unable to do so, it could have a material adverse effect on its business, financial condition and results of its operations.

4. Prepayment penalties may be imposed in respect of any prepayment of the Issuer's financial indebtedness.

5. The Issuer's statutory auditors included certain emphasis of matters in their annexure to auditor's reports on its audited financial statements for Fiscals 2022 and 2023.

6. The Issuer may face asset liability mismatches, which could affect its liquidity and consequently have a material and adverse effect on its business, financial performance and results of operations.

7. If the Issuer is unable to manage its growth effectively, its business and financial results could be adversely affected.

8. Any negative trends or financial difficulties, particularly among the borrowers and borrower groups to whom the Issuer has the greatest exposure, including state electricity boards and public sector undertakings, could increase the level of non-performing assets in its portfolio and that may make it unable to service its

outstanding indebtedness. Certain state electricity boards which were the Issuer's borrowers have been restructured and the Issuer may not have transferred liabilities related with loans to the newly formed entity, which may affect the Issuer's ability to enforce the applicable provisions of the original agreement.

9. The Issuer is involved in large number of litigations and any adverse decision in these cases may affect its financial conditions.

10. The Issuer is currently engaged in foreign currency borrowings and is likely to do so at increased levels in the future, which will expose it to fluctuations in foreign exchange rates and if the Issuer is unable to hedge the risk effectively, it could adversely affect its business, financial condition and results of operations.

11. The Issuer is susceptible to the volatility in interest rates in its operations and therefore may be adversely affected due to the fluctuation in interest rates.

12. The Government, through PFC, continues to exercise control over the Issuer, and therefore it can determine the outcome of shareholder voting and influence the Issuer's operations.

13. There may be challenges as a result of, or difficulties in realising the benefits of the acquisition by PFC, or any future merger of the Issuer with PFC's business and/or successfully integrating the Issuer's business with PFC's or (in the event of a merger) the merged business.

14. The Government may sell all or part of its shareholding in PFC, and/or PFC may sell all or part of its shareholding in the Issuer, which may result in a change in control of the Issuer.

15. Failure to manage any acquisition that the Issuer makes may cause its profitability to suffer.

16. An inability to develop or implement effective risk management policies and procedures could expose the Issuer to unidentified risks or unanticipated levels of risk.

17. The Issuer takes advantage of certain tax benefits available to it as a lending institution. If these tax benefits were reduced or are no longer available to the Issuer, it would adversely affect its profitability.

18. The Issuer may not have obtained sufficient security and collateral from its borrowers, or it may not be able to recover or enforce, or there may be a delay in recovering or enforcing, the expected value from any security and collateral.

19. The escrow account mechanism for the payment obligations of the Issuer's state sector borrowers may not be effective, which may reduce the Issuer's recourse in the event of defaulted loans and could have a material adverse effect on the Issuer's business, financial condition and results of operations.

20. The Issuer has granted loans to the private sector on a non-recourse or limited recourse basis, which may increase the risk of non-recovery and could expose it to significant losses.

21. Certain SEBs which were the Issuer's borrowers have been restructured and the Issuer may not have transferred the liabilities associated with its loans to the newly formed entities, which may affect its ability to enforce the applicable provisions of the original loan agreements.

22. The Issuer's contingent liabilities could adversely affect its financial condition.

23. The Issuer's cash flow reflects negative cash flows from operations in view of presentation of borrowings and lending in different categories. There is no assurance that such negative cash flow from operations will not recur in future Fiscal periods and in case it recurs, then it may adversely affect the Issuer's business.

24. The Issuer's success depends largely upon its management team and skilled personnel. The Issuer's ability to attract and retain such persons and disassociation of its key personnel could adversely affect its business and ability to pursue its growth strategies.

25. The Issuer's borrowers' insurance of assets may not be adequate to protect them against all potential losses to which they may be subject, which could affect the Issuer's ability to recover the loan amounts due to the Issuer's from these borrowers.

26. The Issuer is subject to restrictive covenants in the agreements entered into with certain banks and financial institutions for its borrowings, such as maintaining credit ratings, financial ratios, etc. Such restrictive covenants may restrict its operations or ability to expand and may adversely affect its business. Further non-compliance by the Issuer's borrowers to comply with terms and conditions such as security and insurance etc. will affect the Issuer's ability to recover the loan.

27. The power sector financing industry is becoming increasingly competitive and the Issuer's profitability and growth will depend on its ability to compete effectively and maintain a low effective cost of funds so as to maintain its interest income and grow its portfolio of assets.

28. Power projects carry certain risks that, to the extent they materialize, could adversely affect the Issuer's business, financial condition and results of operations.

29. Logistics and infrastructure sectors carry certain risks that, to the extent they materialize, could adversely affect the Issuer's business, financial condition and results of operations.

30. Negative trends in the Indian power sector or the Indian economy could adversely affect the Issuer's business, financial condition and results of operations.

31. Material changes in the regulations that govern the Issuer and its borrowers could cause the Issuer's business to suffer.

32. The Issuer may fail to obtain certain regulatory approvals in the ordinary course of its business in a timely manner or at all, or to comply with the terms and conditions of its existing regulatory approvals and licences, which may have a material adverse effect on the continuity of its business and may impede its effective operations in the future.

33. The Issuer is no longer exempted from the applicability of certain prudential norms by the RBI and this may affect its business.

34. The Issuer is involved in a number of legal and tax-related proceedings. Any unfavorable development in these proceedings or in other proceedings in which the Issuer become involved could have a material adverse effect on its business, financial condition and results of operation.

35. The Issuer is subject to stringent labor laws and trade union activity and any work stoppage could have an adverse material effect on its business, financial condition and results of operations.

36. Some of the Issuer's immovable properties may have certain irregularities in title, as a result of which its operations may be impaired.

37. A global outbreak of an infectious disease such as COVID-19 or any other serious public health concerns could have a material adverse effect on the Issuer's business, financial condition and results of operations and could cause the trading price of the Bonds under a Series to decrease.

38. The Issuer has invested in debt instruments that may carry interest at a lower rate than the prevailing market rate.

39. Changes in legislation (including tax legislation) or policies applicable to the Issuer could adversely affect its results of operations.

40. The Issuer's insurance may not be adequate to protect it against all potential losses to which it may be subject.

41. Any cross default of financial indebtedness may trigger payment to all other borrowings made by the Issuer, thereby adversely affecting the liquidity position of the Issuer, and which may adversely affect its financial condition.

42. The Issuer has entered, and may enter, into certain transactions with related parties, which may not be on an arm's length basis or which may lead to conflicts of interest.

43. The Issuer may not be in compliance with certain regulations such as corporate governance, etc., and the same may result in imposition of penalties.

44. The Directors may have interests in companies/entities similar to the Issuer, which may result in a conflict of interest that may adversely affect future financing opportunity referrals and there can be no assurance that these or other conflicts of interest will be resolved in an impartial manner.

45. Any downgrading of our debt rating or India's sovereign rating by a credit rating agency could have a negative impact on the Issuer's business.

46. The security of the Issuer's IT systems may fail and adversely affect the Issuer's business, operations, financial condition and reputation.

47. If the level of credit impaired assets or non-performing assets in the Issuer's loan portfolio were to increase, its financial condition would be adversely affected.

48. Depreciation of the Rupee against foreign currencies may have an adverse effect on the Issuer's results of operations and financial conditions.

49. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on the Issuer. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

50. The Issuer may have a risk of prepayment penalty in respect of its financial indebtedness.

51. The security of the Issuer's information technology systems may fail and adversely affect its business, operations, financial condition and reputation.

52. The Issuer may in the future conduct additional business through joint ventures and strategic partnerships, exposing it to certain regulatory and operating risks.

RISKS RELATING TO INVESTMENT IN THE BONDS UNDER A SERIES

1. The Bonds under a Series may have limited liquidity and there may be limited trading of these Bonds.

2. The Bonds under a Series may not be a suitable investment for all investors.

3. The Bonds under a Series are not guaranteed by the Republic of India.

4. The Bonds under a Series are subject to the risk of change in law.

5. The price of the Bonds under a Series following the offering may be volatile.

6. Decisions may be made on behalf of all Bondholders under a Series that may be adverse to the interests of individual Bondholders under a Series.

7. Investment in the Bonds under a Series is subject to interest rate risks.

8. Trading prices of the Bonds under a Series are influenced by numerous factors, including the operating results, business and/or financial conditions of the Issuer, political, economic, financial and any other factors that can affect the capital markets, the business or the Issuer.

9. Investment in Bonds under a Series involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds under a Series.

10. Credit ratings assigned to the Issuer or any Bonds under a Series may not reflect all the risks associated with an investment in those Bonds under a Series.

11. There is no guarantee that the Bonds under a Series will be listed on the stock exchanges in a timely manner or at all.

12. The Issuer's ability to pay Coupon and Redemption Amounts depends on variety of factors including its financial conditions, Indian and global market conditions, event of bankruptcy, winding up and liquidation. The Issuer cannot assure Eligible Investors of payment of Coupon or Redemption Amount in a timely manner or at all.

13. No debenture redemption reserve is envisaged against the Bonds under a Series being issued under the terms of the Key Information Document. In absence of a debenture redemption reserve, the Eligible Investors may find it difficult to recover their money.

14. Any down grading in rating of bonds will affect the prices of the Bonds under a Series.

RISKS RELATING TO THE POWER SECTOR AND POWER SECTOR FINANCING IN INDIA

1. Private participation in the power sector in India depends on the continued growth of the Indian economy and regulatory developments in India. Any adverse change in policy, implementation or industry demand may adversely affect the Issuer.

2. Power projects carry various project specific and general risk, which are beyond control of the Issuer including non-conversion of letter of assurance or memorandum of understanding by coal suppliers into binding fuel supply agreement, delays in development of captive coal mines, adverse changes in demand for, or the price of, power generated or distributed by the projects to which the Issuer lends, the willingness and ability of consumers to pay for the power produced by projects to which the Issuer lends, increased cost due to environmental changes, etc. Any adverse change in such conditions may affect the Issuer's business.

3. Setting up and operating power projects in India requires a number of approvals and permits, and the failure to obtain or renew them in a timely manner may adversely affect the operations of our borrowers and in turn adversely affect the quality of the Issuer's loans.

4. Shortages in the supply of crude oil, natural gas or coal (domestic and imported) could adversely affect the Indian economy and the power sector projects to which the Issuer has exposure.

5. The Issuer is exposed to project execution and construction delays faced by domestic power companies.

6. Changes in environment standards in relation to power projects impose significant risks to the Issuer's business.

RISKS RELATING TO INDIA

1. A slowdown in economic growth in India could adversely impact the Issuer's business. The Issuer's performance and the growth of its business are necessarily dependent on the performance of the overall Indian economy.

2. Inflation in India could have an adverse effect on the Issuer's profitability and, if significant, on the Issuer's financial condition

3. Political instability or changes in the Government could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally.

4. The Issuer's ability to raise foreign funds may be constrained by Indian law.

5. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets.

6. Natural calamities could have a negative impact on the Indian economy and the Issuer's business.

7. Difficulties faced by other financial institutions or the Indian financial sector generally could have an impact on the business of the Issuer.

8. Any downgrade of India's sovereign rating by a credit rating agency could have a negative impact on the Issuer's business, financial condition and results of operations.

9. Direct capital market access by the Issuer's borrowers could adversely affect it.

10. Certain global economic conditions have been unprecedented and challenging and have had, and continue to have, an adverse effect on the Indian financial markets and the Indian economy in general.

11. The risks to financial stability could adversely affect the Issuer's business.

12. The Issuer's business and activities are regulated by the Competition Act, 2002 (the Competition Act) and any application of the Competition Act to the Issuer may be unfavorable or have an adverse effect on the Issuer's business, financial condition and results of operations.

13. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect the Issuer's business, prospects, results of operations and financial condition.

14. The insolvency and bankruptcy code in India may affect the Issuer's right to recover loans from its borrowers.

15. A slow-down in economic growth of India including due to the COVID-19 pandemic, shortages in the supply of crude oil, natural gas or coal, political instability, labour unrest, strikes, or changes in the government, international financial regulations, natural calamity, pandemic, epidemic, act of terrorism, war, riot etc. may affect the Issuer's business. Any adverse change in such conditions may result in difficulties in obtaining funding on attractive terms.

16. Any adverse revisions to India's sovereign credit ratings for domestic and international debt by credit rating agencies may adversely impact the interest rates and other commercial terms at which such financing is available to the Issuer.

17. The Indian capital market is developing and maturing at good pace and the same may cause a shift in the pattern of power sector financing. In case the Issuer's borrowers start directly accessing the market, it may affect the Issuer's business.

SECTION XI
CAPITAL STRUCTURE

11.1 DETAILS OF SHARE CAPITAL AS AT LAST QUARTER END

The equity share capital of the Issuer, as at the Quarter End dated March 31, 2024, is set forth below:

(Rs.in Crores, except share data)

		Aggregate value at nominal value
A)	**AUTHORISED SHARE CAPITAL**	
	500,00,00,000 Equity Shares of face value of Rs. 10/- each	5,000.00
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**	
	263,32,24,000 Equity Shares of face value of Rs.10/- each fully paid up	2,633.22
C)	**SECURITIES PREMIUM ACCOUNT AS ON MARCH 31, 2024**	1,577.53

Note: Since the Tranche Issue comprises of issue of non-convertible debt securities, it shall not affect the paid-up Equity Share capital or share premium account of the Issuer after the offer under the Tranche Issue.

11.2 CHANGES IN THE CAPITAL STRUCTURE FOR LAST 3 (THREE) FINANCIAL YEARS AT THE QUARTER END DATED MARCH 31, 2024

There is no change in the capital structure of the Issuer for the last 3 (three) years, as on Quarter End dated March 31, 2024 except as stated below.

The Board of Directors, in its meeting held on June 30, 2022 had recommended the issue of bonus shares in the ratio 1:3 i.e. 1 (one) bonus Equity Share of Rs. 10 (Rupees Ten) each fully paid-up for every 3 (three) existing Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up. On August 9, 2022, the shareholders of the Issuer approved the issuance of bonus shares in the ratio 1:3 (at a face value of Rs. 10 per equity share) and the Issuer declared August 18, 2022 as the record date for determining the eligibility of shareholders for allotment of the bonus shares. The dispatch of physical share certificates/credit of bonus Equity Shares was completed within 2 (two) months of approval of the Board.

11.3 EQUITY SHARE CAPITAL HISTORY OF THE COMPANY, FOR THE LAST 3 (THREE) FINANCIAL YEARS

There is no change in the capital structure of the Issuer for the last 3 (three) years, as on Quarter End dated March 31, 2024 except as stated below.

Date of Issue/ allotment	No. of Equity Shares issued by the Issuer	Face Value (Rs.)	Issue price (Rs.)	Nature for allotment	Consideration in Cash/ other than cash	Cumulative number of Equity Shares	Cumulative Share Premium	Equity Share Capital issued by the Issuer (Rs.)	Cumulative Equity Share Capital (Rs.)
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

The Issuer had issued bonus shares in the ratio 1:1 to the shareholders of the Issuer on September 30, 2016. Further, the Board of Directors, in its meeting held on June 30, 2022, had recommended the issue of bonus shares in the ratio 1:3 i.e. 1 (one) bonus Equity Share of Rs. 10 (Rupees Ten) each fully paid-up for every 3 (three) existing Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up. On August 9, 2022, the shareholders of the Issuer approved the issuance of bonus shares in the ratio 1:3 (at a face value of Rs. 10 per equity share) and the Issuer had declared August 18, 2022 as the record date for determining the eligibility of shareholders for allotment of the bonus shares.

11.4 ACQUISITION OR AMALGAMATION IN THE LAST 1 (ONE) YEAR

The Issuer has not undertaken any acquisition or amalgamation in the last 1 (one) year prior to filing of this Key Information Document.

11.5 DETAILS OF REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 (ONE) YEAR

The Issuer has not undergone any reorganization or reconstruction in the last 1 (one) year prior to issue of this Key Information Document.

11.6 THE AGGREGATE NUMBER OF SECURITIES OF THE ISSUER AND ITS SUBSIDIARY COMPANIES PURCHASED OR SOLD BY THE PROMOTER GROUP, AND BY THE DIRECTORS OF THE COMPANY WHICH IS A PROMOTER OF THE ISSUER, AND BY THE DIRECTORS OF THE ISSUER AND THEIR RELATIVES, WITHIN SIX MONTHS IMMEDIATELY PRECEDING THE DATE OF FILING THE KEY INFORMATION DOCUMENT

There have not been any securities of the issuer and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the Issuer, and by the Directors of the Issuer and their relatives, within six months immediately preceding the date of filing the Key Information Document.

11.7 SHAREHOLDING PATTERN AS AT THE QUARTER ENDED MARCH 31, 2024

There will be no change in the shareholding pattern of the Issuer pursuant to the Issue of Bonds. The table below represents the shareholding pattern of the Issuer as on Quarter ended March 31, 2024:

Table I - Summary Statement Holding of Specified Securities

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. a	As a % of total Shares held (b)	No. a	As a % of total Shares held (b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0	0	0	1385993662
(B)	Public	770807	1247230338	0	0	1247230338	47.37	1247230338	0	1247230338	47.37	0	47.37	0	0	0	0	1247209159
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	**770808**	**2633224000**	**0**	**0**	**2633224000**	**100**	**2633224000**	**0**	**2633224000**	**100**	**0**	**100**	**0**	**0**	**0**	**0**	**2633202821**

Table II - Statement showing Shareholding Pattern of the Promoter and Promoter Group

	Category of shareholder (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares (XV)		
									No of Voting Rights			Total as a % of (A+B+C)			No. a	As a % of total Shares held (b)	No. a	As a % of total Shares held (b)		Shareholding (No. of shares) under		
									Class eg: X	Class eg: Y	Total									Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(1)	**Indian**																					
(a)	Individuals/ Hindu Undivided Family		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Central Government/ State Government(s)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	PRESIDENT OF INDIA		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions/ Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (specify)		1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0	0	0	1385993662	0	0	0
	i) Bodies Corporate		1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0	0	0	1385993662	0	0	0
	POWER FINANCE CORPORATION LTD	AAACP1570H	1	1385993662	0	0	1385993662	52.63	1385993662	0	1385993662	52.63	0	52.63	0	0	0	0	1385993662	0	0	0
	Sub-Total (A)(1)		**1**	**1385993662**	**0**	**0**	**1385993662**	**52.63**	**1385993662**	**0**	**1385993662**	**52.63**	**0**	**52.63**	**0**	**0**	**0**	**0**	**1385993662**	**0**	**0**	**0**
(2)	**Foreign**																					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	i) Bodies Corporate		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	TOTAL Shareholding of Promoter and Promoter Group (A) = (1) + (2)		**1**	**1385993662**	**0**	**0**	**1385993662**	**52.63**	**1385993662**	**0**	**1385993662**	**52.63**	**0**	**52.63**	**0**	**0**	**0**	**0**	**1385993662**	**0**	**0**	**0**

Table III - Statement showing Shareholding Pattern of the Public Shareholders

	Category of shareholder (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares (XV)		
									No of Voting Rights			Total as a % of (A+B+C)			No. a	As a % of total Shares held (b)	No. a	As a % of total Shares held (b)		Shareholding (No. of shares) under		
									Class eg: X	Class eg: Y	Total									Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(1)	**Institutions (Domestic)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(a)	Mutual Funds		36	249760921	0	0	249760921	9.48	249760921	0	249760921	9.48	0	9.48	0	0	0	0	249760921	0	0	0
	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	AAATH1809A	1	66277453	0	0	66277453	2.52	66277453	0	66277453	2.52	0	2.52	0	0	0	0	66277453	0	0	0
	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA GROWTH FUND	AAATR0090B	1	27717826	0	0	27717826	1.05	27717826	0	27717826	1.05	0	1.05	0	0	0	0	27717826	0	0	0
(b)	Venture Capital Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds		34	21156389	0	0	21156389	0.8	21156389	0	21156389	0.8	0	0.8	0	0	0	0	21156389	0	0	0
(d)	Banks		4	139218	0	0	139218	0.01	139218	0	139218	0.01	0	0.01	0	0	0	0	139218	0	0	0
(e)	Insurance Companies		28	117617199	0	0	117617199	4.47	117617199	0	117617199	4.47	0	4.47	0	0	0	0	117617199	0	0	0
(f)	Provident / Pension Funds		1	17926960	0	0	17926960	0.68	17926960	0	17926960	0.68	0	0.68	0	0	0	0	17926960	0	0	0
(g)	Asset Reconstruction Companies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Sovereign Wealth Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	NBFCs registered with RBI		8	22259	0	0	22259	0	22259	0	22259	0	0	0	0	0	0	0	22259	0	0	0
(j)	Other Financial Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k)	Any Other (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total B(1)		**111**	**406622946**	**0**	**0**	**406622946**	**15.44**	**406622946**	**0**	**406622946**	**15.44**	**0**	**15.44**	**0**	**0**	**0**	**0**	**406622946**	**0**	**0**	**0**
(2)	**Institutions (Foreign)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(a)	Foreign Direct Investment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Foreign Venture Capital Investors		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Sovereign Wealth Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investors Category I		753	505943629	0	0	505943629	19.21	505943629	0	505943629	19.21	0	19.21	0	0	0	0	505943629	0	0	0
	GOVERNMENT OF SINGAPORE	AAAJG0594R	1	29392530	0	0	29392530	1.12	29392530	0	29392530	1.12	0	1.12	0	0	0	0	29392530	0	0	0
(e)	Foreign Portfolio Investors Category II		54	18542930	0	0	18542930	0.7	18542930	0	18542930	0.7	0	0.7	0	0	0	0	18542930	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Any Other (specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(2)		**807**	**524486559**	**0**	**0**	**524486559**	**19.92**	**524486559**	**0**	**524486559**	**19.92**	**0**	**19.92**	**0**	**0**	**0**	**0**	**524486559**	**0**	**0**	**0**
(3)	**Central Government / State Government(s)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(a)	Central Government / President of India		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	State Government / Governor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter		3	1369863	0	0	1369863	0.05	1369863	0	1369863	0.05	0	0.05	0	0	0	0	1369863	0	0	0
	Sub-Total (B)(3)		**3**	**1369863**	**0**	**0**	**1369863**	**0.05**	**1369863**	**0**	**1369863**	**0.05**	**0**	**0.05**	**0**	**0**	**0**	**0**	**1369863**	**0**	**0**	**0**
(4)	**Non-Institutions**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(a)	Associate companies / Subsidiaries		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)		1	1600	0	0	1600	0	1600	0	1600	0	0	0	0	0	0	0	1600	0	0	0
(c)	Key Managerial Personnel		1	1322	0	0	1322	0	1322	0	1322	0	0	0	0	0	0	0	1322	0	0	0
(d)	Relatives of promoters (other than immediate relatives of promoters disclosed under Promoter & PGC)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Trusts where any person belonging to Promoter & PGC istrustee, beneficiary or author of the trust		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Investor Education and Protection Fund (IEPF)		1	205726	0	0	205726	0.01	205726	0	205726	0.01	0	0.01	0	0	0	0	205726	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs		742808	200596482	0	0	200596482	7.62	200596482	0	200596482	7.62	0	7.62	0	0	0	0	200575303	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs		933	53863303	0	0	53863303	2.05	53863303	0	53863303	2.05	0	2.05	0	0	0	0	53863303	0	0	0
(i)	Non Resident Indians (NRIs)		11111	14690296	0	0	14690296	0.56	14690296	0	14690296	0.56	0	0.56	0	0	0	0	14690296	0	0	0
(j)	Foreign Nationals		1	2933	0	0	2933	0	2933	0	2933	0	0	0	0	0	0	0	2933	0	0	0
(k)	Foreign Companies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(l)	Bodies Corporate		2480	30558094	0	0	30558094	1.16	30558094	0	30558094	1.16	0	1.16	0	0	0	0	30558094	0	0	0
(m)	Any Other (specify)		12550	14831214	0	0	14831214	0.56	14831214	0	14831214	0.56	0	0.56	0	0	0	0	14831214	0	0	0
	i) Clearing Member		72	1632232	0	0	1632232	0.06	1632232	0	1632232	0.06	0	0.06	0	0	0	0	1632232	0	0	0
	ii) Overseas corporate bodies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	iii) Trust		73	1299237	0	0	1299237	0.05	1299237	0	1299237	0.05	0	0.05	0	0	0	0	1299237	0	0	0
	iv) Foreign Portfolio Investor(Individual)		1	20	0	0	20	0	20	0	20	0	0	0	0	0	0	0	20	0	0	0
	v) Unclaimed or Suspense or Escrow Account		1	6644	0	0	6644	0	6644	0	6644	0	0	0	0	0	0	0	6644	0	0	0
	vi) Resident HUF		12278	11373727	0	0	11373727	0.43	11373727	0	11373727	0.43	0	0.43	0	0	0	0	11373727	0	0	0
	vii) Custodian		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	ix) Employees / Office Bearers		125	519354	0	0	519354	0.02	519354	0	519354	0.02	0	0.02	0	0	0	0	519354	0	0	0
	x) Foreign Bank		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	xi) Qualified Institutional Buyer		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(4)		**769886**	**314750970**	**0**	**0**	**314750970**	**11.95**	**314750970**	**0**	**314750970**	**11.95**	**0**	**11.95**	**0**	**0**	**0**	**0**	**314729791**	**0**	**0**	**0**
	TOTAL Public Shareholding(B) = B(1) + B(2) + B(3) + B(4)		**770807**	**1247230338**	**0**	**0**	**1247230338**	**47.37**	**1247230338**	**0**	**1247230338**	**47.37**	**0**	**47.37**	**0**	**0**	**0**	**0**	**1247209159**	**0**	**0**	**0**

Table IV - Statement showing Shareholding Pattern of the Non Promoter - Non Public Shareholder

	Category of shareholder (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants)(X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares (XV)		
									No of Voting Rights			Total as a % of (A+B+C)			No. a	As a % of total Shares held (b)	No. a	As a % of total Shares held (b)		Shareholding (No. of shares) under		
									Class eg: X	Class eg: Y	Total									Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(1)	**Custodian/DR Holder**																					
(a)	Name of DR Holder (if available)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (C)(1)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (C)(2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

11.8 TOP TEN SHAREHOLDERS OF THE ISSUER AND THE NUMBER OF EQUITY SHARES HELD BY THEM, AS ON THE QUARTER END DATED MARCH 31, 2024

Sr. No.	Name of shareholder	No. of Equity Shares held*	No. of Equity Shares held in dematerialised form	Total shareholding as a percentage of the total number of Equity Shares
1.	POWER FINANCE CORPORATION LTD	1385993662	1385993662	52.63%
2.	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	66277453	66277453	2.52%
3.	GOVERNMENT OF SINGAPORE	29392530	29392530	1.12%
4.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA QUANT FUND	27717826	27717826	1.05%
5.	SBI PSU FUND	22377513	22377513	0.85%
6.	LIFE INSURANCE CORPORATION OF INDIA - P & GS Fund	20596483	20596483	0.78%
7.	TATA AIG GENERAL INSURANCE COMPANY LIMITED	20275340	20275340	0.77%
8.	SBI LIFE INSURANCE CO. LTD	19702453	19702453	0.75%
9.	NPS TRUST-A/C SBI PENSION FUND SCHEME TAX SAVER-TIER 2	17926960	17926960	0.68%
10.	DSP NIFTY NEXT 50 INDEX FUND	17473359	17473359	0.66%
	Total	**1627733579**	**1627733579**	**61.81%**

*PAN based shareholding.

SECTION XII
FINANCIAL INDEBTEDNESS

12.1 RESOURCE MOBILISATION

As on March 31, 2024, the Issuer had total outstanding borrowing of Rs. 4,37,943.59 Crores. The following table sets forth the Issuer's indebtedness classified by Rupee-denominated and foreign currency-denominated sources and the percentages such resources constituting the total indebtedness as on March 31, 2024, March 31, 2023 and March 31, 2022. The Rupee equivalents of foreign currency-denominated debts (other than those that are already fully hedged) are translated with reference to rates of exchange prevailing as at the end of all the periods indicated.

(All figures are in (Rs.) Crores, except percentages)

Resource Denomination	As on March 31					
	2024		2023		2022	
	Amount	%	Amount	%	Amount	%
Rupee	3,12,635.53	71.39%	2,80,752.16	74.94%	251,031.92	76.80%
Foreign currency	1,25,308.06	28.61%	93.864.26	25.06%	75812.36	23.20%
Total	**4,37,943.59**	**100.00%**	**3,74,616.42**	**100.00%**	**326,844.28**	**100%**

12.2 DOMESTIC BORROWINGS

(All figures are in (Rs.) Crores, except in percentages)

Rupee Denominated	As on March 31					
	2024		2023		2022	
	Amount	%	Amount	%	Amount	%
Taxable bonds	1,81,470.99	58.05%	1,56,868.40	55.88%	152,692.30	60.83%
54EC Capital Gain Tax Exemption bonds	42,356.21	13.55%	37,586.91	13.39%	25,437.67	10.13%
Infrastructure bonds	3.96	0.00%	3.96	0.00%	3.96	0.00%
Tax-free bonds	8,998.71	2.88%	10,307.08	3.67%	11,808.74	4.70%
Term loans	68,662.28	21.96%	72,298.22	25.75%	59,678.33	23.77%
Commercial paper	0.00	0.00%	0.00	0.00%	0.00	0.00%
Working Capital Demand Loan	11,143.38	3.56%	3,687.59	1.31%	1,410.93	0.56%
Total	**3,12,635.53**	**100.00%**	**2,80,752.16**	**100.00%**	**251,031.92**	**100.00%**

12.3 DISCLOSURES SET OUT IN ANNEXURE IV AS ON MARCH 31, 2024

- Details of secured loan facilities;
- Details of unsecured loan facilities;
- Details of non-convertible securities;
- The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued;
- Details of commercial paper;
- Working capital demand loan from banks;
- Short term loan from banks;
- FCNR(B) loans from banks;
- Details of rest of the borrowings (if any including hybrid debt like FCCB, optionally convertible debentures/preference shares);
- List of top ten debenture holders of the Issuer;
- Details of any outstanding borrowings taken or debt securities issued where taken or issued for consideration other than cash, whether in whole or part, at a premium or discount, or in pursuance of an option.

12.4 DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF STATUTORY DUES, INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES, COMMERCIAL PAPER (INCLUDING TECHNICAL DELAY) AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE OR LETTERS OF COMFORT ISSUED BY THE ISSUER, IN THE PAST 3 (THREE) FINANCIAL YEARS AND THE CURRENT FINANCIAL YEAR UP TO MARCH 31, 2024

12.4.1 The Issuer has not defaulted on payment of any kind of statutory dues to the GOI, state government(s), statutory/ regulatory bodies, authorities, departments etc., since inception.

12.4.2 The main constituents of the Issuer's borrowings are generally in form of debentures/bonds/debt securities, commercial paper, medium term notes, external commercial borrowings, loans from banks and financial institutions, assistance from multilateral and bilateral financing agencies etc. In respect of such borrowings, the Issuer certifies that, in the past three financial years and the current financial year up to March 31, 2024:

(i) the Issuer has serviced all the principal and interest liabilities on all its borrowings on time and there has been no instance of delay or default (including technical delay); and
(ii) the Issuer has not affected any kind of roll over or restructuring against any of its borrowings in the past.

12.4.3 The Issuer has not defaulted on any of its payment obligations arising out of any corporate guarantee or letters of comfort issued by it to any counterparty including its subsidiaries, joint venture entities, group companies etc. in the past.

SECTION XIII
FINANCIAL INFORMATION

13.1 FINANCIAL INDICATORS (ON STANDALONE BASIS)

(All figures are in (Rs.) Crores, except percentages)

Particulars	As on / for the year ended 31.03.2024 (Audited) IND-AS	As on / for the year ended 31.03.2023 (Audited) IND-AS	As on / for the year ended 31.03.2022 (Audited) IND-AS
BALANCE SHEET			
Assets			
Property, Plant and Equipment	630.21	638.91	623.67
Financial Assets	5,43,917.60	4,60,591.12	4,06,417.32
Non-financial Assets excluding property, plant and equipment	2,892.58	3,647.10	3,371.62
Total Assets	**5,47,440.39**	**4,64,877.13**	**4,10,412.61**
LIABILITIES			
Financial Liabilities	-	-	-
Derivative financial instruments	759.70	976.95	553.14
Trade Payables	-	-	-
Debt Securities	2,66,109.92	2,36,948.99	2,19,633.57
Borrowings (other than debt securities)	1,72,092.05	1,37,114.13	1,06,651.59
Subordinated Liabilities	7,412.21	6,773.30	6,816.47
Other financial liabilities	31,840.66	25,174.58	25,575.84
Non-Financial Liabilities			
Current tax liabilities (net)	66.51	-	10.25
Provisions	136.57	110.94	104.51
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	239.62	98.57	81.64
Equity (Equity Share Capital and Other Equity)	**68,783.15**	57,679.67	50,985.60
Total - LIABILITIES AND EQUITY	**5,47,440.39**	**4,64,877.13**	**4,10,412.61**
PROFIT AND LOSS			
Revenue from operations	47,146.30	39,208.06	39,132.49
Other Income	67.85	44.67	97.96
Total Income	47,214.15	39,252.73	39,230.45
Total Expense	**29,433.51**	**25,513.96**	**26,805.55**
Profit after tax for the year	14,019.21	11,054.64	10,045.92
Other Comprehensive income	1044.27	-971.04	-59.07
Total Comprehensive Income	15,063.48	10,083.60	9,986.85
Earnings per equity share (Basic)	53.11	41.85	38.02
Earnings per equity share (Diluted)	53.11	41.85	38.02
CASH FLOW			
Net cash from / used in (-) operating activities	-57,885.22	-37,481.66	-871.5
Net cash from / used in (-) investing activities	-1,875.19	-803.87	-210.32
Net cash from / used in (-) financing activities	59,587.82	38,110.54	67.73
Net increase/decrease (-) in cash and cash equivalents	-172.59	-174.99	-1014.09
Cash and cash equivalents as per Cash Flow Statement as at end of the period.	-221.18	-48.59	126.4
ADDITIONAL INFORMATION			
Net worth	68,783.15	57,679.67	50,985.60
Cash and cash equivalents	46.26	39	126.4
Loans	4,99,192.05	4,22,083.91	3,71,930.54
Loans (Principal Amount)	4,96,990.43	4,20,748.04	3,70,666.60
Total Debts to Total Assets	80.00%	81.00%	80.00%
Interest Income	46,410.11	38,836.24	38,186.46
Interest Expense	29,949.27	23,737.66	22,052.91
Impairment on Financial Instruments	(1,358.39)	114.91	3,473.31
Bad Debts to Loans	NA	NA	NA
% Stage 3 Loans on Loans (Principal Amount)	2.71%	3.42%	4.45%
% Net Stage 3 Loans on Loans (Principal Amount)	0.86%	1.01%	1.45%
Tier I Capital Adequacy Ratio (%)	23.32%	22.84%	19.58%
Tier II Capital Adequacy Ratio (%)	2.50%	2.94%	4.03%

13.2 FINANCIAL INDICATORS (ON CONSOLIDATED BASIS)

(All figures are in (Rs.) Crores, except percentages)

Particulars	As on / for the year ended 31.03.2024 (Audited) IND-AS	As on / for the year ended 31.03.2023 (Audited) IND-AS	As on / for the year ended 31.03.2022 (Audited) IND-AS
BALANCE SHEET			
Assets			
Property, Plant and Equipment	630.98	639.17	624.04
Financial Assets	5,44,588.13	4,61,166.67	4,06,800.96
Non-financial Assets excluding property, plant and equipment	2,971.98	3,696.91	3,435.09
Total Assets	**5,48,191.09**	**4,65,502.75**	**4,10,860.09**
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	759.7	976.95	553.14
Trade Payables	90.51	41.68	36.48
Other Payables	-	-	-
Debt Securities	2,66,063.24	2,36,902.33	2,19,574.61
Borrowings (other than debt securities)	1,72,092.05	1,37,114.13	1,06,651.59
Deposits	-	-	-
Subordinated Liabilities	7,412.21	6,773.30	6,816.47
Lease Liabilities	-	-	-
Other financial liabilities	31,959.49	25,345.11	25,708.64
Non-Financial Liabilities			
Current tax liabilities (net)	66.51	10.65	10.25
Provisions	137.34	111.62	105.67
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	259.79	106.45	89.13
Liabilities directly associated with assets classified as held for sale	-	0.02	0.01
Equity (Equity Share Capital and Other Equity)	69,350.25	58,120.51	51,314.10
Non-controlling interest	-	-	-
Total - LIABILITIES AND EQUITY (1+2+3+4)	**5,48,191.09**	**4,65,502.75**	**4,10,860.09**
PROFIT AND LOSS			
Revenue from operations	47,504.75	39,478.26	39,269.05
Other Income	66.48	41.9	70.15
Total Income	47,571.23	39,520.16	39,339.20
Total Expense	**29,611.29**	**25,622.49**	**26,896.86**
Profit after tax for the year	14,145.46	11,166.98	10,035.70
Other Comprehensive income	1,044.27	-971.04	-57.9
Total Comprehensive Income	15,189.73	10,195.94	9,977.80
Earnings per equity share (Basic)	53.59	42.28	37.98
Earnings per equity share (Diluted)	53.59	42.28	37.98
CASH FLOW			
Net cash from / used in (-) operating activities	-57,722.65	-37,359.77	-818.53
Net cash from / used in (-) investing activities	-1,830.96	-942.95	-287.44
Net cash from / used in (-) financing activities	59,587.82	38,122.84	67.72
Net increase/decrease (-) in cash and cash equivalents	34.20	-179.88	-1,038.25
Cash and cash equivalents as per Cash Flow Statement as at end of the period.	-4.69	-38.89	140.99
ADDITIONAL INFORMATION			
Net worth	69,350.25	58,120.51	51,314.10
Cash and cash equivalents	262.75	48.7	140.99
Loans	4,99,192.05	4,22,083.91	3,71,930.54
Total Debts to Total Assets	80.00%	80.00%	80.00%
Interest Income	46,431.44	38,846.34	38,194.49
Interest Expense	29,947.74	23,733.33	22,050.96
Impairment on Financial Instruments	-1,379.58	142.17	3,470.02
Bad Debts to Loans	NA	NA	NA

13.3 OTHER FINANCIAL PARAMETERS

Particulars	FY 2023-2024	FY 2022-2023	FY 2021-2022
Dividend declared (As %age of face value)	160%	126%*	114.75%
Interest coverage ratio (times)	1.65	1.60	1.56

** Dividend payout as % of Equity Share Capital is reinstated post-adjustment of bonus.*

13.4 FINANCIAL STATEMENTS

13.4.1 Standalone Balance Sheet

(Rs.in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023	As at 31-03-2022
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	46.26	39	126.4
(b) Bank balances other than (a) above	2,452.44	1,948.34	2,295.30
(c) Derivative financial instruments	12,482.02	8,981.61	5,510.17
(d) Loans	4,99,192.05	4,22,083.91	3,71,930.54
(e) Investments	5,320.31	3,137.98	2,157.97
(f) Other financial assets	24,424.52	24,400.28	24,396.94
Total - Financial Assets (1)	**5,43,917.60**	**4,60,591.12**	**4,06,417.32**
(2) Non-Financial Assets			
(a) Current tax assets (net)	294.42	295.78	179.64
(b) Deferred tax assets (net)	2,485.46	3,276.99	3,134.74
(c) Investment Property			-
(d) Property, Plant & Equipment	630.21	638.91	623.67
(e) Capital Work-in-Progress	23.59	2.72	6.07
(f) Intangible Assets Under Development			-
(g) Other Intangible Assets	0.52	1.62	4.25
(h) Other non-financial assets	88.54	69.65	46.06
Total - Non-Financial Assets (2)	**3,522.74**	**4,285.67**	**3,994.43**
(3) Assets classified as held for sale	**0.05**	**0.34**	**0.86**
Total ASSETS (1+2+3)	**5,47,440.39**	**4,64,877.13**	**4,10,412.61**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative financial instruments	759.70	976.95	553.14
(b) Debt Securities	2,66,109.92	2,36,948.99	2,19,633.57
(c) Borrowings (other than debt securities)	1,72,092.05	1,37,114.13	1,06,651.59
(d) Subordinated Liabilities	7,412.21	6,773.30	6,816.47
(e) Other financial liabilities	31,840.66	25,174.58	25,575.84
Total - Financial Liabilities (1)	**4,78,214.54**	**4,06,987.95**	**3,59,230.61**
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	66.51		10.25
(b) Provisions	136.57	110.94	104.51
(c) Other non-financial liabilities	239.62	98.57	81.64
Total - Non-Financial Liabilities (2)	**442.70**	**209.51**	196.4
(3) EQUITY			
(a) Equity Share Capital	2,633.22	2,633.22	1,974.92
(b) Instruments Entirely Equity In Nature	558.40	558.4	558.4
(c) Other equity	65,591.53	54,488.05	48,452.28
Total - Equity (3)	**68,783.15**	**57,679.67**	**50,985.60**
Total - LIABILITIES AND EQUITY (1+2+3)	**5,47,440.39**	**4,64,877.13**	**4,10,412.61**

13.4.2 Consolidated Balance Sheet

(Rs.in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023	As at 31-03-2022
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	262.75	48.7	140.99
(b) Bank balances other than (a) above	2,699.75	2,346.91	2,518.96
(c) Trade receivables	153.82	113	94.55
(d) Derivative financial instruments	12,482.02	8,981.61	5,510.17
(e) Loans	4,99,192.05	4,22,083.91	3,71,930.54
(f) Investments	5,352.32	3,170.00	2,190.44
(g) Other financial assets	24,445.42	24,422.54	24,415.31
Total - Financial Assets (1)	**5,44,588.13**	**4,61,166.67**	**4,06,800.96**
(2) Non-Financial Assets			

(a) Current tax assets (net)	309.68	305.95	191.56
(b) Deferred tax assets (net)	2,500.96	3,307.56	3,160.12
(c) Investment Property	-	-	-
(d) Property, Plant & Equipment	630.98	639.17	624.04
(e) Capital Work-in-Progress	23.59	2.72	6.07
(f) Intangible Assets Under Development	-	-	-
(g) Other Intangible Assets	0.52	1.63	4.28
(h) Other non-financial assets	117.03	74.4	68.68
(i) Investments accounted for using equity method	-	-	-
Total - Non-Financial Assets (2)	**3,582.76**	**4331.43**	**4,054.75**
(3) Assets classified as held for sale	20.20	**4.65**	**4.38**
Total ASSETS (1+2+3)	**5,48,191.09**	**4,65,502.75**	**4,10,860.09**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative financial instruments	759.70	976.95	553.14
(b) Trade Payables	-		
(i) total outstanding dues of MSMEs	-		-
(ii) total outstanding dues of creditors other than MSMEs	90.51	41.68	36.48
(c) Debt Securities	2,66,063.24	2,36,902.33	2,19,574.61
(d) Borrowings (other than debt securities)	1,72,092.05	1,37,114.13	1,06,651.59
(e) Subordinated Liabilities	7,412.21	6,773.30	6,816.47
(f) Other financial liabilities	31,959.49	25,345.11	25,708.64
Total - Financial Liabilities (1)	**4,78,377.20**	**4,07,153.50**	**3,59,340.93**
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	66.51	10.65	10.25
(b) Provisions	137.34	111.62	105.67
(c) Other non-financial liabilities	259.79	106.45	89.13
Total - Non-Financial Liabilities (2)	**463.64**	**228.72**	**205.05**
(3) Liabilities directly associated with assets classified as held for sale	-	**0.02**	**0.01**
(4) EQUITY			
(a) Equity Share Capital	2,633.22	2,633.22	1,974.92
(b) Instruments Entirely Equity In Nature	558.40	558.4	558.4
(c) Other equity	66,158.63	54,928.89	48,780.78
Total - Equity (4)	**69,350.25**	**58,120.51**	**51,314.10**
Total - LIABILITIES AND EQUITY (1+2+3+4)	**5,48,191.09**	**4,65,502.75**	**4,10,860.09**

13.4.3 Standalone Statement of Profit and Loss

(Rs.in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023	As at 31-03-2022
Revenue from Operations			
(i) Interest Income	46,410.11	38,836.24	38,186.46
(ii) Dividend Income	25.68	39.34	26.64
(iii) Fees and Commission Income	236.03	287.17	572.82
(iv) Net gain/ (loss) on fair value changes	474.48	45.31	346.57
I. Total Revenue from Operations (i to iv)	**47,146.30**	**39,208.06**	**39,132.49**
II. Other Income	67.85	44.67	97.96
III. Total Income (I+II)	**47,214.15**	**39,252.73**	**39,230.45**
Expenses			
(i) Finance Costs	29,949.27	23,737.66	22,052.91
(ii) Net translation/ transaction exchange loss	166.57	1,114.04	799.05
(iii) Fees and commission Expense	24.26	16.29	16.73
(iv) Net loss on fair value changes			0
(iv) Impairment on financial instruments	(1,358.39)	114.91	3,473.31
(v) Employee Benefits Expenses	213.84	181.63	158.86
(vi) Depreciation and amortization	23.72	24.09	17.96
(vii) Corporate Social Responsibility Expenses	249.86	202.65	170.67
(viii) Other Expenses	164.38	122.69	116.06
IV. Total Expenses (i to viii)	**29,433.51**	**25,513.96**	**26,805.55**
V. Profit before Tax (III-IV)	**17,780.64**	**13,738.77**	**12,424.90**
VI. Tax Expense			
(i) Current tax	3,295.09	2,521.29	3,047.37
(ii) Deferred Tax	466.34	162.84	-668.39
Total Tax Expense (i+ii)	**3,761.43**	**2,684.13**	**2,378.98**
VII. Profit for the year	**14,019.21**	**11,054.64**	**10,045.92**
Other comprehensive Income/(Loss)			
(i) **Items that will not be reclassified to profit or loss**			
(a) Re-measurement gains/(losses) on defined benefit plans	-0.99	-5.99	-8.33

(b) Changes in Fair Value of FVOCI Equity Instruments	96.34	-58.16	22.19
(c) Income tax relating to these items			
- Re-measurement gains/(losses) on defined benefit plans	0.25	1.51	2.1
- Changes in Fair Value of FVOCI Equity Instruments	-4.86	-0.32	2.55
Sub-Total (i)	**90.74**	**-62.96**	**18.51**
(ii) Items that will be reclassified to profit or loss			
(a) Effective Portion of Cash Flow Hedges	-3269.97	542.33	480.84
(b) Cost of hedging reserve	4544.19	-1,755.82	-584.51
(c) Income tax relating to these items			
- Effective Portion of Cash Flow Hedges	822.99	-136.49	-121.02
- Cost of hedging reserve	-1143.68	441.9	147.11
Sub-Total (ii)	**953.53**	**-908.08**	**-77.58**
VIII. Other comprehensive Income/(Loss) for the year (i+ii)	**1044.27**	**-971.04**	**-59.07**
IX. Total comprehensive Income for the year (VII+VIII)	**15,063.48**	**10,083.60**	**9,986.85**
X. Basic & Diluted Earnings per Equity Share of Rs. 10 each (in Rs.)			
(1) For continuing operations	**53.11**	**41.85**	**38.02**
(2) For continuing and discontinued operations	**53.11**	**41.85**	**38.02**

13.4.4 Consolidated Statement of Profit and Loss

(Rs.in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023	As at 31-03-2022
Revenue from Operations			
(i) Interest Income	46431.44	38,846.34	38,194.49
(ii) Dividend Income	2.28	11.89	4.21
(iii) Fees and Commission Income	236.03	287.17	572.82
(iv) Net gain/ (loss) on fair value changes	474.48	45.31	346.57
(v) Sale of services	360.52	287.55	150.96
I. Total Revenue from Operations (i to v)	**47,504.75**	**39,478.26**	**39,269.05**
II. Other Income	66.48	41.9	70.15
III. Total Income (I+II)	**47,571.23**	**39,520.16**	**39,339.20**
Expenses			
(i) Finance Costs	29,947.74	23,733.33	22,050.96
(ii) Net translation/ transaction exchange loss	166.57	1,114.04	799.05
(iii) Fees and commission Expense	24.26	16.29	16.73
(iv) Impairment on financial instruments	-1,379.58	142.17	3,470.02
(v) Cost of services rendered	168.06	54.06	65.11
(vi) Employee Benefits Expenses	238.03	204.1	180.09
(vii) Depreciation and amortization	23.99	24.26	18.24
(viii) Corporate Social Responsibility Expenses	251.78	203.91	172.35
(ix) Other Expenses	170.44	130.33	124.31
IV. Total Expenses (i to ix)	**29,611.29**	**25,622.49**	**26,896.86**
V. Profit before Tax (III-IV)	**17,959.94**	**13,897.67**	**12,442.34**
V. Share of Profit/Loss of Joint Venture accounted for using equity method			**-11.81**
VI. Profit before Tax (III-IV+V)	**17,959.94**	**13,897.67**	**12,430.53**
VII. Tax Expense			
(i) Current tax	3,333.07	2573.05	3,065.27
(ii) Deferred Tax	481.41	157.64	-670.44
Total Tax Expense (i+ii)	**3,814.48**	**2,730.69**	**2,394.83**
VIII. Profit for the period	**14,145.46**	**11,166.98**	**10,035.70**
IX. Other comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
(a) Re-measurement gains/(losses) on defined benefit plans	-0.99	-5.99	-8.33
(b) Changes in Fair Value of FVOCI Equity Instruments	96.34	-58.16	22.19
(c) Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method			-0.02
(d) Income tax relating to these items			
- Re-measurement gains/(losses) on defined benefit plans	0.25	1.51	2.1
- Changes in Fair Value of FVOCI Equity Instruments	-4.86	-0.32	2.55
Sub-Total (i)	**90.74**	**-62.96**	**18.49**
(ii) Items that will be reclassified to profit or loss			
(a) Effective Portion of Cash Flow Hedges	-3,269.97	542.33	480.84
(b) Cost of hedging reserve	4,544.19	-1,755.82	-584.51
(c) Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	-	1.19
(d) Income tax relating to these items			
-Effective Portion of Cash Flow Hedges	822.99	-136.49	-121.02
- Cost of hedging reserve	-1,143.68	441.9	147.11

Sub-Total (ii)	**953.53**	**-908.08**	**-76.39**
Other comprehensive Income/(Loss) for the period (i+ii)	**1,044.27**	**-971.04**	**-57.9**
X. Total comprehensive Income for the period (VIII+IX)	**15,189.73**	**10,195.94**	**9,977.80**
XI. Basic & Diluted Earnings per Equity Share of Rs. 10 each (in Rs.)			
(1) For continuing operations	**53.59**	**42.28**	**37.98**
(2) For continuing and discontinued operations	**53.59**	**42.28**	**37.98**

13.4.5 Standalone Statement of Cash Flows

(Rs.in Crores)

Particulars	As at 31-03-2024		As at 31-03-2023		As at 31-03-2022	
A. Cash Flow from Operating Activities:						
Net Profit before Tax	17,780.64		13,738.77		12,424.90	
Adjustments for:						
1. Loss on derecognition of Property, Plant and Equipment (net)	5.56		6.64		0.97	
2. Loss on derecognition of Asset held for sale (net)	-1.32		-4.08		-30.19	
3. Loss /(Gain) on ceasation of significant influence in Joint Venture (EESL)					-29.01	
3. Depreciation & Amortization	23.72		24.09		17.96	
4. Impairment losses on Financial Instruments	-1358.39		114.91		3473.31	
5. Adjustments towards Effective Interest Rate in respect of Loans	-34.51		-15.58		-88.22	
6. Adjustments towards Effective Interest Rate in respect of Borrowings						
7. Fair Value Changes in Derivatives	-471.88		-43.76		-338.58	
8. Fair Value Changes in FVTPL Instruments						
9. Interest on Commercial Paper	135.64				14.76	
10. Interest Accrued on Zero Coupon Bonds						
11 Loss/ (Gain) on Exchange Rate fluctuation	-993.07		963.93		943.16	
12. Dividend Income	-42.65		-39.53		-51.88	
13. Interest Income on Investments						
14. Provision made for Interest on Advance Income Tax						
Operating profit before Changes in Operating Assets & Liabilities	**15,043.74**		**14,745.39**		**16,337.18**	
Inflow / (Outflow) on account of:						
1. Loan Assets	-75,017.32		-50,424.82		-9,877.12	
2. Derivatives	-343.67		790.33		-2,510.91	
3. Other Operating Assets	-1544.16		193.95		-580.37	
4. Operating Liabilities	7,194.23		-151.53		-1,186.90	
Cash flow from Operations	**-54,667.18**		**-34,846.68**		**2,181.88**	
1. Income Tax Paid (including TDS)	-3,218.04		-2,734.77		-3,076.64	
2. Income Tax refund			99.79		23.26	
Net Cash Flow from Operating Activities		**-57,885.22**		**-37,481.66**		**-871.5**
B. Cash Flow from Investing Activities						
1. Sale of Property, Plant & Equipment	0.07		0.02		0.1	
2. Sale of assets held for sale	1.61		4.6		31.24	
3. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	-32.81		-17.62		-47.84	
4. Investment in Intangible Assets (including intangible assets under development & Capital Advances)			-0.01		-0.25	
5. Finance Costs Capitalised	-0.53		-0.03		-5.1	
6. Investment in Equity Shares of Joint Venture (EESL)						
7. Sale/ (Investment) in Equity Shares and Venture Capital Fund	67.39		10.13		431.17	
8. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	-997.94		-457.82		-716.17	
9. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	-912.98		-343.14		96.53	
10 Interest Income from investments						
11. Dividend Income						
Net Cash Flow from Investing Activities		**-1875.19**		**-803.87**		**-210.32**
C. Cash Flow from Financing Activities						
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	27,473.52		14,823.67		-20,827.69	
2. Issue/ (Redemption) of Commercial Paper (net)	-135.64				-14.76	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks / FIs (net)	3,640.02		14,808.94		2164.16	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49		11,643.52		21203.01	
5. Raising/ (Redemption) of Subordinated Liabilities (net)	590.00					
6. Issue of Perpetual Debt Instruments entirely equity in nature						

7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature						
8. Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	-44.5		-44.5		-45.6	
8. Payment of Dividend on Equity Shares	-2,857.05		-3,120.37		-2411.37	
9. Payment of Corporate Dividend Tax						
10. Repayment towards Lease Liability	-0.02		-0.01		-0.02	
11. Repayment towards Lease Liability Interest amount						
12. Issue Expenses on Bonus Issue of Equity Shares			-0.71			
Net Cash flow from Financing Activities		**59,587.82**		**38,110.54**		**67.73**
Net Increase/Decrease in Cash & Cash Equivalents		**-172.59**		**-174.99**		**-1,014.09**
Cash & Cash Equivalents as at the beginning of the year		**-48.59**		**126.4**		**1,140.49**
Cash & Cash Equivalents as at the end of the year		**-221.18**		**-48.59**		**126.4**

13.4.6 Consolidated Statement of Cash Flows

(Rs.in Crores)

PARTICULARS	As at 31-03-2024		As at 31-03-2023		As at 31-03-2022	
A. Cash Flow from Operating Activities:						
Net Profit before Tax	17,959.94		13,897.67		12,430.53	
Adjustments for:						
1.Loss on derecognition of Property, Plant and Equipment (net)	5.58		6.65		0.97	
2. Loss on derecognition of Asset held for sale (net)	-1.32		-4.08		-30.19	
3.Loss /(Gain) on ceasation of significant influence in Joint Venture (EESL)	-					
4.Depreciation & Amortization	23.99		24.26		18.24	
5.Impairment losses on Financial Instruments	-1,379.58		142.17		3,470.02	
4. Impairment allowance on Assets Classified as Held for Sale	-0.09		0.03		9.71	
6.Adjustments towards Effective Interest Rate in respect of Loans	-34.51		-15.58		-88.22	
7.Adjustments towards Effective Interest Rate in respect of Borrowings						
8.Fair Value Changes in Derivatives	-471.88		-43.76		-338.58	
9.Fair Value Changes in FVTPL Instruments						
10.Interest on Commercial Paper	135.64				14.76	
11Interest Accrued on Zero Coupon Bonds	-					
12. Loss/ (Gain) on Exchange Rate fluctuation	-993.07		963.93		943.16	
13. Loss/ (Gain) on sale of investments	-					
14. Dividend Income	-42.65		-39.53		-51.88	
15. Interest Income on Investments & others						
16. Provision made for Interest on Advance Income Tax	-					
17. Liabilities written back						
18. Interest expense on other liabilities	-					
19. Share of Profit/Loss of Joint Venture accounted for using equity method	-				11.81	
Operating profit before Changes in Operating Assets & Liabilities	-	**15,202.05**	**14,931.76**		**16,390.33**	
Inflow / (Outflow) on account of :						
1.Loan Assets	-75,017.32		-50,424.82		-9,877.12	
2.Derivatives	-343.67		790.33		-2,510.91	
3.Other Operating Assets	-1,495.78		125.99		-382.28	
4.Operating Liabilities	7,203.83		-108.7		-1,360.42	
Cash flow from Operations	**-54,450.89**		**-34,685.44**		**2,259.60**	
1.Income Tax Paid (including TDS)	-3,271.76		-2774.13		-3,101.39	
2.Income Tax refund	-		99.79		23.26	
Net Cash Flow from Operating Activities		**-57,722.64**		**-37,359.77**		**-818.53**
B. Cash Flow from Investing Activities						
1.Sale of Property, Plant & Equipment	0.11		0.02		0.1	
2.Sale of assets held for sale	1.61		4.6		31.24	
3.Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	-33.63		-17.67		-47.9	
4.Investment in Intangible Assets (including intangible assets under development)	-		-0.01		-0.25	
5.Finance Costs Capitalised	-0.53		-0.03		-5.1	
6.Investment in Equity Shares of Joint Venture (EESL)	-					
7.Sale/ (Investment) in Equity Shares and Venture Capital Fund	67.39		10.13		431.17	
8.Sale/(Investment) of/in shares of associate companies (Net)	-15.75		-0.82		0.82	

9. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	-997.94		-457.82		-716.17	
10 Redemption/ (Investment) in Debt Securities other than HQLAs (net)	-912.98		-343.44		96.08	
11. Maturity/(Investment) of/in Corporate and Term deposits	60.75		-137.91		-77.43	
12. Realisation of investments accounted for using equity method	-					
13. Sale of Investments in bonds	-					
14. Dividend Income	-					
15. Realisation of investments accounted for using equity method	-					
Net Cash Flow from Investing Activities	-	**-1,830.96**		**-942.95**		**-287.44**
C. Cash Flow from Financing Activities						
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	27,473.52		14,835.97		-20,827.70	
2. Issue/ (Redemption) of Commercial Paper (net)	-135.64				-14.76	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net)	3,640.02		14,808.94		2,164.16	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49		11,643.52		21,203.01	
5. Raising/ (Redemption) of Subordinated Liabilities (net)	590.00					
6. Issue of Perpetual Debt Instruments entirely equity in nature	-					
7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature	-44.50					
8. Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	-		-44.5		-45.6	
8. Payment of Dividend on Equity Shares	-2,857.05		-3,120.37		-2,411.37	
9. Payment of Corporate Dividend Tax	-		-0.01			
10. Repayment towards Lease Liability	-0.02				-0.02	
11. Issue Expenses on Bonus Issue of Equity Shares			-0.71			
Net Cash flow from Financing Activities		**59,587.82**		**38,122.84**		**67.72**
Net Increase/Decrease in Cash & Cash Equivalents		**34.21**		**-179.88**		**-1,038.25**
Cash & Cash Equivalents as at the beginning of the year		**-38.89**		140.99		**1,179.24**
Cash & Cash Equivalents as at the end of the year		**-4.69**		**-38.89**		**140.99**

13.5 CHANGES IN ACCOUNTING POLICIES DURING THE LAST 3 (THREE) YEARS AND THEIR EFFECT ON THE PROFITS AND THE RESERVES OF THE COMPANY

Financial Year	Change in accounting policies and their effect
2023-24	Certain accounting policies have been reworded to align with Ind-AS amendments and to bring more clarity in line with Company's Practices. There is no financial impact of such rewording/modifications carried out in the accounting policies.
2022-23	The policy on lease accounting has been added. Further, certain accounting policies have also been reworded to bring in more clarity and align with Company's practice. There is no financial impact of such modifications carried out in the accounting policies.
2021-22	There has not been any change in accounting policies of the Issuer in FY 2021-22.

13.6 AUDITED FINANCIAL STATEMENTS (I.E. PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) AUDITORS REPORT ALONG WITH THE REQUISITE SCHEDULES, FOOTOTES, SUMMARY ETC., ON A STANDALONE AND CONSOLIDATED BASIS FOR A PERIOD OF THREE COMPLETED YEARS

The details are enclosed as Annexure V to this Key Information Document. Such financial statements are audited and certified by the statutory auditor who hold a valid certificate issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India.

13.7 DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY

Contingent Liabilities not provided for in respect of:

(Rs.in Crores)

	Particulars	As at 31.03.2024	As at 31.03.2023
A	**Claims against REC not acknowledged as debts**	0.85	0.78
B	**Taxation Demands**		
B (i)	- Demands raised by the Income Tax Department	212.84	197.78

B (ii)	- Demands against appeals filed by the Income Tax Department against the relief allowed to REC	0.90	0.90
B (iii)	- Demands raised in respect of GST	17.89	17.89
C	Guarantees		7.50
D	**Others**		
D (i)	- Arbitration Proceedings through Project Management Consultant (PMC) (counter claim of ₹ 33.23 Crores	352.94	315.30
D (ii)	- Letters of Comfort	5,961.13	3,082.47

Notes:

- *The amount referred to in 'A' above are in respect of cases pending in various courts and is dependent upon the verdict of the court.*
- *The amount referred to in B(i) above are against the various demands raised by Income Tax Department. The Issuer is contesting these demands and the management believes that its position will likely be upheld in the appellate process.*
- *The amount referred to in B(ii) above are against the appeal filed by Income Tax Department in High Court against the relief allowed to the Issuer at ITAT level.*
- *The amount referred to in B(iii) above is against the GST refund appeal filed by the Issuer.*
- *The amount referred to in C above is against the bank guarantee submitted for participation in bidding process of NTPC Green Energy Limited (subsidiary of NTPC Ltd.)*
- *The amount referred to in D(i) above represent arbitration matters between the contractor and PMC appointed by the company. The claim is being contested by the PMC and company believes that its position will likely be upheld in the arbitration process. The amount includes 12% p.a interest on the claim amount*

Commitments not provided in respect of:

(Rs.in Crores)

	Particulars	As at 31.03.2024	As at 31.03.2023
A	**Contracts remaining to be executed on capital account**		
A (i)	- Towards Property, Plant & Equipment	94.85	124.73
A (ii)	- Towards Intangible Assets	-	-
B	Other Commitments		
B (i)	- CSR Commitments	418.81	252.44

SECTION XIV
WILFUL DEFAULTER

Neither the Issuer, PFC, nor any of the current directors of the Issuer have been declared as wilful defaulters.

Name of Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as wilful defaulter	Steps taken for removal from list of wilful defaulter	Other disclosures	Any other disclosures
NIL	NIL	NIL	NIL	NIL	NIL	NIL

SECTION XV
NBFC DISCLOSURES

Sr. No.	Particulars of Disclosure	Details	Paragraph Number
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by the Issuer	Lending Policy	7.4 and 15.1.1
		Classification of loans given to associate or entities related to board, key managerial personnel, senior management, promoters, etc	15.1.2
		Classification of loans into several maturity profile denomination	15.1.3
		Aggregated exposure to top 20 borrowers	15.1.4
		Details of loans, overdue and classified as NPA	15.1.3 (H)
2.	Details of borrowings made by the Issuer	Portfolio summary of borrowings made by NBFC	7.3 and 15.2.1
		Quantum and percentage of secured vs. unsecured borrowings	15.2.3
3.	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India	15.2.4
4.	Disclosures of assets under management	Segment wise break up and type of loans	15.1.3 (C)
5.	Details of borrowers	Geographical location wise	15.1.3 (E)
6.	Details of Gross NPA	Segment wise	15.1.3 (F)
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket	15.1.3 (G)
8.	Disclosure of latest ALM statements to stock exchange	-	15.2.5

15.1 DETAILS WITH REGARD TO THE LENDING DONE BY THE ISSUER OUT OF THE ISSUE PROCEEDS OF DEBT SECURITIES IN LAST THREE YEARS

15.1.1 Lending Policy

Please see Section 7.4 on '*Lending Policies*' in Chapter VIII "*Brief Summary of Business / Activities of Issuer and its Subsidiaries*".

15.1.2 Classification of loans / advances given to associates, entities / person relating to board, key managerial personnel, senior management, promoters, others, etc.

There have not been any loans / advances given to associates, entities / person relating to board, key managerial personnel, senior management, promoters, others, etc.

15.1.3 Classification of loans/advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.

A. TYPE OF LOANS

Type of loans/advances (principal outstanding) given by the Issuer as on March 31, 2024:

Sl. No.	Type of Loans	Rs. in Crores
1	Secured	4,72,151.02
2	Unsecured	37,219.92
	Total assets under management (AUM)*^	5,09,370.95

*Information disclosed at borrower level (and not by loan account). ^ There are no off-balance sheet items in this respect.

B. DENOMINATION OF LOANS OUTSTANDING BY LOAN TO VALUE (LTV)

Denomination of loans outstanding by LTV* as on March 31, 2024: Not applicable**

Sl. No.	LTV	Percentage of AUM
1	Upto 40%	-
2	40-50%	-
3	50-60%	-
4	60-70%	-
5	70-80%	-
6	80-90%	-
7	>90%	-
	Total	-

**LTV at the time of origination.*
*** The Issuer's lending policy does not evaluate loans based on LTV, given the nature of wholesale lending that the Issuer provides. Consequently, calculation based on LTV is not applicable to the Issuer.*

C. DETAILS OF SECTORAL EXPOSURE

Types of loans according to sectoral exposure as on March 31, 2024 is as follows:

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1	**Retail**	-
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
2	**Wholesale**	-
A	Infrastructure (**Power)**	
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector	-
E	Others	
	Generation	28.52%
	Renewable	7.65%
	Transmission & Distribution	53.32%
	Infrastructure & Logistics	1.51%
	Infrastructure & Logistics (E&M)	9.01%
	Total	**100%**

D. DENOMINATION OF LOANS OUTSTANDING BY TICKET SIZE*

Denomination of loans outstanding by ticket size as on March 31, 2024:

Sl. No.	Ticket size	Percentage of AUM
1	Upto Rs. 2 Lakh	-
2	Rs. 2-5 Lakh	-
3	Rs. 5 - 10 Lakh	-
4	Rs. 10 - 25 Lakh	0.0001%
5	Rs. 25 - 50 Lakh	0.0003%
6	Rs. 50 Lakh - 1 Crore	0.0003%
7	Rs. 1 - 5 Crore	0.0036%
8	Rs. 5 - 25 Crore	0.0736%
9	Rs. 25 - 100 Crore	0.3885%
10	>Rs. 100 Crore	99.5336%
	Total	**100%**

Note: Information provided at borrower level (and not loan account as a customer may have multiple loan accounts).

E. GEOGRAPHICAL CLASSIFICATION OF BORROWERS (TOP 5 STATES BORROWER WISE)

Geographical classification of borrowers as on March 31, 2024:

Sl. No.	Top 5 states	Percentage of AUM
1	Telangana	14.48%
2	Tamil Nadu	12.77%
3	Rajasthan	11.48%
4	Maharashtra	11.05%
5	Andhra Pradesh	9.50%
	Total	59.28%

F. SEGMENT WISE GROSS STAGE 3 ASSETS AS ON MARCH 31, 2024

Sl. No.	Segment-wise break-up of Gross Stage 3 Assets	Gross Stage 3 Assets %
1	**Retail**	-
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
2	**Wholesale**	-
A	Infrastructure	
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector	-
E	Others	-
	Generation	97.87%
	Renewable	2.13%
	Transmission & Distribution	-
	Total	100%

G. RESIDUAL MATURITY PROFILE OF ASSETS AND LIABILITIES (IN LINE WITH THE RBI FORMAT) AS ON MARCH 31, 2024

(Rs. In Crore)

As at March 31 2024	1 - 7 days	8-14 days	Over 15 days & up to 1 month	Over 1 Month & up to 2 Months	Over 2 Months & up to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 1 Year	Over 1 Year & up to 3 Years	Over 3 Years & up to 5 Years	Over 5 Years	Total
Loan Assets	5,409.37	222.11	2,363.18	4,928.26	7,352.45	22,172.19	42,401.51	1,03,557.69	93,798.08	2,16,987.20	4,99,192.05
Investments	-	-	-	-	4.52	4.52	104.17	241.48	1,773.07	3,192.56	5,320.31
Rupee Borrowings											
Debt Securities	-	-	884.86	1,667.72	7,831.36	6,140.16	21,814.25	60,134.86	52,397.78	82,391.47	2,33,262.47
Other Borrowing	793.01	-	1,015.31	1,524.94	8,172.84	1,505.61	916.07	13,717.14	34,862.06	17,661.41	80,168.38
Subordinate Liabilities	-	-	147.83	-	126.55	44.72	2.11	-	2,089.83	5,001.17	7,412.21
Foreign Currency Borrowing											
Debt Securities	-	166.10	-	-	44.18	5,526.47	4,166.17	7,491.45	13,823.91	1,629.17	32,847.46
Other Borrowing	1,330.43	3.34	2,508.38	6,595.15	1,042.01	4,130.55	13,533.74	22,672.34	36,779.75	3,327.97	91,923.67

H. DETAILS OF LOANS, OVERDUE AND CLASSIFIED AS NON-PERFORMING IN ACCORDANCE WITH RBI STIPULATIONS

(i) Movement of Gross Stage 3 Assets in accordance with IND-AS as on March 31, 2024

Movement of Gross Stage 3 Assets*	Rs. in Crores
(a) Opening balance of Gross Stage 3 Assets*	14,892.08
(b) Additions during the Financial Year ended on March 31, 2024	-
(c) Reductions during the Financial Year ended on March 31, 2024	-1,081.75
(d) Closing balance of Gross Credit Impaired Assets*	13,810.33

For the policy related to recognition of stage 3 assets, please refer to Annexure VI: Financial Information.

(ii) Movement of provisions for Gross Stage 3 Assets in accordance with IND-AS as on March 31, 2024

Movement of Provisions for Gross Stage 3 Assets*	Rs. in Crores
(a) Opening balance	10,519.50
(b) Provisions made during the Financial Year ended on March 31, 2023	-448.16
(c) Write-off/write-back of excess provisions	-617.55
(d) Closing balance	9,453.79

15.1.4 **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on corporate governance for NBFCs**

Concentration of Advances as on March 31, 2024	Amount
Total advances to top twenty borrowers (Rs. in Crores)	3,08,299.02
Percentage of advances to twenty largest borrowers to total exposure of the Issuer on borrowers	60.53%

Concentration of Exposures as on March 31, 2023	Amount
Total exposure to top twenty borrowers (Rs. in Crores)	3,10,056.72
Percentage of exposures to twenty largest borrowers to total exposure of the Issuer on borrowers	59.87%

Concentration of Credit Impaired Assets as on March 31, 2024	Amount
Total Outstanding to top four credit-impaired assets (Rs. in Crores)	8,645.97
Total Exposure to the above four credit-impaired assets (Rs. in Crores)	8,645.97

15.2 **ADDITIONAL DISCLOSURES**

15.2.1 **A portfolio summary with regard to industries/sectors to which borrowings have been made**

Please see Section 7.3 on '*Products*' in Chapter VIII "*Brief Summary of Business / Activities of Issuer and its Subsidiaries*".

15.2.2 **NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer**

Rs. in Crore

As on	March 31, 2024	March 31, 2023	March 31, 2022
Gross Stage-3	13,810.33	14,892.08	17,160.00
Provision	9,453.80	10,519.51	11,566.00
Net Credit Impaired Assets	4,356.53	4,372.57	5,594.00

15.2.3 **Quantum and percentage of secured vis-à-vis unsecured borrowings made as on March 31, 2024**

Sr. No.	Particulars	Amount in Crore	Percentage to total
1	Secured Borrowings	53,309.92	12.17%
2	Unsecured Borrowings	3,84,633.67	87.83%
	Total	**4,37,943.59**	**100.00%**

15.2.4 **Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI**

There has been no change in the Promoters' holdings during the last Financial Year beyond the 26% (twenty six percent) threshold, as prescribed by RBI as on March 31, 2024.

15.2.5 Disclosure of latest ALM statements to stock exchange as on March 31, 2024

Rs. In Crore

Time-Buckets as per RBI	Cash Inflows	Cash Outflows
Opening Cash & Bank balance	(267.00)	
1-7 days	5,482.73	2,139
8-14 days	268.79	186
15-30/31 days	2,956.45	4,554
Over 1 month upto 2 Month	7,748.93	10,378
Over 2 months upto 3 months	13,610.53	19,986
Over 3 month & up to 6 month	34,090.46	20,558
Over 6 Month & up to 1 year	64,250.77	50,723
Over 1 year & upto 3 years	1,77,281.29	1,47,838
Over 3 years & upto 5 years	1,47,135.50	1,69,910
Over 5 Years	3,09,419.17	1,40,584
Total	**7,61,977.60**	**5,66,857**

SECTION XVI
SUMMARY TERM SHEET

REC Limited (formerly known as Rural Electrification Corporation Limited) proposes to raise bonds with Base Issue Size of Rs. 700 Crores under Series 235 (with maturity of 10 years, 1 month and 17 days) with Green Shoe Option to retain oversubscription of Rs. 3300 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size. The Key Information Document is the fourth tranche under the General Information Document.

Series	235
Security Name	7.35%REC Limited2034
Issuer	REC Limited (formerly known as Rural Electrification Corporation Limited)
Type of Instrument	The Bonds are unsecured, redeemable, non-convertible, non-cumulative, taxable, bonds in the nature of debentures.
Nature of Instrument	The Bonds are unsecured, redeemable, non-convertible, non-cumulative, taxable, bonds in the nature of debentures.
Seniority	Unsecured, senior and unsubordinated bond.
Mode of Issue	Private placement.
Eligible Investors	1. Mutual Funds; 2. Public Financial Institutions specified in Section 2(72) of the Companies Act 2013; 3. Scheduled Commercial Banks; 4. State Industrial Development Corporations; 5. Insurance Companies registered with the Insurance Regulatory and Development Authority; 6. Provident Funds, Pension Funds, authorized to invest in the Issue; 7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; 8. Insurance funds set up and managed by army, navy or air force of the Union of India; 9. Companies and Bodies Corporate authorized to invest in bonds / debentures; 10. Co-operative Banks and Regional Rural Banks authorized to invest in bonds / debentures; 11. Gratuity Funds and Superannuation Funds, authorized to invest in the Issue; 12. Societies authorized to invest in bonds/ debentures; 13. Trusts authorized to invest in bonds/ debentures; 14. Foreign Portfolio Investors (not being an individual or family offices); 15. Statutory Corporations / Undertakings established by Central / State legislature authorized to invest in bonds / debentures.
Non-Eligible classes of Investors	1. Minors; 2. Non-resident investors being an individual including NRIs, QFIs which are individual, and FPIs which are individual or family offices; 3. Venture capital fund and foreign venture capital investor; 4. Overseas corporate bodies; 5. Person ineligible to contract under applicable statutory/regulatory requirements; 6. Resident individual investors; 7. Hindu Undivided Families; and, 8. Partnership firms.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	BSE and NSE. The Bonds under a Series will be listed on the BSE and NSE within 3 (three) trading days from the Tranche Issue closing date.
Rating of the Instrument	'IND AAA/Stable' by IRRPL; 'CRISIL AAA/Stable' by CRISIL
Total Issue Size	Rs. 4000 Crores with green-shoe option to retain oversubscription
Base Issue Size	Rs. 700 Crores
Option to retain oversubscription (Amount)	Rs. 3300 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.
Reasons of retaining oversubscription	To meet the Issuer's fund requirements for lending and repayment of liabilities.
Minimum Subscription	Not applicable as the Issue is being made on private placement basis.
Minimum Application and in multiples of Debt Securities thereafter	Application must be for a minimum size of Rs. 1 Crore (100 Bonds) and in multiple of Rs. 1 Lakh (1 Bond) thereafter.

Objects of the Issue	100% of the amount raised through this private placement shall be used to augment long-term resources of the Issuer for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Issuer.
Details of the utilization of the Proceeds	The funds raised through this private placement are not meant for any specific project as such and therefore the proceeds of this Issue shall be utilized for the regular business activities of the Issuer. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue.
Tenure	10 years 1 month and 17 days
Redemption Date **	31 July 2034
Coupon Rate	7.35%
Step Up/Step Down Coupon Rate	Not applicable.
Coupon Payment Frequency	Semi-annually each year.
Coupon Payment Date*	First interest payment on 31 January 2025, and then on 31 July and 31 January every year and last interest payment along with maturity proceeds on 31 July 2034.
Coupon Type	Fixed, payable semi-annually.
Coupon Reset Frequency	Not applicable.
Coupon Reset Process	Not applicable.
Day Count Basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis.
Interest on Application money	Not applicable.
Interest on Refunded Money against which Allotment is not made	Not applicable.
Default Interest Rate	2% (two percent) per annum over the Coupon Rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount. 2% (two percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the Bond Trust Deed for the Bonds is not executed in accordance with the timeline under applicable law. 1% (one percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law. In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.
Redemption Amount	Redeemed at the face value of Bonds
Redemption Premium / Discount	Nil
Issue Premium / Discount	Nil
Issue Price	Rs.1 Lakh per Bond
Face Value	Rs.1 Lakh per Bond
Premium / Discount at which security is issued and the effective yield as a result of such discount.	Nil
Put Option Payment Date / Put Option Redemption Date	Not Applicable.
Put Option Price	Not Applicable.
Put Notification Time	Not Applicable.
Put Option	Not Applicable.
Call Option Payment Date	Not Applicable.
Call Option Price	Not Applicable.
Call Notification Time	Not Applicable.
Call Option	Not Applicable.
Bidding Date	13 June 2024
Issue Opening Date	13 June 2024
Issue Closing Date	13 June 2024
Date of earliest closing of the Issue, if any	13 June 2024
Pay-in Date	14 June 2024
Deemed Date of Allotment	14 June 2024

Issue Timing	11:00 a.m. to 12:00 noon
Settlement Cycle	T + 1 day ('T' being the bidding date as set out above)
No. of Applications	N.A.***
Issuance mode of the Instrument	In dematerialized mode.
Trading mode of the Instrument	In dematerialized mode.
Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by way of cheque(s)/ warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Holiday Convention	If the Coupon Payment Date falls on a holiday, the payment of Coupon up to original scheduled date, will be made on the following working day, however the dates of the future Coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds under a Series falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds under a Series until but excluding the date of such payment. It is clarified that Interest/redemption with respect to the Bonds under a Series shall be made only on the days when commercial banks are open for business in Mumbai. If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Record Date	15 (Fifteen) days prior to each Coupon Payment Date or Redemption Date.
All covenants of the Issue (including side letters, accelerated payment clauses etc).	In addition to those set out in this summary term sheet, the covenants in relation to the Tranche Issue of Bonds under a Series are as set out in Annexure IV (Clause A) the Key Information Document. *Side Letters*: The Issuer has not entered into any side letters containing separate covenants for the Bonds under a Series. *Accelerated payment*: The payment of the Bonds can be accelerated only on the occurrence of an 'Event of Default'. For further details, please refer to Annexure IV (Clause B) of the Key Information Document.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the Bondholder(s) for a Series over and above the coupon rate as specified in the Bond Trust Deed for the Bonds under a Series and disclosed in the Key Information Document.	The Bonds are unsecured.
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document	The Bonds are unsecured. Please refer to the "Default Interest Rate" for the interest payable (if any) over and above the coupon rate.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Tranche Issue: 1. Letter appointing Bond Trustee to the Bondholder(s); 2. Bond trustee agreement; 3. Bond Trust Deed for the Bonds under a Series; 4. Rating letter from IRRPL;

	5. Rating letter from CRISIL; 6. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; 7. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds under a Series in dematerialized form; 8. Letter appointing the Registrar; 9. Application made to BSE and NSE for seeking their in-principle approval; 10. Listing Agreement with BSE and NSE; 11. Letters appointing Arrangers to the Tranche Issue; and 12. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As set out in Annexure IV (Clause D) to the Key Information Document.
Creation of Recovery Expense Fund	The Issuer will create a recovery expense fund with the BSE as the Designated Stock Exchange, in the manner as specified by the SEBI Debenture Trustee Operational Circular, as amended from time to time, and inform the Bond Trustee about the same.
Conditions for Breach of Covenants (as specified in the Bond Trust Deed for the Bonds under a Series)	In cases of default by the Issuer in the performance or observance of any covenant, obligation, condition or provision contained in the Bond Trust Deed for the Bonds under a Series (other than the obligation to pay principal and Interest) and such default continues for 30 (thirty) business days or is not rectified within 7 (seven) business days after written notice has been given thereof by the Bond Trustee to the Issuer requiring the same to be remedied, the same will be construed as an Event of Default. In cases of default committed in payment of the principal amount or two consecutive defaults on payment of Interest of the Bonds under a Series on the due date(s), unless it is due to technical error beyond control of the Issuer, the same will be construed as an Event of Default. The Bond Trustee may waive any breach by the Issuer of any of the covenants and provisions in the Bond Trust Deed for the Bonds under a Series.
Remedies on Events of Default	As mentioned in the Bond Trust Deed for the Bonds under a Series.
Cross Default	Not applicable.
Bond Trustee	Beacon Trusteeship Limited.
Registrar	Alankit Assignments Limited
Role and Responsibilities of Bond Trustee	The Bond Trustee shall protect the interest of the Bondholder(s) under a Series as stipulated in the Bond Trust Deed for the Bonds under a Series, and in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer. No Bondholder(s) for the Bonds under a Series shall be entitled to proceed directly against REC unless the Bond Trustee, having become so bound to proceed, fail to do so.
Risk Factors Pertaining to the Tranche Issue of Bonds under a Series	Please refer to Chapter X of the Key Information Document.
Conditions precedent to subscription of Bonds under a Series	The subscription from investors for the Tranche Issue of Bonds under a Series shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters as set out in the Key Information Document will be valid as on the date of issuance and listing of the Bonds under a Series; 2. Seek a written consent letter from the Bond Trustee conveying their consent to act as Bond Trustee for the Bondholder(s); and 3. In-principle approval from the BSE and NSE.
Conditions subsequent to subscription of Bonds under a Series	The Issuer shall ensure that the following documents are executed/ activities are completed in accordance with the time frame mentioned elsewhere in the Key Information Document: 1. Maintaining a complete record of private placement offers in Form PAS-5; 2. Filing a return of allotment of Bonds under a Series with complete list of all Bondholder(s) for a Series in Form PAS-3 under Section 42(8) of the Companies Act, with the Registrar of Companies, National Capital Territory of Delhi and Haryana within 15 (fifteen) days of the Deemed Date of Allotment along with fee as provided in the Fees Rules under the Companies Act; 3. Credit of demat account(s) of the allottee(s) by number of Bonds under a Series allotted within the stipulated time period from the Deemed Date of Allotment;

	4. Making listing application for Bonds under a Series and receiving listing permission with BSE and NSE on or before 3 (three) trading days from the Tranche Issue closing date; and 5. Submission of Bond Trust Deed for the Bonds under a Series with BSE and NSE within the timeline under applicable law for uploading on their website. Further, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in the Key Information Document.
Mode of Subscription	Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the NSE Bond-EBP Platform while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between the NSE Bond-EBP Platform and the bank account from which payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges as further set out under the 'Issue Procedure' section of the Key Information Document.
Settlement Mechanism	Through clearing corporation of NSE.
Allocation Option	Uniform yield.
Bidding type	Closed bidding.
Governing Law and Jurisdiction	The Bonds under a Series shall be governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi.

* *Under the SEBI Master Circular, if the Coupon Payment Date falls on a holiday or Sunday, the payment may be made on the following working day without including the interest for holiday or Sunday and the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. Under the SEBI Master Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the interest amount.*

****** *Under the SEBI Master Circular, as amended, if the redemption date falls on a holiday or Sunday, then such payment shall be made on the previous working date along with interest is required to be paid till the redemption date. Under the SEBI Master Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the redemption amount.*

******* *Under the NBFC Directions, there shall be no limit on the number of subscribers in respect of issuances with a minimum subscription of Rs.1 Crore and above.*

Note: *If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed.*
The list of documents which has been executed in connection with the issue and subscription of Bonds under a Series is set out in Section XVIII of the Key Information Document.
The principal and Interest amount of the Bonds under a Series is unsecured. The recovery of 100% of the amount of the Bonds shall depend on the market scenario prevalent at the time of enforcement.
The Issuer has provided granular disclosures in the Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue".

Illustration of Bond Cash Flows for Series 235

Issuer	REC Limited
Face Value (per security)	Rs.1,00,000/-
Date of Allotment	14 June 2024
Date of Redemption	31 July 2034
Tenure	10 years, 1 month and 17 days
Coupon Rate	7.35%
Frequency of the Interest Payment with specified dates	Semi-annual. First interest payment on 31 January 2025, and then on 31 July and 31 January every year and last interest payment along with maturity proceeds on 31 July 2034.
Day Count Convention	Actual / Actual

Cash Flows For One Bond With A Face Value of Rs. 1,00,000 for Series 235

Particulars	Original		Revised		No. of Days	Cash Flow
	Day	Date	Day	Date		
1st Coupon	Friday	31-01-2025	Friday	31-01-2025	231	4,652
2nd Coupon	Thursday	31-07-2025	Thursday	31-07-2025	181	3,645
3rd Coupon	Saturday	31-01-2026	Saturday	31-01-2026	184	3,705
4th Coupon	Friday	31-07-2026	Friday	31-07-2026	181	3,645
5th Coupon	Sunday	31-01-2027	Monday	01-02-2027	184	3,705
6th Coupon	Saturday	31-07-2027	Saturday	31-07-2027	181	3,645
7th Coupon	Monday	31-01-2028	Monday	31-01-2028	184	3,705
8th Coupon	Monday	31-07-2028	Monday	31-07-2028	182	3,655
9th Coupon	Wednesday	31-01-2029	Wednesday	31-01-2029	184	3,695
10th Coupon	Tuesday	31-07-2029	Tuesday	31-07-2029	181	3,645
11th Coupon	Thursday	31-01-2030	Thursday	31-01-2030	184	3,705
12th Coupon	Wednesday	31-07-2030	Wednesday	31-07-2030	181	3,645
13th Coupon	Friday	31-01-2031	Friday	31-01-2031	184	3,705
14th Coupon	Thursday	31-07-2031	Thursday	31-07-2031	181	3,645

15th Coupon	Saturday	31-01-2032	Saturday	31-01-2032	184	3,705
16th Coupon	Saturday	31-07-2032	Saturday	31-07-2032	182	3,655
17th Coupon	Monday	31-01-2033	Monday	31-01-2033	184	3,695
18th Coupon	Sunday	31-07-2033	Monday	01-08-2033	181	3,645
19th Coupon	Tuesday	31-01-2034	Tuesday	31-01-2034	184	3,705
20th Coupon	Monday	31-07-2034	Monday	31-07-2034	181	3,645
Redemption	Monday	31-07-2034	Monday	31-07-2034	0	1,00,000
TOTAL:					**3699**	**1,74,446**

SECTION XVII
ISSUE PROCEDURE

The terms of this Tranche Issue are set out under Section XVI "*Summary Term Sheet*". This section provides an overview of the Tranche Issue process and certain disclosures of the Issuer and Investor in respect of the Bonds under a Series and the Tranche Issue.

The General Information Document shall be subject to the terms and conditions pertaining to the Bonds under a Series outlined hereunder as modified / supplemented by the terms of this Key Information Document in relation to such Tranche Issue and other documents in relation to such issuance including the Private Placement Offer Letters.

The terms and conditions contained in the General Information Document shall be read in conjunction with the provisions contained in this Key Information Document, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in this Key Information Document on one hand, and the terms and conditions in the General Information Document on the other, the provisions contained in this Key Information Document shall prevail over and override the provisions of the General Information Documents for all intents and purposes.

The Issuer proposes to issue the Bonds under a Series, through private placement route pursuant to the terms of the General Information Document, the Key Information Document, the serially numbered and specifically addressed Private Placement Offer Letter(s)), and the Application Form(s).

17.1 GENERAL ISSUE RELATED INFORMATION

Eligibility for the Tranche Issue

The Tranche Issue of Bonds under a Series is being made pursuant to:

(i) resolutions passed by the Board of Directors of the Issuer on March 27, 2024 and delegation provided thereunder;
(ii) special resolution passed by the shareholders of the Issuer under section 42 of the Companies Act and sub-rule 2 of Rule 14 of the PAS Rules, as amended in the annual general meeting held on September 6, 2023; and
(iii) Article 95(xxii), 96 (i) and 96 (ii) of the Articles of Association of the Issuer.

The Issuer, its Directors and authorized officers have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. The Issuer can issue the Bonds under a Series proposed by it in view of the present approvals and no further approvals is required from any GOI authority are required by the Issuer to undertake the proposed activity save and except those approvals which may be required to be taken in the normal course of business from time to time. Further the NBFC Directions, permit a NBFC to issue the Bonds under a Series.

Interest on Application Money

As the pay-in date and the Deemed Date of Allotment for the Bonds under a Series will fall on the same date, interest on Application money shall not be applicable. Further, no interest on Application money will be payable in case the Tranche Issue is withdrawn by the Issuer in accordance with the EBP Operational Guidelines.

Depository Arrangements

The Issuer has entered into depository arrangements with NSDL and CDSL. The Bonds under a Series shall be issued in dematerialized form in accordance with the provisions of Depositories Act.

The Issuer has signed two tripartite agreements in this connection:

(i) Tripartite agreement dated April 13, 2023 between the Issuer, NSDL and Alankit Assignments Limited.
(ii) Tripartite agreement dated April 13, 2023 between the Issuer, CDSL and Alankit Assignments Limited.

The Bonds under a Series will be issued and allotted in dematerialised form and the same shall be in accordance with the provisions of the NCS Regulations, Depositories Act and the regulations made thereunder and are to be issued in accordance with the terms and conditions stipulated under this Key Information Document and the Tranche Issue. In the event of any inconsistency between the Key Information Document and the General Information Document, the Key Information Document shall prevail.

The Bondholder(s) for a Series will have the right to convert the dematerialized Bonds under a Series into physical form in accordance with applicable law.

Bond/Debenture Redemption Reserve

Under the Companies (Share Capital and Debentures) Rules, 2014, as amended, a debenture redemption reserve account is not required to be created in the case of privately placed debentures issued by NBFC's registered with the RBI under section 45-IA of the RBI Act.

Tranche Issue Price

Each Bond under a Series has a face value of Rs. 1 (One) Lakh each and is issued at par. The Bonds under a Series shall be redeemable at par i.e. for Rs. 1 (One) Lakh per Bond under a Series. Since there is no discount or premium on either issue price or redemption value of the Bonds under a Series, the effective yield for the Investors shall be the same as the coupon rate on the Bonds under a Series.

This Tranche Issue of Bonds under a Series does not form part of 'non-equity regulatory capital' as set out under Chapter V of the NCS Regulations.

Terms of Payment

The full Tranche Issue price of the Bonds applied for under a Series is to be paid along with the Application Form. Investor(s) need to send in the Application Form and process the RTGS for the full face value of the Bonds applied for under a Series.

Minimum Application Size	Amount Payable on Application per Bond
Application must be for a minimum of INR 1 (One) Crore (100 (One Hundred) Bonds) and in multiples of INR 1 (One) Lakh (1 (One) Bond) thereafter.	Full Issue Price i.e. INR 1 (One) Lakh per Bond.

Minimum Subscription

As the Tranche Issue of Bonds under a Series is being made on private placement basis, the requirement of minimum subscription shall not be applicable and the Issuer shall not be liable to refund the Tranche Issue subscription(s)/proceed(s) in the event of the total issue collection falling short of the Base Issue Size for the Tranche Issue or certain percentage of the Base Issue Size for the Tranche Issue.

Retention of Oversubscription

The Issuer shall have an option at its sole discretion to retain over-subscription up to the issue size of the Tranche Issue. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

17.2 TRANCHE ISSUE PROCESS

Who Can Apply

The Investors as specified in the Key Information Document are eligible to apply for the Bonds under a Series. All Applicants are required to comply with the relevant regulations/guidelines applicable to them for investing in the Tranche Issue in accordance with the norms approved by GOI, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines / NSE EBP Guidelines as published by BSE / NSE on its website for investing in the Tranche Issue.

The contents of the General Information Document, this Key Information Document and any other information supplied in connection with this Key Information Document are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

Who Cannot Apply

The persons entities as set out in Key Information Document as non-eligible classes of investors, shall not be eligible to participate in the Tranche Issue and any Applications from such persons and entities shall be rejected.

Documents to be provided by Eligible Investors

In order to be able to bid under the BSE Bond - EPB Platform / NSE Bond - EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP Operational Guidelines or applicable law or as requested by the Issuer. The Issuer is entitled at any time to require an Eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

Application under Power of Attorney or by Eligible Investors

In case of Applications made under a power of attorney or by a company or a body corporate or registered society or mutual fund, and scientific and/or industrial research organizations or trusts etc., the relevant power of attorney or the relevant resolution or authority to make the Application, as the case may be, together with the certified true copy thereof along with the certified copy of the memorandum and articles of association and/or bye-laws, as the case may be, shall be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form, failing which the applications are liable to be rejected.

Confirmation by Eligible Investor

Each Eligible Investor for the Tranche Issue shall confirm that it is not using any software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond - EPB Platform / NSE Bond - EBP Platform.

How to Apply or Bid for the Tranche Issue

All Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE / NSE. Investors will also have to complete the mandatory know your customer verification process. Investors should refer to the BSE EBP Guidelines / NSE EBP Guidelines in this respect.

The Tranche Issue details shall be entered on the BSE Bond - EPB Platform / NSE Bond - EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue opening date for the Tranche Issue, in accordance with the EBP Operational Guidelines.

The Tranche Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE Bond EPB - Platform / NSE Bond – EBP Platform, at least 1 (one) Business Day before the start of the issue opening date for the Tranche Issue. Provided that, such changes in bidding date or time shall be allowed for a maximum of 2 (two) times in accordance with the EBP Operational Guidelines.

Some of the key guidelines in terms of the current EBP Operational Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

(i) **Bidding Process for the Tranche Issue**

(a) The bidding process on the BSE Bond - EPB Platform / NSE Bond - EBP Platform shall be on an anonymous order driven system.

(b) Investors should refer to the BSE EBP Guidelines / NSE EBP Guidelines in respect of the bidding process.

(ii) **Modification of Bid for the Tranche Issue**

(a) Eligible Investors may note that modification of bid is allowed during the bidding period.
(b) However, in the last 10 (ten) minutes of the bidding period, revision of bid is only allowed for:

(A) downward revision of coupon/ spread or upward modification of price; and/or
(B) Upward revision in terms of the bid size.

(iii) **Cancellation of Bid for the Tranche Issue**

Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period, no cancellation of bids is permitted.

(iv) **Multiple Bids for the Tranche Issue**

Investors may note that multiple bids are permitted. An Arranger can bid on behalf of multiple participants, subject to the limits of more than 5% (five per cent.) of the Base Issue Size for the Tranche Issue or Rs. 100,00,00,000 (Rupees One Hundred Crores), whichever is lower (or such revised limits as may be specified in the EBP Operational Guidelines from time to time), for each Eligible Investor.

(v) **Offer or Issue of executed Private Placement Offer Letter to successful Eligible Investors**

The signed copy of the Private Placement Offer Letter along with the Application Form was issued to the successful Eligible Investors for this Tranche Issue, who are required to complete and submit the Application Form to the Issuer in order to accept the offer of the Bonds.

However, Investors should refer to the EBP Operational Guidelines as prevailing on the date of the bid for the Tranche Issue.

Bids by the Arranger

The Arrangers as mapped on BSE Bond EPB - Platform / NSE Bond – EBP Platform by the Issuer are allowed to bid for the Tranche Issue on a proprietary, client and consolidated basis. At the time of bidding for the Tranche Issue, the Arranger is required to disclose the following details to the BSE Bond EPB - Platform / NSE Bond – EBP Platform:

(i) Whether the bid is:

(a) proprietary bid; or
(b) a client bid, i.e. being entered on behalf of an Eligible Investor; or
(c) a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of Eligible Investors.

(ii) For consolidated bids, the Arranger shall disclose breakup between proprietary bid and client bid(s) (i.e. bids made on behalf of Eligible Investors).

(iii) For client bids (i.e. bids entered on behalf of Eligible Investors), the Arranger shall disclose the following:

(a) Names of such Eligible Investors;
(b) Category of the Eligible Investors (whether qualified institutional buyers or non- qualified institutional buyers); and
(c) Quantum of bid of each Eligible Investor.

Provided that the Arranger shall not allowed to bid on behalf of any Eligible Investor if the bid amount exceeds 5% (five per cent.) of the Base Issue Size for the Tranche Issue or Rs. 100,00,00,000 (Rupees One Hundred Crores), whichever is lower (or such revised limits as may be specified in the EBP Operational Guidelines from time to time). An Arranger can bid, on behalf of multiple Eligible Investor, subject to the above limits, as may be specified in the EBP Operational Guidelines.

Withdrawal of Tranche Issue

The Issuer reserves the right to withdraw the Tranche Issue prior to the Tranche Issue closing date, at its discretion, and including but not limited to the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc., pursuant to the conditions set out under the EBP Operational Guidelines.

Further, the Issuer shall be permitted to withdraw from the Tranche Issue process on the following events:

(i) The Issuer is unable to receive the bids up to the Base Issue Size for the Tranche Issue; or
(ii) A bidder has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfill the Base Issue Size for the Tranche Issue; or
(iii) The cut-off yield (i.e. the highest yield at which a bid is accepted) in the Tranche Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Tranche Issue) disclosed to the EBP, where the Base Issue Size for the Tranche Issue is fully subscribed.

Disclosure of estimated cut-off yield on the BSE Bond EPB - Platform / NSE Bond – EBP Platform to the Eligible Investors, pursuant to closure of the Tranche Issue, shall be at the discretion of the Issuer.

If the Issuer has withdrawn the Tranche Issue pursuant to point (iii), where the cut-off yield of the Tranche Issue is higher that the estimated cut-off yield disclosed to the BSE Bond EPB - Platform / NSE Bond – EBP Platform, the estimated cut-off yield shall be mandatorily disclosed by the BSE Bond EPB - Platform / NSE Bond – EBP Platform to the Eligible Investors.

However, Eligible Investors should refer to the EBP Operational Guidelines prevailing on the date of the bid for the Tranche Issue.

Determination of Coupon

The Coupon for Bonds under a Series will be decided in accordance with the EBP Operational Guidelines.

Right to Accept or Reject Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected Applicant will be intimated along with the refund warrant, if applicable. No interest on Application money will be paid on rejected Applications. The Application Form that is not complete in all respects is liable to be rejected and would not be paid any interest on the Application money. For further instructions regarding the application for the Bonds under a Series, Eligible Investors are requested to read the instructions provided in the Application Form.

Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

(i) Number of Bonds under a Series applied for is less than the minimum application size; and
(ii) Bondholder details under a Series as may be required is not given.

Basis of Allocation

Allocation shall be made as approved by the Issuer in accordance with applicable SEBI regulations, EBP Operational Guidelines, and applicable laws. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE Bond EPB - Platform / NSE Bond – EBP Platform. Post receipt of details of the successful Eligible Investors, the Issuer will upload the final allocation file on the BSE Bond EPB - Platform / NSE Bond – EBP Platform. For issuances with open bidding, the details of bids shall be disseminated on a real time basis; however, for issuances with closed bidding, the information shall be disseminated after closure of bidding.

The Issuer shall have an option at its sole discretion to retain over-subscription up to the Tranche Issue Size. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size.

The allotment of valid applications received on the closing day shall be done in the following manner:

(i) all bids shall be arranged in accordance with "yield priority" basis, further,

(a) in case of in case of 'uniform yield allotment', allotment and settlement value shall be based on the face value;

(b) in case of 'multiple yield allotment', allotment and settlement value shall be based on the price adjusted as per the coupon / spread quoted by each Eligible Investor in the bidding process.

(ii) where two or more bids have the same coupon/price/spread and time, then allotment shall be done on "pro-rata" basis.

Anchor Portion within the Base Issue Size for the Tranche Issue

There no anchor investor for this Tranche Issue of Bonds under a Series.

Applications by Successful Investors

Original Application Forms complete in all respects must be submitted to the corporate office of Issuer before the last date indicated in the Tranche Issue time-table or such extended time as decided by the Issuer accompanied by details of remittance of the Application money.

The Application Form will constitute the acceptance required under Section 42 of the Companies Act and the PAS Rules. Successful Investors should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond - EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful investor, the payment would be returned back. Payment should be made by the deadline specified by the BSE/ NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges ("**Designated Bank Account**").

Upon final allocation by the Issuer, and confirmation by the Issuer to go ahead with the Allotment, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the pay-in date, and the Depositories shall accordingly credit the allocated Bonds under a Series to the demat account of the successful Investor(s). Upon instructions of the Registrar or the Issuer, the Depositories shall confirm to the clearing corporation of the relevant Exchanges that the Bonds under a Series have been transferred to the demat account(s) of the successful Investor(s). Upon confirmation from the Depository, the clearing corporation of the relevant Exchanges shall transfer funds to the Designated Bank Account of the Issuer.

Successful bidders must do the funds pay-in to the Designated Bank Account up to 10:30 am on the pay-in date for the Tranche Issue ("**Pay-in Time**"). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids for the Tranche Issue. In case of mismatch in the bank account details between BSE Bond – EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of an Eligible Investor, funds pay-in shall be made from the bank account of such Eligible Investors. Cheque(s), demand draft(s), money orders, postal orders will not be accepted.

The Issuer assumes no responsibility for any applications lost in mail.

Note: In case of failure of any successful Investor to complete the funds pay-in by the Pay-in Time for the Tranche Issue or the funds are not received in the Designated Bank Account of the clearing corporation of the relevant Exchanges by the Pay-in Time for the Tranche Issue for any reason whatsoever, the bid for the Tranche Issue will liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful Investor.

Further, in case of non-fulfillment of pay-in obligations by Eligible Investors, such Eligible Investors shall be debarred from accessing the bidding platform across all EBPs for a period of 30 (thirty) days from the date of such default. In case of 3 (three) instances of non-fulfillment of pay-in obligations, across all EBPs, by Eligible Investors for whom an Arranger has bid, then such Arranger shall be debarred from accessing all EBPs, for a period of 7 (seven) days from the date of the such third or subsequent default.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the size of the Tranche Issue, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the Chapter VI of the SEBI Master Circular. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Terms of Payment

The full face value of the Bonds under a Series applied for is to be paid along with the Application Form as set out above.

Acknowledgements

No separate receipts will be provided by the Issuer for the Application money for the Bonds under a Series.

Deemed Date of Allotment for the Bonds under a Series

The cut-off date declared by the Issuer from which all benefits under the Bonds under a Series including Coupon on the Bonds under a Series shall be available to the Bondholders for a Series is the Deemed Date of Allotment for the Bonds under a Series. The actual allotment of Bonds under a Series (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment for the Bonds under a Series. The Issuer reserves the right to keep multiple allotment date(s)/deemed date(s) of allotment at its sole and absolute discretion without any notice. If in case, the Tranche Issue closing date changes (i.e. preponed/postponed), then the Deemed Date of Allotment for the Bonds under a Series may also be changed (preponed/ postponed) by the Issuer, at its sole and absolute discretion.

Letter(s) of Allotment/ Bond Certificate(s) for the Bonds under a Series

The beneficiary account of the Investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 2 (two) days from the Deemed Date of Allotment for the Bonds under a Series. The initial credit in the account will be akin to a letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Bond certificate for the Bonds under a Series.

Fictitious applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Bonds under a Series, or otherwise induced a body corporate to allot, register any transfer of Bonds under a Series therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

17.3 INSTRUMENT SPECIFIC DETAILS

Market Lot for Bonds under a Series

The market lot for Bonds under a Series will be one Bond for the relevant Series, that is, in denomination of Rs. 1 (One) Lakh.

Since the Bonds under a Series are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds under a Series.

Trading of Bonds under a Series

The marketable lot for the purpose of trading shall be one Bond for the relevant Series. Trading of Bonds under a Series will be permitted in dematerialised mode only and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In the event of trading in Bonds under a Series which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by SEBI.

Mode of Transfer of Bonds under a Series

The Bonds under a Series shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/CDSL/Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds under a Series held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to its Depository Participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid or Redemption Amount will be paid to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

If the Bonds under the relevant Series are rematerialized and held in physical form, transfer of Bonds under the relevant Series shall be as per the relevant provisions of Companies Act, and Ministry of Corporate Affairs notification number GSR 463(E) dated June 5, 2015 issued in respect of government companies or any other relevant law. However, the Issuer reserves it right to duly confirm the identity of the transferor and conduct necessary due diligence wherever required.

Interest on the Bonds under a Series

The Bonds under a Series shall carry interest at the Coupon rates in accordance with the Key Information Document (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the I.T. Act or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Issuer) on the outstanding principal amount of Bonds under a Series until final maturity.

Default Interest on the Bonds

2% (two percent) per annum over the Coupon Rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount.

2% (two percent) per annuum over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the Bond Trust Deed for the Bonds is not executed in accordance with the timeline under applicable law.

1% (one percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.

In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.

Deduction of Tax at Source

Tax as applicable under the I.T. Act or any other statutory modification or re-enactment thereof will be deducted at source. The Investor(s) desirous of claiming exemption from deduction of income tax at source on the interest on Application money are required to submit the necessary certificate(s), in duplicate, along with the Application Form in terms of Income Tax rules.

Interest payable subsequent to the Deemed Date of Allotment of Bonds under a Series will be treated as "Interest on Securities" in accordance with the rules under the I.T. Act. Bondholder(s) for a Series desirous of claiming exemption from deduction of income tax at source on the interest payable on Bonds under a Series should submit tax exemption certificate/document (if any), under the I.T. Act, at the head office of the Issuer, at least 45 (forty-

five) days before the payment becoming due. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective Investors are advised to consult their own tax consultant(s).

List of Beneficial Owners

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date to the Registrar and the Issuer. This list shall be considered for payment of Coupon or Redemption Amount, as the case may be.

Record Date

Record date of Coupon shall be 15 (fifteen) days prior to each Coupon Payment Date and 15 (fifteen) days prior to the Redemption Date. Coupon shall be paid to the person whose name appears as sole/first Beneficial Owner(s) in the records of the Depositories on Record Date or to the Bondholder(s) for a Series who have converted the Bonds under a Series to physical form and their name is registered on the registers maintained by the Issuer or Registrar.

In the event of the Issuer not receiving any notice of transfer at least 15 (fifteen) days prior to each Coupon Payment Date and at least 15 (fifteen) days prior to the Redemption Date, the transferees for the Bond under a Series shall not have any claim against the Issuer in respect of Coupon so paid to the registered Bondholder(s) for a Series.

Redemption and Computation

The face value of the Bonds under a Series will be redeemed in accordance with details in the Key Information Document from the Deemed Date of Allotment. The Bonds under a Series will not carry any obligation, for interest, or otherwise, after the Redemption Date.

The Bonds under a Series shall be taken as discharged on payment of the Redemption Amount by the Issuer on maturity to the registered Bondholder(s) for a Series whose names appear in the Register of Debentureholders on the Record Date or the Beneficial Owners in accordance with the list provided by the Depositories. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholder(s) for a Series.

If the Redemption Date falls on a day which is not a Business Day, then the payment due shall be made on the previous Business Day but without liability for making payment of interest after actual date of redemption. It is clarified that any Coupon or Redemption Amount with respect to Bonds under a Series, such Coupon or Redemption Amount payments shall be made only on the days when commercial banks are open for business in Mumbai.

Settlement/Payment on Redemption

Payment on the Redemption Date will be made by way of cheque(s) or redemption warrants(s) or demand draft(s) or credit through RTGS system in the name of the Bondholder(s) for a Series whose name appear on the list of Beneficial Owners given by Depository to the Issuer or the Bondholder(s) for a Series (who have converted the Bonds under the relevant Series to physical form), whose names are registered on the Register of Debentureholders maintained by the Issuer or Registrar as on the Record Date.

The Bonds under a Series shall be taken as discharged on payment of the Redemption Amount by the Issuer on maturity to the list of Bondholder(s) for a Series as provided by NSDL or CDSL or Depository Participant. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholder(s) for a Series.

On such payment being made, the Issuer shall inform NSDL or CDSL or Depository Participant and accordingly the account of the Bondholder(s) for a Series with NSDL or CDSL or Depository Participant shall be adjusted.

The Issuer's liability to the Bondholder(s) for a Series towards all their rights including for payment or otherwise shall cease and stand extinguished from the Redemption Date in all events. Further the Issuer will not be liable to pay any Coupon, or compensation from the Redemption Date on the Issuer dispatching / crediting the amount to the Beneficiary(s) as specified above in respect of the Bonds under a Series, the liability of the Issuer shall stand extinguished.

It is clarified that Coupon or Redemption Amount with respect to the Bonds under a Series, the Coupon or Redemption Amount payments shall be made only on the days when commercial banks are open for business in Mumbai.

Right of Bondholder(s) for a Series

The Bondholder(s) for a Series are not shareholders. The Bondholder(s) for a Series will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The Bonds under a Series shall not confer upon the Bondholder(s) for a Series the right to receive notice, or to attend and vote at the general meeting of the Issuer.

The principal amount and interest on the Bonds under a Series will be paid only to the registered Bondholder(s) for a Series, and in case of joint holders, to the one whose name stands first.

Further, the Bonds under a Series shall be subject to the provisions of the Companies Act, and the relevant rules and regulations, the Articles of Association of the Issuer, the terms of this issue of Bonds under a Series and the other terms and conditions as may be incorporated in the bond trustee agreement and other documents that may be executed in respect of these Bonds under a Series.

Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds under a Series may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds under a Series who hold majority of the outstanding amount of the Bonds under a Series (or any limit as specified under Companies Act or any other provision of law) or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholder(s) for a Series, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds under a Series, if the same are not acceptable to the Issuer.

Right to further issue under the ISINs

The Issuer reserves right to effect multiple issuances under the same ISIN with reference to the SEBI Master Circular. The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the SEBI Master Circular.

Right to Buyback, Re-purchase and Re-issue

The Issuer will have the right, power and authority, exercisable at its sole and absolute discretion from time to time, to buyback or re-purchase a part or all of its Bonds under a Series from the secondary markets or through a tender offer or any other method permitted under applicable law, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Bonds under a Series being bought back or repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the right, power and authority to re-issue the Bonds under a Series, either by re-issuing the same Bonds under a Series or by issuing other debentures in their place.

Further the Issuer, in respect of such bought back or re-purchased or re-deemed Bonds under a Series shall have the right, power and authority, exercisable either for a part or all of those Bonds under a Series, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the SEBI Master Circular or by applicable laws or regulations.

Future Borrowings

The Issuer shall be entitled to borrow or raise loans or avail of financial assistance in whatever form as also issue bonds or debentures or notes or other securities in any manner with ranking as *pari-passu* basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) for a Series or the Bond Trustee in this connection.

Ranking of Bonds

The Bonds under a Series are unsecured, redeemable, non-convertible, non-cumulative, taxable, bonds in the nature of debentures.

The Bonds under a Series shall rank *pari-passu* inter se and, subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, shall also as regards repayment of principal and payment of interest, rank *pari-passu* with all other existing unsecured borrowings of the Issuer.

Notices

All notices required to be given by the Issuer or by the Bond Trustee to the Bondholder(s) for a Series shall be deemed to have been given if sent by ordinary post/ courier to the original sole/first allottees of the Bonds under a Series and/or if published in one all India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s) for a Series, shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavours to resolve the Investors' grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application number (including prefix), number of Bonds under a Series applied for, amount paid on application and bank and branch / the Issuer collection centre where the Application was submitted, may be addressed to the resource mobilization unit at the corporate office of the Issuer.

SECTION XVIII
MATERIAL CONTRACTS AND AGREEMENTS

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer.

However, the contracts referred below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer.

Copies of these contracts together with the copies of documents referred below may be inspected at the corporate office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the Tranche Issue closing date for the Key Information Document.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of the Issuer, as amended to date.
2. Certificate of incorporation dated July 3, 1969 and fresh Certificate of incorporation dated July 18, 2003.
3. Copy of shareholders resolution obtained for overall borrowing limit.
4. Credit rating letters from IRRPL and CRISIL.
5. Auditor's report and standalone financial statements prepared under IND-AS for the Financial Years ended March 31, 2024, 2023 and 2022.
6. Auditor's report and consolidated financial statements prepared under IND-AS for the Financial Years ended March 31, 2024, 2023 and 2022.
7. Annual report of the Issuer for the last three Fiscals.
8. Board resolution dated March 27, 2024 in relation to Bonds offered on private placement basis.
9. Letter of consent from the Bond Trustee dated March 29, 2024, for acting as Bond Trustee for and on behalf of Bondholder(s).
10. Tripartite agreement between the Issuer, NSDL and Alankit Assignments Limited for issue of Bonds in dematerialized form.
11. Tripartite agreement between the Issuer, CDSL and Alankit Assignments Limited for issue of Bonds in dematerialized form.
12. Bond trustee agreement between the Issuer and Bond Trustee.
13. Bond Trust Deed for the Bonds under the relevant Series in favour of Bond Trustee.
14. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively.

It is hereby declared that:

(i) the Issuer is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, and Companies Act and the rules and regulations made thereunder.

(ii) the compliance with the Companies Act and the rules does not imply that payment of interest or repayment of Bonds under a Series, is guaranteed by the central government of India.

(iii) the monies received under the Tranche Issue shall be utilized only for the purposes and 'Objects of the Issue' indicated in the Key Information Document.

(iv) whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Issuer.

The undersigned has been authorized by the Board of Directors vide resolution number 513.2.15 dated March 27, 2024, by the Board to sign this Key Information Document and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

For and on behalf of the Board of Directors of REC Limited (formerly known as Rural Electrification Corporation Limited)

Pankaj Verma

Digitally signed by Pankaj Verma
DN: c=IN, o=Personal,CID - 6862785, pseudonym=20240207130259434, email=pankaj.verma@recindia.co.in,2.5.4.20=7b46c41f7ee6e94fab8a9c78e8b1263c3d5, postalCode=110058, st=Delhi, l=Ito=7183, serialNumber=6927fc85f740e19c31b5b6d01f0a7d499e888e7c823ad8f0bbe4a8fb389d, cn=Pankaj Verma
Date: 2024.06.13 12:43:51 +05'30'

Mr. Pankaj Verma,
HOD (Finance)
Place: Gurugram
Date: June 13, 2024

(i) Copy of resolution of the Board of Directors authorizing the issue of Bonds under a Series.
(ii) Copy of special resolution passed by the shareholders of the Issuer under section 42 of the Companies Act, and sub-rule 2 of rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, dated September 6, 2023.
(iii) Copy of rating letters rating rationales and press releases from IRRPL and CRISIL.
(iv) Copy of consent letter from BEACON Trusteeship Limited to act as Bond Trustee for the Bondholder(s).

SECTION XX
ANNEXURES

A. APPLICATION FORM ALONGWITH GENERAL INSTRUCTIONS – SHALL BE ISSUED SEPARATELY FOR THE BONDS ISSUED UNDER THE KEY INFORMATION DOCUMENT

B. CONSENT LETTER AND DUE DILIGENCE LETTER OF BOND TRUSTEE

Annexed as Annexure – I

C. CREDIT RATING LETTERS, PRESS RELEASES AND RATING RATIONALES

Annexed as Annexure- II

D. COPY OF SHAREHOLDERS SPECIAL RESOLUTION DATED SEPTEMBER 6, 2023 AND BOARD RESOLUTION DATED MARCH 27, 2024

Annexed as Annexure – III

E. FINANCIAL INDEBTEDNESS

Annexed as Annexure – IV

F. FINANCIAL INFORMATION

Annexed as Annexure – V

Annexure I

Debenture Trustee Consent Letter

and Due Diligence Letter

BEACON
TRUSTEESHIP

49586/CL/MUM/23-24/BT/593
Date: March 29,2024

REC Limited
Core-4,Scope Complex,
7,Lodhi Rd,CGO Complex,
Pragati Vihar,New Delhi,
New Delhi-110003, Delhi
India

Kind Attn: Mr. Mahesh

Sub: Consent to act as Debenture/Bond Trustee for REC's Secured/ Un-secured Institutional Bonds to be issued by REC Limited (REC) during FY 2024-25 on private placement basis

Dear Mam,

This is with reference to your letter dated 16 th February 2024 and discussion we had regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for REC's Secured/ Un-secured Institutional Bonds/Debentures for FY 2024-25, we hereby confirm to act as Debenture /Bond Trustee for FY 2024-25.

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully
For Beacon Trusteeship Limited

Veena Nautiyal
Associate Director
Mumbai, March 29,2024
Authorised Signatory

Accepted
For REC Limited

आरईसी लिमिटेड
गुरुग्राम
GURUGRAM
REC LIMITED

Authorised Signatory

BEACON TRUSTEESHIP

Great Place To Work. Certified

DUE DILIGENCE CERTIFICATE – ANNEXURE A

(Pursuant to Regulation 44(3)(b) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2022)

Ref. No.: BTL/OPR/24-25/53896

Date: June 11, 2024

To,
BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
Mumbai -400001

To,
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051

Dear Sir /Madam,

SUB: UNSECURED, REDEEMABLE, NON-CONVERTIBLE, NON-CUMULATIVE, TAXABLE, BONDS UNDER SERIES 235 HAVING BASE ISSUE SIZE OF INR 700 CRORE WITH A GREEN SHOE OPTION OF INR 3300 CRORE AGGREGATING TO INR 4000 CRORES ("SERIES 235 ISSUE SIZE") BY WAY OF PRIVATE PLACEMENT BY REC LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

WE CONFIRM that:

a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

b) The Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), in the offer document.

c) The issuer has given an undertaking that debenture trust deed shall be executed before filing of listing application.

For Beacon Trusteeship Limited

Kaustubh Kulkarni
Director

Beacon Trusteeship Limited

Place: Mumbai

A70876

Annexure II

Credit Rating Letters,

Press Releases and Rationales

To
Chairman and Managing Director
REC Limited
Core-4, SCOPE Complex, 7-Lodhi Road,
New Delhi - 110003

May 23, 2024

Dear Sir/Madam,

Re: Rating Letter for borrowing programme of REC Limited

This is in reference to the rating action commentary released on 28 March 2024.

India Ratings and Research (Ind-Ra) is pleased to communicate the following ratings of REC Limited:

Instrument Type	Size of Issue (INR Billion)	Rating/Outlook
Long Term Annual Borrowing programme (FY25)	INR1450	IND AAA/Stable
Short Term Annual Borrowing programme (Including bank guarantee) (FY25)	INR205	IND A1+
Short term loans (FY25)	INR50	IND A1+

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings

are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Dr Devendra Pant
Senior Director

CONFIDENTIAL

RL/RURECLT/340680/LTBP/0524/88398/168549842
May 21, 2024

Mr. Sanjay Kumar
Executive Director - Finance
REC Limited
REC World Headquarters, I-4,
Sector - 29, Gurugram,
Gurgaon - 122007

Dear Mr. Sanjay Kumar,

Re: CRISIL rating on the Rs.145000 Crore Long-Term Borrowing Programme# of REC Limited.

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated April 26, 2024 bearing Ref. no: RL/RURECLT/340680/LTBP/0424/86328/168549842

Rating outstanding on the captioned debt instruments is "CRISIL AAA/Stable" (pronounced as "CRISIL triple A rating" with Stable outlook). Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk..

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

 # Borrowing programme for fiscal 2025 (refers to financial year, April 1 to March 31). The overall limit for the long term borrowing programme and the short-term borrowing programme is Rs.1,60,000 crore, of which long term market borrowing programme is of Rs. 145,000 crore. Total incremental long-term market borrowing not to exceed Rs.1,45,000 crore any point in time during fiscal 2025
Short-term borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs.15,000 crore at any point during fiscal 2025.It also commercial paper limit not exceeding Rs 10,000 crore at any point during fiscal 2025

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

India Ratings Assigns REC's FY25 Borrowing Programme 'IND AAA/Stable'; Affirms Existing Ratings

Mar 28, 2024 | Financial Institution

India Ratings and Research (Ind-Ra) has taken the following rating actions on REC Limited and its debt instruments:

Details of Instruments

Instruments	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	-	-	-	IND AAA/Stable	Affirmed
Long-term annual borrowing programme (FY24)#^	-	-	-	1,350.00	IND AAA/Stable	Affirmed
Short-term borrowing programme (including bank guarantee) (FY24)#	-	-	-	55.00	IND A1+	Affirmed
Short-term borrowing programme- commercial paper (FY24)#	-	-	-	100.00	IND A1+	Affirmed
Short-term loans (FY24)#$	-	-	-	200.00	IND A1+	Affirmed
Short-term borrowing programme (including bank guarantee) (FY23)	-	-	-	50.00	IND A1+	Affirmed
Short-term loans (FY23)	-	-	-	56.50	IND A1+	Affirmed
Government of India (GoI) fully-serviced bonds#	-	-	-	268.27	IND AAA/Stable	Affirmed
Long-term annual borrowing programmes (FY11-FY23)#&	-	-	-	3,329.45 (reduced from 3,338.67)	IND AAA/Stable	Affirmed
Long-term annual borrowing programme (FY25)#*	-	-	-	1,450.00	IND AAA/Stable	Assigned
Short-term borrowing programme- commercial paper (FY25)# *	-	-	-	100.00	IND A1+	Assigned
Short-term loans(FY25)# *	-	-		50.00	IND A1+	Assigned
Short-term borrowing programme (including bank guarantee) (FY25)# *	-	-	-	205.00	IND A1+	Assigned

#Details in Annexure
^includes INR456.42 billion bank loans
$includes INR143.00 billion bank loans
&includes INR1,535.49 billion bank loans
*unutilised

Analytical Approach

The ratings continue to factor in REC's systemic importance to the GoI to address the financing-related issues of the power sector, particularly general and rural electrification in India.

Detailed Rationale of the Rating Action

REC continues to book healthy loan book growth. After the conferring of 'Maharatna' status, REC has started lending to the non-power infrastructure sector. The company has entered in infrastructure value chain and is disbursing loans to metro service providers, roads and highways among others. However, its lending to the non-power infrastructure sector is limited to the government guarantee-backed projects, helping REC avert risk in this sector. Furthermore, REC is shifting its focus to renewable energy and other green projects. The management

expects the renewable energy portfolio to grow to 30% over the medium- to long term.

REC continues to maintain adequate capital adequacy ratio with a headroom of 13.21%. The asset quality continues to improve with a consistent decline in its gross non-performing assets (NPA) and the net NPA, along with maintaining a comfortable provisioning coverage ratio of above 70%.

While the company's cost of funds increased, although the same is being passed on to its borrowers, Ind-Ra does not expect any considerable decline in the net interest margin (NIM) in the near to medium term.

List of Key Rating Drivers

Strengths:

- Nodal public policy institution
- Sovereign support
- Maharatna status
- Loan portfolio diversification
- Reasonable growth in loan book
- Adequate capitalization
- Improving asset quality

Weakness:

- Moderation in NIM

Detailed Description of Key Rating Drivers

Nodal Public Policy Institution: REC continues to act as the nodal agency for key centrally sponsored schemes. It has been the nodal agency for the operationalisation of the National Electricity Fund Scheme for monitoring grants, implementing Deen Dayal Upadhyaya Gram Jyoti Yojana, operationalising the Saubhagya Scheme, National Electricity Fund - Interest Subsidy Scheme, and 24x7 Power for All, among others. REC continues to be the key source of low-cost funding available to the financially strapped power entities and a vital medium for the government to route its subsidies. The company is the second-largest government institution, supporting liquidity and funding requirements of the state power entities. It is also a joint nodal agency along with Power Finance Corporation for implementing the GoI's revamped distribution sector scheme. REC has acted GoI's trusted arm for the success of the late payment surcharge scheme of 2022, which has helped discoms to liquidate their outstanding dues towards the power generation companies and also ensure the payments of current dues on time.

Sovereign Support: Ind-Ra expects REC to continue to enjoy sovereign support in terms of: (i) raising low-cost funds through capital gain tax bonds (54EC bonds), and (ii) GoI's budgetary support, if required. Also, the presence of a GoI nominee on REC's board indicates the former's oversight and control over the latter's operational and financial linkages, and its relevance as a policy institution to operationalise various government initiatives in the power sector.

Maharatna Status: In September 2022, REC was conferred with the status of 'Maharatna' by the GoI, which is the highest recognition for a public sector company. The Maharatna status has given REC greater operational and financial autonomy and enables diversification of its operations to accelerate its business growth.

Loan Portfolio Diversification: After the conferring of 'Maharatna' status, REC has started lending to the non-power infrastructure sector. REC has entered in the infrastructure value chain and is disbursing loans to metro service providers such as BMRCL and MMRDA, roads and highways among others. The late payment surcharge scheme for discoms and infrastructure sectors contributed to both the company's sanctions and disbursements while the non-power infrastructure sector accounted for 12% of the total sanctions in 9MFY24 and 13% of the total disbursements in value terms.

Furthermore, REC is shifting its focus to renewable energy and other green projects. As on 31 December 2023, renewables formed 7% of the total loan outstanding. The management expects to grow the renewable energy portfolio to 30% over the medium- to long term.

Reasonable Growth in Loan Book: REC's loan book grew 21% yoy to INR4,975 billion as of 9MFY24, 14% higher than that of FYE23. In 9MFY24, REC sanctioned INR3,259 billion loans (9MFY23: INR1,925 billion). While sanctions grew 69% yoy, disbursements increased 104% yoy.

Post-amendment in its memorandum of association by the ministry of power in August 2022, REC was accorded the right to lend up to 30% of its net worth to the infrastructure and logistics verticals. However, public sector borrowers still dominated REC's outstanding loan book as on 31 December 2023, with a share of 90% (FYE23: 90%). Across various sectors of the power value chain, the discoms accounted for 43% share as of 9MFY24 (FY23: 33%), followed by generation (29%: 31%). The proportion of LPS was 8% in 9MFY24 (FY23: 3.7%). The top 10 borrowers held 40.83% of the total outstanding loans as on 31 December 2023.

Its lending towards the non-power infrastructure sector is limited to the government guarantee-backed projects, helping REC avert risk in this sector. Ind-Ra expects the renewable and the infrastructure verticals to be major growth drivers for REC's loan book in the medium to long-term.

Adequate Capitalisation: REC's capital-to-risk weighted assets ratio (CRAR) stood at 28.21% (Tier – I: 25.35% and Tier – II: 2.86%) as on 31 December 2023, well above the regulatory threshold of 15%. The CRAR has been witnessing an improving trend since FY20 when it had fallen to 16.1%. Ind-Ra expects its CRAR to remain comfortably above the minimum threshold in the near to medium term. The net NPAs (NPAs)/average equity) reduced to 8.05% in FY23 (FY22: 11.85%), due to: (i) a decline in gross NPAs, (ii) adequate provisioning, and (iii) an expansion in the equity base, on the back of strong profitability growth. As of 9MFY24, REC had 16 projects under stage-III having an outstanding of INR148.92 billion. The company provisioned for 70.41% of its stage-III accounts as of 9MFY24. The resolution for 13 projects under stage-III, having a provisioning of 74%, has been at various stages under the National Company Law Tribunal, while the resolution for five projects in stage-III has been outside the National Company Law Tribunal.

Improving Asset Quality: On account of nil slippages in 9MFY24, the asset quality ratios continued to improve on a sequential basis with the gross and net NPAs reducing to 2.78% and 0.82% (FY23: 3.42% and 1.01%), respectively. The provisioning coverage ratio increased to 70.64% in FY23 (FY22: 67.4%); however, for 9MFY24, the ratio marginally slipped to 70.41%. The stress in REC's loan book continues to emanate from its private sector exposure which as a percentage has been declining over the years. The share of the private sector book remained at 10% as on 31 December 2023 (FY18: 13.9%).

Moderation in NIM: REC's yield improved to 9.98% in 9MFY24 (FY23: 9.77%). Its NIMs improved slightly to 3.53% in 9MFY24 (FY23: 3.44%), due to a rise in the cost of funds. With the regular hikes in the repo rates, REC's cost of funds rose to 7.16% in 9MFY24 (FY23: 6.96%). The margins, however, would further improve in the near term as the higher costs are being passed on with a lag.

Liquidity

Adequate: As on 31 December 2023, REC did not have cumulative negative mismatches in any of the buckets. As per the management, as on 31 December 2023, the company had available limits of around INR101 billion towards working capital/ term loans from various banks apart from high quality liquid assets of around INR23 billion and fixed deposits of INR34 billion. Furthermore, the company has loan limits of USD1.06 billion (about INR88 billion) in foreign currency, which are yet to be availed. The opening cash and undrawn limits, along with high quality liquid assets will suffice for the asset and liability management mismatch, if any.

Rating Sensitivities

Negative: Events that could, individually or collectively, lead to a negative rating action are as follows:

- a weakening of REC's linkages with the GoI
- a dilution in REC's role as a public policy institution
- net NPA/equity exceeding 35% for two consecutive years
- CRAR falling below 17% for two consecutive years.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on REC, either due to their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

REC was set up by the GoI in 1969 to finance and promote rural electrification projects in India. It now acts as a nodal agency for financing projects under GoI-sponsored schemes and provides financial assistance to private power entities, state electricity boards, state government departments and rural electric cooperatives for rural electrification projects.

FINANCIAL SUMMARY

Particulars (INR billion)	FY22	FY23
Total assets	4,104.13	4,562.18
Net interest income	149.58	135.08
Net income	100.45	110.55
Gross NPA (%)	4.45	3.42
CRAR (%)	23.61	25.78
Source: REC; Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Ratings/Outlook					
	Rating Type	Rated Limits (billion)	Rating	16 January 2024	30 March 2023	31 March 2022	30 September 2021	30 March 2021	28 September 2020
Issuer rating	Long-term	-	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable
GoI-fully serviced bonds	Long-term	INR268.27	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable
Long-term annual borrowing programmes (FY11-FY25)	Long-term	INR6129.45	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable	IND AAA/ Stable
Short-term borrowing programme -CP (FY24-FY25)	Short-term	INR200	IND A1+	IND A1+	IND A1+	IND A1+	-	-	-
Short-term borrowing programme (FY23) - CP	Short-term	INR50	-	WD	IND A1+	IND A1+	IND A1+	IND A1+	-
Short-term borrowing programme (including bank guarantee) (FY23-FY25	Short-term	INR310	IND A1+	IND A1+	IND A1+	IND A1+	-	-	-
Short-term loans (FY23-FY25)	Short-term	INR306.50	IND A1+	IND A1+	IND A1+	IND A1+	-	-	-
Short-term borrowing programme (FY22) - CP	Short-term	INR50	-	-	WD	IND A1+	IND A1+	IND A1+	-
Short-term borrowing programme (including bank guarantee) (FY22)	Short-term	INR50	-	-	WD	IND A1+	IND A1+	IND A1+	-

Complexity Level of the Instruments

Instrument Type	Instrument Description	Complexity Indicator
Bonds	GoI-fully serviced bonds	Low
Term loan	Long-term annual borrowing programmes (FY11-FY25)	Low
Foreign currency non-resident	Long-term annual borrowing programmes (FY11-FY25)	Low
External commercial borrowing	Long-term annual borrowing programmes (FY11-FY25)	Low
Foreign currency term loan	Long-term annual borrowing programmes (FY11-FY25)	Low
Term loan	Short term borrowing programme (including bank guarantee) (FY23-FY25)	Low
Commercial papers	Short-term borrowing programme -CP (FY24-FY25)	Low

For details on the complexity level of the instruments, please visit www.indiaratings.co.in/complexity-indicators.

Annexure

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Amount (INR billion)	Rating/Outlook
GoI fully serviced bonds (FY18)	INE020B08AX5	21 March 2018	8.09	21 March 2028	18.37	IND AAA/Stable
GoI fully serviced bonds (FY18)	INE020B08AY3	26 March 2018	8.01	24 March 2028	14.10	IND AAA/Stable
GoI fully serviced bonds (FY18)	INE020B08AZ0	27 March 2018	8.06	27 March 2028	7.53	IND AAA/Stable
GoI fully serviced bonds (FY19)	INE020B08BC7	28 September 2018	8.7	28 September 2028	30.00	IND AAA/Stable
GoI fully serviced bonds (FY19)	INE020B08BE3	15 November 2018	8.54	15 November 2028	36.00	IND AAA/Stable
GoI fully serviced bonds (FY19)	INE020B08BJ2	22 January 2019	8.8	22 January 2029	20.27	IND AAA/Stable
GoI fully serviced bonds (FY19)	INE020B08BL8	8 March 2019	8.6	8 March 2029	12.00	IND AAA/Stable
GoI fully serviced bonds (FY19)	INE020B08BO2	25 March 2019	8.3	25 March 2029	40.00	IND AAA/Stable
GoI fully serviced bonds (FY20)	INE020B08CO0	2 March 2020	7.14	2 March 2030	15.00	IND AAA/Stable
GoI fully serviced bonds (FY20)	INE020B08CR3	26 March 2020	8.25	26 March 2030	5.32	IND AAA/Stable
GoI fully serviced bonds (FY20)	INE020B08CS1	31 March 2020	7.2	31 March 2030	17.50	IND AAA/Stable
GoI fully serviced bonds (FY21)	INE020B08DI0	7 January 2021	6.45	7 January 2031	10.00	IND AAA/Stable
GoI fully serviced bonds (FY21)	INE020B08DN0	28 January 2021	6.63	28 January 2031	10.00	IND AAA/Stable
GoI fully serviced bonds (FY21)	INE020B08DQ3	26 March 2021	6.5	26 March 2031	5.00	IND AAA/Stable
GoI fully serviced bonds (unutilised)	-	-	-	-	27.18	IND AAA/Stable
Bonds (FY11)	INE020B08427	8 June 2010	8.75	9 June 2025	12.50	IND AAA/Stable
Bonds (FY11)	INE020B08443	12 July 2010	8.75	14 July 2025	18.00	IND AAA/Stable
Bonds (FY12)	INE020B08724	15 February 2012	9.15	15 February 2027	0.03	IND AAA/Stable
Bonds (FY12)	INE020B08732	15 February 2012	9.15	15 February 2027	0.01	IND AAA/Stable
Bonds (FY12)	INE020B07GH7	27 March 2012	8.12/8.32	27 March 2027	21.60	IND AAA/Stable
Bonds (FY13)	INE020B07GV8	21 November 2012	7.38	21 November 2027	2.45	IND AAA/Stable
Bonds (FY13)	INE020B07GX4	19 December 2012	7.38/7.88	19 December 2027	8.52	IND AAA/Stable
Bonds (FY13)	INE020B07GZ9	25 March 2013	7.04/7.54	25 March 2028	0.50	IND AAA/Stable
Bonds (FY14)	INE020B07HN3	29 August 2013	8.46	29 August 2028	11.41	IND AAA/Stable
Bonds (FY14)	INE020B07HP8	24 September 2013	8.46	24 September 2028	16.39	IND AAA/Stable
Bonds (FY14)	INE020B07HS2	24 September 2013	8.46/8.71	24 September 2028	11.71	IND AAA/Stable
Bonds (FY14)	INE020B07HV6	11 October 2013	8.54	11 October 2028	0.45	IND AAA/Stable

Bonds (FY14)	INE020B07ID2	24 March 2014	8.63	24 March 2029	2.38	IND AAA/Stable
Bonds (FY14)	INE020B07IG5	24 March 2014	8.63/8.88	24 March 2029	2.93	IND AAA/Stable
Bonds (FY14)	INE020B07HQ6	24 September 2013	8.37	24 September 2033	0.14	IND AAA/Stable
Bonds (FY14)	INE020B07HT0	24 September 2013	8.37/8.62	24 September 2033	0.42	IND AAA/Stable
Bonds (FY14)	INE020B07IE0	24 March 2014	8.61	24 March 2034	0.25	IND AAA/Stable
Bonds (FY14)	INE020B07IH3	24 March 2014	8.86	24 March 2034	0.85	IND AAA/Stable
Bonds (FY15)	INE020B07IZ5	25 August 2014	9.34	23 August 2024	19.55	IND AAA/Stable
Bonds (FY15)	INE020B08880	22 December 2014	8.57	21 December 2024	22.50	IND AAA/Stable
Bonds (FY15)	INE020B08898	23 January 2015	8.23	23 January 2025	19.25	IND AAA/Stable
Bonds (FY15)	INE020B08906	6 February 2015	8.27	6 February 2025	23.25	IND AAA/Stable
Bonds (FY15)	INE020B08914	23 February 2015	8.35	21 February 2025	22.85	IND AAA/Stable
Bonds (FY16)	INE020B08930	10 April 2015	8.3	10 April 2025	23.96	IND AAA/Stable
Bonds (FY16)	INE020B07JO7	23 July 2015	7.17	23 July 2025	3.00	IND AAA/Stable
Bonds (FY16)	INE020B08963	7 October 2015	8.11	7 October 2025	25.85	IND AAA/Stable
Bonds (FY16)	INE020B07JP4	5 November 2015	6.89	5 November 2025	0.51	IND AAA/Stable
Bonds (FY16)	INE020B07JQ2	05 November 2015	6.89/7.14	05 November 2025	0.55	IND AAA/Stable
Bonds (FY16)	INE020B07JR0	5 November 2015	7.09	5 November 2030	1.34	IND AAA/Stable
Bonds (FY16)	INE020B07JS8	5 November 2015	7.09/7.34	5 November 2030	0.39	IND AAA/Stable
Bonds (FY16)	INE020B07JT6	5 November 2015	7.18	5 November 2035	2.35	IND AAA/Stable
Bonds (FY16)	INE020B07JU4	5 November 2015	7.18/7.43	5 November 2035	1.86	IND AAA/Stable
Bonds (FY17)	INE020B08AA3	7 November 2016	7.52	7 November 2026	21.00	IND AAA/Stable
Bonds (FY17)	INE020B08AC9	30 December 2016	7.54	30 December 2026	30.00	IND AAA/Stable
Bonds (FY17)	INE020B08AH8	14 March 2017	7.95	12 March 2027	27.45	IND AAA/Stable
Bonds (FY18)	INE020B08AQ9	12 December 2017	7.7	10 December 2027	35.33	IND AAA/Stable
Bonds (FY19)	INE020B07LF1	31 March 2019	5.75	31 March 2024	10.78	IND AAA/Stable
Bonds (FY19)	INE020B08BA1	9 August 2018	8.55	9 August 2028	25.00	IND AAA/Stable
Bonds (FY19)	INE020B08BB9	27 August 2018	8.63	25 August 2028	25.00	IND AAA/Stable
Bonds (FY19)	INE020B08BG8	29 November 2018	8.56	29 November 2028	25.52	IND AAA/Stable
Bonds (FY19)	INE020B08BH6	7 December 2018	8.37	7 December 2028	25.54	IND AAA/Stable
Bonds (FY19)	INE020B08BP9	28 March 2019	8.97	28 March 2029	21.51	IND AAA/Stable
Bonds (FY20)	INE020B07LG9	30 April 2019	5.75	30 April 2024	3.91	IND AAA/Stable
Bonds (FY20)	INE020B07LH7	31 May 2019	5.75	31 May 2024	4.59	IND AAA/Stable
Bonds (FY20)	INE020B08BV7	25 June 2019	8.1	25 June 2024	10.18	IND AAA/Stable
Bonds (FY20)	INE020B07LI5	30 June 2019	5.75	30 June 2024	4.13	IND AAA/Stable
Bonds (FY20)	INE020B07LJ3	31 July 2019	5.75	31 July 2024	5.94	IND AAA/Stable
Bonds (FY20)	INE020B07LK1	31 August 2019	5.75	31 August 2024	5.00	IND AAA/Stable
Bonds (FY20)	INE020B08CM4	25 February 2020	6.99	30 September 2024	11.00	IND AAA/Stable
Bonds (FY20)	INE020B07LL9	30 September 2019	5.75	30 September 2024	4.98	IND AAA/Stable
Bonds (FY20)	INE020B07LM7	31 October 2019	5.75	31 October 2024	5.18	IND AAA/Stable
Bonds (FY20)	INE020B08CF8	26 November 2019	7.4	26 November 2024	15.00	IND AAA/Stable
Bonds (FY20)	INE020B07LN5	30 November 2019	5.75	30 November 2024	5.53	IND AAA/Stable

Bonds (FY20)	INE020B07LO3	31 December 2019	5.75	31 December 2024	5.27	IND AAA/Stable
Bonds (FY20)	INE020B07LP0	31 January 2020	5.75	31 January 2025	4.81	IND AAA/Stable
Bonds (FY20)	INE020B07LQ8	28 February 2020	5.75	28 February 2025	5.40	IND AAA/Stable
Bonds (FY20)	INE020B08CK8	10 February 2020	6.88	20 March 2025	25.00	IND AAA/Stable
Bonds (FY20)	INE020B07LR6	31 March 2020	5.75	31 March 2025	6.83	IND AAA/Stable
Bonds (FY20)	INE020B08BQ7	16 April 2019	8.85	16 April 2029	16.01	IND AAA/Stable
Bonds (FY20)	INE020B08BS3	14 May 2019	8.8	14 May 2029	10.97	IND AAA/Stable
Bonds (FY20)	INE020B08BU9	25 June 2019	8.3	25 June 2029	20.71	IND AAA/Stable
Bonds (FY20)	INE020B08DS9	26 September 2019	8.25	26 September 2029	8.71	IND AAA/Stable
Bonds (FY20)	INE020B08CP7	6 March 2020	7.5	28 February 2030	23.82	IND AAA/Stable
Bonds (FY20)	INE020B08CI2	8 January 2020	7.89	31 March 2030	11.00	IND AAA/Stable
Bonds (FY20)	INE020B08CJ0	28 January 2020	7.92	31 March 2030	30.55	IND AAA/Stable
Bonds (FY20)	INE020B08BW5	22 August 2019	8.18	22 August 2034	50.63	IND AAA/Stable
Bonds (FY20)	INE020B08BX3	16 September 2019	8.29	16 September 2034	30.28	IND AAA/Stable
Bonds (FY21)	INE020B08CZ6	30 July 2020	5.9	31 March 2025	9.00	IND AAA/Stable
Bonds (FY21)	INE020B07LS4	30 April 2020	5.75	30 April 2025	0.53	IND AAA/Stable
Bonds (FY21)	INE020B07LT2	31 May 2020	5.75	31 May 2025	2.06	IND AAA/Stable
Bonds (FY21)	INE020B07LU0	30 June 2020	5.75	30 June 2025	5.80	IND AAA/Stable
Bonds (FY21)	INE020B07LV8	31 July 2020	5.75	31 July 2025	4.40	IND AAA/Stable
Bonds (FY21)	INE020B07LW6	31 August 2020	5	31 August 2025	2.30	IND AAA/Stable
Bonds (FY21)	INE020B07LX4	30 September 2020	5	30 September 2025	3.53	IND AAA/Stable
Bonds (FY21)	INE020B07LY2	31 October 2020	5	31 October 2025	2.90	IND AAA/Stable
Bonds (FY21)	INE020B07LZ9	30 November 2020	5	30 November 2025	3.30	IND AAA/Stable
Bonds (FY21)	INE020B08DF6	29 October 2020	5.85	20 December 2025	27.77	IND AAA/Stable
Bonds (FY21)	INE020B08DH2	15 December 2020	5.81	31 December 2025	20.82	IND AAA/Stable
Bonds (FY21)	INE020B07MA0	31 December 2020	5	31 December 2025	5.44	IND AAA/Stable
Bonds (FY21)	INE020B08DK6	13 January 2021	5.94	31 January 2026	20.00	IND AAA/Stable
Bonds (FY21)	INE020B07MB8	31 January 2021	5	31 January 2026	5.09	IND AAA/Stable
Bonds (FY21)	INE020B07MC6	28 February 2021	5	28 February 2026	5.62	IND AAA/Stable
Bonds (FY21)	INE020B07MD4	31 March 2021	5	31 March 2026	12.14	IND AAA/Stable
Bonds (FY21)	INE020B08CU7	11 May 2020	7.55	11 May 2030	37.40	IND AAA/Stable
Bonds (FY21)	INE020B08CW3	21 May 2020	7.79	21 May 2030	15.69	IND AAA/Stable
Bonds (FY21)	INE020B08CX1	8 June 2020	7.96	15 June 2030	20.00	IND AAA/Stable
Bonds (FY21)	INE020B08DB5	28 August 2020	7.25	30 September 2030	35.00	IND AAA/Stable
Bonds (FY21)	INE020B08DE9	29 October 2020	6.8	20 December 2030	50.00	IND AAA/Stable
Bonds (FY21)	INE020B08DG4	15 December 2020	6.9	31 January 2031	25.00	IND AAA/Stable
Bonds (FY21)	INE020B08DA7	30 July 2020	6.9	31 March 2031	13.00	IND AAA/Stable
Bonds (FY21)	INE020B08DM2	28 January 2021	7.02	31 January 2036	45.90	IND AAA/Stable
Bonds (FY21)	INE020B08DO8	12 March 2021	7.4	15 March 2036	36.14	IND AAA/Stable
Bonds (FY22)	INE020B08DR1	22 April 2021	5.74	20 June 2024	40.00	IND AAA/Stable

Bonds (FY22)	INE020B08DU5	18 November 2021	3-month T-Bill rate+66bp	31 October 2024	25.00	IND AAA/Stable
Bonds (FY22)	INE020B07ME2	30 April 2021	5	30 April 2026	4.35	IND AAA/Stable
Bonds (FY22)	INE020B07MF9	31 May 2021	5	31 May 2026	3.35	IND AAA/Stable
Bonds (FY22)	INE020B07MG7	30 June 2021	5	30 June 2026	5.06	IND AAA/Stable
Bonds (FY22)	INE020B07MH5	31 July 2021	5	31 July 2026	6.00	IND AAA/Stable
Bonds (FY22)	INE020B07MI3	31 August 2021	5	31 August 2026	2.17	IND AAA/Stable
Bonds (FY22)	INE020B07MN3	31 January 2022	5	31 January 2027	5.83	IND AAA/Stable
Bonds (FY22)	INE020B07MO1	28 February 2022	5	28 February 2027	6.40	IND AAA/Stable
Bonds (FY22)	INE020B07MP8	31 March 2022	5	31 March 2027	12.70	IND AAA/Stable
Bonds (FY22)	INE020B08DT7	21 October 2021	6.23	31 October 2031	12.00	IND AAA/Stable
Bonds (FY22)	INE020B08DV3	15 December 2021	6.92	20 March 2032	13.80	IND AAA/Stable
Bonds (FY22)	INE020B07MJ1	30 September 2021	5	30 September 2026	7.18	IND AAA/Stable
Bonds (FY22)	INE020B07MK9	31 October 2021	5	31 October 2026	4.90	IND AAA/Stable
Bonds (FY22)	INE020B07ML7	30 November 2021	5	30 November 2026	4.85	IND AAA/Stable
Bonds (FY22)	INE020B07MM5	31 December 2021	5	31 December 2026	7.25	IND AAA/Stable
Bonds (FY23)	INE020B08DW1	23 September 2022	7.32	28 February 2026	5.00	IND AAA/Stable
Bonds (FY23)	INE020B08EF4	02 February 2023	7.6	28 February 2026	31.49	IND AAA/Stable
Bonds (FY23)	INE020B08ED9	12 January 2023	7.56	30 June 2026	30.00	IND AAA/Stable
Bonds (FY23)	INE020B07MQ6	30 April 2022	5	30 April 2027	7.97	IND AAA/Stable
Bonds (FY23)	INE020B07MR4	31 May 2022	5	31 May 2027	9.42	IND AAA/Stable
Bonds (FY23)	INE020B07MS2	30 June 2022	5	30 June 2027	9.30	IND AAA/Stable
Bonds (FY23)	INE020B07MT0	31 July 2022	5	31 July 2027	12.31	IND AAA/Stable
Bonds (FY23)	INE020B07MU8	31 August 2022	5	31 August 2027	6.99	IND AAA/Stable
Bonds (FY23)	INE020B07MV6	30 September 2022	5	30 September 2027	10.23	IND AAA/Stable
Bonds (FY23)	INE020B07MW4	31 October 2022	5	31 October 2027	8.17	IND AAA/Stable
Bonds (FY23)	INE020B07MX2	30 November 2022	5	30 November 2027	9.56	IND AAA/Stable
Bonds (FY23)	INE020B07MY0	31 December 2022	5	31 December 2027	10.42	IND AAA/Stable
Bonds (FY23)	INE020B07MZ7	31 January 2023	5	31 January 2028	8.54	IND AAA/Stable
Bonds (FY23)	INE020B07NA8	28 February 2023	5	29 February 2028	9.30	IND AAA/Stable
Bonds (FY23)	INE020B08EA5	2 December 2022	7.55	31 March 2028	17.02	IND AAA/Stable
Bonds (FY23)	INE020B08EH0	15 March 2023	7.77	31 March 2028	20.00	IND AAA/Stable
Bonds (FY23)	INE020B08EE7	12 January 2023	7.69	31 January 2033	20.04	IND AAA/Stable
Bonds (FY23)	INE020B08DX9	23 September 2022	7.5	28 February 2033	49.48	IND AAA/Stable
Bonds (FY23)	INE020B08EC1	16 December 2022	7.53	31 March 2033	5.00	IND AAA/Stable
Bonds (FY23)	INE020B08EG2	15 March 2023	7.69	31 March 2033	16.00	IND AAA/Stable
Bonds (FY23)	INE020B08DZ4	25 November 2022	7.65	30 November 2037	38.90	IND AAA/Stable
Bonds (FY23)	INE020B08EB3	2 December 2022	7.67	30 November 2037	20.00	IND AAA/Stable
Bonds (FY23)	INE020B07NB6	31 March 2023	5.00	31 March 2028	18.84	IND AAA/Stable
FY24 long-term borrowing programme (unutilised)	-	-	-	-	309.83	IND AAA/Stable

FY24 short-term borrowing programme-bank loans (unutilised)	-	-	-	-	19.00	IND A1+
FY24 short-term borrowing programme -CP (unutilised)	-	-	-	-	53.65	IND A1+
FY24 Short-term bank loans (unutilised)	-	-	-	-	57.00	IND A1+
FY24 long-term borrowing programme	INE020B08EI8	12 April 2023	7.51	31 July 2026	28.48	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08CI2	18 May 2023	7.89	31 March 2030	20.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08DV3	18 May 2023	6.92	20 March 2032	20.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EL2	13 June 2023	7.44	30 April 2026	30.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EK4	13 June 2023	7.46	30 June 2028	29.94	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EM0	17 August 2023	7.64	30 June 2026	22.10	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EP3	09 November 2023	7.77	30 September 2026	26.70	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EQ1	9 November 2023	7.71	31 October 2033	28.19	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08ES7	28 November 2023	7.80	30 May 2026	16.79	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08ER9	28 November 2023	7.71	30 November 2033	29.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NC4	30 April 2023	5.25	30 April 2028	7.46	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NK7	31 May 2023	5.25	31 May 2028	8.92	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NL5	30 June 2023	5.25	30 June 2028	9.05	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NJ9	31 July 2023	5.25	31 July 2028	13.24	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NG5	31 August 2023	5.25	31 August 2028	7.72	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NI1	30 September 2023	5.25	30 September 2028	8.17	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NH3	31 October 2023	5.25	31 October 2028	8.15	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NF7	30 November 2023	5.25	30 November 2028	5.49	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EV1	16 January 2024	7.64	31 January 2034	30.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EW9	16 January 2024	7.71	26 February 2027	10.00	IND AAA/Stable

FY24 long-term borrowing programme	INE020B08EX7	23 February 2024	7.64	30 April 2027	28.75	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EY5	23 February 2024	7.47	28 February 2034	25.00	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NN1	29 February 2024	5.25	28 February 2029	12.50	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08ET5	12 December 2023	7.79	29 November 2025	10.33	IND AAA/Stable
FY24 long-term borrowing programme	INE020B08EU3	12 December 2023	7.67	30 November 2038	35.39	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07ND2	31 December 2023	5.25	31 December 2028	9.35	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NE0	31 January 2024	5.25	31 January 2029	5.80	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NF7	30 November 2023	5.25	30 November 2028	7.78	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NH3	31 October 2023	5.25	31 October 2028	8.19	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NM3	31 March 2024	5.25	31 March 2029	12.50	IND AAA/Stable
FY24 long-term borrowing programme	INE020B07NC4	30 April 2023	5.25	30 April 2028	7.41	IND AAA/Stable
(FY24 long-term borrowing programme) ECB green bonds	-	-	-	-	61.35	IND AAA/Stable
Short-term borrowing programme (including bank guarantee) (FY24) (HDFC Bank Limited)	-	-	-	-	22.80	IND A1+
Short-term borrowing programme (including bank guarantee) (FY24) (HDFC Bank Limited)	-	-	-	-	2.20	IND A1+
Short-term borrowing programme (including bank guarantee) (FY24) (HDFC Bank Limited)	-	-	-	-	10.00	IND A1+
Short-term borrowing programme (including bank guarantee) (FY24) (KEB Hana Bank)	-	-	-	-	1.00	IND A1+
Commercial Paper - Series 67 (unutilised)	-	-	-	-	29.85	IND A1+
Commercial Paper - Series 68 (unutilised)	-	-	-	-	16.50	IND A1+
Long-term annual borrowing programme (FY25) (unutilised)	-	-	-	-	1450.00	IND AAA/Stable
Short-term borrowing programme- commercial paper (FY25) (unutilised)	-	-	-	-	100.00	IND A1+

Short-term loans (FY25) (unutilised)	-	-	-		50.00	IND A1+
Short-term borrowing programme (including bank guarantee) (FY25) (unutilised)	-	-	-	-	205.00	IND A1+

Source: REC (updated data)

Note: The bonds wherein there are two coupon rates in the annexure reflect the non-retail and retail bonds. Non-retail bonds have a step-down from the retail bonds.

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating
Bonds (FY14)	INE020B07IC4	24 March 2014	8.19	24 March 2024	2.89	WD (paid in full)
Bonds (FY14)	INE020B07IF7	24 March 2014	8.19/8.44	24 March 2024	1.30	WD (paid in full)
Bonds (FY19)	INE020B07LD6	31 January 2019	5.75	31 January 2024	5.50	WD (paid in full)
Bonds (FY19)	INE020B07LE4	28 February 2019	5.75	28 February 2024	5.70	WD (paid in full)
Bonds (FY21)	INE020B08DJ8	13 January 2021	4.99	31 January 2024	21.35	WD (paid in full)
Bonds (FY21)	INE020B08DP5	19 March 2021	5.79	20 March 2024	15.50	WD (paid in full)

APPLICABLE CRITERIA

Rating of Public Sector Entities

Evaluating Corporate Governance

The Rating Process

Financial Institutions Rating Criteria

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CRISIL Ratings

Rating Rationale

March 29, 2024 | Mumbai

REC Limited

'CRISIL AAA/Stable' assigned to Long-Term Borrowing Programme; 'CRISIL A1+' assigned to Short Term Borrowing programme

Rating Action

Rs.145000 Crore Long-Term Borrowing Programme#	**CRISIL AAA/Stable (Assigned)**
Rs.15000 Crore Short-Term Borrowing Programme#	**CRISIL A1+ (Assigned)**
Rs.135000 Crore Long-Term Borrowing Programme%	**CRISIL AAA/Stable (Reaffirmed)**
Rs.40000 Crore Short-Term Borrowing Programme%	**CRISIL A1+ (Reaffirmed)**
Rs.5000 Crore Perpetual Non-Convertible Debentures%	**CRISIL AAA/Stable (Reaffirmed)**
Rs.113000 Crore Long-Term Borrowing Programme&	**CRISIL AAA/Stable (Reaffirmed)**
Rs.1000 Crore Long-Term Principal Protected Market-Linked Debentures^	**CRISIL PPMLD AAA /Stable (Reaffirmed)**
Rs.15000 Crore Bond (GoI Serviced)@@	**CRISIL AAA/Stable (Reaffirmed)**
Rs.3000 Crore Perpetual Non-Convertible Debentures^	**CRISIL AAA/Stable (Reaffirmed)**
Long-Term Borrowing Programme Aggregating Rs.334789.92 Crore # (Reduced from Rs.339277.24 Crore)**	**CRISIL AAA/Stable (Reaffirmed)**

 # Borrowing programme for fiscal 2025 (refers to financial year, April 1 to March 31). The overall limit for the long term borrowing programme and the short-term borrowing programme is Rs.1,60,000 crore, of which long term market borrowing programme is of Rs. 145,000 crore. Total incremental long-term market borrowing not to exceed Rs.1,45,000 crore any point in time during fiscal 2025
Short-term borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs.15,000 crore at any point during fiscal 2025.It also commercial paper limit not exceeding Rs 10,000 crore at any point during fiscal 2025
% Borrowing programme for fiscal 2024 (refers to financial year, April 1 to March 31). The overall limit for the long term borrowing programme and the short-term borrowing programme is Rs.1,75,000 crore, of which long term market borrowing programme is of Rs. 135,000 crore. Total incremental long-term market borrowing not to exceed Rs.135000.0 crore any point in time during fiscal 2024.
Short-term borrowing including total short-term bank borrowing and borrowing under the rated short-term debt programme not to exceed Rs.40000 crore at any point during fiscal 2024.It also includes Rs.25000 crore of Bank loan facility over and above market borrowing programme and commercial paper limit not exceeding Rs 10000 crore at any point during fiscal 2024
& Borrowing programme for fiscal 2023 (refers to financial year, April 1 to March 31). The overall limit for the long term borrowing programme and the short-term borrowing programme is Rs.1,23,000 crore, of which long term market borrowing programme is of Rs. 98000 crore. Total incremental long-term market borrowing not to exceed Rs.98000.0 crore at any point in time during fiscal 2023.
Long term borrowing of Rs 113000 crore which includes Rs.15000 crore of Bank loan facility over and above market borrowing programme.
^Borrowing programme for fiscal 2021
#Past year's borrowing programme
***Includes Rs.9259.30 crore of extra budgetary resources raised by REC on behalf of Ministry of Power*
@@ GOI Fully serviced bonds
Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL AAA/Stable'** rating to the long term borrowing programme of REC Limited (REC) and its **'CRISIL A1+'** rating to the short term borrowing programme of the company. CRISIL Ratings has also reaffirmed its ratings on the other debt instruments and bank facilities of REC at 'CRISIL AAA/CRISIL PPMLD AAA/Stable/CRISIL A1+'.

CRISIL Ratings has **withdrawn** its rating on bonds worth Rs 4,487.32 crore (See 'Annexure: Details of rating withdrawn' for details) at the company's request as the outstanding against the same is nil and on receipt of confirmation from the debenture trustee. The withdrawal is in line with the policy of CRISIL Ratings.

Asset quality has been improving, led by recoveries in large delinquent private sector exposures. Gross non-performing assets (NPAs) and net NPAs stood at 2.78% and 0.82%, respectively, as on December 31, 2023 (3.42% and 1.01%, respectively, as on March 31, 2023), against 3.63% and 1.12%, respectively, as on December 31, 2022. The performance of the loan book and further recoveries from resolutions will remain a key monitorable.

The ratings continue to reflect the strategic importance of REC to the government, given the key role the company plays in financing the Indian power sector, and majority ownership by the government. The ratings also factor in its strong market position and adequate capitalisation and resource profile. These strengths are partially offset by inherent vulnerability of the asset quality to the weak credit risk profiles of borrowers and significant sectoral and customer concentration in revenue.

Analytical Approach

For arriving at the ratings, CRISIL Ratings has combined the business and financial risk profiles of REC and its subsidiaries. Furthermore, CRISIL Ratings factors in support from the ultimate parent, the Government of India, given its key role in financing the Indian power sector and expectation of continued support to REC, albeit routed through PFC.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Strategic importance to the government, given REC's key role in financing India's power sector**
  REC is strategically important to the central government as it plays an important role in the Indian power sector, not only by providing finance but also by implementing the government's power sector policies. REC, along with PFC is designated as nodal agency for facilitating implementation of RDSS which is reforms-based and results-linked scheme with an outlay of Rs 3.04 lakh crore over a period of 5 years and would be available till fiscal 2026. It is also the nodal agency for channeling finance towards its electrification programme under the Deendayal Upadhyaya Gram Jyoti Yojana (formerly known as Rajiv Gandhi Grameen Vidyutikaran Yojana) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (translated as the Prime Minister's Programme to provide easy electricity access to all households), or 'Saubhagya' and Late payment surcharge scheme. Furthermore, the company has been nominated as the sole nodal agency to operate the National Electricity Fund Scheme—an interest subsidy scheme introduced by the central government—to promote capital investment in the power distribution sector. The company plays a developmental role in channeling finance to meet the power sector's large funding requirement, particularly state power utilities, which constitute 90% of its portfolio as on December 31, 2023. In fiscal 2022, GoI announced LPS to address dues of discoms to generation and transmission companies. REC has extended financial assistance (disbursed Rs 38,403 crore as of December 31, 2023) to various discoms under the rules, to clear their outstanding dues.

  The government supports the company financially and operationally in various ways, including conferring special status to raise capital gains tax exemption bonds. CRISIL Ratings believes the government of India has strong strategic reasons and a moral obligation to support REC, both on an ongoing basis and in the event of distress, given the latter's role in implementing the government's power sector policies.

- **Dominant market position in the power financing segment**
  REC plays an important role in the Indian power sector, not only by providing finance but also by implementing the government's power sector policies. REC provides project-based long-term loans for generation, transmission and distribution activities and renewable energy. Besides, the company also offers short-term loans for working capital requirement, bridge loans and debt refinancing. REC's outstanding loan book had exposure of 90% and 10% to the state sector and private sector, respectively, as on December 31, 2023. The importance of REC in channelling financing to the domestic power sector is underscored by the fact that REC, together with PFC, accounted for a significant portion of the aggregate debt raised by state power utilities. Clearly, REC will remain a key financier to the state power utilities and, therefore, play a crucial role in sustaining their operations. Loans outstanding to the government sector stood at Rs 4.50 lakh crore as on December 31, 2023 (Rs 3.93 lakh crore as on March 31, 2023; Rs 3.51 lakh crore as on March 31, 2022). As on December 31, 2023, overall loan book stood at Rs 4.97 lakh crore (Rs 4.35 lakh crore as on March 31, 2023; Rs 3.85 lakh crore as on March 31, 2022)

- **Strong resource profile**
  REC's credit risk profile is supported by its sound resource profile, with competitive borrowing costs and a diversified, albeit wholesale, resource base. As on December 31, 2023, overall borrowings stood at Rs 4.33 lakh crore with domestic bonds forming the largest share at 41%, foreign currency borrowings at 27%, funding from banks/financial institutions at 20% and capital gains/tax-free bonds at 11%. REC's debt instruments have wide market acceptability, and the company typically borrows at low spreads over government securities. Its cost of borrowing is lower than that of most of its peers and stood at 7.3% for first nine months of fiscal 2024 (6.8% for corresponding period of previous fiscal.).

- **Adequate capitalisation**
  REC's capital profile provides a cushion against asset-side risks arising from high sectoral and customer concentration. The networth was Rs 64,787 crore as on December 31, 2023 (Rs 57,680 crore as on March 31, 2023). The overall capital adequacy ratio (CAR) and Tier 1 CAR improved to 28.2% and 25.4%, respectively, as on December 31, 2023 (25.8% and 22.8%, respectively, as on March 31, 2023). Gearing stood at 6.7 times as on December 31, 2023 (6.5 times as on March 31, 2023). The networth to net NPA ratio was 15.2 times as on December 31, 2023 (13.2 times as on March 31, 2023). Capitalisation is expected to remain adequate over the medium term, supported by a demonstrated ability to raise capital through private placement. Accretion to networth will be supported by the company's ability to maintain good interest spreads and low operating expense ratio. The return on assets (RoA) ratio was 2.68% for first nine months of fiscal 2024, against 2.53% for corresponding period of previous fiscal. The company's ability to contain credit costs and hence improve profitability and capitalisation will remain a key monitorable.

Weakness:

- **Inherent vulnerability in asset quality and significant sectoral and customer concentration**
  REC's asset quality remains inherently vulnerable as it caters predominantly to the power sector and faces inherent asset quality challenges because of the weak financial risk profiles of its main customers, the state power utilities, Furthermore, the top 10 borrowers constitute ~41% of the total loan book. Effective execution of various reform measures is extremely critical for state power utilities to produce the desired positive impact, and broad-based political consensus is necessary to implement the much-needed tariff hikes to ensure sustained improvement in their performance. However, REC has been able to manage overall asset quality risks in this segment on account of its criticality to borrowers and through various asset protection mechanisms. Further, REC has recently forayed into logistics & infrastructure sector which is expected to diversify its loan book further.

  REC also has around 10% exposure to the private sector as on December 31, 2023, which has been vulnerable to asset quality risks because of issues such as lack of fuel availability, inability to pass on fuel price increases, and absence of long-term power purchase agreements for assured power offtake. As on December 31, 2023, the overall gross NPAs and Net NPAs improved to 2.78% and 0.82%, respectively, from 3.42% and 1.01%, respectively, as on March 31, 2023, led by recovery from large private delinquent accounts. As on December 31, 2023, 29% of private sector loans have been recognized as stage III assets on which the company has a provision coverage of 70%.

  Overall, CRISIL Ratings believes the asset quality will remain vulnerable over the medium term primarily because of the increased challenges likely to be faced with private sector borrowers. The ability to resolve stressed accounts will also be a key monitorable going ahead.

Liquidity: Superior

Asset liability maturity (ALM) profile of REC shows that liquidity position is superior. The mismatches in the ALM buckets up to one year, given the relatively long tenure of its assets, are managed mainly through unutilised bank lines. Additionally, the debt repayment is well staggered across months, supporting its liquidity profile.

As on December 31, 2023, REC has available limits of around Rs. 10,162 crores towards Working Capital/ Term Loans from various banks apart from High Quality Liquid Assets of around Rs. 2,356 crores. Further, the Company has loan limits of USD 700 Million (~ Rs. 6,000 crore) in foreign currency, which are yet to be availed.

REC continues to tap debt capital markets for fresh issuances. Around Rs 33,072 crore were raised as domestic bonds in first nine months of fiscal 2024. REC also raised term loans of Rs 23,100 crore and foreign currency borrowings of Rs 47,518 crore over the same period.

ESG Profile

CRISIL Ratings believes that REC Environment, Social, and Governance (ESG) profile supports its already strong credit risk profile.

The ESG profile for financial sector entities typically factors in governance as a key differentiator. The sector has reasonable social impact because of its substantial employee and customer base, and it can play a key role in promoting financial inclusion. While the sector does not have a direct adverse environmental impact, the lending decisions may have a bearing on environment.

REC has a continuous focus on strengthening various aspects of its ESG profile.

REC Finance's key ESG Highlights:

- ESG disclosures of the company are evolving and it is in the process of further strengthening the disclosures going forward.
- REC continues to have sizeable exposure (around 29% of loan book towards generation companies) towards fossil fuel projects, which in turn impacts the environment. However, the company has consciously aimed to increase lending to renewable projects (7% of loan book as of December 31, 2023).
- REC raised USD 750 million Green Bond in April 2023 for a tenor of 5 years which would be applied for financing of eligible green projects as per the Climate Bond Standards and REC's Green Finance Framework.
- Company's governance structure is characterized with 44% of the board members being independent directors and the REC has a dedicated investor grievance redressal mechanism.

There is growing importance of ESG among investors and lenders. REC commitment to ESG principles will play a key role in enhancing stakeholder confidence, given the sizable share of market borrowings in its overall debt and access to both domestic and foreign capital markets.

Outlook: Stable

CRISIL Ratings believes REC will continue to benefit from government support, given its strategic role in the implementation of the government's power sector initiatives. Moreover, REC will maintain its healthy position in the infrastructure-financing segment along with comfortable capitalisation and earnings.

In addition, the rating on the perpetual bonds remains sensitive to the capital buffer maintained by REC over regulatory capital requirements. Rating transition on these instruments could potentially be sharper than that on other debt instruments and bank facilities.

Rating Sensitivity factors

Downward factors:

- Decline in REC's strategic importance to the government or reduced direct or indirect support from the government by way of reduction in PFC's shareholding to below 50%
- Significant deterioration in asset quality, thereby impacting profitability and capitalisation

About the Company

Incorporated in 1969, REC is a Maharatna public financial institution under the administrative control of the Ministry of Power, Government of India. The company is registered with the Reserve Bank of India as a non-banking infrastructure finance company (NBFC-IFC). Until 2003, its primary objective was to provide financial assistance on concession to state power utilities for rural electrification. Its mandate was broadened in 2003 to include financing of all segments of the power sector. REC finances generation projects, including independent power projects. Since September 2009, the company's mandate has been further widened to include financing activities allied to the power sector and power-related infrastructure, such as coal and other mining activities, and fuel supply arrangements. The Company's mandate has been extended further to lend to logistics & infrastructure sector with changes in its Memorandum of Association in November 2022.

In March 2019, PFC completed the acquisition of Government of India's 52.63% stake in REC. The rating reaffirmation is driven by strategic importance of REC to the government and support, if any, provided by the government. Even after selling the government's stake to PFC, the company continues to play its respective policy role and remains one of the nodal agencies for implementing power sector policies. Furthermore, it is expected to operate all its functions independently as it did prior to the acquisition. The government will continue to appoint the board and CMD (chairman-cum-managing director) of REC and also have representation on the board even after the stake sale.

Furthermore, REC continues to operate as a public financial institution (PFI), NBFC-IFC and a central public sector enterprise (CPSE). Also, the entity continues to accrue all the benefits it was eligible for prior to the stake sale by the government, including raising bonds under Section 54EC. Capital support, if required by REC, will be provided by the government, albeit through PFC.

Given that PFC is majority owned by the central government, CRISIL Ratings believes the government will continue to be involved in matters related to the company and that PFC and the government would act in concert to support it, if required. The ratings also reflect REC's sound resource profile and adequate capitalisation. The rating strengths are partially offset by the company's exposure to risks related to inherent vulnerability of asset quality, and significant customer and sectoral concentration.

For six nine months period ended December 31, 2023, REC reported profit after tax (PAT) of Rs 10,003 crore and total income (net of interest) of Rs 12,814 crore (Rs 8,054 crore and Rs 11,877 crore, respectively for corresponding period of previous fiscal).

Key Financial Indicators

As on / for the period ended March 31	Unit	2023	2022
Total assets	Rs crore	4,64,877	4,10,413
Total income (net of interest)	Rs crore	15,514	17,178
Profit after tax	Rs crore	11,055	10,046
Gross NPA	%	3.42	4.45
Gearing	Times	6.5	6.4
Overall capital adequacy ratio	%	25.8	23.6

As on / for the period ended December 31	Unit	2023	2022
Total assets	Rs crore	529899	440,130
Total income (net of interest)	Rs crore	12,814	11,877
Profit after tax	Rs crore	10003	8,054
Gross NPA	%	2.78	3.63
Gearing	Times	6.7	6.5
Overall capital adequacy ratio	%	28.2	25.0

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of the instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity Level	Rating with outlook
INE020B08DR1	Bonds	22-Apr-2021	5.74%	20-Jun-2024	4,000.00	Simple	CRISIL AAA/Stable
INE020B08DO8	Bonds	12-Mar-2021	7.40%	15-Mar-2036	3,613.80	Simple	CRISIL AAA/Stable
INE020B07LS4	Bonds	30-Apr-2020	5.75%	30-Apr-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LT2	Bonds	31-May-2020	5.75%	31-May-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LU0	Bonds	30-Jun-2020	5.75%	30-Jun-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LV8	Bonds	31-Jul-2020	5.75%	31-Jul-2025	440.46	Simple	CRISIL AAA/Stable
INE020B07LW6	Bonds	31-Aug-2020	5%	31-Aug-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LZ9	Bonds	30-Nov-2020	5%	30-Nov-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07MA0	Bonds	31-Dec-2020	5%	31-Dec-2025	543.64	Simple	CRISIL AAA/Stable
INE020B07MB8	Bonds	31-Jan-2021	5%	31-Jan-2026	506.99	Simple	CRISIL AAA/Stable

INE020B07MC6	Bonds	28-Feb-2021	5%	28-Feb-2026	559.63	Simple	CRISIL AAA/Stable
INE020B07MD4	Bonds	31-Mar-2021	5%	31-Mar-2026	1,211.11	Simple	CRISIL AAA/Stable
INE020B08DT7	Bonds	21-Oct-2021	6.23%	31-Oct-2031	1,200.00	Simple	CRISIL AAA/Stable
INE020B08DQ3	Bonds	26-Mar-2021	6.50%	26-Mar-2031	500	Simple	CRISIL AAA/Stable
INE020B07ME2	Bonds	30-Apr-2021	0.05	30-Apr-2026	436.54	Simple	CRISIL AAA/Stable
INE020B07MJ1	Bonds	30-Sep-2021	5%	30-Sep-2026	714.43	Simple	CRISIL AAA/Stable
INE020B07MH5	Bonds	31-Jul-2021	5%	31-Jul-2026	603.15	Simple	CRISIL AAA/Stable
INE020B07MF9	Bonds	31-May-2021	5%	31-May-2026	334.08	Simple	CRISIL AAA/Stable
INE020B07LY2	Bonds	31-Oct-2020	5%	31-Oct-2025	2500	Simple	CRISIL AAA/Stable
INE020B08BO2	Bonds (GoI Fully Serviced)@@	25-Mar-2019	8.30%	25-Mar-2029	4,000.00	Simple	CRISIL AAA/Stable
INE020B08CS1	Bonds (GoI Fully Serviced)@@	31-Mar-2020	7.20%	31-Mar-2030	1,750.00	Simple	CRISIL AAA/Stable
INE020B08CO0	Bonds (GoI Fully Serviced)@@	2-Mar-2020	7.14%	2-Mar-2030	1,500.00	Simple	CRISIL AAA/Stable
INE020B08BL8	Bonds (GoI Fully Serviced)@@	8-Mar-2019	8.60%	8-Mar-2029	1,200.00	Simple	CRISIL AAA/Stable
INE020B08DI0	Bonds (GoI Fully Serviced)@@	7-Jan-2021	6.45%	7-Jan-2031	1,000.00	Simple	CRISIL AAA/Stable
INE020B08DN0	Bonds (GoI Fully Serviced)@@	28-Jan-2021	6.63%	28-Jan-2031	1,000.00	Simple	CRISIL AAA/Stable
INE020B08CR3	Bonds (GoI Fully Serviced)@@	26-Mar-2020	8.25%	26-Mar-2030	532.3	Simple	CRISIL AAA/Stable
NA	Bonds (GoI Fully Serviced)@@^^	NA	NA	NA	4,017.70	Simple	CRISIL AAA/Stable
INE020B07LX4	Debentures	30-Sep-2020	5.75%	30-Sep-2025	2500	Simple	CRISIL AAA/Stable
INE020B08724	Infrastructure Bonds	15-Feb-2012	9.15%	15-Feb-2027	2.83	Simple	CRISIL AAA/Stable
INE020B08732	Infrastructure Bonds	15-Feb-2012	9.15%	15-Feb-2027	1.13	Simple	CRISIL AAA/Stable
INE020B08DE9	Infrastructure Bonds	29-Oct-2020	6.80%	20-Dec-2030	5,000.00	Simple	CRISIL AAA/Stable
INE020B08DM2	Infrastructure Bonds	28-Jan-2021	7.02%	31-Jan-2036	4,589.90	Simple	CRISIL AAA/Stable
INE020B08CU7	Infrastructure Bonds	11-May-2020	7.55%	11-May-2030	3,740.00	Simple	CRISIL AAA/Stable
INE020B08DB5	Infrastructure Bonds	28-Aug-2020	7.25%	30-Sep-2030	3,500.00	Simple	CRISIL AAA/Stable
INE020B08DF6	Infrastructure Bonds	29-Oct-2020	5.85%	20-Dec-2025	2,777.00	Simple	CRISIL AAA/Stable
INE020B08DG4	Infrastructure Bonds	15-Dec-2020	6.90%	31-Jan-2031	2,500.00	Simple	CRISIL AAA/Stable
INE020B08DH2	Infrastructure Bonds	15-Dec-2020	5.81%	31-Dec-2025	2,082.00	Simple	CRISIL AAA/Stable
INE020B08DK6	Infrastructure Bonds	13-Jan-2021	5.94%	31-Jan-2026	2,000.00	Simple	CRISIL AAA/Stable
INE020B08CX1	Infrastructure Bonds	8-Jun-2020	7.96%	15-Jun-2030	1,999.50	Simple	CRISIL AAA/Stable
INE020B08CW3	Infrastructure Bonds	21-May-2020	7.79%	21-May-2030	1,569.00	Simple	CRISIL AAA/Stable
INE020B08DA7	Infrastructure Bonds	30-Jul-2020	6.90%	31-Mar-2031	1,300.00	Simple	CRISIL AAA/Stable
INE020B08CZ6	Infrastructure Bonds	30-Jul-2020	5.90%	31-Mar-2025	900	Simple	CRISIL AAA/Stable
INE020B08AQ9	Institutional Bonds	12-Dec-2017	7.70%	10-Dec-2027	3,533.00	Simple	CRISIL AAA/Stable
INE020B08AC9	Institutional Bonds	30-Dec-2016	7.54%	30-Dec-2026	3,000.00	Simple	CRISIL AAA/Stable
INE020B08AH8	Institutional Bonds	14-Mar-2017	7.95%	12-Mar-2027	2,745.00	Simple	CRISIL AAA/Stable
INE020B08963	Institutional Bonds	7-Oct-2015	8.11%	7-Oct-2025	2,585.00	Simple	CRISIL AAA/Stable
INE020B08BH6	Institutional Bonds	7-Dec-2018	8.37%	7-Dec-2028	2,554.00	Simple	CRISIL AAA/Stable
INE020B08BG8	Institutional Bonds	29-Nov-2018	8.56%	29-Nov-2028	2,552.40	Simple	CRISIL AAA/Stable
INE020B08BA1	Institutional Bonds	9-Aug-2018	8.55%	9-Aug-2028	2,500.00	Simple	CRISIL AAA/Stable
INE020B08BB9	Institutional Bonds	27-Aug-2018	8.63%	25-Aug-2028	2,500.00	Simple	CRISIL AAA/Stable
INE020B08930	Institutional Bonds	10-Apr-2015	8.30%	10-Apr-2025	2,396.00	Simple	CRISIL AAA/Stable
INE020B08906	Institutional Bonds	6-Feb-2015	8.27%	6-Feb-2025	2,325.00	Simple	CRISIL AAA/Stable
INE020B08914	Institutional Bonds	23-Feb-2015	8.35%	22-Feb-2025	2,285.00	Simple	CRISIL AAA/Stable
INE020B08880	Institutional Bonds	22-Dec-2014	8.57%	21-Dec-2024	2,250.00	Simple	CRISIL AAA/Stable

INE020B08BP9	Institutional Bonds	28-Mar-2019	8.97%	28-Mar-2029	2,151.20	Simple	CRISIL AAA/Stable
INE020B08AA3	Institutional Bonds	7-Nov-2016	7.52%	7-Nov-2026	2,100.00	Simple	CRISIL AAA/Stable
INE020B07IZ5	Institutional Bonds	25-Aug-2014	9.34%	25-Aug-2024	1,955.00	Simple	CRISIL AAA/Stable
INE020B08898	Institutional Bonds	23-Jan-2015	8.23%	23-Jan-2025	1,925.00	Simple	CRISIL AAA/Stable
INE020B08443	Institutional Bonds	12-Jul-2010	8.75%	12-Jul-2025	1,800.00	Simple	CRISIL AAA/Stable
INE020B08427	Institutional Bonds	8-Jun-2010	8.75%	8-Jun-2025	1,250.00	Simple	CRISIL AAA/Stable
INE020B07LF1	Institutional Bonds	31-Mar-2019	5.75%	31-Mar-2024	359.31	Simple	CRISIL AAA/Stable
INE020B08BE3	Institutional Bonds (GoI Serviced)	15-Nov-2018	8.54%	15-Nov-2028	3,600.00	Simple	CRISIL AAA/Stable
INE020B08BC7	Institutional Bonds (GoI Serviced)	28-Sep-2018	8.70%	28-Sep-2028	3,000.00	Simple	CRISIL AAA/Stable
INE020B08BJ2	Institutional Bonds (GoI Serviced)	22-Jan-2019	8.80%	22-Jan-2029	2,027.00	Simple	CRISIL AAA/Stable
INE020B08AX5	Institutional Bonds (GoI Serviced)	21-Mar-2018	8.09%	21-Mar-2028	1,837.00	Simple	CRISIL AAA/Stable
INE020B08AY3	Institutional Bonds (GoI Serviced)	26-Mar-2018	8.01%	24-Mar-2028	1,410.00	Simple	CRISIL AAA/Stable
INE020B08AZ0	Institutional Bonds (GoI Serviced)	27-Mar-2018	8.06%	27-Mar-2028	753	Simple	CRISIL AAA/Stable
INE020B08BW5	Institutional Bonds	22-Aug-2019	8.18%	22-Aug-2034	5,063.00	Simple	CRISIL AAA/Stable
INE020B08CJ0	Institutional Bonds	28-Jan-2020	7.92%	31-Mar-2030	3,054.90	Simple	CRISIL AAA/Stable
INE020B08BX3	Institutional Bonds	16-Sep-2019	8.29%	16-Sep-2034	3,028.00	Simple	CRISIL AAA/Stable
INE020B08CK8	Institutional Bonds	10-Feb-2020	6.88%	20-Mar-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B07LR6	Institutional Bonds	31-Mar-2020	5.75%	31-Mar-2025	2,500.00	Simple	CRISIL AAA/Stable
INE020B08CP7	Institutional Bonds	6-Mar-2020	7.50%	28-Feb-2030	2,382.00	Simple	CRISIL AAA/Stable
INE020B08BU9	Institutional Bonds	25-Jun-2019	8.30%	25-Jun-2029	2,070.90	Simple	CRISIL AAA/Stable
INE020B08BQ7	Institutional Bonds	16-Apr-2019	8.85%	16-Apr-2029	1,600.70	Simple	CRISIL AAA/Stable
INE020B08CF8	Institutional Bonds	26-Nov-2019	7.40%	26-Nov-2024	1,500.00	Simple	CRISIL AAA/Stable
INE020B08CI2	Institutional Bonds	8-Jan-2020	7.89%	31-Mar-2030	1,100.00	Simple	CRISIL AAA/Stable
INE020B08CM4	Institutional Bonds	25-Feb-2020	6.99%	30-Sep-2024	1,100.00	Simple	CRISIL AAA/Stable
INE020B08BS3	Institutional Bonds	14-May-2019	8.80%	14-May-2029	1,097.00	Simple	CRISIL AAA/Stable
INE020B08BV7	Institutional Bonds	25-Jun-2019	8.1	25-Jun-2024	1,018.00	Simple	CRISIL AAA/Stable
INE020B07LJ3	Institutional Bonds	31-Jul-2019	5.75%	31-Jul-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LN5	Institutional Bonds	30-Nov-2019	5.75%	30-Nov-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LO3	Institutional Bonds	31-Dec-2019	5.75%	31-Dec-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LM7	Institutional Bonds	31-Oct-2019	5.75%	31-Oct-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LQ8	Institutional Bonds	28-Feb-2020	5.75%	28-Feb-2025	2500	Simple	CRISIL AAA/Stable
INE020B07LK1	Institutional Bonds	31-Aug-2019	5.75%	31-Aug-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LL9	Institutional Bonds	30-Sep-2019	5.75%	30-Sep-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LP0	Institutional Bonds	31-Jan-2020	5.75%	31-Jan-2025	2500	Simple	CRISIL AAA/Stable
INE020B07LH7	Institutional Bonds	31-May-2019	5.75%	31-May-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LI5	Institutional Bonds	30-Jun-2019	5.75%	30-Jun-2024	2500	Simple	CRISIL AAA/Stable
INE020B07LG9	Institutional Bonds	30-Apr-2019	5.75%	30-Apr-2024	146.4	Simple	CRISIL AAA/Stable
INE020B08BY1	Institutional Bonds	26-Sep-2019	8.25%	26-Sep-2029	290.2	Simple	CRISIL AAA/Stable
INE020B07MG7	Institutional Bonds	30-Jun-2021	5%	30-Jun-2026	507.9	Simple	CRISIL AAA/Stable
INE020B07MI3	Institutional Bonds	31-Aug-2021	5.00%	31-Aug-2026	500.76	Simple	CRISIL AAA/Stable
INE020B08EN8	Institutional Bonds	26-Sep-2019	8.25%	26-Sep-2029	1451	Simple	CRISIL AAA/Stable
INE020B07MK9	Institutional Bonds	31-Oct-2021	5.00%	31-Oct-2026	218.61	Simple	CRISIL AAA/Stable
INE020B07ML7	Institutional Bonds	30-Nov-2021	5.00%	30-Nov-2026	199.22	Simple	CRISIL AAA/Stable
INE020B08DU5	Institutional Bonds	18-Nov-2021	3MTBILL LINKED	31-Oct-2024	2500	Simple	CRISIL AAA/Stable

INE020B07MM5	Institutional Bonds	31-Dec-2021	5.00%	31-Dec-2026	724.9	Simple	CRISIL AAA/Stable
INE020B07MN3	Institutional Bonds	31-Jan-2022	5.00%	31-Jan-2027	585.52	Simple	CRISIL AAA/Stable
INE020B07MO1	Institutional Bonds	28-Feb-2022	5	28-Feb-2027	655.28	Simple	CRISIL AAA/Stable
INE020B07MP8	Institutional Bonds	31-Mar-2022	5	31-Mar-2027	1270.25	Simple	CRISIL AAA/Stable
INE020B07NA8	Institutional Bonds	28-Feb-2023	5%	29-Feb-2028	958.28	Simple	CRISIL AAA/Stable
INE020B08EG2	Institutional Bonds	15-Mar-2023	7.69%	31-Mar-2033	1600.1	Simple	CRISIL AAA/Stable
INE020B08EH0	Institutional Bonds	15-Mar-2023	7.77%	31-Mar-2028	2000	Simple	CRISIL AAA/Stable
INE020B08EI8	Institutional Bonds	12-Apr-2023	7.51%	31-Jul-2026	2848	Simple	CRISIL AAA/Stable
INE020B07NB6	Institutional Bonds	31-Mar-2023	5%	31-Mar-2028	1,857.12	Simple	CRISIL AAA/Stable
INE020B07NC4	Institutional Bonds	30-Apr-2023	5.25%	30-Apr-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NK7	Institutional Bonds	31-May-2023	5.25%	31-May-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NL5	Institutional Bonds	30-Jun-2023	5.25%	30-Jun-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NJ9	Institutional Bonds	31-Jul-2023	5.25%	31-Jul-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NG5	Institutional Bonds	31-Aug-2023	5.25%	31-Aug-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NI1	Institutional Bonds	30-Sep-2023	5.25%	30-Sep-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NH3	Institutional Bonds	31-Oct-2023	5.25%	31-Oct-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NF7	Institutional Bonds	30-Nov-2023	5.25%	30-Nov-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07ND2	Institutional Bonds	31-Dec-2023	5.25%	31-Dec-2028	1,250	Simple	CRISIL AAA/Stable
INE020B07NE0	Institutional Bonds	31-Jan-2024	5.25%	31-Jan-2029	1,250	Simple	CRISIL AAA/Stable
INE020B07NN1	Institutional Bonds	29-Feb-2024	5.25%	28-Feb-2029	1,250	Simple	CRISIL AAA/Stable
INE020B07NM3	Institutional Bonds	31-Mar-2024	5.25%	31-Mar-2029	1,250	Simple	CRISIL AAA/Stable
NA	Long-term borrowing programme (FY25)^^	NA	NA	NA	145,000.00	Simple	CRISIL AAA/Stable
NA	Short-term borrowing programme (FY25)^^	NA	NA	NA	15,000	Simple	CRISIL A1+
NA	Long-term borrowing programme (FY24)^^	NA	NA	NA	1,20,856.24	Simple	CRISIL AAA/Stable
NA	Short-term borrowing programme (FY24)^^	NA	NA	NA	40,000	Simple	CRISIL A1+
NA	Long-term principal protected market-linked debentures^^	NA	NA	NA	500	Highly Complex	CRISIL PP-MLD AAA/Stable
NA	Perpetual non-convertible debentures^^	NA	NA	NA	4,352	Highly Complex	CRISIL AAA/Stable
INE020B08DL4	Perpetual non-convertible debentures	22-Jan-2021	0.0797	Perpetual	558	Highly Complex	CRISIL AAA/Stable
INE020B08EJ6	Perpetual non-convertible debentures	28-Apr-2023	7.98%	Perpetual	2,000	Highly Complex	CRISIL AAA/Stable
INE020B08EO6	Perpetual non-convertible debentures	27-Sep-2023	8.03%	Perpetual	1,090	Highly Complex	CRISIL AAA/Stable
INE020B07GH7	Tax-free bonds	27-Mar-2012	8.12%/ 8.32%	27-Mar-2027	1,983	Simple	CRISIL AAA/Stable
INE020B07HP8	Tax-free bonds	24-Sep-2013	8.46%	24-Sep-2028	1,639	Simple	CRISIL AAA/Stable
INE020B07HN3	Tax-free bonds	29-Aug-2013	8.46%	29-Aug-2028	1,141	Simple	CRISIL AAA/Stable
INE020B07HS2	Tax-free bonds	24-Sep-2013	8.71%	24-Sep-2028	211	Simple	CRISIL AAA/Stable
INE020B07GX4	Tax-free bonds	19-Dec-2012	7.38%/ 7.88%	19-Dec-2027	480	Simple	CRISIL AAA/Stable
INE020B07JO7	Tax-free bonds	23-Jul-2015	7.17%	23-Jul-2025	300	Simple	CRISIL AAA/Stable
INE020B07IG5	Tax-free bonds	24-Mar-2014	8.88%	24-Mar-2029	262.59	Simple	CRISIL AAA/Stable
INE020B07JT6	Tax-free bonds	5-Nov-2015	7.18%	5-Nov-2035	235.11	Simple	CRISIL AAA/Stable
INE020B07ID2	Tax-free bonds	24-Mar-2014	8.63%	24-Mar-2029	237.88	Simple	CRISIL AAA/Stable
INE020B07GV8	Tax-free bonds	21-Nov-2012	7.38%	21-Nov-2027	245	Simple	CRISIL AAA/Stable
INE020B07JU4	Tax-free bonds	5-Nov-2015	7.43%	5-Nov-2035	49.21	Simple	CRISIL AAA/Stable
INE020B07JR0	Tax-free bonds	5-Nov-2015	7.09%	5-Nov-2030	133.64	Simple	CRISIL AAA/Stable
INE020B07IH3	Tax-free bonds	24-Mar-2014	8.86%	24-Mar-2034	6.37	Simple	CRISIL AAA/Stable

INE020B07JQ2	Tax-free bonds	5-Nov-2015	7.14%	5-Nov-2025	0.86	Simple	CRISIL AAA/Stable
INE020B07JP4	Tax-free bonds	5-Nov-2015	6.89%	5-Nov-2025	51.25	Simple	CRISIL AAA/Stable
INE020B07GZ9	Tax-free bonds	25-Mar-2013	7.04%/ 7.54%	25-Mar-2028	12.58	Simple	CRISIL AAA/Stable
INE020B07HV6	Tax-free bonds	11-Oct-2013	8.54%	11-Oct-2028	45	Simple	CRISIL AAA/Stable
INE020B07JS8	Tax-free bonds	5-Nov-2015	7.34%	5-Nov-2030	0.38	Simple	CRISIL AAA/Stable
INE020B07HT0	Tax-free bonds	24-Sep-2013	8.62%	24-Sep-2033	4.48	Simple	CRISIL AAA/Stable
INE020B07IE0	Tax-free bonds	24-Mar-2014	8.61%	24-Mar-2034	24.63	Simple	CRISIL AAA/Stable
INE020B07HQ6	Tax-free bonds	24-Sep-2013	8.37%	24-Sep-2033	13.66	Simple	CRISIL AAA/Stable
INE020B07MQ6	54EC CGTE Bonds Series XVI	30-Apr-2022	5.00%	30-Apr-2027	797.29	Simple	CRISIL AAA/Stable
INE020B07MR4	54EC CGTE Bonds Series XVI	31-May-2022	5.00%	31-May-2027	942.45	Simple	CRISIL AAA/Stable
INE020B07MS2	54EC CGTE Bonds Series XVI	30-Jun-2022	5.00%	30-Jun-2027	929.85	Simple	CRISIL AAA/Stable
INE020B07MT0	54EC CGTE Bonds Series XVI	31-Jul-2022	5.00%	31-Jul-2027	1231.08	Simple	CRISIL AAA/Stable
INE020B07MU8	54EC CGTE Bonds Series XVI	31-Aug-2022	5.00%	31-Aug-2027	699.08	Simple	CRISIL AAA/Stable
INE020B07MV6	54EC CGTE Bonds Series XVI	30-Sep-2022	5.00%	30-Sep-2027	1023.08	Simple	CRISIL AAA/Stable
INE020B07MW4	54EC CGTE Bonds Series XVI	31-Oct-2022	5.00%	31-Oct-2027	816.8	Simple	CRISIL AAA/Stable
INE020B07MX2	54EC CGTE Bonds Series XVI	30-Nov-2022	5.00%	30-Nov-2027	956.15	Simple	CRISIL AAA/Stable
INE020B07MY0	54EC CGTE Bonds Series XVI	31-Dec-2022	5.00%	31-Dec-2027	1044.88	Simple	CRISIL AAA/Stable
INE020B07MZ7	54EC CGTE Bonds Series XVI	31-Jan-2023	5.00%	31-Jan-2028	856.79	Simple	CRISIL AAA/Stable
INE020B08DW1	Institutional Bonds	23-Sep-2022	7.32%	28-Feb-2026	500	Simple	CRISIL AAA/Stable
INE020B08DX9	Institutional Bonds	21-Oct-2022	7.50%	28-Feb-2033	3,000.00	Simple	CRISIL AAA/Stable
INE020B08DZ4	Institutional Bonds	25-Nov-2022	7.65%	30-Nov-1937	3,889.00	Simple	CRISIL AAA/Stable
INE020B08EA5	Institutional Bonds	2-Dec-2022	7.55%	31-Mar-2028	1,701.50	Simple	CRISIL AAA/Stable
INE020B08EB3	Institutional Bonds	2-Dec-2022	7.67%	30-Nov-1937	2,000.00	Simple	CRISIL AAA/Stable
INE020B08EC1	Institutional Bonds	16-Dec-2022	7.53%	31-Mar-2033	500	Simple	CRISIL AAA/Stable
INE020B08ED9	Institutional Bonds	12-Jan-2023	7.56%	30-Jun-2026	3,000.00	Simple	CRISIL AAA/Stable
INE020B08EE7	Institutional Bonds	12-Jan-2023	7.69%	31-Jan-2033	2,004.40	Simple	CRISIL AAA/Stable
INE020B08EF4	Institutional Bonds	2-Feb-2023	7.60%	28-Feb-2026	3,148.70	Simple	CRISIL AAA/Stable
INE020B08CI2	Institutional Bonds	18-May-2023	7.89%	31-Mar-2030	2,000.00	Simple	CRISIL AAA/Stable
INE020B08DV3	Institutional Bonds	18-May-2023	6.92%	20-Mar-2032	2,000.00	Simple	CRISIL AAA/Stable
INE020B08EM0	Institutional Bonds	17-Aug-2023	7.64%	30-Jun-2026	2,210.00	Simple	CRISIL AAA/Stable
INE020B08EP3	Institutional Bonds	9-Nov-2023	7.77%	30-Sep-2026	2,670.00	Simple	CRISIL AAA/Stable
INE020B08EQ1	Institutional Bonds	9-Nov-2023	7.71%	31-Oct-2033	2,818.70	Simple	CRISIL AAA/Stable
INE020B08EV1	Institutional Bonds	16-Jan-2024	7.64%	31-Jan-2034	3000	Simple	CRISIL AAA/Stable
INE020B08EW9	Institutional Bonds	16-Jan-2024	7.71%	26-Feb-2027	1000	Simple	CRISIL AAA/Stable
NA	Short-term loans (HDFC Bank)	NA	NA	NA	3500	Simple	CRISIL A1+
NA	Short-term loans (KEB Hana Bank)	NA	NA	NA	100	Simple	CRISIL A1+
NA	Working Capital Demand Loan (HDFC Bank)	NA	NA	NA	200	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (ICICI Bank)	NA	NA	NA	2,500	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (IDBI Bank)	NA	NA	NA	350	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (IDFC Bank)	NA	NA	NA	300	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Indian Bank)	NA	NA	NA	1,000	Simple	CRISIL AAA/Stable

NA	Working Capital Demand Loan (Indusind Bank)	NA	NA	NA	300	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Karnataka Bank)	NA	NA	NA	250	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Mizuho Bank)	NA	NA	NA	850	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Punjab National Bank)	NA	NA	NA	2,050	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (RBL Bank)	NA	NA	NA	500	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (South Indian Bank)	NA	NA	NA	150	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (State Bank of India)	NA	NA	NA	2,719	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Union Bank of India)	NA	NA	NA	1,750	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Yes Bank)	NA	NA	NA	1,000	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Indian Overseas Bank)	NA	NA	NA	1,000	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Bank of India)	NA	NA	NA	750	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (UCO Bank)	NA	NA	NA	500	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Standard Chartered Bank)	NA	NA	NA	50	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	28-Sep-2022	NA	29-Sep-2029	1540	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	14-Oct-2022	NA	29-Sep-2029	1100	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	15-Nov-2022	NA	29-Sep-2029	360	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	16-Nov-2022	NA	29-Sep-2029	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	18-Nov-2022	NA	29-Sep-2029	600	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	5-Jan-2023	NA	29-Sep-2029	400	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank Of Baroda)	21-Nov-2022	NA	29-Sep-2029	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank of India)	27-Sep-2021	NA	27-Sep-2028	200	Simple	CRISIL AAA/Stable
NA	Long-term loans (Bank of India)	5-Oct-2021	NA	27-Sep-2028	550	Simple	CRISIL AAA/Stable
NA	Long-term loans (Central Bank)	31-Mar-2022	NA	29-Feb-2032	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Central Bank)	26-Sep-2022	NA	26-Mar-2024	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Central Bank)	19-Nov-2022	NA	17-Oct-2025	400	Simple	CRISIL AAA/Stable
NA	Long-term loans (Deutsche Bank)	21-May-2021	NA	21-May-2024	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Deutsche Bank)	15-Jun-2022	NA	15-Jun-2027	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	15-Jan-2019	NA	15-Jan-2024	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	17-Nov-2021	NA	17-Nov-2026	850	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	31-Mar-2022	NA	31-Mar-2027	2000	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	7-Sep-2022	NA	7-Sep-2027	2000	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	29-Dec-2022	NA	29-Dec-2027	2500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	28-Dec-2023	NA	28-Dec-2028	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	27-Feb-2023	NA	27-Feb-2028	1285	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	4-Mar-2023	NA	27-Feb-2028	1215	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	28-Jun-2023	NA	27-Jun-2028	1000	Simple	CRISIL AAA/Stable

NA	Long-term loans (HDFC Bank)	30-Jun-2023	NA	29-Jun-2028	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	30-Sep-2023	NA	30-Sep-2028	2500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HDFC Bank)	2-Nov-2023	NA	2-Nov-2028	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	19-May-2020	NA	19-May-2025	565	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	18-Dec-2020	NA	18-Dec-2025	188	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	25-Mar-2021	NA	25-Mar-2026	900	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	5-Jul-2021	NA	6-Jul-2026	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	9-Jul-2021	NA	9-Jul-2026	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	25-Mar-2022	NA	25-Mar-2030	85	Simple	CRISIL AAA/Stable
NA	Long-term loans (HSBC)	28-Mar-2022	NA	28-Mar-2030	665	Simple	CRISIL AAA/Stable
NA	Long-term loans (ICICI Bank)	24-Jan-2023	NA	23-Jan-2030	4000	Simple	CRISIL AAA/Stable
NA	Long-term loans (ICICI Bank)	31-May-2023	NA	15-May-2028	2000	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	26-Feb-2021	NA	23-Feb-2024	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	15-Mar-2021	NA	14-Mar-2024	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	26-Mar-2021	NA	25-Mar-2026	1000	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	30-Mar-2021	NA	27-Mar-2026	1000	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	10-Aug-2021	NA	9-Aug-2026	1000	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	29-Jul-2022	NA	29-Jul-2027	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	11-Dec-2023	NA	11-Dec-2028	1500	Simple	CRISIL AAA/Stable
NA	Long-term loans (IIFCL)	30-Jun-2023	NA	30-Jun-2028	800	Simple	CRISIL AAA/Stable
NA	Long-term loans (Indian Bank)	5-Aug-2022	NA	4-Aug-2029	345	Simple	CRISIL AAA/Stable
NA	Long-term loans (Indian Bank)	6-Aug-2022	NA	4-Aug-2029	320	Simple	CRISIL AAA/Stable
NA	Long-term loans (Indian Bank)	8-Aug-2022	NA	4-Aug-2029	175	Simple	CRISIL AAA/Stable
NA	Long-term loans (Indian Bank)	10-Aug-2022	NA	4-Aug-2029	420	Simple	CRISIL AAA/Stable
NA	Long-term loans (Indian Bank)	22-Sep-2022	NA	4-Aug-2029	240	Simple	CRISIL AAA/Stable
NA	Long-term loans (Jammu & Kashmir Bank)	29-Oct-2021	NA	28-Oct-2026	300	Simple	CRISIL AAA/Stable
NA	Long-term loans (Karnataka Bank)	15-Jun-2022	NA	15-Jun-2025	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Karur Vysya Bank)	29-Oct-2021	NA	29-Oct-2026	250	Simple	CRISIL AAA/Stable
NA	Long-term loans (NSSF)	13-Dec-2018	NA	13-Dec-2028	5000	Simple	CRISIL AAA/Stable
NA	Long-term loans (NSSF)	4-Oct-2019	NA	4-Oct-2029	5000	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab & Sind Bank)	9-Dec-2022	NA	9-Dec-2025	320	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab & Sind Bank)	12-Dec-2022	NA	9-Dec-2025	380	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	27-Aug-2020	NA	27-Aug-2025	50	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	24-Sep-2020	NA	27-Aug-2025	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	1-Dec-2020	NA	27-Aug-2025	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	18-Dec-2020	NA	27-Aug-2025	950	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	11-Nov-2021	NA	11-Nov-2026	2,000.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	30-Mar-2022	NA	29-Dec-2031	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	31-Mar-2022	NA	29-Dec-2031	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Punjab National Bank)	3-Nov-2023	NA	3-Nov-2028	1,200.00	Simple	CRISIL AAA/Stable

NA	Long-term loans (Punjab National Bank)	27-Dec-2023	NA	27-Dec-2028	2,000.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (South Indian Bank)	9-Nov-2021	NA	8-Nov-2026	60	Simple	CRISIL AAA/Stable
NA	Long-term loans (South Indian Bank)	11-Nov-2021	NA	8-Nov-2026	240	Simple	CRISIL AAA/Stable
NA	Long-term loans (South Indian Bank)	5-Aug-2022	NA	5-Aug-2027	200	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	5-Mar-2019	NA	5-Mar-2024	920	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	15-Jul-2020	NA	15-Jul-2025	714	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	29-Jul-2020	NA	15-Jul-2025	1,428.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	14-Aug-2020	NA	15-Jul-2025	1,428.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	29-Oct-2021	NA	29-Oct-2031	2,000.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	11-Nov-2021	NA	29-Oct-2031	1,625.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	12-Nov-2021	NA	29-Oct-2031	200	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	15-Nov-2021	NA	29-Oct-2031	175	Simple	CRISIL AAA/Stable
NA	Long-term loans (State Bank of India)	12-Dec-2022	NA	12-Dec-2027	1,712.00	Simple	CRISIL AAA/Stable
NA	Credit Equivalent Exposure (State Bank of India)	NA	NA	NA	1000	Simple	CRISIL AAA/Stable
NA	Long-term loans (Union Bank of India)	31-Mar-2022	NA	31-Mar-2031	2,000.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (Union Bank of India)	5-Jan-2023	NA	5-Jan-2026	1,000.00	Simple	CRISIL AAA/Stable
NA	Long-term loans (Union Bank of India)	30-Sep-2023	NA	30-Sep-2028	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (Union Bank of India)	6-Nov-2023	NA	6-Nov-2028	500	Simple	CRISIL AAA/Stable
NA	Long-term loans (NABFID)	12-Apr-2023	NA	31-Mar-2033	3,000.00	Simple	CRISIL AAA/Stable
NA	Credit Equivalent Exposure (State Bank of India)	NA	NA	NA	800	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	7-Jul-2017	NA	7-Jul-2027	3,725.40	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	22-Mar-2018	NA	22-Mar-2028	2,483.60	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	25-Jul-2019	NA	25-Jul-2024	5,381.10	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	12-Dec-2019	NA	12-Dec-2024	4,139.30	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	1-Mar-2021	NA	1-Sep-2026	4,139.30	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Bank of New York Mellon)	13-Jul-2021	NA	13-Jan-2027	3,311.40	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (THE BANK OF YOKOHAMA)	29-Mar-2019	NA	29-Mar-2024	165.6	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (THE BANK OF YOKOHAMA)	29-Dec-2021	NA	29-Dec-2026	82.8	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Gunma Bank Ltd)	25-Sep-2020	NA	25-Sep-2025	62.5	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Gunma Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	41.4	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (The Gunma Bank Ltd)	3-Mar-2022	NA	3-Mar-2027	62.5	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (AfrAsia Bank Limited)	25-Aug-2021	NA	25-Aug-2026	82.79	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Aozora Asia Pacific Finance Limited)	25-Sep-2020	NA	25-Sep-2025	93.68	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Aozora Asia Pacific Finance Limited)	3-Mar-2022	NA	3-Mar-2027	249.8	Simple	CRISIL AAA/Stable

NA	Foreign Currency Loan (Axis Bank)	29-Dec-2021	NA	29-Dec-2026	41.4	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Axis Bank)	3-Aug-2023	NA	3-Aug-2028	823.12	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of Baroda)	3-Aug-2023	NA	3-Aug-2028	2057.81	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of Baroda)	29-Dec-2021	NA	29-Dec-2026	2,318.00	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of China)	29-Dec-2021	NA	29-Dec-2026	165.62	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of China)	29-Dec-2021	NA	29-Dec-2026	331.1	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of India)	31-Aug-2023	NA	31-Aug-2028	826.64	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of India)	31-Aug-2023	NA	31-Aug-2028	826.64	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of India)	27-Mar-2019	NA	27-Mar-2024	2,069.66	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of India)	3-Mar-2022	NA	3-Mar-2027	360.38	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of India)	29-Dec-2021	NA	29-Dec-2026	413.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of Kaohsiung)	25-Aug-2021	NA	25-Aug-2026	82.79	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of Taiwan)	25-Aug-2021	NA	25-Aug-2026	194.55	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Bank of Taiwan)	29-Dec-2021	NA	29-Dec-2026	248.36	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Canara Bank)	16-Mar-2021	NA	16-Mar-2026	827.86	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Canara Bank)	25-Aug-2021	NA	25-Aug-2026	827.86	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Canara Bank)	29-Dec-2021	NA	29-Dec-2026	1,241.80	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Chang Hwa Commercial Bank Ltd.)	16-Mar-2021	NA	16-Mar-2026	248.37	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Chang Hwa Commercial Bank Ltd.)	25-Aug-2021	NA	25-Aug-2026	115.87	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Chang Hwa Commercial Bank Ltd.)	29-Dec-2021	NA	29-Dec-2026	82.81	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (CTBC Bank Co., Ltd.)	25-Aug-2021	NA	25-Aug-2026	115.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS)	17-Jan-2023	NA	17-Jan-2024	612.5	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	27-Oct-2022	NA	27-Oct-2027	1,247.50	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	29-Mar-2019	NA	29-Mar-2024	207	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	30-Mar-2020	NA	30-Mar-2025	444.3	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	25-Aug-2021	NA	25-Aug-2026	41.4	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	29-Dec-2021	NA	29-Dec-2026	687.09	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (DBS Bank)	21-Sep-2023	NA	21-Sep-2028	743.75	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (First Commercial Bank Ltd)	29-Mar-2019	NA	29-Mar-2024	124.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (First Commercial Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	97.26	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (First Commercial Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	97.26	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (HSBC)	27-Mar-2023	NA	27-Mar-2028	625.29	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (HSBC)	31-Oct-2022	NA	31-Oct-2027	638.59	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (HSBC Bank)	31-Aug-2023	NA	31-Aug-2028	826.64	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Hua Nan Commercial Bank, Ltd.)	29-Mar-2019	NA	29-Mar-2024	82.8	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Hua Nan	16-Mar-2021	NA	16-Mar-2026	124.2	Simple	CRISIL AAA/Stable

	Commercial Bank, Ltd.)						
NA	Foreign Currency Loan (Hua Nan Commercial Bank, Ltd.)	25-Aug-2021	NA	25-Aug-2026	194.49	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Hua Nan Commercial Bank, Ltd.)	7-Oct-2021	NA	7-Oct-2026	82.8	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Hua Nan Commercial Bank, Ltd.)	29-Dec-2021	NA	29-Dec-2026	82.8	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (IIFCL UK)	16-Jun-2020	NA	6-Oct-2025	1,407.37	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Indian Bank)	16-Mar-2021	NA	16-Mar-2026	248.33	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Indian Bank)	25-Aug-2021	NA	25-Aug-2026	165.6	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Indian Overseas Bank)	29-Dec-2021	NA	29-Dec-2026	538.11	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Korea Development Bank)	25-Aug-2021	NA	25-Aug-2026	202.8	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan(Mega International Commercial Bank Co., Ltd.)	29-Mar-2019	NA	29-Mar-2024	165.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan(Mega International Commercial Bank Co., Ltd.)	25-Aug-2021	NA	25-Aug-2026	136.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan(Mega International Commercial Bank Co., Ltd.)	29-Dec-2021	NA	29-Dec-2026	165.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Mizuho Bank)	3-Mar-2022	NA	3-Mar-2027	540.53	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Mizuho Bank)	20-Apr-2023	NA	20-Apr-2028	798.61	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Mizuho Bank)	26-Jun-2023	NA	26-Jun-2028	600.28	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (MUFG Bank)	20-Apr-2023	NA	20-Apr-2028	758.68	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (MUFG Bank)	21-Sep-2023	NA	21-Sep-2028	1652.78	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (MUFG Bank)	31-Oct-2022	NA	31-Oct-2027	1,036.40	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (MUFG Bank)	25-Sep-2020	NA	25-Sep-2025	325.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (MUFG Bank)	29-Dec-2021	NA	29-Dec-2026	1,523.30	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (NDB)	2-Jun-2020	NA	2-Jun-2030	2,483.59	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (SBI Mauritius Bank Limited)	16-Mar-2021	NA	16-Mar-2026	82.79	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Shinsei Bank Limited)	29-Mar-2019	NA	29-Mar-2024	144.88	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (SMBC)	7-Oct-2021	NA	7-Oct-2026	538.1	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (SMBC)	3-Mar-2022	NA	3-Mar-2027	1,129.20	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (SMBC)	29-Dec-2021	NA	29-Dec-2026	190.4	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	1-Jul-2019	NA	1-Jul-2024	827.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	30-Mar-2020	NA	30-Mar-2025	620.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	16-Mar-2021	NA	16-Mar-2026	1,862.70	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	25-Aug-2021	NA	25-Aug-2026	1,655.70	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	13-Jun-2022	NA	13-Jun-2027	778	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	28-Jul-2022	NA	28-Jul-2027	1,594.90	Simple	CRISIL AAA/Stable

NA	Foreign Currency Loan (State Bank of India)	13-Sep-2022	NA	13-Sep-2027	1,195.00	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	31-Oct-2022	NA	31-Oct-2027	418.7	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	27-Mar-2023	NA	27-Mar-2028	2,501.20	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Sunny Bank Ltd.)	25-Aug-2021	NA	25-Aug-2026	82.78	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Sunny Bank Ltd.)	29-Dec-2021	NA	29-Dec-2026	41.4	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Taipei Fubon Commercial Bank Co)	29-Mar-2019	NA	29-Mar-2024	165.57	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Taiwan Business Bank)	25-Aug-2021	NA	25-Aug-2026	136.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Taiwan Business Bank)	29-Dec-2021	NA	29-Dec-2026	165.59	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Taiwan Cooperative Bank)	25-Aug-2021	NA	25-Aug-2026	194.52	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Taiwan Cooperative Bank)	29-Dec-2021	NA	29-Dec-2026	165.6	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Hokkoku Bank Ltd)	29-Mar-2019	NA	29-Mar-2024	41.39	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Hyakugo Bank Ltd.)	25-Sep-2020	NA	25-Sep-2025	31.23	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Korea Development Bank)	29-Mar-2019	NA	29-Mar-2024	144.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Nanto Bank Ltd.)	25-Sep-2020	NA	25-Sep-2025	31.23	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Nishi-Nippon City Bank, Ltd)	25-Aug-2021	NA	25-Aug-2026	136.6	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Shanghai Commercial & Saving Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	115.9	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Shiga Bank Ltd)	25-Sep-2020	NA	25-Sep-2025	62.46	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Shiga Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	82.78	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Tokyo Star Bank Limited)	25-Sep-2020	NA	25-Sep-2025	49.96	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (The Woori Bank Ltd)	25-Aug-2021	NA	25-Aug-2026	165.57	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (UCO Bank)	16-Mar-2021	NA	16-Mar-2026	124.18	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (UCO Bank)	26-Sep-2023	NA	26-Sep-2028	831.11	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (Union Bank of India)	29-Dec-2021	NA	29-Dec-2026	1241.79	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (State Bank of India)	3-Apr-2023	NA	3-Apr-2024	1234.65	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	20-Apr-2023	NA	19-Apr-2024	1232.1	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	24-May-2023	NA	24-May-2024	1033.01	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	24-May-2023	NA	24-May-2024	621.79	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	7-Jun-2023	NA	7-Jun-2024	619.05	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	3-Aug-2023	NA	3-Aug-2028	1275.84	Simple	CRISIL A1+
NA	Foreign Currency Loan (State Bank of India)	31-Aug-2023	NA	31-Aug-2028	2851.92	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	21-Apr-2023	NA	19-Apr-2024	1232.1	Simple	CRISIL A1+

NA	Foreign Currency Loan (ICICI Bank)	26-May-2023	NA	10-May-2024	1233.63	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	2-Jun-2023	NA	14-May-2024	1645.31	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	21-Jun-2023	NA	16-May-2024	1234.95	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	11-Jul-2023	NA	11-Jul-2024	1033.94	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	9-Aug-2023	NA	9-Aug-2024	1241.1	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	22-Sep-2023	NA	22-Sep-2024	832.1	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	30-Dec-2022	NA	29-Dec-2023	1,658.00	Simple	CRISIL A1+
NA	Foreign Currency Loan (ICICI Bank)	15-Feb-2023	NA	15-Feb-2024	1,240.20	Simple	CRISIL A1+
NA	Foreign Currency Loan (SMBC Bank)	20-Apr-2023	NA	20-Apr-2028	798.61	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (SMBC Bank)	21-Sep-2023	NA	21-Sep-2028	1446.18	Simple	CRISIL AAA/Stable
NA	Foreign Currency Loan (EXIM Bank)	14-Sep-2023	NA	14-Sep-2028	829.65	Simple	CRISIL AAA/Stable

Notes: Institutional bonds, 54EC Capital Gain Tax Exemption Bonds, Tax-free bonds, zero coupon bonds, infrastructure bonds and term loans from banks/financial institution are part of long-term borrowing programme,
^^Not yet issued
@@ GOI fully serviced bonds

Annexure: Details of rating withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs Crore)	Complexity level	Rating
INE020B08DP5	Bonds	19-Mar-2021	5.79%	20-Mar-2024	1,550.00	Simple	Withdrawn
INE020B08DJ8	Infrastructure Bonds	13-Jan-2021	4.99%	31-Jan-2024	2,135.00	Simple	Withdrawn
INE020B07LE4	Institutional Bonds	28-Feb-2019	5.75%	28-Feb-2024	262.04	Simple	Withdrawn
INE020B07LD6	Institutional Bonds	31-Jan-2019	5.75%	31-Jan-2024	243.97	Simple	Withdrawn
INE020B07IC4	Tax-free bonds	24-Mar-2014	8.19%	24-Mar-2024	289.25	Simple	Withdrawn
INE020B07IF7	Tax-free bonds	24-Mar-2014	8.44%	24-Mar-2024	7.06	Simple	Withdrawn

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
REC Power Development and Consultancy Ltd*	Full	Subsidiary

**Formerly known as REC Power Distribution Company Ltd*

Annexure - Rating History for last 3 Years

	Current			2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Bond	LT	15000.0	CRISIL AAA/Stable		--	28-12-23	CRISIL AAA/Stable	07-06-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	16-05-23	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable		--	--
			--		--	31-03-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable		--	--
			--		--	02-03-23	CRISIL AAA/Stable		--		--	--
			--		--	07-02-23	CRISIL AAA/Stable		--		--	--
Long-Term Borrowing Programme	LT	727789.92	CRISIL AAA/Stable		--	28-12-23	CRISIL AAA/Stable	07-06-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	16-05-23	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable		--	--
			--		--	31-03-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable		--	--
			--		--	02-03-23	CRISIL AAA/Stable		--		--	--
			--		--	07-02-23	CRISIL AAA/Stable		--		--	--
Perpetual Non Convertible Debentures	LT	8000.0	CRISIL AAA/Stable		--	28-12-23	CRISIL AAA/Stable	07-06-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	16-05-23	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable		--	--
			--		--	31-03-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable		--	--
			--		--	02-03-23	CRISIL AAA/Stable		--		--	--
			--		--	07-02-23	CRISIL AAA/Stable		--		--	--
Short Term Borrowing programme	ST	55000.0	CRISIL A1+		--	28-12-23	CRISIL A1+	07-06-22	CRISIL A1+	31-03-21	CRISIL A1+	CRISIL A1+
			--		--	16-05-23	CRISIL A1+	31-03-22	CRISIL A1+		--	--
			--		--	31-03-23	CRISIL A1+	24-03-22	CRISIL A1+		--	--
			--		--	02-03-23	CRISIL A1+		--		--	--
			--		--	07-02-23	CRISIL A1+		--		--	--
Short Term Debt	ST		--		--		--		--		--	Withdrawn
Long Term Principal Protected Market Linked Debentures	LT	1000.0	CRISIL PPMLD AAA/Stable		--	28-12-23	CRISIL PPMLD AAA/Stable	07-06-22	CRISIL PPMLD	31-03-21	CRISIL PPMLD	CRISIL PPMLD

									AAA r /Stable		AAA r /Stable	AAA r /Stable
			--		--	16-05-23	CRISIL PPMLD AAA/Stable	31-03-22	CRISIL PPMLD AAA r /Stable		--	--
			--		--	31-03-23	CRISIL PPMLD AAA/Stable	24-03-22	CRISIL PPMLD AAA r /Stable		--	--
			--		--	02-03-23	CRISIL PPMLD AAA/Stable		--		--	--
			--		--	07-02-23	CRISIL PPMLD AAA/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure – Details of Bank Lenders/Facilities

Facility	Amount (Rs crore)	Name of lender	Rating
Short-term loans	3,500	HDFC Bank Limited	CRISIL A1+
Short-term loans	100	KEB Hana Bank	CRISIL A1+
Working Capital Demand Loan	200	HDFC Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	2,500	ICICI Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	350	IDBI Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	300	IDFC First Limited	CRISIL AAA/Stable
Working Capital Demand Loan	1,000	Indian Bank	CRISIL AAA/Stable
Working Capital Demand Loan	300	IndusInd Bank	CRISIL AAA/Stable
Working Capital Demand Loan	250	The Karnataka Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	850	Mizuho Bank	CRISIL AAA/Stable
Working Capital Demand Loan	2,050	Punjab National Bank	CRISIL AAA/Stable
Working Capital Demand Loan	500	RBL Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	150	South Indian Bank	CRISIL AAA/Stable
Working Capital Demand Loan	2719	State Bank of India	CRISIL AAA/Stable
Working Capital Demand Loan	1750	Union Bank Of India	CRISIL AAA/Stable
Working Capital Demand Loan	1,000	YES Bank Limited	CRISIL AAA/Stable
Working Capital Demand Loan	1,000	Indian Overseas Bank	CRISIL AAA/Stable
Working Capital Demand Loan	750	Bank of India	CRISIL AAA/Stable
Working Capital Demand Loan	500	UCO Bank	CRISIL AAA/Stable
Working Capital Demand Loan	50	Standard Chartered Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	4102.49	Sumitomo Mitsui Banking Corporation	CRISIL AAA/Stable
Foreign currency term loan	82.79	AfrAsia Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	343.48	Aozora Asia Pacific Finance Limited	CRISIL AAA/Stable
Foreign currency term loan	864.52	Axis Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	4375.81	Bank of Baroda	CRISIL AAA/Stable
Foreign currency term loan	496.72	Bank of China	CRISIL AAA/Stable
Foreign currency term loan	4497.23	Bank of India	CRISIL AAA/Stable
Foreign currency term loan	82.79	Bank of Kaohsiung	CRISIL AAA/Stable
Foreign currency term loan	442.91	Bank of Taiwan	CRISIL AAA/Stable
Foreign currency term loan	2897.52	Canara Bank Of India	CRISIL AAA/Stable
Foreign currency term loan	447.05	Chang Hwa Commercial Bank Ltd.	CRISIL AAA/Stable
Foreign currency term loan	115.9	CTBC Bank Co., Ltd.	CRISIL AAA/Stable
Foreign currency term loan	3983.54	DBS Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	318.73	First Commercial Bank Ltd	CRISIL AAA/Stable
Foreign currency term loan	2090.52	The Hongkong and Shanghai Banking Corporation Limited	CRISIL AAA/Stable
Foreign currency term loan	567.09	Hua Nan Commercial Bank, Ltd.	CRISIL AAA/Stable
Foreign currency term loan	11351.32	ICICI Bank Limited	CRISIL A1+
Foreign currency term loan	1407.37	India Infrastructure Finance Company Ltdd	CRISIL AAA/Stable
Foreign currency term loan	413.93	Indian Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	538.11	Indian Overseas Bank	CRISIL AAA/Stable
Foreign currency term loan	347.71	Korean Development Bank	CRISIL AAA/Stable
Foreign currency term loan	467.74	Mega International Commercial Bank Co., Ltd.	CRISIL AAA/Stable
Foreign currency term loan	1939.42	Mizuho Bank	CRISIL AAA/Stable
Foreign currency term loan	5297.06	MUFG Bank	CRISIL AAA/Stable
Foreign currency term loan	2483.59	New Development Bank	CRISIL AAA/Stable
Foreign currency term loan	82.79	SBI Mauritius Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	144.88	Shinsei Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	11455	State Bank of India	CRISIL AAA/Stable
Foreign currency term loan	8868.36	State Bank of India	CRISIL A1+
Foreign currency term loan	124.18	Sunny Bank Ltd.	CRISIL AAA/Stable
Foreign currency term loan	165.57	Taipei Fubon Commercial Bank Co	CRISIL AAA/Stable
Foreign currency term loan	302.17	Taiwan Business Bank	CRISIL AAA/Stable
Foreign currency term loan	360.12	Taiwan Cooperative Bank	CRISIL AAA/Stable
Foreign currency term loan	23180.1	The Bank of New York Mellon	CRISIL AAA/Stable
Foreign currency term loan	248.4	THE BANK OF YOKOHAMA	CRISIL AAA/Stable
Foreign currency term loan	166.4	The Gunma Bank Ltd	CRISIL AAA/Stable

Foreign currency term loan	41.39	The Hokkoku Bank Ltd	CRISIL AAA/Stable
Foreign currency term loan	31.23	The Hyakugo Bank Ltd.	CRISIL AAA/Stable
Foreign currency term loan	31.23	The Nanto Bank Ltd.	CRISIL AAA/Stable
Foreign currency term loan	136.6	The Nishi-Nippon City Bank, Ltd	CRISIL AAA/Stable
Foreign currency term loan	115.9	The Shanghai Commercial & Saving Bank Ltd	CRISIL AAA/Stable
Foreign currency term loan	145.24	The Shiga Bank Ltd	CRISIL AAA/Stable
Foreign currency term loan	49.96	The Tokyo Star Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	165.57	The Woori Bank	CRISIL AAA/Stable
Foreign currency term loan	955.29	UCO Bank Limited	CRISIL AAA/Stable
Foreign currency term loan	1241.79	Union Bank of India	CRISIL AAA/Stable
Foreign currency term loan	829.65	Export Import Bank of India	CRISIL AAA/Stable
Long-term loans	5000	Bank Of Baroda	CRISIL AAA/Stable
Long-term loans	2403.29	Bank of India	CRISIL AAA/Stable
Long-term loans	2400	Central Bank of India	CRISIL AAA/Stable
Long-term loans	1000	Deutsche Bank	CRISIL AAA/Stable
Long-term loans	18350	HDFC Bank Limited	CRISIL AAA/Stable
Long-term loans	3402.5	The Hongkong and Shanghai Banking Corporation Limited	CRISIL AAA/Stable
Long-term loans	6000	ICICI Bank Limited	CRISIL AAA/Stable
Long-term loans	7800	India Infrastructure Finance Company Ltd	CRISIL AAA/Stable
Long-term loans	1500	Indian Bank Limited	CRISIL AAA/Stable
Long-term loans	300	Jammu & Kashmir Bank	CRISIL AAA/Stable
Long-term loans	500	The Karnataka Bank Limited	CRISIL AAA/Stable
Long-term loans	250	Karur Vysya Bank Limited	CRISIL AAA/Stable
Long-term loans	10000	National Small Saving Fund	CRISIL AAA/Stable
Long-term loans	700	Punjab & Sind Bank	CRISIL AAA/Stable
Long-term loans	8200	Punjab National Bank	CRISIL AAA/Stable
Long-term loans	500	South Indian Bank	CRISIL AAA/Stable
Long-term loans	10202	State Bank of India	CRISIL AAA/Stable
Credit Equivalent	1000	State Bank of India	CRISIL AAA/Stable
Long-term loans	4000	Union Bank of India	CRISIL AAA/Stable
Long-term loans	3000	The National Bank for Financing Infrastructure and Development	CRISIL AAA/Stable

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
Rating criteria for hybrid debt instruments of NBFCs/HFCs
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support
CRISILs Criteria for Consolidation

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Annexure III

Board and Shareholder Resolutions

CERTIFIED COPY OF THE RESOLUTION PASSED IN THE 513TH BOARD MEETING (ADJOURNED) OF DIRECTORS OF REC LIMITED HELD ON MARCH 27, 2024.

Item no. 513.2.15 Market Borrowing Programme for the Financial Year 2024-25.

The Board, after discussion, approved the proposal as detailed in the agenda note and with modification passed the following resolutions:

"RESOLVED THAT subject to the borrowing limit as approved by the shareholders in accordance with the provisions of the Companies Act 2013, the market borrowing programme for the FY 2024-25, excluding funds raised under Extra Budgetary Resource (EBR), be kept at ₹1,60,000 crore under various debt instruments as listed below on private/ public placement basis, with interchangeability of amount of raising as warranted by the market conditions within the overall limit of ₹1,60,000 crore as per following details, in consonance with the Memorandum and Articles of Association of REC be and is hereby approved.

S. No	Description	₹ in crore
1.	• Domestic Bonds/ Debentures including but not limited to Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation-Indexed, Tax-Free, Principal Protected, Market Linked, Green Bonds, Environmental, Social, and Governance (ESG) Bonds, Partly Paid, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity, Cumulative Interest, Step Up Coupon, Bonds forming part of Bond ETF's, or any other Bonds/ Debentures, with/ without interest rate swaps/ options with/ without the same being embedded in the Bonds/ Debentures structure, as may be permitted by the Regulatory Authorities from time to time whether Unsecured/ Secured, Non-convertible, Redeemable, Taxable/ Tax-free whether on private or public placement basis;	
	• Capital Gains Tax Exemption Bonds u/s 54EC of Income Tax Act, 1961;	1,45,000
	• Rupee Term Loans from Banks/FIs/NBFCs/Corporates/Other Institutions;	

	• Foreign Currency Term Loans and External Commercial Borrowings (ECBs) including but not limited to Foreign Currency Bonds/ Rupee Offshore Bonds (Masala or any other bonds)/ Green Bonds, Environmental, Social, and Governance (ESG) bonds etc.; Export Credit Assistance (ECAs); Official Development Assistance Loans (Long/ Medium/ Short Term); Foreign Currency Convertible Bonds (FCCBs); Foreign Currency Non-resident (Bank) [FCNR (B)] Loans; Export ODA loans from Banks/FIs/NBFCs/Other Institutions/ Multilateral Funding Agencies etc. (excluding rollovers).	
2.	Short Term Loan (STL) from Banks/FIs/NBFCs etc. (excluding temporary loans i.e STL of tenure less than 6 months, WCDL, CC Limit, OD Facility or any other arrangement of similar nature). *Short Term Loan from Banks/FIs/NBFCs etc. raised and repaid during the financial year to be excluded from this limit.*	5,000
3.	Commercial Papers *Commercial Paper raised and repaid during the financial year to be excluded from this limit.*	10,000
	TOTAL	**1,60,000**

"**RESOLVED FURTHER THAT** CMD be and is hereby authorized to approve the interchangeability, among the various borrowing instruments, if required, based on the prevailing market conditions, within the above-mentioned overall limit of ₹1,60,000 crore."

"**RESOLVED FURTHER THAT** CMD and Director (Finance) be and are hereby jointly authorized to decide pricing, timing, mode, source of borrowing and marketing in respect of borrowings other than domestic bonds/ debentures (including Capital Gains Tax Exemption Bonds u/s 54EC of Income Tax Act, 1961), such as Rupee Term Loans, Foreign Currency Term Loans and External Commercial Borrowings (ECBs) including but not limited to Foreign Currency Term Loans/ Foreign Currency Bonds/ Rupee Offshore Bonds (Masala or any other bonds)/ Green Bonds, etc., Export Credit Assistance (ECAs), Official Development Assistance Loans (Long/ Medium Term), Foreign Currency Convertible Bonds (FCCBs), Foreign Currency Non-resident (Bank) [FCNR (B)] Loans, Export ODA loans from Banks/ FIs/ NBFCs/ Other Institutions/ Multilateral Funding Agencies etc., Commercial Paper, etc. depending upon the prevailing debt market conditions within the above market borrowing programme."

"**RESOLVED FURTHER THAT** the Company is neither accepting nor holding public deposits, as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and does not intend to accept any public deposit."

"RESOLVED FURTHER THAT the Company, in accordance with the terms and conditions, as stipulated, to meet the Extra Budgetary Resource (EBR) requirements of the Government of India, is allowed to raise funds under EBR and the funds so raised will be outside the purview of this market borrowing programme of the Company."

"RESOLVED FURTHER THAT CMD/ Director (Finance) be and are hereby severally authorized to engage, appoint/reappoint wherever necessary the services of merchant bankers/ debenture trustees/ solicitors/ mobilizers/ underwriters/ bankers/ printers/ PR agencies/ depositories/ stock exchanges/ auditors/ practicing professionals (CA/ CMA/ CS) / issuing and paying Agents (IPA)/ registrar and transfer agents/ market information terminal such as Reuters, Bloomberg, Cogencis, etc / Collection, Pool and Payee bankers/Internal Auditor at RTA office, website developer or any other intermediary agencies on such terms & conditions based on the prevailing debt market conditions or regulatory requirements."

"RESOLVED FURTHER THAT Domestic bonds/ debentures to be issued during the FY 2024-25 may be issued in any combination as per the following broad scheme:

- Domestic Bonds/ Debentures including but not limited to Infrastructure, Zero Coupon, Perpetual, Subordinate, Inflation-Indexed, Tax-Free, Principal Protected, Market Linked, Green Bonds, Environmental, Social, and Governance (ESG) Bonds, Partly Paid, Separately Transferable Redeemable Principal Parts (STRPP), Staggered Maturity, Cumulative Interest, Step Up Coupon, Bonds forming part of Bond ETF's, or any other Bonds/ Debentures, with/ without interest rate swaps/ options with/ without the same being embedded in the Bonds/ Debentures structure, as may be permitted by the Regulatory Authorities from time to time whether Unsecured/ Secured, Non-convertible, Redeemable, Taxable/ Tax-free whether on private or public placement basis.
- The issuance of the instrument(s) may be in one or more series or tranches or on reissuance in existing series.
- Coupon rate (fixed or floating) will be as per the prevailing market interest rates payable annually or otherwise.
- The issue may be kept open and/or extended for such period as may be decided by CMD/ Director (Finance).
- Period of redemption – up to 20 years with/ without put/ call options or upto the period as permitted under the applicable laws from time to time.
- Arrangers' fee/Brokerage including other incentives – CMD/ Director (Finance) are severally authorized to decide the arranger's fees.
- Listing – with National Stock Exchanges (NSE) / Bombay Stock Exchange (BSE) or any other recognized Stock Exchange(s), within or outside India or a combination thereof.
- Mode – Private Placement/ Public Issue.
- A maximum of five Bond Issues by way of Private Placement in a month shall be made.
- Pricing and timing of Bond Issue: CMD/ Director (Finance) are severally authorized to decide pricing and timing of the bond issue."

"**RESOLVED FURTHER THAT** wherever it is decided to raise funds by way of Unsecured/ Secured, Non-convertible, Redeemable, Non- cumulative Taxable Bonds (Institutional Bonds)/ Commercial Paper by inviting quotations/ bids/ book building etc., an in-house committee of officials, as may be constituted by the CMD shall evaluate the offers received and shall confirm/ scrap the deal during the bidding process on Electronic Bidding Platform (EBP)/ any other mode and shall put up its recommendations subsequently to CMD for ratification."

"**RESOLVED FURTHER THAT** wherever it is decided to raise funds by way of Unsecured/ Secured, Non-convertible, Redeemable, Cumulative/ Non-cumulative Taxable/Tax-Free Bonds by way of a public issue, an in-house committee (named as "Bond Committee for Public Issue"), be constituted with the CMD, Director (Finance) and Director (Technical) as its members, the quorum of the committee being any two members and any one member or any officer of an appropriate level authorized by the Committee shall have the authority to carry out the decisions taken by the Bond Committee for the Public Issue at its duly held meetings. The Bond Committee for the Public Issue shall have the following powers in this respect:

a. Settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the issue, approve and/or carry out required updates to the draft shelf prospectus, shelf prospectus, tranche prospectus, or any other such offer documents and to take such actions, give such directions, obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Bond Committee may suo-moto decide in its absolute discretion in the best interest of REC.

b. CMD / Director (Finance), be and are hereby severally authorised to nominate an officer of appropriate level as 'Compliance Officer to the Issue' to sign and to file the draft shelf prospectus, shelf prospectus, tranche prospectus, abridged prospectus, or any other documents with the SEBI, ROC, Stock Exchange(s), Depositories, Registrar or any other appropriate authorities, as may be required and to apply for the listing of the bonds/ debentures on one or more Stock Exchange(s) in India, as may be required by applicable laws and to sign and execute listing application(s), various agreements and memorandums of understanding (MoUs) with different agencies including listing agreement, undertakings, deeds, declarations, affidavits, certificates, clarifications, documents etc., and all other documents and to do all such acts, deeds and things and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of bonds/debentures including all formalities and with power to settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such bonds/debentures as may be deemed fit. The nominated compliance officer is also authorized to make any correction in the draft shelf prospectus, shelf prospectus and /or tranche prospectus or such other documents.

c. Director (Finance) or Company Secretary and in his absence HoD (CS)/ GM(CS) be and are hereby authorised on behalf of the Board of Directors to file duly signed and approved shelf prospectus and /or tranche prospectus, modification of terms of the prospectus, creation/ modification/ satisfaction of charge with the office of Registrar of Companies and also file the petitions with the National Company Law Tribunal or Court or any other document required in this connection with the Registrar of Companies, Stock Exchange(s), SEBI, MCA or any other authority as may be required and to do such acts, deeds as required for the public issue of bonds/debentures."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to approve the raising of funds by allowing participation in any debt ETFs including Bharat Bond ETF through the Bond Series launched by the Company, within the overall Market Borrowing Programme for the year 2024-25 and as per the terms and conditions as may be decided."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/ Executive Director (Fin)/ HOD (Resource Mobilisation)/ GM (Finance) be and are hereby severally authorized to execute the listing agreements on behalf of the Company with any of the recognized Stock Exchanges in India or abroad in respect of securities issued/ to be issued by the Company from time to time."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ GM (Finance) be and are hereby severally authorized to approve arranging of Bank Guarantees and/or Cash as security deposit with the designated Stock Exchange, as may be required under the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended (SEBI ILDS), in case of both private placement and public issue(s) of Bonds. Further, Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ GM (Finance) also be and are hereby severally authorized to approve and sign the counter Guarantee required to be given to the Bank issuing Bank Guarantee in terms of SEBI regulations."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ GM (Finance) be and are hereby severally authorized to sign and execute the necessary documents including declaration(s) required under the Companies Act, 2013, Private Placement Offer Letter (PPOL) for the issue of Bonds/ Debentures and agreements/ deeds/ amendments/ drawal letters etc. for Term Loans from Banks/ FIs/ NBFCs etc."

"**RESOLVED FURTHER THAT** Executive Director (Finance)/ HoD (Resource Mobilisation)/ GM (Finance) be and are hereby severally authorized to sign and execute the offer documents, agreements, memorandums of understanding, undertaking, deeds, declarations, affidavits, certificates, documents, amendments etc., pay stamp duty and to take

any other action in this regard as may be required in connection with and incidental to the issue of secured/ unsecured bonds/ debentures."

"**RESOLVED FURTHER THAT** ED (Finance) / HoD (Resource Mobilisation)/ GM (Finance) or in his absence any officer authorized by him, be and are hereby severally authorized to act as a compliance officer for the purpose of compliance with the listing agreement of the stock exchanges in respect of securities issued/ to be issued by the Company from time to time and to file duly signed and approved copies of the offer document and issue necessary certificates to the stock exchanges/depositories/ RoC and/or any other statutory bodies wherever required."

"**RESOLVED FURTHER THAT** CMD/Director (Finance) be and are hereby severally authorized to launch the fresh series/ extend the series of REC 54EC Capital Gains Tax Exemption Bonds, approve the terms of the issue on which the bonds shall be raised like deciding the rate of interest and any changes thereof, base issue size, green shoe option to retain over-subscription, security, issue opening and closing dates, pre-closure of the issue, face value, mode of issue, minimum and maximum application size, tenor, date of payments, lock-in-period, transferability and any other matter in connection with the 54EC Capital Gain Tax Exemption Bonds issuance."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized to make arrangements for printing of bond certificates on completion of allotment of bonds and/or duplicate bond certificates in case of such request and seek affixation of signatures of any two officers of the level of Executive Director (Finance)/ GM (Finance)/DGM (Finance) or any other authority as decided by CMD/ Director (Finance), by means of a physical signature or mechanical printing on bond certificates."

"**RESOLVED FURTHER THAT** Director (Finance)/Executive Director (Finance)/ HOD (Resource Mobilisation)/ GM (Finance) be and are hereby severally authorized to file necessary documents with ROC/NSDL/CDSL/SEBI/ Stock Exchange(s), to issue corrigendum/modification to Information Memorandum, if any, and also to approve consolidation/ splitting of bonds, taking note of nomination/ change of nomination / sub-division of allotment letters/ bonds and vice-versa and conversion from physical to de-mat form/ re-mat / transfer/ transmission of all bonds."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized for opening/ closing of Demat account for regulatory or other purposes as and when required."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized for being signatories in

the Demat account and signing of all papers including account opening documents, Demat Request Form or any other documents for the purpose of operating the Demat account."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to approve the creation and addition/ modification of charge on immovable and/ or movable property(ies) of the Company in respect of Secured Bonds/ Debentures/ Loans in favor of bond trustees/ debenture trustees/ lender. Director (Finance)/ Executive Director (Finance)/ HOD (Resource Mobilisation) GM (Finance)/ DGM (Finance) along with HOD (Legal)/ GM (Legal)/ DGM (Legal) be and are hereby jointly authorized to execute the necessary documents in this regard."

"**RESOLVED FURTHER THAT** Director (Finance)/ Company Secretary be and are hereby severally authorized to execute and file necessary documents for creation/ modification/ satisfaction of charge with the office of Registrar of Companies and also filling of the petitions before the National Company Law Tribunal / Court wherever required for the various series of the Secured Borrowings/ Bonds/ Debentures/ loans issued/ availed by the Company from time to time as prescribed under the provisions of the Companies Act 1956 and/or Companies Act 2013."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to decide and accept the full/ part amount of subscription of bonds/ ECBs, FCCBs/ ECA/ Funding from Multilateral Agencies/ Term Loans/ Bonds/ Commercial Paper/ Rupee Offshore Bonds (Masala Bonds etc.)/ Green Bonds / FCNR/ other debt instruments and approve allotment of bonds and other debt/ quasi debt instruments in line with the provisions of Companies Act and other requirements."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance), be and are hereby severally authorized to open or close one or more bank account(s) in the name of the Company in foreign currency(ies) with such bank(s) in India and/or such foreign country(ies) as may be required, subject to the requisite approvals from appropriate authorities, if any."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance), be and are hereby severally authorized to undertake derivative transactions up to USD 800 million or equivalent on a per transaction basis or to give /revoke the authority, from time to time, in favour of any executives of the company/authorized person, up to this amount, for the purpose mentioned hereunder:-

i. Booking, extending and cancellation of foreign exchange contracts (cash/tom/spot/forwards); and
ii. To undertake, from time to time, all generic and structured derivatives products permitted by the Reserve Bank of India with the counter-parties operating in India;
iii. Negotiating and taking all steps and signing of :
    a. All such papers, forms, documentation and confirmation,
    b. ISDA agreements, schedules and related documents,

As may be necessary for concluding the transactions, as referred to in the items (i) and (ii) above."

"**RESOLVED FURTHER THAT** any of the two signatories comprising of CMD/ Director (Finance)/ Executive Director (Finance)/ HoD (Resource Mobilisation)/ GM (Finance) be and hereby authorized to sign, execute, file and deliver all agreements, documents, instruments, instructions, deeds, declarations, amendments, papers, applications, notices or letters to comply with all the formalities as may be required in connection with and incidental to the ECBs issued during FY 2024-25 or any previous financial year(s) including but not limited to Foreign Currency Term Loans/ Foreign Currency Bonds/ Rupee Offshore Bonds/ Green Bonds, Masala Bonds etc., FCNR, FCCBs/ ECA route funding/ ODA Loans/ Funding from Multilateral Agencies including listing abroad with any of the recognized Stock Exchanges and post-closing of issue formalities."

"**RESOLVED FURTHER THAT** the amount outstanding on any specific date during the financial year 2024-25 towards Short Term Loans (STL) of a period less than 6 months, Working Capital Demand Loans (WCDL), Cash Credit (CC), Overdraft facilities (OD), Corporate Credit Cards or any other facility/ arrangement of similar nature be shall not exceed ₹20,000 crore."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/Executive Director (Finance) /HOD (Banking) be and are hereby severally authorized to approve new proposals for Short Term Line of Credit/ Cash Credit/ WCDL/ OD/ Short Term Loans/Corporate Credit Cards from Banks/ FIs/ NBFC(s)/ Corporates etc."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Banking) be and are hereby severally authorized to approve the renewal of limits of Short Term Line of Credit/ Cash Credit/ WCDL/ OD/ Short Term Loan/ Corporate Credit Cards from Banks/ FIs/ NBFC(s)/Corporates etc."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized to sign and execute the agreements, deeds or any other necessary documents for Short Term Line of Credit / Cash Credit/ WCDL/ OD/ Short Term Loans/Corporate Credit Cards."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Banking)/ be and are hereby severally authorized to approve availment of Cash Credit/ WCDL/ OD/ Short Term Loans/Corporate Credit Cards from Banks/ FIs/ NBFCs/ Corporates etc. as per the ranking of their rates and the repayment terms as and when the same are required considering the availability of surplus funds on future dates, prevalent market conditions and all other relevant factors."

"**RESOLVED FURTHER THAT** the amount of Bank Guarantee or any other similar type of facility/ arrangement availed by the Company on any specific date during the financial year 2024-25 shall not exceed ₹500 crore."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to approve the commission/ charges and other terms of the Bank Guarantee or any other similar type of facility/ arrangement availed by the Company."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Banking)/ be and are hereby severally authorized to approve the early surrender/ extension/ renewal of the Bank Guarantee or any other similar type of facility/ arrangement availed by the Company."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ GM (Finance) be and are hereby severally authorized to sign and execute the agreements including counter-guarantee documents, deeds or any other necessary documents for the Bank Guarantee or any other similar type of facility/ arrangement availed by the Company."

"**RESOLVED FURTHER THAT** Director (Finance)/ Executive Director (Finance)/ HoD (Banking) be and are hereby severally authorized to approve prepayment of Term Loans raised from Banks/ FIs/ NBFCs/ Corporates etc. as per the terms and conditions of the loans based on the availability of surplus funds, prevalent market conditions and all other relevant factors in this regard."

"**RESOLVED FURTHER THAT** Executive Director (Finance)/ HOD (Resource Mobilisation)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized to approve payment of interest, maturity amount, currency conversion charges, commitment charges or any other finance cost/ bank charges with regard to the funds mobilized by the Company through different debt instruments/ loans."

"**RESOLVED FURTHER THAT** Executive Director (Fin)/ GM (Finance)/ DGM (Finance)/ Chief Manager (Finance) be and are hereby severally authorized to sign and execute the documents for drawl/ repayment of Cash Credit/ WCDL/ OD/ Short Term Loans."

"**RESOLVED FURTHER THAT** Executive Director (Finance)/ HoD (Banking)/ GM (Finance)/ DGM (Finance) be and are hereby severally authorized to execute and sign the letters of offer, deal confirmations, disclosure/ listing documents or any other documents required for issuing and listing of Commercial Paper."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance) be and are hereby severally authorized to engage one or more rating agencies, both domestic and international, and

approve the terms and conditions of the same for the rating of the market borrowing programme of ₹1,60,000 crore comprising of long/ short term debt instruments, ₹20,000 crore short term limits in the form of CC/ OD/ WCDL/ STL/ Corporate Credit Cards and ₹500 crore as non-fund based limit including issue rating, issuer rating, wherever required."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/ ED (Finance)/ HoD (Banking), be and are hereby severally authorized to open/ close and decide the operation (including authorized signatories and Internet Banking Facility) of one or more Savings, Deposits, Current, Cash Credit, Overdraft, CAN account with MF Utilities India Pvt Ltd or any other type of bank account in INR in the name of the Company, in connection with funds raised through Bonds, ECBs, Term Loans, Short Term Loans, WCDL, Cash Credit, OD, Dividend payments or any other business use."

"**RESOLVED FURTHER THAT** CMD/ Director (Finance)/ ED (Finance)/ HoD (Banking)/CPM/Director (RECIPMT) be and are hereby severally authorized to decide the operation including authorized signatories and Internet Banking Facility of Bank Accounts maintained by respected RO's and RECIPMT."

"**RESOLVED FURTHER THAT** any two officers not below the rank of Chief Manager (Finance), acting jointly, be and are hereby authorized on behalf of the Company to sign and execute documents to open/ close bank accounts either savings or deposits or current/ CC/ OD for any official purpose including Dividend payment, both interim and final and Government Grants."

"**RESOLVED FURTHER THAT** Company Secretary and in his absence, an official authorized by the Company Secretary, be and is hereby authorized to affix the common seal of the Company, in India or abroad, wherever required, in accordance with the provisions of the Articles of Association of the Company or in accordance with the applicable statutory provisions"

Jyoti Shubhra Amitabh
Digitally signed by Jyoti Shubhra Amitabh
Date: 2024.03.27 16:32:07 +05'30'

J S Amitabh
Executive Director and Company Secretary
REC Limited

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आरईसी
REC
असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

REC Limited | आरईसी लिमिटेड
(भारत सरकार का उद्यम) / (A Government of India Enterprise)
Regd. Office: Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003
Corporate Office: Plot No. I-4, Near IFFCO Chowk Metro Station, Sector-29, Gurugram - 122001 (Haryana)
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CIN : L40101DL1969GOI005095 | GST No.: 06AAACR4512R3Z3

G20 भारत 2023 INDIA
वसुधैव कुटुम्बकम्
ONE EARTH • ONE FAMILY • ONE FUTURE

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF REC LIMITED AT THE 54TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON WEDNESDAY, SEPTEMBER 6, 2023.

Item No. 9 Approval for private placement of securities.

"**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(s) thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) Regulation, 2021 and any amendments thereof and other applicable SEBI regulations and guidelines, the 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 shareholders be and is hereby accorded to raise funds through private placement of unsecured/secured non-convertible bonds/debentures upto ₹1,05,000 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 ₹1,05,000 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, as may be required under any other regulatory requirement for the time being in force."

प्रमाणित सत्य प्रतिलिपि
CERTIFIED TRUE COPY
कृते आरईसी लिमिटेड / For REC LIMITED

ज्योतिशुभ्र अमिताभ / JYOTI SHUBHRA AMITABH
कार्यकारी निदेशक एवं कम्पनी सचिव
ED & Company Secretary
(एफ सी एस नं. 4298) / (F.C.S. No. 4298)

Annexure IV

Covenants for the Issue

ANNEXURE IV
COVENANTS FOR THE ISSUE

The following provisions are indicative and will be more particularly set out in the Transaction Documents.

A. **Covenants of the Issue**

The covenants set out below, where applicable, may have customary carve outs, such as to the best of knowledge, materiality or have timelines within which activities are to be conducted:

1. *Allotment*: The Issuer shall allot the Bonds within the timeline in accordance with applicable law, and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers with additional interest as provided under applicable law.

2. *Listing*: The Issuer shall complete all the formalities and seek listing permission within the timeline under applicable law. In case of delay in listing of the Bonds within the prescribed period from the Deemed Date of Allotment, the Issuer shall pay penal interest at the rate as mentioned in relevant regulations.

3. *Execution of Bond Trust Deed*: In case of delay in execution of the Bond Trust Deed within the prescribed period from the Deemed Date of Allotment, the Issuer shall pay penal interest at the rate as mentioned in relevant regulations, till the date of execution of the Bond Trust Deed.

4. *Covenant to pay*: (i) Payment of principal and interest in accordance with the Private Placement Offer Letter and the Bond Trust Deed; (ii) payment of default interest in accordance with applicable law; and (iii) adherence to the financial covenants as set out in the Bond Trust Deed.

5. *Form of the Bonds*: The Bonds shall be in dematerialized form and in accordance with the provisions of applicable law. The Bondholders will have a right to convert the dematerialized Bonds into physical form under applicable law.

6. *Financial Covenants and Conditions*: There are financial covenants binding on the Issuer. Provisions include: (i) requirement to pay Interest to the person appearing in the register of Bondholders on the Record Date (for physical form Bonds) or record of depositories (for dematerialized Bonds); (ii) requirement to pay redemption amount to the person appearing in the register of Bondholders on the Record Date (for physical form Bonds) or record of depositories (for dematerialized Bonds); (iii) payment of Interest and redemption amount to be in accordance with the business day / holiday convention under applicable law; (iv) Interest payments are subject to taxation laws; (v) there is no restriction on further borrowings by the Issuer; (vi) transfer of Bonds to be in accordance with applicable laws; (vii) Bondholders are not entitled to shareholder's rights; (viii) variation of Bondholder rights will be done in accordance with a special resolution of the Bondholders; (ix) information to be provided to Bond Trustee, stock exchange, depositories under applicable law; and (x) once the Bonds have become repayable but not repaid, the Bond Trustee may at its discretion and without further notice institute such proceedings against the Issuer.

7. *Affirmative representations and covenants*: The Issuer (i) is in compliance with all applicable law, save as disclosed in the Private Placement Offer Letter; (ii) has no director which is disqualified; (iii) has the requisite corporate status, corporate power and authority to sign the Bond Trust Deed and entering into the Bond Trust Deed shall not violate, any applicable law; (iv) does not require any separate Government approval required with the issuance of Bonds; (v) does not have any litigation against it that has a material adverse effect; (vi) has filed all tax returns, save those contested in good faith; (vii) shall execute all deeds, documents and assurances for the Bond Trustee to exercise its rights under the Bond Trust Deed; (viii) the Issuer is solvent; (ix) shall not pay dividend to its shareholders during any financial year unless it has paid the installment of principal and Interest then due and payable on the Bonds, or has made provision satisfactory to the Bond Trustee for making such payment; (x) will comply with regulatory directions in relation to the Issue comply in all material respects including in a timely manner, with covenants in the Bond Trust Deed; (xi) will keep proper books of accounts open for inspection by the Bond Trustee; (xii) will attend to and redress the

grievances, if any, of the Bondholders; (xiii) is liable for all deficiency in payment of the Bonds; and (xiv) there are no facts which could have a material adverse effect on the Issuer.

8. *Information Covenants*: The Issuer will (unless otherwise agreed in writing): (i) inform the Bond Trustee of any labour strikes, lockouts, shut-downs, fires or any event likely to have a material adverse effect, loss or damage, which the Issuer may suffer due to force majeure circumstances or act of God, change in the composition of its Board of Directors or of any amalgamation, merger, or reconstruction; (ii) notify the Bond Trustee of the occurrence of a rating downgrade event, any change in nature of business by Issuer before such change any major change in Board of Directors, which may amount to change in control; (iii) provide know your customer documentation and other evidence as is reasonably requested by the Bond Trustee; (iv) provide information required by the Bond Trustee for the effective discharge of its duties including information required to disclose to third parties in accordance with applicable law; (v) provide information as required under SEBI LODR Regulations; (vi) provide end use certificates as required under applicable laws; (vii) provide quarterly reports with details of Bondholders; and (viii) provide bank account details to the Bond Trustee from which the Issuer proposes to pay the redemption amount.

9. *Reissuance and consolidation*: The Issuer shall have right to reissue or consolidate the Bonds under present series in accordance with applicable law.

10. *Debenture Redemption Reserve*: The Issuer will not maintain debenture redemption reserve unless required under applicable laws.

11. *Other*: The Bond Trustee may waive any Issuer breach of covenants materially prejudicial to the interests of the Bondholders, and to modify the terms of the Bonds or any Transaction Document which is formal, minor or technical or is to correct a manifest error. Any other change or modification to the terms of the Bonds or the Bond Trust Deed shall require approval by the Bondholders under a special resolution.

B. **Events of Default**

Upon the occurrence of an Event of Default, the Bond Trustee, on its discretion or, upon request in writing of the Bondholders representing no less than three-fourths of the aggregate amount of the Bonds for the time being outstanding duly passed at the meeting of the Bondholders for the Bonds, shall be entitled to call an Event of Default by issuing a notice thereof in writing to the Issuer stating that an Event of Default has occurred and can declare the principal amount of the Bonds and all Interest on Bonds to be due and payable on Bonds forthwith.

The following constitute an "Event of Default":

1. Default is committed in payment of the principal amount of the Bonds;

2. 2 (two) consecutive defaults on payment of Interest on the Bonds on the due date(s), unless it is due to technical error beyond control of the Issuer;

3. Default by the Issuer in the performance or observance of any covenant, obligation, condition or provision contained in the Bond Trust Deed presents and/or the financial covenants and conditions (other than the obligation to pay principal and Interest) continues for 30 (thirty) business days or is not rectified within 7 (seven) business days after written notice;

4. Any information given by the Issuer to the Bondholders or the Bond Trustee in any reports and the representations and warranties given or deemed to have been given by it to the Bond Trustee is misleading or incorrect in any material respect;

5. The Issuer is unable to or has admitted, in writing, its inability to pay its debts as they mature;

6. A receiver or a liquidator has been appointed or allowed to be appointed of all or any substantial part of the undertaking of the Issuer or an attachment, sequestration, distress or execution (or analogous process) is levied or enforced upon or issued against a substantial part of the assets of the Issuer;

7. If any extra-ordinary circumstances have occurred, that makes it improbable for the Issuer to fulfill its obligation under the Bond Trust Deed and/or the Bonds;

8. The Issuer ceases or threatens to cease to carry on its business without consent of the Bondholders or gives notice of its intention to do so;

9. If, the Issuer is unable to pay its debts under applicable law and orders for winding up has been passed by the court; and

10. If such listing of the Bonds ceases at any point of time prior to the Redemption Date due to an act of the Issuer or failure by the Issuer to take all necessary action to ensure re-listing.

On happening of any of the Events of Default, the Bondholders or Bond Trustee shall also have the right to:

1. Appoint a nominee on the Board of Directors of the Issuer;

2. Disclose or publish details of the Issuer to the RBI or any other statutory or regulatory authority or publish as a defaulter; or

3. File petitions before the National Company Law Tribunal, court or Government authority.

C. **Intercreditor Agreement**

Upon a non-payment of Interest or principal amount in full on the pre-agreed date or as required under applicable laws, where lenders of the Issuer enter into any inter-creditor agreement as may be required pursuant to the Issuer becoming a stressed company or in respect of any proposed or actual resolution plan for restructuring of the financial indebtedness of the Issuer or as may be determined in accordance with applicable law, the Bond Trustee shall promptly convene a meeting or procure resolutions of Bondholders, obtain consent from Bondholders to execute any intercreditor agreement or provide instructions or take actions under any debt resolution plan of the Issuer as required in accordance with applicable laws and in accordance with the timing and the voting thresholds set out under applicable law.

The Bondholders, may determine all aspects in relation to any such intercreditor agreement or debt resolution plan and as at all times in accordance with their rights under the Transaction Documents and in accordance with applicable laws.

D. **Voting**

The Bond Trustee or the Issuer may, at any time, and the Bond Trustee on written request 10% (ten percent) Bondholders, convene a Bondholder meeting. The quorum for such meeting is at least 3/4th (three-fourth) of the aggregate outstanding Bonds. 21 (twenty one) days' notice is given for any such meeting. A resolution is passed based on a poll. Proxies can be appointed for such voting by a Bondholder.

Any vote will be passed by way of special resolution, being a 3/4th (three-fourths) of the aggregate outstanding amount of the Bonds. For written consent of Bondholders, the Bond Trustee must notify each Bondholder at least 10 (ten) business days prior to the date on which any decision is required to be made or consent to be provided is.

The record date of such notice shall be the date falling 3 (three) business days prior to the date of dispatch of such notice. The voting is subject to applicable laws and the Transaction Documents.

Annexure V

Financial Indebtedness

ANNEXURE 5 – FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of the Issuer's significant outstanding secured borrowings of ₹ 55,159.24 Crores and unsecured borrowings of ₹ 3,90,454.94 Crores, as on March 31, 2024 together with a brief description of certain significant terms of such financing arrangements.

(I) SECURED TERM LOANS FROM BANKS AND FINANCIAL INSTITUTIONS AVAILED BY THE ISSUER

The Issuer has not availed any secured term loan from banks and financial institutions as on March 31, 2024.

(II) UNSECURED LOANS AVAILED BY THE ISSUER

Set forth below is a brief summary of our outstanding unsecured borrowings as on March 31, 2024.

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on March 31, 2024 (₹ Crores)***	Repayment Date/ Schedule and prepayment penalty if any	Credit Rating, if applicable
A	**Unsecured Term Loans from Banks & Fis**					
1.	Punjab National Bank	Loan agreement dated June 17, 2020	2000.00	1329.99	Repayable in 3 equal annual instalments after initial moratorium of 2 years.	AAA by CRISIL, CARE, ICRA and India Ratings
2.	Punjab National Bank	Loan agreement dated November 10, 2021	2000.00	1999.66	Bullet on maturity. No prepayment charges.	AAA by CRISIL, CARE, ICRA and India Ratings
3.	Punjab National Bank	Loan agreement dated March 28, 2022	1000.00	999.86	Repayable in 9 years and 9 months in 5 equal annual installment, first instalment starting from 29.03.2028 and ending on 29.12.2031	AAA by CRISIL, CARE, ICRA and India Ratings
4.	Punjab National Bank	Loan agreement dated October 06, 2023	1200.00	1200.24	Bullet on maturity. No prepayment charges.	AAA by CRISIL, CARE, ICRA and India Ratings
5.	Punjab National Bank	Loan agreement dated December 26, 2023	2000.00	2000.42	Bullet on maturity.No prepayment charges.	AAA by CRISIL, CARE, ICRA and India Ratings
6.	State Bank of India	Loan agreement dated July 14, 2020	5,000.00	2139.93	Repayable in 7 half yearly instalments after initial moratorium is 18 months.	AAA by CRISIL, CARE, ICRA and India Ratings
7.	State Bank of India	Loan agreement dated July 14, 2020	4,000.00	3899.83	Repayable in 17 half yearly installments after a moratorium period of 18 months from first drawl in progressive manner as under: • 4 half yearly instalments of 2.50% each • 6 half yearly instalments of 5.00% each • 4 half yearly instalments of 7.50% each • 3 half yearly instalments of 10.00% each 2% prepayment charges if prepaid within 18 months from the date of disbursement of each tranche, and after that, NIL.	AAA by CRISIL, CARE, ICRA and India Ratings
8.	State Bank of India	Loan agreement dated December 09, 2022	5,000.00	1711.18	Bullet repayment at the end of maturity of the RTL	AAA by CRISIL, CARE, ICRA and India Ratings
9.	HDFC Bank Limited	Loan agreement dated November 11, 2021	850	850.19	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on March 31, 2024 (₹ Crores)***	Repayment Date/ Schedule and prepayment penalty if any	Credit Rating, if applicable
10.	HDFC Bank Limited	Loan agreement dated March 23, 2022	2000	2000.44	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
11.	HDFC Bank Limited	Loan agreement dated August 31, 2022	2000	2000.44	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
12.	HDFC Bank Limited	Loan agreement dated December 27, 2022	2500	2500.53	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
13.	HDFC Bank Limited	Loan agreement dated February 27, 2023	2500.00	2500.56	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
14.	HDFC Bank Limited	Loan agreement dated June 21, 2023	2500.00	2500.53	Bullet repayment on maturity with prepayment allowed after 6 months with prior written notice of 30 days	AAA by CRISIL, CARE, ICRA and India Ratings
15.	HDFC Bank Limited	Loan agreement dated September 26, 2023	4000.00	4000.85	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
16.	HDFC Bank Limited	Loan agreement dated December 28, 2023	1500.00	1500.32	Bullet repayment on maturity with put/call option every 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
17.	Union Bank of India	Loan agreement dated March 23, 2022	2000.00	2000.10	Repayable in 5 annual instalments after initial moratorium of 4 years, first installment starting from 31.03.2027	AAA by CRISIL, CARE, ICRA and India Ratings
18.	Union Bank of India	Loan agreement dated December 30, 2022	2000.00	1000.21	Bullet repayment at the end of 3 years of each tranche	AAA by CRISIL, CARE, ICRA and India Ratings
19.	Union Bank of India	Loan agreement dated September 30, 2023	1000.00	999.96	Bullet repayment at the end of 5 years from the date of first disbursement	AAA by CRISIL, CARE, ICRA and India Ratings
20.	IIFCL	Loan agreement dated March 25, 2021	2000	750.00	Bullet on maturity-5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	AAA by CRISIL, CARE, ICRA and India Ratings
21.	IIFCL	Loan agreement dated August 03, 2021	1000	1000.00	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	AAA by CRISIL, CARE, ICRA and India Ratings
22.	IIFCL	Loan agreement dated July 28, 2022	500	500.00	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	AAA by CRISIL, CARE, ICRA and India Ratings
23.	IIFCL	Loan agreement dated June 30, 2023	1000.00	800.00	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	AAA by CRISIL, CARE, ICRA and India Ratings
24.	IIFCL	Loan agreement dated December 11, 2023	1500.00	1500.00	Bullet on maturity- 5 years 2% prepayment charges on outstanding balance of the loans. No prepayment penalty is leviable if the reset of interest is not acceptable to the Issuer, and prepayment is effected within 3 days of communication of the revised interest rate	AAA by CRISIL, CARE, ICRA and India Ratings
25.	NaBFID	Loan agreement dated March 09, 2023	3500.00	3522.3	Repayment in 7 equal annual installments with first installment due 12 months after the end of moratorium period of 3 years	AAA by CRISIL, CARE, ICRA and India Ratings

Sr. No.	Name of the Lender	Loan documentation	Facility/Amount Sanctioned (₹ Crores)	Amount outstanding, as on March 31, 2024 (₹ Crores)***	Repayment Date/ Schedule and prepayment penalty if any	Credit Rating, if applicable
26.	Deutsche Bank	Loan agreement dated March 24, 2022 and amendment dated June, 13, 2022	500.00	500.22	Bullet repayment after 5 years Pre-payment to be allowed within 7 days from the interest reset date after due prior notice.	AAA by CRISIL, CARE, ICRA and India Ratings
27.	ICICI Bank	Loan agreement (rollover) dated January 23,2023	4000.00	4000.85	Bullet repayment after 7 years. Prepayment allowed upon giving the bank at least 7-day prior written notice.	AAA by CRISIL, CARE, ICRA and India Ratings
28.	ICICI Bank	Loan agreement dated May 15, 2023	2000.00	1533.32	Bullet repayment after 5 years Prepayment allowed upon giving the bank at least 7-day prior written notice.	AAA by CRISIL, CARE, ICRA and India Ratings
29.	Jammu & Kashmir Bank	Loan agreement dated October 25, 2021	300.00	300.01	Bullet repayment after 5 years Lockin period of 6 months	AAA by CRISIL, CARE, ICRA and India Ratings
30.	South Indian Bank	Loan agreement dated October 28, 2021	300.00	300	Bullet repayment after 5 years Nil, with a written notice served 7 days prior to pre-payment/ pre-closure subject to Lock-in period of 6 months from the date of disbursement	AAA by CRISIL, CARE, ICRA and India Ratings
31.	South Indian Bank	Loan agreement dated October 28, 2021	200.00	199.99	Bullet repayment after 5 years Nil, with a written notice served 7 days prior to pre-payment/ pre-closure subject to Lock-in period of 6 months from the date of disbursement	AAA by CRISIL, CARE, ICRA and India Ratings
32.	Central Bank of India	Loan agreement dated March 24, 2022	500.00	499.99	Repayable in 7 equal annual instalments after initial moratorium of 3 years, first instalment starting from 28.02.2026. Nil	AAA by CRISIL, CARE, ICRA and India Ratings
33.	Central Bank of India	Loan agreement dated November 15, 2022	400.00	400	Bullet repayment after 3 years Pre-payment to be allowed without any prepayment premium	AAA by CRISIL, CARE, ICRA and India Ratings
34.	Karnataka Bank	Loan agreement dated June 14, 2022	500.00	499.98	Bullet repayment after 5 years Nil, if paid out of own sources	AAA by CRISIL, CARE, ICRA and India Ratings
35.	Bank of Baroda	Loan agreement dated September 22, 2022	5000	4750.97	Repayable in 6 structured yearly installments after a moratorium period of 1 year from first drawl in progressive manner as under: • 1 yearly instalments of 0% each • 1 yearly instalments of 2.50% each • 1 yearly instalments of 7.50% each • 2 yearly instalments of 12.50% each • 1 yearly instalments of 25.00% each • 1 yearly instalments of 40.00% each	AAA by CRISIL, CARE, ICRA and India Ratings
36.	Punjab & Sind Bank	Loan agreement dated November 21, 2022	700	499.91	Bullet repayment after 3 years	AAA by CRISIL, CARE, ICRA and India Ratings
	Total of unsecured term loan from banks and financial institutions			**58,692.78**		
B.	**Unsecured Long term loans availed by the Issuer from the Ministry of Finance, Government of India**					
1.	NSSF	Loan agreement dated November 2, 2018	5,000.00	5121.83	Bullet on maturity-10 years Prepayment permitted with the prior approval of the budget division, department of economic affairs.	AAA by CRISIL, CARE, ICRA and India Ratings
2.	NSSF	Loan agreement dated September 30, 2019	5000.00	5203.28	Bullet on maturity- 10 years. Prepayment permitted with the prior approval of the budget division, department of economic affairs imposing penalty of 1% per annum of the prepayment amount for the Balance Period.	AAA by CRISIL, CARE, ICRA and India Ratings
	Total of unsecured term loan from MoF			**10,325.12**		

C.	**Foreign currency borrowings (ECB+ODA lines)**					
1.	KfW, Frankfurt am Main	Loan Agreement dated March 30, 2012	Euro 100 Million	47.72	12 years tenor with a moratorium of 3 years Repayable in 19 semi-annual instalments beginning June 30, 2015. Matures in 2024.	
2.	KfW, Frankfurt am Main	Loan Agreement dated August 13, 2018	USD 228 Million	1432.92	12 years tenor with a moratorium of 3 years Repayable in 19 semi-annual instalments beginning November 15, 2021. Matures in 2030.	
3.	KfW, Frankfurt am Main	Loan Agreement dated December 21,2021	USD 169.50 Million	1050.41	12 years tenor with a moratorium of 3 years Repayable beginning from May 15,2025	
4.	ECB-25 USD Green Reg-S bonds	10 Year USD green bonds under Reg-S	USD 450 Million	3547.96	10 years tenor. Repayable on July 07, 2027.	"Baa3" from Moody's and "BBB-" from Fitch
5.	ECB-29 USD Reg-S bonds	10 Year USD bonds under Reg-S	USD 300 Million	2366.73	10 years tenor. Repayable on March 22, 2028.	"Baa3" from Moody's and "BBB-" from Fitch
6.	ECB-34 Bilateral unsecured borrowings	Bilateral facility agreement dated March 25, 2019 and increase confirmation effective May 7, 2019	USD 150 Million	625.00	5 years tenor. Repayable on March 29, 2024.	
7.	ECB-35 Bilateral unsecured borrowing	Bilateral facility agreement dated June 24, 2019	USD 100 Million	847.51	5 years tenor. Repayable on July 01, 2024.	
8.	ECB-36 USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 650 Million	5450.24	5 years tenor. Repayable on July 25, 2024.	"Baa3" from Moody's and "BBB-" from Fitch
9.	ECB-38 USD Reg-S bonds	5 Year USD bonds under Reg-S	USD 500 Million	4210.34	5 years tenor. Repayable on Dec12, 2024.	"Baa3" from Moody's and "BBB-" from Fitch
10.	ECB-39 Bilateral unsecured borrowing	Bilateral facility agreement dated Mar13, 2020	SGD72.07 Million	442.68	5 years tenor. Repayable on March30, 2025.	
11.	ECB-40 Bilateral unsecured borrowing	Bilateral facility agreement dated Mar13, 2020	USD75.00 Million	620.58	5 years tenor. Repayable on March 30, 2025.	
12.	ECB-42 Bilateral unsecured borrowing	Bilateral facility agreement dated April 20, 2020	USD 300 Million	2569.05	10 years tenor. Repayable on June 02, 2030.	
13.	ECB-43 Bilateral unsecured borrowing	Bilateral facility agreement dated June 09, 2020	USD 170 Million	1421.43	5 years tenor. Repayable on March 26, 2025 (100 Million) & Oct 06,2025 (70 Million).	
14.	ECB-44 Bilateral unsecured borrowings	Bilateral facility agreement dated July 07, 2020,Amendment agreement dated August 25,2020	JPY 10,519.00 Million	575.93	5 years tenor. Repayable on September 25, 2025.	
15.	ECB-45 Syndicated unsecured borrowing	Syndicated facility agreement dated Mar 04, 2021	USD 425.00 Million	3528.67	5 years tenor. Repayable on March 16, 2026.	
16.	ECB-46 USD Reg-S bonds	5.5 Years USD bonds under Reg-S	USD 500 Million	4168.48	5.5 years tenor. Repayable on September 01 2026.	"Baa3" from Moody's and "BBB-" from Fitch
17.	ECB-47 Syndicated unsecured borrowing	Syndicated facility agreement dated Aug 11, 2021	USD 600.00 Million	4991.65	5 years tenor. Repayable on August 25, 2026.	
18.	ECB-48 USD Reg-S bonds	5.5 Years USD bonds under Reg-S	USD 400 Million	3350.67	5.5 years tenor. Repayable on January 13, 2027.	"Baa3" from Moody's and "BBB-" from Fitch
19.	ECB-49 Bilateral unsecured borrowing	Facility agreement dated Sept. 23, 2021	USD 75.00 Million	640.98	5 years tenor. Repayable on October 7, 2027.	
20.	ECB-51 Syndicated unsecured borrowing	Facility agreement dated December 22, 2021	USD 1175.00 Million	2045.33	5 years tenor. Repayable on December 29, 2027.	
21.	ECB-50 Syndicated unsecured borrowing	Facility agreement dated February 14, 2022	JPY 37506.625 Million	9680.47	5 years tenor. Repayable on March 03, 2027.	
22.	ECB-52 Syndicated unsecured borrowing	Facility agreement dated May 25, 2022	USD 100.00 Million	829.15	5 years tenor. Repayable on June 14, 2027.	
23.	ECB-53 Syndicated unsecured borrowing	Facility agreement dated July 19, 2022	USD 200.00 Million	1671.47	5 years tenor. Repayable on July 28, 2027.	

24.	ECB-54 Syndicated unsecured borrowing	Facility agreement dated Aug 25, 2022	USD 150.00 Million	1242.95	5 years tenor. Repayable on Sep 13, 2027.	
25.	ECB-55 Syndicated unsecured borrowing	Facility agreement dated Oct 19, 2022	EUR 254.19 Million	2286.52	5 years tenor. Repayable on Oct 31, 2027.	
26.	ECB-56 Bilateral unsecured borrowing	Facility agreement dated Oct 14, 2022	SGD 213.21 Million	1309.63	5 years tenor. Repayable on Oct 27, 2027.	
27.	ECB-57 Bilateral unsecured borrowing	Facility agreement dated Mar 28,2023	EUR 349.829750 Million	3117.13	5 years tenor. Repayable on Mar 27,2028.	
28.	ECB-58 Bilateral unsecured borrowing	Facility agreement dated Oct 14, 2022	JPY 38624.35 Million	2107.82	5 years tenor. Repayable on April 20,2028.	
29.	ECB-59 Bilateral unsecured borrowing	5 year Bond under GMTN Programme	USD 750 million	6406.68	5 years tenor. Repayable on April 11,2028	"Baa3" from Moody's and "BBB-" from Fitch
30.	ECB-60 Bilateral unsecured borrowing	Facility agreement dated June 8,2023	JPY 10495.125 Million	571.55	5 years tenor. Repayable on June 26,2028.	
31.	ECB-61 Bilateral unsecured borrowing	Facility agreement dated July 17,2023	USD 505 Million	4173.93	5 years tenor. Repayable on August 3,2028.	
32.	ECB-62 Bilateral unsecured borrowing	Facility agreement dated August 22,2023	USD 645 Million	5305.50	5 years tenor. Repayable on August 31,2028.	
33.	FCTL-1 Bilateral unsecured borrowing	Facility agreement dated August 29,2023	USD 100 Million	822.89	5 years tenor. Repayable on September 14,2028.	
34.	ECB-63 Bilateral unsecured borrowing	Facility agreement dated September 13,2023	JPY 68485.2 Million	3694.73	5 years tenor. Repayable on September 21,2028.	
35.	ECB-64 Bilateral unsecured borrowing	Facility agreement dated September 14,2023	USD 100 Million	818.56	5 years tenor. Repayable on September 25,2028.	
36.	ECB-65 Bilateral unsecured borrowing	Facility agreement dated December 19,2023	JPY 14358.5 Million	793.01	5 years tenor. Repayable on January 9,2029	
37.	ECB-66A Bilateral unsecured borrowing	5 year Bond under GMTN Programme	JPY 31000 Million	1712.28	5 years tenor. Repayable on January 19, 2029.	"Baa3" from Moody's , "BBB-" from Fitch and BBB+ from JCR
38.	ECB-66 B Bilateral unsecured borrowing	5 year Bond under GMTN Programme	JPY 27400 Million	1484.82	5.25 years tenor. Repayable on April 19, 2029.	"Baa3" from Moody's , "BBB-" from Fitch and BBB+ from JCR
39.	ECB-66 C Bilateral unsecured borrowing	5 year Bond under GMTN Programme	JPY 2700 Million	149.26	10 years tenor. Repayable on January 19, 2034.	"Baa3" from Moody's , "BBB-" from Fitch and BBB+ from JCR
40.	ECB-67 Bilateral unsecured borrowing	Facility agreement dated January 29,2024	USD 100 Million	827.74	5 years tenor. Repayable on February 06,2029.	
41.	FCTL-2 Bilateral unsecured borrowing	Facility agreement dated February 28.,2024	USD 200 Million	1639.25	5 years tenor. Repayable on March 7,2029.	
42.	ECB-68 Bilateral unsecured borrowing	Facility Agreement dated January 30, 2024	JPY 22101 Million	1199.30	5 years tenor. Repayable on February 15,2029.	
43.	ECB-69 Bilateral unsecured borrowing	Facility Agreement dated March 11,2024	JPY 22041 Million	1194.77	5 years tenor. Repayable on March 19,2029	
44.	ECB-70 Bilateral unsecured borrowing	Facility Agreement dated March 15,2024	JPY 14847 million	809.35	5 years tenor. Repayable on March 21,2029	
45.	ECB-71 Bilateral unsecured borrowing	Facility Agreement dated March 19,2024	USD 225 Million	1836.80	5 years tenor. Repayable on March 27,2029	
	Total Unsecured Loans from Foreign Banks and other Institutions			**99,619.84**	--	
	Total Unsecured Loans (2) (A+B+C)			**Rs. 1,68,637.74**	--	

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**** In accordance with IND-AS.*

(III) SECURED AND UNSECURED NON -CONVERTIBLE DEBENTURES ISSUED BY THE ISSUER

Set forth below is a brief summary of the secured and unsecured non-convertible debentures issued by the Issuer as on March 31, 2024.

(All figures are in ₹ Crores, except in percentages)

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
A.	**Secured taxable bonds** Set forth below is a brief summary of our secured outstanding taxable bonds.										See Table Below
1.	Secured non-convertible redeemable 'taxable non-priority sector bonds – ('123 Series Tranche 3') Option II in the nature of debentures.	INE020B07IZ5	August 25, 2014	1,955.00	2052.46	9.34% payable annually	10 years	Redeemable at par on the expiry of 10 years from the date of allotment. August 23, 2024.	CRISIL AAA; CARE:CARE AAA; ICRA: ICRA AAA; IRPL: IND AAA	Secured	
Total Secured Bonds through Private Placement of Institutional Bond Series					**2052.46**						
B.	**Capital gains tax exemption bonds under Section 54EC of the I.T. Act** Set forth below is a brief summary of our outstanding capital gains tax exemption bonds issued under Section 54EC of the I.T. Act, together with a brief description of certain significant terms of such financing arrangements. These bonds are not proposed to be listed on any stock exchange.										
1.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XIII' issued in Fiscal 2020	INE020B07LG9 INE020B07LH7 INE020B07LI5 INE020B07LJ3 INE020B07LK1 INE020B07LL9 INE020B07LM7 INE020B07LN5 INE020B07LO3 INE020B07LP0 INE020B07LQ8 INE020B07LR6	On Tap Basis	6,157.82	6,422.49	5.75% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	See Table Below
2.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XIV' issued in Fiscal 2021	INE020B07LS4 INE020B07LT2 INE020B07LU0 INE020B07LV8 INE020B07LW6 INE020B07LX4 INE020B07LY2 INE020B07LZ9 INE020B07MA0 INE020B07MB8 INE020B07MC6 INE020B07MD4	On Tap Basis	5312.07	5,515.87	5.75% till 31.07.2020 5.00% from 01.08.2020 onwards, payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	See Table Below
3.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XV' issued in Fiscal 2022	INE020B07ME2 INE020B07MF9 INE020B07MG7 INE020B07MH5 INE020B07MI3 INE020B07MJ1 INE020B07MK9 INE020B07ML7 INE020B07MM5 INE020B07MN3 INE020B07MO1 INE020B07MP8	On Tap Basis	7,312.80	7,580.06	5.00% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	See Table Below
4.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XVI' issued in Fiscal 2023	INE020B07MQ6 INE020B07MR4 INE020B07MS2 INE020B07MT0 INE020B07MU8 INE020B07MV6 INE020B07MW4 INE020B07MX2 INE020B07MY0	On Tap Basis	12,152.39	12,594.18	5.00% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	See Table Below

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
		INE020B07MZ7 INE020B07NA8 INE020B07NB6									
5.	Secured non-convertible redeemable taxable –'54 EC long term capital gains tax exemption bond series XVII' issued in Fiscal 2024	INE020B07NC4 INE020B07NK7 INE020B07NL5 INE020B07NJ9 INE020B07NG5 INE020B07NI1 INE020B07NH3 INE020B07NF7 INE020B07ND2 INE020B07NE0 INE020B07NN1 INE020B07NM3	On Tap Basis	10,175.72	10,423.11	5.25% payable annually	5 years	Redemption at par on the expiry of 5 years from the deemed date of allotment	AAA by CRISIL, CARE, ICRA and India Ratings	Secured	See Table Below
	Application money pending for allotment)			1245.41	1244.57						
Secured Capital Gains Tax Exemption Bonds U/S 54EC					**43,780.28**						
C.	**Secured Tax Free Bonds under Section 10(15)(iv)(h) of the I.T. Act** Set forth below is a brief summary of our outstanding tax free bonds issued under Section 10(15)(iv)(h) of the I.T. Act, together with a brief description of certain significant terms of such financing arrangements. These bonds are listed on BSE and/or NSE.										
1.	Tax free secured redeemable non – convertible bonds, in the nature of debentures 2011-12 (Public Issue)	INE020B07GH7	March 27, 2012	2160.33	2,289.60	Category I & II – Series II 8.12 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment, March 27, 2027.	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	See Table Below
						Category III – Series II 8.32 %	15 years	Redemption at par on the expiry of 15 years from the date of allotment, March 27, 2027.			
2.	Series 2-B 2012-13 tax free secured redeemable non-convertible bond on a private placement basis	INE020B07GV8	November 21, 2012	245.00	251.22	7.38%	15 years	November 21, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
3.	Series 2012-13 Tranche – 1I Series II tax free secured redeemable non-convertible bonds (public issue)	INE020B07GX4	December 19, 2012	852.04	872.59	7.38%/7.88%	15years	December 19, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
4.	Series 2012-13 Tranche – 2 Series II Tax free secured redeemable non-convertible bonds (public issue)	INE020B07GZ9	March 25, 2013	49.71	50.88	7.04%/7.54%	15 years	March 25, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
5.	Series 3-B 2013-14 tax free secured redeemable non-convertible bonds on a private placement basis	INE020B07HN3	August 29, 2013	1141.00	1195.48	8.46%	15 years	August 29, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
6.	*Series 1A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)	INE020B07HN3 INE020B07HP8 INE020B07HS2 INE020B07HQ6 INE020B07HT0	September 24, 2013	2865.55	2940.91	8.46%	15 years	September 24, 2028	AAA by CRISIL, CARE, ICRA and India Ratings	Secured	
7.	Series 2A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)					8.37%	20 years	September 24, 2033	AAA by CRISIL, CARE, ICRA and India Ratings	Secured	
8.	Series 3A - 2013-14 Tranche – 1 tax free secured redeemable non-convertible bonds (public issue)					8.71%	15 years	September 24, 2028	AAA by CRISIL, CARE, ICRA and India Ratings	Secured	
9.	Series 2B - 2013-14 Tranche – 1 tax free secured redeem-able non-convertible bonds (public issue)					8.62%	20 years	September 24, 2033	AAA by CRISIL, CARE, ICRA and India Ratings	Secured	
10.	Series 4B Tranche – II 2013- 14 tax free secured redeemable non-convertible bonds on a private placement basis	INE020B07HV6	October 11, 2013	45.00	46.72	8.54%	15 years	October 11, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
11.	#Series 1A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (public issue)	INE020B07IC4 INE020B07IF7 INE020B07ID2 INE020B07IG5 INE020B07IE0 INE020B07IH3	March 24, 2014	640.08	657.37	8.19%	10 years	March 24, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
12.	Series 2A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)					8.63%	15 years	March 24, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
13.	Series 3A – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)					8.61%	20 years	March 24, 2034	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
14.	Series 1B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)					8.44%	10 years	March 24, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
15.	Series 2B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (Public Issue)					8.88%	15 years	March 24, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
16.	Series 3B – 2013-14 Tranche 2 tax free secured redeemable non-convertible bonds (public Issue)					8.86%	20 years	March 24, 2034	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
17.	Series 5-A 2015-16 tax free secured redeemable non-convertible bonds on a private placement basis	INE020B07JO7	July 23, 2015	300.00	306.50	7.17%	10 years	July 23, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
18.	^Series 1A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)	INE020B07JP4 INE020B07JQ2 INE020B07JR0	November 05, 2015	700.00	715.24	6.89%	10 years	November 05, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
19.	Series 2A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)	INE020B07JS8 INE020B07JT6 INE020B07JU4				7.09%	15 years	November 05, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
20.	Series 3A – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)					7.18%	20 years	November 05, 2035	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
21.	Series 1B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)					7.14%	10 years	November 05, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
22.	Series 2B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)					7.34%	15 years	November 05,2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
23.	Series 3B – 2015-16 Tranche 1 tax free secured redeemable non-convertible bonds (public issue)					7.43%	20 years	November 05, 2035	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Secured	
Secured Tax Free Bonds					**9,326.50**						

Security Details of the Secured Borrowings

- Tax Free Bonds issued during FY 2011-12 are secured by first pari passu charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of receivables of ₹ 4,998.66 Crores of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).
- Tax Free Bonds issued during FY 2013-14 are secured by first pari passu charge on the book debts (other than those that are exclusively charged/earmarked to lenders / other Trustees) of the Company in favour of SBICap Trustee Company Ltd.
- The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.
- The Bond Series XIV, XV, XVI and XVII of 54EC Capital Gain Tax Exemption Bonds are secured by first pari passu charge on hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

D. Unsecured bonds issued by the Issuer

Set forth below is a brief summary of certain of our other outstanding unsecured bonds. These bonds are listed on the wholesale debt market segment in the NSE/BSE.

1.	Bond series 94 'taxable non-priority sector bond'.	INE020B08427	June 8, 2010	1,250.00	1339.3	8.75%per annum payable yearly.	15 years	June 9, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
2.	Bond series 95-II'taxable non-priority sector bond'.	INE020B08443	July 12, 2010	1,800.00	1913.92	8.75% per annum payable yearly.	15 years	July 14, 2025	CRISIL:AAA; CARE: CARE AAA; FITCH: AAA(ind) ICRA: LAAA	Unsecured	-
3.	Bond series 128 'taxable non-priority sector bond'.	INE020B08880	December 22, 2014	2,250.00	2419.44	8.57% per annum payable yearly	10 years	December 21, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
4.	Bond series 129 'taxable non-priority sector bond'.	INE020B08898	January 23, 2015	1,925.00	2064.19	8.23% per annum payable yearly	10 years	January 23, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
5.	Bond series 130 'taxable non-priority sector bond'.	INE020B08906	February 6, 2015	2,325.00	2493.92	8.27% per annum payable yearly	10 years	February 6, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
6.	Bond series 131'taxable non-priority sector bond'.	INE020B08914	February 23, 2015	2,285.00	2304.78	8.35%per annum payable yearly	10 years	February 21, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
7.	Bond series 133 'taxable non-priority sector bond'.	INE020B08930	April 10, 2015	2,396.00	2454.39	8.30%per annum payable yearly	10 years	April 10, 2025	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
8.	Bond series 136 'taxable non-priority sector bond'.	INE020B08963	October 7, 2015	2,585.00	2672.18	8.11% per annum payable yearly	10 years	October 7, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
9.	Bond series 140 'taxable non-priority sector bond'.	INE020B08AA3	November 7, 2016	2,100.00	2153.26	7.52%	10 years	November 7, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
10.	Bond series 142 'taxable non-priority sector bond'.	INE020B08AC9	December 30, 2016	3,000.00	3023.86	7.54% per annum payable yearly	10 years	December 30, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
11.	Bond series 147 'taxable non-priority sector bond'.	INE020B08AH8	March 14, 2017	2,745.00	2721.28	7.95% per annum payable yearly	10 years	March 12, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
12.	Bond series 156 'taxable non-priority sector bond'.	INE020B08AQ9	December 12, 2017	3,533.00	3615.03	7.70% per annum payable yearly	10 years	December 10, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
13.	Bond series 162 'taxable non-priority sector bond'.	INE020B08BA1	August 9, 2018	2,500.00	2637.66	8.55% per annum payable yearly	10 years	August 9, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
14.	Bond series 163 'taxable non-priority sector bond'.	INE020B08BB9	August 27, 2018	2,500.00	2628.32	8.63% per annum payable yearly	10 years	August 25, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
15.	Bond series 168 'taxable non-priority sector bond'.	INE020B08BG8	November 29, 2018	2,552.40	2626.17	8.56% per annum payable semi annually	10 years	November 29, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
16.	Bond series 169 'taxable non-priority sector bond'	INE020B08BH6	December 7, 2018	2,554.00	2621.46	8.37% per annum payable semi annually	10 years	December 07,2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
17.	Bond series 175 'taxable non-priority sector bond'	INE020B08BP9	March 28, 2019	2,151.20	2091.95	8.97% per annum payable yearly	10 years	March 28,2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured (Subordinated Debt)	-
18.	Bond series 176 'taxable non-priority sector bond'	INE020B08BQ7	April 16, 2019	1,600.70	1735.93	8.85% per annum payable yearly	10 years	April 16, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
19.	Bond series 178 'taxable non-priority sector bond'	INE020B08BS3	May 14, 2019	1,097.00	1172.67	8.80% per annum payable yearly	10 years	May 14, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
20.	Bond series 180-A 'taxable non-priority sector bond'	INE020B08BV7	June 25, 2019	1,018.00	1080.6	8.10% per annum payable yearly	5 years	June 25, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
21.	Bond series 180-B 'taxable non-priority sector bond'	INE020B08BU9	June 25, 2019	2,070.90	2176.9	8.30% per annum payable yearly	10 years	June 25, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
22.	Bond series 182 'taxable non-priority sector bond'	INE020B08BW5	August 22, 2019	5,063.00	5315.13	8.18% per annum payable yearly	15 years	August 22, 2034	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
23.	Bond series 183 'taxable non-priority sector bond'	INE020B08BX3	September 16, 2019	3,028.00	3163.58	8.29% per annum payable yearly	15 years	September 16, 2034	CARE: CARE AAA; CRISIL:AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
24.	Bond series 184-A 'taxable non-priority sector bond'	INE020B08EN8	September 26, 2019	1451.00	1512.37	8.25% per annum payable yearly	10 years	September 26, 2029	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
25.	Bond series 186-B 'taxable non-priority sector bond'	INE020B08CF8	November 26, 2019	1500.00	1538.41	7.40% per annum payable yearly	5 years	November 26, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
26.	Bond series 188B 'taxable non-priority sector bond'	INE020B08CI2	January 08, 2020	1100.00	1186.91	7.89% per annum payable yearly	10 years 2 months 23 days	March 31, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
27.	Bond series 189 'taxable non-priority sector bond'	INE020B08CJ0	January 28, 2020	3054.90	3296.98	7.92% per annum payable yearly	10 years 2 months 03 days	March 31, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
28.	Bond series 190A 'taxable non-priority sector bond'	INE020B08CK8	February 10, 2020	2500.00	2515.3	6.88% per annum payable yearly	05 years 01 month 10 days	March 20, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
29.	Bond series 191B 'taxable non-priority sector bond'	INE020B08CM4	February 25, 2020	1100.00	1106.69	6.99% per annum payable yearly	4 years 7 months 5 days	September 30, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
30.	Bond series 192 'taxable non-priority sector bond'	INE020B08CP7	March 06, 2020	2382.00	2396.62	7.50% per annum payable yearly	9 years 11 months 22 days	February 28, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
31.	Bond series 197 'taxable non-priority sector bond'	INE020B08CU7	May 11, 2020	3740.00	3990.27	7.55% per annum payable yearly	10 Years	May 11, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
32.	Bond series 198B 'taxable non-priority sector bond'	INE020B08CW3	May 21, 2020	1569.00	1673.94	7.79% per annum payable yearly	10 Years	May 21, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
33.	Bond series 199 'taxable non-priority sector bond'	INE020B08CX1	June 08, 2020	1999.50	2041.6	7.96% per annum payable yearly	10 Years 07 Days	June 15, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
34.	Bond series 201-A 'taxable non-priority sector bond'	INE020B08CZ6	July 30, 2020	900.00	935.51	5.90% per annum payable yearly	04 Years 08 Months 1 Day	March 31, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
35.	Bond series 201-B 'taxable non-priority sector bond'	INE020B08DA7	July 30, 2020	1300.00	1359.9	6.90% per annum payable yearly	10 Years 08 Months 1 Day	March 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
36.	Bond series 202-A 'taxable non-priority sector bond'	INE020B08DB5	August 28, 2020	3500.00	3627.41	7.25% per annum payable yearly	10 Years 1 Month 2 Days	September 30, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
37.	Bond series 203-A 'taxable non-priority sector bond'	INE020B08DE9	October 29, 2020	5000.00	5094.78	6.80% per annum payable yearly	10 Years 1 Month 21 Days	December 20, 2030	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
38.	Bond series 203-B 'taxable non-priority sector bond'	INE020B08DF6	October 29, 2020	2777.00	2821.52	5.85% per annum payable yearly	05 Years 1 Month 21 Days	December 20, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
39.	Bond series 204-A 'taxable non-priority sector bond'	INE020B08DG4	December 15, 2020	2500.00	2528.21	6.90% per annum payable yearly	10 Years 1 Month 16 Days	January 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
40.	Bond series 204-B 'taxable non-priority sector bond'	INE020B08DH2	December 15, 2020	2082.00	2111.81	5.81% per annum payable yearly	05 Years 16 Days	December 31, 2025	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
41.	Bond series 205-B 'taxable non-priority sector bond'	INE020B08DK6	January 13, 2021	2000.00	2010.05	5.94% per annum payable yearly	05 Years 18 Days	January 31, 2026	CARE: CARE AAA; CRISIL:	Unsecured	-

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
									AAA; ICRA: ICRA AAA; IRRPL: IND AAA		
42.	Bond series 207 'taxable non-priority sector bond'	INE020B08DM2	January 28, 2021	4589.90	4642.55	7.02% per annum payable yearly	15 Years 03 Days	January 31, 2036	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
43.	Bond series 208 'taxable non-priority sector bond'	INE020B08DO8	March 12, 2021	3613.80	3625.52	7.40% per annum payable yearly	15 Years 03 Days	March 15, 2036	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
44.	Bond series 210 'taxable non-priority sector bond'	INE020B08DR1	April 22, 2021	4000.00	4179.33	5.40% per annum payable yearly	3 years 1 month 29 days	June 20, 2024	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
45.	Bond series 211 'taxable non-priority sector bond'	INE020B08DT7	October 21,2021	1200.00	1230.74	6.23% per annum payable yearly	10 years 10 days	October 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
46.	Bond series 212 'taxable non-priority sector bond'	INE020B08DU5	Novermber,18 2021	2500.00	2579.54	Floating per annum payable yearly	2 years 11months 10days	October 31, 2031	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
47.	Bond series 213 'taxable non-priority sector bond'	INE020B08DV3	December ,15 2021	1380.00	1382.9	6.92% per annum payable yearly	10 years 03 months 05days	March 20, 2032	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
48.	Bond series 214A 'taxable non-priority sector bond'	INE020B08DW1	September ,23 2022	500.00	503.26	7.32% per annum payable yearly	03 years 05 months 05days	February 28, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
49.	Bond series 214B 'taxable non-priority sector bond'	INE020B08DX9	September ,23 2022	1947.60	1960.56	7.50% per annum payable yearly	10 years 05 months 05days	February 28, 2033	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
50.	Bond series 214B 'taxable non-priority sector bond' (Re-issue)	INE020B08DX9	October,21 2022	3000.00	2987.52	7.50% per annum payable yearly	10 Years 04 Months and 07 Days	February 28, 2033	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
51.	Bond series 215 'taxable non-priority sector bond'	INE020B08DZ4	November 25, 2022	3889.00	3988.6	7.65% per annum payable yearly	15 Years 05 Days	November 30,2037	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
52.	Bond series 216 A 'taxable non-priority sector bond'	INE020B08EA5	December 02,2022	1701.5	1829.71	7.55% per annum payable yearly	05 Years 03 Months and 29 Days	March 31, 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
53.	Bond series 216 B 'taxable non-priority sector bond'	INE020B08EB3	December 02, 2022	2000.00	2051.06	7.67% per annum payable yearly	14 Years 11 Months and 28 Days	November 30,2037	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
54.	Bond series 217 'taxable non-priority sector bond'	INE020B08EC1	December 16, 2022	500.00	548.48	7.53% per annum payable yearly	10 Years 03 Months and 15 Days	March 31, 2033	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
55.	Bond series 218 A 'taxable non-priority sector bond'	INE020B08ED9	January 12,2023	3000.00	3170.45	7.56% per annum payable yearly	3 years, 5 months and 18 days	June 30, 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
56.	Bond series 218 B 'taxable non-priority sector bond'	INE020B08EE7	January 12,2023	2004.40	2029.2	7.69% per annum payable yearly	10 years and 19 days	January 31, 2033	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
57.	Bond series 219 'taxable non-priority sector bond'	INE020B08EF4	February 02,2023	3148.70	3170.07	7.60% per annum payable yearly	3 years and 26 days	February 28,2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
58.	Bond series 220 A 'taxable non-priority sector bond'	INE020B08EH0	March 15,2023	2000.00	2162.07	7.77% per annum payable yearly	5 years and 16 days	March 31, 2028	CRISIL: AAA;; IRRPL: IND AAA	Unsecured	
59.	Bond series 220 B' taxable non-priority sector bond'	INE020B08EG2	March 15,2023	1600.10	1728.53	7.69% per annum payable yearly	10 years and 16 days	March 31, 2033	CRISIL: AAA;; IRRPL: IND AAA	Unsecured	
60.	Bond series 221 'taxable non-priority sector bond'	INE020B08EI8	April 12,2023	2,848.00	2990.53	7.51% per annum payable yearly	3 years 3 months and 19 days	31 July 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
61.	Bond series 222 'taxable non-priority sector bond'	INE020B08EJ6	April 28,2023	2,000.00	2145.28	7.98% per annum payable yearly	Perpetual, unless the Call Option is exercised on the Call Option Date (i.e. 30-04-2033 or any annual anniversary date thereafter), which may be	Not applicable as the tenor of the Bonds is perpetual	CARE: CARE AA+; CRISIL: AAA	Unsecured	

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
							exercised by the Issuer subject to receipt of prior approval of the RBI				
62.	Bond series 188-B 'taxable non-priority sector bond'(Re-issue)	INE020B08CI2	May 18,2023	2,000.00	2181.64	7.89% per annum payable yearly	6 years 10 months and 13 days	31 March 2030	CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
63.	Bond series 213 'taxable non-priority sector bond'(Re-issue)	INE020B08DV3	May 18,2023	2,000.00	1947.05	6.92% per annum payable yearly	8 years 10 months and 2 days	20 March 2032	CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
64.	Bond series 223-A 'taxable non-priority sector bond	INE020B08EL2	June 13,2023	3,000.00	3177.84	7.44% per annum payable yearly	2 years, 10 months and 17 days	30 April 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
65.	Bond series 223-B 'taxable non-priority sector bond	INE020B08EK4	June 13,2023	2,993.60	3170.48	7.46% per annum payable yearly	5 years and 17 days	30 June 2028	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
66.	Bond series 225 'taxable non-priority sector bond	INE020B08EM0	August 17, 2023	2,210.00	2314.55	7.64% per annum payable yearly	2 years, 10 months and 13 days	30 June 2026	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
67.	Bond series 226 'taxable non-priority sector bond'	INE020B08EO6	September 27,2023	1,090.00	1133.38	8.03% per annum payable yearly	Perpetual, unless the Call Option is exercised on the Call Option Date (i.e. 30-09-2033 or any annual anniversary date thereafter), which may be exercised by the Issuer subject to receipt of prior approval of the RBI	Not applicable as the tenor of the Bonds is perpetual	CARE: CARE AA+; CRISIL: AAA	Unsecured	
68.	Bond series 227-A 'taxable non-priority sector bond	INE020B08EP3	November 09,2023	2,670.00	2750.77	7.77% per annum payable yearly	2 years, 10 months, 21 days	30 September 2026	AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	

S. No.	Nature of the Debentures and Series	ISIN	Date of Allotment	Total value of bonds (₹ Crores)	Amount outstanding, as on March 31 2024***	Interest Coupon rate (%)	Tenor/ Period of maturity	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
69.	Bond series 227-B 'taxable non-priority sector bond	INE020B08EQ1	November 09,2023	2,818.70	2901.21	7.71% per annum payable yearly	9 years, 11 months, 22 days	31 October 2033	AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
70.	Bond series 228-A 'taxable non-priority sector bond	INE020B08ES7	November 28,2023	1,679.00	1723.22	7.80% per annum payable yearly	2 years, 6 months and 2 days	30 May 2026	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
71.	Bond series 228-B 'taxable non-priority sector bond	INE020B08ER9	November 28,2023	2,899.69	2974.14	7.71% per annum payable yearly	10 years and 2 days	30 November 2033	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
72.	Bond series 229-A 'taxable non-priority sector bond	INE020B08ET5	December 12,2023	1,033.00	1057.19	7.79% per annum payable yearly	1 year, 11 months and 17 days	29 November 2025	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
73.	Bond series 229-B 'taxable non-priority sector bond	INE020B08EU3	December 12,2023	3,539.40	3618.67	7.67% per annum payable yearly	14 years, 11 months and 18 days	30 November 2038	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
74.	Bond series 230-A 'taxable non-priority sector bond	INE020B08EW9	January 16, 2024	1,000.00	1015.57	7.71% per annum payable yearly	3 years, 1 month and 10 days	26 February 2027	AAA; CRISIL: AAA; ICRA: ICRA AAA;	Unsecured	
75.	Bond series 230-B 'taxable non-priority sector bond	INE020B08EV1	January 16, 2024	3,000.00	3045.87	7.64% per annum payable yearly	10 years and 15 days	31 January 2034	AAA; CRISIL: AAA; ICRA: ICRA AAA;	Unsecured	
76.	Bond series 231-A 'taxable non-priority sector bond	INE020B08EX7	February 23, 2024	2,875.00	2896.7	7.64% per annum payable yearly	3 years, 2 months and 7 days	30 April 2027	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
77.	Bond series 231-B 'taxable non-priority sector bond	INE020B08EY5	February 23, 2024	2,500.00	2517.73	7.47% per annum payable yearly	10 years and 5 days	28 February 2034	AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	
Total Un-secured Bonds through Private Placement of Institutional Bond Series					**1,85,506.11**						
E.	**Unsecured infrastructure bonds issued by the Issuer** Set forth below is a brief summary of certain of our other outstanding unsecured bonds. Some of bonds are listed on the whole sale debt market segment in the NSE										
1.	Infrastructure Bonds	INE020B08724 INE020B08732	February 15, 2012	3.96	9.32	9.15% payable annually and cumulative	15 years	Redeemable at par on the expiry of 15 years with buyback option after 5/7 years respectively from the date of allotment. February 15, 2027	CARE: CARE AAA; CRISIL: AAA; ICRA: ICRA AAA; IRRPL: IND AAA	Unsecured	-
					9.32						
Total of Bonds - (3) (A to E)					**240,674.67**						

** *The bonds have been issued on private placement basis and are currently listed on the 'debt market segment' of the NSE/BSE.*
*** *In accordance with IND-AS.*

(IV) THE AMOUNT OF CORPORATE GUARANTEE ISSUED BY THE ISSUER ALONG WITH THE NAME OF THE COUNTER PARTY ON BEHALF OF WHOM IT HAS BEEN ISSUED AS ON MARCH 31, 2024

The Issuer has not issued any corporate guarantee as on March 31, 2024.

(V) DETAILS OF BANK FUND BASED FACILITIES / REST OF THE BORROWINGS (IF ANY INCLUDING HYBRID DEBT LIKE FCCB, OPTIONALLY CONVERTIBLE DEBENTURES/PREFERENCE SHARES)) FROM FINANCIAL INSTITUTIONA OR FINANCIAL CREDITORS AS ON MARCH 31, 2024

Other than the disclosure as set out above, the Issuer has no outstanding borrowings in form of bank based facilities or hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares as on March 31, 2024.

The issuer has sanctioned CC limits from SBI amounting to Rs. 100 Crore, HDFC Bank amounting to Rs. 200 Crore and from ICICI Bank amounting to Rs. 15 Crore.

(VI) DETAILS OF COMMERCIAL PAPER AS ON March 31, 2024

The Issuer has no commercial paper outstanding as on March 31, 2024.

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(VII) WORKING CAPITAL DEMAND LOAN/SHORT TERM LOAN FROM BANKS AS ON March 31, 2024

The Issuer has ₹ 10,883.04 Crores working capital demand loan/short term loan outstanding as on March 31, 2024.

(VIII) FCNR(B) LOANS FROM BANKS AS ON MARCH 31, 2024

The Issuer has raised foreign currency non-resident (B) ("FCNR(B)") loans from banks amounting to USD 2789 Million and JPY 34229 million. As at end of March 31, 2024, ₹ 25,151.29 Crores (Ind AS amount) is outstanding on account of FCNR (B) loans.

(IX) LIST OF TOP TEN DEBENTURE HOLDERS OF THE ISSUER AS AT QUARTER END DATED MARCH 31, 2024

Sr. No.	Name	Category of holder	Face value	Total face value amount of debentures held	% of total non-convertible securities outstanding
1	CBT-EPF-11-E-DM	Ltd-Central Government	1,00,000/10,00,000/1,00,00,000	3,43,02,09,00,000.00	14.25%
2	LIFE INSURANCE CORPORATION OF INDIA	Insurance Company	1,00,000/10,00,000/1,00,00,000	2,44,27,80,00,000.00	10.15%
3	BHARAT BOND ETF - APRIL 2025	Mutal Fund	1,00,000/10,00,000/1,00,00,000	89,60,00,00,000.00	3.72%
4	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT	Pension Fund	1,00,000/10,00,000/1,00,00,000	71,29,40,00,000.00	2.96%
5	STATE BANK OF INDIA	Bank	1,00,000/10,00,000/1,00,00,000	67,40,00,00,000.00	2.80%
6	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE SHORT TERM FUND	Mutal Fund	1,00,000/10,00,000/1,00,00,000	42,13,40,00,000.00	1.75%
7	BANDHAN CORPORATE BOND FUND	Mutal Fund	1,00,000/10,00,000/1,00,00,000	37,57,40,00,000.00	1.56%
8	SBI LIFE INSURANCE CO.LTD	Insurance Company	1,00,000/10,00,000/1,00,00,000	36,81,30,00,000.00	1.53%
9	HDFC MUTUAL FUND-HDFC LOW DURATION FUND	Mutal Fund	1,00,000/10,00,000/1,00,00,000	36,59,90,00,000.00	1.52%
10	SBI FIXED MATURITY PLAN (FMP) - SERIES 41 (1498 DAYS)	Mutal Fund	1,00,000/10,00,000/1,00,00,000	35,66,50,00,000.00	1.48%

(X) LIST OF TOP TEN HOLDERS OF COMMERCIAL PAPER OF THE ISSUER AS AT QUARTER END DATED MARCH 31, 2024

Not Applicable

(XI) OTHER DISCLOSURES

Other than debt securities issued by the Issuer, outstanding as on March 31, 2024 as detailed below, the Issuer has not issued or taken any debt securities or outstanding borrowings:

- for consideration other than cash, whether in whole or in part;
- at a premium or a discount; and/or
- in pursuance of an option.

(i) Foreign Currency Bonds

Sr. No.	Instrument Type	Date of Issuance	Issue Size	Issue value (%)	Discount (%)
1.	International Bonds	July 7, 2017	USD 450 Million	99.263	0.737
2.	International Bonds	March 22,2018	USD 300 Million	98.506	1.494
3.	International Bonds	November 13, 2018	USD 700 Million	99.437	0.563
4.	International Bonds	July 25, 2019	USD 650 Million	99.463	0.537
5.	International Bonds	Dec12, 2019	USD 500 Million	99.746	0.254
6.	International Bonds	Mar 01, 2021	USD 500 Million	99.728	0.272
7.	International Bonds	July 13, 2021	USD 400 Million	99.894	0.106
8.	International Bonds	April 12,2023	USD 750 Million	99.854	0.146
9.	International Bonds	January 19,2024	USD 27400 Million	98.103	1.897

Annexure VI

Standalone And Consolidated Financial Results

31 March 2024, 2023 and 2022

Annexure - 1

KAILASH CHAND JAIN & CO.
Chartered Accountants
819, Laxmi Deep Building,
Laxmi Nagar District Center,
New Delhi-110092

SCV & CO. LLP.
Chartered Accountants
B-41, Panchsheel Enclave,
New Delhi- 110017

Independent Auditors' Report on the Audited Standalone Financial Results of REC Limited for the quarter and year ended 31st March 2024 being submitted by the company pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Report on the audit of the Standalone Financial Results

Opinion

1. We have audited the accompanying standalone financial results of **REC Limited** ("the Company") for the quarter and year ended 31st March 2024 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:
   i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
   ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31st March 2024.

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi NCR Chartered Accountants

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

4. These standalone financial results have been prepared on the basis of the standalone Ind AS financial statements.
5. The Company's management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

SCV & Co. LLP New Delhi NCR Chartered Accountants

6. In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

SCV & Co. LLP New Delhi Chartered

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

9. Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial results.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

Other Matter

12. We did not audit the standalone financial statements of the Company for the quarter and year ended 31st March 2023. These standalone financial statements have been jointly audited by S.K. Mittal & Co. Chartered Accountants & O.P. Bagla & Co. LLP Chartered Accountants who vide their report dated 17th May 2023 expressed an unmodified opinion on the standalone financial results of the Company for the year ended 31st March 2023.

    Our opinion is not modified in respect of this matter.

13. The standalone Financial Results include the results for the quarter ended 31st March 2024 being the balancing figure between the audited figures in respect of the full financial year ended 31st March 2024 and the published unaudited year to date figures up to the third quarter of the current financial year which was subject to limited review for the quarter ended 31st December 2023 and 30th September 2023 by us and for the quarter ended 30th June 2023 was subject to joint limited review by S.K. Mittal & Co. Chartered Accountants & O.P. Bagla & Co. LLP Chartered Accountants who vide their report dated 26th July 2023 expressed an unmodified conclusion on the unaudited standalone financial results of the company.

    Our opinion is not modified in respect of this matter.

For M/s Kailash Chand Jain & Co.
Chartered Accountants,
ICAI Firm Registration: 112318W

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

Name - Saurabh Chouhan
Designation: Partner
Membership Number: 167453
UDIN: 24167453BKBFUA7170

For M/s SCV & Co. LLP.
Chartered Accountants,
ICAI Firm Registration:000235N/N500089

SCV & Co. LLP New Delhi NCR Chartered Accountants

Name – Abhinav Khosla
Designation: Partner
Membership Number: 087010
UDIN: 24087010BKBODN6002

Place : Mumbai
Date : 30th April 2024

REC Limited

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

Statement of Audited Standalone Financial Results for the quarter and year ended 31-03-2025

(₹ in Crores)

S. No.		Particulars	Quarter Ended			Year Ended	
			31-03-2024 (Audited)	31-12-2023 (Unaudited)	31-03-2025 (Audited)	31-03-2024 (Audited)	31-03-2023 (Audited)
1		Income					
	A	Interest Income					
	(i)	Interest income on loan assets	12,168.48	11,812.00	9,903.61	45,658.74	38,359.91
	(ii)	Other interest income	215.10	132.04	90.94	751.37	476.33
		Sub-total (A) - Interest Income	12,383.58	11,944.04	9,994.55	46,410.11	38,836.24
	B	Other Operating Income					
	(i)	Dividend income	1.47	-	15.00	25.66	39.34
	(ii)	Fees and commission income	92.37	33.13	134.49	236.03	287.17
	(iii)	Net gain/ (loss) on fair value changes	135.72	(13.52)	(30.77)	474.48	45.31
		Sub-total (B) - Other Operating Income	229.56	37.61	118.72	736.19	371.82
	C	Total Revenue from Operations (A+B)	12,613.14	11,981.65	10,113.27	47,146.30	39,208.06
	D	Other Income	30.17	18.40	10.69	67.85	44.67
		Total income (C+D)	12,643.31	12,000.05	10,123.96	47,214.15	39,252.73
2		Expenses					
	A	Finance costs	7,896.05	7,653.34	6,497.34	29,949.27	23,737.66
	B	Net translation/ transaction exchange loss/ (gain)	59.96	(23.91)	(30.21)	166.57	1,114.04
	C	Fees and commission expense	8.88	5.61	4.94	24.26	16.29
	D	Impairment on financial instruments	(711.87)	55.85	(319.63)	(1,558.38)	114.91
	E	Employee benefits expenses	59.57	53.30	25.19	213.84	181.03
	F	Depreciation and amortization	6.98	5.89	6.25	23.72	24.09
	G	Corporate social responsibility expenses	117.97	87.03	87.76	249.86	202.65
	H	Other expenses	59.01	38.63	41.12	164.38	122.69
		Total expenses (A to H)	7,495.54	7,885.80	6,312.76	29,433.34	25,513.96
3		Profit before tax (1-2)	5,147.77	4,114.25	3,811.22	17,780.84	13,738.77
4		Tax expense					
	A	Current tax					
		- Current year	888.15	873.33	716.54	3,293.08	2,668.88
		- Earlier years	2.09	-	-	2.09	(147.29)
	B	Deferred tax	241.23	(28.39)	93.77	465.34	162.84
		Total tax expense (A+B)	1,131.47	844.94	810.31	3,761.43	2,684.13
5		Net profit for the period (3-4)	4,016.30	3,269.31	3,000.91	14,019.21	11,054.64
6		Other comprehensive Income/(Loss)					
	(i)	Items that will not be reclassified to profit or loss					
	(a)	Re-measurement gains/(losses) on defined benefit plans	(5.77)	3.73	(3.63)	(0.99)	(3.99)
		- Tax impact on above	1.45	(0.94)	0.92	0.25	1.51
	(b)	Changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income (FVOCI)	32.65	9.11	(13.78)	96.34	(84.16)
		- Tax impact on above	1.96	(6.46)	-	(4.88)	(0.32)
		Sub-total (i)	30.29	5.50	(16.49)	90.74	(82.96)
	(ii)	Items that will be reclassified to profit or loss					
	(a)	Effective portion of gains and loss on hedging instruments in cash flow hedges	(2,928.37)	(748.69)	62.97	(3,269.97)	542.33
		- Tax impact on above	635.59	261.73	(15.85)	822.99	(136.49)
	(b)	Cost of hedging reserve	4,017.50	(363.33)	819.52	4,544.19	(1,785.87)
		- Tax impact on above	(1,011.07)	121.48	(206.26)	(1,143.68)	441.90
		Sub-total (ii)	1,116.45	(725.81)	660.38	953.53	(938.08)
		Other comprehensive Income/(Loss) for the period (i+ii)	1,146.74	(720.31)	643.89	1,044.27	(971.04)
7		Total comprehensive income for the period (5+6)	5,163.04	2,549.00	3,644.80	15,063.48	10,083.60
8		Paid up equity share capital (Face Value ₹10 per share)	2,633.22	2,633.22	2,633.22	2,633.22	2,633.22
9		Other equity (as per audited balance sheet as at 31st March)				66,149.93	55,046.45
10		Basic & Diluted earnings per equity share of ₹ 10 each (in ₹)*					
	A	For continuing operations (in ₹)	15.13	12.42	11.27	53.11	41.85
	B	For discontinued operations	-	-	-	-	-
	C	For continuing and discontinued operations	15.13	12.42	11.27	53.11	41.85

The accompanying notes to the standalone financial results

**Earning Per Share (EPS) is not annualized for the quarters and year ended.*

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

REC LIMITED New Delhi

SCV & Co. LLP New Delhi NCR Chartered Accountants

Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone	
		As at 31-03-2024	As at 31-03-2023
		(Audited)	(Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	45.26	39.00
(b)	Bank balances other than (a) above	2,452.44	1,948.34
(c)	Trade receivables	-	-
(d)	Derivative financial instruments	12,482.02	8,981.61
(e)	Loans	4,99,192.05	4,22,083.91
(f)	Investments	5,320.31	3,137.98
(g)	Other financial assets	24,424.52	24,400.28
	Total - Financial Assets (1)	**5,43,917.60**	**4,60,591.12**
(2)	**Non-Financial Assets**		
(a)	Current tax assets (net)	294.42	295.78
(b)	Deferred tax assets (net)	2,488.46	3,276.99
(c)	Property, Plant & Equipment	630.21	638.91
(d)	Capital Work-in-Progress	23.59	2.72
(e)	Other Intangible Assets	0.52	1.62
(f)	Other non-financial assets	88.54	69.65
(g)	Investments accounted for using equity method	-	-
	Total - Non-Financial Assets (2)	**3,522.74**	**4,285.67**
(3)	**Assets classified as held for sale**	0.05	0.34
	Total ASSETS (1+2+3)	**5,47,440.39**	**4,64,877.13**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial liabilities**		
(a)	Derivative financial instruments	759.70	976.95
(b)	Trade payables		
	(i) total outstanding dues of MSMEs	-	-
	(ii) total outstanding dues of creditors other than MSMEs	-	-
(c)	Debt securities	2,66,109.92	2,36,948.99
(d)	Borrowings (other than debt securities)	1,72,092.05	1,37,114.13
(e)	Subordinated liabilities	7,412.21	6,773.30
(f)	Other financial liabilities	31,840.66	25,174.58
	Total - Financial Liabilities (1)	**4,78,214.54**	**4,06,987.95**
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (net)	66.51	-
(b)	Provisions	136.57	110.94
(c)	Other non-financial liabilities	239.62	98.57
	Total - Non-Financial Liabilities (2)	**442.70**	**209.51**
(3)	**Liabilities directly associated with assets classified as held for sale**	-	-
(4)	EQUITY		
(a)	Equity Share Capital	2,633.22	2,633.22
(b)	Instruments Entirely Equity In Nature	558.40	558.40
(c)	Other equity	65,591.53	54,488.05
	Total - Equity (4)	**68,783.15**	**57,679.67**
	Total - LIABILITIES AND EQUITY (1+2+3+4)	**5,47,440.39**	**4,64,877.13**

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

REC LIMITED New Delhi

SCV & Co. LLP Chartered Accountants New Delhi NCR

Statement of Cash Flows for the year ended 31st March 2024

(₹ in Crores)

S. No.	Particulars	Standalone	
		Year ended	
		31-03-2024 (Audited)	31-03-2023 (Audited)
A.	**Cash Flow from Operating Activities :**		
	Net Profit before tax	17,780.66	13,738.77
	Adjustments for:		
1	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	8.56	6.64
2	Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)	(4.08)
3	Depreciation & Amortization	23.72	24.09
4	Impairment allowance on Assets Classified as Held for Sale	-	-
5	Impairment losses on Financial Instrumets	(1,358.39)	114.91
6	Loss/ (Gain) on Fair Value Changes (net)	(471.88)	(43.76)
7	Effective Interest Rate in respect of Loan Assets and Borrowings	(34.51)	(15.58)
8	Interest on Commercial Paper	135.64	-
9	Unrealised Foreign Exchange Translation Loss/ (Gain)	(993.07)	963.93
10	Liabilities no longer required written back	-	-
11	Interest on Investments	(42.65)	(39.53)
	Operating profit before Changes in Operating Assets & Liabilities	**15,043.74**	**14,745.39**
	Inflow / (Outflow) on account of :		
1	Loan Assets	(75,017.32)	(50,424.82)
2	Derivatives	(343.67)	790.33
3	Other Financial and Non- Financial Assets	(1,544.16)	193.95
4	Other Financial and Non- Financial Liabilities & Provisions	7,194.23	(151.53)
	Cash flow from Operations	**(54,667.18)**	**(34,846.68)**
1	Income Tax Paid (including TDS)	(3,218.04)	(2,734.77)
2	Income Tax refund	-	99.79
	Net Cash Flow from Operating Activities	**(57,885.22)**	**(37,481.66)**
B.	**Cash Flow from Investing Activities**		
1	Sale of Property, Plant & Equipment	0.07	0.02
2	Sale of assets held for sale	1.61	4.60
3	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(32.81)	(17.62)
4	Investment in Intangible Assets (including intangible assets under development & Capital Advances)	-	(0.01)
5	Finance Costs Capitalised	(0.53)	(0.03)
6	Sale/ (Investment) in Equity Shares	57.39	10.13
7	Sale/(Investment) of/in shares of associate companies (Net)	-	-
8	Redemption/ (Investment) in Debt Securities other than HQLAs (net)	(912.98)	(343.14)
9	Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(997.94)	(457.52)
10	Maturity/(Investment) of Corporate and Term deposits	-	-
	Net Cash Flow from Investing Activities	**(1,875.19)**	**(803.87)**
C.	**Cash Flow from Financing Activities**		
1	Issue/ (Redemption) of Rupee Debt Securities (net)	27,473.52	14,823.67
2	Issue/ (Redemption) of Commercial Paper (net)	(135.64)	-
3	Raising/ (Repayments) of Rupee Term Loans/ WCDL from Banks/ FIs (net)	3,640.02	14,808.94
4	Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49	11,643.52
5	Expenses on issue of Bonus Equity Shares	-	(0.71)
6	Raising/ (Redemption) of Subordinated Liabilities (net)	590.00	-
7	Coupon payment on Perpetual Debt Instruments entirely equity in nature	(44.50)	(44.50)
8	Payment of Dividend on Equity Shares	(2,857.05)	(3,120.37)
9	Repayment towards Lease Liability	(0.02)	(0.01)
	Net Cash flow from Financing Activities	**59,587.82**	**38,110.54**
	Net Increase/Decrease in Cash & Cash Equivalents	**(172.59)**	**(174.99)**
	Cash & Cash Equivalents as at the beginning of the year	**(48.59)**	**126.40**
	Cash & Cash Equivalents as at the end of the year	**(221.18)**	**(48.59)**

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

Notes to the Standalone financial results:

1. The above financial results of the Company were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the meeting held on 30th April, 2024. These results have been audited by the Statutory Auditors of the Company.

2. The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind-AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

3. Provisioning on loan assets is based on "ECL (Expected Credit Loss) methodology" under Ind-AS norms, duly approved by the Board of Directors of the Company and upon the report provided by an independent agency appointed by the Company, which also considers ratings by the Ministry of Power, as and when they are updated, for Distribution Companies (DISCOMs). This is further reviewed by management overlays in certain accounts wherever necessary considering the different factors. Details are as follows:

(₹ in Crores)

S. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
1.	Loan assets	4,95,560.62	13,810.33	5,09,370.95	4,20,119.71	14,692.08	4,35,011.79
2.	Impairment loss allowance (net of movements)*	2,826.72	9,453.60	12,280.32	3,744.24	10,519.51	14,263.75
	Provisioning Coverage (%) (2/1)	0.59%	68.45%	2.41%	0.89%	71.64%	3.28%

* In addition, ₹ 31.02 crores as at 31st March 2024 (₹ 15.87 crores as at 31st March 2023) is maintained towards impairment allowance on Letter of Comfort.

4. The Company's operation comprise of only one business segment - lending to power, logistic and infrastructure sector. Hence, there is no other reportable segment in terms of Indian Accounting Standard (Ind-AS) 108 "Operating Segments".

5. The Board of Directors at its meeting held on 30th April, 2024 recommended final dividend of ₹ 5/- per equity share (on face value of ₹ 10/- each) for the financial year 2023-24, subject to approval of Shareholders in the ensuing Annual General Meeting. The total dividend for the financial year is ₹ 16/-per equity share (on face value of ₹ 10/- each).

6. The Company has not issued any redeemable preference shares till date.

7. The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure -A**.

8. Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secured listed non-convertible debt securities issued by the Company and outstanding as at 31st March, 2024 are fully secured (1.31 times), sufficient to discharge the principal amount and the interest thereon at all times, by way of mortgage on certain immovable properties and/or charge on the loan assets of the Company, in terms of respective offer document/ information memorandum and/ or Debenture Trust Deed. Further, security cover for secured non-convertible debt securities (listed and unlisted) issued by the Company is 1.19 times as at 31st March, 2024. The Security Cover in the prescribed format has been annexed as **Annexure-B**.

9. The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and issuance of non-convertible securities of different tenors through private placement. The issue proceeds have been fully utilized and there are no material deviation(s) from the stated objects in the offer document/ information memorandum of such non-convertible securities. The statement as prescribed under Regulation 52(7) & 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been annexed as **Annexure-C**.
Further, there has been no default as on 31st March, 2024 in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the period.

10. There are no cases of loans transferred/ acquired during the quarter ended 31st March, 2024 (previous quarter Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021.

11. The disclosure in respect of related party transactions for the half year ended 31st March 2024 has been annexed as **Annexure-D**.

12. The figures for the quarter ended 31st March 2024 and 31st March 2023 have been derived by deducting the year to date unaudited figures for the period ended 31st December 2023 and 31st December 2022 from the audited figures for the year ended 31st March 2024 and 31st March 2023 respectively.

13. Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

For REC Limited

(Vivek Kumar Dewangan)
Chairman & Managing Director
DIN - 03577212

REC LIMITED New Delhi

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

Annexure A

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As at/ For the quarter/ year ended 31st March 2024

S. No.	Particulars	Unit	Standalone	
			As at/ For the quarter ended 31.03.2024	As at/ For the year ended 31.03.2024
1	Debt Equity Ratio[1]	times		6.37
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth[2]	₹ in Crores		68,783.15
5	Total debts to total assets[3]	times		0.80
6	Operating Margin[4]	%	40.57	37.57
7	Net profit Margin[5]	%	31.77	29.69
8	Sector specific equivalent ratios			
(a)	CRAR[6]	%	25.82	
(b)	Gross Credit Impaired Assets Ratio[7]	%	2.71	
(c)	Net Credit Impaired Assets Ratio[8]	%	0.86	

As at/ For the quarter/ year ended 31st March 2023

S. No.	Particulars	Unit	Standalone	
			As at/ For the quarter ended 31.03.2023	As at/ For the year ended 31.03.2023
1	Debt Equity Ratio[1]	times		6.49
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth[2]	₹ in Crores		57,679.67
5	Total debts to total assets[3]	times		0.81
6	Operating Margin[4]	%	37.58	34.93
7	Net profit Margin[5]	%	29.64	28.16
8	Sector specific equivalent ratios			
(a)	CRAR[6]	%	25.78	
(b)	Gross Credit Impaired Assets Ratio[7]	%	3.42	
(c)	Net Credit Impaired Assets Ratio[8]	%	1.01	

Notes:

1. Debt/Equity Ratio = Net Debt / Net Worth *(Net debt represents principal outstanding less cash and cash equivalents*
2. Net Worth is calculated as defined in section 2(57) of Companies Act, 2013.
3. Total debts to total assets = Total Debt / Total Assets.
4. Operating Margin = Net Operating Profit Before Tax / Total Revenue from Operation.
5. Net Profit Margin = Net Profit after Tax / Total Income.
6. CRAR = Adjusted Net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.
7. Gross Credit Impaired Asset Ratio = Gross Credit Impaired Assets / Gross Loan Assets.
8. Net Credit Impaired Asset Ratio = Net Credit Impaired Assets / Gross Loan Assets.
9. Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtors Turnover, Inventory Turnover and Bad Debts to Accounts Receivable Ratio are not applicable for the company.

Kalani & Co. Chartered Accountants Delhi-92

RECLIMITED New Delhi

SCS & Co. LLP New Delhi FRN Chartered Accountants

Annexure B

Disclosure in compliance with Regulation 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 31st March 2024

(Rs. Crores)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P
Particular	Description of asset for which this certificate relates	Exclusive Charge	Exclusive Charge	Pari Passu Charge	Pari Passu Charge	Pari Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Debt for which this certificate being issued & other debt with pari passu charge (excluding items covered in column F)	Total C to I	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)			Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable	Total Value(=K+M+N+O)
													Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
Assets															
Property, Plant and Equipment	Land and Building			Yes	2.31		627.90			630.21			13.84		13.84
Capital work-in-progress							21.59			21.59					-
Right of Use Assets							-			-					-
Goodwill							-			-					-
Intangible Assets							0.52			0.52					-
Intangible Assets under Development							-			-					-
Investments							5,320.21			5,320.21					-
Loans (Bank Advances)	Book debts			Yes	11,697.27	31,091.01	4,35,792.39			4,98,580.67				14,697.27	14,697.27
Inventories							-			-					-
Trade Receivables							-			-					-
Cash and Cash Equivalents							46.26			46.26					-
Bank balances other than Cash and Cash Equivalents							2,452.44			2,452.44					-
Others							39,770.03			39,770.03					-
Total		-	-		11,699.58	31,091.01	3,83,503.01			5,47,808.59	-	-	13.84	14,697.27	14,711.11
Liabilities															
Secured debt securities															
a. Debt securities to which this certificate pertains				Yes	11,208.96					11,208.96					
b. Other debt sharing pari passu charge with above debt				Yes	41,780.20					41,780.20					
Unsecured debt securities															
a. Other Debt									2,60,000.00	2,60,000.00					
b. Subordinated debt									7,412.21	7,412.21					
Other Borrowing															
Bank									41,770.97	41,770.97					
Others borrowing									1,30,321.69	1,30,321.69					
Trade payables										-					
Lease Liabilities										-					
Provisions							136.57			136.57					
Others		Not to be filled					21,958.45			21,958.45					
Total					53,988.26	-	22,095.02		3,80,504.90	4,78,607.24					
Cover on Book Value															1.31
Cover on Market Value															1.31
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio	1.31									

1. We confirm that the Company has complied with the covenants and has utilized the proceeds raised from above mentioned debt securities for the purpose for which it was raised as disclosed in the disclosure documents of the Non-convertible Debentures.
2. The market value of Rs. 13.84 crore of the immovable property is on the basis of valuation done by [illegible] on 20 April, 2023 (valuation) and 20 April, 2024 (valuation).

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

REC LIMITED New Delhi

SCL & Co. LLP New Delhi Chartered Accountants

Annexure C

Disclosure in compliance with Regulation 52(7) & 52(7A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st March, 2024

A. Statement of utilization of issue proceeds:

₹ in Crores

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised	Funds utilized	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
REC Limited	INE020B08EW9	Private Placement	NCD	16-01-2024	1,000.00	1,000.00	NO	NA	
REC Limited	INE020B08EV1	Private Placement	NCD	16-01-2024	3,000.00	3,000.00	NO	NA	
REC Limited	INE020B08EX7	Private Placement	NCD	23-02-2024	2,875.00	2,875.00	NO	NA	
REC Limited	INE020B08EY5	Private Placement	NCD	23-02-2024	2,500.00	2,500.00	NO	NA	
				Total	**9,375.00**	**9,375.00**			

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	REC LIMITED
Mode of fund raising	~~Public issue/~~ Private placement
Type of instrument	Non-convertible Securities
Date of raising funds	Please refer Col. 5 above table

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

Particulars	Remarks
Amount raised	₹ 9,375.00 crores
Report filed for quarter ended	31-03-2024
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	N.A
If yes, details of the approval so required?	
Date of approval	
Explanation for the deviation/ variation	
Comments of the audit committee after review	
Comments of the auditors, if any	

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (₹ in Crores and in %)	Remarks, if any
-------- NA -------						

Deviation could mean:

a. Deviation in the objects or purposes for which the funds have been raised.

b. Deviation in the amount of funds actually utilized as against what was originally disclosed.

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

Annexure-B

Disclosure of related party transactions for the half-year ended 31st March 2019

(Crore)

S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (end-usage)
1	REC Limited	Power Finance Corporation Limited	Ultimate Holding Company	Dividend		407.99		423.75								
2	REC Limited	Power Finance Corporation Limited	Ultimate Holding Company	Apportionment of Expenses		0.33	3.87	0.31								
3	REC Limited	Power Finance Corporation Limited	Ultimate Holding Company	Director Sitting Fee		0.07										
4	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Apportionment of Employee Benefit and Other Administrative Expenses		0.50										
5	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Finance Costs - Interest Paid		0.01										
6	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Other Expenses		0.32										
7	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Rental/Other Income		0.29										
8	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Subscription of the Issued Company			45.46	45.46								
9	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Other Financial Assets of the Company			7.00	6.96								
10	REC Limited	REC Power Development and Consultancy Limited	Subsidiary Company	Other Financial Liabilities of the Company			4.12	3.76								
11	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		0.10										
12	REC Limited	REC Gratuity Fund	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		-										
13	REC Limited	REC Employees' Superannuation Trust	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		2.18										
14	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Subscription to bonds of the Company		0.09										
15	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Finance Costs - Interest Paid		0.04										
16	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Finance Costs - Interest Paid		0.19										
17	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Debt Securities of the Company			0.95	4.00								
18	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Debt Securities of the Company			32.95	31.09								
19	REC Limited	REC Gratuity Fund	Employment Benefit Trust/ Fund of the Company	Provisions			0.05	0.11								
20	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Other Financial Assets of the Company			70.40	72.19								
21	REC Limited	REC Foundation	Entities over which control is exercised	Payment towards Corporate Social Responsibility (CSR) Expenses		10.00	1.44	1.19								
22	REC Limited	Dr. Manoj Manohar Phadnis	Key Managerial Personnel- Independent Director of the Company	Sitting Fee		0.05										
23	REC Limited	Dr. Gurdeep Singh	Key Managerial Personnel- Independent Director of the Company	Sitting Fee		0.05										
24	REC Limited	Dr. Durgesh Nandini	Key Managerial Personnel- Independent Director of the Company	Sitting Fee		0.03										
25	REC Limited	Dr. Narayanan Thirupathy	Key Managerial Personnel- Independent Director of the Company	Sitting Fee		0.02										

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S. No.	Details of the party (listed entity/subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (end-usage)
25	REC Limited	Sh. Vivek Kumar Dewangan	Key Managerial Personnel- CMD of the Company	Remuneration		0.21										
27	REC Limited	Sh. Ajay Chaudhary	Key Managerial Personnel- Director of the Company	Remuneration		0.24										
28	REC Limited	Sh. V. K. Singh	Key Managerial Personnel- Director of the Company	Remuneration		0.22										
29	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Remuneration		0.16										
32	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Interest Income on Staff Loans		0.01										
33	REC Limited	Sh. V. K. Singh	Key Managerial Personnel- Company Secretary of the Company	Interest Income on Staff Loans		0.01										
37	REC Limited	Sh. Ajay Chaudhary	Key Managerial Personnel- Director of the Company	Repayment of Staff Loans & Advances		0.01	0.02									
38	REC Limited	Sh. V. K. Singh	Key Managerial Personnel- Director of the Company	Repayment of Staff Loans & Advances		0.03	0.07	0.04								
39	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Repayment of Staff Loans & Advances		0.03	0.36	0.36								
40	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Paid Secretarial of the Company			0.05	0.05								
41	REC Limited	Smt. Purnima Gupta	Key Managerial Personnel of Ultimate Holding Company	Finance Costs - Interest Paid on Debt Securities of the Company			0.02	0.03								
27	REC Limited	REC Power Development and Consultancy Limited through ADVIK Cities Private Limited (ACPL)	Subsidiary Company	Sanction of Loan by REC to ACPL with Ultimate beneficiary being REC Power Development and Consultancy Limited	159.71	159.71										
				Disbursement of Loan by REC to ACPL with Ultimate beneficiary being REC Power Development and Consultancy Limited		80.71										
				Repayment of loan by ACPL to REC with Ultimate beneficiary being REC Power Development and Consultancy Limited		18.31										
34	REC Limited	REC Power Development and Consultancy Limited through Ritabra Projects Private Limited (RRPPL)	Subsidiary Company	Sanction of Loan by REC to RRPPL with Ultimate beneficiary being REC Power Development and Consultancy Limited	57.96	57.96										
				Disbursement of Loan by REC to RRPPL with Ultimate beneficiary being REC Power Development and Consultancy Limited		36.47										
				Repayment of loan by RRPPL to REC with Ultimate beneficiary being REC Power Development and Consultancy Limited		36.47										

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									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (end-use)
39	REC Limited	REC Power Development and Consultancy Limited through Techno Electric & Engineering Company Limited (TEECL)	Subsidiary Company	Sanction of Loan by REC to TEECL with Ultimate beneficiary being REC Power Development and Consultancy Limited	40.00	40.00										
40	REC Limited	REC Power Development and Consultancy Limited through Lanco Industries Limited (LIL)	Subsidiary Company	Sanction of Loan by REC to LIL with Ultimate beneficiary being REC Power Development and Consultancy Limited	26.57	26.57										
41	REC Limited	REC Power Development and Consultancy Limited through Tamnar Lighting Limited (TLL)	Subsidiary Company	Sanction of Loan by REC to TLL with Ultimate beneficiary being REC Power Development and Consultancy Limited	50.00	50.00										
42	REC Power Development and Consultancy Limited	Bhilai Transmission Limited	Associate of Subsidiary Company	Other Income - Reimbursement of Expenses		0.21										
				Interest Income		0.00										
				Consultancy Fee		15.00										
				Sale of Investments		0.00										
43	REC Power Development and Consultancy Limited	Silar Khetri Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Other Income - Reimbursement/ expenses reimbursement		0.33										
				Interest Income		0.00										
				Consultancy fee		17.00										
				Sale of Investments		0.01										
44	REC Power Development and Consultancy Limited	RPG I Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Other Income - Reimbursement of Expenses		0.21										
				Consultancy Fee		11.01										
				Sale of Investments		0.02										
45	REC Power Development and Consultancy Limited	Raipur II Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Other Income - Reimbursement of Expenses		0.41										
				Interest Income		0.00										
				Consultancy Fees		15.00										
				Sale of Investments		0.05										
46	REC Power Development and Consultancy Limited	Bastar Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.21										
				Other Income - Reimbursement of Expenses		0.35										
				Consultancy Fees		13.01										
				Sale of Investments		0.01										
47	REC Power Development and Consultancy Limited	Bhuvilo-O Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Other Income - Reimbursement of Expenses		0.31										
48	REC Power Development and Consultancy Limited	Lakai Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Other Income - Reimbursement of Expenses		0.31										
				Interest		0.07										

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									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (endusage)
19	REC Power Development and Consultancy Limited	Shoonal Shanthi Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Other Income - Reimbursement of Expenses		0.30										
				Consultancy Fees		0.72										
20	REC Power Development and Consultancy Limited	NERES XVI Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.04										
				Other Income - Reimbursement of Expenses		0.15										
21	REC Power Development and Consultancy Limited	Rajasthan Pali I Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.03										
				Other Income - Reimbursement of Expenses		0.06										
22	REC Power Development and Consultancy Limited	Mangalore Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Other Income - Reimbursement of Expenses		0.21										
23	REC Power Development and Consultancy Limited	Khavda IVC Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.00										
				Investment made		0.00										
24	REC Power Development and Consultancy Limited	Khavda IVE2 Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.27										
				Investment made		0.02										
25	REC Power Development and Consultancy Limited	Khavda IVA Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.43										
				Investment made		0.03										
26	REC Power Development and Consultancy Limited	Rajasthan IVA Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.34										
				Investment made		0.00										
27	REC Power Development and Consultancy Limited	Rajasthan IVC Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.24										
				Investment made		0.00										
28	REC Power Development and Consultancy Limited	Rajasthan IVE Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.42										
				Investment made		0.01										

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S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (endusage)
39	REC Power Development and Consultancy Limited	Rajasthan RE Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.31										
				Investment made		0.01										
40	REC Power Development and Consultancy Limited	Khavda VA Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.13										
				Investment made		0.00										
41	REC Power Development and Consultancy Limited	MBILL-I Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.23										
				Investment made		0.01										
42	REC Power Development and Consultancy Limited	Tanfac II Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.10										
				Investment made		0.07										
43	REC Power Development and Consultancy Limited	GMR XXXII Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.00										
				Reimbursement/ expenses reimbursement		0.07										
44	REC Power Development and Consultancy Limited	Jalpura Khurja Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.17										
				Consultancy Fees		2.30										
45	REC Power Development and Consultancy Limited	Dhule Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.02										
				Reimbursement/ expenses reimbursement		0.23										
				Dividend Income		5.98										
				Sale of Investments		0.20										
46	REC Power Development and Consultancy Limited	Warangal Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.02										
				Reimbursement/ expenses reimbursement		0.29										
				Consultancy Fees		5.95										
				Sale of Investments		0.03										
47	REC Power Development and Consultancy Limited	Raven Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.02										
				Reimbursement/ expenses reimbursement		0.23										
				Consultancy Fees		0.27										
				[illegible]	-	0.00										

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									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (endusage)
68	REC Power Development and Consultancy Limited	Tarkar Transmission Ltd	Subsidiary/ Associate of Subsidiary Company	Interest Income		3.83										
				Reimbursement/ expenses reimbursement		0.39										
				Consultancy Fees		3.08										
				Dividends payable		0.03										
				Sale of Fixed Assets		0.03										
69	REC Power Development and Consultancy Limited	Nidar Transco Limited	Subsidiary/ Associate of Subsidiary Company	Interest Income		0.01										
				Reimbursement/ expenses reimbursement		0.42										
				Consultancy Fees		0.40										
				Investments made		0.05										
70	REC Power Development and Consultancy Limited	Bidar Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			-0.07	-								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	-								
71	REC Power Development and Consultancy Limited	Chandil Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			0.17	0.13								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	-								
72	REC Power Development and Consultancy Limited	Dondi Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			2.99	1.23								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	-								
73	REC Power Development and Consultancy Limited	Morbi Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			2.15	1.23								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	-								
74	REC Power Development and Consultancy Limited	Kolhiwa Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			2.79	0.13								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	-								
75	REC Power Development and Consultancy Limited	Shri Khetri Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			2.02	-								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	-								
76	REC Power Development and Consultancy Limited	KPS Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			-	-								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.02	-								
77	REC Power Development and Consultancy Limited	Rangala II Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			0.04	-								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.02	-								
78	REC Power Development and Consultancy Limited	Bhuna Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associates			-	-								
	REC Power Development and Consultancy Limited			Investment Outstanding			[illegible]	-								

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									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
79	REC Power Development and Consultancy Limited	LANCO Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			0.79	1.67								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	0.01								
80	REC Power Development and Consultancy Limited	Bhoth Bhoth Power Transmission Ltd	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			0.76	1.67								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	0.01								
81	REC Power Development and Consultancy Limited	NIRMAN Power Transmission Ltd	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			0.69	0.91								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	0.01								
82	REC Power Development and Consultancy Limited	BHEEM VOTOR Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			0.08	1.11								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	-								
83	REC Power Development and Consultancy Limited	Jalpura Khurja Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			0.11	1.04								
	REC Power Development and Consultancy Limited			Investment Outstanding			0.01	1.05								
84	REC Power Development and Consultancy Limited	Khavda IV A Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	1.26								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.01								
85	REC Power Development and Consultancy Limited	Khavda IV C Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.00								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.00								
86	REC Power Development and Consultancy Limited	Khavda IV AD Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.33								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.01								
87	REC Power Development and Consultancy Limited	Khavda V-a Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.42								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.02								
88	REC Power Development and Consultancy Limited	Rajasthan IVA Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.01								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.50								
89	REC Power Development and Consultancy Limited	Rajasthan IVC Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.36								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.06								
90	REC Power Development and Consultancy Limited	Gujarat IV E Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.38								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.05								
91	REC Power Development and Consultancy Limited	Rajasthan IV H Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ Payable from associate			-	0.56								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.01								

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S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
									In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilized by the ultimate recipient of funds (end-use)
32	REC Power Development and Consultancy Limited	Rihand Power Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/(Payable) from association			-	0.41								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.00								
33	REC Power Development and Consultancy Limited	NERCLA Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/(Payable) from association			-	0.20								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.00								
34	REC Power Development and Consultancy Limited	Khavda IPS Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/(Payable) from association			[illegible]	[illegible]								
	REC Power Development and Consultancy Limited			Investment Outstanding			[illegible]	-								
35	REC Power Development and Consultancy Limited	Kathua Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/(Payable) from association			-	0.01								
	REC Power Development and Consultancy Limited			Investment Outstanding			-	0.00								
36	REC Power Development and Consultancy Limited	Rajasthan Rail Power Transmission Limited	Subsidiary/ Associate of Subsidiary Company	Receivable/ (Payable) from association			[illegible]	[illegible]								
	REC Power Development and Consultancy Limited			Investment Outstanding			[illegible]	[illegible]								
37	REC Power Development and Consultancy Limited	Dongtong Power Transmission Ltd	Subsidiary/ Associate of Subsidiary Company	Receivable/ (Payable) from association			[illegible]	[illegible]								
	REC Power Development and Consultancy Limited			Investment Outstanding			[illegible]	[illegible]								
38	REC Power Development and Consultancy Limited	Rohtas Transmission Ltd	Subsidiary/ Associate of Subsidiary Company	Receivable/ (Payable) from association			[illegible]	-								
				Investment Outstanding			[illegible]	-								

Note: ₹ 100 crore denotes amount less than ₹ fifty thousand

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REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

KAILASH CHAND JAIN & CO.
Chartered Accountants
819, Laxmi Deep Building,
Laxmi Nagar District Center,
New Delhi -110092

SCV & CO. LLP.
Chartered Accountants
B-41, Panchsheel Enclave,
New Delhi - 110017

Independent Auditors' Report on the Audited Consolidated Financial Results of REC Limited for the quarter and year ended 31st March 2024 being submitted by the Company pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Report on the audit of the Consolidated Financial Results

Opinion

1. We have audited the accompanying consolidated financial results of REC Limited ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the quarter and year ended 31st March 2024 attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements /financial results/ financial information of the subsidiary, the aforesaid consolidated financial results:
   i. include the annual financial results of following entities:
      a. <u>Parent Company:</u>
         REC Limited
      b. <u>Subsidiary:</u>
         REC Power Development and Consultancy Limited

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ii. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended 31st March 2024.

Basis for Opinion on the Consolidated Financial Results

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of this report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

4. These consolidated financial results have been prepared on the basis of the consolidated Ind AS annual financial statements.

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5. The Holding Company's management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, the respective company's management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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Auditors' Responsibilities for the Audit of the Consolidated Financial Results

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33, Regulation 52 of the Listing Regulations.

   - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a

material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial results.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

13. We did not audit the consolidated financial statements of the Company for the quarter and year ended 31st March 2023. These consolidated financial statements have been jointly audited by S.K. Mittal & Co. Chartered Accountants & O.P. Bagla & Co. LLP Chartered Accountants who vide their report dated 17th May 2023 expressed an unmodified opinion on the consolidated financial results of the Company for the year ended 31st March 2023.

    Our opinion is not modified in respect of this matter.

14. We did not audit the financial statements of the subsidiary included in the consolidated financial results, whose financial statements reflect total assets of ₹ 805.59 crores as at 31st March 2024, total revenue of ₹ 57.43 crores and ₹ 357.82 crores, total net profit/(loss) after tax of ₹ 62.78 crores and ₹ 149.64 crores, total comprehensive income/ (loss) of ₹ 62.78 crores and ₹ 149.64 crores for the quarter and year ended 31st March 2024 respectively, and cash flows (net) of ₹ 206.80 crores for the year ended 31st March 2024 as considered in the audited consolidated financial statements of the entity as aforesaid included in the Group, which has been audited by its independent auditor. The independent auditor's report on financial statements of the entity have been furnished to us and our opinion, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such auditor and the procedures performed by us as stated in paragraphs 8 to 12 above.

    Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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15. The consolidated Financial Results include the results for the quarter ended 31st March 2024 being the balancing figure between the audited figures in respect of the full financial year ended 31st March 2024 and the published unaudited year to date figures up to the third quarter of the current financial year which was subject to limited review for the quarter ended 31st December 2023 and 30th September 2023 by us and for the quarter ended 30th June 2023 was subject to limited review jointly by S. K. Mittal & Co. Chartered Accountants & O.P. Bagla & Co. LLP Chartered Accountants who vide their report dated 26th July 2023 expressed an unmodified conclusion on the unaudited consolidated financial results of the company.

Our opinion is not modified in respect of this matter.

For M/s Kailash Chand Jain & Co.
Chartered Accountants,
ICAI Firm Registration: 112318W

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

Name - Saurabh Chouhan
Designation: Partner
Membership Number: 167453
UDIN: 24167453BKBFUB8372

For M/s SCV & Co. LLP.
Chartered Accountants,
ICAI Firm Registration:000235N/N500089

SCV & Co. LLP New Delhi NCR Chartered Accountants

Name – Abhinav Khosla
Designation: Partner
Membership Number: 087010
UDIN: 24087010BKBODO4171

Place : Mumbai
Date : 30th April 2024

REC Limited

Registered Office : Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003, CIN: L40101DL1969GOI004996

Statement of Audited Consolidated Financial Results for the quarter and year ended 31-03-2024

(₹ in Crores)

S. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2024 (Audited)	31-12-2023 (Unaudited)	31-03-2023 (Audited)	31-03-2024 (Audited)	31-03-2023 (Audited)
1	**Income**					
A	**Interest Income**					
(i)	Interest income on loan assets	12,168.48	11,812.08	9,993.61	45,698.74	38,359.91
(ii)	Other interest income	121.68	137.97	94.84	772.70	486.43
	Sub-total (A) - Interest Income	**12,290.16**	**11,949.97**	**9,998.45**	**46,471.44**	**38,846.34**
B	**Other Operating Income**					
(i)	Dividend income	1.47	-	2.32	2.28	11.89
(ii)	Fees and commission income	92.37	53.13	134.49	236.03	287.17
(iii)	Net gain/ (loss) on fair value changes	135.72	(15.57)	(30.77)	474.48	45.31
(iv)	Sale of services	57.45	64.19	138.57	360.52	287.55
	Sub-total (B) - Other Operating Income	**287.02**	**101.80**	**244.61**	**1,073.31**	**631.92**
C	**Total Revenue from Operations (A+B)**	**12,677.18**	**12,051.77**	**10,243.06**	**47,504.75**	**39,478.26**
D	Other Income	29.48	19.77	11.57	66.48	41.90
	Total income (C+D)	**12,706.66**	**12,071.54**	**10,254.63**	**47,571.23**	**39,520.16**
2	**Expenses**					
A	Finance costs	7,895.51	7,653.59	6,486.22	29,947.74	23,735.33
B	Net translation/ transaction exchange loss/ (gain)	59.95	(23.91)	(30.21)	166.57	1,114.04
C	Fees and commission expense	8.88	5.61	4.94	24.26	16.29
D	Impairment on financial instruments	(720.66)	86.44	(309.79)	(1,378.58)	142.17
E	Cost of services rendered	(5.97)	4.10	22.50	168.06	84.06
F	Employee benefits expenses	66.07	69.43	29.26	238.03	204.10
G	Depreciation and amortization	6.02	6.08	6.28	23.99	24.26
H	Corporate social responsibility expenses	118.05	87.58	88.07	251.78	203.91
I	Other expenses	61.33	41.01	46.14	170.44	150.33
	Total Expenses (A to I)	**7,477.18**	**7,899.85**	**6,353.40**	**29,611.29**	**25,622.49**
3	**Profit before Tax (1-2)**	**5,229.48**	**4,171.69**	**3,901.23**	**17,959.94**	**13,897.67**
4	**Tax Expense**					
A	**Current Tax**					
	- Current Year	903.71	878.66	793.54	3,329.10	2,720.50
	- Earlier Years	2.57	1.51	(0.16)	3.97	(147.45)
B	**Deferred Tax**	344.31	(16.90)	92.48	481.41	157.64
	Total Tax Expense (A+B)	**1,250.39**	**863.27**	**885.86**	**3,814.48**	**2,730.69**
5	**Net profit for the period (3-4)**	**4,079.09**	**3,308.42**	**3,015.37**	**14,145.46**	**11,166.98**
6	**Other comprehensive Income/(Loss)**					
(i)	**Items that will not be reclassified to profit or loss**					
(a)	Re-measurement gains/(losses) on defined benefit plans	(5.77)	3.75	(3.63)	(0.99)	(5.99)
	- Tax impact on above	1.45	(0.94)	0.92	0.25	1.51
(b)	Changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income (FVOCI)	52.65	9.11	(13.78)	95.34	(58.16)
	- Tax impact on above	1.56	(6.42)	-	(4.86)	(0.32)
	Sub-total (i)	**50.29**	**5.51**	**(16.49)**	**90.74**	**(62.96)**
(ii)	**Items that will be reclassified to profit or loss**					
(a)	Effective portion of gains and loss on hedging instruments in cash flow hedges	(2,525.37)	(785.69)	62.97	(3,269.97)	542.33
	- Tax impact on above	635.59	261.73	(15.85)	822.99	(136.49)
(b)	Cost of hedging reserve	4,017.20	(263.33)	819.52	4,544.19	(1,785.82)
	- Tax impact on above	(1,011.07)	121.48	(206.26)	(1,143.68)	461.90
	Sub-total (ii)	**1,116.45**	**(725.81)**	**660.38**	**953.53**	**(918.08)**
	Other comprehensive Income/(loss) for the period (i + ii)	**1,166.74**	**(720.31)**	**643.89**	**1,044.27**	**(971.04)**
7	**Total comprehensive Income for the period (5+6)**	**5,245.83**	**2,588.11**	**3,659.26**	**15,189.73**	**10,195.94**
8	Paid up Equity Share Capital (Face Value ₹10 per share)	2,633.22	2,633.22	2,633.22	2,633.22	2,633.22
9	Other Equity (as per audited balance sheet as at 31st March)				66,717.03	55,487.29
10	**Basic & Diluted earnings per equity share of ₹ 10 each (in ₹)***					
A	For continuing operations	15.36	12.56	11.51	53.59	42.28
B	For discontinued operations	-	-	-	-	-
C	For continuing and discontinued operations	15.36	12.56	11.51	53.59	42.28

See accompanying notes to the consolidated financial results

Earning Per Share (EPS) is not annualised for the quarters and year ended

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Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Consolidated	
		As at 31-03-2024 (Audited)	As at 31-03-2023 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	262.75	48.70
(b)	Bank balances other than (a) above	2,699.75	2,346.91
(c)	Trade receivables	153.82	113.00
(d)	Derivative financial instruments	12,482.02	8,981.61
(e)	Loans	4,99,192.05	4,22,083.91
(f)	Investments	5,352.32	3,170.00
(g)	Other financial assets	24,445.42	24,422.54
	Total - Financial Assets (1)	**5,44,588.13**	**4,61,166.67**
(2)	**Non-Financial Assets**		
(a)	Current tax assets (net)	309.68	305.95
(b)	Deferred tax assets (net)	2,500.96	3,307.56
(c)	Property, Plant & Equipment	630.98	639.17
(d)	Capital Work-in-Progress	23.59	2.72
(e)	Other Intangible Assets	0.52	1.63
(f)	Other non-financial assets	117.03	74.40
(g)	Investments accounted for using equity method	-	-
	Total - Non-Financial Assets (2)	**3,582.76**	**4,331.43**
(3)	**Assets classified as held for sale**	20.20	4.65
	Total ASSETS (1+2+3)	**5,48,191.09**	**4,65,502.75**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial liabilities**		
(a)	Derivative financial instruments	759.70	976.95
(b)	Trade payables		
	(i) total outstanding dues of MSMEs	-	-
	(ii) total outstanding dues of creditors other than MSMEs	90.51	41.68
(c)	Debt securities	2,66,063.24	2,36,902.33
(d)	Borrowings (other than debt securities)	1,72,092.05	1,37,114.13
(e)	Subordinated liabilities	7,412.21	6,773.30
(f)	Other financial liabilities	31,959.49	25,345.11
	Total - Financial Liabilities (1)	**4,78,377.20**	**4,07,153.50**
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (net)	46.51	10.65
(b)	Provisions	137.34	111.62
(c)	Other non-financial liabilities	259.79	106.45
	Total - Non-Financial Liabilities (2)	**443.64**	**228.72**
(3)	**Liabilities directly associated with assets classified as held for sale**	-	0.02
(4)	**EQUITY**		
(a)	Equity Share Capital	2,633.22	2,633.22
(b)	Instruments Entirely Equity In Nature	558.40	558.40
(c)	Other equity	65,158.63	54,928.89
	Total - Equity (4)	**69,350.25**	**58,120.51**
	Total - LIABILITIES AND EQUITY (1+2+3+4)	**5,48,191.09**	**4,65,502.75**

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REC LIMITED New Delhi

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Statement of Cash Flows for the year ended 31st March 2024

(₹ in Crores)

S. No.	Particulars	Consolidated	
		Year ended	
		31-03-2024 (Audited)	31-03-2023 (Audited)
A.	**Cash Flow from Operating Activities :**		
	Net Profit before tax	17,959.94	13,897.67
	Adjustments for:		
1	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	5.58	6.65
2	Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)	(4.08)
3	Depreciation & Amortization	23.99	24.26
4	Impairment allowance on Assets Classified as Held for Sale	(0.09)	0.03
5	Impairment losses on Financial Instruments	(1,379.58)	142.17
6	Loss/ (Gain) on Fair Value Changes (net)	(471.88)	(43.76)
7	Effective Interest Rate in respect of Loan Assets and Borrowings	(34.51)	(15.58)
8	Interest on Commercial Paper	135.64	-
9	Unrealised Foreign Exchange Translation Loss/ (Gain)	(993.07)	963.93
10	Liabilities no longer required written back	-	-
11	Interest on Investments	(42.63)	(39.53)
	Operating profit before Changes in Operating Assets & Liabilities	**15,202.05**	**14,931.76**
	Inflow / (Outflow) on account of :		
1	Loan Assets	(75,017.32)	(50,424.82)
2	Derivatives	(343.67)	790.33
3	Other Financial and Non- Financial Assets	(1,495.79)	125.99
4	Other Financial and Non- Financial Liabilities & Provisions	7,203.83	(108.70)
	Cash flow from Operations	**(54,450.90)**	**(34,685.44)**
1	Income Tax Paid (including TDS)	(3,271.76)	(2,774.13)
2	Income Tax refund	-	99.79
	Net Cash Flow from Operating Activities	**(57,722.65)**	**(37,359.77)**
B.	**Cash Flow from Investing Activities**		
1	Sale of Property, Plant & Equipment	0.11	0.02
2	Sale of assets held for sale	1.61	4.60
3	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(33.63)	(17.67)
4	Investment in Intangible Assets (including intangible assets under development & Capital Advances)	-	(0.01)
5	Finance Costs Capitalised	(0.53)	(0.03)
6	Sale/ (Investment) in Equity Shares	67.39	10.13
7	Sale/(Investment) of/in shares of associate companies (Net)	(15.75)	(0.82)
8	Redemption/ (Investment) in Debt Securities other than HQLAs (net)	(912.98)	(343.44)
9	Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(997.94)	(457.82)
10	Maturity/(Investment) of Corporate and Term deposits	60.75	(137.91)
	Net Cash Flow from Investing Activities	**(1,830.96)**	**(942.95)**
C.	**Cash Flow from Financing Activities**		
1	Issue/ (Redemption) of Rupee Debt Securities (net)	27,473.52	14,835.97
2	Issue/ (Redemption) of Commercial Paper (net)	(135.64)	-
3	Raising/ (Repayments) of Rupee Term Loans/ WCDL from Banks/ FIs (net)	3,640.02	14,808.94
4	Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49	11,643.52
5	Expenses on issue of Bonus Equity Shares	-	(0.71)
6	Raising/ (Redemption) of Subordinated Liabilities (net)	590.00	-
7	Coupon payment on Perpetual Debt Instruments entirely equity in nature	(44.50)	(44.50)
8	Payment of Dividend on Equity Shares	(2,857.05)	(3,120.37)
9	Repayment towards Lease Liability	(0.02)	(0.01)
	Net Cash flow from Financing Activities	**59,587.82**	**38,122.84**
	Net Increase/Decrease in Cash & Cash Equivalents	**34.20**	**(179.88)**
	Cash & Cash Equivalents as at the beginning of the year	**(38.89)**	**140.99**
	Cash & Cash Equivalents as at the end of the year	**(4.69)**	**(38.89)**

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

REC LIMITED New Delhi

SCV & Co. LLP New Delhi

Notes to the Consolidated financial results:

1. The above consolidated financial results of the Company were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the meeting held on 30th April, 2024. These results have been audited by the Statutory Auditors of the Company.

2. The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind-AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

3. The audited consolidated accounts of the subsidiary company REC Power Development and Consultancy Limited has been consolidated in accordance with the Indian Accounting Standard 110 'Consolidated Financial Statements'.

4. Provisioning on loan assets is based on "ECL (Expected Credit Loss) methodology" under Ind-AS norms, duly approved by the Board of Directors of the Company and upon the report provided by an independent agency appointed by the Company, which also considers ratings by the Ministry of Power, as and when they are updated, for Distribution Companies (DISCOMs). This is further reviewed by management overlays in certain accounts wherever necessary considering the different factors. Details are as follows:

(₹ in Crores)

S. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
1.	Loan assets	4,95,560.62	13,810.33	5,09,370.95	4,30,119.71	14,892.08	4,35,011.79
2.	Impairment loss allowance (net of movements)*	2,926.72	9,453.80	12,380.52	3,744.24	10,519.51	14,263.75
3.	Provisioning Coverage (%) (2/1)	0.59%	68.45%	2.43%	0.89%	70.64%	3.28%

* In addition, ₹ 32.02 crores as at 31st March 2024 (₹ 15.87 crores as at 31st March 2023) is maintained towards impairment allowance on Letter of Comfort.

5. The Company's operation comprise of only one business segment - lending to power, logistic and infrastructure sector. Hence, there is no other reportable segment in terms of Indian Accounting Standard (Ind-AS) 108 "Operating Segments".

6. The Board of Directors at its meeting held on 30th April, 2024 recommended final dividend of ₹ 5/- per equity share (on face value of ₹ 10/- each) for the financial year 2023-24, subject to approval of Shareholders in the ensuing Annual General Meeting. The total dividend for the financial year is ₹ 16/- per equity share (on face value of ₹ 10/- each).

7. The Company has not issued any redeemable preference shares till date.

8. The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure -A**.

9. There are no cases of loans transferred/ acquired during the quarter ended 31st March, 2024 (previous quarter Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021.

10. The figures for the quarter ended 31st March 2024 and 31st March 2023 have been derived by deducting the year to date unaudited figures for the period ended 31st December 2023 and 31st December 2022 from the audited figures for the year ended 31st March 2024 and 31st March 2023 respectively.

11. Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

For REC Limited

(Vivek Kumar Dewangan)
Chairman & Managing Director
DIN - 01377212

REC LIMITED New Delhi

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

SCV & Co. LLP New Delhi

Annexure A

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As at/ For the quarter/ year ended 31st March 2024

S. No.	Particulars	Unit	Consolidated	
			As at/ For the quarter ended 31.03.2024	As at/ For the year ended 31.03.2024
1	Debt Equity Ratio[1]	times		6.31
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth[2]	₹ in Crores		69,350.25
5	Total debts to total assets[3]	times		0.80
6	Operating Margin[4]	%	41.02	37.67
7	Net profit Margin[5]	%	32.10	29.74
8	Sector specific equivalent ratios			
(a)	CRAR[6]	%	25.82	
(b)	Gross Credit Impaired Assets Ratio[7]	%	2.71	
(c)	Net Credit Impaired Assets Ratio[8]	%	0.86	

As at/ For the quarter/ year ended 31st March 2023

S. No.	Particulars	Unit	Consolidated	
			As at/ For the quarter ended 31.03.2023	As at/ For the year ended 31.03.2023
1	Debt Equity Ratio[1]	times		6.44
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth[2]	₹ in Crores		58,120.51
5	Total debts to total assets[3]	times		0.80
6	Operating Margin[4]	%	37.97	35.10
7	Net profit Margin[5]	%	29.89	28.26
8	Sector specific equivalent ratios			
(a)	CRAR[6]	%	25.78	
(b)	Gross Credit Impaired Assets Ratio[7]	%	3.42	
(c)	Net Credit Impaired Assets Ratio[8]	%	1.01	

Notes:

1. Debt/Equity Ratio = Net Debt / Net Worth *(Net debt represents principal outstanding less cash and cash equivalents*
2. Net Worth is calculated as defined in section 2(57) of Companies Act, 2013.
3. Total debts to total assets = Total Debt / Total Assets.
4. Operating Margin = Net Operating Profit Before Tax / Total Revenue from Operation.
5. Net Profit Margin = Net Profit after Tax / Total Income.
6. CRAR = Adjusted Net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.
7. Gross Credit Impaired Asset Ratio = Gross Credit Impaired Assets / Gross Loan Assets.
8. Net Credit Impaired Asset Ratio = Net Credit Impaired Assets / Gross Loan Assets.
9. Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtors Turnover, Inventory Turnover, Bad Debts to Accounts Receivable Ratio are not applicable to the company.

Kalyan Jain & Co. Chartered Accountants Delhi-92

REC LIMITED New Delhi

SCV & Co. LLP Chartered Accountants New Delhi

Annexure - 2

KAILASH CHAND JAIN & CO.
Chartered Accountants
819, Laxmi Deep Building,
Laxmi Nagar District Centre,
New Delhi-110092

SCV & CO. LLP.
Chartered Accountants
B-41, Panchsheel Enclave,
New Delhi- 110017

Independent Audit Report on Special Purpose Standalone Ind AS Financial Statements for the year ended 31st March 2024 of REC Limited

To,
The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodhi Road,
New Delhi – 110003

We have audited the accompanying Special Purpose Standalone Ind AS Financial Statements of REC Limited (the "Company") which comprise the Standalone Balance Sheet as at 31st March 2024, Statement of Standalone Profit and Loss (including the Statement of Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and a summary of material accounting policies (together hereinafter referred as "Special Purpose Standalone Ind AS Financial Statements".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone Ind AS financial statements give the information required by the Companies Act, 2013, (the "Act") in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31st March 2024, and its Profit (including other comprehensive income), changes in equity and cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special Purpose Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Special Purpose Standalone Ind AS Financial Statements

These Special Purpose Standalone Ind AS Financial Statements, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in in all material respects, in accordance with the recognition and measurement principles of Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India. These Special Purpose Standalone Ind AS Financial Statements have been prepared solely for the purpose of inclusion of financial information in respect

of fund-raising programmes of the Company and its Holding Company ("Power Finance Corporation Limited").

Other Matters

We did not audit the standalone Ind AS financial statements of the Company for the financial year ended 31st March 2023. These standalone Ind AS financial statements have been audited by other firms of Chartered Accountants who vide their report dated 17th May 2023 expressed an unmodified opinion on the standalone financial results of the Company for the year ended 31st March 2023.

Our opinion on the Special Purpose Standalone Ind AS Financial Statements is not modified in respect of this matter.

Restriction on Use

This report is intended solely for the use of the Company for the purpose of inclusion of financial information in respect of fund-raising programmes of the Company and its Holding Company thereto and should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s Kailash Chand Jain & Co.
Chartered Accountants,
ICAI Firm Registration: 112318W

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

Name - Saurabh Chouhan
Designation: Partner
Membership Number: 167453

UDIN: 24167453BKBFUC9231

For M/s SCV & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000235N/N500089

SCV & Co. LLP New Delhi Chartered Accountants

Name - Abhinav Khosla
Designation: Partner
Membership Number: 087010

UDIN: 24087010BKBODP9316

Date: 30th April 2024
Place: Mumbai

REC Limited

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

Balance Sheet as at 31st March 2024

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31-03-2024	As at 31-03-2023
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	6	46.26	39.00
(b)	Bank balances other than (a) above	7	2,452.44	1,948.34
(c)	Derivative financial instruments	8	12,482.02	8,981.61
(d)	Loans	9	4,99,192.05	4,22,083.91
(e)	Investments	10	5,320.31	3,137.98
(f)	Other financial assets	11	24,424.52	24,400.28
	Total - Financial Assets (1)		**5,43,917.80**	**4,60,591.12**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)	12	294.42	295.78
(b)	Deferred tax assets (net)	13	2,485.46	3,276.99
(c)	Property, Plant & Equipment	14	630.21	638.91
(d)	Capital Work-in-Progress	14	23.59	2.72
(e)	Other Intangible Assets	14	0.52	1.62
(f)	Other non-financial assets	15	88.54	69.65
	Total - Non-Financial Assets (2)		**3,522.74**	**4,285.67**
(3)	**Assets classified as held for sale**	16	0.05	0.34
	Total ASSETS (1+2+3)		**5,47,440.39**	**4,64,877.13**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	8	759.70	976.95
(b)	Debt Securities	17	2,66,109.92	2,36,948.99
(c)	Borrowings (other than debt securities)	18	1,72,092.05	1,37,114.13
(d)	Subordinated Liabilities	19	7,412.21	6,773.30
(e)	Other financial liabilities	20	31,840.66	25,174.58
	Total - Financial Liabilities (1)		**4,78,214.54**	**4,06,987.95**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)	21	66.51	-
(b)	Provisions	22	136.57	110.94
(c)	Other non-financial liabilities	23	239.62	98.57
	Total - Non-Financial Liabilities (2)		**442.70**	**209.51**
(3)	**EQUITY**			
(a)	Equity Share Capital	24	2,633.22	2,633.22
(b)	Instruments Entirely Equity In Nature	25	558.40	558.40
(c)	Other equity	26	65,591.53	54,488.05
	Total - Equity (3)		**68,783.15**	**57,679.67**
	Total - LIABILITIES AND EQUITY (1+2+3)		**5,47,440.39**	**4,64,877.13**
	Company Overview and Material Accounting Policies	1 to 5		

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

SCV & Co. LLP New Delhi FRN Chartered Accountants

REC LIMITED New Delhi

REC Limited

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

Statement of Profit and Loss for the year ended 31st March 2024

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31-03-2024	Year ended 31-03-2023
	Revenue from Operations			
(i)	Interest Income	27	46,410.11	38,836.24
(ii)	Dividend Income	28	25.68	39.34
(iii)	Fees and Commission Income	29	236.03	287.17
(iv)	Net gain/ (loss) on fair value changes	34	474.48	45.31
I.	**Total Revenue from Operations (i to iii)**		**47,146.30**	**39,208.06**
II.	Other Income	30	67.85	44.67
III.	**Total Income (I+II)**		**47,214.15**	**39,252.73**
	Expenses			
(i)	Finance Costs	31	29,949.27	23,737.66
(ii)	Net translation/ transaction exchange loss	32	166.57	1,114.04
(iii)	Fees and commission Expense	33	24.26	16.29
(iv)	Impairment on financial instruments	35	(1,358.39)	114.91
(v)	Employee Benefits Expenses	36	213.84	181.63
(vi)	Depreciation and amortization	37	23.72	24.09
(vii)	Corporate Social Responsibility Expenses	38	249.86	202.65
(viii)	Other Expenses	39	164.38	122.69
IV.	**Total Expenses (i to viii)**		**29,433.51**	**25,513.96**
V.	**Profit before Tax (III-IV)**		**17,780.64**	**13,738.77**
VI.	**Tax Expense**	40		
(i)	Current Tax			
	- Current Year		3,293.00	2,668.58
	- Earlier Years		2.09	(147.29)
(ii)	Deferred Tax		466.34	162.84
	Total Tax Expense (i+ii)		**3,761.43**	**2,684.13**
VII.	**Profit for the year**		**14,019.21**	**11,054.64**
	Other comprehensive Income/(Loss)			
(I)	**Items that will not be reclassified to profit or loss**			
(a)	Re-measurement gains/(losses) on defined benefit plans		(0.99)	(5.99)
	- Tax impact on above		0.25	1.51
(b)	Changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income (FVOCI)		96.34	(58.16)
	- Tax impact on above		(4.86)	(0.32)
	Sub-Total (i)		**90.74**	**(62.96)**
(II)	**Items that will be reclassified to profit or loss**			
(a)	Effective portion of gains and loss on hedging instruments in cash flow hedges		(3,269.97)	542.33
	- Tax impact on above		822.99	(136.49)
(b)	Cost of hedging reserve		4,544.19	(1,755.82)
	- Tax impact on above		(1,143.68)	441.90
	Sub-Total (ii)		**953.53**	**(908.08)**
VIII.	**Other comprehensive Income/(Loss) for the year (i+ii)**		**1,044.27**	**(971.04)**
IX.	**Total comprehensive Income for the year (VII+VIII)**		**15,063.48**	**10,083.60**
X.	**Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)**	41		
(1)	For continuing operations		**53.11**	**41.85**
(2)	For discontinued operations		-	-
(3)	For continuing and discontinued operations		**53.11**	**41.85**
	Company Overview and Material Accounting Policies	1 to 5		

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

SCV & Co. LLP New Delhi Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC Limited

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

Statement of Cash Flows for the year ended 31st March 2024

(₹ in Crores)

Particulars	Year ended 31-03-2024		Year ended 31-03-2023	
A. Cash Flow from Operating Activities :				
Net Profit before Tax	17,780.64		13,738.77	
Adjustments for:				
1. Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	5.56		6.64	
2. Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)		(4.08)	
3. Depreciation & Amortization	23.72		24.09	
4. Impairment losses on Financial Instruments	(1,358.39)		114.91	
5. Loss/ (Gain) on Fair Value Changes (net)	(471.88)		(43.76)	
6. Effective Interest Rate (EIR) in respect of Loan Assets and Borrowings	(34.51)		(15.58)	
7. Interest on Commercial Paper	135.64		-	
8. Unrealised Foreign Exchange Translation Loss/ (Gain)	(993.07)		963.93	
9. Interest on Investments	(42.65)		(39.53)	
Operating Profit/ (Loss) before Changes in Operating Assets & Liabilities	**15,043.74**		**14,745.39**	
Inflow / (Outflow) on account of :				
1. Loan Assets	(75,017.32)		(50,424.82)	
2. Derivatives	(343.67)		790.33	
3. Other Financial and Non- Financial Assets	(1,544.16)		193.95	
4. Other Financial and Non- Financial Liabilities & Provisions	7,194.23		(151.53)	
Cash flow from Operations	**(54,667.18)**		**(34,846.68)**	
1. Income Tax Paid (including TDS)	(3,218.04)		(2,734.77)	
2. Income Tax refund	-		99.79	
Net Cash Flow from Operating Activities		**(57,885.22)**		**(37,481.66)**
B. Cash Flow from Investing Activities				
1. Sale of Property, Plant & Equipment	0.07		0.02	
2. Sale of assets held for sale	1.61		4.60	
3. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(32.81)		(17.62)	
4. Investment in Intangible Assets (including intangible assets under development & Capital Advances)	-		(0.01)	
5. Finance Costs Capitalised	(0.53)		(0.03)	
6. Sale/ (Investment) in Equity Shares	67.39		10.13	
7. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(997.94)		(457.82)	
8. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	(912.98)		(343.14)	
Net Cash Flow from Investing Activities		**(1,875.19)**		**(803.87)**
C. Cash Flow from Financing Activities				
1. Issue/ (Redemption) of Rupee Debt Securities (net)	27,473.52		14,823.67	
2. Issue/ (Redemption) of Commercial Paper (net)	(135.64)		-	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Banks/ FIs (net)	3,640.02		14,808.94	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49		11,643.52	
5. Expenses on issue of Bonus Equity Shares	-		(0.71)	
6. Raising/ (Redemption) of Subordinated Liabilities (net)	590.00		-	
7. Coupon payment on Perpetual Debt Instruments entirely equity in nature	(44.50)		(44.50)	
8. Payment of Dividend on Equity Shares	(2,857.05)		(3,120.37)	
9. Repayment towards Lease Liability	(0.02)		(0.01)	
Net Cash flow from Financing Activities		**59,587.82**		**38,110.54**
Net Increase/ (Decrease) in Cash & Cash Equivalents		**(172.59)**		**(174.99)**
Cash & Cash Equivalents as at the beginning of the Year		(48.59)		126.40
Cash & Cash Equivalents as at the end of the Year		(221.18)		(48.59)

During the year, the Company has received Dividend of ₹ 25.68 crore (previous year ₹ 39.34 crore). Further, during the year, the Company has paid an amount of ₹ 247.30 crore (previous year ₹ 209.95 crore) towards Corporate Social Responsibility.

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC Limited

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

Statement of Changes in Equity for the year ended 31st March 2024

A Equity share capital

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	2,633.22	1,974.92
Changes in equity share capital during the year*	-	658.30
Balance at the end of the year	2,633.22	2,633.22

* During the last FY 2022-23, the Company has issued 65,83,06,000 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 3 (Three) equity share outstanding on the record date i.e. 18th August 2022.

B Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	558.40	558.40
Changes in instruments entirely equity in nature during the year	-	-
Balance at the end of the year	558.40	558.40

C Other Equity

(₹ in Crores)

Particulars	Reserves & Surplus							FVOCI-Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Retained Earnings				
Balance as at 31st March 2022	22,302.93	196.82	5,814.00	2,236.54	(555.29)	11,781.62	6,915.38	(37.98)	194.21	(395.95)	48,452.28
Profit for the year							11,054.64				11,054.64
Remeasurement of Defined Benefit Plans (net of taxes)							(4.48)				(4.48)
Recognition through Other Comprehensive Income (net of taxes)								(58.48)	405.84	(1,313.92)	(966.56)
Total Comprehensive Income for the year	-	-	-	-	-	-	11,050.16	(58.48)	405.84	(1,313.92)	10,083.60
Transferred to/ (from) Retained Earnings	2,674.96	-	2,211.15			-	(4,886.11)				-
Transferred to General Reserve		(196.82)				196.82	-				-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)							5.01	(5.01)			-
Foreign Currency Translation gain/ (loss) on long term monetary items during the year					(487.03)						(487.03)
Amortisation during the year					251.88						251.88
Coupon payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)							(33.30)				(33.30)
Sub-total	2,674.96	(196.82)	2,211.15	-	(235.15)	196.82	(4,913.40)	(5.01)			(268.45)
Utilised for issue of Bonus Equity Shares				(658.30)							(658.30)
Expenses incurred on issue of Bonus Equity Shares				(0.71)							(0.71)
Dividends							(3,120.37)				(3,120.37)
Sub-total- Transaction with owners	-	-	-	(659.01)	-	-	(3,120.37)	-	-	-	(3,779.38)
Balance as at 31st March 2023	24,977.89	-	8,025.15	1,577.53	(790.44)	11,978.44	9,930.77	(101.47)	600.05	(1,709.87)	54,488.05

Kailash Chand Jain & Co. Chartered Accountants Delhi-92

RCV & Co. LLP New Delhi FRN Chartered Accountants

REC LIMITED New Delhi

(₹ in Crores)

Particulars	Reserves & Surplus							FVOCI- Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Foreign Curiency Monetary Item Translation Difference Account	General Reserve	Retained Earnings				
Balance as at 31st March 2023	24,977.89	-	8,025.15	1,577.53	(790.44)	11,978.44	9,930.77	(101.47)	600.05	(1,709.87)	54,488.05
Profit for the year							14,019.21				14,019.21
Remeasurement of Defined Benefit Plans (net of taxes)							(0.74)				(0.74)
Recognition through Other Comprehensive Income (net of taxes)								91.48	(2,446.98)	3,400.51	1,045.01
Total Comprehensive Income for the year	-	-	-	-	-	-	14,018.47	91.48	(2,446.98)	3,400.51	15,063.48
Transferred to/ (from) Retained Earnings	3,066.94	687.76	2,803.84			-	(6,558.54)				-
Transferred to General Reserve	-	-				-	-				-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)							48.00	(48.00)			-
Foreign Currency Translation gain/ (loss) on long term monetary items during the year					(85.73)						(85.73)
Amortisation during the year					201.03						201.03
Coupon payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)							(33.30)				(33.30)
Sub-total	3,066.94	687.76	2,803.84	-	115.30	-	(6,543.84)	(48.00)	-	-	82.00
Dividends							(4,042.00)				(4,042.00)
Sub-total- Transaction with owners	-	-	-	-	-	-	(4,042.00)	-	-	-	(4,042.00)
Balance as at 31st March 2024	28,044.83	687.76	10,828.99	1,577.53	(675.14)	11,978.44	13,363.40	(57.99)	(1,846.93)	1,690.64	65,591.53

Place: Mumbai
Date: 30th April 2024

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC LIMITED New Delhi

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SCV & Co. LLP New Delhi Chartered Accountants

REC Limited
Registered Office - Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi – 110003
CIN: L40101DL1969GOI005095

Notes to Accounts

1. Company Overview

REC Limited ("REC" or the "Company") was incorporated in the year 1969. The Company is domiciled in India and is limited by shares, having its registered office and principal place of business at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India. The books of accounts are maintained at the Corporate Office situated at Plot no. I-4, Sector-29, Gurugram, Haryana, in addition to the registered office of the Company. The Company has offices spread across the country, mainly in the State Capitals and one training center at Hyderabad.

The Company is a Government of India Enterprise engaged in extending financial assistance across the power sector value chain and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). Being an NBFC, the company is regulated by Reserve Bank of India.

The company has been accorded with the status of a 'Maharatna' Central Public Sector Enterprise by the Department of Public Enterprises, under the Ministry of Finance.

REC is a leading Infrastructure Finance Company in India and the principal products of REC are interest-bearing loans to State Electricity Boards, State Power utilities/State Power Departments and Private sector for all segments of Power infrastructure. During FY 2022-23, REC has also diversified into the Non-Power Infrastructure sector comprising Roads & Expressways, Metro Rail, Airports, IT Communication, Social and Commercial Infrastructure (Educational Institution, Hospitals), Ports and Electro-Mechanical (E&M) works in respect of various other sectors like Steel, Refinery, etc.

The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges

2. Basis of Preparation

These Special Purpose Standalone Financial Statements have been prepared for the purpose of inclusion of financial information in respect of fund raising programmes of the Company and its Holding Company and complies with the measurement principles laid down under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines including those issued by RBI. These financial statements for the period ended 31st March 2024 were authorized and approved by the Board of Directors on 30th April 2024.

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3. Material Accounting Policies

The material accounting policies applied in preparation of the financial statements are as given below:

3.1 Basis of Preparation and Measurement

The financial statements have been prepared on going concern basis following accrual system of accounting on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. These policies have been applied consistently for all the periods presented in the financial statements.

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional currency of the Company.

3.2 Income recognition

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) costs and expenses of REC (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

For financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR), i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Interest on financial assets subsequently measured at fair value through profit and loss is recognized on an accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head interest income.

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Income from Government schemes

Income of agency fee on Government schemes is recognized on the basis of the services rendered and amount of fee sanctioned by the Ministry of Power.

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Dividend income

Income from dividend on shares of corporate bodies and units of mutual funds is taken into account on accrual basis when right to receive payment is established.

Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

Dividend on financial assets subsequently measured at fair value through profit and loss is recognised separately under the head 'Dividend Income'.

Other services

Fees/ charges on loan assets, other than those considered an adjustment to EIR, are accounted for on accrual basis. Pre-payment premium is accounted for by the Company in the year of receipt.

3.3 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

3.4 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.5 Foreign Currency Translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit or Loss. However, for the long-term monetary items recognized in the financial statements before 1 April 2018, such gains and losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item, by recognition as income or expense in each of such periods.

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Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date).

3.6 Property, Plant and Equipment (PPE)

Recognition and initial measurement

Land

Land held for use is initially recognized at cost. For land, as no finite useful life can be determined, related carrying amounts are not amortized.

Land also includes land treated as a Right of Use asset under lease agreement earlier classified as finance lease and is amortized over the lease term.

Other Tangible assets

PPE other than land is initially recognized at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company beyond one year. Maintenance or servicing costs of PPE are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation method, useful lives, residual value, and impairment)

PPE are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on PPE is provided on the straight-line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation on assets purchased/sold during the year is charged for the full month if the asset is in use for more than 15 days. Depreciation on assets purchased during the year up to Rs. 5,000/- is provided @ 100%.

The residual values, useful lives, and method of depreciation are reviewed at the end of each financial year. PPE other than land is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress'. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates.

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are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances.'

3.7 Intangible assets

Recognition and initial measurement

Intangible assets are initially measured at cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the company.

Subsequent measurement (amortization method, useful lives and residual value)

All intangible assets with finite useful life are amortized on a straight line basis over the estimated useful lives, and a possible impairment is assessed if there is an indication that the intangible asset may be impaired. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates. Management estimates the useful life of intangible assets to be five years.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

3.8 Lease accounting:

Right-of-use asset and related lease liability in connection with all former operating leases are recognised except for those identified as short-term or low-value lease.

An assessment at contract inception is made whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the contract is assessed for three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available
- right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- right to direct the use of the identified asset throughout the period of use and right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, a right-of-use asset and a lease liability is recognized on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any costs to dismantle and remove the

asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is also assessed for impairment when such indicators exist.

At the commencement date, the lease liability is measured at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

3.9 Assets held for sale

Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Company; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such assets are measured at lower of carrying amount or fair value less selling costs.

Assets held for sale are presented separately from other assets in the Balance Sheet and are not depreciated or amortised while they are classified as held for sale.

3.10 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

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For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)
- Investments in equity shares of subsidiaries and joint ventures (carried at cost in accordance with Ind AS 27)

All financial assets except for those at FVTPL or at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment allowance (expected credit loss) is recognized on financial assets carried at amortized cost.

Modification of cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign

exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Financial assets at FVOCI

FVOCI financial assets comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in Other Comprehensive Income (OCI) and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Company may transfer the same within equity.

De-recognition of financial assets

De-recognition of financial assets due to a substantial modification of terms and conditions

The Company derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

De-recognition of financial assets other than due to substantial modification

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss. All host contracts which are in nature of a financial liability and separated from embedded derivative are measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

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Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

All derivative financial instruments designated under hedge accounting are recognised initially at fair value and reported subsequently at fair value at each reporting date. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

At the inception of each hedging relationship, the Company formally designates and documents the hedge relationship, in accordance with the Company's risk management objective and strategies. The documentation includes identification of the hedged item, hedging instrument, the nature of risk(s) being hedged, the hedge ratio and how the hedging relationship meets the hedging effectiveness requirements.

Fair Value Hedges

In line with the recognition of change in the fair value of the hedging instruments in the Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exit. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Statement of Profit and Loss.

3.11 Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment in the form of Expected Credit Loss (ECL) based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

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Probability of Default (PD) - The PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

Loss Given Default (LGD) – LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

Exposure at Default (EAD) – EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Financial assets other than Loans

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery or as directed by the order of the Judicial Authority.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Dividend and Other Payments to holders of Instruments classified as Equity

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively. Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the Company.

3.14 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period

presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

3.15 Prepaid Expenses

A prepaid expense up to Rs. 1,00,000/- is recognized as expense upon initial recognition.

3.16 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.17 Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

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Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions in respect of the employees into a separate fund. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Company towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

Defined benefit plan

The Company has an obligation towards gratuity, Post Retirement Medical Facility (PRMF), Provident Fund (PF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside.

The Company's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee benefits, which is amortised on a straight-line basis over the expected remaining period of the Loan. In case of change in expected remaining period of the Loan, the unamortised deferred employee benefits on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

3.18 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure trequired to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.19 Fair value measurement

The Company measures financial instruments, such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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- Level 2 - Valuation techniques for which the lowest level input that is material to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is material to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements regularly, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting period.

3.20 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.21 Business Combination under Common Control

A business combination, if any, involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonise material accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.22 Expenditure on issue of shares

Expenditure on issue of shares, if any, is charged to the securities premium account

1. Implementation of New/ Modified Standards

During the year, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind-AS. The Company has analysed the impact of these amendments which is not material to the Company. Further, MCA has not issued any new Ind-AS applicable to the company.

2. **Material management judgment in applying accounting policies and estimation of uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates- Such changes, if any, are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & future periods if it affects both current & future periods.

Material management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, the Company Management has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income tax Act, 1961 and thus, the special reserve created and maintained is not capable of being reversed. Hence, the company does not create any deferred tax liability on the said reserve.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Non recognition of Interest Income on Credit Impaired Loans - As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

Material estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may materially impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Material estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

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Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets to measure ECL.
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default)

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6 Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
- Cash on Hand (including imprest)	0.02	-
- Balances with Banks		
- in current accounts	46.24	31.31
- deposits with original maturity of 3 months or less	-	7.69
- Short term Investment in Debt Mutual Funds	-	-
Total	**46.26**	**39.00**

7 Bank Balances (other than Cash and Cash Equivalents)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
- Earmarked Balances with Banks		
- For unpaid dividends	1,192.72	6.79
- For Government funds for onward disbursement as grant	13.64	24.22
- Earmarked Term Deposits		
- Deposits in Compliance of Court Order	0.67	0.62
- Term Deposit- Debenture Redemption Reserves	-	196.35
- Balances with banks not available for use pending allotment of 54EC Capital Gain Tax Exemption Bonds	1,245.41	1,720.36
Total	**2,452.44**	**1,948.34**

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8 **Derivative Financial Instruments**

The Company enters into derivatives for hedging foreign exchange risks and interest rate risks. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Part I

(₹ in Crores)

	Particulars	As at 31-03-2024			As at 31-03-2023		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Currency Derivatives**						
	- Spot and forwards	-	-	-	-	-	-
	- Currency swaps	3,126.52	43.34	38.13	3,083.13	47.50	58.13
	- Others						
	- Call Spread	-	-	-	2,055.42	208.14	-
	- Seagull Options	1,21,107.24	11,070.97	411.82	80,362.47	8,007.42	87.89
	Sub-total (i)	**1,24,233.76**	**11,114.31**	**449.95**	**85,501.02**	**8,263.06**	**146.02**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	72,128.13	1,367.71	309.75	46,278.27	718.55	300.82
	Sub-total (ii)	**72,128.13**	**1,367.71**	**309.75**	**46,278.27**	**718.55**	**300.82**
(iii)	**Other derivatives**						
	- Reverse cross currency swaps	-	-	-	4,947.00	-	530.11
	Total - Derivative Financial Instruments (i+ii+iii)	**1,96,361.89**	**12,482.02**	**759.70**	**1,36,726.29**	**8,981.61**	**976.95**

Part II

Included in Part I are derivatives held for hedging and risk management purposes as below:

(₹ in Crores)

	Particulars	As at 31-03-2024			As at 31-03-2023		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Fair Value Hedging**						
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	15,950.70	-	297.73	15,950.70	10.32	289.34
	Sub-total (i)	**15,950.70**	**-**	**297.73**	**15,950.70**	**10.32**	**289.34**
(ii)	**Cash Flow Hedging**						
	- Currency Derivatives						
	- Currency Swaps	3,126.52	43.34	38.13	3,083.13	38.85	-
	- Others						
	- Call Spread	-	-	-	2,055.42	208.14	-
	- Seagull Options	1,21,107.24	11,070.96	411.82	80,362.47	7,979.02	85.76
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	49,477.43	905.30	12.02	23,627.57	337.69	11.48
	Sub-total (ii)	**1,73,711.19**	**12,019.60**	**461.97**	**1,09,128.59**	**8,563.70**	**97.24**
(iii)	Undesignated Derivatives	6,700.00	462.42	-	11,647.00	407.59	590.37
	Total - Derivative Financial Instruments (i+ii+iii)	**1,96,361.89**	**12,482.02**	**759.70**	**1,36,726.29**	**8,981.61**	**976.96**

Derivative financial instruments are measured at fair value at each reporting date. The changes in the fair value of derivatives designated as hedging instruments in effective cash flow hedges are recognised in Other Comprehensive Income. In case of fair value hedges, the changes in fair value of the derivatives designated as hedging instruments along with the fair value changes in the carrying amount of the hedged items are recognised in the Statment of Profit & Loss. For undesignated derivatives, the changes in the fair value are recognised in the Statement of Profit & Loss.

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9 **Loans**

The Company has categorised all loans at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024		As at 31-03-2023	
		Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A)	**Loans**				
(i)	Term Loans	4,62,090.27	4,63,975.61	4,08,463.40	4,09,638.42
(ii)	Working Capital Term Loans	47,280.68	47,596.96	26,548.39	26,709.24
	Total (A) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (A) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(B)	**Security Details**				
(i)	Secured by tangible assets	2,47,650.53	2,48,205.98	2,42,310.94	2,42,633.17
(ii)	Covered by Government Guarantees	2,24,500.49	2,25,967.86	1,72,069.58	1,73,004.21
(iii)	Unsecured	37,219.92	37,398.72	20,631.27	20,710.28
	Total (B) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (B) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(C)(I)	**Loans in India**				
(i)	Public Sector	4,54,647.08	4,56,894.28	3,93,225.23	3,94,571.78
(ii)	Private Sector	54,723.87	54,678.29	41,786.56	41,775.88
	Total (C)(I) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (C)(I) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(C)(II)	**Loans outside India**	-	-	-	-
	Less: Impairment loss allowance	-	-	-	-
	Total (C)(II) - Net Loans	-	-	-	-
	Total (C)(I) and (C)(II)	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**

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10 **Investments**

(₹ in Crores)

Particulars	Amortised Cost	At fair value			Sub-total	Others (At Cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7= 5+6)
As at 31st March, 2024							
Government Securities	1,624.08	-	-	-	1,624.08	-	1,624.08
Debt Securities	2,144.09	-	1,065.03	-	3,209.12	-	3,209.12
Equity Instrumnents	-	410.64	76.37		487.01	0.10	487.11
Preference Shares	28.72	-	-	-	28.72	-	28.72
Others	-	-	-		-	-	-
Total - Gross (A)	3,796.89	410.64	1,141.40	-	5,348.93	0.10	5,349.03
Investments outside India	-	-	-	-	-	-	-
Investments in India	3,796.89	410.64	1,141.40	-	5,348.93	0.10	5,349.03
Total - Gross (B)	3,796.89	410.64	1,141.40	-	5,348.93	0.10	5,349.03
Total Investments	3,796.89	410.64	1,141.40	-	5,348.93	0.10	5,349.03
Less: impairment loss allowance (C)	(28.72)	-	-	-	(28.72)	-	(28.72)
Total - Net (D=A-C)	3,768.17	410.64	1,141.40	-	5,320.21	0.10	5,320.31
As at 31st March, 2023							
Government Securities	1,431.74	-	-	-	1,431.74	-	1,431.74
Debt Securities	734.78	-	562.34	-	1,297.12	-	1,297.12
Equity Instruments	-	381.71	27.31		409.02	0.10	409.12
Preference Shares	28.72	-	-	-	28.72	-	28.72
Others	-	-	-	-	-	-	-
Total - Gross (A)	2,195.24	381.71	589.65	-	3,166.60	0.10	3,166.70
Investments outside India	-	-	-	-	-	-	-
Investments in India	2,195.24	381.71	589.65	-	3,166.60	0.10	3,166.70
Total - Gross (B)	2,195.24	381.71	589.65	-	3,166.60	0.10	3,166.70
Total Investments	2,195.24	381.71	589.65	-	3,166.60	0.10	3,166.70
Less: impairment loss allowance (C)	(28.72)	-	-	-	(28.72)	-	(28.72)
Total - Net (D=A-C)	2,166.52	381.71	589.65	-	3,137.88	0.10	3,137.98

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11 **Other financial assets**

The Company has categorised all the components under 'Other Financial Assets' at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	**Loans to Employees**	57.99	44.56
(B)	**Advances to Employees**	0.89	0.49
(C)	**Loans & Advances to Holding/ Subsidiary**	7.47	10.24
(D)	**Security Deposits**	1.44	1.03
(E)	**Recoverable from Government of India**		
	- Towards GoI Fully Serviced Bonds	24,319.40	24,318.29
(F)	**Other amounts recoverable**	104.63	120.39
	Less: Impairment Loss allowance	(67.30)	(94.72)
	Other Amounts Recoverable (Net)	**37.33**	**25.67**
	Total (A to F)	**24,424.52**	**24,400.28**

12 **Current tax assets (net)**

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Advance Income-tax & TDS	289.47	2,946.71
Provision for Income Tax	-	(2,655.88)
Sub-Total	**289.47**	**290.83**
Tax Deposited on income tax demands under contest	5.20	5.20
Provision for income tax for demand under contest	(0.25)	(0.25)
Sub-Total	**4.95**	**4.95**
Current tax assets (Net)	**294.42**	**295.78**

13 **Deferred tax assets (net)**

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred Tax Assets (Net)	**2,485.46**	**3,276.99**

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14 Property, Plant & Equipment and Intangible Assets

(₹ in Crores)

Particulars	Property, Plant & Equipment									Capital Work-in-Progress	Intangible Assets under Development	Other Intangible Assets
	Freehold Land	Right-of-Use Land	Buildings	Plant & equipment	Furniture & Fixtures	EDP Equipments	Office Equipments	Vehicles	Total	Immovable Property	Computer Software	Computer Software
Gross carrying value												
As at 31.03.2022	110.39	1.59	430.83	19.90	67.41	24.06	23.38	0.40	677.96	6.07	-	14.66
Additions	-	-	26.07	0.20	3.63	5.45	7.76	0.14	43.25	22.69	-	0.01
Borrowings Cost Capitalised										0.03		
Disposals	-	-	-	0.04	3.69	5.53	6.35	-	15.61	26.07	-	-
As at 31.03.2023	110.39	1.59	456.90	20.06	67.35	23.98	24.79	0.54	705.60	2.72	-	14.67
As at 31.03.2023	110.39	1.59	456.90	20.06	67.35	23.98	24.79	0.54	705.60	2.72	-	14.67
Additions	-	-	-	0.39	2.61	8.49	7.89	0.18	19.56	20.34	-	-
Borrowings Cost Capitalised									-	0.53		
Disposals/ Adjustments.	-	-	-	-	3.01	2.85	6.52	0.01	12.39	-	-	0.01
As at 31.03.2024	110.39	1.59	456.90	20.45	66.95	29.62	26.16	0.71	712.77	23.59	-	14.66
Accumulated depreciation/ amortisation												
As at 31.03.2022	-	0.37	13.51	0.95	10.44	16.81	11.64	0.37	54.29	-	-	10.41
Charge for the year	-	0.02	7.10	1.28	6.04	3.52	3.47	0.02	21.45	-	-	2.64
Adjustment for disposals	-	-	-	-	1.28	4.06	3.70	0.01	9.05	-	-	-
As at 31.03.2023	-	0.39	20.61	2.23	15.40	16.27	11.41	0.38	66.69	-	-	13.05
As at 31.03.2023	-	0.39	20.61	2.23	15.40	16.27	11.41	0.38	66.69	-	-	13.05
Charge for the year	-	0.02	7.21	1.29	6.09	4.29	3.68	0.04	22.62	-	-	1.10
Adjustment for disposals	-	-	-	-	1.50	1.85	3.40	-	6.75	-	-	0.01
As at 31.03.2024	-	0.41	27.82	3.52	19.99	18.71	11.69	0.42	82.56	-	-	14.14
Net block as at 31.03.2023	110.39	1.20	436.29	17.83	51.95	7.71	13.38	0.16	638.91	2.72	-	1.62
Net block as at 31.03.2024	110.39	1.18	429.08	16.93	46.96	10.91	14.47	0.29	630.21	23.59	-	0.52

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15 Other non-financial assets

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
	Unsecured, considered good		
(A)	Capital Advances	0.17	7.26
(B)	Other Advances	7.97	4.50
(C)	Balances with Government Authorities	37.47	26.11
(D)	Pre-Spent Corporate Social Responsibility (CSR) Expenses	5.15	7.70
(E)	Prepaid Expenses	21.96	13.23
(F)	Deferred Employee Benefits	15.81	10.84
(G)	Other Assets	0.01	0.01
	Total (A to G)	88.54	69.65

16 Assets Classified as Held for Sale

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Assets Classified as Held for Sale-Building	0.05	0.34
Total	0.05	0.34

Assets held for sale as on 31.03.2024 includes Rs. 0.01 crore under litigation pending the outcome, the asset cannot be re-auctioned (previous year nil).

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17 **Debt Securities**

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31.03.2024		As at 31.03.2023	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(A)	**Secured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,955.00	2,052.46	1,955.00	2,029.81
(ii)	54EC Capital Gain Tax Exemption Bonds	41,110.80	42,535.71	35,866.55	37,124.32
(iii)	Tax Free Bonds	8,998.71	9,326.50	10,307.08	10,671.07
(iv)	Bond Application Money pending allotment	1,245.41	1,244.57	1,720.36	1,719.42
	Sub-total (A)	**53,309.92**	**55,159.24**	**49,848.99**	**51,544.62**
(B)	**Unsecured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,72,275.29	1,78,093.90	1,48,262.70	1,52,705.20
(ii)	Infrastructure Bonds	3.96	9.32	3.96	8.63
(iii)	Foreign Currency Bonds	32,963.75	32,847.46	32,886.78	32,690.54
	Sub-total (B)	**2,05,243.00**	**2,10,950.68**	**1,81,153.44**	**1,85,404.37**
(C)	**Unsecured Short-Term Debt Securities**				
(i)	Commercial Paper	-	-	-	-
	Sub-total (C)	-	-	-	-
	Total - Debt Securities (A+B+C)	**2,58,552.92**	**2,66,109.92**	**2,31,002.43**	**2,36,948.99**
	Debt Securities issued in/ outside India				
(i)	Debt Securities in India	2,25,589.17	2,33,262.46	1,98,115.65	2,04,258.45
(ii)	Debt Securities outside India	32,963.75	32,847.46	32,886.78	32,690.54
	Total - Debt Securities	**2,58,552.92**	**2,66,109.92**	**2,31,002.43**	**2,36,948.99**

18 **Borrowings (Other than Debt Securities)**

The Company has categorised all borrowings (other than debt securities) at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31.03.2024		As at 31.03.2023	
		Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A)	**Unsecured Long-Term Borrowings**				
(i)	Term Loans from Banks	50,612.28	50,620.49	56,298.20	56,402.09
(ii)	Term Loans from Financial Institutions	8,050.00	8,072.29	6,000.00	6,000.64
(iii)	Term Loan in Foreign Currency	67,205.64	66,772.38	45,553.26	45,263.52
(iv)	Term Loans from Govt. of India (NSSF)	10,000.00	10,325.12	10,000.00	10,325.12
(v)	Lease Liability	-	-	0.02	0.02
	Sub-total (A)	**1,35,867.92**	**1,35,790.28**	**1,17,851.48**	**1,17,991.39**
(B)	**Unsecured Short-Term Borrowings**				
(i)	FCNR (B) Loans	25,138.67	25,151.29	15,424.22	15,427.63
(ii)	Short Term Loans/ Loans repayable on demand from Banks	10,875.94	10,883.04	3,600.00	3,607.52
(iii)	Overdrafts/ Cash Credit repayable on demand from Banks	267.44	267.44	87.59	87.59
	Sub-total (B)	**36,282.05**	**36,301.77**	**19,111.81**	**19,122.74**
	Total - Borrowings (other than Debt Securities) (A to B)	**1,72,149.97**	**1,72,092.05**	**1,36,963.29**	**1,37,114.13**
	Borrowings (other than Debt Securities) in/ outside India				
(i)	Borrowings in India	1,04,944.33	1,05,319.67	91,410.03	91,850.61
(ii)	Borrowings outside India	67,205.64	66,772.38	45,553.26	45,263.52
	Total - Borrowings (other than Debt Securities)	**1,72,149.97**	**1,72,092.05**	**1,36,963.29**	**1,37,114.13**

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REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

19 Subordinated Liabilities

The Company has categorised all subordinated liabilities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31.03.2024		As at 31.03.2023	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(i)	**115th Series - Subordinate Tier-II Bonds -** 8.06% Redeemable at par on 31.05.2023	-	-	2,500.00	2,668.34
(ii)	**175th Series - Subordinate Tier-II Bonds -** 8.97% Redeemable at par on 28.03.2029	2,151.20	2,091.95	2,151.20	2,079.90
(iii)	**199th Series - Subordinate Tier-II Bonds -** 7.96% Redeemable at par on 15.06.2030	1,999.50	2,041.60	1,999.50	2,025.06
(iv)	**222nd series - Perpetual Tier-I Bonds -** 7.98% with call option on 30.04.2033 and on annual anniversary date thereafter	2,000.00	2,145.28	-	-
(v)	**226th series - Perpetual Tier-I Bonds -** 8.03% with call option on 30.09.2033 and on annual anniversary date thereafter	1,090.00	1,133.38	-	-
	Total - Subordinated Liabilities	**7,240.70**	**7,412.21**	**6,650.70**	**6,773.30**
	Subordinated Liabilities in/ outside India				
(i)	Borrowings in India	7,240.70	7,412.21	6,650.70	6,773.30
(ii)	Borrowings outside India	-	-	-	-
	Total - Subordinated Liabilities	**7,240.70**	**7,412.21**	**6,650.70**	**6,773.30**

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20 Other Financial Liabilities

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	Unpaid Dividends	1,192.72	6.79
(B)	Unpaid Principal & Interest on Bonds		
	-Matured Bonds & Interest Accrued thereon	22.42	25.66
	- Interest on Bonds	10.52	11.17
	Sub-total (B)	32.94	36.83
(C)	Advance received towards variation margin	4,638.80	-
(D)	Funds Received from Government of India for Disbursement as Subsidy/ Grant (cumulative)	96,282.52	96,263.30
	Add: Interest on such funds (net of refund)	3.56	3.12
	Less: Disbursed to Beneficiaries (cumulative)	(96,269.71)	(96,238.70)
	Undisbursed Funds to be disbursed as Subsidy/ Grant	16.37	27.72
(E)	Payables towards Bonds Fully serviced by Government of India	24,382.40	24,318.29
(F)	Other Liabilities	1,577.43	784.95
	Total (A to F)	31,840.66	25,174.58

21 Current tax liabilities (net)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for Income Tax	3,283.85	-
Less: Advance Income-tax & TDS	(3,217.34)	-
Current tax liabilities (Net)	66.51	-

22 Provisions

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
	Provisions for		
(A)	Employee Benefits		
	Gratuity	0.13	2.68
	Earned Leave Liability	33.45	27.49
	Medical Leave Liability	21.52	20.61
	Settlement Allowance	2.40	1.76
	Economic Rehabilitation Scheme	4.92	4.17
	Long Service Award	4.51	2.89
	Incentive	36.55	33.47
	Others	1.07	2.00
	Sub-total (A)	104.55	95.07
(B)	Others		
	Expected Credit Loss on Letters of Comfort	32.02	15.87
	Sub-total (B)	32.02	15.87
	Total (A+B)	136.57	110.94

23 Other Non-financial Liabilities

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	Sundry Liabilities Account (Funded Interest Capitalisation)	47.80	2.80
(B)	Unbilled Liability towards Capital Account	48.38	48.38
(C)	Unamortised Fee on Undisbursed Loans	85.38	12.45
(D)	Statutory Dues	58.06	34.94
	Total (A to D)	239.62	98.57

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24 **Equity Share Capital**

(₹ in Crores)

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised : Equity shares of ₹ 10 each	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, Subscribed and Paid up : Fully paid up Equity shares of ₹ 10 each	2,63,32,24,000	2,633.22	2,63,32,24,000	2,633.22
Total	2,63,32,24,000	2,633.22	2,63,32,24,000	2,633.22

25 **Instruments entirely equity in nature**

(₹ in Crores)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	5,584	558.40	5,584	558.40
Total	5,584	558.40	5,584	558.40

26 **Other Equity**

(₹ in Crores)

	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Other Reserves**		
(i)	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	28,044.83	24,977.89
(ii)	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	687.76	-
(iii)	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	10,828.99	8,025.15
(iv)	Securities Premium	1,577.53	1,577.53
(v)	Foreign Currency Monetary Item Translation Difference Account	(675.14)	(790.44)
(vi)	General Reserve	11,978.44	11,978.44
(B)	**Retained Earnings**	13,363.40	9,930.77
(C)	**Other Comprehensive Income (OCI)**		
	- Equity Instruments through Other Comprehensive Income	(37.99)	(101.47)
	- Effective Portion of Cash Flow Hedges	(1,846.93)	600.05
	- Cost of Hedging reserve	1,690.64	(1,709.87)
	Total - Other Equity	65,591.53	54,488.05

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27 Interest Income

(₹ in Crores)

	Particulars	Year ended 31-03-2024			Year ended 31-03-2023		
		On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss
(A)	**Interest on Loan Assets**						
(i)	Long term financing	-	42,941.50	-	-	37,679.56	-
(ii)	Short term financing	-	2,717.24	-	-	680.35	-
	Sub-total (A)	-	**45,658.74**	-	-	**38,359.91**	-
(B)	**Interest Income from Investments**						
(i)	Interest from Long Term Investments	-	187.89	69.16	-	152.68	31.69
	Sub-total (B)	-	**187.89**	**69.16**	-	**152.68**	**31.69**
(C)	**Interest on Deposits with Banks**						
(i)	Interest from Deposits	-	315.22	-	-	111.28	-
	Sub-total (C)	-	**315.22**	-	-	**111.28**	-
(D)	**Other Interest Income**						
(i)	Interest on Delayed Payments by Borrowers	-	173.80	-	-	176.76	-
(ii)	Interest from Staff Advances	-	5.06	-	-	3.65	-
(iii)	Interest on Mobilisation Advance	-	0.24	-	-	0.27	-
	Sub-total (D)	-	**179.10**	-	-	**180.68**	-
	Total - Interest Income (A to D)	-	**46,340.95**	**69.16**	-	**38,804.55**	**31.69**

28 Dividend Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Dividend from Subsidiary Company	23.40	27.45
- Dividend from Other Investments	2.28	11.89
Total - Dividend Income	**25.68**	**39.34**

29 Fees and Commission Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Fees based Income	70.80	117.80
Prepayment Premium	50.74	47.16
Fee/ Other Income for Implementation of Government Schemes	114.49	122.21
Total - Fees and Commission Income	**236.03**	**287.17**

30 Other Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Net gain/ (loss) on disposal of assets classified as held for sale	1.32	4.08
Rental Income	17.85	17.16
Liabilities/Provision Written Back	21.69	-
Fees from Training Courses	12.33	7.73
Miscellaneous Income	14.66	15.70
Total - Other Income	**67.85**	**44.67**

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31 Finance Costs

Finance Costs have been incurred on financial liabilities measured at amortised cost.

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(i)	**Interest on Borrowings**		
	- Loans from Government of India (NSSF)	822.50	822.50
	- Loans from Banks/ Financial Institutions	5,461.62	3,934.76
	- External Commercial Borrowings	4,774.11	1,881.41
	Sub-Total (i)	**11,058.23**	**6,638.67**
(ii)	**Interest on Debt Securities**		
	- Domestic Debt Securities	15,090.00	13,316.68
	- Foreign Currency Debt Securities	1,553.60	1,442.43
	- Commercial Paper	135.64	-
	Sub-Total (ii)	**16,779.24**	**14,759.11**
(iii)	**Interest on Subordinated Liabilities**		
	- Subordinate Bonds	631.89	551.65
	Sub-Total (iii)	**631.89**	**551.65**
(iv)	**Other Interest Expense**		
	- Swap Premium	1,368.64	1,784.82
	- Interest on Variation Margin	114.70	-
	- Interest on Advance Income Tax	1.94	-
	- Interest on liability towards employee benefits	(4.84)	3.44
	Sub-Total (iv)	**1,480.44**	**1,788.26**
	Total - Finance Costs	**29,949.80**	**23,737.69**
	Less: Finance Costs Capitalised	(0.53)	(0.03)
	Total - Finance Costs (Net)	**29,949.27**	**23,737.66**

32 Net translation/ transaction exchange loss/ (gain)

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Net translation/ transaction exchange loss/ (gain)	166.57	1,114.04
Total	**166.57**	**1,114.04**

The figures above include amortisation of net translation/ transaction exchange loss/ (gain) on Long Term Foreign Currency Monetary Items recognised in the financial statements before 1st April 2018 amounting to ₹ 201.03 crores (Previous year ₹ 251.88 crores).

33 Fees and commission expense

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(i)	Guarantee Fee	1.71	2.92
(ii)	Listing and Trusteeship Fee	0.06	0.05
(iii)	Agency Fees	1.42	1.76
(iv)	Credit Rating Expenses	4.08	3.55
(v)	Other Finance Charges	16.99	8.01
	Total (i to v)	**24.26**	**16.29**

34 Net Gain/ (loss) on Fair Value Changes

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(A)	**Net gain/ (loss) on financial instruments at Fair Value through profit or loss**		
(i)	**On trading Portfolio**	-	-
(ii)	**Others**		
	- Changes in fair value of Derivatives	425.55	69.21
	- Changes in fair value of Long Term Investments	46.33	(25.45)
	- Changes in fair value of Short-term MF investments	2.60	1.55
	Sub-total (ii)	**474.48**	**45.31**
	Total (A)	**474.48**	**45.31**
	Breakup of Fair Value Changes		
	- Realised	(217.04)	336.35
	- Unrealised	691.52	(291.04)
	Total Net Gain/ (loss) on Fair Value Changes	**474.48**	**45.31**

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35 Impairment on financial instruments

(₹ in Crores)

	Particulars	Year ended 31-03-2024		Year ended 31-03-2023	
		On financial instruments	On financial instruments	On financial instruments	On financial instruments
(i)	- Loans *	-	(1,367.07)	-	105.14
(ii)	- Others	-	8.68	-	9.77
	Total (i+ii)	-	(1,358.39)	-	114.91

** Includes ₹ 16.14 crores (Previous year ₹ -5.03 crores) towards impairment allowance on Letter of Comfort.*

36 Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Salaries and Allowances*	132.59	136.33
- Contribution to Provident and Other Funds	32.44	8.20
- Rent towards Residential Accomodation for Employees	6.65	5.31
- Staff Welfare Expenses	42.16	31.79
Total	213.84	181.63

** Includes NIL (previous year ₹20.54 crores) incurred in compliance of order of Ministry of Power regarding regularisation of earlier adopted Pay Scales 1997 in respect of below Board Level Executives at par with other CPSEs.*

37 Depreciation and amortization

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Depreciation on Property, Plant & Equipment	22.62	21.45
- Amortization on Intangible Assets	1.10	2.64
Total	23.72	24.09

38 Corporate Social Responsibility Expenses

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
-Direct Expenditure	241.77	197.01
- Overheads	8.09	5.64
Total	249.86	202.65

39 Other Expenses

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Travelling and Conveyance	20.51	15.61
- Publicity & Promotion Expenses	31.74	9.87
- Repairs and Maintenance	23.40	21.07
- Rent, taxes and energy costs	5.57	5.80
- Insurance Charges	0.16	0.15
- Communication costs	2.32	2.33
- Printing & stationery	1.62	1.11
- Director's sitting fees	0.49	0.42
- Auditors' fees and expenses	1.76	1.55
- Legal & Professional Charges	11.64	13.62
- Net Loss on Disposal of Property, Plant & Equipment	5.56	6.64
- Training And Conference Expense	13.75	10.80
- Government Scheme Monitoring Expenses	11.88	9.60
- Other Expenditure	33.97	24.12
Total	164.38	122.69

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40 Tax Expense

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Current tax expense	3,293.00	2,668.58
- Current tax expense/ (benefit) pertaining to earlier years	2.09	(147.29)
Sub-total - Current Tax	**3,295.09**	**2,521.29**
- Deferred tax expense/ (credit)	466.34	162.84
Total	**3,761.43**	**2,684.13**

41 Earnings per Share

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Numerator		
Profit for the year from continuing operations as per Statement of Profit and Loss (₹ in Crores)*	13,985.91	11,021.34
Profit for the year from discontinued operations as per Statement of Profit and Loss (₹ in Crores)*	-	-
Profit for the year from continuing and discontinued operations as per Statement of Profit and Loss (₹ in Crores)*	13,985.91	11,021.34
Denominator		
Weighted average Number of equity shares	2,63,32,24,000	2,63,32,24,000
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing operations)	53.11	41.85
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for discontinued operations)	-	-
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing and discontinued operations)	53.11	41.85

** The profit denotes Profit after Tax less coupon expenses (net of taxes) of ₹ 33.30 crores (Previous period ₹ 33.30 crores) on Perpetual Debt Instruments entirely equity in nature.*

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REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

KAILASH CHAND JAIN & CO.
Chartered Accountants
819, Laxmi Deep Building,
Laxmi Nagar District Centre,
New Delhi-110092

SCV & CO. LLP.
Chartered Accountants
B-41, Panchsheel Enclave,
New Delhi- 110017

Independent Audit Report on Special Purpose Consolidated Ind AS Financial Statements for the year ended 31st March 2024 of REC Limited

To,
The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodhi Road,
New Delhi – 110003

We have audited the accompanying Special Purpose Consolidated Ind AS Financial Statements of REC Limited (the "Company") and its subsidiary (the company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at 31st March 2024, Statement of Consolidated Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of material accounting policies (together hereinafter referred as "Special Purpose Consolidated Ind AS Financial Statements".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose consolidated Ind AS financial statements give the information required by the Companies Act, 2013, (the "Act") in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31st March 2024, and its Profit (including other comprehensive income), changes in equity and cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special Purpose Consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Special Purpose Consolidated Ind AS Financial Statements

These Special Purpose Consolidated Ind AS Financial Statements, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in in all material respects, in accordance with the recognition and measurement principles of Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India. These Special Purpose Consolidated Ind AS Financial Statements have been prepared solely for the purpose of inclusion of financial information in respect

of fund-raising programmes of the Company and its Holding Company ("Power Finance Corporation Limited").

Other Matters

We did not audit the financial statement of the subsidiary included in the Special Purpose Consolidated Ind AS Financial Statements, whose financial reflect total revenue of ₹ 357.82 crores, total net profit after tax of ₹ 149.64 crores and total comprehensive income of ₹ 149.64 crores for the year ended 31st March 2024 and cash flows (net) of ₹ 206.80 crores for the year ended 31st March 2024, as considered in the Special Purpose Consolidated Ind AS Financial Statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor and the procedures performed by us as.

Our opinion on the Special Purpose Consolidated Ind AS Financial Statements is not modified in respect of this matter.

We did not audit the consolidated Ind AS financial statements of the Company for the financial year ended 31st March 2023. These consolidated Ind AS financial statements have been audited by other firms of Chartered Accountants who vide their report dated 17th May 2023 expressed an unmodified opinion on the consolidated financial results of the Company for the year ended 31st March 2023.

Our opinion on the Special Purpose Consolidated Ind AS Financial Statements is not modified in respect of this matter.

Restriction on Use

This report is intended solely for the use of the Company for the purpose of inclusion of financial information in respect of fund-raising programmes of the Company and its Holding Company thereto and should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s Kailash Chand Jain & Co.
Chartered Accountants,
ICAI Firm Registration: 112318W

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

Name - Saurabh Chouhan
Designation: Partner
Membership Number: 167453

UDIN: 24167453BKBFUD1219

For M/s SCV & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000235N/N500089

SCV & Co. LLP New Delhi NCR Chartered Accountants

Name - Abhinav Khosla
Designation: Partner
Membership Number: 087010

UDIN: 24087010BKBODQ9501

Date: 30th April 2024
Place: Mumbai

REC Limited

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

Consolidated Balance Sheet as at 31st March, 2024

(₹ in Crores)

S. No.	Particulars	Note No.	As at 31-03-2024	As at 31-03-2023
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	6	262.75	48.70
(b)	Bank balances other than (a) above	7	2,699.75	2,346.91
(c)	Trade receivables	8	153.82	113.00
(d)	Derivative financial instruments	9	12,482.02	8,981.61
(e)	Loans	10	4,99,192.05	4,22,083.91
(f)	Investments	11	5,352.32	3,170.00
(g)	Other financial assets	12	24,445.42	24,422.54
	Total - Financial Assets (1)		**5,44,588.13**	**4,61,166.67**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)	13	309.68	305.95
(b)	Deferred tax assets (net)	14	2,500.96	3,307.56
(c)	Property, Plant & Equipment	15	630.98	639.17
(d)	Capital Work-in-Progress	15	23.59	2.72
(e)	Other Intangible Assets	15	0.52	1.63
(f)	Other non-financial assets	16	117.03	74.40
	Total - Non-Financial Assets (2)		**3,582.76**	**4,331.43**
(3)	**Assets classified as held for sale**	17	20.20	4.65
	Total ASSETS (1+2+3)		**5,48,191.09**	**4,65,502.75**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	9	759.70	976.95
(b)	Trade Payables			
	(i) total outstanding dues of MSMEs	18	-	-
	(ii) total outstanding dues of creditors other than MSMEs	18	90.51	41.68
(c)	Debt Securities	19	2,66,063.24	2,36,902.33
(d)	Borrowings (other than debt securities)	20	1,72,092.08	1,37,114.13
(e)	Subordinated Liabilities	21	7,412.21	6,773.30
(f)	Other financial liabilities	22	31,959.49	25,345.11
	Total - Financial Liabilities (1)		**4,78,377.20**	**4,07,153.50**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)	23	66.51	10.65
(b)	Provisions	24	137.34	111.62
(c)	Other non-financial liabilities	25	259.79	106.45
	Total - Non-Financial Liabilities (2)		**463.64**	**228.72**
(3)	**Liabilities directly associated with assets classified as held for sale**	17	-	**0.02**
(4)	**EQUITY**			
(a)	Equity Share Capital	26	2,633.22	2,633.22
(b)	Instruments Entirely Equity In Nature	27	558.40	558.40
(c)	Other equity	28	66,158.63	54,928.89
	Total - Equity (4)		**69,350.25**	**58,120.51**
	Total - LIABILITIES AND EQUITY (1+2+3+4)		5,48,191.09	4,65,502.75
	Company Overview and Material Accounting Policies	1 to 5		

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC Limited

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

Consolidated Statement of Profit and Loss for the year ended 31st March 2024

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31-03-2024	Year ended 31-03-2023
	Revenue from Operations			
(i)	Interest Income	29	46,431.44	38,846.34
(ii)	Dividend Income	30	2.28	11.89
(iii)	Fees and Commission Income	31	236.03	287.17
(iv)	Net gain/ (loss) on fair value changes	37	474.48	45.31
(v)	Sale of services	32	360.52	287.55
I.	**Total Revenue from Operations (i to v)**		**47,504.75**	**39,478.26**
II.	Other Income	33	66.48	41.90
III.	**Total Income (I+II)**		**47,571.23**	**39,520.16**
	Expenses			
(i)	Finance Costs	34	29,947.74	23,733.33
(ii)	Net translation/ transaction exchange loss	35	166.57	1,114.04
(iii)	Fees and commission Expense	36	24.26	16.29
(iv)	Impairment on financial instruments	38	(1379.58)	142.17
(v)	Cost of services rendered	39	168.06	54.06
(vi)	Employee Benefits Expenses	40	238.03	204.10
(vii)	Depreciation and amortization	41	23.99	24.26
(viii)	Corporate Social Responsibility Expenses	42	251.78	203.91
(ix)	Other Expenses	43	170.44	130.33
IV.	**Total Expenses (i to ix)**		**29,611.29**	**25,622.49**
V.	**Profit before Tax (III-IV)**		**17,959.94**	**13,897.67**
VI.	**Tax Expense**	44		
(i)	**Current Tax**			
	- Current Year		3,329.10	2,720.50
	- Earlier Years		3.97	(147.45)
(ii)	Deferred Tax		481.41	157.64
	Total Tax Expense (i+ii)		**3,814.48**	**2,730.69**
VII.	**Profit for the period (V-VI)**		**14,145.46**	**11,166.98**
VIII.	**Other comprehensive Income/(Loss)**			
(i)	**Items that will not be reclassified to profit or loss**			
(a)	Re-measurement gains/(losses) on defined benefit plans		(0.99)	(5.99)
	- Tax impact on above		0.25	1.51
(b)	Changes in Fair Value of FVOCI Equity Instruments		96.34	(58.16)
	- Tax impact on above		(4.86)	(0.32)
	Sub-Total (i)		**90.74**	**(62.96)**
(ii)	**Items that will be reclassified to profit or loss**			
(a)	Effective Portion of Cash Flow Hedges		(3269.97)	542.33
	- Tax impact on above		822.99	(136.49)
(b)	Cost of hedging reserve		4,544.19	(1755.82)
	- Tax impact on above		(1143.68)	441.90
(c)	Income tax relating to these items			
	Sub-Total (ii)		**953.53**	**(908.08)**
	Other comprehensive Income/(Loss) for the period (i+ii)		**1,044.27**	**(971.04)**
IX.	**Total comprehensive Income for the period (VII+VIII)**		**15,189.73**	**10,195.94**
X.	**Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)**	45		
(1)	For continuing operations		53.59	42.28
(2)	For discontinued operations		-	-
(3)	For continuing and discontinued operations		53.59	42.28
	Company Overview and Material Accounting Policies	1 to 5		

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi NCR Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 03377212

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

Consolidated Statement of Cash Flows for the year ended 31st March 2024

(₹ in Crores)

PARTICULARS	Year ended 31-03-2024		Year ended 31-03-2023	
A. Cash Flow from Operating Activities :				
Net Profit before Tax	17,959.94		13,897.67	
Adjustments for:				
1. Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	5.58		6.65	
2. Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)		(4.08)	
3. Depreciation & Amortization	23.99		24.26	
4. Impairment allowance on Assets Classified as Held for Sale	(0.09)		0.03	
5. Impairment losses on Financial Instruments	(1,379.58)		142.17	
6. Loss/ (Gain) on Fair Value Changes (net)	(471.88)		(43.76)	
7. Effective Interest Rate (EIR) in respect of Loan Assets and Borrowings	(34.51)		(15.58)	
8. Interest on Commercial Paper	135.64		-	
9. Unrealised Foreign Exchange Translation Loss/ (Gain)	(993.07)		963.93	
10. Interest on Investments	(42.65)		(39.53)	
Operating profit before Changes in Operating Assets & Liabilities	15,202.05		14,931.76	
Inflow / (Outflow) on account of :				
1. Loan Assets	(75,017.32)		(50,424.82)	
2. Derivatives	(343.67)		790.33	
3. Other Financial and Non- Financial Assets	(1,495.79)		125.99	
4. Other Financial and Non- Financial Liabilities & Provisions	7,203.83		(108.70)	
Cash flow from Operations	(54,450.90)		(34,685.44)	
1. Income Tax Paid (including TDS)	(3,271.76)		(2,774.13)	
2. Income Tax refund	-		99.79	
Net Cash Flow from Operating Activities		(57,722.66)		(37,359.77)
B. Cash Flow from Investing Activities				
1. Sale of Property, Plant & Equipment	0.11		0.02	
2. Sale of assets held for sale	1.61		4.60	
3. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(33.63)		(17.67)	
4. Investment in Intangible Assets (including intangible assets under development & Capital Advances)	-		(0.01)	
5. Finance Costs Capitalised	(0.53)		(0.03)	
6. Sale/ (Investment) in Equity Shares	67.39		10.13	
7. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(997.94)		(457.82)	
8. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	(912.98)		(343.44)	
9. Sale/(Investment) of/in shares of associate companies (Net)	(15.75)		(0.82)	
10. Maturity/(Investment) of/in Corporate and Term deposits	60.78		(137.91)	
Net Cash Flow from Investing Activities		(1830.96)		(942.95)
C. Cash Flow from Financing Activities				
1. Issue/ (Redemption) of Rupee Debt Securities (net)	27,473.52		14,835.97	
2. Issue/ (Redemption) of Commercial Paper (net)	(135.64)		-	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Banks/ FIs (net)	3,640.02		14,808.94	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	30,921.49		11,643.52	
5. Expenses on issue of Bonus Equity Shares	-		(0.71)	
6. Raising/ (Redemption) of Subordinated Liabilities (net)	590.00		-	
7. Coupon payment on Perpetual Debt Instruments entirely equity in nature	(44.50)		(44.50)	
8. Payment of Dividend on Equity Shares	(2,857.05)		(3,120.37)	
9. Repayment towards Lease Liability	(0.02)		(0.01)	
Net Cash flow from Financing Activities		59,587.82		38,122.84
Net Increase/Decrease in Cash & Cash Equivalents		34.20		(179.68)
Cash & Cash Equivalents as at the beginning of the Year		(38.89)		140.99
Cash & Cash Equivalents as at the end of the Year		(4.69)		(38.89)

During the year, the Group has received Dividend of ₹ 2.28 crore (previous year ₹ 11.89 crore). Further, during the year, the Group has paid an amount of ₹ 249.42 crore (previous year ₹ 211.13 crore) towards Corporate Social Responsibility.

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC Limited

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

Consolidated Statement of Changes in Equity for the year ended 31st March 2024

A Equity share capital

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the period	2,633.22	1,974.92
Changes in equity share capital during the period*	-	658.30
Balance at the end of the period	2,633.22	2,633.22

** During the previous period, the Company has issued 65,83,06,000 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 3 (Three) equity share outstanding on the record date i.e. 18th August 2022.*

B Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the period	558.40	558.40
Changes in instruments entirely equity in nature during the period	-	-
Balance at the end of the period	558.40	558.40

C Other Equity

(₹ in Crores)

Particulars	Reserves & Surplus								Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	FVOCI-Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
	Special Reserve created u/s 36(1)(viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings					
Balance as at 31st March 2022	22,302.93	196.82	5,814.00	2,236.84	(855.29)	11,839.45	-	7,186.05	-	(37.98)	194.21	(396.96)	48,780.78
Profit for the year	-	-	-	-	-	-	-	11,166.98	-	-	-	-	11,166.98
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	(4.48)	-	-	-	-	(4.48)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	-	(58.48)	405.84	(1,313.92)	(966.56)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	11,162.50	-	(58.48)	405.84	(1,313.92)	10,195.94
Transferred to/ (from) Retained Earnings	2,674.96	-	2,211.15	-	-	-	-	(4,886.11)	-	-	-	-	-
Transferred to General Reserve	-	(196.82)	-	-	-	196.82	-	-	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	-	5.01		(5.01)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	-	(487.03)	-	-	-	-	-	-	-	(487.03)
Amortisation during the year	-	-	-	-	251.88	-	-	-	-	-	-	-	251.88
Coupon payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	-	-	-	-	-	-	-	(33.30)	-	-	-	-	(33.30)
Sub-Total	2,674.96	(196.82)	2,211.15	-	(235.15)	196.82	-	(4,918.40)	-	(5.01)	-	-	(268.45)
Utilised for issue of Bonus Equity Shares	-	-	-	(658.30)	-	-	-	-	-	-	-	-	(658.30)
Expenses incurred on issue of Bonus Equity Shares	-	-	-	(0.71)	-	-	-	-	-	-	-	-	(0.71)
Dividends	-	-	-	-	-	-	-	(3,120.37)	-	-	-	-	(3,120.37)
Sub-total- Transaction with owners	-	-	-	(659.01)	-	-	-	(3,120.37)	-	-	-	-	(3,779.38)
Balance as at 31st March 2023	24,977.89	-	8,025.15	1,577.53	(790.44)	12,036.27	-	10,313.78	-	(101.47)	600.05	(1,709.87)	54,928.89

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi NCR Chartered Accountants

REC LIMITED New Delhi

(₹ in Crores)

Particulars	Reserves & Surplus								Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	FVOCI-Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
	Special Reserve created u/s 36(1)(viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings					
Balance as at 31st March 2023	**24,977.89**	-	**8,025.15**	**1,577.53**	**(790.44)**	**12,036.27**	-	**10,313.78**	-	**(101.47)**	**600.05**	**(1,709.87)**	**54,928.89**
Profit for the year	-	-	-	-	-	-	-	**14,145.46**	-	-	-	-	14,145.46
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	(0.74)	-	-	-	-	(0.74)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	-	91.48	(2,446.98)	3,400.51	1,045.01
Total Comprehensive Income for the year	-	-	-	-	-	-	-	**14,144.72**	-	**91.48**	**(2,446.98)**	**3,400.51**	**15,189.73**
Transferred to/ (from) Retained Earnings	3,066.94	687.76	2,803.84	-	-	-	-	(6,558.54)	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	-	68.00	-	(48.00)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	-	(85.73)	-	-	-	-	-	-	-	(85.73)
Amortisation during the year	-	-	-	-	201.03	-	-	-	-	-	-	-	201.03
Coupon payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	-	-	-	-	-	-	-	(33.30)	-	-	-	-	(33.30)
Sub-total	**3,066.94**	**687.76**	**2,803.84**	-	**115.30**	-	-	**(6,543.84)**	-	**(48.00)**	-	-	**82.00**
Dividends	-	-	-	-	-	-	-	(4,042.00)	-	-	-	-	(4,042.00)
Sub-Total- Transaction with owners	-	-	-	-	-	-	-	**(4,042.00)**	-	-	-	-	**(4,042.00)**
Balance as at 31st March 2024	**28,044.83**	**687.76**	**10,828.99**	**1,577.53**	**(675.14)**	**12,036.27**	-	**13,872.66**	-	**(57.99)**	**(1,846.93)**	**1,690.64**	**66,158.63**

Place: Mumbai
Date: 30th April 2024

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

SCV & Co. LLP New Delhi Chartered Accountants

REC LIMITED New Delhi

Vivek Kumar Dewangan
Chairman & Managing Director
DIN - 01377212

REC Limited
Registered Office - Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi – 110003
CIN: L40101DL1969GOI005095

Notes to Accounts

1. **Company Overview**

REC Limited ("REC" or the "Company" or the "holding company") was incorporated in the year 1969. The Company is domiciled in India and is limited by shares, having its registered office and principal place of business at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India. The books of accounts are maintained at the Corporate Office situated at Plot no. I-4, Sector-29, Gurugram, Haryana, in addition to the registered office of the Company. The Company has offices spread across the country, mainly in the State Capitals and one training centre at Hyderabad.

The Company is a Government of India Enterprise engaged in extending financial assistance across the power sector value chain and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). Being an NBFC, the company is regulated by Reserve Bank of India.

The company has been accorded with the status of a 'Maharatna' Central Public Sector Enterprise by the Department of Public Enterprises, under the Ministry of Finance.

REC is a leading Infrastructure Finance Company in India and the principal products of REC are interest-bearing loans to State Electricity Boards, State Power utilities/State Power Departments and Private sector for all segments of Power infrastructure. During FY 2022-23, REC has also diversified into the Non-Power Infrastructure sector comprising Roads & Expressways, Metro Rail, Airports, IT Communication, Social and Commercial Infrastructure (Educational Institution, Hospitals), Ports and Electro-Mechanical (E&M) works in respect of various other sectors like Steel, Refinery, etc.

The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges.

The Company together with its subsidiaries is hereinafter referred to as 'the Group'.

2. **Basis of Preparation**

These Special Purpose Consolidated Financial Statements have been prepared for the purpose of inclusion of financial information in respect of fund raising programmes of the group and complies with the measurement principles laid down under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines including those issued by RBI. These financial statements for the period ended 31st March 2024 were authorized and approved by the Board of Directors on 30th April 2024.

Kailash Chand Jain & Co. Delhi-92 Chartered Accountants

REC LIMITED New Delhi

SCV & Co. LLP New Delhi Chartered Accountants

3. Material Accounting Policies

The material accounting policies applied in preparation of the consolidated financial statements are as given below:

3.1 Basis of consolidation

Subsidiary

Subsidiary is the entity controlled by the Group. The Group controls an entity when it has power over the investee, is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The Group combines the financial statements of the holding company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Equity accounted investees

The Group's interests in equity accounted investees comprise of the interests in associates and joint venture.

An associate is an entity, including an unincorporated entity, over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Interests in associates are accounted for using the equity method. These interests are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence ceases. However, in case where it is assessed that the investment/ interest in associates is held for sale, the interest in associates is accounted for under Ind AS 105.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence or joint control ceases.

3.2 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that here is no evidence of impairment.

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REC LIMITED New Delhi

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3.3 Basis of Preparation and Measurement

The consolidated financial statements have been prepared on going concern basis following accrual system of accounting on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. These policies have been applied consistently for all the periods presented in the consolidated financial statements.

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional currency of the Group.

3.4 Income recognition

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) costs and expenses of REC (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

For financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR), i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Interest on financial assets subsequently measured at fair value through profit and loss is recognized on an accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head interest income.

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Income from Government schemes

Income of agency fee on Government schemes is recognized on the basis of the services rendered and amount of fee sanctioned by the Ministry of Power.

Dividend income

Income from dividend on shares of corporate bodies and units of mutual funds is taken into account on accrual basis when right to receive payment is established.

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Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

Dividend on financial assets subsequently measured at fair value through profit and loss is recognised separately under the head 'Dividend Income'.

Other services

Fees/ charges on loan assets, other than those considered an adjustment to EIR, are accounted for on accrual basis. Pre-payment premium is accounted for by the Group in the year of receipt.

Revenue from sale of services

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group uses the principles laid down by the Ind AS 115 to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:

(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts - Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Professional charges to be charged from the selected bidders/developers for transmission projects put on tariff based bidding is accounted for in the year in which it is reasonably certain that the ultimate collection of the professional charges will be made.

Sale proceeds of Request for Proposal (RFP) documents is credited to the respective SPV and sale proceeds of Request for Qualification (RFQ) documents is retained by the Group and accounted as income of the Group.

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3.5 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

3.6 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.7 Foreign Currency Translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates prevailing on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit or Loss. However, for the long-term monetary items recognized in the consolidated financial statements before 01st April 2018, such gains and losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item, by recognition as income or expense in each of such periods.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date).

3.8 Property, Plant and Equipment (PPE)

Recognition and initial measurement

Land

Land held for use is initially recognized at cost. For land, as no finite useful life can be determined, related carrying amounts are not amortized.

Land also includes land treated as a Right of Use asset under lease agreement earlier classified as finance lease and is amortized over the lease term.

Other Tangible assets

PPE other than land is initially recognized at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group beyond one year. Maintenance or servicing costs of PPE are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation method, useful lives, residual value, and impairment)

PPE are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on PPE is provided on the straight-line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation on assets purchased/sold during the year is charged for the full month if the asset is in use for more than 15 days. Depreciation on assets purchased during the year up to Rs. 5,000/- is provided @ 100%.

The residual values, useful lives, and method of depreciation are reviewed at the end of each financial year. PPE other than land is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances.'

3.9 Intangible assets

Recognition and initial measurement

Intangible assets are initially measured at cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the Group.

Subsequent measurement (amortization method, useful lives and residual value)

All intangible assets with finite useful life are amortized on a straight line basis over the estimated useful lives, and a possible impairment is assessed if there is an indication that the intangible asset may be impaired. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates. Management estimates the useful life of intangible assets to be five years.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use. Advances paid for the

acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

3.10 Lease accounting:

The Group recognises a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as short-term or low-value lease.

The Group assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

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Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

3.11 Assets held for sale

Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such assets are measured at lower of carrying amount or fair value less selling costs.

Assets held for sale are presented separately from other assets in the Balance Sheet and are not depreciated or amortised while they are classified as held for sale.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

3.12 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL or at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment Allowance (expected credit loss) is recognized on financial assets carried at amortized cost.

Modification of cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Financial assets at FVOCI

FVOCI financial assets comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains

and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Group may transfer the same within equity.

De-recognition of financial assets

De-recognition of financial assets due to a substantial modification of terms and conditions

The Group derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

De-recognition of financial assets other than due to substantial modification

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

All derivative financial instruments designated under hedge accounting are recognised initially at fair value and reported subsequently at fair value at each reporting date. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

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At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

At the inception of each hedging relationship, the Group formally designates and documents the hedge relationship, in accordance with the Group's risk management objective and strategies. The documentation includes identification of the hedged item, hedging instrument, the nature of risk(s) being hedged, the hedge ratio and how the hedging relationship meets the hedging effectiveness requirements.

Fair Value Hedges

In line with the recognition of change in the fair value of the hedging instruments in the Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exit. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Statement of Profit and Loss.

3.13 Impairment of financial assets

Loan assets

The Group follows a 'three-stage' model for impairment in the form of Expected Credit Loss (ECL) based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

Loss Given Default (LGD) – LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

Exposure at Default (EAD) – EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

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Financial assets other than Loans

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Group also considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery or as directed by the order of the Judicial Authority.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.15 Dividend and Other Payments to holders of Instruments classified as Equity

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively. Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the Group.

3.16 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

3.17 Prepaid Expenses

A prepaid expense up to Rs. 1,00,000/- is recognized as expense upon initial recognition.

3.18 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

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Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.19 Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which the Group pays fixed contributions in respect of the employees into a separate fund. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Group towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

Defined benefit plan

The Group has an obligation towards Gratuity, Post-Retirement Medical Facility (PRMF), Provident Fund (PF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will

receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside.

The Group's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee benefits, which is amortised on a straight-line basis over the expected remaining period of the Loan. In case of change in expected remaining period of the Loan, the unamortised deferred employee benefits on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

3.20 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Group can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.21 Fair value measurement

The Group measures financial instruments, such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is material to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is material to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements regularly, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting period.

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3.22 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.23 Business Combination under Common Control

A business combination, if any, involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonise material accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.24 Expenditure on issue of shares

Expenditure on issue of shares, if any, is charged to the securities premium account

4. Implementation of New/ Modified Standards

During the year, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS. The Group has analysed the impact of these amendments, which is not material to the Group. Further, MCA has not issued any new Ind-AS applicable to the company.

5. Material management judgment in applying accounting policies and estimation of uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

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Changes in accounting estimates- Such changes, if any, are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & future periods if it affects both current & future periods.

Material management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, the Management has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income tax Act, 1961 and thus, the special reserve created and maintained is not capable of being reversed. Hence, the Group does not create any deferred tax liability on the said reserve.

Recognition of Deferred Tax Liability on Undistributed Reserves of Group Companies – The applicable tax laws provide for tax deduction in respect of dividend income from equity investments, to the extent of dividend declared by the Company to its shareholders during the year. Considering the historical information and dividend distribution policy of the Company, the Company does not expect any tax liability on the undistributed reserves of the Group Companies, as and when such reserves are distributed. Hence, the Company does not create any deferred tax liability on undistributed reserves of Group Companies.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Investment in SPVs – Transmission projects are managed as per the mandate from Government of India and the Group does not have the practical ability to direct the relevant activities of these projects unilaterally. The Group therefore considers its investment in respective SPVs as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

Non recognition of Interest Income on Credit Impaired Loans - As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

Material estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may materially impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Material estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Group makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets to measure ECL.
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default)

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6 Cash and cash equivalents

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
- Cash on Hand (including Imprest)	0.02	-
- Balances with Banks		
- in current accounts	67.63	41.01
- deposits with original maturity of 3 months or less	195.08	7.69
Total	262.75	48.70

7 Bank Balances (other than Cash and Cash Equivalents)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
- Earmarked Balances with Banks		
- For unpaid dividends	1,102.72	6.79
- For Government funds for onward disbursement as grant	69.55	170.63
- Earmarked Term Deposits		
- Deposits in Compliance of Court Order	0.67	0.62
- Term Deposit- Debenture Redemption Reserves	-	196.35
- Balances with banks not available for use pending allotment of 54EC Capital Gain Tax Exemption Bonds	1,245.41	1,710.36
-Other Term deposits	191.40	252.16
Total	2,609.75	2,346.91
- Term Deposits with remaining maturity more than 3 months but less than 12 months	168.39	181.30
- Term Deposits with original maturity more than 12 months	23.01	70.86

8 Trade Receivables

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	Unsecured, Considered good	115.13	128.73
	Less: Allowance for Expected Credit Loss	(8.83)	(25.67)
		106.30	103.06
(B)	Trade receivables which have significant increase in credit risk	58.90	37.62
	Less: Allowance for Expected Credit Loss	(16.58)	(28.07)
		42.32	9.55
(C)	Credit impaired receivables	39.46	56.35
	Less: Allowance for Expected Credit Loss	(34.26)	(55.96)
		5.20	0.39
	Total Trade Receivables (A+B+C)	153.82	113.00

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9 Derivative Financial Instruments

The Company enters into derivatives for hedging foreign exchange risks and interest rate risks. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Part I

(₹ in Crores)

	Particulars	As at 31-03-2024			As at 31-03-2023		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Currency Derivatives**						
	- Currency swaps	3,126.52	43.34	38.13	3,083.13	47.50	58.13
	- Others						
	- Call Spread	-	-	-	2,055.42	208.14	-
	- Seagull Options	1,21,107.24	11,070.97	411.82	80,362.47	8,007.42	87.89
	Sub-total (i)	**1,24,233.76**	**11,114.31**	**449.95**	**85,501.02**	**8,263.06**	**146.02**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	72,128.13	1,367.71	309.75	46,278.27	718.55	300.82
	Sub-total (ii)	**72,128.13**	**1,367.71**	**309.75**	**46,278.27**	**718.55**	**300.82**
(iii)	**Other derivatives**						
	- Reverse cross currency swaps	-	-	-	4,947.00	-	530.11
	Total - Derivative Financial Instruments (i + ii+iii)	**1,96,361.89**	**12,482.02**	**759.70**	**1,36,726.29**	**8,981.61**	**976.95**

Part II

Included in Part I are derivatives held for hedging and risk management purposes as below:

(₹ in Crores)

	Particulars	As at 31-03-2024			As at 31-03-2023		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Fair Value Hedging**						
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	15,950.70	-	297.73	15,950.70	10.32	289.34
	Sub-total (i)	**15,950.70**	**-**	**297.73**	**15,950.70**	**10.32**	**289.34**
(ii)	**Cash Flow Hedging**						
	- Currency Derivatives						
	- Currency Swaps	3,126.52	43.34	38.13	3,083.13	38.85	-
	- Others						
	- Call Spread	-	-	-	2,055.42	208.14	-
	- Seagull Options	1,21,107.24	11,070.96	411.82	80,362.47	7,979.02	85.76
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	49,477.43	905.30	12.02	23,627.57	337.69	11.48
	Sub-total (ii)	**1,73,711.19**	**12,019.60**	**461.97**	**1,09,128.59**	**8,563.70**	**97.24**
(iii)	Undesignated Derivatives	6,700.00	462.42	-	11,647.00	407.59	590.37
	Total - Derivative Financial Instruments (i+ii+iii)	**1,96,361.89**	**12,482.02**	**759.70**	**1,36,726.29**	**8,981.61**	**976.95**

Derivative financial instruments are measured at fair value at each reporting date. The changes in the fair value of derivatives designated as hedging instruments in effective cash flow hedges are recognised in Other Comprehensive Income. In case of fair value hedges, the changes in fair value of the derivatives designated as hedging instruments along with the fair value changes in the carrying amount of the hedged items are recognised in the Statment of Profit & Loss. For undesignated derivatives, the changes in the fair value are recognised in the Statement of Profit & Loss.

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30 Loans

The Company has categorised all loans at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024		As at 31-03-2023	
		Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A)	**Loans**				
(i)	Term Loans	4,62,090.27	4,63,975.61	4,08,463.40	4,09,638.42
(ii)	Working Capital Term Loans	47,280.68	47,596.96	26,548.39	26,709.24
	Total (A) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (A) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(B)	**Security Details**				
(i)	Secured by tangible assets	2,47,650.53	2,48,205.98	2,42,310.94	2,42,633.17
(ii)	Covered by Government Guarantees	2,24,500.49	2,25,967.86	1,72,069.58	1,73,004.21
(iii)	Unsecured	37,219.92	37,398.72	20,631.27	20,710.28
	Total (B) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (B) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(C)(I)	**Loans in India**				
(i)	Public Sector	4,54,647.08	4,56,894.28	3,93,225.23	3,94,571.78
(ii)	Private Sector	54,723.87	54,678.29	41,786.56	41,775.88
	Total (C)(I) - Gross Loans	**5,09,370.95**	**5,11,572.57**	**4,35,011.79**	**4,36,347.66**
	Less: Impairment loss allowance	(12,380.52)	(12,380.52)	(14,263.75)	(14,263.75)
	Total (C)(I) - Net Loans	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**
(C)(II)	**Loans outside India**	-	-	-	-
	Less: Impairment loss allowance	-	-	-	-
	Total (C)(II) - Net Loans	-	-	-	-
	Total (C)(I) and (C)(II)	**4,96,990.43**	**4,99,192.05**	**4,20,748.04**	**4,22,083.91**

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11 **Investments**

(₹ in Crores)

Particulars	Amortised Cost	At fair value			Sub-total	Others (At Cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7= 5+6)
As at 31st March, 2024							
Government Securities	1,624.08	-	-	-	1,624.08	-	1,624.08
Debt Securities	2,176.20	-	1,065.03	-	3,241.23	-	3,241.23
Equity Instruments	-	410.64	76.37	-	487.01	-	487.01
Preference Shares	28.72	-	-	-	28.72	-	28.72
Total - Gross (A)	**3,829.00**	**410.64**	**1,141.40**	-	**5,381.04**	-	**5,381.04**
Investments outside India	-	-	-	-	-	-	-
Investments in India	3,829.00	410.64	1,141.40	-	5,381.04	-	5,381.04
Total - Gross (B)	**3,829.00**	**410.64**	**1,141.40**	-	**5,381.04**	-	**5,381.04**
Total Investments	3,829.00	410.64	1,141.40	-	5,381.04	-	5,381.04
Less: impairment loss allowance (C)	(28.72)	-	-	-	(28.72)	-	(28.72)
Total - Net (D=A-C)	**3,800.28**	**410.64**	**1,141.40**	-	**5,352.32**	-	**5,352.32**
As at 31st March, 2023							
Government Securities	1,431.74	-	-	-	1,431.74	-	1,431.74
Debt Securities	766.90	-	562.34	-	1,329.24	-	1,329.24
Equity Instruments	-	381.71	27.31	-	409.02	-	409.02
Preference Shares	28.72	-	-	-	28.72	-	28.72
Total - Gross (A)	**2,227.36**	**381.71**	**589.65**	-	**3,198.72**	-	**3,198.72**
Investments outside India	-	-	-	-	-	-	-
Investments in India	2,227.36	381.71	589.65	-	3,198.72	-	3,198.72
Total - Gross (B)	**2,227.36**	**381.71**	**589.65**	-	**3,198.72**	-	**3,198.72**
Total Investments	2,227.36	381.71	589.65	-	3,198.72	-	3,198.72
Less: impairment loss allowance (C)	(28.72)	-	-	-	(28.72)	-	(28.72)
Total - Net (D=A-C)	**2,198.64**	**381.71**	**589.65**	-	**3,170.00**	-	**3,170.00**

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12 Other financial assets

The Company has categorised all the components under 'Other Financial Assets' at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	**Loans to Employees**	57.99	44.56
(B)	**Advances to Employees**	0.90	0.49
(C)	**Loans & Advances to Holding/ Subsidiary**	0.51	3.54
(D)	**Security Deposits**	1.55	1.52
(E)	**Recoverable from Government of India**		
	Towards GoI Fully Serviced Bonds	24,319.40	24,318.29
(F)	**Other amounts recoverable**	132.86	149.35
	Less: Impairment Loss allowance	(67.79)	(95.21)
	Other Amounts Recoverable (Net)	**65.07**	**54.14**
	Total (A to F)	**24,445.42**	**24,422.54**

13 Current tax assets (net)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Advance Income-tax & TDS	305.47	2,956.82
Less: Provision for Income Tax	(0.80)	(2,655.88)
Sub-Total (1)	**304.67**	**300.94**
Tax Deposited on income tax demands under contest	5.26	5.26
Provision for income tax for demand under contest	(0.25)	(0.25)
Sub-Total (2)	**5.01**	**5.01**
Current tax assets (Net)	**309.68**	**305.95**

14 Deferred tax assets (net)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred Tax Assets (Net)	**2,500.96**	**3,307.56**

15 Property, Plant & Equipment and Intangible Assets

(₹ in Crores)

Particulars	Property, Plant & Equipment									Capital Work-in-Progress	Intangible Assets under Development	Other Intangible Assets
	Freehold Land	Right-of-Use Land	Buildings	Plant & equipment	Furniture & Fixtures	EDP Equipments	Office Equipments	Vehicles	Total	Immovable Property	Computer Software	Computer Software
Gross carrying value												
As at 31.03.2022	110.39	1.59	430.85	19.90	67.75	16.71	26.15	0.40	681.72	6.07	-	14.81
Additions	-	-	26.07	0.20	3.64	5.49	7.76	0.14	43.30	22.60	-	0.01
Borrowings Cost Capitalised	-	-	-	-	-	-	-	-	-	0.03	-	-
Disposals	-	-	-	0.04	3.70	5.62	6.39	-	15.75	16.07	-	0.10
As at 31.03.2023	110.39	1.59	456.90	20.06	67.69	16.58	25.52	0.54	709.27	2.72	-	14.72
As at 31.03.2023	110.39	1.59	456.90	20.06	67.69	16.58	25.52	0.54	709.27	2.72	-	14.72
Additions	-	-	-	0.39	2.68	9.19	7.95	0.18	20.39	20.34	-	-
Borrowings Cost Capitalised	-	-	-	-	-	-	-	-	-	0.53	-	-
Disposals/ Adjustments	-	-	-	-	3.30	3.60	5.73	0.01	12.64	-	-	0.01
As at 31.03.2024	110.39	1.59	456.90	20.45	67.07	22.17	26.74	0.71	716.22	23.59	-	14.71
Accumulated depreciation/ amortisation												
As at 31.03.2022	-	0.37	13.53	0.95	10.94	19.23	12.32	0.37	57.69	-	-	10.53
Charge for the year	-	0.02	7.10	1.28	6.05	3.62	3.51	0.02	21.60	-	-	2.66
Adjustment for disposals	-	-	-	-	1.28	6.15	3.73	0.01	9.39	-	-	0.10
As at 31.03.2023	-	0.39	20.61	2.23	15.71	16.70	12.08	0.38	70.10	-	-	13.09
As at 31.03.2023	-	0.39	20.61	2.23	15.71	16.70	12.08	0.38	70.10	-	-	13.09
Charge for the year	-	0.02	7.21	1.29	6.13	4.49	3.70	0.04	22.89	-	-	1.11
Adjustment for disposals	-	-	-	-	1.59	2.55	3.63	-	7.74	-	-	0.01
As at 31.03.2024	-	0.41	27.82	3.52	20.25	20.64	12.15	0.42	85.24	-	-	14.19
Net block as at 31.03.2023	110.39	1.20	436.29	17.83	51.98	7.88	13.44	0.16	639.17	2.72	-	1.63
Net block as at 31.03.2024	110.39	1.18	429.08	16.93	47.02	11.53	14.56	0.29	630.98	23.59	-	0.52

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16 **Other non-financial assets**

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
	Unsecured, considered good		
(A)	Capital Advances	0.17	7.26
(B)	Other Advances	31.33	4.50
(C)	Balances with Govt. Authorities	42.36	30.81
(D)	Pre-Spent Corporate Social Responsibility (CSR) Expenses	5.34	7.70
(E)	Prepaid Expenses	22.01	13.28
(F)	Deferred Employee Cost	15.81	10.84
(G)	Other Assets	0.01	0.01
	Total (A to G)	**117.03**	**74.40**

17 **Assets classified as held for sale**

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	**Disposal Group**		
	(i) Investment in associates	0.90	0.65
	(ii) Loans to associates	19.25	13.39
	(iii) Provision for impairment on assets classified as held for sale	-	(9.73)
	Sub-Total (i+ii+iii)	**20.15**	**4.31**
(B)	Assets Classified as Held for Sale-Building	0.05	0.34
	Total (B)	**0.05**	**0.34**
	Grand Total (A+B)	**20.20**	**4.65**
	Liabilities directly associated with assets classified as held for sale		
(C)	Payable to associates	-	0.02
	Total (C)	-	**0.02**
	Net Assets held for sale (A+B-C)	**20.20**	**4.63**

18 **Trade Payables**

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Trade Payables		
Total outstanding dues of MSMEs	-	-
Total outstanding dues of creditors other than MSMEs	90.51	41.68
Total	**90.51**	**41.68**

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19 Debt Securities

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024		As at 31-03-2023	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(A)	**Secured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,955.00	2,052.46	1,955.00	2,029.81
(ii)	54EC Capital Gain Tax Exemption Bonds	41,110.80	42,535.71	35,866.55	37,124.32
(iii)	Tax Free Bonds	8,953.27	9,279.82	10,261.64	10,624.41
(iv)	Bond Application Money pending allotment	1,245.41	1,244.57	1,720.36	1,719.42
	Sub-total (A)	**53,264.48**	**55,112.56**	**49,803.55**	**51,497.96**
(B)	**Unsecured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,72,275.29	1,78,093.90	1,48,262.70	1,52,705.20
(ii)	Infrastructure Bonds	3.96	9.32	3.96	8.63
(iii)	Foreign Currency Bonds	32,963.75	32,847.46	32,886.78	32,690.54
	Sub-total (B)	**2,05,243.00**	**2,10,950.68**	**1,81,153.44**	**1,85,404.37**
(C)	**Unsecured Short-Term Debt Securities**				
(i)	Commercial Paper	-	-	-	-
	Sub-total (C)	-	-	-	-
	Total - Debt Securities (A+B+C)	**2,58,507.48**	**2,66,063.24**	**2,30,956.99**	**2,36,902.33**
	Debt Securities issued in/ outside India				
(i)	Debt Securities in India	2,25,543.73	2,33,215.78	1,98,070.21	2,04,211.79
(ii)	Debt Securities outside India	32,963.75	32,847.46	32,886.78	32,690.54
	Total - Debt Securities	**2,58,507.48**	**2,66,063.24**	**2,30,956.99**	**2,36,902.33**

20 Borrowings (Other than Debt Securities)

The Company has categorised all borrowings (other than debt securities) at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024		As at 31-03-2023	
		Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A)	**Unsecured Long-Term Borrowings**				
(i)	Term Loans from Banks	50,612.28	50,620.49	56,298.20	56,402.09
(ii)	Term Loans from Financial Institutions	8,050.00	8,072.29	6,000.00	6,000.64
(iii)	Term Loan in Foreign Currency	67,205.64	66,772.38	45,553.26	45,263.52
(iv)	Term Loans from Govt. of India (NSSF)	10,000.00	10,325.12	10,000.00	10,325.12
(v)	Lease Liability	-	-	0.02	0.02
	Sub-total (A)	**1,35,867.92**	**1,35,790.28**	**1,17,851.48**	**1,17,991.39**
(B)	**Unsecured Short-Term Borrowings**				
(i)	FCNR (B) Loans	25,138.67	25,151.29	15,424.22	15,427.63
(ii)	Short Term Loans/ Loans repayable on demand from Banks	10,875.94	10,883.04	3,600.00	3,607.52
(iii)	Overdrafts/ Cash Credit repayable on demand from Banks	267.44	267.44	87.59	87.59
	Sub-total (B)	**36,282.05**	**36,301.77**	**19,111.81**	**19,122.74**
	Total - Borrowings (other than Debt Securities) (A to B)	**1,72,149.97**	**1,72,092.05**	**1,36,963.29**	**1,37,114.13**
	Borrowings (other than Debt Securities) in/ outside India				
(i)	Borrowings in India	1,04,944.33	1,05,319.67	91,410.03	91,850.61
(ii)	Borrowings outside India	67,205.64	66,772.38	45,553.26	45,263.52
	Total - Borrowings (other than Debt Securities)	**1,72,149.97**	**1,72,092.05**	**1,36,963.29**	**1,37,114.13**

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21 Subordinated Liabilities

The Company has categorised all subordinated liabilities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31-03-2024		As at 31-03-2023	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(i)	115th Series - Subordinate Tier-II Bonds - 8.06% Redeemable at par on 31.05.2023	-	-	2,500.00	2,668.34
(ii)	175th Series - Subordinate Tier-II Bonds - 8.97% Redeemable at par on 28.03.2029	2,151.20	2,091.95	2,151.20	2,079.90
(iii)	199th Series - Subordinate Tier-II Bonds - 7.96% Redeemable at par on 15.06.2030	1,999.50	2,041.60	1,999.50	2,025.06
(iv)	222nd series - Perpetual Tier-I Bonds - 7.98% with call option on 30.04.2033 and on annual anniversary date thereafter	2,000.00	2,145.28	-	-
(v)	226th series - Perpetual Tier-I Bonds - 8.03% with call option on 30.09.2033 and on annual anniversary	1,090.00	1,133.38	-	-
	Total - Subordinated Liabilities	**7,240.70**	**7,412.21**	**6,650.70**	**6,773.30**
	Subordinated Liabilities in/ outside India				
(i)	Borrowings in India	7,240.70	7,412.21	6,650.70	6,773.30
(ii)	Borrowings outside India	-	-	-	-
	Total - Subordinated Liabilities	**7,240.70**	**7,412.21**	**6,650.70**	**6,773.30**

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22 Other Financial Liabilities

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	**Unpaid Dividends**	1,192.72	6.79
(B)	**Unpaid Principal & Interest on Bonds**		
	- Matured Bonds & Interest Accrued thereon	22.42	25.66
	- Interest on Bonds	10.52	11.17
	Sub-total (B)	**32.94**	**36.83**
(C)	**Advance received towards variation margin**	4,638.80	-
(D)	**Funds Received from Govt. of India for Disbursement as**	98,759.76	98,232.51
	Add: Interest on such funds (net of refund)	31.68	24.17
	Less: Disbursed to Beneficiaries (cumulative)	(98,717.49)	(98,095.33)
	Undisbursed Funds to be disbursed as Subsidy/ Grant	**73.95**	**161.35**
	Payables towards Bonds Fully serviced by Govt. of India	24,382.40	24,318.29
(E)			
(F)	Other Liabilities	1,638.68	821.85
	Total (A to F)	**31,959.49**	**25,345.11**

23 Current tax liabilities (net)

(₹ in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for Income Tax	3,283.85	(41.27)
Less: Advance Income-tax & TDS	(3,217.34)	51.92
Current tax liabilities (Net)	**66.51**	**10.65**

24 Provisions

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
	Provisions for		
(A)	**Employee Benefits**		
	Gratuity	0.13	2.68
	Earned Leave Liability	33.81	27.75
	Medical Leave Liability	21.52	20.61
	Settlement Allowance	2.40	1.76
	Economic Rehabilitation Scheme	4.92	4.17
	Long Service Award	4.51	2.89
	Incentive	36.96	33.89
	Others	1.07	2.00
	Sub-total (A)	**105.32**	**95.75**
(B)	**Others**		
	Expected Credit Loss on Letters of Comfort	32.02	15.87
	Sub-total (B)	**32.02**	**15.87**
	Total (A+B)	**137.34**	**111.62**

25 Other Non-Financial Liabilities

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	Sundry Liabilities Account (Funded Interest Capitalisation)	47.80	2.80
(B)	Unbilled Liability towards Capital Account	48.38	48.38
(C)	Unamortised Fee on Undisbursed Loans	85.38	12.45
(D)	Advance received from Govt. towards Govt. Schemes	-	0.10
(E)	Statutory Dues	78.23	42.72
	Total (A to E)	**259.79**	**106.45**

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26 Equity Share Capital

(₹ in Crores)

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised : Equity shares of ₹ 10 each	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, Subscribed and Paid up : Fully paid up Equity shares of ₹ 10 each	2,63,32,24,000	2,633.22	2,63,32,24,000	2,633.22
Total	**2,63,32,24,000**	**2,633.22**	**2,63,32,24,000**	**2,633.22**

27 Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Amount	Number	Amount
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	5,584	558.40	5,584	558.40
Total	**5,584**	**558.40**	**5,584**	**558.40**

28 Other Equity

(₹ in Crores)

	Particulars	As at 31-03-2024	As at 31-03-2023
(A)	**Other Reserves**		
(i)	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	28,044.83	24,977.89
(ii)	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	687.76	-
(iii)	Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934	10,828.99	8,025.15
(iv)	Securities Premium	1,577.53	1,577.53
(v)	Foreign Currency Monetary Item Translation Difference Account	(675.14)	(790.44)
(vi)	General Reserve	12,036.27	12,036.27
(B)	Retained Earnings	13,872.66	10,313.78
(C)	**Other Comprehensive Income (OCI)**		
	- Equity Instruments through Other Comprehensive Income	(57.99)	(101.47)
	- Effective Portion of Cash Flow Hedges	(1,846.93)	600.05
	- Cost of Hedging reserve	1,690.64	(1,709.87)
	Total - Other Equity (A+B+C)	**66,158.63**	**54,928.89**

Additions and deductions to the components of 'Other Equity' has been disclosed in 'Statement of Changes in Equity'.

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29 Interest Income

(₹ in Crores)

	Particulars	Year ended 31-03-2024			Year ended 31-03-2023		
		On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss
(A)	**Interest on Loan Assets**						
(i)	Long term financing	-	42,941.50	-	-	37,679.56	-
(ii)	Short term financing	-	2,717.24	-	-	680.35	-
	Sub-total (A)	-	45,658.74	-	-	38,359.91	-
(B)	**Interest Income from Investments**						
(i)	Interest from Long Term Investments	-	180.29	69.16	-	154.82	31.69
	Sub-total (B)	-	180.29	69.16	-	154.82	31.69
(C)	**Interest on Deposits with Banks**						
(i)	Interest from Deposits	-	331.51	-	-	118.51	-
	Sub-total (C)	-	331.51	-	-	118.51	-
(D)	**Other Interest Income**						
(i)	Interest on Delayed Payments by Borrowers	-	173.80	-	-	176.76	-
(ii)	Interest from Staff Advances	-	5.06	-	-	3.65	-
(iii)	Interest on Mobilisation Advance	-	0.24	-	-	0.27	-
(iv)	Unwinding of Discount of Security Deposits	-	0.10	-	-	0.16	-
(v)	Interest from SPVs	-	0.71	-	-	0.57	-
(vi)	Interest on Advance to parties	-	1.83	-	-	-	-
	Sub-total (D)	-	181.74	-	-	181.41	-
	Total - Interest Income (A to D)	-	46,362.28	69.16	-	38,814.65	31.69

30 Dividend Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Dividend from Long-Term Investments	2.28	11.89
Total - Dividend Income	2.28	11.89

31 Fees and Commission Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Fees based Income	70.80	117.80
Prepayment Premium	50.74	47.16
Fee for Implementation of Govt. Schemes	114.49	122.21
Total - Fees and Commission Income	236.03	287.17

32 Sale of services

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Consultancy Engineering Services	360.52	287.55
Total	360.52	287.55

33 Other Income

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Net gain/ (loss) on disposal of assets classified as held for sale	1.32	4.08
Rental Income	13.96	12.82
Liabilities/Provision Written Back	23.90	1.57
Fees from Training Courses	12.33	7.73
Interest from Income Tax Refund	0.28	-
Miscellaneous Income	14.69	15.70
Total - Other Income	66.48	41.90

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34 Finance Costs

Finance Costs have been incurred on financial liabilities measured at amortised cost.

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(i)	**Interest on Borrowings**		
	- Loans from Govt. of India (NSSF)	822.50	822.50
	- Loans from Banks/ Financial Institutions	5,461.62	3,934.76
	- External Commercial Borrowings	4,774.11	1,881.41
	Sub-Total (i)	**11,058.23**	**6,638.67**
(ii)	**Interest on Debt Securities**		
	- Domestic Debt Securities	15,086.29	13,312.17
	- Foreign Currency Debt Securities	1,553.60	1,442.43
	- Commercial Paper	135.64	-
	Sub-Total (ii)	**16,775.53**	**14,754.60**
(iii)	**Interest on Subordinated Liabilities**		
	- Subordinate Bonds	631.89	551.65
	Sub-Total (iii)	**631.89**	**551.65**
(iv)	**Other Interest Expense**		
	- Swap Premium	1,368.64	1,784.82
	- Interest on Variation Margin	114.70	-
	- Interest on Advance Income Tax	4.01	-
	- Interest on liability towards employee benefits	(4.84)	3.44
	- Miscellaneous interest expense	0.11	0.18
	Sub-Total (iv)	**1,482.62**	**1,788.44**
	Total - Finance Costs	**29,948.27**	**23,733.36**
	Less: Finance Costs Capitalised	(0.53)	(0.03)
	Total - Finance Costs (Net)	**29,947.74**	**23,733.33**

35 Net translation/ transaction exchange loss/ (gain)

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Net translation/ transaction exchange loss/ (gain)	166.97	1,114.04
Total	**166.97**	**1,114.04**

The figures above include amortisation of net translation/ transaction exchange loss/ (gain) on Long Term Foreign Currency Monetary Items recognised in the financial statements before 1st April 2018 amounting to ₹ 203.03 crores (Previous year ₹ 253.88 crores).

36 Fees and commission expense

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(i)	Guarantee Fee	1.71	1.92
(ii)	Listing and Trusteeship Fee	0.86	0.05
(iii)	Agency Fees	1.42	1.76
(iv)	Credit Rating Expenses	4.88	3.55
(v)	Other Finance Charges	16.99	8.01
	Total (i to v)	**24.86**	**15.29**

37 Net Gain/ (loss) on Fair Value Changes

(₹ in Crores)

	Particulars	Year ended 31-03-2024	Year ended 31-03-2023
(A)	**Net gain/ (loss) on financial instruments at Fair Value through profit or loss**		
(i)	**On trading Portfolio**	-	-
(ii)	**Others**		
	- Changes in fair value of Derivatives	425.55	69.21
	- Changes in fair value of Long Term Investments	46.33	(25.45)
	- Changes in fair value of Short-term MF investments	2.60	1.55
	Sub-total (ii)	**474.48**	**45.31**
	Total (A)	**474.48**	**45.31**
	Breakup of Fair Value Changes		
	- Realised	(217.04)	336.35
	- Unrealised	691.52	(291.04)
	Total Net Gain/ (loss) on Fair Value Changes	**474.48**	**45.31**

Fair value changes in this schedule are other than those arising on account of accrual interest income/ expense and represents changes in fair value of derivatives designated as economic hedges not designated under hedge accounting and ineffective hedge

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38 **Impairment on financial instruments**

(₹ in Crores)

	Particulars	Year ended 31-03-2024		Year ended 31-03-2023	
		On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost	On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost
(i)	- Loans *	-	(1,367.07)	-	105.14
(ii)	- Others	-	(12.51)	-	37.03
	Total (i+ii)	-	(1,379.58)	-	142.17

** includes ₹ 16.14 crores (Previous year ₹ -5.03 crores) towards impairment allowance on Letter of Comfort.*

39 **Cost of services rendered**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Project Expenses	168.06	54.06
Total	168.06	54.06

40 **Employee Benefits Expense**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Salaries and Allowances	157.24	157.43
- Contribution to Provident and Other Funds	32.87	8.57
- Rent towards Residential Accomodation for Employees	8.65	3.31
- Staff Welfare Expenses	41.27	32.79
Total	239.03	204.10

** includes NIL (previous year ₹20.54 crores) incurred in compliance of order of Ministry of Power regarding regularisation of earlier adopted Pay Scales 2007 in respect of below Board Level Executives at par with other CPSEs.*

41 **Depreciation and amortization**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Depreciation on Property, Plant & Equipment	22.88	21.60
- Amortization on Intangible Assets	1.11	2.66
Total	23.99	24.26

42 **Corporate Social Responsibility Expenses**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Direct Expenditure	243.69	198.27
- Overheads	8.09	5.64
Total	251.78	203.91

43 **Other Expenses**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Travelling and Conveyance	23.01	18.26
- Publicity & Promotion Expenses	32.28	10.78
- Repairs and Maintenance	26.55	22.93
- Rent, taxes and energy costs	7.74	7.92
- Insurance Charges	0.16	0.15
- Communication costs	2.38	2.39
- Printing & stationery	1.74	1.26
- Director's sitting fees	0.49	0.42
- Auditors' fees and expenses	1.84	1.62
- Legal & Professional Charges	13.76	16.35
- Net Loss on Disposal of Property, Plant & Equipment	5.56	6.64
- Training And Conference Expense	13.76	10.80
- Govt. Scheme Monitoring Expenses	9.32	8.42
- Other Expenditure	31.85	22.39
Total	170.44	130.33

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44 **Tax Expense**

(₹ in Crores)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
- Current tax expense	3,329.10	2,721.50
- Current tax expense/ (benefit) pertaining to earlier years	3.97	(147.45)
Sub-total - Current Tax	**3,333.07**	**2,573.05**
- Deferred tax expense/ (credit)	481.41	157.64
Total	**3,814.48**	**2,730.69**

45 **Earnings per Share**

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Numerator		
Profit for the year from continuing operations as per Statement of Profit and Loss (₹ in Crores)*	14,112.16	11,133.68
Profit for the period from discontinued operations as per Statement of Profit and Loss (₹ in Crores)*	-	-
Profit for the year from continuing and discontinued operations as per Statement of Profit and Loss (₹ in Crores)*	14,112.16	11,133.68
Denominator		
Weighted average Number of equity shares	2,63,32,24,000	2,63,32,24,000
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing operations)	53.59	42.28
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for discontinued operations)	-	-
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing and discontinued operations)	53.59	42.28

** The profit denotes Profit after Tax less coupon expenses (net of taxes) of ₹ -53.30 crores (Previous period ₹ -53.30 crores) on Perpetual Debt Instruments entirely equity in nature.*

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New Delhi-110049.

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Chartered Accountants
B-225, 5th Floor,
Okhla Industrial Area Phase-I
New Delhi- 110020.

Independent Auditor's Report on Quarterly and Year to date Audited Standalone Financial Results of REC Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly and year to date financial results of **REC Limited** (the company) for the quarter and year to date ended 31st March 2023 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year to date ended 31st March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in

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accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note No. 4 to the financial results regarding the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.

Our opinion is not modified in respect of above matter.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of the interim financial statements. The Company's management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

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to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial results include the results for the quarter ended 31st March 2023 being the balancing figure between the audited figures in respect of the full financial year ended 31st March 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the listing regulations.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 23072290BGYVDI2762

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

O P BAGLA & CO LLP FRN : 000018N/N500091 New Delhi Chartered Accountants

Name : Atul Aggarwal
Designation : Partner
Membership Number : 092656
UDIN : 23092656BGUFNG3405

Place : Mumbai
Date : 17th May 2023

S.K. Mittal & Co.
Chartered Accountants
E-29 South Extension Part-II
New Delhi-110049.

O P Bagla & Co. LLP
Chartered Accountants
B-225, 5th Floor,
Okhla Industrial Area Phase-I
New Delhi- 110020.

Independent Auditors' Report on Quarterly and Year-to-Date Consolidated Results of REC Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying consolidated quarterly and year to date financial results of **REC Limited** (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group) for the quarter and year to date ended 31st March 2023 attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements /financial results/ financial information of the subsidiary, the aforesaid consolidated financial results:

a. include the annual financial results of the **REC Power Development and Consultancy Limited**, the Subsidiary.
b. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
c. give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial

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O P BAGLA & CO. LLP FRN: 000018N/N500091 New Delhi Chartered Accountants

information of the Group for the quarter and year to date ended 31st March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditor in terms of his report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note No. 4 to the financial results regarding the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.

Our opinion is not modified in respect of above matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

O P BAGLA & CO LLP FRN: 000018N/N500097 New Delhi Chartered Accountants

the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective company's management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

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- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

(a) We did not audit the financial statements of the subsidiary included in the consolidated financial results, whose financial statements reflect total assets of ₹ 680.50 crores as at 31st March 2023, total revenue of ₹ 145.72 crores and ₹ 307.27 crores, total net profit/(loss) after tax of ₹ 77.14 crores and ₹ 139.79 crores, total comprehensive income/ (loss) of ₹ 77.14 crores and ₹ 139.79 crores for the quarter ended 31st March 2023 and for the period from 1st April 2022 to 31st March 2023 respectively, and cash flows (net) of ₹ (4.89) crores for the period from 1st April 2022 to 31st March 2023 as considered in the respective audited financial

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

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statements of the entities included in the Group, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

(b) The Financial Results include the results for the quarter ended 31st March 2023 being the balancing figure between the audited figures in respect of the full financial year ended 31st March 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 23072290BGYVDJ1570

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

O P BAGLA & CO. LLP FRN 000018N/N500091 New Delhi Chartered Accountants

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 23087537BGXEFP8771

Place : Mumbai
Date : 17th May 2023

REC Limited

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

Statement of Audited Standalone Financial Results for the quarter and year ended 31-03-2023

(₹ in Crores)

S. No.		Particulars	Quarter Ended			Year Ended	
			31-03-2023 (Audited)	31-12-2022 (Unaudited)	31-03-2022 (Audited)	31-03-2023 (Audited)	31-03-2022 (Audited)
1		**Income**					
	A	**Interest income**					
	(i)	Interest income on loan assets	9,903.61	9,660.06	9,235.26	38,359.91	37,810.84
	(ii)	Other interest income	90.94	119.56	80.01	476.33	375.62
		Sub-total (A) - Interest Income	**9,994.55**	**9,779.62**	**9,315.27**	**38,836.24**	**38,186.46**
	B	**Other Operating Income**					
	(i)	Dividend income	15.00	14.44	10.02	39.34	26.64
	(ii)	Fees and commission income	134.49	62.61	198.82	287.17	572.82
	(iii)	Net gain/ (loss) on fair value changes	(30.77)	(161.78)	55.99	45.31	346.57
		Sub-total (B) - Other Operating Income	**118.72**	**(84.73)**	**264.83**	**371.82**	**946.03**
	C	**Total Revenue from Operations (A+B)**	**10,113.27**	**9,694.89**	**9,580.10**	**39,208.06**	**39,132.49**
	D	Other Income	10.69	16.82	21.47	44.67	97.96
		Total income (C+D)	**10,123.96**	**9,711.71**	**9,601.57**	**39,252.73**	**39,230.45**
2		**Expenses**					
	A	Finance costs	6,497.34	6,134.96	5,353.08	23,737.66	22,052.91
	B	Net translation/ transaction exchange loss/ (gain)	(30.21)	207.91	471.18	1,114.04	799.05
	C	Fees and commission expense	4.94	4.43	4.42	16.29	16.73
	D	Impairment on financial instruments	(319.65)	(293.82)	754.34	114.91	3,473.31
	E	Employee benefits expenses	25.19	50.23	36.31	181.63	159.61
	F	Depreciation and amortization	6.25	6.10	5.43	24.09	17.96
	G	Corporate social responsibility expenses	87.76	20.44	110.07	202.65	170.67
	H	Other expenses	41.12	22.50	33.62	122.69	115.31
		Total expenses (A to H)	**6,312.74**	**6,152.75**	**6,768.45**	**25,513.96**	**26,805.55**
3		**Profit before tax (1-2)**	**3,811.22**	**3,558.96**	**2,833.12**	**13,738.77**	**12,424.90**
4		**Tax expense**					
	A	**Current tax**					
		- Current year	716.54	634.56	673.49	2,668.58	3,051.33
		- Earlier years	-	(56.93)	(3.96)	(147.29)	(3.96)
	B	**Deferred tax**	93.77	103.25	(124.29)	162.84	(668.39)
		Total tax expense (A+B)	**810.31**	**680.88**	**545.24**	**2,684.13**	**2,378.98**
5		**Net profit for the period (3-4)**	**3,000.91**	**2,878.08**	**2,287.88**	**11,054.64**	**10,045.92**
6		**Other comprehensive Income/(Loss)**					
	(i)	**Items that will not be reclassified to profit or loss**					
	(a)	Re-measurement gains/(losses) on defined benefit plans	(3.63)	-	(8.84)	(5.99)	(8.33)
		- Tax impact on above	0.92	-	2.23	1.51	2.10
	(b)	Changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income (FVOCI)	(13.78)	(7.67)	(17.80)	(58.16)	22.19
		- Tax impact on above	-	(0.21)	3.43	(0.32)	2.55
		Sub-total (i)	**(16.49)**	**(7.88)**	**(20.98)**	**(62.96)**	**18.51**
	(ii)	**Items that will be reclassified to profit or loss**					
	(a)	Effective portion of gains and loss on hedging instruments in cash flow hedges	62.97	(239.04)	332.90	542.33	480.84
		- Tax impact on above	(15.85)	60.17	(83.79)	(136.49)	(121.02)
	(b)	Cost of hedging reserve	819.52	77.01	(657.10)	(1,755.82)	(584.51)
		- Tax impact on above	(206.26)	(19.38)	165.38	441.90	147.11
		Sub-total (ii)	**660.38**	**(121.24)**	**(242.61)**	**(908.08)**	**(77.58)**
		Other comprehensive Income/(Loss) for the period (i+ii)	**643.89**	**(129.12)**	**(263.59)**	**(971.04)**	**(59.07)**
7		**Total comprehensive income for the period (5+6)**	**3,644.80**	**2,748.96**	**2,024.29**	**10,083.60**	**9,986.85**
8		**Paid up equity share capital (Face Value ₹10 per share)**	2,633.22	2,633.22	1,974.92	2,633.22	1,974.92
9		**Other equity (as per audited balance sheet as at 31st March)**				55,046.45	49,010.68
10		**Basic & Diluted earnings per equity share of ₹ 10 each (in ₹) (not annualised)**					
	A	For continuing operations	**11.27**	**10.93**	**8.56**	**41.86**	**38.02**
	B	For discontinued operations	-	-	-	-	-
	C	For continuing and discontinued operations	**11.27**	**10.93**	**8.56**	**41.86**	**38.02**

See accompanying notes to the financial results.

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

O P BAGLA & CO LLP FRN: 000018N/N500091 New Delhi Chartered Accountants

Statement of Audited Consolidated Financial Results for the quarter and year ended 31-03-2023

(₹ in Crores)

S. No.		Particulars	Quarter Ended			Year Ended	
			31-03-2023 (Audited)	31-12-2022 (Unaudited)	31-03-2022 (Audited)	31-03-2023 (Audited)	31-03-2022 (Audited)
1		**Income**					
	A	**Interest Income**					
	(i)	Interest income on loan assets	9,903.61	9,660.06	9,235.26	38,359.91	37,810.84
	(ii)	Other interest income	94.84	121.65	81.72	486.43	383.65
		Sub-total (A) - Interest Income	**9,998.45**	**9,781.71**	**9,316.98**	**38,846.34**	**38,194.49**
	B	**Other Operating Income**					
	(i)	Dividend income	2.32	8.58	2.49	11.89	4.21
	(ii)	Fees and commission income	134.49	62.61	198.82	287.17	572.82
	(iii)	Net gain/ (loss) on fair value changes	(30.77)	(161.78)	55.99	45.31	346.57
	(iv)	Sale of services	138.57	90.64	59.08	287.55	150.96
		Sub-total (B) - Other Operating Income	**244.61**	**0.05**	**316.38**	**631.92**	**1,074.56**
	C	**Total Revenue from Operations (A+B)**	**10,243.06**	**9,781.76**	**9,633.36**	**39,478.26**	**39,269.05**
	D	Other Income	11.57	13.71	22.63	41.90	70.15
		Total income (C+D)	**10,254.63**	**9,795.47**	**9,655.99**	**39,520.16**	**39,339.20**
2		**Expenses**					
	A	Finance costs	6,496.22	6,133.94	5,353.08	23,733.33	22,050.96
	B	Net translation/ transaction exchange loss/ (gain)	(30.21)	207.91	471.18	1,114.04	799.05
	C	Fees and commission expense	4.94	4.43	4.42	16.29	16.73
	D	Impairment on financial instruments	(309.78)	(275.18)	761.86	142.17	3,470.02
	E	Cost of services rendered	22.50	7.73	17.57	54.06	65.11
	F	Employee benefits expenses	29.24	57.00	43.25	204.10	180.84
	G	Depreciation and amortization	6.28	6.12	5.50	24.26	18.24
	H	Corporate social responsibility expenses	88.07	20.62	110.89	203.91	172.35
	I	Other expenses	46.14	22.66	30.93	130.33	123.56
		Total Expenses (A to I)	**6,353.40**	**6,185.24**	**6,798.68**	**25,622.49**	**26,896.86**
3		**Share of Profit/ (loss) of Joint Venture accounted for using equity method**	-	-	-	-	**(11.81)**
4		**Profit before Tax (1-2+3)**	**3,901.23**	**3,610.23**	**2,857.31**	**13,897.67**	**12,430.53**
5		**Tax Expense**					
	A	**Current Tax**					
		- Current Year	743.54	653.24	681.89	2,720.50	3,069.23
		- Earlier Years	(0.16)	(56.93)	(3.96)	(147.45)	(3.96)
	B	**Deferred Tax**	92.48	98.59	(121.95)	157.64	(670.44)
		Total Tax Expense (A+B)	**835.86**	**694.90**	**555.98**	**2,730.69**	**2,394.83**
6		**Net profit for the period (4-5)**	**3,065.37**	**2,915.33**	**2,301.33**	**11,166.98**	**10,035.70**
7		**Other comprehensive Income/(Loss)**					
	(i)	**Items that will not be reclassified to profit or loss**					
	(a)	Re-measurement gains/(losses) on defined benefit plans	(3.63)	-	(8.84)	(5.99)	(8.33)
		- Tax impact on above	0.92	-	2.23	1.51	2.10
	(b)	Changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income (FVOCI)	(13.78)	(7.67)	(17.80)	(58.16)	22.19
		- Tax impact on above	-	(0.21)	3.43	(0.32)	2.55
	(c)	Share of Profit of Joint Venture accounted for using equity method	-	-	-	-	(0.02)
		- Tax impact on above	-	-	-	-	-
		Sub-total (i)	**(16.49)**	**(7.88)**	**(20.98)**	**(62.96)**	**18.49**
	(ii)	**Items that will be reclassified to profit or loss**					
	(a)	Effective portion of gains and loss on hedging instruments in cash flow hedges	62.97	(239.04)	332.90	542.33	480.84
		- Tax impact on above	(15.85)	60.17	(83.79)	(136.49)	(121.02)
	(b)	Cost of hedging reserve	819.52	77.01	(657.10)	(1,755.82)	(584.51)
		- Tax impact on above	(206.26)	(19.38)	165.38	441.90	147.11
	(c)	Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	-	-	-	-	1.19
		- Tax impact on above	-	-	-	-	-
		Sub-total (ii)	**660.38**	**(121.24)**	**(242.61)**	**(908.08)**	**(76.39)**
		Other comprehensive income/(loss) for the period (i + ii)	**643.89**	**(129.12)**	**(263.59)**	**(971.04)**	**(57.90)**
8		**Total comprehensive Income for the period (6+7)**	**3,709.26**	**2,786.21**	**2,037.74**	**10,195.94**	**9,977.80**
9		Paid up Equity Share Capital (Face Value ₹10 per share)	2,633.22	2,633.22	1,974.92	2,633.22	1,974.92
10		Other Equity (as per audited balance sheet as at 31st March)				55,487.29	49,339.18
11		**Basic & Diluted earnings per equity share of ₹ 10 each (in ₹) (not annualised)**					
	A	For continuing operations	**11.51**	**11.07**	**8.74**	**42.28**	**37.98**
	B	For discontinued operations	-	-	-	-	-
	C	For continuing and discontinued operations	**11.51**	**11.07**	**8.74**	**42.28**	**37.98**

See accompanying notes to the financial results.

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

O P BAGLA & CO. LLP FRN: 000010N/N500091 New Delhi Chartered Accountants

Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
		(Audited)	(Audited)	(Audited)	(Audited)
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	39.00	126.40	48.70	140.99
(b)	Bank balances other than (a) above	1,948.34	2,295.30	2,346.91	2,518.96
(c)	Trade receivables	-	-	113.00	94.55
(d)	Derivative financial instruments	8,981.61	5,510.17	8,981.61	5,510.17
(e)	Loans	4,22,083.91	3,71,930.54	4,22,083.91	3,71,930.54
(f)	Investments	3,137.98	2,157.97	3,170.00	2,190.44
(g)	Other financial assets	24,400.28	24,396.94	24,422.54	24,415.31
	Total - Financial Assets (1)	**4,60,591.12**	**4,06,417.32**	**4,61,166.67**	**4,06,800.96**
(2)	**Non-Financial Assets**				
(a)	Current tax assets (net)	295.78	179.64	305.95	191.56
(b)	Deferred tax assets (net)	3,276.99	3,134.74	3,307.56	3,160.12
(c)	Property, Plant & Equipment	638.91	623.67	639.17	624.04
(d)	Capital Work-in-Progress	2.72	6.07	2.72	6.07
(e)	Other Intangible Assets	1.62	4.25	1.63	4.28
(f)	Other non-financial assets	69.65	46.06	74.40	68.68
(g)	Investments accounted for using equity method	-	-	-	-
	Total - Non-Financial Assets (2)	**4,285.67**	**3,994.43**	**4,331.43**	**4,054.75**
(3)	**Assets classified as held for sale**	0.34	0.86	4.65	4.38
	Total ASSETS (1+2+3)	**4,64,877.13**	**4,10,412.61**	**4,65,502.75**	**4,10,860.09**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	**Financial liabilities**				
(a)	Derivative financial instruments	976.95	553.14	976.95	553.14
(b)	Trade payables				
	(i) total outstanding dues of MSMEs	-	-	-	-
	(ii) total outstanding dues of creditors other than MSMEs	-	-	41.68	36.48
(c)	Debt securities	2,36,948.99	2,19,633.57	2,36,902.33	2,19,574.61
(d)	Borrowings (other than debt securities)	1,37,114.13	1,06,651.59	1,37,114.13	1,06,651.59
(e)	Subordinated liabilities	6,773.30	6,816.47	6,773.30	6,816.47
(f)	Other financial liabilities	25,174.58	25,575.84	25,345.11	25,708.73
	Total - Financial Liabilities (1)	**4,06,987.95**	**3,59,230.61**	**4,07,153.50**	**3,59,341.02**
(2)	**Non-Financial Liabilities**				
(a)	Current tax liabilities (net)	-	10.25	10.65	10.25
(b)	Provisions	110.94	104.51	111.62	105.67
(c)	Other non-financial liabilities	98.57	81.64	106.45	89.04
	Total - Non-Financial Liabilities (2)	**209.51**	**196.40**	**228.72**	**204.96**
(3)	**Liabilities directly associated with assets classified as held for sale**	-	-	0.02	0.01
(4)	**EQUITY**				
(a)	Equity Share Capital	2,633.22	1,974.92	2,633.22	1,974.92
(b)	Instruments Entirely Equity In Nature	558.40	558.40	558.40	558.40
(c)	Other equity	54,488.05	48,452.28	54,928.89	48,780.78
	Total - Equity (4)	**57,679.67**	**50,985.60**	**58,120.51**	**51,314.10**
	Total - LIABILITIES AND EQUITY (1+2+3+4)	**4,64,877.13**	**4,10,412.61**	**4,65,502.75**	**4,10,860.09**

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REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

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Statement of Cash Flows for the period ended 31st March 2023

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		Year ended		Year ended	
		31-03-2023 (Audited)	31-03-2022 (Audited)	31-03-2023 (Audited)	31-03-2022 (Audited)
A.	**Cash Flow from Operating Activities :**				
	Net Profit before tax	13,738.77	12,424.90	13,897.67	12,430.53
	Adjustments for:				
1.	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	6.64	0.97	6.65	0.97
2.	Loss/ (Gain) on derecognition of Assets held for sale (net)	(4.08)	(30.19)	(4.08)	(30.19)
3.	Loss/ (Gain) on cessation of significant influence in Joint Venture (EESL)	-	(29.01)	-	-
4.	Depreciation & Amortization	24.09	17.96	24.26	18.24
5.	Impairment allowance on Assets Classified as Held for Sale	-	-	0.03	9.71
6.	Impairment losses on Financial Instruments	114.91	3,473.31	142.17	3,470.02
7.	Effective Interest Rate in respect of Loan Assets and Borrowings	(15.58)	(88.22)	(15.58)	(88.22)
8.	Loss/ (Gain) on Fair Value Changes (net)	(43.76)	(338.58)	(43.76)	(338.58)
9.	Interest on Commercial Paper	-	14.76	-	14.76
10.	Unrealised Foreign Exchange Translation Loss/ (Gain)	963.93	943.16	963.93	943.16
11	Interest on Investments	(39.53)	(51.88)	(39.53)	(51.88)
12.	Share of Profit/Loss of Joint Venture accounted for using equity method	-	-	-	11.81
	Operating profit before Changes in Operating Assets & Liabilities	**14,745.39**	**16,337.18**	**14,931.76**	**16,390.33**
	Inflow / (Outflow) on account of :				
1.	Loan Assets	(50,424.82)	(9,877.12)	(50,424.82)	(9,877.12)
2.	Derivatives	790.33	(2,510.91)	790.33	(2,510.91)
3.	Other Financial and Non- Financial Assets	193.95	(580.37)	125.99	(382.28)
4.	Other Financial and Non- Financial Liabilities & Provisions	(151.53)	(1,186.90)	(108.70)	(1,360.42)
	Cash flow from Operations	**(34,846.68)**	**2,181.88**	**(34,685.44)**	**2,259.60**
1.	Income Tax Paid (including TDS)	(2,734.77)	(3,076.64)	(2,774.13)	(3,101.39)
2.	Income Tax refund	99.79	23.26	99.79	23.26
	Net Cash Flow from Operating Activities	**(37,481.66)**	**(871.50)**	**(37,359.77)**	**(818.53)**
B.	**Cash Flow from Investing Activities**				
1.	Sale of Property, Plant & Equipment	0.02	0.10	0.02	0.10
2.	Sale of assets held for sale	4.60	31.24	4.60	31.24
3.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(17.62)	(47.84)	(17.67)	(47.90)
4.	Investment in Intangible Assets (including intangible assets under development & Capital Advances)	(0.01)	(0.25)	(0.01)	(0.25)
5.	Finance Costs Capitalised	(0.03)	(5.10)	(0.03)	(5.10)
6.	Sale/ (Investment) in Equity Shares	10.13	431.17	10.13	431.17
7.	Sale/(Investment) of/in shares of associate companies (Net)	-	-	(0.82)	0.82
8.	Redemption/ (Investment) in Debt Securities other than HQLAs (net)	(343.14)	96.53	(343.44)	96.08
9.	Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(457.82)	(716.17)	(457.82)	(716.17)
10.	Maturity/(Investment) of Corporate and Term deposits	-	-	(137.91)	(77.43)
	Net Cash Flow from Investing Activities	**(803.87)**	**(210.32)**	**(942.95)**	**(287.44)**
C.	**Cash Flow from Financing Activities**				
1	Issue/ (Redemption) of Rupee Debt Securities (net)	14,823.67	(20,827.69)	14,835.97	(20,827.70)
2.	Issue/ (Redemption) of Commercial Paper (net)	-	(14.76)	-	(14.76)
3	Raising/ (Repayments) of Rupee Term Loans/ WCDL from Banks/ FIs (net)	14,808.94	2,164.16	14,808.94	2,164.16
4	Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	11,643.52	21,203.01	11,643.52	21,203.01
5	Expenses on issue of Bonus Equity Shares	(0.71)	-	(0.71)	-
6.	Coupon payment on Perpetual Debt Instruments entirely equity in nature	(44.50)	(45.60)	(44.50)	(45.60)
7	Payment of Dividend on Equity Shares	(3,120.37)	(2,411.37)	(3,120.37)	(2,411.37)
8	Repayment towards Lease Liability	(0.01)	(0.02)	(0.01)	(0.02)
	Net Cash flow from Financing Activities	**38,110.54**	**67.73**	**38,122.84**	**67.72**
	Net Increase/Decrease in Cash & Cash Equivalents	**(174.99)**	**(1,014.09)**	**(179.88)**	**(1,038.25)**
	Cash & Cash Equivalents as at the beginning of the year	**126.40**	**1,140.49**	**140.99**	**1,179.24**
	Cash & Cash Equivalents as at the end of the year	**(48.59)**	**126.40**	**(38.89)**	**140.99**

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Notes to the financial results:

1. The above financial results of the Company were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the meeting held on 17th May, 2023. These results have been audited by the Statutory Auditors of the Company.

2. The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind-AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

3. The consolidated accounts of the subsidiary company REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited) has been consolidated in accordance with the Indian Accounting Standard 110 'Consolidated Financial Statements'.

4. Provisioning on loan assets is based on "ECL (Expected Credit Loss) methodology" under Ind-AS norms, duly approved by the Board of Directors of the Company and upon the report provided by an independent agency appointed by the Company, which also considers ratings by the Ministry of Power, as and when they are updated, for Distribution Companies (DISCOMs). This is further reviewed by management overlays in certain accounts wherever necessary considering the factors involved and also on account of aligning the provisions with the lead lender. Details are as follows:

(₹ in Crores)

S. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
1.	Loan assets	420,119.71	14,892.08	435,011.79	368,211.37	17,159.89	385,371.26
2.	Impairment loss allowance (net of movements)	3,744.24	10,519.51	14,263.75	3,138.93	11,565.73	14,704.66
	Provisioning Coverage (%) (2/1)	0.89%	70.64%	3.28%	0.85%	67.40%	3.82%

5. Interest and other income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of such assets.

6. The Company's operation comprise of only one business segment - lending to power, logistic and infrastructure sector. Hence, there is no other reportable segement in terms of Indian Accounting Standard (Ind-AS) 108 "Operating Segments".

7. The Company has not issued any redeemable preference shares till date.

8. The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure -A.**

9. Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secured listed non-convertible debt securities issued by the Company and outstanding as at 31st March, 2023 are fully secured (1.17 times), sufficient to discharge the principal amount and the interest thereon at all times, by way of mortgage on certain immovable properties and/or charge on the loan assets of the Company, in terms of respective offer document/ information memorandum and/ or Debenture Trust Deed. Further, security cover for secured non-convertible debt securities issued by the Company is 1.18 times as at 31st March, 2023. The Security Cover in the prescribed format has been annexed as **Annexure-B**.

10. The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Necessary disclosure as required in the said framework regarding issuance of debt securities is annexed as **Annexure-C**

11. The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and issuance of non-convertible securities of different tenors through private placement. The issue proceeds have been fully utilized and there are no material deviation(s) from the stated objects in the offer document/ information memorandum of such non-convertible securities. The statement as prescribed under Regulation 52(7) & 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been annexed as **Annexure-D**.
Further, there has been no default as on 31st March, 2023 in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the period.

12. There are no reportable cases of loans transferred/ acquired during the quarter ended 31st March, 2023 (previous quarter Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021. Further, there are no cases during the quarter ended 31st March, 2023 (previous quarter Nil) where resolution plan implemented under the Resolution Framework for Covid-19 related stress as per RBI circular dated 6th August 2020.

13. The disclosure in respect of related party transactions for the half year ended 31st March 2023 has been annexed as **Annexure-E**

14. The figures for the quarter ended 31st March, 2023 and 31st March, 2022 have been derived by deducting the year to date unaudited figures for the period ended 31st December, 2022 and 31st December, 2021 from the audited figures for the period ended 31st March, 2023 and 31st March, 2022 respectively.

15. Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

For REC Limited

(Vivek Kumar Dewangan)
Chairman & Managing Director
DIN - 01377212

Place: Mumbai
Date: 17th May 2023

REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

S. K. MITTAL & Co. New Delhi CHARTERED ACCOUNTANTS

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Annexure A

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended 31st March, 2023

S. No.	Particulars	Unit	Standalone		Consolidated	
			As at/ For the quarter ended 31.03.2023	As at/ For the year ended 31.03.2023	As at/ For the quarter ended 31.03.2023	As at/ For the year ended 31.03.2023
1	Debt Equity Ratio[1]	times		6.49		6.44
2	Outstanding Redeemable preference shares	₹ in Crores		Nil		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil		Nil
4	Net Worth[2]	₹ in Crores		57,679.67		58,120.51
5	Total debts to total assets[3]	times		0.81		0.80
6	Operating Margin[4]	%	37.58	34.93	37.97	35.10
7	Net profit Margin[5]	%	29.64	28.16	29.89	28.26
8	Sector specific equivalent ratios					
(a)	CRAR[6]	%	25.78			
(b)	Gross Credit Impaired Assets Ratio[7]	%	3.42			
(c)	Net Credit Impaired Assets Ratio[8]	%	1.01			

Notes:

1 Debt/Equity Ratio = Net Debt / Net Worth *(Net debt represents principal outstanding less cash and cash equivalents available.)*

2 Net Worth is calculated as defined in section 2(57) of Companies Act, 2013.

3 Total debts to total assets = Total Debt / Total Assets.

4 Operating Margin = Net Operating Profit Before Tax / Total Revenue from Operation.

5 Net profit Margin = Net Profit after Tax / Total Income.

6 CRAR = Adjusted Net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.

7 Gross Credit Impaired Asset Ratio = Gross Credit Impaired Assets / Gross Loan Assets.

8 Net Credit Impaired Asset Ratio = Net Credit Impaired Assets / Gross Loan Assets.

9 Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtors Turnover, Inventory Turnover and Bad Debts to Accounts Receivable Ratio is not applicable to the company.

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REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

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Annexure B

Disclosure in compliance with Regulation 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 31st March, 2023

₹ in Crores

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P
Particulars		Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Debts not backed by any assets offered as security(applicable only for liability side)	(Total C to J)	Related to only those items covered by this certificate				
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with paripassu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)			Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable	Total Value(L+M+N+O)
													Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
Assets															
Property,Plant and Equipment	Land and Building			Yes	2.36		636.55			638.91			13.54		13.54
Capital work in progress							2.72			2.72					-
Right of Use Assets							-			-					-
Goodwill							-			-					-
Intangible Assets							1.62			1.62					-
Intangible Assets under Development							-			-					-
Investments							3,137.98			3,137.98					-
Loans (book debts)	Book debts			Yes	14,897.22	46,000.00	3,61,186.69			4,22,083.91				14,897.22	14,897.22
Inventories							-			-					-
Trade Receivables							-			-					-
Cash and Cash Equivalants							39.00			39.00					-
Bank balances other than Cash and Cash Equivalants							1,948.34			1,948.34					-
Others							37,024.65			37,024.65					-
Total		-	-		14,899.58	46,000.00	4,03,977.55			4,64,877.13	-	-	13.54	14,897.22	14,910.76
Liabilities															
Secured debt securities															
a.Debt securities to which this certificate pertains				Yes	12,700.88					12,700.88					
b. Other debt sharing pari-passu charge with above debt				No	38,843.74					38,843.74					
Unsecured debt securities															
a. Other Debt									1,52,713.83	1,52,713.83					
b. Subordinated debt									6,773.30	6,773.30					
Other Borrowings										-					
Bank									60,097.20	60,097.20					
Others borrowing									1,09,707.47	1,09,707.47					
Trade payables										-					
Lease Liabilities										-					
Provisions							110.94			110.94					
Others		Not to be filled					26,250.08			26,250.08					
Total			0		51,544.62	-	26,361.02		3,29,291.80	4,07,197.44					
Cover on Book Value															1.17
Cover on Market Value															1.17
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio	1.17									

1. We confirm that the Company has complied with the covenants and has utilized the proceeds raised from above mentioned debt securities for the purposes as specified in the disclosure documents of the Non-convertible debt securities.
2. The market value of Rs. 13.54 crore of the immovable property is on the basis of certified valuation done on 20 April, 2022(vadodara) and 25 April 2022(thrissur)

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Annexure C

Disclosures to be made by Large Corporate entities as required by SEBI

The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Disclosures required under the said circular are given below:

(all figures in ₹ Crores)

	Particulars	Details
(1)	Name of the company	REC Limited
(2)	CIN	L40101DL1969GOI005095
(3)	Outstanding borrowing of company as on 31st March 2023 *	2,78,784.64
(4)	Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	ICRA AAA, CRISIL AAA, CARE AAA, IRRPL AAA
(5)	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange
	Details of the borrowings	
(i)	3-year block period	FY 22-23, FY 23-24 & FY 24-25
(ii)	Incremental borrowing done in the FY 2022-23 (a)	60,644.91
(iii)	Mandatory borrowing to be done through debt securities in FY 2022-23 (b) = (25% of a)	15,161.23
(iv)	Actual borrowings done through debt securities in FY 2022-23 (c)	37,733.91
(v)	Shortfall in the borrowing through debt securities, if any, for FY 2021-22 carried forward to FY 2022-23 (d)	Nil
(vi)	Quantum of (d), which has been met from (c) (e)	Nil
(vii)	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 {after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22 **(f)= (b)-[(c)-(e)]**	Nil

** As per the SEBI circular, borrowings as mentioned in (3) above include all outstanding borrowings with original maturity of more than 1 year, but do not include external commercial borrowings.*

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Annexure D

Disclosure in compliance with Regulation 52(7) & 52(7A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st March, 2023

A. Statement of utilization of issue proceeds:

₹ in Crores

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised	Funds utilized	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
REC Limited	INE020B08ED9	Private Placement	NCD	12-01-2023	3000.00	3000.00	NO	NA	
REC Limited	INE020B08EE7	Private Placement	NCD	12-01-2023	2004.40	2004.40	NO	NA	
REC Limited	INE020B08EF4	Private Placement	NCD	02-02-2023	3148.70	3148.70	NO	NA	
REC Limited	INE020B08EH0	Private Placement	NCD	15-03-2023	2000.00	2000.00	NO	NA	
REC Limited	INE020B08EG2	Private Placement	NCD	15-03-2023	1600.10	1600.10	NO	NA	
				Total	**11753.20**	**11753.20**			

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	REC LIMITED
Mode of fund raising	~~Public issue/~~ Private placement
Type of instrument	Non-convertible Securities

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Particulars	Remarks
Date of raising funds	Please refer Col. 5 above table
Amount raised	₹ 11,753.20 crores
Report filed for quarter ended	31-03-2023
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	
If yes, details of the approval so required?	p
Date of approval	N.A
Explanation for the deviation/ variation	
Comments of the audit committee after review	
Comments of the auditors, if any	

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (₹ in Crores and in %)	Remarks, if any
-------- NA -------						

Deviation could mean:

a. Deviation in the objects or purposes for which the funds have been raised.

b. Deviation in the amount of funds actually utilized as against what was originally disclosed.

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Annexure-E

Disclosure of related party transactions for the half-year ended March 31, 2023

₹ in Crores

									Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1	REC Limited	Power Finance Corporation Limited	Ultimate Holding Company	Dividend Paid	Dividend is uniformly paid to all the shareholder and amount is unascertainable.	1,143.44										
2	REC Limited	Power Finance Corporation Limited	Ultimate Holding Company	Recovery of Expenses incurred in Govt. Programmes		3.54		3.54								
3	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Apportionment of Employee Benefit and Other Administrative Expenses		9.25										
4	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Dividend Income		18.54										
5	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Finance Costs - Interest Paid		2.23										
6	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Other Expenses		0.64										
7	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Government Funds Disbursed		0.18										
8	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Rental/ Other Income		5.08										
9	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Redemption of the bonds of Company		10.00	55.44	45.44								
10	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Other Financial Assets of the Company			5.89	6.70								
11	REC Limited	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Subsidiary Company	Other Financial Liabilities of the Company			2.30	1.43								
12	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		23.39										
13	REC Limited	REC Gratuity Fund	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		0.39										
14	REC Limited	REC Employees' Benevolent Fund	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		0.06										
15	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Contributions made by the Company		0.69										
16	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Finance Costs - Interest Paid		0.29										
17	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Finance Costs - Interest Paid		2.11										
18	REC Limited	REC Limited Contributory Provident Fund Trust	Employment Benefit Trust/ Fund of the Company	Debt Securities of the Company			2.00	2.00								
19	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Debt Securities of the Company			31.00	31.00								
20	REC Limited	REC Gratuity Fund	Employment Benefit Trust/ Fund of the Company	Provisions			1.30	2.68								
21	REC Limited	REC Retired Employees' Medical Trust	Employment Benefit Trust/ Fund of the Company	Other Financial Assets of the Company			7.62	15.11								
22	REC Limited	PFC Employees Provident Fund Trust	Employment Benefit Trust/ Fund of the Ultimate Holding Company	Finance Costs - Interest Paid		0.05										

REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

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Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.

S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
23	REC Limited	PFC Employees Provident Fund Trust	Employment Benefit Trust/ Fund of the Ultimate Holding Company	Redemption of the bonds of Company		0.10	1.90	1.80								
24	REC Limited	REC Foundation	Entities over which control is exercised	Payment towards Corporate Social Responsibility (CSR) Expenses		106.95										
25	REC Limited	Dr. Manoj Manohar Pande	Key Managerial Personnel- Independent Director of the Company	Sitting Fees	As per the limit approved by the Board of Directors	0.07										
26	REC Limited	Dr. Gambheer Singh	Key Managerial Personnel- Independent Director of the Company	Sitting Fees		0.06										
27	REC Limited	Dr. Durgesh Nandini	Key Managerial Personnel- Independent Director of the Company	Sitting Fees		0.06										
28	REC Limited	Sh. Narayanan Thirupathy	Key Managerial Personnel- Independent Director of the Company	Sitting Fees		0.01										
29	REC Limited	Sh. Vivek Kumar Dewangan	Key Managerial Personnel- CMD of the Company	Remuneration	As per the terms of appointment and policy of the Company	0.19										
30	REC Limited	Sh. Ajoy Choudhary	Key Managerial Personnel- Director of the Company	Remuneration		0.40										
31	REC Limited	Sh. V. K. Singh	Key Managerial Personnel- Director of the Company	Remuneration		0.34										
32	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Remuneration		0.38										
33	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Interest Income on Staff Loans		0.02										
34	REC Limited	Sh. Ajoy Choudhary	Key Managerial Personnel- Director of the Company	Repayment of Staff Loans & Advances		0.02	0.06	0.04								
35	REC Limited	Sh. V. K. Singh	Key Managerial Personnel- Director of the Company	Repayment of Staff Loans & Advances		0.05	0.18	0.13								
36	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Repayment of Staff Loans & Advances		0.01	0.09	0.08								
37	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Repayment of Debt Securities of the Company	As per terms of issue applicable to all investors	0.05	0.10	0.05								
38	REC Limited	Sh. J.S. Amitabh	Key Managerial Personnel- Company Secretary of the Company	Finance Costs - Interest Paid on Debt Securities of the Company		0.06										
39	REC Limited	Smt. Parminder Chopra	Key Managerial Personnel of Ultimate Holding Company	Finance Costs - Interest Paid on Debt Securities of the Company		0.01	0.17	0.17								
40	REC Limited	Energy Efficiency Services Limited (EESL)	Companies in which Key Managerial Personnel is Director	Investment in Equity Shares EESL carried at Fair Value			162.89	140.43								
41	REC Limited	NTPC Limited	Companies in which Key Managerial Personnel is Director	Rental/ Other Income		14.88	1.31	5.24								
42	REC Limited	SJVN Limited	Companies in which Key Managerial Personnel is Director	Other Income		0.30	-	0.36								
43	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Bidar Transmission Limited	Associate of Subsidiary Company	Other Income - Reimbursment of Expenses		0.10										
44	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Sikar Khetri Transmission Limited	Associate of Subsidiary Company	Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.68										

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REC LIMITED Formerly Rural Electrification Corporation Limited Gurugram

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									Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
45	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	KPS 1 Transmission Limited	Associate of Subsidiary Company	Interest Income		0.02										
				Other Income - Reimbursment of Expenses		0.59										
46	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Ramgarh II Transmission Limited	Associate of Subsidiary Company	Interest Income		0.04										
				Other Income - Reimbursment of Expenses		0.40										
47	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Beawar Transmission Limited	Associate of Subsidiary Company	Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.37										
48	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Luhri Power Transmission Limited	Associate of Subsidiary Company	Interest Income		0.01										
				Other Income - Reimbursment of Expenses		0.49										
				Investment Made		0.05	-	0.05								
49	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Meerut Shamli Power Transmission Limited	Associate of Subsidiary Company	Interest Income		0.01										
				Other Income - Reimbursment of Expenses		0.43										
				Investment Made		0.05	-	0.05								
50	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	NERES XVI Power Transmission Limited	Associate of Subsidiary Company	Interest Income		0.00										
				Other Income - Reimbursment of Expenses		0.19										
				Investment Made		0.05	-	0.05								
51	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Rajgarh Transmission Limited	Associate of Subsidiary Company	Interest Income		0.00										
				Other Income - Reimbursment of Expenses		0.00										
52	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	MP Power Transmission Package-I Limited	Associate of Subsidiary Company	Consultancy Fees		4.08										
				Interest Income		0.05										
				Other Income - Reimbursment of Expenses		0.30										
53	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	ER NER Transmission Limited	Associate of Subsidiary Company	Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.00										
54	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	GADAG II-A Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		5.90										
				Interest Income		0.01										
				Other Income - Reimbursment of Expenses		0.32										
				Investment Realised		0.05										

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									Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
55	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	WRSR Power Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		17.70										
				Interest Income		0.02										
				Other Income - Reimbursment of Expenses		0.54										
				Investment Made		0.05										
				Investment Realised		0.05										
56	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda II-A Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		17.70										
				Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.70										
				Investment Made		0.05										
				Investment Realised		0.05										
57	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda II-B Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		17.70										
				Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.51										
58	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda II-C Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		17.70										
				Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.51										
59	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	KPS2 Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		10.24										
				Interest Income		0.03										
				Other Income - Reimbursment of Expenses		0.90										
				Investment Made		0.05										
				Investment Realised		0.05										
60	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda RE Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		13.67										
				Interest Income		0.01										
				Other Income - Reimbursment of Expenses		0.45										
				Investment Realised		0.05										

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									Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction	Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	Name	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
61	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	ERWR Power Transmission Limited	Associate of Subsidiary Company	Consultancy Fees		5.90										
				Interest Income		0.01										
				Other Income - Reimbursment of Expenses		0.57										
				Investment Made		0.05										
				Investment Realised		0.05										
62	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Chandil Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			2.54	2.54								
				Investment Outstanding			0.05	0.05								
63	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Dumka Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			2.48	2.48								
				Investment Outstanding			0.05	0.05								
64	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Mandar Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			2.22	2.23								
				Investment Outstanding			0.05	0.05								
65	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Koderma Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			2.28	2.28								
				Investment Outstanding			0.05	0.05								
66	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Bidar Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-0.01	0.10								
				Investment Outstanding			0.05	0.05								
67	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda II-D Transmission Limited	Associate of Subsidiary Company	Investment Outstanding			0.05	0.05								
68	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Ramgarh II Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			0.11	0.70								
69	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Sikar Khetri Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			0.11	0.67								
70	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Beawar Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			0.11	0.71								
71	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	KPS1 Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-	0.58								
72	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Khavda II-D Transmission Limited	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-	-0.02								
73	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Luhri Stage-I HEP	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-	0.48								
74	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Meerut Shamli Power Transmission Ltd.	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-	0.43								
75	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	NERES XVI Power Transmission Ltd.	Associate of Subsidiary Company	Receivable/ (Payable) from associates			-	0.19								

Note: ₹ 0.00 crores denotes amount less than ₹ fifty thousand

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S.K. Mittal & Co.
Chartered Accountants
E-29 South Extension Part-II
New Delhi-110049.

O P Bagla & Co. LLP
Chartered Accountants
B-225, 5th Floor,
Okhla Industrial Area Phase-I
New Delhi- 110020.

Independent Auditor's Report on Quarterly and Year to date Standalone Financial Results of REC Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Opinion

We have audited the accompanying standalone quarterly and year to date financial results of **REC Limited** (the company) for the quarter and year to date ended 31st March 2022 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended and year to date ended 31st March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules

thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 3 to the financial results regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.
2. We draw attention to Note No. 15 of the financial results regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

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accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJLS2364

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGZJ4793

Place : Gurugram
Date : 13th May 2022

S.K. Mittal & Co.
Chartered Accountants
E-29 South Extension Part-II
New Delhi-110049.

O P Bagla & Co. LLP
Chartered Accountants
B-225, 5th Floor,
Okhla Industrial Area Phase–I
New Delhi- 110020.

Independent Auditors' Report on Year to Date Consolidated Results of REC Limited Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Board of Directors,
REC Limited
Core-IV, SCOPE Complex,
7, Lodi Road,
New Delhi – 110003

Opinion

We have audited the accompanying consolidated annual financial results of **REC Limited** (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group) for the year ended 31st March 2022 attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements /financial results/ financial information of the subsidiary, the aforesaid consolidated financial results include the annual financial results of the **REC Power Distribution Company Limited**, the Subsidiary.

(i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended 31st March 2022.

S.K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

O P BAGLA & CO. LLP FRN 000028N/N500007 DELHI

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 3 to the financial results regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.

2. We draw attention to Note No. 15 of the financial results regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance

S.K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

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with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective company's management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective company's management and Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

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influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.

S. MITTAL & CO. New Delhi CHARTERED

O P BAGLA & CO LLP FRN: 000018N/N500047 New Delhi Chartered Accountants

- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

(a) We did not audit the financial statements of the subsidiary included in the consolidated financial results, whose financial statements reflect total assets of ₹ 518.61 crores as at 31st March 2022, total revenue of ₹ 67.03 crores and ₹ 177.20

B.K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

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crores, total net profit/(loss) after tax of ₹ 20.98 crores and ₹ 53.03 crores, total comprehensive income/ (loss) of ₹ 20.98 crores and ₹ 53.03 crores for the quarter ended 31st March 2022 and for the period from 1st April 2021 to 31st March 2022 respectively, and cash flows (net) of ₹ -24.16 crores for the period from 1st April 2021 to 31st March 2022 as considered in the respective audited financial statements of the entities included in the Group, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

The Financial Results include the results for the quarter ended 31st March 2022 being the balancing figure between the audited fignres in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 22072290AIYJVP5258

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Atul Aggarwal
Designation : Partner
Membership Number : 092656
UDIN : 22092656AIYHLK5225

Place : Gurugram
Date : 13th May 2022

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

O.P. BAGLA & CO. LLP FRN: 000018N/N500091 New Delhi Chartered Accountants

REC Limited

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

Statement of Audited Standalone Financial Results for the year ended 31-03-2022

(₹ in Crores)

S. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022 (Audited)	31-12-2021 (Unaudited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	**Income**					
A	**Interest income**					
(i)	Interest income on loan assets	9,235.26	9,573.69	8,809.97	37,810.84	34,229.92
(ii)	Other interest income	80.01	136.26	36.49	375.62	453.86
	Sub-total (A) - Interest Income	**9,315.27**	**9,709.95**	**8,846.46**	**38,186.46**	**34,683.78**
B	**Other Operating Income**					
(i)	Dividend income	10.02	-	22.28	26.64	36.40
(ii)	Fees and commission income	198.82	50.43	32.47	572.82	95.38
(iii)	Net gain/ (loss) on fair value changes	55.99	246.51	244.40	346.57	572.33
	Sub-total (B) - Other Operating Income	**264.83**	**296.94**	**299.15**	**946.03**	**704.11**
C	**Total Revenue from Operations (A+B)**	**9,580.10**	**10,006.89**	**9,145.61**	**39,132.49**	**35,387.89**
D	Other Income	21.47	32.05	4.23	97.96	22.55
	Total income (C+D)	**9,601.57**	**10,038.94**	**9,149.84**	**39,230.45**	**35,410.44**
2	**Expenses**					
A	Finance costs	5,353.08	5,548.72	5,438.14	22,052.91	21,489.08
B	Net translation/ transaction exchange loss/ (gain)	471.18	114.79	213.29	799.05	330.26
C	Fees and commission expense	4.42	3.27	1.03	16.73	9.95
D	Impairment on financial instruments	754.34	819.02	697.64	3,473.31	2,419.62
E	Employee benefits expenses	36.07	40.91	34.62	158.86	144.84
F	Depreciation and amortization	5.43	5.07	2.65	17.96	9.53
G	Corporate social responsibility expenses	110.07	23.31	36.19	170.67	144.32
H	Other expenses	33.86	32.15	30.51	116.06	106.71
	Total expenses (A to H)	**6,768.45**	**6,587.24**	**6,454.07**	**26,805.55**	**24,654.31**
3	**Profit before tax (1-2)**	**2,833.12**	**3,451.70**	**2,695.77**	**12,424.90**	**10,756.13**
4	**Tax expense**					
A	**Current tax**					
	- Current year	673.49	784.47	622.41	3,051.33	2,683.62
	- Earlier years	(3.96)	-	89.55	(3.96)	223.28
B	**Deferred tax**	(124.29)	(105.42)	(85.82)	(668.39)	(512.55)
	Total tax expense (A+B)	**545.24**	**679.05**	**626.14**	**2,378.98**	**2,394.35**
5	**Net profit for the period (3-4)**	**2,287.88**	**2,772.65**	**2,069.63**	**10,045.92**	**8,361.78**
6	**Other comprehensive Income/(Loss)**					
(i)	**Items that will not be reclassified to profit or loss**					
(a)	Re-measurement gains/(losses) on defined benefit plans	(8.84)	2.16	(11.36)	(8.33)	(14.26)
(b)	Changes in fair value of FVOCI equity instruments	(17.80)	(17.78)	30.02	22.19	166.53
(c)	Income tax relating to these items					
	- Re-measurement gains/(losses) on defined benefit plans	2.23	(0.55)	2.86	2.10	3.59
	- Changes in fair value of FVOCI equity instruments	3.43	(0.88)	(1.54)	2.55	(6.01)
	Sub-total (i)	**(20.98)**	**(17.05)**	**19.98**	**18.51**	**149.85**
(ii)	**Items that will be reclassified to profit or loss**					
(a)	Effective Portion of Cash Flow Hedges	332.90	153.25	92.61	480.84	80.81
(b)	Cost of hedging reserve	(657.10)	79.50	(115.83)	(584.51)	329.00
(c)	Income tax relating to these items					
	-Effective Portion of Cash Flow Hedges	(83.79)	(38.57)	(23.31)	(121.02)	(20.34)
	- Cost of hedging reserve	165.38	(20.01)	29.16	147.11	(82.80)
	Sub-total (ii)	**(242.61)**	**174.17**	**(17.37)**	**(77.58)**	**306.67**
	Other comprehensive Income/(Loss) for the period (i+ii)	**(263.59)**	**157.12**	**2.61**	**(59.07)**	**456.52**
7	**Total comprehensive income for the period (5+6)**	**2,024.29**	**2,929.77**	**2,072.24**	**9,986.85**	**8,818.30**
8	**Paid up equity share capital (Face Value ₹10 per share)**	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
9	**Other equity (as per audited balance sheet as at 31st March)**				49,010.68	41,451.45
10	**Basic & Diluted earnings per equity share of ₹ 10 each (in ₹) (not annualised)**					
A	For continuing operations	11.58	14.04	10.48	50.87	42.34
B	For continuing and discontinued operations	11.58	14.04	10.48	50.87	42.34

See accompanying notes to the financial results

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

REC LIMITED Formerly Rural Electrification Corporation Limited New Delhi

Statement of Audited Consolidated Financial Results for the year ended 31-03-2022

(₹ in Crores)

S. No.	Particulars	Quarter Ended			Year Ended	
		31-03-2022 (Audited)	31-12-2021 (Unaudited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Income					
A	Interest Income					
(i)	Interest income on loan assets	9,235.26	9,573.69	8,809.97	37,810.84	34,229.92
(ii)	Other interest income	81.72	138.32	41.67	383.65	463.59
	Sub-total (A) - Interest Income	9,316.98	9,712.01	8,851.64	38,194.49	34,693.51
B	Other Operating Income					
(i)	Dividend income	2.50	-	22.28	4.21	27.97
(ii)	Fees and commission income	198.82	50.43	32.47	572.82	95.38
(iii)	Net gain/ (loss) on fair value changes	55.99	246.51	244.40	346.57	572.33
(iv)	Sale of services	59.08	28.10	60.83	150.96	163.65
	Sub-total (B) - Other Operating Income	316.39	325.04	359.98	1,074.56	859.33
C	Total Revenue from Operations (A+B)	9,633.37	10,037.05	9,211.62	39,269.05	35,552.84
D	Other Income	19.90	33.37	4.30	70.15	22.72
	Total Income (C+D)	9,653.27	10,070.42	9,215.92	39,339.20	35,575.56
2	Expenses					
A	Finance costs	5,353.08	5,547.87	5,440.72	22,050.96	21,489.05
B	Net translation/ transaction exchange loss/ (gain)	471.18	114.79	213.29	799.05	330.26
C	Fees and commission expense	4.42	3.27	1.03	16.73	9.95
D	Impairment on financial instruments	761.86	815.02	719.46	3,470.02	2,445.94
E	Cost of services rendered	15.51	18.91	30.98	65.11	88.67
F	Employee benefits expenses	42.88	46.04	39.72	180.09	163.62
G	Depreciation and amortization	5.49	5.14	2.87	18.24	10.86
H	Corporate social responsibility expenses	110.89	23.65	35.88	172.35	146.27
I	Other expenses	30.64	44.13	32.04	124.31	109.38
	Total Expenses (A to I)	6,795.95	6,618.82	6,515.99	26,896.86	24,794.00
3	Share of Profit/ (loss) of Joint Venture accounted for using equity method	-	-	4.45	(11.81)	(1.97)
4	Profit before Tax (1-2+3)	2,857.31	3,451.60	2,704.38	12,430.53	10,779.59
5	Tax Expense					
A	Current Tax					
	- Current Year	681.89	785.78	626.63	3,069.23	2,698.02
	- Earlier Years	(3.96)	-	89.23	(3.96)	222.95
B	Deferred Tax	(121.95)	(107.62)	(89.32)	(670.44)	(519.62)
	Total Tax Expense (A+B)	555.98	678.16	626.54	2,394.83	2,401.35
6	Net profit for the period (4-5)	2,301.33	2,773.44	2,077.84	10,035.70	8,378.24
7	Other comprehensive Income/(Loss)					
(i)	Items that will not be reclassified to profit or loss					
(a)	Re-measurement gains/(losses) on defined benefit plans	(8.84)	2.16	(11.36)	(8.33)	(14.26)
(b)	Changes in fair value of FVOCI equity instruments	(17.80)	(17.78)	30.02	22.19	166.53
(c)	Share of Profit of Joint Venture accounted for using equity method	-	-	(0.07)	(0.02)	(0.05)
(d)	Income tax relating to these items					
	- Re-measurement gains/(losses) on defined benefit plans	2.23	(0.55)	2.86	2.10	3.59
	- Changes in fair value of FVOCI equity instruments	3.43	(0.88)	(1.54)	2.55	(6.01)
	Sub-total (i)	(20.98)	(17.05)	19.91	18.49	149.80
(ii)	Items that will be reclassified to profit or loss					
(a)	Effective Portion of Cash Flow Hedges	332.90	153.25	92.61	480.84	80.81
(b)	Cost of hedging reserve	(657.10)	79.50	(115.83)	(584.51)	329.00
(c)	Share of other comprehensive income/ (loss) of joint venture accounted for using equity method	-	-	-	1.19	1.29
(d)	Income tax relating to these items					
	-Effective Portion of Cash Flow Hedges	(83.79)	(38.57)	(23.31)	(121.02)	(20.34)
	- Cost of hedging reserve	165.38	(20.01)	29.16	147.11	(82.80)
	Sub-total (ii)	(242.61)	174.17	(17.37)	(76.39)	307.96
	Other comprehensive Income/(loss) for the period (i + ii)	(263.59)	157.12	2.54	(57.90)	457.76
8	Total comprehensive Income for the period (6+7)	2,037.74	2,930.56	2,080.38	9,977.80	8,836.00
9	Paid up Equity Share Capital (Face Value ₹10 per share)	1,974.92	1,974.92	1,974.92	1,974.92	1,974.92
10	Other Equity (as per audited balance sheet as at 31st March)				49,339.18	41,789.01
11	Basic & Diluted earnings per equity share of ₹ 10 each (in ₹) (not annualised)					
A	For continuing operations	11.65	14.04	10.53	50.82	42.42
B	For continuing and discontinued operations	11.65	14.04	10.53	50.82	42.42

See accompanying notes to the financial results

S.K. MITTAL & CO. CHARTERED ACCOUNTANTS New Delhi

REC LIMITED New Delhi

Statement of Assets and Liabilities

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		As at 31-03-2022 (Audited)	As at 31-03-2021 (Audited)	As at 31-03-2022 (Audited)	As at 31-03-2021 (Audited)
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	126.40	1,140.49	140.99	1,179.24
(b)	Bank balances other than (a) above	2,295.30	1,929.06	2,518.96	2,223.58
(c)	Trade receivables	-	-	94.55	140.07
(d)	Derivative financial instruments	5,510.17	2,311.22	3,510.17	2,311.22
(e)	Loans	3,71,930.54	3,65,261.49	3,71,930.54	3,65,261.49
(f)	Investments	2,157.97	1,909.77	2,190.44	1,723.68
(g)	Other financial assets	24,396.94	24,399.21	24,415.31	24,419.88
	Total - Financial Assets (1)	**4,06,417.32**	**3,96,951.24**	**4,06,800.96**	**3,97,259.16**
(2)	**Non-Financial Assets**				
(a)	Current tax assets (net)	179.64	160.07	191.56	168.92
(b)	Deferred tax assets (net)	3,134.74	2,437.71	3,160.12	2,461.03
(c)	Investment Property	-	0.01	-	0.01
(d)	Property, Plant & Equipment	623.67	260.12	624.04	260.70
(e)	Capital Work-in-Progress	6.07	335.67	6.07	335.67
(f)	Intangible Assets Under Development	-	0.77	-	0.77
(g)	Other Intangible Assets	4.25	6.10	4.28	6.15
(h)	Other non-financial assets	46.06	81.50	68.68	102.67
(i)	Investments accounted for using equity method	-	-	-	257.74
	Total - Non-Financial Assets (2)	**3,994.43**	**3,241.95**	**4,054.75**	**3,595.66**
(3)	**Assets classified as held for sale**	0.86	-	4.38	14.05
	Total ASSETS (1+2+3)	**4,10,412.61**	**4,00,233.19**	**4,10,860.09**	**4,00,866.87**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	**Financial liabilities**				
(a)	Derivative financial instruments	553.14	846.31	553.14	846.31
(b)	Trade payables				
	(i) total outstanding dues of MSMEs	-	-	-	0.01
	(ii) total outstanding dues of creditors other than MSMEs	-	-	36.48	61.84
(c)	Debt securities	2,19,633.57	2,37,328.06	2,19,574.61	2,37,269.11
(d)	Borrowings (other than debt securities)	1,06,651.59	85,507.36	1,06,651.59	85,507.36
(e)	Subordinated liabilities	6,816.47	6,946.89	6,816.47	6,946.89
(f)	Other financial liabilities	25,575.84	25,934.10	25,708.64	26,213.00
	Total - Financial Liabilities (1)	**3,59,230.61**	**3,36,562.72**	**3,59,340.93**	**3,56,844.52**
(2)	**Non-Financial Liabilities**				
(a)	Current tax liabilities (net)	10.25	10.62	10.25	14.40
(b)	Provisions	104.51	112.97	105.67	113.69
(c)	Other non-financial liabilities	81.64	120.51	89.13	130.25
	Total - Non-Financial Liabilities (2)	**196.40**	**244.10**	**205.05**	**258.34**
(3)	**Liabilities directly associated with assets classified as held for sale**	-	-	0.01	0.08
(4)	**EQUITY**				
(a)	Equity Share Capital	1,974.92	1,974.92	1,974.92	1,974.92
(b)	Instruments Entirely Equity In Nature	558.40	558.40	558.40	558.40
(c)	Other equity	48,452.28	40,893.03	48,780.78	41,230.61
	Total - Equity (4)	**50,985.60**	**43,426.37**	**51,314.10**	**43,763.93**
	Total - LIABILITIES AND EQUITY (1+2+3+4)	**4,10,412.61**	**4,00,233.19**	**4,10,860.09**	**4,00,866.87**

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

R.C. LIMITED New Delhi

Statement of Cash Flows for the year ended 31st March 2022

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		Year ended		Year ended	
		31-03-2022 (Audited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
A.	**Cash Flow from Operating Activities :**				
	Net Profit before tax	12,424.90	10,756.13	12,430.53	10,779.59
	Adjustments for:				
1.	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	0.97	4.03	0.97	4.69
2.	Loss/ (Gain) on derecognition of Assets held for sale (net)	(30.19)	-	(30.19)	
3.	Loss/ (Gain) on cessation of significant influence in Joint Venture (EESL)	(29.01)	-	-	-
4.	Depreciation & Amortization	17.96	9.53	18.24	10.86
5.	Impairment allowance on Assets Classified as Held for Sale	-	-	9.71	
6.	Impairment losses on Financial Instruments	3,473.31	2,419.62	3,470.02	2,445.94
7.	Adjustments towards Effective Interest Rate in respect of Loans	(11.95)	32.61	(11.95)	32.61
8.	Adjustments towards Effective Interest Rate in respect of Borrowings	(111.31)	152.19	(111.31)	152.19
9.	Fair Value Changes in Derivatives	(351.36)	(545.92)	(351.36)	(545.92)
10.	Fair Value Changes in Investments	12.78	(2.43)	12.78	(2.43)
11.	Interest on Commercial Paper	14.76	35.32	14.76	35.32
12.	Interest Accrued on Zero Coupon Bonds	-	81.78	-	81.78
13.	Loss/ (Gain) on Exchange Rate fluctuation	(2,164.42)	526.71	(2,164.42)	526.71
14.	Provision made for Interest on Advance Income Tax	-	22.71	-	22.71
15.	Share of Profit/Loss of Joint Venture accounted for using equity method	-	-	11.81	1.97
	Operating profit before Changes in Operating Assets & Liabilities	**13,246.44**	**13,492.28**	**13,299.59**	**13,546.02**
	Inflow / (Outflow) on account of				
1.	Loan Assets	(9,877.12)	(56,522.42)	(9,877.12)	(56,522.42)
2.	Derivatives	(2,460.52)	711.20	(2,460.52)	711.20
3.	Other Operating Assets	(631.18)	(1,706.71)	(433.09)	(1,827.24)
4.	Operating Liabilities	(1,186.90)	3,187.83	(1,360.41)	3,264.58
	Cash flow from Operations	**(909.28)**	**(40,837.82)**	**(831.55)**	**(40,827.86)**
1.	Income Tax Paid (including TDS)	(3,076.64)	(2,694.33)	(3,101.39)	(2,698.20)
2.	Income Tax refund	23.26	11.73	23.26	11.73
	Net Cash Flow from Operating Activities	**(3,962.66)**	**(43,520.42)**	**(3,909.68)**	**(43,512.33)**
B.	**Cash Flow from Investing Activities**				
1.	Sale of Property, Plant & Equipment	0.10	0.16	0.10	0.35
2.	Sale of assets held for sale	31.24	-	31.24	-
3.	Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(47.84)	(73.18)	(47.90)	(73.30)
4.	Investment in Intangible Assets (including intangible assets under development & Capital Advances)	(0.25)	(0.98)	(0.25)	(0.95)
5.	Finance Costs Capitalised	(5.10)	(22.04)	(5.10)	(22.04)
6.	Sale/ (Investment) in Equity Shares and Venture Capital Fund	431.17	249.92	431.17	249.92
7.	Sale/(Investment) of/in shares of associate companies (Net)	-	-	0.82	(0.40)
8.	Redemption/ (Investment) in Debt Securities other than HQLAs (net)	96.53	1,582.15	96.07	1,582.15
9.	Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(716.17)	(872.28)	(716.17)	(872.28)
10.	Maturity/(Investment) of Corporate and Term deposits	-	-	(77.44)	(2.93)
	Net Cash Flow from Investing Activities	**(210.52)**	**863.83**	**(287.46)**	**860.52**
C.	**Cash Flow from Financing Activities**				
1.	Issue/ (Redemption) of Rupee Debt Securities (Net)	(20,844.10)	15,499.66	(20,844.10)	15,499.66
2.	Issue/ (Redemption) of Commercial Paper (net)	(14.76)	(2,925.00)	(14.76)	(2,925.00)
3.	Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./ Banks/ FIs (net)	2,164.16	26,275.47	2,164.16	26,270.47
4.	Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	24,310.58	2,884.39	24,310.58	2,884.39
5.	Raising/ (Redemption) of Subordinated Liabilities (net)	-	1,999.50	-	1,999.50
6.	Issue of Perpetual Debt Instruments entirely equity in nature	-	558.40	-	558.40
7.	Issue Expenses on Perpetual Debt Instruments entirely equity in nature	-	(0.94)	-	(0.94)
8.	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(45.60)	-	(45.60)	-
9.	Payment of Dividend on Equity Shares	(2,411.37)	(2,172.41)	(2,411.37)	(2,172.41)
10.	Repayment towards Lease Liability	(0.02)	(0.02)	(0.02)	(0.73)
	Net Cash flow from Financing Activities	**3,158.89**	**42,119.05**	**3,158.89**	**42,113.34**
	Net Increase/Decrease in Cash & Cash Equivalents	**(1,014.09)**	**(537.54)**	**(1,038.25)**	**(538.47)**
	Cash & Cash Equivalents as at the beginning of the year	**1,140.49**	**1,678.03**	**1,179.24**	**1,717.71**
	Cash & Cash Equivalents as at the end of the year	**126.40**	**1,140.49**	**140.99**	**1,179.24**

S.K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

REC LIMITED New Delhi

Notes to the financial results:

1. The above financial results of the Company were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the meeting held on 13th May, 2022. These results have been audited by the Statutory Auditors of the Company.

2. The audited consolidated accounts of the subsidiary company REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited) has been consolidated in accordance with the Indian Accounting Standard 110 'Consolidated Financial Statements'.

3. Provisioning on loan assets is based on "ECL (Expected Credit Loss) methodology" approved by the Board of Directors of the Company and upon the report provided by an independent agency appointed by the Company, which also considers ratings by the Ministry of Power, as and when they are updated, for Distribution Companies (DISCOMs). This is further enhanced by management overlays in certain accounts wherever necessary considering the risk involved in the account and also on account of aligning the provisions with the lead lender. Details are as follows:

(₹ in Crores)

S. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
1.	Loan assets	3,68,311.37	17,159.89	3,85,471.26	3,59,161.22	18,256.93	3,77,418.15
2.	Impairment loss allowance (net of movements)	3,138.93	11,565.73	14,704.66	1,414.80	11,791.31	13,206.11
	Provisioning Coverage (%) (2/1)	0.85%	67.40%	3.82%	0.39%	64.59%	3.50%

4. Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of such assets.

5. 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 Indian Accounting Standard (Ind AS) 108 'Operating Segments'.

6. In pursuance to the Orders for implementation of resolution/liquidation plans under Insolvency and Bankruptcy Code (IBC), a sum of ₹ 1,884.56 crores and ₹ 1,924.01 crores has been written off (with reversal of ECL thereon) towards certain loan assets (net of cash recoveries/ issuance of fresh loan(s)/ securities(s)), during the quarter and year ended 31st March 2022 respectively.

7. The Board of Directors at its meeting held on 13th May, 2022 recommended final dividend of ₹ 4.80/- per equity share (on face value of ₹ 10/- each) for the financial year 2021 -22, subject to approval of Shareholders in the ensuing Annual General Meeting.

8. The Company has not issued any redeemable preference shares till date.

9. The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as Annexure - A.

10. Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secured listed non-convertible debt securities issued by the Company and outstanding as at 31st March, 2022 are fully secured (1.15 times) by way of mortgage on certain immovable properties and/or charge on the receivables of the Company, in terms of respective offer document/ information memorandum and/ or Debenture Trust Deed. Further, security cover for total non-convertible debt securities issued by the Company is 1.15 times as at 31st March 2022.

11. The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Necessary disclosure as required in the said framework regarding issuance of debt securities is annexed as Annexure-B.

12. The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and bonds of different tenors through private placement of debt securities. The amounts raised during the period have been utilized for the stated objects in the offer document/ information memorandum, pursuant to Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there has been no default as on 31st March, 2022 in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the period.

13. In respect of Central/State Government entities RBI has exempted the Company from applicability of its concentration of credit/investment norms till 31st March 2022. The Company has again represented to RBI for further extension of above exemption for a further period of five years. The matter, considering Company's business model and strategic positioning being a Government Company, is under consideration of RBI and the response is awaited.

14. There are no reportable cases of loans transferred/ acquired during the FY 2021-22 (previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021. Further, there are no cases during the FY 2021-22 (previous year Nil) where resolution plan implemented under the Resolution Framework for Covid-19 related stress as per RBI circular dated 6th August 2020.

15. Since outbreak of COVID-19, our Country has experienced two further waves of pandemic following the discovery of mutant coronavirus variants. These waves led to temporary imposition of localised /regional lockdown, which were subsequently lifted. With improving coverage of vaccination programme and resumption of economic activities, India is witnessing recovery in demand. Company's strong credit profile, liquidity access and availability of contingency buffers provides it no reasons to believe that the current crisis will have any significant impact on its operations, including the going concern assessment. However, the impact will continue to be dependent, among other things, on uncertain future developments about discovery of further coronavirus variants and any action to contain its spread, whether government mandated or otherwise.

16. The disclosure in respect of related party transactions for the half year ended 31st March 2022 has been annexed as Annexure-C.

17. The figures for the quarter ended 31st March 2022 and 31st March 2021 have been derived by deducting the year to date figures for the period ended 31st December 2021 and 31st December 2020 from the audited figures for the year ended 31st March 2022 and 31st March 2021 respectively.

18. Previous period/ years' figures have been regrouped/ reclassified, wherever necessary, in order to make them comparable.

For REC Limited

(R.S. Dhillon)
Chairman & Managing Director
DIN - 00278074

Place: Gurugram
Date: 13th May 2022

Annexure A

Disclosures to be made by Large Corporate entities as required by SEBI

The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Disclosures required under the said circular are given below:

(all figures in ₹ Crores)

	Particulars	Details
(1)	Name of the company	REC Limited
(2)	CIN	L40101DL1969GOI005095
(3)	Outstanding borrowing of company as on 31st March 2022 *	251504.70
(4)	Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	ICRA AAA, CRISIL AAA, CARE AAA, IRRPL AAA
(5)	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange
	Details of the borrowings	
(i)	2-year block period	2021-22 & 2022-23
(ii)	Incremental borrowing done in the FY 2021-22 **(a)**	42,966.99
(iii)	Mandatory borrowing to be done through debt securities in FY 2021-22 **(b) = (25% of a)**	10,741.75
(iv)	Actual borrowings done through debt securities in FY 2021-22 **(c)**	16,686.31
(v)	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 **(d)**	Nil
(vi)	Quantum of (d), which has been met from (c) **(e)**	Nil
(vii)	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 {after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22 **(f)= (b)-[(c)-(e)]**	Nil

** Borrowings as mentioned in (3) above include all outstanding borrowings with original maturity of more than 1 year, but do not include external commercial borrowings as per the SEBI Circular.*

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

REC Rajesh Gupta Company Secretary New Delhi

Annexure B

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended 31st March, 2022 on standalone basis:

S. No.	Particulars	Unit	As at/ For the quarter ended 31.03.2022	As at/ For the year ended 31.03.2022
1	Debt Equity Ratio[1]	times		6.41
2	Outstanding Redeemable preference shares	₹ in Crores		Nil
3	Debenture Redemption Reserve	₹ in Crores		Nil
4	Net Worth[2]	₹ in Crores		50,985.60
5	Total debts to total assets[3]	times		0.80
6	Operating Margin[4]	%	29.35	31.50
7	Net profit Margin[5]	%	23.83	25.61
8	Sector specific equivalent ratios			
(a)	CRAR[6]	%		23.22
(b)	Gross Credit Impaired Assets Ratio[7]	%		4.45
(c)	Net Credit Impaired Assets Ratio[8]	%		1.45

Notes:

1 Debt/Equity Ratio = Net Debt / Net Worth *(Net debt represents principal outstanding less cash and cash equivalents available.)*

2 Net Worth is calculated as defined in section 2(57) of Companies Act, 2013.

3 Total debts to total assets = Total Debt / Total Assets.

4 Operating Margin = Net Operating Profit Before Tax / Total Revenue from Operation.

5 Net profit Margin = Net Profit after Tax / Total Income.

6 CRAR = Adjusted Net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.

7 Gross Credit Impaired Asset Ratio = Gross Credit Impaired Assets / Gross Loan Assets.

8 Net Credit Impaired Asset Ratio = Net Credit Impaired Assets / Gross Loan Assets.

9 Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtors Turnover, Inventory Turnover and Bad Debts to Accounts Receivable Ratio is not applicable to the company.

S. K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

New Delhi

Annexure-C

Disclosure of related party transactions for the half-year ended March 31, 2022

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1	REC Limited		Dr. Manoj Manohar Pande, Independent Director		Key Managerial Personnel	Sitting Fees		0.05	-	-								
2	REC Limited		Dr. Gambheer Singh, Independent Director		Key Managerial Personnel	Sitting Fees		0.05	-	-								
3	REC Limited		Dr. Durgesh Nandini, Independent Director		Key Managerial Personnel	Sitting Fees		0.03	-	-								
4	REC Limited		PFC Limited		Holding Comapny	Dividend Paid		1061.32	-									
5	REC Limited		PFC Limited		Holding Comapny	Sitting Fees		0.03	-	-								
6	REC Limited		REC PDCL		Subsidiary Company	Govt. funds disbursed		0.09	-	-								
7	REC Limited		REC PDCL		Subsidiary Company	Apportionment of Employee Benefit and Other Expenses		10.61	-									
8	REC Limited		REC PDCL		Subsidiary Company	Dividend Income		7.53	-									
9	REC Limited		REC PDCL		Subsidiary Company	Finance Costs - Interest Paid		4.47	-	-								
10	REC Limited		REC PDCL		Subsidiary Company	Other Expenses		7.79	-	-								
11	REC Limited		REC PDCL		Subsidiary Company	Rental Income		4.88										
12	REC Limited		REC Foundation		Entities over which control is exercised	Payment towards Corporate Social Responsibility (CSR) Expenses		82.00	-	-								
13	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Contributions made by the Company		7.61	-	-								
14	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Contributions made by the Company		7.71	-	-								
15	REC Limited		REC Employee Benevolent Fund		Post employment benefit plans of the Company	Contributions made by the Company		0.02	-	-								
16	REC Limited		REC LTD Gratuity Fund		Post employment benefit plans of the Company	Contributions made by the Company		2.94	-	-								

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
17	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Finance Costs - Interest Paid		0.04	-	-								
18	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Finance Costs - Interest Paid		2.65	-	-								
19	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Finance Costs - Interest Paid		0.27	-	-								
20	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Redemption of the bonds of Company		2.20		-								
21	REC Limited		NHPC LTD		Companies in which Key Managerial Personnel are Directors	Dividend Income		4.13	-	-								
22	REC Limited		NHPC LTD		Companies in which Key Managerial Personnel are Directors	Finance Costs - Interest Paid		0.39	-	-								
23	REC Limited		Shri Sanjay Malhotra		Key Management Personnel	Remuneration		0.16		-								
24	REC Limited		Shri Sanjeev Kumar Gupta		Key Management Personnel	Remuneration		0.22		-								
25	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Remuneration		0.35		-								
26	REC Limited		I.S. Amitabh		Key Management Personnel	Remuneration		0.40	-									
27	REC Limited		REC PDCL		Subsidiary Company	Debt Securities Issued		-	57.44	57.44								
28	REC Limited		REC PDCL		Subsidiary Company	Other Financial Assets/Receivable		-	4.23	5.26								
29	REC Limited		REC PDCL		Subsidiary Company	Other Financial Liabilities/Payable		-	5.98	6.10								
30	REC Limited		REC Foundation		Entities over which control is exercised	Advance Given/Other Non Financial Assets		-	1.54	1.20								
31	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Debt Securities Issued		-	4.00	4.00								
32	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Debt Securities Issued		-	4.70	4.70								
33	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Other financial liabilities-GOI Serviced Bonds Issued		-	29.30	29.30								

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
34	REC Limited		POWER FINANCE CORPORATION LTD. EMPLOYEES		Post-employment Benefits Plan Trusts of Ultimate Holding Company	Debt Securities Issued		-	4.10	1.90								
35	REC Limited		J.S. Amitabh		Key Management Personnel	Unsecured Staff Loans & Advances Given			0.13	0.11								
36	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Unsecured Staff Loans & Advances Given			0.09	0.07								
37	REC Limited		J.S. Amitabh		Key Management Personnel	Interest Income on Staff Loans		0.02	-	-								
38	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Interest Income on Staff Loans		0.02	-	-								
39	REC Limited		Shri Sanjeev Kumar Gupta		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.01	-	-								
40	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.04	-	-								
41	REC Limited		J.S. Amitabh		Key Management Personnel	Repayment of Unsecured Staff Loans & Advances		0.05	-	-								
42	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Finance Costs - Interest Paid		0.01										
43	REC Limited		J.S. Amitabh		Key Management Personnel	Finance Costs - Interest Paid		0.01										
44	REC Limited		Shri Ajoy Choudhary		Key Management Personnel	Debt Securities Issued				0.06								
45	REC Limited		J.S. Amitabh		Key Management Personnel	Debt Securities Issued				0.11								
46	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Provision/Liabilities				0.71								
47	REC Limited		REC LTD Gratuity Fund		Post employment benefit plans of the Company	Provision/Liabilities			1.65	0.74								
48	REC Limited		REC Retired Employees Medical Trust		Post employment benefit plans of the Company	Debt Securities of the Holding Company			18.40	18.40								
49	REC Limited		REC LTD Contributory Provident Fund Trust		Post employment benefit plans of the Company	Debt Securities of the Holding Company			1.50	1.50								
50	REC Limited		SH. VISHAL KAPOOR		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid												

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.							
S. No	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ intercorporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
51	REC Limited		SMT. PARMINDER CHOPRA		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid		0.01										
52	REC Limited		MR. RAVINDER SINGH DHILLON		Key Management Personnel of Ultimate Holding Company	Finance Costs - Interest Paid		0**										
53	REC Limited		SH. VISHAL KAPOOR		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued				0.01								
54	REC Limited		SMT. PARMINDER CHOPRA		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued				0.14								
55	REC Limited		MR. RAVINDER SINGH DHILLON		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued			0.02	0.02								
56	REC Limited		MR. MANISH KUMAR		Key Management Personnel of Ultimate Holding Company	Debt Securities Issued				0**								

**Denotes amount less than Rs. Fifty thousand.

S.K. MITTAL & CO. New Delhi CHARTERED ACCOUNTANTS

REC LIMITED New Delhi

Notes to Accounts

1. Company Overview

REC Limited ("REC" or the "Company") was incorporated in the year 1969. The Company is domiciled in India and is limited by shares, having its registered office and principal place of business at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India. The books of accounts and financial statements are maintained at the Corporate Office situated at Plot no. I-4, Sector-29, Gurugram, Haryana, in addition to the registered office of the Company. The Company has offices spread across the country, mainly in the State Capitals and one training center at Hyderabad.

The Company is a Government Company engaged in extending financial assistance across the power sector value chain and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI).

REC is a leading Infrastructure Finance Company in India and the principal products of REC are interest-bearing loans to State Electricity Boards, State Power utilities/State Power Departments and Private sector for all segments of Power infrastructure.

The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges

2. Statement of Compliance and Basis of Preparation

These Standalone Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines.

The financial statements for the year ended 31st March 2022 were authorized and approved for issue by the Board of Directors on 13th May 2022.

3. Significant Accounting Policies

The significant accounting policies applied in preparation of the financial statements are as given below:

3.1 Basis of Preparation and Measurement

The financial statements have been prepared on going concern basis following accrual system of accounting on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. These policies have been applied consistently for all the periods presented in the financial statements.

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional currency of the Company.

3.2 Income recognition

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) costs and expenses of REC (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

For financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR), i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Interest on financial assets subsequently measured at fair value through profit and loss is recognized on an accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head interest income.

Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of stressed assets.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Income from Government schemes

Income of agency fee on Government schemes is recognized on accrual basis based on the services rendered.

Dividend income

Income from dividend on shares of corporate bodies and units of mutual funds is taken into account on accrual basis when right to receive payment is established.

Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

Dividend on financial assets subsequently measured at fair value through profit and loss is recognised separately under the head 'Dividend Income'.

Other services

Fees/ charges on loan assets, other than those considered an adjustment to EIR, are accounted for on accrual basis. Pre-payment premium is accounted for by the Company in the year of receipt.

3.3 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

3.4 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.5 Foreign Currency Translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit or Loss. However, for the long-term monetary items recognized in the financial statements before 1 April 2018, such gains and losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item, by recognition as income or expense in each of such periods.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date).

3.6 Property, Plant and Equipment (PPE)

Recognition and initial measurement

Land

Land held for use is initially recognized at cost. For land, as no finite useful life can be determined, related carrying amounts are not depreciated.

Land also includes land treated as a Right of Use asset under lease agreement earlier classified as finance lease and is amortised over the lease term.

Other Tangible assets

PPE other than land is initially recognized at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company beyond one year. Maintenance or servicing costs of PPE are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation method, useful lives, residual value, and impairment)

PPE are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on PPE is provided on the straight-line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation on assets purchased/sold during the year is charged for the full month if the asset is in use for more than 15 days. Depreciation on assets purchased during the year up to ₹5,000/- is provided @ 100%.

The residual values, useful lives, and method of depreciation are reviewed at the end of each financial year. PPE other than land is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances.'

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3.7 Intangible assets

Recognition and initial measurement

Intangible assets mainly comprise of computer software which is initially measured at cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the company.

Subsequent measurement (amortization method, useful lives and residual value)

All intangible assets with finite useful life are amortized on a straight line basis over the estimated useful lives, and a possible impairment is assessed if there is an indication that the intangible asset may be impaired. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates. Management estimates the useful life of intangible assets to be five years.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

3.8 Assets held for sale

Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Company; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such assets are measured at lower of carrying amount or fair value less selling costs.

Assets held for sale are presented separately from other assets in the Balance Sheet and are not depreciated or amortised while they are classified as held for sale.

3.9 Investment property

Investment properties are the assets which have undetermined future use. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment properties are stated at cost less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company beyond one year. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

The Company only has land as an investment property, which is not depreciated.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

3.10 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)
- Investments in equity shares of subsidiaries and joint ventures (carried at cost in accordance with Ind AS 27)

All financial assets except for those at FVTPL or equity instruments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is

Notes to Accounts

any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

Modification of cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Financial assets at FVOCI

FVOCI financial assets comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in Other Comprehensive Income (OCI) and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Company may transfer the same within equity.

De-recognition of financial assets

De-recognition of financial assets due to a substantial modification of terms and conditions

The Company derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

De-recognition of financial assets other than due to substantial modification

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss. All host contracts which are in nature of a financial liability and separated from embedded derivative are measured at amortised cost using the effective interest method.

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Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

All derivative financial instruments designated under hedge accounting are recognised initially at fair value and reported subsequently at fair value at each reporting date. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

At the inception of each hedging relationship, the Company formally designates and documents the hedge relationship, in accordance with the Company's risk management objective and strategies. The documentation includes identification of the hedged item, hedging instrument, the nature of risk(s) being hedged, the hedge ratio and how the hedging relationship meets the hedging effectiveness requirements.

Fair Value Hedges

In line with the recognition of change in the fair value of the hedging instruments in the Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exit. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Statement of Profit and Loss.

3.11 Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment in the form of Expected Credit Loss (ECL) based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

Loss Given Default (LGD) – LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

Exposure at Default (EAD) – EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Financial assets other than Loans

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery or as directed by the order of the Judicial Authority.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.13 Dividend and Other Payments to holders of Instruments classified as Equity

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively. Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the Company.

3.14 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

3.15 Prepaid Expenses

A prepaid expense upto ₹ 1,00,000/- is recognized as expense upon initial recognition.

3.16 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.17 Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions in respect of the employees into a separate fund. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Company towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

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Defined benefit plan

The Company has an obligation towards gratuity, Post Retirement Medical Facility (PRMF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside.

The Company's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee benefits, which is amortised on a straight-line basis over the expected remaining period of the Loan. In case of change in expected remaining period of the Loan, the unamortised deferred employee benefits on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

3.18 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.19 Fair value measurement

The Company measures financial instruments, such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements regularly, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.20 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.21 Business Combination under Common Control

A business combination, if any, involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.22 Expenditure on issue of shares

Expenditure on issue of shares, if any, is charged to the securities premium account

4. Implementation of New/ Modified Standards

During the year, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS. The Company has analysed the impact of these amendments which is not material to the Company.

5. Significant management judgment in applying accounting policies and estimation of uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, the Company Management has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income tax Act, 1961 and thus, the special reserve created and maintained is not capable of being reversed. Hence, the company does not create any deferred tax liability on the said reserve.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Non recognition of Interest Income on Credit Impaired Loans - Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of stressed assets.

Significant estimates

Impact of Covid-19 Outbreak - The Company has considered the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption,

recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19. The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Govt. or the Company to contain its spread or mitigate its impact.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets to measure ECL.
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default)

Notes to Accounts

6 Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash in Hand (including postage & imprest)	0.02	0.12
Balances with Banks		
in current accounts	124.01	237.93
deposits with original maturity less than 3 months	2.37	902.44
Total (Cash & Cash Equivalents)	**126.40**	**1,140.49**

7 Bank Balances (other than Cash and Cash Equivalents)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Earmarked Balances with Banks		
For unpaid dividends	6.39	5.79
For govt. funds for onward disbursement as grant	771.18	1,065.84
Earmarked Term Deposits		
Deposits in Compliance of Court Order	0.59	0.56
Term Deposit held as Margin Money against Bank Guarantee	0.27	0.25
Term Deposit- Debenture Redemption Reserves	225.33	-
Balances with banks not available for use pending allotment of 54EC Capital Gain Tax Exemption Bonds	1,291.54	856.62
Total (Other Bank Balances)	**2,295.30**	**1,929.06**
Term Deposits held as margin money against Bank Guarantee for more than 12 months	0.27	0.25

7.1 There are no repatriation restrictions with respect to Cash & Cash Equivalents and Bank balances (other than Cash & Cash Equivalents) as at 31st March 2022 (Previous year Nil).

8 Derivative Financial Instruments

The Company enters into derivatives for hedging foreign exchange risks and interest rate risks. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Refer Note 48 for Risk Management Disclosures in respect of the derivatives.

Part I

(₹ in Crores)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i) Currency Derivatives						
- Currency swaps	2,850.13	1.39	48.37	2,854.54	43.07	121.08
- Others						
- Call Spread	1,895.18	76.73	-	4,263.27	271.36	-
- Seagull Options	54,727.54	4,868.28	-	20,482.08	1,657.19	43.25
Sub-total (i)	**59,472.85**	**4,946.40**	**48.37**	**27,599.89**	**1,971.62**	**164.33**
(ii) Interest Rate Derivatives						
- Forward Rate Agreements and Interest Rate Swaps	33,239.41	563.77	173.52	25,035.68	339.60	403.65
Sub-total (ii)	**33,239.41**	**563.77**	**173.52**	**25,035.68**	**339.60**	**403.65**
(iii) Other derivatives						
- Reverse cross currency swaps	4,747.00	-	331.25	4,547.00	-	278.33
Total - Derivative Financial Instruments (i+ii+iii)	**97,459.26**	**5,510.17**	**553.14**	**57,182.57**	**2,311.22**	**846.31**

Notes to Accounts

Part II

Included in Part I are derivatives held for hedging and risk management purposes as below:

(₹ in Crores)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i) Fair Value Hedging						
- Interest Rate Derivatives						
- Forward Rate Agreements and Interest Rate Swaps	11,850.70	19.76	112.00	-	-	-
(ii) Cash Flow Hedging						
- Currency Derivatives						
- Currency Swaps	2,842.77	-	48.37	2,756.43	23.86	121.08
- Others						
- Call Spread	1,895.18	76.73	-	1,837.62	77.74	-
- Seagull Options	54,727.54	4,868.28	-	20,482.08	1,657.19	43.25
- Interest Rate Derivatives						
- Forward Rate Agreements and Interest Rate Swaps	13,313.21	115.10	45.27	13,055.84	-	318.18
Sub-total (ii)	**72,778.70**	**5,060.11**	**93.64**	**38,131.97**	**1,758.79**	**482.51**
(iii) Undesignated Derivatives	12,829.86	430.30	347.50	19,050.60	552.43	363.80
Total - Derivative Financial Instruments (i+ii+iii)	**97,459.26**	**5,510.17**	**553.14**	**57,182.57**	**2,311.22**	**846.31**

Derivative financial instruments are measured at fair value at each reporting date. The changes in the fair value of derivatives designated as hedging instruments in effective cash flow hedges are recognised in Other Comprehensive Income. In case of fair value hedges, the changes in fair value of the derivatives designated as hedging instruments along with the fair value changes in the carrying amount of the hedged items are recognised in the Statment of Profit & Loss. For undesignated derivatives, the changes in the fair value are recognised in the Statement of Profit & Loss.

9 Loans

The Company has categorised all loans at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A) Loans				
(i) Term Loans	3,83,310.40	3,84,566.08	3,77,041.98	3,78,090.36
(ii) Working Capital Term Loans	2,060.86	2,069.12	376.17	377.24
Total (A) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
Total (A) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(B) Security Details				
(i) Secured by tangible assets	2,23,793.64	2,24,420.98	2,56,744.52	2,57,329.46
(ii) Covered by Bank/ Govt. Guarantees	1,30,973.50	1,31,510.35	1,01,071.53	1,01,456.48
(iii) Unsecured	30,604.12	30,703.87	19,602.10	19,681.67
Total (B) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
Total (B) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(C) (I) Loans in India				
(i) Public Sector	3,50,455.72	3,51,732.04	3,38,810.31	3,39,877.44
(ii) Private Sector	34,915.54	34,903.16	38,607.84	38,590.16
Total (C)(I) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
Total (C)(I) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(C)(II) Loans outside India	-	-	-	-
Less: Impairment loss allowance	-	-		-
Total (C)(II) - Net Loans	**-**	**-**	**-**	**-**
Total (C)(I) and (C)(II)	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**

Notes to Accounts

9.1 Reconciliation between the figures reported under Ind-AS and contractual amounts outstanding in respect of Loans:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Net Loans	**3,71,930.54**	**3,65,261.49**
Less: Interest accrued and due on Loans classified under the same head as per Ind-AS	(423.59)	(504.10)
Less: Interest accrued and not due on Loans classified under the same head as per Ind-AS	(957.96)	(635.00)
Add: Allowance for Expected Credit Loss netted off as per Ind-AS	14,704.66	13,206.11
Add: Ind-AS Adjustments in respect of fees based income at Effective Interest Rate (EIR)	117.61	89.65
Gross Loans	**3,85,371.26**	**3,77,418.15**

9.2 Movement of Impairment Loss Allowance in respect of Loans:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**13,206.11**	**11,996.04**
Add: Impairment loss allowance provided during the year (Refer Note 36)*	3,422.56	2,362.62
Less: Allowance utilised towards write-off of loans	(1,924.01)	(1,152.55)
Closing Balance	**14,704.66**	**13,206.11**

** Includes impairment loss allowance created on Stage 1 & 2 loan assets which has been enhanced to a minimum level of 0.40% from FY 2021-22*

9.3 In terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring, the Company has written off loans amounting to ₹ 1,924.01 crores (Previous year ₹ 1,152.55 crores). The details of write-offs for the current year are as below:

(i) During the current year

(a) Pursuant to the Resolution Plan approved under IBC proceedings executed on 13th May 2021 in respect of VS Lignite Power Private Limited, the Company has written off an amount of ₹ 39.45 crores after appropriating the recoveries of ₹ 14.79 crores (Cash ₹ 1.30 crores and Term Loan of ₹ 13.49 crores).

(b) Pursuant to the liquidation order under IBC proceedings executed on 30th December 2021 in respect of Lanco Babandh Power Limited, the Company has written off an amount of ₹ 1,160.16 crores after appropriating cash recoveries of ₹ 40.39 crores.

(c) Pursuant to the Resolution Plan approved under IBC proceedings executed on 16th March 2022 in respect of Essar Power (MP) Limited (EPMPL), the Company has written off an amount of ₹ 724.40 crores after appropriating the recoveries of ₹ 620.60 crores (Cash ₹ 148.94 crores and Term Loan of ₹ 471.66 crores).

(d) Pursuant to the Resolution Plan approved under IBC proceedings executed on 23rd March 2022 in respect of Amrit Jal Ventures Private Limited, the company has recovered the entire outstanding loan of ₹ 4.35 crores and ₹ 0.28 crores overdue interest after appropriating cash recoveries of ₹ 4.63 crores.

(ii) During the previous year

(a) Pursuant to the restructuring executed on 4th June, 2020, in respect of Essar Power Transmission Corporation Ltd, the Company has written off an amount of ₹ 65.25 crores after appropriating the recoveries of ₹ 979.56 crores (Term Loan of ₹ 830.00 crores and Optionally convertible debentures of ₹ 149.56 crores).

(b) Pursuant to the Resolution Plan approved under IBC proceedings executed on 21st September, 2020 in respect of Facor Power Ltd, the Company has wriiten-off an amount of ₹181.86 crores after appropriating the recoveries of ₹ 329.12 crores (Cash ₹ 102.27 crores, Non-convertible debentures of ₹ 199.72 crores and amount recoverable of ₹ 27.13 crores).

(c) Pursuant to the restructuring executed on 4th December, 2020 in respect of R.K.M PowerGen Private Ltd, the Company has wriiten-off an amount of ₹ 905.44 crores after appropriating the recoveries of ₹ 1,396.55 crores (Term Loan of ₹ 1,396.55 crores and Optionally convertible debentures Nil).

The instruments received upon restructuring/ settlement have been classified under the head 'Investments' (Refer Note No. 10).

Notes to Accounts

9.4 The Company obtains balance confirmation from the borrowers for the balances standing as on the Balance Sheet date. The summary of the balance confirmations received from the borrowers is as under:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	%	Amount	%	Amount
Gross Loan Book		3,85,371.26		3,77,418.15
Loan Assets for which balance confirmations have been received from borrowers	93%	3,56,923.45	92%	3,48,293.80
Loan Assets for which balance confirmations are yet to be received from borrowers *of which,*	7%	28,447.81	8%	29,124.35
Loans secured by tangible assets	45%	12,813.68	71%	20,597.00
Loans covered by Government Guarantee/ Loans to Government	33%	9,295.96	10%	2,848.13
Unsecured loans	22%	6,338.17	19%	5,679.22

9.5 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10 Investments

(₹ in Crores)

Particulars		At fair value					
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Others (At Cost)	Total
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7)
As at 31st March, 2022							
Govt. Securities	1,374.51	-	-	-	1,374.51	-	1,374.51
Debt Securities	333.03	-	132.55	-	465.58	-	465.58
Equity Instruments	-	268.26	49.52		317.78	0.10	317.88
Preference Shares	28.72	-	-	-	28.72	-	28.72
Others	-	-	-		-	-	-
Total - Gross (A)	**1,736.26**	**268.26**	**182.07**	**-**	**2,186.59**	**0.10**	**2,186.69**
Investments outside India	-	-	-	-	-	-	-
Investments in India	1,736.26	268.26	182.07	-	2,186.59	0.10	2,186.69
Total - Gross (B)	**1,736.26**	**268.26**	**182.07**	**-**	**2,186.59**	**0.10**	**2,186.69**
Total Investments	1,736.26	268.26	182.07	-	2,186.59	0.10	2,186.69
Less: impairment loss allowance (C)	(28.72)	-	-	-	(28.72)	-	(28.72)
Total - Net (D=A-C)	**1,707.54**	**268.26**	**182.07**	**-**	**2,157.87**	**0.10**	**2,157.97**
As at 31st March, 2021							
Govt. Securities	649.08	-	-	-	649.08	-	649.08
Debt Securities	376.62	-	143.06	-	519.68	-	519.68
Equity Instruments	-	430.13	23.60		453.73	218.20	671.93
Preference Shares	26.09	-	42.99	-	69.08	-	69.08
Others	-	-	-	-	-	-	-
Total - Gross (A)	**1,051.79**	**430.13**	**209.65**	**-**	**1,691.57**	**218.20**	**1,909.77**

Notes to Accounts

(₹ in Crores)

Particulars	Amortised Cost	At fair value			Sub-total	Others (At Cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7)
Investments outside India	-	-	-	-	-	-	-
Investments in India	1,051.79	430.13	209.65	-	1,691.57	218.20	1,909.77
Total - Gross (B)	**1,051.79**	**430.13**	**209.65**	**-**	**1,691.57**	**218.20**	**1,909.77**
Total Investments	1,051.79	430.13	209.65	-	1,691.57	218.20	1,909.77
Less: impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net (D=A-C)	**1,051.79**	**430.13**	**209.65**	**-**	**1,691.57**	**218.20**	**1,909.77**

10.1 Details of investments

(₹ in Crores)

Particulars		Investment measured at	As at 31.03.2022		As at 31.03.2021	
			Number	Amount	Number	Amount
(A)	**Government Securities (HQLAs)***	**Amortised Cost**	**13,39,32,800**	**1,374.51**	**6,25,00,000**	**649.08**
	Debt Securities					
(i)	Debt Securities (HQLAs)*	Amortised Cost	2,150	226.82	2,150	227.52
(ii)	Debt Securities (other than HQLAs)					
	- 3% Optionally convertible debentures- Series A of Essar Power Transmission Co. Ltd.	Fair value through profit or loss	17,85,43,530	92.03	22,85,25,079	99.33
	- 3% Optionally convertible debentures- Series B of Essar Power Transmission Co. Ltd.	Fair value through profit or loss	7,86,06,161	40.52	10,06,12,911	43.73
	- Optionally convertible debentures- Series C of Essar Power Transmission Co. Ltd. **	Fair value through profit or loss	1,86,35,162	-	1,86,35,162	-
	- 0% Non- Convertible Debentures (NCDs) of Ferro Alloys Corporation Limited	Amortised Cost	2,54,95,144	106.21	2,52,91,783	149.10
	- 0.01% Optionally convertible Debentures (OCD) Series A of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	21,38,03,170	-	21,38,03,170	-
	- 0.01% Optionally convertible Debentures (OCD) Series B of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	63,03,032	-	63,03,032	-
	- 0.01% Optionally convertible Debentures (OCD) Series Ai of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	1,04,74,150	-	1,04,74,150	-
(B)	**Sub-total - Debt Securities (i+ii)**			**465.58**		**519.68**
	Equity Instruments					
	- NHPC Ltd.	Fair value through other comprehensive income	1,88,43,184	52.38	17,53,02,206	428.61
	- HUDCO Ltd.	Fair value through other comprehensive income	3,47,429	1.14	3,47,429	1.52
	- Energy Efficiency Services Ltd.	Fair value through other comprehensive income	21,81,00,000	214.74	-	-
	- Universal Commodity Exchange Ltd.	Fair value through other comprehensive income	1,60,00,000	-	1,60,00,000	-
	- Rattan India Power Ltd.	Fair value through profit or loss	9,25,68,105	49.52	9,25,68,105	23.60
	- R.K.M PowerGen Private Ltd.	Fair value through profit or loss	18,17,90,667	-	18,17,90,667	-
(C)	**Sub-total - Equity Instruments**			**317.78**		**453.73**
	Subsidiary (Refer note 10.2)					

Notes to Accounts

(₹ in Crores)

Particulars	Investment measured at	As at 31.03.2022		As at 31.03.2021	
		Number	Amount	Number	Amount
- REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	Others (At Cost)	85,500	0.10	85,500	0.10
(D) Sub-total - Subsidiary			**0.10**		**0.10**
Joint Venture (Refer note 10.2)					
- Energy Efficiency Services Ltd.	Others (At Cost)	-	-	21,81,00,000	218.10
Sub-total - Joint Ventures			**-**		**218.10**
Preference Shares (PS)					
- Redeemable PS of Rattan India Power Ltd.	Amortised cost	2,87,20,978	28.72	2,87,20,978	26.09
- Optionally Convertible PS of Rattan India Power Ltd.	Fair value through profit or loss	4,33,03,616	-	4,33,03,616	42.99
(E) Sub-total - Preference Shares			**28.72**		**69.08**
Others					
- Units of 'Small is Beautiful' Venture Capital Fund	Fair value through other comprehensive income	-	-	61,52,200	-
(F) Sub-total - Others			**-**		**-**
Total Investments (G= A to F)			**2,186.69**		**1,909.77**
Less: impairment loss allowance (H)			(28.72)		-
Total - Net (I=G-H)			**2,157.97**		**1,909.77**

Refer note 52.1 for valuation technique of the investments shown at fair value

** High Quality Liquid Assets (HQLAs) maintained as per RBI Circular dated Novemeber 4, 2019*

*** Received against unsustainable portion of debt in terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring*

10.2 Details of Investment in Subsidiary and Joint Venture:

(₹ in Crores)

Name of the company	Principal place of business / Country of Incorporation	Proportion of ownership interest as at	
		31.03.2022	31.03.2021
Subsidiary :			
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	India	100.00%	100.00%
Joint Venture* :			
Energy Efficiency Services Limited (EESL)	India	-	22.18%

The investments in subsidiary and joint venture are measured at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

* During the year, pursuant to agreement executed amongst the Joint Venture partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited, EESL ceased to be a jointly controlled entity of the Company with effect from September 01, 2021, under Ind-AS framework.

10.3 Movement of Impairment Loss Allowance in respect of Investments:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**-**	**-**
Add: Impairment loss allowance provided in respect to Redeemable PS of Rattan India Power Limited due for redemption during the year (Refer Note 36)	28.72	-
Less: Allowance utilised towards write-off of loans	-	-
Closing Balance	**28.72**	**-**

Notes to Accounts

10.4 In terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring , the Company has received the following Investments:

(i) **<u>During the current year</u>:**

Company has not received any instruments in terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring.

(ii) **<u>During the previous year</u>:**

(a) Pursuant to the restructuring in respect of Essar Power Transmission Corporation Ltd, the company has been allotted 22,85,25,079 no. of optionally convertible debentures (3%) Series- A, 10,06,12,911 no. of optionally convertible debentures (3%) Series- B and 1,86,35,162 no. of optionally convertible debentures (0%) Series- C.

(b) Pursuant to the One Time Settlement arrangement executed on 21st September 2020 in respect of Facor Power Ltd, the Company has been allotted 2,52,91,783 no. of zero coupon non-convertible debentures of Ferro Alloys Corporation Limited.

(c) Pursuant to the restructuring in respect of R.K.M PowerGen Private Ltd, the company has been allotted 21,38,03,170 no. of optionally convertible debentures (0.01%) Series- A, 63,03,032 no. of optionally convertible debentures (0.01%) Series- B and 1,04,74,150 no. of optionally convertible debentures (0.01%) Series- Ai.

Refer note 9.3 for further details.

10.5 The Company has elected an irrevocable option to designate some of the equity instruments at FVOCI (Fair Value through Other Comprehensive Income). The Company's main operation is to provide financial assistance to power sector. Thus, in order to isolate Standalone Statement of Profit & Loss from price fluctuations of these instruments, management believes that this provides a more meaningful presentation, rather than classifying them at FVTPL (Fair Value through Profit & Loss).

Details of FVOCI investments derecognised during the year

(₹ in Crores)

Name of the company	FY 2021-22			FY 2020-21		
	No. of shares derecognised	Fair Value as on de-recognition	Cumulative Gain/ (loss) on de-recognition	No. of shares derecognised	Fair Value as on de-recognition	Cumulative Gain/ (loss) on de-recognition
NHPC Limited*	15,64,59,022	430.62	89.86			
Small is Beautiful**	61,52,200	0.55	(5.60)			
India Energy Exchange Limited	-	-	-	1,22,71,211	249.92	248.69

** During the year, the Company has sold 15,64,59,022 equity shares of NHPC Limited considering the market scenerio for a consideration of ₹ 430.62 crores through stock exchange. The shares have thus been derecognised and the cumulative gain (net of tax) on such sale has been transferred from other comprehensive income to retained earnings.*

*** During the year, the Company has derecogniesd 61,52,200 units of 'Small is Beautiful' Venure Capital Fund, consequent to full and final settlement upon liquidation of the fund. As a result, the Company has written off an amount of ₹ 5.60 crores after appropriating cash recoveries of ₹ 0.55 crores*

11 Other financial assets

The Company has categorised all the components under 'Other Financial Assets' at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(A) Loans to Employees (Refer Note No. 11.1)	41.95	39.94
(B) Advances to Employees	0.24	0.41
(C) Loans & Advances to Subsidiaries	5.26	4.16
(D) Security Deposits	1.64	1.23
(E) Recoverable from Govt. of India		
- Towards GoI Fully Serviced Bonds (Refer Note No. 21.5)	24,318.29	24,314.48
(F) Other amounts recoverable	120.24	127.03
Less: Impairment Loss allowance (Refer Note No. 11.2)	(90.68)	(88.04)
Other Amounts Recoverable (Net)	**29.56**	**38.99**
Total (A to F)	**24,396.94**	**24,399.21**

Notes to Accounts

11.1 Details of Loans to Employees

The Company has extended loans to employees with specified terms and repayment schedule, categorised at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(A) Secured Loans		
- To employees Other than Key Managerial Personnel	12.64	7.39
Sub-total (A)	**12.64**	**7.39**
(B) Unsecured Loans		
- To Key Managerial Personnel	0.18	0.28
- To Others	29.13	32.27
Sub-total (B)	**29.31**	**32.55**
Total (A+B)	**41.95**	**39.94**

The figures above include interest accrued on such loans amounting to ₹ 8.45 crores (Previous year ₹ 8.16 crores).

11.2 Movement of impairment loss allowance on other amounts recoverable

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening balance	88.04	30.85
Add: Created during the year	10.23	59.29
Less: Reversed/ Adjusted during the year	(7.59)	(2.10)
Closing balance	**90.68**	**88.04**

12 Current tax assets (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Income-tax & TDS	3,284.80	227.47
Provision for Income Tax	(3,110.11)	(72.35)
Sub-Total	**174.69**	**155.12**
Tax Deposited on income tax demands under contest	5.20	5.20
Provision for income tax for demand under contest	(0.25)	(0.25)
Sub-Total	**4.95**	**4.95**
Current tax assets (Net)	**179.64**	**160.07**

13 Deferred tax assets (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets (Net)	3,134.74	2,437.71

13.1 Significant components of net deferred tax assets and liabilities for the year ended 31st March 2022 are as follows

(₹ in Crores)

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Deferred Tax Assets					
Expected Credit Loss	2,743.25	714.65			3,457.90
Provision for Earned Leave	4.53	1.81			6.34
Provision for Medical Leave	5.26	0.15			5.41
Fair Valuation of Investments	3.57	2.29	2.55		8.41
Fair Valuation of Derivatives	27.81	11.16	26.09		65.07
Total Deferred Tax Assets	**2,784.42**	**730.06**	**28.64**	**-**	**3,543.13**

Notes to Accounts

(₹ in Crores)

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Deferred Tax Liabilities					
Due to different tax base of Property, Plant & Equipment	2.12	10.81			12.93
Unamortised Foreign Currency Exchange Fluctuations	153.26	(2.21)			151.05
Financial assets and liabilities measured at amortised cost	191.33	24.90			216.24
Fair valuaton of Debt Securities	-	28.17			28.17
Others	-	-			-
Total Deferred Tax Liabilities	**346.71**	**61.67**	**-**	**-**	**408.39**
Total Deferred Tax Assets (Net)	**2,437.71**	**668.39**	**28.64**	**-**	**3,134.74**

Significant components of net deferred tax assets and liabilities for the year ended 31st March 2021 are as follows

(₹ in Crores)

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Deferred Tax Assets					
Expected Credit Loss	2,275.92	467.33			2,743.25
Provision for Earned Leave	4.01	0.52			4.53
Provision for Medical Leave	5.51	(0.25)			5.26
Fair Valuation of Investments	10.00	(0.42)	(6.01)		3.57
Fair Valuation of Derivatives	439.65	(308.70)	(103.14)		27.81
Total Deferred Tax Assets	**2,735.09**	**158.48**	**(109.15)**	**-**	**2,784.42**
Deferred Tax Liabilities					
Due to different tax base of Property, Plant & Equipment	1.80	0.32			2.12
Unamortised Foreign Currency Exchange Fluctuations	448.95	(295.69)			153.26
Financial assets and liabilities measured at amortised cost	237.45	(46.13)			191.33
Others	12.57	(12.57)			-
Total Deferred Tax Liabilities	**700.77**	**(354.07)**	**-**	**-**	**346.71**
Total Deferred Tax Assets (Net)	**2,034.32**	**512.55**	**(109.15)**	**-**	**2,437.71**

14 Investment Property

(₹ in Crores)

Particulars	Opening Balance	Additions during the year	Sales/ adjustment during the year	Closing Balance
As at 31st March 2022	0.01	-	0.01	-
As at 31st March 2021	0.01	-	-	0.01

14.1 The company had classified the land held for undeterminable future use as investment property and didnt earn any rental income on it. The same has been sold during the year.

14.2 Fair value of investment property:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Value	-	0.01
Fair Value	-	0.90

The Company obtains independent valuations for its investment properties at least annually. The fair values of investment property is determined by an independent registered valuer and the main inputs used are circle rates and current prices of similar properties. All resulting fair value estimates for investment property are included in Level 3.

Notes to Accounts

15 Property, Plant & Equipment and Intangible Assets

(₹ in Crores)

Particulars	Property, Plant & Equipment									Capital Work-in-Progress	Intangible Assets under Development	Other Intangible Assets
	Freehold Land	Right-of-Use Land	Buildings	Plant & equipment	Furniture & Fixtures	EDP Equipments	Office Equipments	Vehicles	Total	Immovable Property	Computer Software	Computer Software
Gross carrying value												
As at 31.03.2020	**110.39**	**1.59**	**31.74**	**-**	**11.62**	**20.25**	**19.97**	**0.40**	**195.96**	**287.62**	**0.77**	**13.62**
Additions	-	-	98.66	-	9.65	4.71	5.10	-	118.12	131.70	-	0.02
Borrowings Cost Capitalised										22.04		
Disposals	-	-	-	-	0.72	3.28	7.97	-	11.97	105.69	-	-
As at 31.03.2021	**110.39**	**1.59**	**130.40**	**-**	**20.55**	**21.68**	**17.10**	**0.40**	**302.11**	**335.67**	**0.77**	**13.64**
Additions	-	-	303.73	19.90	47.55	3.30	7.14	-	381.62	32.35	-	1.02
Borrowings Cost Capitalised									-	5.10		
Disposals/ Adjustments	-	-	3.30	-	0.69	0.92	0.86	-	5.77	367.05	0.77	-
As at 31.03.2022	**110.39**	**1.59**	**430.83**	**19.90**	**67.41**	**24.06**	**23.38**	**0.40**	**677.96**	**6.07**	**-**	**14.66**
Accumulated depreciation/ amortisation												
As at 31.03.2020	**-**	**0.32**	**9.06**	**-**	**6.66**	**14.38**	**12.22**	**0.32**	**42.96**	**-**	**-**	**4.82**
Charge for the year	-	0.03	0.75	-	0.94	2.69	2.38	0.02	6.81	-	-	2.72
Adjustment for disposals	-	-	-	-	0.20	2.60	4.98	-	7.78	-	-	-
As at 31.03.2021	**-**	**0.35**	**9.81**	**-**	**7.40**	**14.47**	**9.62**	**0.34**	**41.99**	**-**	**-**	**7.54**
Charge for the year	-	0.02	4.96	0.95	3.65	3.05	2.43	0.03	15.09	-	-	2.87
Adjustment for disposals	-	-	1.26	-	0.41	0.71	0.41	-	2.79	-	-	-
As at 31.03.2022	**-**	**0.37**	**13.51**	**0.95**	**10.64**	**16.81**	**11.64**	**0.37**	**54.29**	**-**	**-**	**10.41**
Net block as at 31.03.2021	**110.39**	**1.24**	**120.59**	**-**	**13.15**	**7.21**	**7.48**	**0.06**	**260.12**	**335.67**	**0.77**	**6.10**
Net block as at 31.03.2022	**110.39**	**1.22**	**417.32**	**18.95**	**56.77**	**7.25**	**11.74**	**0.03**	**623.67**	**6.07**	**-**	**4.25**

15.1 The formalities regarding registration of title deed in respect of an immovable property acquired by the Company is yet to be executed. The details are as below:

(a) As at 31st March 2022

(₹ in Crores)

Description of Property, Plant & Equipment	Gross Carrying Value	Net Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Building - Office at Core 4, SCOPE Complex, New Delhi - 110003	4.59	2.01	Land & Development officer under Ministry of Urban Development, New Delhi	No	1990	Pending formalities from Land & Development Officer, office flat allotted to the company at the SCOPE a central government Complex has not been registered in the name of the Company.

(b) As at 31st March 2021

(₹ in Crores)

Description of Property, Plant & Equipment	Gross Carrying Value	Net Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Building - Office at Core 4, SCOPE Complex, New Delhi - 110003	4.59	2.07	Land & Development officer under Ministry of Urban Development, New Delhi	No	1990	Pending formalities from Land & Development Officer, office flat allotted to the company at the SCOPE a central government Complex has not been registered in the name of the Company.

Notes to Accounts

15.2 As on 31st March 2022, certain Property, Plant & Equipment has been pledged as security against secured borrowings of the Company as per the details below:

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Gross Carrying Value	3.30	3.30
Net Carrying Value	2.27	2.31

15.3 Capital Work in Progress (CWIP)

CWIP ageing schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	6.07	-	-	-	6.07	153.75	90.67	69.71	21.54	335.67

There are no capital work in progress as on the reporting year where activity has been suspended.

(b) CWIP completion schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	To be completed in				Total	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress										
- REC World Headquarter at Gurugram	6.07	-	-	-	6.07	329.60	6.07	-	-	335.67

15.4 Intangible assets under development

Intangible assets under development ageing schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-	-	0.12	-	0.65	0.77

There are no intangible assets under development as on the reporting year where activity has been suspended or which have exceeded cost as compared to its original plan or where completion is overdue.

15.5 In the opinion of management, there are no events or changes in circumstances that indicate the impairment of PPE and Intangible Assets in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment has been made.

15.5 While the Company has not made any specific borrowings for construction of a qualifying asset, the Company has capitalised certain borrowing costs on account of general borrowings at an average rate of borrowings of 7.94% (previous year 8%) for the Company in terms of Ind AS 23 'Borrowing Costs'.

15.6 Disclosure in respect of Intangible Assets as required under Ind-AS 38 *"Intangible Assets"*

Amortisation Rate 20% (100% in case the total cost of the asset is ₹ 5,000 or less)

Notes to Accounts

16 Other non-financial assets

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
	Unsecured, considered good		
(A)	Capital Advances	8.19	8.84
(B)	Other Advances	2.88	3.34
(C)	Balances with Govt. Authorities	20.35	47.47
(D)	Pre-Spent Corporate Social Responsibility (CSR) Expenses	0.40	3.45
(E)	Prepaid Expenses	3.11	4.29
(F)	Deferred Employee Benefits	11.11	14.09
(G)	Other Assets	0.02	0.02
	Total (A to G)	**46.06**	**81.50**

17 Assets Classified as Held for Sale

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Assets Classified as Held for Sale-Building	0.86	-
Total	**0.86**	**-**

17.1 With a view to monetise its idle assets, during the year the Company has disposed certain residential building units through e-auction process, with carrying value ₹ 1.18 crores (previous year Nil), classified under "Assets classified as held for sale" as required under Ind-AS 105. Such sale has resulted in gain of ₹ 30.19 crores during the current year (previous year Nil) (refer note 31). Further, residential building units with carrying value ₹ 0.86 crores (previous year Nil) classified under "Assets classified as held for sale" are pending for disposal as at 31st March 2022. The process for their disposal is expected to be completed during the year 2022-23 through e-auction process.

18 Debt Securities

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

	Particulars	As at 31.03.2022		As at 31.03.2021	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(A)	**Secured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,955.00	2,065.31	3,470.00	3,679.52
(ii)	54EC Capital Gain Tax Exemption Bonds	24,146.13	25,025.49	17,264.97	17,901.65
(iii)	Tax Free Bonds	11,808.74	12,205.52	12,648.41	13,090.89
(iv)	Bond Application Money	1,291.54	1,291.13	856.62	854.71
	Sub-total (A)	**39,201.41**	**40,587.45**	**34,240.00**	**35,526.77**
(B)	**Unsecured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,44,086.60	1,49,010.97	1,69,868.60	1,75,719.53
(ii)	Infrastructure Bonds	3.96	8.00	11.07	21.36
(iii)	Foreign Currency Bonds	30,322.85	30,027.15	26,461.71	26,060.40
	Sub-total (B)	**1,74,413.41**	**1,79,046.12**	**1,96,341.38**	**2,01,801.29**
	Total - Debt Securities (A+B)	**2,13,614.82**	**2,19,633.57**	**2,30,581.38**	**2,37,328.06**
	Debt Securities issued in/ outside India				
(i)	Debt Securities in India	1,83,291.97	1,89,606.42	2,04,119.67	2,11,267.66
(ii)	Debt Securities outside India	30,322.85	30,027.15	26,461.71	26,060.40
	Total - Debt Securities	**2,13,614.82**	**2,19,633.57**	**2,30,581.38**	**2,37,328.06**

Refer Note No. 20.2 for reconciliation between the figure represented in Face Value and Amortised Cost

Notes to Accounts

18.1 Details of Secured Long-Term Debt Securities - *Refer Note 19.5 for details of the security*

(i) Institutional Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
123-I Series - 9.40% Redeemable at par on 17.07.2021	-	-	1,515.00	1,615.61
123-IIIB Series - 9.34% Redeemable at par on 23.08.2024	1,955.00	2,065.31	1,955.00	2,063.91
Total - Institutional Bonds	**1,955.00**	**2,065.31**	**3,470.00**	**3,679.52**

(ii) 54EC Capital Gain Tax Exemption Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series XII (2018-19) - 5.75% Redeemable at par during financial year 2023-24	6,651.77	6,937.05	6,651.77	6,935.40
Series XIII (2019-20) - 5.75% Redeemable at par during financial year 2024-25	6,157.72	6,417.26	6,157.72	6,415.55
Series XIV (2020-21) - 5.75% and 5% Redeemable at par during financial year 2025-26	5,312.07	5,510.93	4,455.48	4,550.70
Series XV (2021-22) - 5% Redeemable at par during financial year 2026-27	6,024.57	6,160.25	-	-
Total - 54EC Capital Gain Tax Exemption Bonds	**24,146.13**	**25,025.49**	**17,264.97**	**17,901.65**

(iii) Tax Free Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series 2011-12	2,160.33	2,287.99	3,000.00	3,176.71
Redeemable at par. Bonds amounting to ₹ 839.67 crores are redeemable on 28.03.2022 and bonds amounting to ₹ 2,160.33 crores are redeemable on 29.03.2027 with interest rates varying from 7.93% to 8.32% payable annually				
Series 2012-13 Series 2A & 2B	500.00	512.60	500.00	531.26
Redeemable at par. Bonds amounting to ₹ 255.00 crores are redeemable on 21.11.2022 and bonds amounting to ₹ 245.00 crores are redeemable on 22.11.2027 with interest rates of 7.21% and 7.38% respectively payable annually				
Series 2012-13 Tranche 1	2,017.35	2,065.32	2,017.35	2,041.10
Redeemable at par. Bonds amounting to ₹ 1,165.31 crores are redeemable on 19.12.2022 and bonds amounting to ₹ 852.04 crores are redeemable on 20.12.2027 with interest rates varying from 7.22% to 7.88% payable annually				
Series 2012-13 Tranche 2	131.06	134.06	131.06	138.66
Redeemable at par. Bonds amounting to ₹ 81.35 crores are redeemable on 27.03.2023 and bonds amounting to ₹ 49.71 crores are redeemable on 27.03.2028 with interest rates varying from 6.88% to 7.54% payable annually				
Series 2013-14 Series 3A & 3B	1,350.00	1,413.35	1,350.00	1,358.55
Redeemable at par. Bonds amounting to ₹ 209.00 crores are redeemable on 29.08.2023 and ₹ 1,141.00 crores are redeemable on 29.08.2028 with interest rates varying from 8.01% to 8.46% payable annually				

Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series 2013-14 Tranche 1	3,440.60	3,528.73	3,440.60	3,530.70
Redeemable at par. Bonds amounting to ₹ 575.06 crores are redeemable on 25.09.2023, ₹ 2,810.26 crores are redeemable on 25.09.2028 and ₹ 55.28 crores are redeemable on 26.09.2033 with interest rates varying from 8.01% to 8.71% payable annually				
Series 2013-14 Series 4A & 4B	150.00	155.48	150.00	161.92
Redeemable at par. Bonds amounting to ₹ 105.00 crores are redeemable on 11.10.2023 and ₹ 45.00 crores are redeemable on 11.10.2028 with interest rates varying from 8.18% to 8.54% payable annually				
Series 2013-14 Tranche 2	1,059.40	1,086.83	1,059.40	1,131.05
Redeemable at par. Bonds amounting to ₹ 419.32 crores are redeemable on 22.03.2024, ₹ 530.42 crores are redeemable on 23.03.2029 and ₹ 109.66 crores are redeemable on 24.03.2034 with interest rates varying from 8.19% to 8.88% payable annually				
Series 2015-16 Series 5A	300.00	306.33	300.00	317.75
7.17% Redeemable at par on 23.07.2025				
Series 2015-16 Tranche 1	700.00	714.82	700.00	703.19
Redeemable at par. Bonds amounting to ₹ 105.93 crores are redeemable on 05.11.2025, ₹ 172.90 crores are redeemable on 05.11.2030 and ₹ 421.17 crores are redeemable on 05.11.2035 with interest rates varying from 6.89% to 7.43% payable annually				
Total - Tax Free Bonds	**11,808.74**	**12,205.52**	**12,648.41**	**13,090.89**

(iv) Bond Application Money

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
54EC Capital Gain Tax Exemption Bonds	1,291.54	1,291.13	856.62	854.71
5% Redeemable at par after 5 years from the deemed date of allotment				
Total - Bond Application Money	**1,291.54**	**1,291.13**	**856.62**	**854.71**

18.2 Details of Unsecured Long-Term Debt Securities

(i) Institutional Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
157th Series - 7.60% Redeemable at par on 17.04.2021	-	-	1,055.00	1,131.66
154th Series - 7.18% Redeemable at par on 21.05.2021	-	-	600.00	637.16
161B Series - 7.73% Redeemable at par on 15.06.2021	-	-	800.00	849.11
174th Series - 8.15% Redeemable at par on 18.06.2021	-	-	2,720.00	2,894.23
100th Series - 9.63% Redeemable at par on 15.07.2021	-	-	1,500.00	1,602.90
101-III Series - 9.48% Redeemable at par on 10.08.2021	-	-	3,171.80	3,364.42
184-B Series STRPP-B - 7.55% Redeemable at par on 26.09.2021**	-	-	300.00	311.58
139th Series - 7.24% Redeemable at par on 21.10.2021	-	-	2,500.00	2,575.17

Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
105th Series - 9.75% Redeemable at par on 11.11.2021	-	-	3,922.20	4,069.73
127th Series - 8.44% Redeemable at par on 04.12.2021	-	-	1,550.00	1,664.92
141st Series - 7.14% Redeemable at par on 09.12.2021	-	-	1,020.00	1,038.03
177th Series - 8.50% Redeemable at par on 20.12.2021	-	-	1,245.00	1,274.16
190B Series - 6.32% Redeemable at par on 31.12.2021	-	-	2,489.40	2,502.64
193th Series - 6.99% Redeemable at par on 31.12.2021	-	-	1,115.00	1,121.46
165th Series - 8.83% Redeemable at par on 21.01.2022	-	-	2,171.00	2,207.16
145th Series - 7.46% Redeemable at par on 28.02.2022	-	-	625.00	628.85
132nd Series - 8.27% Redeemable at par on 09.03.2022	-	-	700.00	750.81
173th Series - 8.35% Redeemable at par on 11.03.2022	-	-	2,500.00	2,509.41
198A Series - 6.60% Redeemable at par on 21.03.2022	-	-	2,596.00	2,600.39
167th Series - 8.45% Redeemable at par on 22.03.2022	-	-	2,571.80	2,577.65
179th Series - 8.15% Redeemable at par on 10.06.2022	1,000.00	1,065.84	1,000.00	1,065.70
107th Series - 9.35% Redeemable at par on 15.06.2022	2,378.20	2,554.82	2,378.20	2,554.56
186A Series - 6.90% Redeemable at par on 30.06.2022	2,500.00	2,629.90	2,500.00	2,629.63
150th Series - 7.03% Redeemable at par on 07.09.2022	2,670.00	2,775.76	2,670.00	2,775.38
184-B Series STRPP-C - 7.55% Redeemable at par on 26.09.2022**	300.00	311.59	300.00	311.56
152nd Series - 7.09% Redeemable at par on 17.10.2022	1,225.00	1,264.38	1,225.00	1,264.18
111-II Series - 9.02% Redeemable at par on 19.11.2022	2,211.20	2,283.72	2,211.20	2,283.50
155th Series - 7.45% Redeemable at par on 30.11.2022	1,912.00	1,959.41	1,912.00	1,958.74
185th Series - 7.09% Redeemable at par on 13.12.2022	2,769.00	2,827.36	2,769.00	2,826.46
187th Series - 7.24% Redeemable at par on 31.12.2022	2,090.00	2,127.51	2,090.00	2,127.24
159th Series - 7.99% Redeemable at par on 23.02.2023	950.00	957.53	950.00	957.57
188A Series - 7.12% Redeemable at par on 31.03.2023	1,400.00	1,400.22	1,400.00	1,400.17
114th Series - 8.82% Redeemable at par on 12.04.2023	4,300.00	4,667.36	4,300.00	4,666.94
195th Series - 6.92% Redeemable at par on 22.04.2023	2,985.00	3,179.43	2,985.00	3,179.21
191A Series - 6.80% Redeemable at par on 30.06.2023	1,100.00	1,106.39	1,100.00	1,106.06
200th Series PP-MLD - 5.36% Redeemable at par on 30.06.2023*	500.00	546.01	500.00	518.94
184-B Series STRPP-D - 7.55% Redeemable at par on 26.09.2023**	300.00	311.57	300.00	311.54
202B Series - 5.69% Redeemable at par on 30.09.2023	2,474.00	2,544.12	2,474.00	2,556.56
205-A Series - 4.99 % Redeemable at par on 31.01.2024	2,135.00	2,151.79	2,135.00	2,157.04
209th Series - 5.79 % Redeemable at par on 20.03.2024	1,550.00	1,552.38	1,550.00	1,552.62
210th Series - 5.74 % Redeemable at par on 20.06.2024	4,000.00	4,215.56	-	-
180-A Series - 8.10% Redeemable at par on 25.06.2024	1,018.00	1,075.09	1,018.00	1,072.68
191B Series - 6.99% Redeemable at par on 30.09.2024	1,100.00	1,106.48	1,100.00	1,106.18
212th Series - Floating (linked to T-Bill) Redeemable at par on 31.10.2024	2,500.00	2,538.84	-	-
186B Series - 7.40% Redeemable at par on 26.11.2024	1,500.00	1,537.91	1,500.00	1,537.78
128th Series - 8.57% Redeemable at par on 21.12.2024	2,250.00	2,418.88	2,250.00	2,418.67
129th Series - 8.23% Redeemable at par on 23.01.2025	1,925.00	2,063.71	1,925.00	2,063.52
130th Series - 8.27% Redeemable at par on 06.02.2025	2,325.00	2,493.36	2,325.00	2,493.14
131st Series - 8.35% Redeemable at par on 21.02.2025	2,285.00	2,304.25	2,285.00	2,304.22
190A Series - 6.88% Redeemable at par on 20.03.2025	2,500.00	2,514.48	2,500.00	2,513.83
201A Series - 5.90% Redeemable at par on 31.03.2025	900.00	935.39	900.00	935.50
133rd Series - 8.30% Redeemable at par on 10.04.2025	2,396.00	2,453.50	2,396.00	2,453.28

Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
94th Series - 8.75% Redeemable at par on 09.06.2025	1,250.00	1,339.00	1,250.00	1,339.00
95-II Series - 8.75% Redeemable at par on 14.07.2025	1,800.00	1,913.49	1,800.00	1,913.49
136th Series - 8.11% Redeemable at par on 07.10.2025	2,585.00	2,670.75	2,585.00	2,671.10
203B Series - 5.85% Redeemable at par on 20.12.2025	2,777.00	2,821.01	2,777.00	2,844.16
204B Series - 5.81% Redeemable at par on 31.12.2025	2,082.00	2,111.47	2,082.00	2,116.78
205-B Series - 5.94 % Redeemable at par on 31.01.2026	2,000.00	2,018.82	2,000.00	2,024.68
211th Series - 6.23% Redeemable at par on 31.10.2031 with Put/ Call option exercisable on 31.10.2026	1,200.00	1,232.57	-	-
140th Series - 7.52% Redeemable at par on 07.11.2026	2,100.00	2,152.19	2,100.00	2,151.65
142nd Series - 7.54% Redeemable at par on 30.12.2026	3,000.00	3,066.06	3,000.00	3,055.87
147th Series - 7.95% Redeemable at par on 12.03.2027	2,745.00	2,750.60	2,745.00	2,745.44
156th Series - 7.70% Redeemable at par on 10.12.2027	3,533.00	3,614.30	3,533.00	3,612.72
162nd Series - 8.55% Redeemable at par on 09.08.2028	2,500.00	2,637.39	2,500.00	2,637.36
163rd Series - 8.63% Redeemable at par on 25.08.2028	2,500.00	2,628.01	2,500.00	2,627.99
168th Series - 8.56% Redeemable at par on 29.11.2028	2,552.40	2,625.69	2,552.40	2,624.45
169th Series - 8.37% Redeemable at par on 07.12.2028	2,554.00	2,620.97	2,554.00	2,621.52
176th Series - 8.85% Redeemable at par on 16.04.2029	1,600.70	1,735.73	1,600.70	1,735.65
178th Series - 8.80% Redeemable at par on 14.05.2029	1,097.00	1,169.96	1,097.00	1,168.79
180-B Series - 8.30% Redeemable at par on 25.06.2029	2,070.90	2,169.56	2,070.90	2,166.39
184-A Series - 8.25% Partly Paid Debentures Redeemable at par on 26.09.2029	870.60	907.18	580.40	604.76
192nd Series - 7.50% Redeemable at par on 28.02.2030	2,382.00	2,396.36	2,382.00	2,395.75
188B Series - 7.89% Redeemable at par on 31.03.2030	1,100.00	1,100.09	1,100.00	1,100.08
189th Series - 7.92% Redeemable at par on 31.03.2030	3,054.90	3,054.91	3,054.90	3,054.85
197th Series - 7.55% Redeemable at par on 11.05.2030	3,740.00	3,989.89	3,740.00	3,989.76
198B Series - 7.79% Redeemable at par on 21.05.2030	1,569.00	1,673.76	1,569.00	1,673.70
202A Series - 7.25% Redeemable at par on 30.09.2030	3,500.00	3,627.03	3,500.00	3,649.96
203A Series - 6.80% Redeemable at par on 20.12.2030	5,000.00	5,094.06	5,000.00	5,142.50
204A Series - 6.90% Redeemable at par on 31.01.2031	2,500.00	2,527.79	2,500.00	2,527.31
201B Series - 6.90% Redeemable at par on 31.03.2031	1,300.00	1,359.79	1,300.00	1,360.02
213th Series - 6.92% Redeemable at par on 20.03.2032	1,380.00	1,382.86	-	-
182nd Series - 8.18% Redeemable at par on 22.08.2034	5,063.00	5,314.67	5,063.00	5,314.66
183rd Series - 8.29% Redeemable at par on 16.09.2034	3,028.00	3,163.24	3,028.00	3,163.23
207th Series - 7.02 % Redeemable at par on 31.01.2036	4,589.90	4,641.75	4,589.90	4,644.40
208th Series - 7.40 % Redeemable at par on 15.03.2036	3,613.80	3,625.48	3,613.80	3,627.67
Total - Institutional Bonds	**1,44,086.60**	**1,49,010.97**	**1,69,868.60**	**1,75,719.53**

** PP-MLD- Principal Protected Market Linked Debentures*

*** STRPP- Separately Transferable Redeemable Principal Parts*

(ii) Infrastructure Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series-II (2011-12) - Redeemable at par	3.96	8.00	11.07	21.36
Total - Infrastructure Bonds	**3.96**	**8.00**	**11.07**	**21.36**

Notes to Accounts

Details of Infrastructure Bonds issued are as under :

Series II (2011-12) allotted on 15.02.2012

(₹ in Crores)

Rate of Interest	As at 31.03.2022	As at 31.03.2021	Redemption Details
8.95% Cumulative	-	5.73	Redeemable on the date falling 10 years from the date of allotment
8.95% Annual	-	1.38	
9.15% Cumulative	2.83	2.83	Redeemable on the date falling 15 years from the date of allotment
9.15% Annual	1.13	1.13	
Total	**3.96**	**11.07**	

Amounts have been shown at face value

(iii) Foreign Currency Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
4.75% US $500 Mn Bonds - Redeemable at par on 19.05.2023	3,790.36	3,848.85	3,675.24	3,726.60
5.250% US $700 Mn Bonds - Redeemable at par on 13.11.2023	5,306.50	5,387.23	5,145.33	5,209.90
3.375% US $650 Mn Bonds - Redeemable at par on 25.07.2024	4,927.46	4,941.02	4,777.81	4,784.36
3.50% US $500 Mn Bonds - Redeemable at par on 12.12.2024	3,790.36	3,822.14	3,675.24	3,703.43
2.25% US $500 Mn Bonds - Redeemable at par on 01.09.2026	3,790.36	3,785.82	3,675.24	3,672.19
2.75% US $400 Mn Bonds - Redeemable at par on 13.01.2027	3,032.28	3,045.13	-	-
3.875% US $450 Mn Green Bonds - Redeemable at par on 07.07.2027	3,411.32	3,102.47	3,307.71	2,956.72
4.625% US $300 Mn Bonds - Redeemable at par on 22.03.2028	2,274.21	2,094.49	2,205.14	2,007.20
Total - Foreign Currency Bonds	**30,322.85**	**30,027.15**	**26,461.71**	**26,060.40**

Global Medium Term Note (GMTN) Programme

The Company has a Global Medium Term Note (GMTN) Programme of USD 7 Billion which is listed on SGX-ST (Singapore Stock Exchange - Securities Trading), LSE-ISM (London Stock Exchange – International Securities Market), GSM (Global Securities Market)of the India INX (India International Exchange) and NSE IFSC (NSE International Exchange). The summay of funds raised under the GMTN Programme is as below:

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Funds raised during the year under GMTN Programme	**USD 0.4 Billion**	**USD 1 Billion**
Cumulative amount raised under GMTN Programme	USD 4.4 Billion	USD 4 Billion
Outstanding amount out of funds raised under GMTN Programme	USD 4.0 Billion	USD 3.6 Billion

The amounts raised during the year have been utilized for the stated objects in the Offering Circular. Further, there has been no default as on the Balance Sheet date in the repayment of debt securities and borrowings and the Company has met all its debt servicing obligations, whether principal or interest, during the year.

19 Borrowings (Other than Debt Securities)

The Company has categorised all borrowings (other than debt securities) at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A) Unsecured Long-Term Borrowings				
(i) Term Loans from Banks	42,878.32	42,919.86	29,938.58	29,953.76
(ii) Term Loans from Financial Institutions	6,800.00	6,800.00	5,800.00	5,800.00
(iii) Foreign Currency Borrowings	35,634.60	35,329.87	21,024.72	20,890.94

Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(iv) Term Loans from Govt. of India	10,000.00	10,325.12	10,000.00	10,325.12
(v) Lease Liability	0.03	0.03	0.05	0.05
Sub-total (A)	**95,312.95**	**95,374.88**	**66,763.35**	**66,969.87**
(B) Unsecured Short-Term Borrowings				
(i) FCNR (B) Loans	9,854.92	9,861.13	5,329.10	5,335.01
(ii) Short Term Loans/ Loans repayable on demand from Banks	1,410.93	1,415.58	10,186.52	10,201.99
(iii) Loans repayable on demand from Holding Company	-	-	3,000.00	3,000.49
Sub-total (B)	**11,265.85**	**11,276.71**	**18,515.62**	**18,537.49**
Total - Borrowings (other than Debt Securities) (A to B)	**1,06,578.80**	**1,06,651.59**	**85,278.97**	**85,507.36**
Borrowings (other than Debt Securities) in/ outside India				
(i) Borrowings in India	70,944.20	71,321.72	64,254.25	64,616.42
(ii) Borrowings outside India	35,634.60	35,329.87	21,024.72	20,890.94
Total - Borrowings (other than Debt Securities)	**1,06,578.80**	**1,06,651.59**	**85,278.97**	**85,507.36**

Please refer Note No. 20.2 for reconciliation between the figure represented in Face Value and Amortised Cost

19.1 Details of Unsecured Long-term Borrowings

(i) Term Loans from Banks

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Canara Bank ₹ 500 crores repaid on 05.07.2021, ₹ 500 crores repaid on 03.01.2022.	-	-	1,000.00	1,000.00
- Bank of Baroda ₹ 2,000 crores repaid on 29.10.2021.	-	-	2,000.00	2,000.36
- State Bank of India ₹ 4,999.98 crores repayable in 7 semi-annual instalments, first instalment due on 14.07.2022; ₹ 1,379.46 crores repayable in 3 annual instalments, next instalment due on 05.09.2022; ₹ 2,349.86 crores with ₹ 1650 crore repayable on 15.10.2022 and ₹ 699.86 crores on 05.03.2023; and ₹ 4,000 crores repayable in structured instalments, first instalment due on 29.10.2023.	12,729.30	12,729.30	10,839.90	10,839.90
- HDFC Bank ₹ 650 crores repayable on 30.09.2022, ₹ 2000 crores repayable on 04.12.2022, ₹ 2000 crores repayable on 15.06.2023, ₹ 1500 crores repayable on 19.06.2023, ₹ 300 crores repayable on 29.09.2023, ₹ 1500 crores repayable on 30.09.2023, ₹ 350 crores repayable on 11.10.2023, ₹ 350 crores repayable on 05.11.2023, ₹ 500 crores repayable on 15.01.2024, ₹ 850 crores repayable on 17.11.2026 and ₹ 2000 crores repayable on 31.03.2027.	12,000.00	12,040.15	4,650.00	4,664.47
- Punjab National Bank ₹ 1,996.98 crores repayable in 3 annual instalments, first instalment due on 27.08.2023, ₹ 2,000 crores repayable on 11.11.2026 and ₹ 1,000 crores repayable in 5 annual instalments, first instalment due on 29.03.2028.	4,996.98	4,996.98	4,396.84	4,396.84

Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- ICICI Bank ₹ 2,000 crores repayable in 9 annual instalments, first instalment due on 28.09.2023 and ₹ 850 crores repayable in 17 semi-annual instalments, first instalment due on 09.12.2023.	2,850.00	2,850.48	-	-
- Deutsche Bank ₹ 500 crores repayable on 18.12.2023 and ₹ 500 crores repayable on 21.05.2024	1,000.00	1,000.15	500.00	500.08
- JP Morgan Chase Bank ₹ 1,500 crores repayable on 26.03.2024	1,500.00	1,500.00	1,500.00	1,500.00
- Bank of India ₹ 749.87 crores repayable in 5 annual instalments, first instalment due on 27.09.2024.	749.87	750.00	-	-
- HSBC Bank ₹ 565 crores repayable on 19.05.2025, ₹ 187.49 crores repayable on 18.12.2025, ₹ 900 crores repayable on 25.03.2026, ₹ 500 crores repayable on 06.07.2026, ₹ 500 crores repayable on 09.07.2026, ₹ 85 crores repayable on 25.03.2030 and ₹ 665 crores repayable on 28.03.2030	3,402.49	3,403.03	1,652.50	1,652.77
- Central Bank ₹ 500 crores repayable in 7 annual instalments, first instalment due on 28.02.2026.	500.00	500.00	-	-
- Jammu & Kashmir Bank ₹ 300 crores repayable on 28.10.2026	300.00	300.05	-	-
- Karur Vysya Bank ₹ 250 crores repayable on 29.10.2026	250.00	250.04	-	-
- South Indian Bank ₹ 300 crores repayable on 08.11.2026	300.00	300.00	-	-
- Mizuho Bank ₹ 300 crores repayable on 21.01.2027	300.00	300.00	-	-
- Union Bank of India ₹ 1,999.68 crores repayable in 5 annual instalments, first instalment due on 31.03.2027.	1,999.68	1,999.68	3,399.34	3,399.34
Total - Unsecured Term Loans from Banks	**42,878.32**	**42,919.86**	**29,938.58**	**29,953.76**

(ii) Term Loans from Others - Financial Institutions

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Indian Infrastructure Finance Company Ltd. (IIFCL) ₹ 1,000 crores repayable on 03.06.2022 and ₹ 800 crores repayable on 23.06.2023, ₹ 1500 crores repayable on 23.02.2024, ₹ 500 crores repayable on 14.03.2024, ₹ 1000 crores repayable on 25.03.2026, ₹ 1000 crores repayable on 27.03.2026 and ₹ 1000 crores repayable on 09.08.2026	6,800.00	6,800.00	5,800.00	5,800.00
Total - Term Loans from Others - Financial Institutions	**6,800.00**	**6,800.00**	**5,800.00**	**5,800.00**

Notes to Accounts

(iii) Foreign Currency Borrowings

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(1) ODA Loans - Guaranteed by Govt. of India				
JICA Loan - JICA-II loan repayable in half-yearly instalments till 20.03.2023, next instalment falling due on 20.09.2022	23.47	23.48	50.06	50.07
KfW-III Loan - Repayable in equal half-yearly instalments of €5.26 Mn till 30.03.2024, next instalment falling due on 30.06.2022	222.81	223.55	317.22	317.87
Sub-Total (1)	**246.28**	**247.03**	**367.28**	**367.94**
(2) ODA Loans - Without Govt. Guarantee				
KfW-IV Loan - Repayable in equal half-yearly instalments of €12.00 Mn till 15.11.2030, next instalment falling due on 15.05.2022	1,637.43	1,639.80	1,241.16	1,243.23
Sub-Total (2)	**1,637.43**	**1,639.80**	**1,241.16**	**1,243.23**
(3) Bilateral/ Syndicated Loans				
US $100 Mn - Repayable on 05.10.2021	-	-	735.05	733.36
US $230 Mn - Repayable on 19.01.2022	-	-	1,690.61	1,676.86
US $200 Mn - Repayable on 28.07.2022	1,516.14	1,516.11	1,470.09	1,461.67
US $150 Mn - Repayable on 11.09.2022	1,137.11	1,136.75	1,102.57	1,097.49
US $250 Mn - Repayable on 29.08.2023	1,895.18	1,895.18	1,837.62	1,831.68
¥ 10,327.12 Mn - Repayable on 08.08.2023	642.66	636.04	685.31	673.06
US $250 Mn - Repayable on 27.03.2024	1,895.18	1,880.88	1,837.62	1,815.96
US $150 Mn - Repayable on 29.03.2024	1,137.11	1,125.35	1,102.57	1,085.82
US $100 Mn - Repayable on 01.07.2024	758.07	755.34	735.05	729.68
SG $72.08 Mn - Repayable on on 30.03.2025	403.21	396.92	391.79	383.78
US $75 Mn - Repayable on 30.03.2025	568.55	561.90	551.29	542.57
US $170 Mn - $100 Mn repayable on 26.03.2025 and $ 70 Mn repayable on 06.10.2025	1,288.72	1,288.65	1,249.58	1,249.55
¥ 10,519 Mn - Repayable on 25.09.2025	654.60	645.86	698.04	686.00
US $425 Mn - Repayable on 16.03.2026	3,221.80	3,207.65	3,123.95	3,095.46
US $600 Mn - Repayable on 25.08.2026	4,548.43	4,499.53	-	-
US $75 Mn - Repayable on 07.10.2026	568.55	565.00	-	-
US $1175 Mn - Repayable on 29.12.2026	8,907.33	8,751.96	-	-
¥ 37506 Mn - Repayable on 03.03.2027	2,334.04	2,293.52	-	-
US $300 Mn - Repayable on 02.06.2030	2,274.21	2,286.40	2,205.14	2,216.83
Sub-Total (3)	**33,750.89**	**33,443.04**	**19,416.28**	**19,279.77**
Total - Foreign Currency Borrowings (1+2+3)	**35,634.60**	**35,329.87**	**21,024.72**	**20,890.94**

(iv) Term Loans from Govt. of India

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Loan from National Small Savings Fund (NSSF) ₹ 5000 crores repayable on 13.12.2028 and ₹ 5000 crores repayable on 04.10.2029	10,000.00	10,325.12	10,000.00	10,325.12
Total - Term Loans from Govt.	**10,000.00**	**10,325.12**	**10,000.00**	**10,325.12**

Notes to Accounts

19.2 Unsecured Short-Term Borrowings

(i) FCNR (B) Loans

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
US$75 Mn - Repaid on 22.04.2021	-	-	551.29	553.09
US$75 Mn - Repaid on 20.05.2021	-	-	551.29	553.11
US$75 Mn - Repaid on 15.11.2021	-	-	551.29	551.29
US$200 Mn - Repaid on 20.12.2021	-	-	1,470.09	1,470.15
US$200 Mn - Repaid on 30.12.2021	-	-	1,470.09	1,472.31
US$100 Mn - Repaid on 30.12.2021	-	-	735.05	735.06
US$200 Mn - Repayable on 24.05.2022	1,516.14	1,517.78	-	-
US$150 Mn - Repayable on 27.05.2022	1,137.11	1,137.16	-	-
US$200 Mn - Repayable on 03.06.2022	1,516.14	1,516.21	-	-
US$25 Mn - Repayable on 07.06.2022	189.52	189.72	-	-
US$150 Mn - Repayable on 18.06.2022	1,137.11	1,137.17	-	-
US$200 Mn - Repayable on 10.12.2022	1,516.14	1,517.90	-	-
US$75 Mn - Repayable on 14.12.2022	568.55	569.21	-	-
US$200 Mn - Repayable on 30.12.2022	1,516.14	1,517.91	-	-
US$100 Mn - Repayable on 23.02.2023	758.07	758.07	-	-
Total - FCNR (B) Loans	**9,854.92**	**9,861.13**	**5,329.10**	**5,335.01**

19.3 Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 19.1 (i), (ii) and (iv) have been raised at interest rates ranging from 5.00% to 8.29% payable on monthly/quarterly/semi annual rests.

19.4 Foreign Currency Borrowings in Note No. 19.1(iii) have been raised at fixed interest rates ranging from 0.65% to 1.86% per annum and variable interest rates ranging from a spread of 13 bps to 210 bps over external benchmarks including 1/3/6 Months' USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) and Credit Adjustment Spread as applicable on transition of loans to new benchmark rates.

19.5 Security Details of Secured Debt Securities and Borrowings

For all the secured bonds issued by the Company and outstanding as at balance sheet date, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.

The Bond Series 123-IIIB of Institutional Bonds are secured by way of first pari passu charge on the specified immovable property and the book debts of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the Trustee, pursuant to the terms of the Bond Trust Deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.

Tax Free Bonds issued during FY 2011-12 are secured by first pari passu charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of receivables of ₹ 4,998.66 Crores of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).

Tax Free Bonds issued during FY 2013-14 are secured by first pari passu charge on the book debts (other than those that are exclusively charged/earmarked to lenders / other Trustees) of the Company in favour of SBICap Trustee Company Ltd.

The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

The Bond Series XIV and XV of 54EC Capital Gain Tax Exemption Bonds are secured by first pari passu charge on hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

Refer Note No. 9 and 15.2 for the carrying value of receivables and Property, Plant and Equipment (PPE) pledged as security.

19.6 No charges or satisfaction are yet to be registered with Registrar of Companies ROC beyond the respective statutory date.

Notes to Accounts

20 Subordinated Liabilities

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(i)	115th Series - Subordinate Tier-II Bonds - 8.06% Redeemable at par on 31.05.2023	2,500.00	2,668.11	2,500.00	2,667.90
(ii)	175th Series - Subordinate Tier-II Bonds - 8.97% Redeemable at par on 28.03.2029	2,151.20	2,100.70	2,151.20	2,151.45
(iii)	199th Series - Subordinate Tier-II Bonds - 7.96% Redeemable at par on 15.06.2030	1,999.50	2,047.66	1,999.50	2,127.54
	Total - Subordinated Liabilities	**6,650.70**	**6,816.47**	**6,650.70**	**6,946.89**
	Subordinated Liabilities in/ outside India				
(i)	Borrowings in India	6,650.70	6,816.47	6,650.70	6,946.89
(ii)	Borrowings outside India	-	-	-	-
	Total - Subordinated Liabilities	**6,650.70**	**6,816.47**	**6,650.70**	**6,946.89**

Refer Note No. 20.2 for reconciliation between the figure represented in Face Value and Amortised Cost

20.1 Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating
Domestic Long-term Borrowings	CRISIL AAA, ICRA AAA, CARE AAA, IND AAA
Domestic Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAAr, ICRA PP-MLD AAA
Domestic Perpetual Bonds	CRISIL AAA, CARE AA+
Domestic Short term Borowings	CRISIL A1+, ICRA A1+, CARE A1+, IND A1+
International Long-term Issuer Rating	BBB- (Fitch), Baa3 (Moody's)

There has been no migration of ratings during the year.

20.2 Reconciliation between carrying values and the contractual amounts outstanding in respect of Borrowings:

(₹ in Crores)

Particulars	Debt Securities	Other Borrowings	Subordinated Liabilities	Total
As at 31st March 2022				
Total Amount as per Ind-AS	**2,19,633.57**	**1,06,651.59**	**6,816.47**	**3,33,101.63**
Less: Interest accrued on Borrowings classified under the same head as per Ind-AS	(6,737.95)	(430.69)	(296.94)	(7,465.58)
Add: Ind-AS Adjustments	719.20	357.90	131.17	1,208.27
Total Borrowings Outstanding	**2,13,614.82**	**1,06,578.80**	**6,650.70**	**3,26,844.32**
As at 31st March 2021				
Total Amount as per Ind-AS	**2,37,328.06**	**85,507.36**	**6,946.89**	**3,29,782.31**
Less: Interest accrued on Borrowings classified under the same head as per Ind-AS	(7,571.09)	(397.62)	(299.48)	(8,268.19)
Add: Ind-AS Adjustments	824.41	169.23	3.29	996.93
Total Borrowings Outstanding	**2,30,581.38**	**85,278.97**	**6,650.70**	**3,22,511.05**

20.3 The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and bonds of different tenors through private placement of debt securities. The amounts raised during the year have been utilized for the stated objects in the offer document/ information memorandum. Further, there has been no default as on the Balance Sheet date in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the year.

Notes to Accounts

20.4 The Company is a 'Large Corporate' in terms of the 'Framework for Fund raising by issuance of Debt Securities by Large Entities' laid under the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10th August 2021. Disclosures required under the said circular are given below:

(all figures in ₹ Crores)

Particulars		Details
(1)	Name of the company	REC Limited
(2)	CIN	**L40101DL1969GOI005095**
(3)	Outstanding borrowing of company as on 31st March 2022 *	251504.70
(4)	Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	ICRA AAA, CRISIL AAA, CARE AAA, IRRPL AAA
(5)	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange
	Details of the borrowings	
(i)	2-year block period	2021-22 & 2022-23
(ii)	Incremental borrowing done in the FY 2021-22 **(a)**	42,966.99
(iii)	Mandatory borrowing to be done through debt securities in FY 2021-22 **(b) = (25% of a)**	10,741.75
(iv)	Actual borrowings done through debt securities in FY 2021-22 **(c)**	16,686.31
(v)	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 **(d)**	Nil
(vi)	Quantum of (d), which has been met from **(c) (e)**	Nil
(vii)	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 {after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22 **(f)= (b)-[(c)-(e)]**	Nil

** Borrowings as mentioned in (3) above include all outstanding borrowings with original maturity of more than 1 year, but do not include external commercial borrowings as per the SEBI Circular.*

21 Other Financial Liabilities

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	**Unpaid Dividends (Refer Note 21.1)**	6.39	5.79
(B)	**Bond Application Money refundable and interest accrued thereon**	-	0.01
(C)	**Unpaid Principal & Interest on Bonds (Refer Note 21.1)**		
	- Matured Bonds & Interest Accrued thereon	22.01	49.77
	- Interest on Bonds	6.72	18.95
	Sub-total (C)	**28.73**	**68.72**
(D)	**Funds Received from Govt. of India for Disbursement as Subsidy/ Grant (cumulative)**	95,578.81	89,640.91
	Add: Interest on such funds (net of refund)	3.95	2.63
	Less: Disbursed to Beneficiaries (cumulative)	(94,808.08)	(88,575.58)
	Undisbursed Funds to be disbursed as Subsidy/ Grant	**774.68**	**1,067.96**
(E)	**Payables towards Bonds Fully serviced by Govt. of India (Refer Note No. 21.5)**	24,318.29	24,314.43
(F)	**Other Liabilities**	447.75	477.19
	Total (A to F)	**25,575.84**	**25,934.10**

21.1 Unpaid dividends, unpaid principal and interest on bonds include the amounts which have either not been claimed by the investors or are on hold pending formalities pursuant to investors' claims etc. The amount due to be transferred to Investor Education and Protection Fund (IEPF) as at 31st March 2022 is ₹ 1.22 crores (₹ 0.62 crores as at 31st March 2021) which has been transferred within the prescribed time limit.

21.2 Subsidy Under Accelerated Generation & Supply Programme (AG&SP):

The Company is maintaining an Interest Subsidy Fund Account and was given AG&SP subsidy (for disbursement to the eligible borrowers) by Govt. of India at net present value calculated at indicative rates and year in accordance with GOI's letter vide D.O.No. 32024/17/97-PFC dated 23.09.1997 and O.M.No.32024/23/2001-PFC dated 07.03.2003 irrespective of the actual repayment schedule, moratorium year and duration of repayment of the eligible schemes. The impact of difference between the indicative rate and year considered at the time of drawl and the actual can be ascertained only after the end of the respective schemes.

Notes to Accounts

Net amount of ₹ 0.73 Crores as at 31st March 2022 (₹ 0.71 Crores as at 31st March 2021) represents the balance amount of interest subsidy fund, which is to be passed on to the borrowers against their interest liability arising in future, under Accelerated Generation & Supply Programme (AG&SP), which comprises of the following :-

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance of Interest Subsidy Fund	**0.71**	**0.69**
Add: Interest earned during the year	0.02	0.02
Less: Interest subsidy passed on to the borrower	-	-
Closing Balance of Interest Subsidy Fund	**0.73**	**0.71**

21.3 Government of India has appointed REC Ltd. as a nodal agency for implementation of Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) and Revamped Distribution Sector Scheme (RDSS). The funds received for disbursement to various agencies under the schemes are kept in a respective separate bank accounts. The undisbursed funds for the schemes (including the funds received under erstwhile RGGVY Scheme) including interest earned thereto are classified under "Undisbursed Funds to be disbursed as Subsidy/ Grant" under the head "Other Financial Liabilities".

21.4 The movement in Interest on Subsidy/ Grant is explained as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**2.63**	**7.75**
Add: Interest earned during the year	19.81	26.38
Less: Amount refunded to Govt. during the year	(18.50)	(31.50)
Closing Balance	**3.95**	**2.63**

21.5 For meeting GOI's funding requirement of DDUGJY Scheme, during the year, the Company has raised funds an aggregate amount of ₹ Nil (Previous year ₹ 2,500 crores) through unsecured, redeemable, non-convertible, taxable bonds in the nature of debentures of face value of ₹ 10 lacs at par on private placement basis. As per Ministry of Finance (MoF) letter dated 2nd December, 2020 and 3rd March, 2021, the repayment of principal and interest of the above bonds shall be made by GoI by making suitable budget provisions in the demand of Ministry of Power. Accordingly, the amount of such bonds along-with interest is also appearing as recoverable by the Company from Govt. of India (Note 11).

Details of the GoI Fully Serviced Bonds raised are as follows:

(₹ in Crores)

Particulars	Coupon Rate	Interest Frequency	Redemption Date	As at 31.03.2022	As at 31.03.2021
GoI-I Series	8.09%	Semi-annual	21-03-2028	1,837.00	1,837.00
GoI-II Series	8.01%	Semi-annual	24-03-2028	1,410.00	1,410.00
GoI-III Series	8.06%	Semi-annual	27-03-2028	753.00	753.00
GoI-IV Series	8.70%	Semi-annual	28-09-2028	3,000.00	3,000.00
GoI-V Series	8.54%	Semi-annual	15-11-2028	3,600.00	3,600.00
GoI-VI Series	8.80%	Semi-annual	22-01-2029	2,027.00	2,027.00
GoI-VII Series	8.60%	Semi-annual	08-03-2029	1,200.00	1,200.00
GoI-VIII Series	8.30%	Semi-annual	25-03-2029	4,000.00	4,000.00
GoI- IX Series	7.14%	Semi-annual	02-03-2030	1,500.00	1,500.00
GoI- X Series	8.25%	Semi-annual	26-03-2030	532.30	532.30
GoI- XI Series	7.20%	Semi-annual	31-03-2030	1,750.00	1,750.00
GoI- XII Series	6.45%	Semi-annual	07-01-2031	1,000.00	1,000.00
GoI- XIII Series	6.63%	Semi-annual	28-01-2031	1,000.00	1,000.00
GoI- XIV Series	6.50%	Semi-annual	26-03-2031	500.00	500.00
Total				**24,109.30**	**24,109.30**

Notes to Accounts

22 Current tax liabilities (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Income Tax	18.01	2,702.52
Less: Advance Income-tax & TDS	(7.76)	(2,691.90)
Current tax liabilities (Net)	**10.25**	**10.62**

23 Provisions

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
	Provisions for		
(A)	**Employee Benefits (Refer Note 56)**		
	Gratuity	0.34	1.30
	Earned Leave Liability	25.17	18.00
	Post Retirement Medical Benefits	0.71	7.71
	Medical Leave Liability	21.49	20.91
	Settlement Allowance	1.79	1.89
	Economic Rehabilitation Scheme	4.15	4.13
	Long Service Award	2.25	2.02
	Incentive	27.71	47.92
	Sub-total (A)	**83.61**	**103.88**
(B)	**Others**		
	Expected Credit Loss on Letters of Comfort (Refer 23.1 & 23.2)	20.90	9.09
	Sub-total (B)	**20.90**	**9.09**
	Total (A+B)	**104.51**	**112.97**

23.1 Movement of Expected Credit Loss provision on Letters of comfort

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening balance	**9.09**	**8.38**
Add: Created during the year	17.18	0.75
Less: Reversed/ Adjusted during the year	(5.37)	(0.04)
Closing balance	**20.90**	**9.09**

23.2 The Company has maximum credit risk exposure of ₹ 4,068.95 crores (previous year ₹ 2,608.85 crores) related to Letters of Comfort issued to the banks, as a financial guarantee on behalf of the borrowers.

24 Other Non-financial Liabilities

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	Sundry Liabilities Account (Interest Capitalisation)	4.10	5.07
(B)	Unbilled Liability towards Capital Account	26.96	28.53
(C)	Unamortised Fee on Undisbursed Loans	28.72	68.64
(D)	Advance received from Govt. towards Govt. Schemes	0.75	0.75
(E)	Statutory Dues	21.11	17.52
	Total (A to E)	**81.64**	**120.51**

Notes to Accounts

25 Equity Share Capital

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised :				
Equity shares of ₹ 10 each	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, Subscribed and Paid up :				
Fully paid up Equity shares of ₹ 10 each	1,97,49,18,000	1,974.92	1,97,49,18,000	1,974.92
Total	**1,97,49,18,000**	**1,974.92**	**1,97,49,18,000**	**1,974.92**

25.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(₹ in Crores)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	No. of Shares	Amount (₹ in cr.)	No. of Shares	Amount (₹ in cr.)
Share Capital at the beginning of the year	1,97,49,18,000	1,974.92	1,97,49,18,000	1,974.92
Add: Shares issued & allotted during the year	-	-	-	-
Share Capital at the end of the year	**1,97,49,18,000**	**1,974.92**	**1,97,49,18,000**	**1,974.92**

25.2 Allotment of Bonus Shares during the year and during preceding five years

During the current year and preceding five years, no bonus shares were issued by the Company except in the FY 2016-17, when the Company had allotted 98,74,59,000 Equity Shares as fully paid up by way of bonus shares.

25.3 The Company has neither issued any equity shares pursuant to contract without payment being received in cash nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

25.4 Rights, Preferences and Restrictions attached to Equity shares

The holders of the equity shares of the Company are entitled to receive dividends as and when declared by the Company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to a shareholder of a listed public company, under the Companies Act, 2013 and rules made thereunder, Companies Act, 1956 (to the extent applicable), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

25.5 Shareholders holding more than 5% of fully paid-up equity shares as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Power Finance Corporation Limited	1,03,94,95,247	52.63%	1,03,94,95,247	52.63%
HDFC Trustee Company Ltd. A/c HDFC Hybrid Debt Fund	15,89,92,122	8.05%	16,72,55,577	8.47%

25.6 Details of equity shares held by the Holding Company, including the subsidiaries and associates

Name of the Company	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Power Finance Corporation Ltd.	1,03,94,95,247	52.63%	1,03,94,95,247	52.63%

25.7 Details of equity shares held by the promoters

Name of the Promoter	As at 31.03.2022			As at 31.03.2021		
	No. of Shares	Percentage	% change during the year	No. of Shares	Percentage	% change during the year
The President of India	-	-	-	-	-	-
Power Finance Corporation Limited	1,03,94,95,247	52.63%	-	1,03,94,95,247	52.63%	-

Notes to Accounts

26 Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	Amount	Number	Amount
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	5,584	558.40	5,584	558.40
Total	**5,584**	**558.40**	**5,584**	**558.40**

26.1 Reconciliation of the number of perpetual securities outstanding at the beginning and at the end of the year

(₹ in Crores)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	Number	Amount	Number	Amount
Balance at the beginning of the year	5,584	558.40	-	-
Increase/ (Decrease) during the year	-	-	5,584	558.40
Balance at the end of the year	**5,584**	**558.40**	**5,584**	**558.40**

26.2 Instrument holders holding more than 5% of Perpetual Debt Instruments entirely equity in nature as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	Number	Percentage	Number	Percentage
HVPNL Employees Pension Fund Trust	665	11.91%	665	11.91%
HPGCL Employees Pension Fund Trust	500	8.95%	500	8.95%

26.3 Company had issued Perpetual Debt Instruments of face value of ₹ 10 lakhs each, with no maturity and callable only at the option of the Company after 10 years. The claims of the holders of the securities shall be (a) Superior to the claims of the holders of the equity shares issued by the Issuer; and (b) Subordinated to the claims of all other creditors of the Issuer. The instruments carry a step up provision if not called after 10 years. The payment of Coupons may be cancelled or suspended at the discretion of the Company. The coupon of the securities is not cumulative except where the Issuer shall not be liable to pay coupon and may defer the payment of coupon, if (i) The capital to risk assets ratio ("CRAR") of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI.

As these securities are perpetual in nature and the Company does not have any redemption obligation and discretion on payment of coupon, these have been classified as equity. Further, the periodic coupon payments are accordingly adjusted with retained earnings.

27 Other Equity

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	**Other Reserves**		
(i)	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	22,302.93	19,222.23
(ii)	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	196.82	2,128.41
(iii)	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	5,814.00	3,804.00
(iv)	Debenture Redemption Reserve	-	-
(iv)	Securities Premium	2,236.54	2,236.54
(v)	Foreign Currency Monetary Item Translation Difference Account	(555.29)	(573.16)
(vi)	General Reserve	11,781.62	9,850.03
(vii)	Impairment Reserve	-	-
(B)	**Retained Earnings**	6,915.38	4,325.09
(C)	**Other Comprehensive Income (OCI)**		
	- Equity Instruments through Other Comprehensive Income	(37.98)	24.07
	- Effective Portion of Cash Flow Hedges	194.21	(165.61)
	- Cost of Hedging reserve	(395.95)	41.45
	Total - Other Equity	**48,452.28**	**40,893.05**

Additions and deductions to the components of 'Other Equity' has been disclosed in 'Statement of Changes in Equity'.

Notes to Accounts

27.1 Pursuant to regulatory guidelines and utilisation of reserves created for specific purposes, the Company has transferred the following amounts from different reserves to General Reserve:

(i) During the financial year 2021-22

(a) ₹ 1,931.59 crores from Reserve for Bad & Doubtful Debts under Section 36(1)(viia)(c) of the Income Tax Act, 1961 on account of actual write-offs on loan assets and other recoverables.

(ii) During the financial year 2020-21

(a) ₹ 1,152.55 crores from Reserve for Bad & Doubtful Debts under Section 36(1)(viia)(c) of the Income Tax Act, 1961 on account of actual write-offs on loan assets

(b) ₹ 793.29 crores from Impairment Reserves has been transferred to the General Reserves in pursuance of RBI Guidelines

27.2 Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961

Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961 is maintained by the Company in order to enable the Company to avail tax benefits. As per section 36(1)(viii) of the Income Tax Act, 1961, the company is eligible for deduction not exceeding 20% of profit derived from long term finance activity, provided such amount is transferred and maintained in special reserve account.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**19,222.23**	**16,659.10**
Add: Transferred from Retained Earnings	3,080.70	2,563.13
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**22,302.93**	**19,222.23**

27.3 Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961

Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961 is maintained by the Company in order to enable the Company to avail tax benefits. As per Section 36(1)(viia) of the Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision/ reserve made for bad and doubtful debts, not exceeding five per cent of the total income as per Income Tax Act. The reserve so maintained shall be primarily utilised for adjustment of actual bad debts or part thereof.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**2,128.41**	**2,992.83**
Add: Transferred from Retained Earnings	-	288.13
Less: Transferred to General Reserve	(1,931.59)	(1,152.55)
Balance as at the end of the year	**196.82**	**2,128.41**

27.4 Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

The Company is creating the Reserve Fund as required u/s 45IC of Reserve Bank of India Act, 1934, wherein at least 20% of net profit is required to be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India from time to time and further, any such appropriation is also required to be reported to the Reserve Bank of India within 21 days from the date of such withdrawal.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**3,804.00**	**2,131.00**
Add: Transferred from Retained Earnings	2,010.00	1,673.00
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**5,814.00**	**3,804.00**

Notes to Accounts

27.5 Securities Premium

Securities Premium represents the premium received by the Company on issue of shares and debt securities. It is utilised in accordance with the provisions of the Companies Act, 2013.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**2,236.54**	**2,236.54**
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**2,236.54**	**2,236.54**

27.6 Foreign Currency Monetary Item Translation Difference Account

The company had opted towards an irrevocable option for amortising the foreign exchange fluctuation loss/gain on the long term foreign currency monetary items over the balance period of such items in accordance with Para 46A of the erstwhile applicable Accounting Standard 11 'The Effects of Changes in Foreign Exchange Rates'. The Company opted to continue the policy of such amortisation as per the previous GAAP in respect of the exchange differences arising from translation of long-term foreign currency monetary items as on 31st March 2018 in line with the provisions of Ind-AS. The balance in this account represents the unamortised gain/ (loss) which will be amortised over the balance period of the eligible long term foreign currency monetary liabilities.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**(573.16)**	**(1,719.38)**
Add: Foreign Currency Translation Gain/ Loss (-) on long term monetary items during the year	(216.94)	437.65
Less: Amortisation during the year	234.81	708.57
Balance as at the end of the year	**(555.29)**	**(573.16)**

27.7 General Reserve

General Reserve includes the amounts appropriated from the profits of the Company and also amounts transferred from Statutory Reserves.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**9,850.03**	**6,923.09**
Add: Transferred from Retained Earnings	-	981.10
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	1,931.59	1,152.55
Add: Transferred from Debenture Redemption Reserve	-	-
Add: Transferred from Impairment Reserve	-	793.29
Balance as at the end of the year	**11,781.62**	**9,850.03**

27.8 Impairment Reserve

As per the Reserve Bank of India (RBI) Guidelines, the Company is required to appropriate the difference from their net profit after tax to "Impairment Reserve" where the impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) Norms (including standard asset provisioning) issued by RBI. The Company reviews the requirement at each reporting date. In pursuance of the guidelines, an amount of ₹ 793.29 crores lying under Impairment reserve has been transferred to General Reserve during the FY 20-21.

Notes to Accounts

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**-**	**793.29**
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	(793.29)
Balance as at the end of the year	**-**	**-**

27.9 Equity Instruments through Other Comprehensive Income (OCI)

The Company has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within the OCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the related equity securities are derecognised.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**24.07**	**106.26**
Add: Recognition through Other Comprehensive Income (net of taxes)	24.74	160.52
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	(86.79)	(242.71)
Balance as at the end of the year	**(37.98)**	**24.07**

27.10 Effective Portion of Cash Flow Hedges

The Company uses derivative instruments in pursuance of managing its foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent the derivative contracts designated under the hedge accounting are effective hedges, the change in fair value of the hedging instrument is recognised in 'Effective Portion of Cash Flow Hedges'. Amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**(165.61)**	**(226.08)**
Add: Recognition through Other Comprehensive Income (net of taxes)	359.82	60.47
Balance as at the end of the year	**194.21**	**(165.61)**

27.11 Cost of Hedging Reserve

The Company designates the intrinsic value of foreign currency option contracts as hedging instruments in 'Cash Flow Hedge' relationships. The changes in fair value of the time value of an option are recognised in OCI and amortised to the Statement of Profit and Loss on a rational basis.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**41.45**	**(204.75)**
Add: Recognition through Other Comprehensive Income (net of taxes)	(437.40)	246.20
Balance as at the end of the year	**(395.95)**	**41.45**

Notes to Accounts

27.12 Detail of Movement in Retained Earnings during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**4,325.09**	**3,409.74**
Add: Profit for the year	10,045.92	8,361.78
Add: Remeasurement of Defined Benefit Plans (net of taxes)	(6.23)	(10.67)
Less: Transferred to General Reserve	-	(981.10)
Less: Transferred to Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	(3,080.70)	(2,563.13)
Less: Transferred to Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	-	(288.13)
Less: Transferred to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(2,010.00)	(1,673.00)
Less: Transferred to Debenture Redemption Reserve	-	-
Less: Transferred to Impairment Reserve	-	-
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument	86.79	242.71
Less: Coupon Payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	(34.12)	-
Less: Issue Expenses on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	-	(0.70)
Less: Dividend paid during the year	(2,411.37)	(2,172.41)
Less: Dividend Distribution Tax	-	-
Balance as at the end of the year	**6,915.38**	**4,325.09**

27.13 Dividend declared/ proposed by the Company for Equity Shares of ₹ 10/- each

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Dividend per Equity Share (₹)	Dividend Amount (₹ in Crores)	Dividend per Equity Share (₹)	Dividend Amount (₹ in Crores)
Interim Dividend	10.50	2,073.66	11.00	2,172.41
Final/ Proposed Dividend	4.80	947.96	1.71	337.71
Total Dividend	**15.30**	**3,021.62**	**12.71**	**2,510.12**

The Board of Directors at its meeting held on 13th May, 2022 recommended final dividend of ₹ 4.80/- per equity share (on face value of ₹ 10/- each) for the financial year 2021-22, subject to approval of Shareholders in the ensuing Annual General Meeting.

As per the requirements of Ind-AS 10 'Events after the Reporting Period', the Company is not required to provide for the dividend proposed by the Board of Directors after the end of the financial year. Such appropriation is made after the approval in the Annual General Meeting (AGM) in case of final dividend.

28 Interest Income

(₹ in Crores)

Particulars	Year ended 31.03.2022			Year ended 31.03.2021		
	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss
(A) Interest on Loan Assets						
(i) Long term financing	-	37,613.72	-	-	34,160.00	-
Less: Rebate for timely payments/ completion etc	-	(0.04)	-	-	(0.06)	-
Long term financing (net)	-	37,613.68	-	-	34,159.94	-
(ii) Short term financing	-	197.16	-	-	69.98	-
Sub-total (A)	**-**	**37,810.84**	**-**	**-**	**34,229.92**	**-**

Notes to Accounts

(₹ in Crores)

Particulars	Year ended 31.03.2022			Year ended 31.03.2021		
	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss
(B) Interest Income from Investments						
(i) Interest from Long Term Investments	-	108.06	27.15	-	27.04	195.30
Sub-total (B)	**-**	**108.06**	**27.15**	**-**	**27.04**	**195.30**
(C) Interest on Deposits with Banks						
(i) Interest from Deposits	-	84.66	-	-	154.41	-
Sub-total (C)	**-**	**84.66**	**-**	**-**	**154.41**	**-**
(D) Other Interest Income						
(i) Interest on Delayed Payments by Borrowers	-	154.54	-	-	72.84	-
(ii) Interest from Staff Advance	-	0.97	-	-	3.70	-
(iii) Interest on Mobilisation Advance	-	0.24	-	-	0.56	-
(iv) Unwinding of Discount of Security Deposits		-		-	0.01	-
Sub-total (D)	**-**	**155.75**	**-**	**-**	**77.11**	**-**
Total - Interest Income (A to D)	**-**	**38,159.31**	**27.15**	**-**	**34,488.48**	**195.30**

29 Dividend Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Dividend from Subsidiary Companies	22.43	8.43
- Dividend from Other Investments	4.21	27.97
Total - Dividend Income	**26.64**	**36.40**

29.1 Details of dividend recognised on Other Investments :

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Dividend on FVOCI Equity Investments		
- Investments held at the end of the year	3.20	27.63
- Investments derecognized during the year	1.01	0.34
Total	**4.21**	**27.97**

30 Fees and Commission Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Fees based Income	92.22	26.57
Prepayment Premium	465.37	35.14
Fee for Implementation of Govt. Schemes	15.23	33.67
Total - Fees and Commission Income	**572.82**	**95.38**

Notes to Accounts

31 Other Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Gain on ceasation of significant influence in Joint Venture (refer note 10.2)	29.01	-
Net gain/ (loss) on disposal of assets classified as held for sale	30.19	-
Rental Income	16.32	2.17
Liabilities/Provision Written Back	8.93	-
Fees from Training Courses	6.57	2.77
Interest from Income Tax Refund	0.83	0.94
Miscellaneous Income	6.11	16.67
Total - Other Income	**97.96**	**22.55**

32 Finance Costs

Finance Costs have been incurred on financial liabilities measured at amortised cost.

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i) Interest on Borrowings		
- Loans from Govt. of India	822.50	820.81
- Loans from Banks/ Financial Institutions	2,788.79	2,090.94
- External Commercial Borrowings	577.12	630.50
- Lease Liability	-	0.01
Sub-Total (i)	**4,188.41**	**3,542.26**
(ii) Interest on Debt Securities		
- Domestic Debt Securities	14,763.99	15,293.60
- Foreign Currency Debt Securities	1,294.73	1,196.54
- Commercial Paper	14.76	35.32
Sub-Total (ii)	**16,073.48**	**16,525.46**
(iii) Interest on Subordinated Liabilities		
- Subordinate Bonds	523.30	523.75
Sub-Total (iii)	**523.30**	**523.75**
(iv) Other Interest Expense		
- Swap Premium	1,269.34	894.62
- Interest on Advance Income Tax	-	22.71
- Interest on liability towards employee benefits	3.48	2.32
Sub-Total (iv)	**1,272.82**	**919.65**
Total - Finance Costs	**22,058.01**	**21,511.12**
Less: Finance Costs Capitalised	(5.10)	(22.04)
Total - Finance Costs (Net)	**22,052.91**	**21,489.08**

33 Net translation/ transaction exchange loss/ (gain)

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net translation/ transaction exchange loss/ (gain)	799.05	330.26
Total	**799.05**	**330.26**

The figures above include amortisation of net translation/ transaction exchange loss/ (gain) on Long Term Foreign Currency Monetary Items recognised in the financial statements before 1st April 2018 amounting to ₹ 234.81 crores (Previous year ₹ 708.57 crores).

33.1 The foreign currency monetary items are translated at FBIL (Financial Benchmark India Private Ltd) reference rates prevailing at the end of each reporting period or where the FBIL reference rate is not available for any currency, the closing rate for the same date quoted on Bloomberg. The respective rates as on the reporting date are as below:

Notes to Accounts

Exchange Rates	USD/INR	JPY/INR	Euro/INR	SGD/INR
As at 31st March 2022	75.8071	0.6223	84.6599	55.9438
As at 31st March 2021	73.5047	0.6636	86.0990	54.3581

34 Fees and commission expense

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i) Guarantee Fee	4.29	-
(ii) Listing and Trusteeship Fee	0.84	0.78
(iii) Agency Fees	2.01	3.01
(iv) Credit Rating Expenses	6.69	3.33
(v) Other Finance Charges	2.90	2.83
Total (i to v)	**16.73**	**9.95**

35 Net Gain/ (loss) on Fair Value Changes

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Net gain/ (loss) on financial instruments at Fair Value through profit or loss		
(i) On trading Portfolio	-	-
(ii) Others		
- Changes in fair value of Derivatives	351.36	545.92
- Changes in fair value of Long Term Investments	(12.78)	2.43
- Changes in fair value of Short-term MF investments	7.99	23.98
Sub-total (ii)	**346.57**	**572.33**
Total (A)	**346.57**	**572.33**
Breakup of Fair Value Changes		
- Realised	365.03	590.79
- Unrealised	(18.46)	(18.46)
Total Net Gain/ (loss) on Fair Value Changes	**346.57**	**572.33**

Fair value changes in this schedule are other than those arising on account of accrued interest income/ expense and represents changes in fair value of derivatives designated as economic hedges not designated under hedge accounting and ineffective hedge

36 Impairment on financial instruments

(₹ in Crores)

Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
	On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost	On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost
(i) - Loans *	-	3,434.36	-	2363.33
(ii) - Investments	-	28.72	-	-
(iii) - Others	-	10.23	-	56.29
Total (i+ii+iii)	**-**	**3,473.31**	**-**	**2419.62**

** includes ₹ 11.81 crores (Previous year ₹ 0.71 crores) towards impairment allowance on Letter of Comfort.*

37 Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Salaries and Allowances	114.28	101.66
- Contribution to Provident Fund and Other Funds	11.27	13.61
- Expenses towards Post Employment Benefits	7.46	4.87
- Rent towards Residential Accomodation for Employees	3.77	2.19
- Staff Welfare Expenses	22.08	22.51
Total	**158.86**	**144.84**

Notes to Accounts

38 Depreciation and amortization

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Depreciation on Property, Plant & Equipment	15.09	6.81
- Amortization on Intangible Assets	2.87	2.72
Total	**17.96**	**9.53**

39 Corporate Social Responsibility Expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Direct Expenditure	165.20	139.78
- Overheads	5.47	4.54
Total	**170.67**	**144.32**

39.1 Ministry of Corporate Affairs (MCA) vide its notification dated Janurary 22, 2021 has prescribed Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective prospectively from the date of notification, as clarified by MCA. These rules require that any unspent CSR amount, other than for any ongoing project, must be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. In case such unspent amount pertains to any ongoing project, it must be transferred to unspent CSR Account by 30th April of the next year. However, if such amount is not utilised within three financial years, it is required to be transferred to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. The Company also carries the right to set-off any amount spent in excess of the requirement under the Act within three succeeding financial years against the amount to be spent.

39.2 Details of Gross Amount required to be spent by the company:

(a) Gross amount required to be spent by the company during the year is ₹ 170.67 crores (previous year ₹ 144.32 crores)

(b) Amount approved by the Board to be spent during the year is ₹ 170.67 crores (previous year ₹ 144.32 crores)

(c) Refer Note no. 54 for related party transactions related to CSR.

(d) Amount required to be spent on CSR activities as per Section 135 (5) of the Companies Act, 2013:

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(A)	**Opening Balance - Excess amount spent**	**(3.46)**	**-**
(B)	Amount required to be spent during the year	170.67	144.32
(C)	Amount spent during the year	167.61	147.78
(D)	**Closing Balance - Excess amount spent* (A+B-C)**	**(0.40)**	**(3.46)**

** eligible to be set-off in the next three succeeding financial years*

39.3 Amount spent during the year :

(₹ in Crores)

Particulars		Year ended 31.03.2022			Year ended 31.03.2021		
		In Cash	Yet to be paid	Total	In Cash	Yet to be paid	Total
(i)	**Construction/ acquisition of any asset**	-	-	-	-	-	-
(ii)	**On purpose other than (i) above**						
	Health/Sanitation / Waste Management / Drinking water	54.75	-	54.75	27.59	-	27.59
	Education/ Vocational/ Skill Development	16.17	-	16.17	17.68	-	17.68
	Environmental Sustainability (Solar Applications/ Afforestation/ Energy efficient LED lighting)	8.06	-	8.06	17.63	-	17.63
	Sports	15.00	-	15.00	-	-	-
	Contribution to PM CARES Fund	50.00	-	50.00	50.00	-	50.00
	Provision of food/ration to migrant workers due to COVID- 19 and Providing Cold Chain equipment for COVID-19 vaccination	0.26	-	0.26	7.65	-	7.65
	Others	17.90	-	17.90	22.69	-	22.69
	Administrative overheads including training, impact assessment etc.	5.47	-	5.47	4.54	-	4.54
	Total (ii)	**167.61**	**-**	**167.61**	**147.78**	**-**	**147.78**

In support of the fight against the Covid-19 pandemic, the Company committed a total contribution of ₹ 200 crores to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund), of which ₹ 50 crores was contributed during the year 2021-22, ₹ 50 crores contributed during the year 2020-21 and ₹ 100 crores contributed during the year 2019-20.

Notes to Accounts

40 Other Expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Travelling and Conveyance	10.07	8.00
- Publicity & Promotion Expenses	1.66	7.40
- Repairs and Maintenance	21.62	17.40
- Rent, taxes and energy costs	7.60	13.23
- Insurance Charges	0.09	0.10
- Communication costs	2.86	3.31
- Printing & stationery	0.79	0.86
- Director's sitting fees	0.21	0.10
- Auditors' fees and expenses	1.53	1.43
- Legal & Professional Charges	9.29	9.86
- Net Loss on Disposal of Property, Plant & Equipment	0.97	4.03
- Training And Conference Expense	7.65	2.97
- Govt. Scheme Monitoring Expenses	30.94	26.26
- Other Expenditure	20.78	11.76
Total	**116.06**	**106.71**

40.1 Disclosure in respect of Auditors' fees and expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Fees paid to statutory auditors :		
- as auditor	0.58	0.66
- for taxation matters*	0.15	0.25
- for company law matters (includes limited review fees)	0.33	0.26
- for other services		
(i) Certification of MTN Offer Document/ Comfort Letter	0.10	0.10
(i) For Certifications	0.22	0.04
- for reimbursement of expenses	0.03	-
Sub-total	**1.41**	**1.31**
Non-recoverable tax credit in respect of fees paid to auditors	0.12	0.12
Total - Auditor's fees and expenses	**1.53**	**1.43**

** includes ₹ Nil (Previous year ₹ 0.12 crore) of fees for taxation matters pertaining to earlier years.*

41 Tax Expense

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Current tax expense	3,051.33	2,683.62
- Current tax expense/ (benefit) pertaining to earlier years	(3.96)	223.28
Sub-total - Current Tax	**3,047.37**	**2,906.90**
- Deferred tax expense/ (credit)	(668.39)	(512.55)
Total	**2,378.98**	**2,394.35**

Notes to Accounts

41.1 Reconciliation of Effective Tax Rate

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit before Tax	**12,424.90**	**10,756.13**
Statutory income tax rate	**25.168%**	**25.168%**
Expected income tax expense	**3,127.10**	**2,707.10**
Tax effect of income tax adjustments:		
Benefit of deduction u/s 36(1)(viii) of Income Tax Act 1961	(775.36)	(645.09)
Non-allowability of CSR expenses & other adjustments	42.95	112.70
Other non-deductible tax expenses	(1.07)	5.52
Non Taxable Income	(6.70)	(9.16)
Tax Expense Earlier Years	(3.96)	223.28
Impact of income taxable at different rates	(3.98)	-
Tax expense	**2,378.98**	**2,394.35**

42 Earnings per Share

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Numerator		
Profit for the year from continuing operations as per Statement of Profit and Loss (₹ in Crores)	10,045.92	8,361.78
Profit for the year from continuing and discontinued operations as per Statement of Profit and Loss (₹ in Crores)	10,045.92	8,361.78
Denominator		
Weighted average Number of equity shares	1,97,49,18,000	1,97,49,18,000
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing operations)	50.87	42.34
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing and discontinued operations)	50.87	42.34

43 Contingent Liabilities and Commitments :

43.1 Contingent Liabilities not provided for in respect of:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(A) Claims against the Company not acknowledged as debts	0.78	0.24
(B) Taxation Demands		
(i) - Demands raised by the Income Tax Department	152.77	10.49
(ii) - Demands against appeals filed by the Income Tax Department against the relief allowed to the Company	0.90	0.30
(iii) - Demands raised in respect of GST	17.89	-
(C) Others		
- Letters of Comfort	4,068.95	2,608.85

The amount referred to in 'A' above are in respect of cases pending in various courts and is dependent upon the verdict of the court.

The amount referred to in B(i) above are against the various demands raised by Income Tax Department. The company is contesting these demands and the management believes that its position will likely be upheld in the appellate process.

The amount referred to in B(ii) above are against the appeal filed by Income Tax Department in High Court against the relief allowed to the Company at ITAT level.

The amount referred to in B(iii) above is against the GST refund appeal filed by REC.

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43.2 Commitments not provided for in respect of:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
- Contracts remaining to be executed on capital account		
- Towards Property, Plant & Equipment	129.13	225.95
- Towards Intangible Assets	-	0.16
- Other Commitments		
- CSR Commitments	399.13	259.26

44 Details of Registration/ License/ authorisation obtained from financial sector regulators:

Particulars		Regulator Name	Registration Details
(i)	Corporate Identification Number	Ministry of Corporate Affairs	L40101DL1969GOI005095
(ii)	Registration Number	Reserve Bank of India	14.000011
(iii)	Legal Entity Identifier (LEI) Code	Global Legal Entity Identifier Foundation (GLEIF)	335800B4YRYWAMIJZ374
(iv)	Registration Number	Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)	L0012

45 Implementation of Govt. Schemes

45.1 Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Government of India launched a scheme "Pradhan Mantri Sahaj Bijli Har Ghar Yojana" - Saubhagya to achieve universal household electrification in the country during Oct 2017. The scheme envisaged to provide last mile connectivity and electricity connections to all remaining un-electrified households in rural areas and poor households in urban areas. The capital outlay of Saubhagya Scheme was ₹ 16,320 Crore including Gross Budgetary Support of ₹ 12,320 Crore during the entire implementation period. Ministry of Power designated REC as the Nodal agency for operationalization of Saubhagya Scheme. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

45.2 Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the flagship scheme of Government of India covering all aspects of rural power distribution was launched in Nov 2014. Under the scheme 60% of the project cost (85% for special States) is provided as grant by Government of India and additional grant up to 15% (5% for special States) on achievement of prescribed milestones. DDUGJY facilitates towards achievement of '24x7 Power for All' in the country through the following project components:

(i) Separation of agriculture and non-agriculture feeders facilitating adequate power supply to agriculture & continuous power supply to non-agricultural consumers in the rural areas;

(ii) Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/ feeders/ consumers;

(iii) Micro-grid and Off-grid distribution network;

(iv) Rural Electrification component under the RGGVY 12th and 13th plans, subsumed to DDUGJY.

The scheme had estimated outlay of ₹ 75,893 Crore including budgetary support of ₹ 63,027 Crore from Government of India during the entire implementation period. Additional Infra under DDUGJY was sanctioned with a total outlay of ₹ 7,069 Cr including budgetary support of ₹ 5302 Cr. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

45.3 National Electricity Fund (NEF)

The National Electricity Fund (NEF), an interest subsidy scheme, has become operational since FY 2012-13. The scheme has been introduced by the Government of India to promote capital investment in the distribution sector. The scheme provides interest subsidy linked with reform measures, on the loans taken by public and private distribution power utilities for various capital works in the Distribution sector. NEF would provide interest subsidy aggregating up to ₹ 8,466 Crore (including interest subsidy to the borrowers, Service Charges to the Nodal Agency, payments to Independent Evaluators and other incidental expenses) spread over 14 years for loan disbursement against projects approved during 2012-13 and 2013-14. REC has been nominated as the Nodal Agency for operationalization of NEF scheme across the country.

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45.4 Revamped Distribution Sector Scheme (RDSS)

Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to them so as to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 Crore over 5 years i.e. FY 2021-22 to FY 2025-26 including an estimated Government Budgetary Support (GBS) of ₹ 97,631 Crore.

The main objective of the scheme includes :

(i) Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.

(ii) Reduction of ACS-ARR gap to zero by 2024-25.

(iii) Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Components of the scheme are :

Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.

Part B – Training & Capacity Building and other Enabling & Supporting Activities.

46 Capital management

The Company manages its capital to ensure that it will continue as going concern while maximizing the return to stakeholders. The capital structure of the Company consists of the equity and the long-term borrowings made by the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and raises funds through the suitable instruments, in light of the dynamic business environment and liquidity position within the sector. Further, with regard to capital restructuring, the Company is also guided, inter alia, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc. The Company has complied with all externally imposed capital requirements.

The debt-equity ratio of the Company is as below:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Net debt	3,26,717.92	3,21,370.56
Net Worth	50,985.60	43,426.37
Debt-equity ratio	**6.41**	**7.40**

Net debt represents principal outstanding less cash and cash equivalents available.

Dividend Distribution Policy

BoD monitors the dividend pay-out to the shareholders of the Company. Dividend distribution policy of the Company focuses on various factors including but not limited to the present & future capital requirements, profits earned during the financial year, Capital to Risk-weighted Assets Ratio (CRAR), cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend, subject to the guidelines as applicable from time to time, cash flow position and net worth of the Company, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by DIPAM, Govt. of India, Company is required to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher. Though the Company endeavors to declare the dividend as per these guidelines, the Company may propose lower dividend after analysis of various financial parameters, cash flow position and funds required for future growth.

The Company has also adopted various policies for the management of the Company which inter-alia include Comprehensive Risk Management Policy, Whistle Blower Policy, Code for Prevention of Insider Trading in REC Equity Shares/Securities, Policy for prevention of Fraud, The Code of Business Conduct and Ethics for Board Members and Senior Management, Fair Practices Code, etc.

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47 Capital to Risk-weighted Assets Ratio

The Company is complying with the Capital Adequacy requirements as prescribed by the Reserve Bank of India. Being an NBFC and Infrastructure Finance Company (NBFC-IFC), REC is required to maintain a Capital Adequacy Ratio or Capital to Risk Weighted Assets Ratio (CRAR) of 15% (with a minimum Tier I Capital of 10%), computed by dividing company's Tier-I and Tier-II capital by Risk Weighted Assets.

Particulars		Numerator* (₹ in Crores)	Denominator* (₹ in Crores)	As at 31.03.2022	As at 31.03.2021	% Variance
(i)	CRAR	57,937.08	2,45,436.54	23.61%	19.72%	19.70%
(ii)	CRAR - Tier I Capital	48,052.65	2,45,436.54	19.58%	16.31%	20.04%
(iii)	CRAR - Tier II Capital	9,884.43	2,45,436.54	4.03%	3.41%	18.10%

The amount of Perpetual Debt Instrument of the Tier-I capital is 1.16% (previous year 1.44%)

* Numerator being Tier-I & Tier-II capital majorily consists of Equity (Refer Note no. 25, 26 and 27) and Denominator being Risk Weighted Assets majorily represents the weighted sum of company's credit exposure(s) such as Loans (Refer Note no. 10) and Investments (Refer Note no. 11), calculated in line with circular(s) issued by RBI in this regard, from time to time.

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Amount of Subordinated Debt raised as Tier-II capital	-	1,999.50
Amount raised by issue of Perpetual Debt Instruments	-	558.40

48 Financial Risk Management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company has formulated a comprehensive Risk Management Policy, which covers, inter-alia, Credit Risk, Operational Risk and Market Risk of the organization. The Company's risk management policies are guided by well-defined policies appropriate for various risk categories, independent risk oversight and periodic monitoring. A Risk Management Committee (RMC) has also been constituted under the chairmanship of an Independent Director, whose main function is to identify and monitor various risks of the organization and to suggest actions for mitigation of the same.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and Cash Equivalents, Loans, Financial Assets measured at amortised cost, Investment in G-Sec, State Development Loans, Debt Securities and Preference Shares	Ageing analysis	Bank deposits, liquid funds, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings, Debt Securities, Subordinated Liabilities, and Other Financial Liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Currency risk	Recognised Financial Assets and Liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting	Derivative contracts
Market risk - interest rate risk	Borrowings, Debt Securities and Subordinated Liabilities at variable interest rates	Sensitivity analysis	Derivative contracts
Market risk - equity price risk	Investments in Quoted Equity Securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

For managing these risks, the Company has put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. Pursuant to RBI notification DNBR (PD) CC.NO/.099/03.10.001/2018-19, to

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augment risk management practices in the Company, the Board has also appointed a Chief Risk Officer (CRO) who is involved in the process of identification, measurement and mitigation of risks. The risk management approach i.e. Company's objectives, policies and processes for measuring and managing each of above risk is set out in the subsequent paragraphs.

48.1 Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

48.1.1 Financial assets that expose the entity to credit risk

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(i)	**Low credit risk on financial reporting date**		
	Cash and cash equivalents	126.40	1,140.49
	Bank balances other than cash and cash equivalents	2,295.30	1,929.06
	Loans *	3,35,876.99	3,58,891.11
	Investments **	1,840.09	1,237.84
	Other financial assets	24,396.94	24,399.21
(ii)	**Moderate credit risk**		
	Loans *	36,424.23	2,888.05
(iii)	**High credit risk**		
	Loans *	17,159.89	18,256.93
	Investments in Preference Share ***	28.72	-
	Other financial assets	90.68	88.04

** Represents the principal outstanding (along with undisbursed amount towards Letters of Comfort) without deduction for expected credit losses*

*** This does not include investments in equity instruments and venture capital funds carried at FVOCI/ FVTPL and investments in subsidiary and joint venture as they are carried at cost in line with the exemption given under Ind AS 27.*

**** Represents principal outstanding without deduction for expected credit losses in respect to the investment in Redeemable Preference Shares of Rattan India Power Limited.*

Cash and Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by parking funds in investment grade rated instruments and highly rated banks and also diversifying the deposit base by investing in different instruments/ banks across the country.

Loans

Credit risk related to borrowers are mitigated through adequate security arrangements for the loans by way of hypothecation of future project loan assets, receivables, inventories or any other assets, Govt. Guarantees, Corporate guarantees etc. and additionally Collaterals wherever required. The Company closely monitors the credit-worthiness of the promoters through well-defined entity appraisal guidelines that are configured from systematic institutional and project appraisal process analysis to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures in form of pre-disbursement conditions.

Other Financial Assets measured at Amortized Cost

Other financial assets measured at amortized cost includes loans and advances to employees and subsidiary, security deposits and other amounts recoverable, including from Govt. of India. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

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Investment in G-Sec, State Development loans and Debt Securities

Credit risk related to investment in High Quality Liquid Assets (HQLAs) is managed by investment in Govt. Securities, State Development Loans and investment in PSU Bonds with sound financial health and also diversifying the investment portfolio in different maturity/ sector and monitoring the financial health on regular basis.

Investment in Securities issued by Borrower entities at the time of Loan Settlement/ Resolution

REC also invests in securities issued by borrower entities as a part of the settlement/ resolution plan duly approved by the Company or the Consortium of Lenders, as applicable and in case of resolutions under Insolvency & Bankruptcy Code 2016, approved by Committee of Creditors and National Company Law Tribunal (NCLT) of the competent jurisdiction. Credit risk related to these securities is managed by monitoring the recoverability of such amounts continuously.

48.1.2 Expected Credit Losses (ECL) for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- **For cash and cash equivalents and bank balances (other than cash and cash equivalents) -** Since the Company deals with only high-rated banks and financial institutions for banking operations and the liquid funds category in the debt funds with consistent track record for short term investment of surplus funds, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- **For Investment in G-Sec, State Development loans and Debt Securities -** Considering that the investments are in debt securities including Governemnet Securities/ minimum investment grade rated Government Companies in High Quality Liquid Assets (HQLAs), credit risk is considered low.
- **For Investment in Securities issued by Borrower entities at the time of Loan Settlement/ Resolution -** Credit risk is evaluated on the basis of recoverability of such securities. Wherever medium or high risk evaluated on such investments, suitable loss allowance is provided.
- **For other financial assets -** Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Details of expected credit loss for financial assets other than loans is disclosed as follows:

(₹ in Crores)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Gross Carrying Amount	ECL	Net Carrying amount	Gross Carrying Amount	ECL	Net Carrying amount
Cash and cash equivalents	126.40	-	126.40	1,140.49	-	1,140.49
Bank balances (other than cash and cash equivalents)	2,295.30	-	2,295.30	1,929.06	-	1,929.06
Investments*	1,897.53	28.72	1,868.81	1,237.84	-	1,237.84
Other financial assets **	24,487.62	90.68	24,396.94	24,487.25	88.04	24,399.21

** The impairment allowance has been provided in full on 'Investments in Reedemable Prefernce Shares' of Rattan India Power Limited considered as credit-impaired.*

*** The impairment allowance has been provided in full on 'Other financial assets' considered as credit-impaired.*

48.1.3 Expected Credit Loss for loans

For risk management reporting purposes, the Company considers and consolidates following elements of credit risk:

Credit default risk: The risk of loss arising from a debtor being unlikely to pay its loan obligations in full or the debtor is more than 90 days past due on any material credit obligation; default risk may impact all credit-sensitive transactions, including loans and securities.

Concentration risk: The risk associated with any single exposure or group of exposures with the potential to produce large enough losses to threaten Company's core operations.

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(A) Credit Risk Management

The credit risk is managed at different levels including at appraisal, disbursements and post disbursement monitoring. The Company has "Integrated Rating Guidelines" and "Comprehensive Risk Management Policy". To mitigate credit risk, the company follows systematic institutional and project appraisal process to assess the credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. Further, on periodic basis, the loan assets are reviewed and categorized as High/Moderate/Low based on ECL methodology. The process for Credit Risk Management are as under:

(i) The Company has "Integrated Rating Guidelines" covering credit assessment, risk grading, collateral requirements, reporting, monitoring of end utilisation of funds etc. Further, independent Lender legal counsels are appointed to ensure effective documentation and mitigation of legal risk

(ii) For all existing private sector projects, where the Company is Lead Financial Institution, the Company engages Lender's Independent Engineers (LIE), Lender's Financial Advisors (LFA) and Lender's Insurance Advisors (LIA), which are independent agencies who act on behalf of various lenders and consortium members. LIE conducts periodic site visits and submits reports on progress status of the project, after discussion with borrower and inspection/ review of relevant documents. LFA submit the statements of fund flow and utilization of funds in the project periodically. In cases where the Company is not the lead Financial Institution, the tasks related to LIE and LFA services are being coordinated with the lead lender.

The Company also endeavors to appoint a separate Project Management Agency (PMA) for new projects being financed, which subsumes the entire works of LIE /Project Management Consultant (PMC), LFA and LIA for better coordination among the agencies. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of project progress, review of EPC/non-EPC contracts & invoices, fund utilization and insurance for the project. PMA also verifies the bills of original equipment manufacturer/ supplier, composite works contractor and give its recommendation for disbursement. Initial due diligence is also be performed by PMA taking the sanctity of technical and financial parameters including original project cost & COD.

Concurrent Auditors/Agencies for Specialized monitoring/Cash Flow monitoring agencies are being appointed by REC/ Lenders on case to case basis for effective monitoring of Trust & Retention Account (TRA) for stressed projects.

(iii) The Company has an authorisation structure for the approval and renewal of credit facilities. Authorisation limits have been established commensurating with the size of business proposal at CMD/Executive Committee/Loan Committee/ Board of Directors based on the recommendation of Screening Committee, as appropriate.

(iv) The Company has developed risk grading structure to categorise its exposures according to the degree of risk of default by charging appropriate interest rates and security package.

(v) Regular reports on the credit quality of loan portfolios are provided to Risk Management Committee and Board, which may require appropriate corrective action to be taken.

(vi) External agencies are appointed from time to time to review the guidelines, policy and existing practices being followed by business units along with providing the specialist skills to promote best practice throughout the Company for management of credit risk.

(vii) Individual and Group Credit Exposures are assessed against designated limits, before facilities are committed to borrowers by the business unit concerned. Sanction of additional facilities are also subject to the same review process.

(viii) The Company continuously monitors delays and/ or default of borrowers & other counterparties and their recoverability. On occurrence of default in the borrower's account, the Company initiates necessary steps to cure the default which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC), etc., monitoring of the TRA account, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP), sale of the exposures to other entities/ investors and other recovery mechanisms including invocation of guarantees/ securities to recover the dues.

(B) Credit risk Measurement

The impairment loss allowance on loan assets is provided as per Ind AS 109 in accordance with a board-approved policy, which measures the credit risk on the basis of key financial and operational parameters to assess improvement/ deterioration in credit quality. Management overlays to the model output, if any, are duly documented and approved by the Audit Committee. The evaluation of Expected Credit Loss (ECL) is undertaken by an independent agency, ICRA Analytics Limited (formerly ICRA Online Limited).

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The Company has an internal system of grading for State Governments, Public Sector Undertakings and State Power Utilities. However, for Distribution Companies (DISCOMs), the Company adopts the ratings by the Ministry of Power as and when they are updated. These ratings are mapped with external rating grades published by various credit rating agencies as part of rating transition matrix. For private borrowers, the Company uses the external rating as published by various credit rating agencies, or proxy risk score in case such rating is not available. The proxy risk score model considers following parameters

Quantitative factors

Debt / EBITDA (30% weightage)

Return on Capital Employed (15% weightage)
Interest Coverage (25% weightage)
Gearing (Debt/Equity) (30% weightage)

Qualitative Factors

Quarter wise Operational Parameters like PPA, PLF, ACS – ARR Gap, and LAF
Actual Default dates
Status of the Project

(C) Measurement of Expected Credit Loss (ECL)

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit impaired on initial recognition and whose credit risk has not increased significantly since initial recognition is classified as "Stage 1".
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If a financial instrument is credit impaired, it is moved to "Stage 3".
- Financial instrument in Stage 1 have their ECL measured at an amount equal to expected credit loss that results from default events possible within the next 12 months. Instruments in Stage 2 or Stage 3 criteria have their ECL measured on lifetime basis.

(D) Significant Increase in Credit Risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when on any financial instrument if the payment is more than 30 days past due on its contractual payments.

(E) Definition of default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when the loan account is more than 90 days past due on its contractual payments or or any such period allowed by the company in line with circular issued by the Reserve Bank of India.

(F) Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.
- EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.
- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

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Determination of Probability of Default (PD)

The Company has analysed the available average annual rating transition matrices published by Credit Rating Agencies to arrive at annual transition matrix based PD. This annual transition matrix PD was extrapolated to arrive at the lifetime probability of default of various rating grades by loan tenure / maturity profile i.e. lifetime PD.

Loss Given Default (LGD) computation model

Based on the historical trend, research and industry benchmarking the Company has constructed a LGD model. Factors reviewed in the LGD model include Project cost per unit, PPA status, FSA status etc. Based on internal research the company has benchmarked these factors for Thermal, Renewable in Private Sector. In case of Private sector borrowers, the realizable value of the assets were arrived at using suitable assumptions, including valuation on outcome of the resolution process etc., to arrive at LGD. For State Government and Public sector projects, the Company has factored in the state support and assumed that the State/Central governments would step in to repay debt obligations of the state utilities as witnessed in the past.

(G) Alignment of LGD in case of Stage 3 Assets

Stage-3 assets where REC and PFC (Group Companies) are in Consortium for Stage-III Loan accounts, LGD is taken on the following basis:

(a) In cases where either REC or PFC is lead lender, LGD % calculated by the lead lender is adopted.

(b) In cases where neither REC nor PFC is lead lender, higher of the LGD% worked out by REC and PFC is adopted.

(H) Key assumptions used in measurement of ECL

(i) The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

(ii) EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

(I) Credit Risk Exposure

Credit Risk Exposure in respect of the borrowers with different credit ratings is as under

(₹ in Crores)

Credit Risk Category (Internal/ Mapped Ratings)	As at 31.03.2022				As at 31.03.2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
Very Good (AAA | AA | A | Government Loan)	1,81,968.90	11,661.35	-	1,93,630.25	2,20,485.16	1,421.82	-	2,21,906.98
Good (BBB | BB | B)	96,631.68	24,762.88	-	1,21,394.56	1,07,998.93	69.68	-	1,08,068.61
Average (C)	54,755.07	-	-	54,755.07	28,532.47	-	-	28,532.47
Fair (D)	2,521.34	-	-	2,521.34	1,874.55	1,396.55	-	3,271.10
Non- Performing (D)	**-**	**-**	**17,159.89**	**17,159.89**	**-**	**-**	**18,256.93**	**18,256.93**
Gross Exposure	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.11**	**3,58,891.11**	**2,888.05**	**18,256.93**	**3,80,036.09**
Loss allowance	2,790.22	369.61	11,565.73	14,725.56	1,282.46	141.43	11,791.31	13,215.20
Net Exposure	**3,33,086.77**	**36,054.62**	**5,594.16**	**3,74,735.55**	**3,57,608.65**	**2,746.62**	**6,465.62**	**3,66,820.89**

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(J) Collateral and other credit enhancements

The Company employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds disbursed. The Company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgage of Immovable properties
- Hypothecation of Moveable property
- Assignment of project contract documents
- Pledge of instruments through which promoters' contribution is infused in the project
- Pledge of Promoter Shareholding
- Corporate and personal Guarantee of Promoters

(K) Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period

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The following tables explain the changes in the loan assets (including undisbursed Letters of Comfort) and the corresponding ECL allowance between the beginning and the end of the reporting period:

(₹ in Crores)

For the Year ended 31st March 2022	Stage 1		Stage 2		Stage 3		Total	
	Gross Amount	12 months ECL	Gross Amount	Lifetime ECL	Gross Amount	Lifetime ECL	Gross Amount	ECL
Opening Balance	**3,58,891.11**	**1,282.46**	**2,888.05**	**141.43**	**18,256.93**	**11,791.31**	**3,80,036.09**	**13,215.20**
Transfer to 12 months ECL	2,031.94	134.62	(1,396.55)	(139.66)	(635.39)	5.03	-	(0.01)
Transfer to life time ECL not credit impaired	(35,361.06)	(40.15)	35,361.06	40.15	-	-	-	-
Transfer to Lifetime ECL credit impaired	(1,516.73)	(214.87)	-	-	1,516.73	214.87	-	-
Additional provision due to changes in PD/ LGD	-	1,235.51	-	293.79	-	1,517.77	-	3,047.07
New Financial assets originated or purchased (including further disbursements in existing assets)	62,483.86	569.85	3,877.11	40.22	-	-	66,360.97	610.07
Financial Assets that have been derecognised (including recoveries in existing assets)	(50,652.13)	(177.20)	(4,305.44)	(6.32)	(54.37)	(39.24)	(55,011.94)	(222.76)
Write offs	-	-	-	-	(1,924.01)	(1,924.01)	(1,924.01)	(1,924.01)
Closing Balance	**3,35,876.99**	**2,790.22**	**36,424.23**	**369.61**	**17,159.89**	**11,565.73**	**3,89,461.11**	**14,725.56**

(₹ in Crores)

For the Year ended 31st March 2021	Stage 1		Stage 2		Stage 3		Total	
	Gross Amount	12 months ECL	Gross Amount	Lifetime ECL	Gross Amount	Lifetime ECL	Gross Amount	ECL
Opening Balance	**2,99,697.53**	**488.46**	**2,431.27**	**963.83**	**21,255.55**	**10,552.13**	**3,23,384.35**	**12,004.42**
Transfer to 12 months ECL	2,509.24	353.78	(53.05)	(1.82)	(2,456.18)	(351.96)	0.01	-
Transfer to life time ECL not credit impaired	(1,609.07)	(1.90)	1,609.07	1.90	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	-	(36.22)	(0.38)	36.22	0.38	-	-
Additional provision due to changes in PD/ LGD	-	123.92	-	178.15	-	2,037.68	-	2,339.75
New Financial assets originated or purchased (including further disbursements in existing assets)	94,564.60	414.89	264.00	0.47	2.00	0.20	94,830.60	415.56
Financial Assets that have been derecognised (including recoveries in existing assets)	(36,271.19)	(96.69)	(421.58)	(95.28)	(333.56)	(200.02)	(37,026.33)	(391.99)
Write offs	-	-	(905.44)	(905.44)	(247.10)	(247.10)	(1,152.54)	(1,152.54)
Closing Balance	**3,58,891.11**	**1,282.46**	**2,888.05**	**141.43**	**18,256.93**	**11,791.31**	**3,80,036.09**	**13,215.20**

(L) Details of Stage wise Exposure and Impairment Loss Allowance:

(₹ in Crores)

Particulars	As at 31.03.2022			As at 31.03.2021				
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Total Exposure	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.11**	**3,58,891.11**	**2,888.05**	**18,256.93**	**3,80,036.09**
Impairment Allowance	2,790.22	369.61	11,565.73	14,725.56	1,282.46	141.43	11,791.31	13,215.20
ECL %	0.83%	1.01%	67.40%	3.78%	0.36%	4.90%	64.59%	3.48%

Notes to Accounts

(M) Concentration of credit risk

The Company monitors concentration of credit risk (loan assets including undisbursed Letters of Comfort) by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Gross Amount	ECL	Gross Amount	ECL
Concentration by industry				
Generation	1,55,202.14	12,298.95	1,56,901.95	12,035.54
Renewables	13,449.27	225.20	17,388.24	117.88
Transcos	64,879.92	774.38	61,309.37	502.51
Discoms	1,52,115.74	1,411.67	1,39,833.76	557.90
Government Loans	3,814.04	15.36	4,602.77	1.37
Total	**3,89,461.11**	**14,725.56**	**3,80,036.09**	**13,215.20**
Concentration by ownership				
State	3,50,584.17	2,684.59	3,38,973.84	938.40
Private	38,876.94	12,040.97	41,062.25	12,276.80
Total	**3,89,461.11**	**14,725.56**	**3,80,036.09**	**13,215.20**

(N) Sector-wise Credit-impaired Assets - Percentage of Stage-III Assets to Total Advances in that sector

Particulars	As at 31.03.2022	As at 31.03.2021
Power Sector	4.45%	4.84%

(O) Movement of Credit-impaired Assets

(₹ in Crores)

Particulars		For the Year ended 31st March 2022	For the Year ended 31st March 2021
(i)	**Gross Credit-impaired Assets to Gross Advances (%)**	4.45%	4.84%
(ii)	**Net Credit-impaired Assets to Gross Advances (%)**	1.45%	1.71%
(iii)	**Net Credit-impaired Assets to Net Advances (%)**	1.51%	1.78%
(iv)	**Movement of Credit-impaired Assets (Gross)**		
(a)	Opening balance	18,256.93	21,255.55
(b)	Additions during the year	1,516.73	38.22
(c)	Reductions during the year	(689.76)	(2789.74)
(d)	Write-off during the year	(1924.01)	(247.10)
(e)	**Closing balance**	**17,159.89**	**18,256.93**
(v)	**Movement of Credit-impaired Assets (Net)**		
(a)	Opening balance	6,465.62	10,703.42
(b)	Additions during the year	(215.91)	34.59
(c)	Reductions during the year	(655.55)	(4,272.39)
(d)	Write-off during the year	-	-
(e)	**Closing balance**	**5,594.16**	**6,465.62**
(vi)	**Movement of provisions for Credit-impaired Assets**		
(a)	Opening balance	11,791.31	10,552.13
(b)	Provisions made during the year	1,732.64	2,038.26
(c)	Write-back of excess provisions	(34.21)	(551.98)
(d)	Provision on assets written off during the year	(1924.01)	(247.10)
(e)	**Closing balance**	**11,565.73**	**11,791.31**

Notes to Accounts

(P) In accordance with RBI Circular on Implementation of Ind AS by NBFCs dated 13.03.2020, had the loans otherwise required to be classified as NPA as per IRACP norms been considered, Gross NPA to Gross Loans ratio would have been 4.45% (previous year 5.04%) and Net NPA to Net Loans would have been 1.51% (previous year 1.99%) as at 31st March 2022.

(Q) Write off policy

The Company writes off financial assets, in whole or in part, as directed by the order of the Judicial Authority or when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include cease of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full.

(R) Business Model Policy

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realize the cash flows by collecting contractual payments (including principal and interest) over the tenure of the loan. Further, investments in the nature of debt investments and other financial assets may also be held by the Company to collect the contractual payments as per the agreed terms.

The Company's business model therefore is "hold to collect" for Loans, certain Financial Investments and Other Financial Assets. Such financial assets are measured at amortised cost if the contractual terms gives rise to cash flows that are solely payments of principal and interest on the amount outstanding.

(S) There are no Accounts with overdues beyond 90 days but not treated as credit impaired (excluding accounts to whom release under RBI Covid-19 Relief package has been allowed) (previous year Nill).

(T) There are no reportable cases of loans transferred/ acquired during the FY 2021-22 (previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021.

Notes to Accounts

(U) Comparison between provision required as per RBI Income Recognition, Asset Classificaion and Provisioning norms (IRACP) and Impairment Allowance as per Ind-AS

(₹ in Crores)

For the Year ended 31st March 2022 Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	3,31,787.14	3,32,586.36	2,769.32	3,29,817.04	1,771.72	997.60
	Stage 2	36,424.23	36,888.95	369.61	36,519.34	391.52	(21.91)
Sub Total (1)		**3,68,211.37**	**3,69,475.31**	**3,138.93**	**3,66,336.38**	**2,163.24**	**975.69**
Non-Performing Assets							
Substandard Assets	Stage 3	1,512.49	1,512.49	437.16	1,075.33	190.83	246.33
Doubtful Assets							
Up to 1 year	Stage 3	33.28	33.28	3.33	29.95	7.25	(3.92)
1 to 3 years	Stage 3	4,534.01	4,534.01	2,981.99	1,552.01	1,952.89	1029.10
More than 3 years	Stage 3	11,062.89	11,062.89	8,126.03	2,936.86	8,108.58	17.45
Subtotal for doubtful assets		**15,630.18**	**15,630.18**	**11,111.35**	**4,518.82**	**10,068.72**	**1042.63**
Loss Assets	Stage 3	17.22	17.22	17.22	-	17.22	-
Sub-total for NPA (2)		**17,159.89**	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
Total Loan Assets		**3,85,371.26**	**3,86,635.20**	**14,704.66**	**3,71,930.53**	**12,440.01**	**2264.65**
Other items which are in scope of Ind-AS 109 but not covered under current IRACP norms							
- Letter of Comfort*	Stage 1	4,089.85	4,089.85	20.90	4,068.95	-	20.90
Sub-Total (3)		**4,089.85**	**4,089.85**	**20.90**	**4,068.95**	**-**	**20.90**
Total	**Stage 1**	**3,35,876.99**	**3,36,676.21**	**2,790.22**	**3,33,885.99**	**1,771.72**	**1018.50**
	Stage 2	**36,424.23**	**36,888.95**	**369.61**	**36,519.34**	**391.52**	**(21.91)**
	Stage 3	**17,159.89**	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
	Total	**3,89,461.11**	**3,90,725.05**	**14,725.56**	**3,75,999.48**	**12,440.01**	**2285.55**

** Gross carrying amount towards Letter of Comfort (LoC) represents non fund based exposures considered as financial guarantee as per IndAS 109*

(₹ in Crores)

For the Year ended 31st March 2021 Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	3,56,273.17	3,57,285.43	1,273.37	3,56,012.06	2,304.84	(1031.47)
	Stage 2	2,888.05	2,925.24	141.43	2,783.81	145.62	(4.19)
Sub Total (1)		**3,59,161.22**	**3,60,210.67**	**1,414.80**	**3,58,795.87**	**2,450.46**	**(1035.66)**
Non-Performing Assets							
Substandard Assets	Stage 3	36.31	36.31	3.63	32.68	3.63	-
Doubtful Assets							
Up to 1 year	Stage 3	560.99	560.99	303.81	257.18	301.24	2.57
1 to 3 years	Stage 3	13,786.04	13,786.04	8,514.57	5,271.46	6,913.49	1601.08
More than 3 years	Stage 3	3,856.37	3,856.37	2,952.08	904.29	2,665.23	286.85
Subtotal for doubtful assets		**18,203.40**	**18,203.40**	**11,770.46**	**6,432.93**	**9,879.96**	**1890.50**
Loss Assets	Stage 3	17.22	17.22	17.22	-	17.22	-
Sub-total for NPA (2)		**18,256.93**	**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
Total Loan Assets		**3,77,418.15**	**3,78,467.60**	**13,206.11**	**3,65,261.48**	**12,351.27**	**854.84**
Other items which are in scope of Ind-AS 109 but not covered under current IRACP norms							
- Letter of Comfort*	Stage 1	2,617.94	2,617.94	9.09	2,608.85	-	9.09
Sub-Total (3)		**2,617.94**	**2,617.94**	**9.09**	**2,608.85**	**-**	**9.09**
Total	**Stage 1**	**3,58,891.11**	**3,59,903.37**	**1,282.46**	**3,58,620.91**	**2,304.84**	**(1022.38)**
	Stage 2	**2,888.05**	**2,925.24**	**141.43**	**2,783.81**	**145.62**	**(4.19)**
	Stage 3	**18,256.93**	**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
	Total	**3,80,036.09**	**3,81,085.54**	**13,215.20**	**3,67,870.33**	**12,351.27**	**863.93**

** Gross carrying amount towards Letter of Comfort (LoC) represents non fund based exposures considered as financial guarantee as per IndAS 109*

Notes to Accounts

48.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company manages its liquidity risk through a mix of strategies, including forward-looking resource mobilization based on

Continued

48.2.1 Maturity Pattern of Future Undiscounted Cash Flows

The cash flows towards items of financial liabilities (representing future undiscounted cash flows towards principal and interest) is as under:

(₹ in Crores)

As at 31st March 2022	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Non-Derivative Financial Liabilities :											
Rupee Borrowings											
Debt Securities											
- Principal	-	-	-	-	5,878.20	2,970.00	14,058.86	53,719.87	39,133.38	67,531.66	1,83,291.97
- Interest	-	379.26	348.22	1,085.23	2,345.40	2,433.79	6,290.73	21,667.98	14,748.20	22,337.48	71,636.29
Other Borrowings											
- Principal	-	-	160.93	1,150.00	1,000.00	1,824.29	5,163.63	17,836.77	15,155.51	18,798.15	61,089.28
- Interest	272.39	-	63.24	202.90	496.89	671.39	1,604.83	4,949.21	3,439.46	3,027.89	14,728.20
Subordinated Liabilities											
- Principal	-	-	-	-	-	-	-	2,500.00	-	4,150.70	6,650.70
- Interest	-	-	-	201.50	114.94	-	163.60	759.35	557.08	787.73	2,584.20
Foreign Currency Borrowings											
Debt Securities											
- Principal	-	-	-	-	-	-	-	17,814.67	6,822.64	5,685.54	30,322.85
- Interest	-	-	-	227.28	66.15	285.65	584.79	1,691.31	769.79	171.02	3,795.99
Other Borrowings											
- Principal	-	-	-	2,744.22	2,887.33	2,664.98	4,506.16	8,555.57	21,129.28	3,001.98	45,489.52
- Interest	8.00	7.18	22.42	67.65	124.53	263.85	447.00	1,388.28	812.26	516.82	3,657.99
Derivative Liabilities :											
Interest rate swaps	-	-	-	0.07	-	18.82	-	42.62	-	112.01	173.52
Currency swaps	-	-	-	-	-	-	-	13.87	-	34.50	48.37
Others -											
Reverse cross currency swap	-	-	-	-	-	-	-	22.50	-	308.74	331.24
Seagull Option	-	-	-	-	-	-	-	-	-	-	-

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Notes to Accounts

projected disbursements and maturing obligations. The Company has put in place an effective Asset Liability Management System and has also constituted an Asset Liability Management Committee ("ALCO") which monitors the liquidity risk with the help of liquidity gap analysis.

The Company maintains adequate bank balances, short term investments that are readily convertible into cash and adequate borrowing and overdraft facilities by continuously monitoring the forecast and actual cash flows.

Notes to Accounts

(₹ in Crores)

As at 31st March 2021	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Non-Derivative Financial Liabilities :											
Rupee Borrowings											
Debt Securities											
- Principal	-	-	1,055.00	600.00	3,520.00	6,486.80	25,852.18	46,211.21	44,523.75	75,870.73	2,04,119.67
- Interest	-	379.26	429.06	1,313.74	1,981.43	3,293.77	7,841.36	22,724.28	16,731.83	27,645.59	82,340.32
Other Borrowings											
- Principal	-	350.00	2,400.00	7,099.52	4,137.00	1,526.67	3,658.51	20,600.55	9,152.90	10,000.00	58,925.15
- Interest	208.60	4.26	85.39	199.76	458.88	565.70	1,388.04	4,370.69	2,293.36	2,653.21	12,227.90
Subordinated Liabilities											
- Principal	-	-	-	-	-	-	-	2,500.00	-	4,150.70	6,650.70
- Interest	-	-	-	201.50	162.21	-	192.96	1,107.77	704.25	1,375.22	3,743.91
Foreign Currency Borrowings											
Debt Securities											
- Principal	-	-	-	-	-	-	-	8,820.56	12,128.28	5,512.87	26,461.71
- Interest	-	-	-	220.52	64.14	194.94	485.15	1,841.77	670.06	395.99	3,872.57
Other Borrowings											
- Principal	-	-	551.29	551.29	45.31	12.51	6,797.99	8,043.62	4,575.17	5,776.64	26,353.82
- Interest	8.81	1.21	7.27	68.26	60.15	130.44	246.98	841.03	615.06	800.45	2,779.66
Derivative Liabilities :											
Interest rate swaps	-	-	-	-	-	-	29.88	343.06	30.71	-	403.65
Currency swaps	-	-	-	-	-	-	-	-	16.48	104.60	121.08
Others -											
Reverse cross currency swap	-	-	-	-	-	-	-	-	19.67	258.66	278.33
Seagull Option	-	-	24.92	18.33	-	-	-	-	-	-	43.25

Bonds with put & call option have been shown considering the earliest exercise date. The liquidity analysis for derivative financial liabilities is based on fair values of the derivative contracts and the maturity buckets have been derived on the basis of the remaining tenor of the respective derivative instrument.

Significant cashflows required for financial liabilities shall be funded through the undiscounted cash flows (principal and interest) from loans as below:

(₹ in Crores)

Particulars	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
As at 31st March 2022											
Principal	158.66	-	2,077.03	2,142.80	4,800.08	8,892.93	19,691.55	74,970.39	74,346.88	1,83,586.28	3,70,666.60
Interest	611.62	-	892.06	1,559.14	6,094.78	9,076.43	17,252.35	59,983.17	44,663.39	71,842.69	2,11,975.63
As at 31st March 2021											
Principal	878.97	-	1,866.73	1,747.68	4,838.22	8,947.33	17,793.88	72,044.11	67,832.43	1,88,262.69	3,64,212.04
Interest	117.12	4.00	880.36	1,331.57	5,715.61	9,108.12	17,306.39	60,195.92	45,576.96	77,702.45	2,17,938.50

Notes to Accounts

The principal cash flows relating to Stage III assets, net of Expected Credit Loss have been considered in over 5 years bucket irrespective of the maturity date.

48.2.2 Maturity Pattern of Significant Financial Assets & Liabilities, as prescribed by RBI

(₹ in Crores)

As at 31st March 2022	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Loan Assets	158.66	-	2,077.03	2,142.80	6,181.63	8,892.93	19,691.55	74,970.39	74,346.88	1,83,468.67	**3,71,930.54**
Investments	-	-	-	-	2.81	2.82	55.65	80.05	180.59	1,836.05	**2,157.97**
Rupee Borrowings											
Debt Securities	19.34	367.83	330.52	993.71	7,777.02	4,636.58	15,212.32	53,696.32	39,118.89	67,453.88	**1,89,606.42**
Other Borrowings	6.56	-	200.55	1,150.00	1,000.00	2,149.40	5,165.59	17,836.77	15,155.52	18,796.19	**61,460.59**
Subordinated Liabilities	-	-	-	168.38	126.46	-	2.11	2,499.73	-	4,019.79	**6,816.47**
Foreign Currency Borrowings											
Debt Securities	-	-	-	172.81	40.17	89.14	-	17,755.78	6,805.78	5,163.48	**30,027.15**
Other Borrowings	5.62	2.42	4.43	2,747.65	2,910.57	2,680.96	4,506.16	8,499.93	20,837.27	2,995.98	**45,191.00**
Foreign Currency Assets			-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities (other than Borrowings)			-	-	-	-	-	-	-	-	**-**

(₹ in Crores)

As at 31st March 2021	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Loan Assets	878.97	-	1,866.73	1,747.68	4,838.22	9,451.43	17,793.88	72,044.11	67,832.43	1,88,808.04	**3,65,261.49**
Investments	-	-	-	-	-	-	37.28	100.64	136.13	1,635.73	**1,909.77**
Rupee Borrowings											
Debt Securities		367.83	1,462.17	1,143.76	5,127.49	8,436.25	28,244.43	46,217.54	44,490.29	75,777.90	**2,11,267.66**
Other Borrowings		350.00	2,431.14	7,099.52	4,462.12	1,526.67	3,658.51	20,600.55	9,152.91	9,999.99	**59,281.41**
Subordinated Liabilities		-	-	168.38	129.51	-	1.60	2,499.52	-	4,147.88	**6,946.89**
Foreign Currency Borrowings											
Debt Securities	-	-	-	-	-	62.02	213.39	8,768.94	12,094.51	4,921.54	**26,060.40**
Other Borrowings	6.59	-	551.29	557.44	68.01	12.51	6,785.72	7,968.17	4,505.29	5,770.93	**26,225.95**
Foreign Currency Assets			-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities (other than Borrowings)			-	-	-	-	-	-	-	-	

Notes to Accounts

48.2.3 Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Expiring within one year (cash credit and other facilities)		
- Fixed rate	-	-
- Floating rate	8,803.05	5,547.28
Expiring beyond one year (loans/ borrowings)		
- Fixed rate	-	-
- Floating rate	1,245.90	-

48.2.4 Additional Disclosures in accordance with RBI Circular on liquidity risk management

The Company has put in place an effective Asset Liability Management System and has also constituted an Asset Liability Management Committee ("ALCO") which monitors the liquidity risk with the help of liquidity gap analysis. The Company continuously monitors the projected and actual cash flows and accordingly maintains adequate bank balances, overdraft facilities, short term investments that are readily convertible into cash and adequate borrowing plans.

(i) Funding Concentration based on significant counterparty (borrowings)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Number of significant counterparties*	15	20
Amount	1,55,352.32	1,82,250.87
% of Total Liabilities	43.22%	51.08%

(ii) Top 10 borrowings

	Particulars	As at 31.03.2022		As at 31.03.2021	
		Amount (₹ in Crores)	% of Total borrowings	Amount (₹ in Crores)	% of Total borrowings
1	Term Loan from State Bank of India	12,729.30	3.89%	10,839.90	3.36%
2	Term Loan from HDFC Bank	12,000.00	3.67%	4,650.00	1.44%
3	Term Loan from Govt. of India- National Small Savings Fund (NSSF)	10,000.00	3.06%	10,000.00	3.10%
4	Foreign Currency Borrowings- US $1175 Mn	8,907.33	2.73%	-	-
5	Term Loan from India Infrastructure Finance Company Ltd. (IIFCL)	6,800.00	2.08%	5,800.00	1.80%
6	54EC- Series XII (2018-19)	6,651.77	2.04%	6,651.77	2.06%
7	54EC- Series XIII (2019-20)	6,157.72	1.88%	6,157.72	1.91%
8	54EC- Series XV (2021-22)	6,024.57	1.84%	-	-
9	Tax Free Bonds (2013-14 Series)	6,000.00	1.84%	-	-
10	54EC- Series XIV (2020-21)	5,312.07	1.63%	-	-
11	Foreign Currency Bonds- US $700 Mn Bonds	-	-	5,145.33	1.60%
12	Institutional Bonds- 182nd Series	-	-	5,063.00	1.57%
13	Institutional Bonds- 203rd A Series	-	-	5,000.00	1.55%
14	Foreign Currency Bonds- US $650 Mn Bonds	-	-	4,777.81	1.48%
	Total	**80,582.76**	**24.65%**	**64,085.53**	**19.87%**

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(iii) Funding Concentration based on significant instrument/ product

	Name of significant instrument/ product*	As at 31.03.2022		As at 31.03.2021	
		Amount (₹ in Crores)	% of Total Liabilities	Amount (₹ in Crores)	% of Total Liabilities
1	**Debt Securities**				
	Institutional Bonds	1,46,041.60	40.63%	1,73,338.60	48.58%
	Foreign Currency Bonds	30,322.85	8.44%	26,461.71	7.42%
	54EC Capital Gain Tax Exemption Bonds	25,437.67	7.08%	18,121.59	5.08%
	Tax Free Bonds	11,808.74	3.29%	12,648.41	3.54%
	Sub-Total (1)	**2,13,610.86**	**59.43%**	**2,30,570.31**	**64.62%**
2	**Borrowings (Other than Debt Securities)**				
	Term Loans from Banks	42,878.32	11.93%	29,938.58	8.39%
	Foreign Currency Borrowings	35,634.60	9.91%	21,024.72	5.89%
	Term Loans from Govt. of India	10,000.00	2.78%	10,000.00	2.80%
	FCNR (B) Loans	9,854.92	2.74%	5,329.10	1.49%
	Term Loans from Financial Institutions	6,800.00	1.89%	5,800.00	1.63%
	Loans repayable on demand from Banks	1,410.93	0.39%	10,186.52	2.85%
	Sub-Total (2)	**1,06,578.77**	**29.65%**	**82,278.92**	**23.06%**
3	**Subordinated Liabilities**	**6,650.70**	**1.85%**	**6,650.70**	**1.86%**
	Total (1+2+3)	**3,26,840.33**	**90.93%**	**3,19,499.93**	**89.54%**

** Significant counterparty/ significant instrument/ product is defined as a single counterparty/ single instrument/ product or group of connected or affiliated counterparties accounting in aggregate to more than 1% of the company's total liabilities.*

(iv) Stock Ratios:

Particulars	As at 31.03.2022				As at 31.03.2021			
	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets
Commercial Papers	-	-	-	-	-	-	-	-
Non-Convertible debentures having maturity of less than one year	-	-	-	-	-	-	-	-
Other Short-Term liabilities	12,852.04	3.93%	3.58%	3.13%	20,511.10	6.36%	5.75%	5.12%

(v) Liquidity Coverage Ratio (LCR)

RBI, vide its Liquidity Framework dated 04 Nov, 2019 has stipulated maintaining of Liquidity Coverage Ratio (LCR) by Non-Deposit taking NBFCs with asset size of more than ₹ 10,000 Crores w.e.f. 01 Dec, 2020. These guidelines of RBI aims to ensure that Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The LCR is represented by:

The Stock of High-Quality Liquid Assets

Total Net Cash Outflows over the next 30 calendar days

where,

(i) Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the next 30 calendar days, where the cash flows are assigned a predefined stress percentage, as prescribed by RBI.

(ii) High Quality Liquid Assets (HQLA) means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios.

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The LCR requirement is binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching up to the required level of 100% by December 1, 2024.

At Present, HQLA investments are held in INR in the form of Government Securities(G-Sec)/ State Development Loans (SDLs) Securities and AAA/AA Corporate Bonds and auto swap balance with banks.

Composition of HQLA:

Out of the Stock of HQLA, the Government Securities is the highest proportion of HQLA followed by AAA/AA Corporate bonds and auto swap balances. The position of HQLA holding as on 31st March 2022 is as follows:

HQLA Items	% of Overall
Assets without Haircut	**89%**
- Cash and Cash Equivalents	12%
- G-Sec and SDLs	77%
Assets with 15% Haircut	**11%**
- Corporate Bonds	11%
Assets with 50% Haircut	-
Total	**100%**

Liquidity Coverage Ratio Disclosure

(₹ in Crores)

Particulars	Quarter ended 31.03.2022		Quarter ended 31.03.2021	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
High Quality Liquid Assets				
Total High Quality Liquid Assets (HQLA)	1,719.78	1,686.09	2,151.50	2,120.54
- AA/AAA Corporate Bonds	224.56	190.87	206.39	175.43
- G-SEC Bonds/ State Development Loans (SDLs)	1,296.73	1,296.73	483.29	483.29
- Banks Autoswap	198.49	198.49	1,461.82	1,461.82
Cash Outflows				
Other contractual funding obligations	8,279.00	9,520.85	11,720.66	13,478.76
Other contingent funding obligations	848.00	975.20	2,193.98	2,523.08
Total Cash Outflows	**9,127.00**	**10,496.05**	**13,914.64**	**16,001.84**
Cash Inflows				
Secured lending	-	-	-	-
Inflows from fully performing exposures	6,414.00	4,810.50	7,480.10	5,610.08
Other cash inflows	10,223.00	7,667.25	11,807.52	8,855.64
Total Cash Inflows (restricted to 75% of Outflows on every observation day)	**16,637.00**	**7,872.04**	**19,287.63**	**11,760.86**
Total Adjusted Value				
Total HQLA (A)		**1,686.09**		**2,120.54**
Total Net Cash Outflows (B)		**2,624.01**		**4,240.98**
Liquidity Coverage Ratio (A / B)		**64.26%**		**50.00%**
% Variance		**28.51%**		

** For average, daily observation during Quarter-4 of FY 2021-22, has been considered.*

Notes to Accounts

48.3 Market Risk - Currency Risk

The Company is exposed to foreign currency risk from various foreign currency borrowings primarily denominated in USD, EURO, JPY and SGD. The Company has a risk management policy which aims to manage the foreign currency risk arising from its borrowings denominated in a currency other than the functional currency of the Company. The Company uses combination of foreign currency options structures, forward contracts and cross currency swap to hedge its exposure to foreign currency risk.

An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of CMD with Functional Directors, executive directors and Chief General Managers from Finance and Operating Divisions as its members. ALCO monitors Foreign currency risk with exchange rate and interest rate managed through various derivative instruments. 'The Company enters into various derivative transactions to cover exchange rate through various instruments like foreign currency forwards contracts, currency options, principal only swaps and forward rate agreements. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

In respect of foreign currency debt securities and borrowings, the company has also executed cross currency swaps (principal and/or interest) to hedge the Foreign Currency Exposure. The outstanding position of Foreign Currency Exposure as at 31st March 2022 is as under:

(Foreign Currency amounts in Millions, INR equivalent in ₹ Crores)

Currency	As at 31.03.2022			As at 31.03.2021		
	Total Exposure	Hedged through Derivatives	Unhedged Exposure	Total Exposure	Hedged through Derivatives	Unhedged Exposure
USD $	9,436.00	7,620.00	1,816.00	6,893.85	3,500.00	3,393.85
INR Equivalent	*71,531.58*	*57,765.01*	*13,766.57*	*50,673.04*	*25,726.65*	*24,946.39*
JPY ¥	58,729.87	20,846.05	37,883.82	21,600.36	20,845.99	754.37
INR Equivalent	*3,654.76*	*1,297.25*	*2,357.51*	*1,433.40*	*1,383.34*	*50.06*
EURO €	26.32	0.87	25.45	36.85	11.40	25.45
INR Equivalent	*222.82*	*7.37*	*215.45*	*317.30*	*98.12*	*219.18*
SGD $	72.08	72.08	-	72.08	72.08	-
INR Equivalent	*403.21*	*403.21*	-	*391.79*	*391.79*	-
Total	**75,812.37**	**59,472.84**	**16,339.53**	**52,815.53**	**27,599.90**	**25,215.63**

Sensitivity Analysis

The table below represents the impact on P&L including FCMITDA (+ Gain / (Loss) for 5% change in foreign currency exchange rate against INR on the unhedged exposures:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Favorable	Adverse	Favorable	Adverse
USD/INR	515.09	(515.09)	933.39	(933.39)
JPY/INR	88.21	(88.21)	1.87	(1.87)
EUR/INR	8.06	(8.06)	8.20	(8.20)

Holding all other variables constant

48.4 Market Risk - Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. Interest rates are dynamic and dependent on various internal and external factors including but not limited to RBI policy changes, liquidity in the market, movement of external benchmarks such as AAA bond/ G-Sec yields/ LIBOR etc. Some of the borrowings of the Company are exposed to interest rate risk with floating interest rates linked to USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate), T-Bills, Repo Rate etc. The Company manages its interest rate risk through various derivative contracts like interest rate swap contracts, forward interest rate contracts to minimize the risk of fluctuation in interest rates. The Company also uses cross-currency interest rate swaps as a cost-reduction strategy to benefit from the interest differentials in different currencies.

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The table below shows the overall exposure of the Company to the liabilities linked with floating interest rates as at 31st March 2022 is as under:

(Foreign Currency amounts in Millions, INR equivalent in ₹ Crores)

Currency	As at 31.03.2022			As at 31.03.2021		
	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure
INR Borrowings	50,178.32	-	50,178.32	35,738.58	-	35,738.58
USD $	4,636.00	1,325.00	3,311.00	2,768.85	1,630.00	1,138.85
INR Equivalent	*35,144.17*	*10,044.44*	*25,099.73*	*20,352.38*	*11,981.27*	*8,371.11*
JPY ¥	58,352.72	10,327.16	48,025.56	20,846.14	10,327.14	10,519.00
INR Equivalent	*3,631.29*	*642.66*	*2,988.63*	*1,383.35*	*685.31*	*698.04*
SGD $	72.08	72.08	-	72.08	72.08	-
INR Equivalent	*403.21*	*403.21*	-	*391.79*	*391.79*	-
Total INR Equivalent	**89,356.99**	**11,090.31**	**78,266.68**	**57,866.10**	**13,058.37**	**44,807.73**

The Company also uses Interest Rate Swaps to manage fair value risk on interest rate borrowings to mitigate the interest rate sensitivity mismatch. Through such swaps, the fixed rate borrowings amounting to ₹ 11,850.70 crores as on 31st March 2022 (Previous year Nil) have been converted into floating rate borrowings through the use of MIBOR-linked Overnight Indexed Swaps.

The Company's lending portfolio carries interest at semi-fixed rate i.e. fixed rate of interest with 1/3/10 year reset option with the borrower. The Company reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements etc. In order to manage pre-payment risks, the Company charges pre-payment premium from borrowers in case of pre- payment of loan. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

The Company is exposed to interest rate risk on following Loan Assets which are at semi-fixed rates:

(₹ in Crores)

Description	As at 31.03.2022	As at 31.03.2021
Rupee Loans	3,75,805.76	3,63,580.03

Sensitivity Analysis

The table below represents the impact on P&L Gain / (Loss) for 50 basis points increase or decrease in interest rate on Company's floating rate assets and liabilities on the unhedged exposures:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Floating Rate Loan Liabilities	(292.84)	292.84	(167.65)	167.65
Interest Rate Swaps	(44.34)	44.34	-	-
Floating/ semi-fixed Rate Loan Assets	1,406.11	(1406.11)	1,360.37	(1360.37)

** Holding all other variables constant*

The above sensitivity analysis has been prepared assuming that the amount outstanding at the end of the reporting period remains outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

48.4.1 Disclosures in respect of Interest Rate Benchmark Reform (IBOR)

The Company has variable interest rate borrowings with interest rates linked with different benchmarks. Such interest rate benchmarks for foreign currency borrowings include 1/3/6 Month USD LIBOR (London Inter-Bank Offered Rate), Overnight SOFR (Secured

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Overnight Financing Rate), TONA (Tokyo Overnight Average Rate), SORA (Singapore Overnight Rate Averages), etc. The summary of such borrowings as on 31st March, 2022 are as below:

Benchmark	Amount (₹ in Crores)	Amount (USD Mn Equivalent)
3M USD LIBOR	7,201.67	950.00
6M USD LIBOR	27,373.94	3,611.00
O/N SOFR	568.55	75.00
TONA	3,631.29	479.02
SORA	403.21	53.19
Total	**39,178.67**	**5,168.21**

As announced by the UK Financial Conduct Authority (FCA) on 5 March 2021, JPY LIBOR has ceased to be published after 31st December 2021 and 1 Month, 3 Month and 6 Month USD LIBOR will cease to be published after 30th June 2023.

(i) Exposure directly affected by the Interest Rate Benchmark Reform (IBOR)

While some of the floating rate borrowings of the Company are already under the new benchmarks, some of the borrowings will also get repaid before the cessation date of the respective interest rates, i.e. 3M USD LIBOR and 6M USD LIBOR. Accrodingly, the total amount of exposure that is directly affected by the Interest Rate Benchmark Reform (IBOR) is ₹ 25,963.93 crores (USD 3.425 Billion) as on 31st March, 2022. Out of this, the nominal amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is ₹ 3,790.36 crores (USD 0.500 Billion).

(ii) Managing the process to transition to alternative benchmark rates

Pursuant to the Interest Rate Benchmark Reform, LIBOR will be replaced with alternative Risk-Free Rates (RFRs). SOFR (Secured Overnight Financing Rate) will be the replacement for USD LIBOR, while TONA (Tokyo Overnight Average Rate) will replace JPY LIBOR. ISDA (International Swaps and Derivatives Association), the globally recognized statutory body governing the global derivative deals, has come up with the ISDA 2020 IBOR Fallbacks Protocol (commonly referred to as Fallback Protocol) to move all the legacy contracts to new benchmarks. The Company has adhered to the Fallbacks Protocol under which the fallbacks for the various LIBOR benchmarks will automatically become applicable to the existing derivative trades with all counterparties.

With respect to the term loans, REC has been actively engaging with the lenders to initiate the transition exercise at an early stage. During the year 2021-22, REC has completed the transition documentation for two JPY loans amounting to JPY 20,846.12 Billion (INR equivalent as on 31st March, 2022 ₹ 1,297.25 crores) with the benchmark changed from JPY LIBOR to TONA . Additionally, an active transition for one SGD loan amounting to SGD 72.08 Million (INR equivalent as on 31st March, 2022 ₹ 403.21 crores has also been concluded during the year with the benchmark changed from 6M SOR (Singapore Swap Offer Rate) to SORA (Singapore Overnight Rate Average). Where the interest rate risk for these loans was hedged, the interest rate benchmarks in such derivatives have been suitably changed to the new benchmarks.

(iii) Significant Assumptions for exposures affected by the Interest Rate Benchmark Reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the Interest Rate Benchmark Reform. While the benchmarks for the underlying loan are yet to be agreed with the lenders, it has been assumed that there will be no change in the alternative benchmark rates of the underlying loan and the derivative contracts and hedge effectiveness is not altered as a result of such reform.

48.5 Hedge accounting

The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges. For option contracts, the Company designates only the intrinsic value of option contracts as a hedged item by excluding the time value of the option. The changes in the fair value of the aligned time value of the option are recognised in Other Comprehensive Income and accumulated in the cost of hedging reserve. The time value of the options at the inception of the hedging relationship is reclassified to Profit or Loss on a straight-line basis.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

(i) For cross currency swaps, principal only swaps and interest rate swaps that exactly match the terms of the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

(ii) For other interest rate swaps (in cases of late designation), the Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

(iii) For option structures, the Company analyses the behaviour of the hedging instrument and hedged item using regression analysis based dollar offset method.

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The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Impact of Hedge Accounting

(a) Effects of hedge accounting on balance sheet

(₹ in Crores)

As at 31st March 2022		Notional amount (in Mn)	Carrying amount of hedging instruments	
Type of hedge and risks			Assets	Liabilities
	Cash flow hedge			
	Foreign exchange and interest rate risk			
(i)	Foreign currency options structures			
	- Seagull Structure	USD 7,045	4,744.05	-
		USD 20,846.12	102.15	-
		SGD 72.08	22.08	-
	- Call Spread	USD 250	76.73	-
(ii)	Cross Currency Interest Rate swaps	USD 1,300	22.69	43.78
		JPY 10,327.12	-	1.50
		SGD 72.08	23.86	-
(iii)	Principal only swaps	USD 375	-	48.37
(iv)	Interest rate swaps	USD 425	92.42	-

(₹ in Crores)

As at 31st March 2021		Notional amount (in Mn)	Carrying amount of hedging instruments	
Type of hedge and risks			Assets	Liabilities
	Cash flow hedge			
	Foreign exchange and interest rate risk			
(i)	Foreign currency options structures			
	- Seagull Structure	USD 2,595	1,458.96	43.25
		JPY 20,846.12	198.23	-
	- Call Spread	USD 250	77.74	-
(ii)	Cross currency swaps	USD 1,350	-	244.37
		JPY 10,327.12	-	4.06
		SGD 72.08	23.86	-
(iii)	Principal only swaps	USD 375	-	121.08
(iv)	Interest rate swaps	USD 260	-	69.74

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(₹ in Crores)

Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
May 2022 - Jan 2027	1:1	74.31	(399.81)	399.81
Aug 2023 - Sep 2025	1:1	0.66	(96.08)	96.08
Mar 2025	1:1	0.01	(1.77)	1.77
Mar 2024	1:1	57.52	(74.08)	74.08
May 2022 - Mar 2025	1:1	2.99% and 72.94	112.67	(112.67)
Aug 2023	1:1	0.42% and 0.62	0.82	(0.82)
Mar 2025	1:1	1.44%	21.54	(21.54)
Mar 2025 - Jun 2030	1:1	75.41	(49.08)	49.08
Mar 2024 - Oct 2026	1:1	2.23%	130.27	(130.27)

(₹ in Crores)

Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
April 2021 - Oct 2025	1:1	73.32	(611.68)	611.68
Aug 2023 - Sep 2025	1:1	0.66	(131.87)	131.87
Mar 2024	1:1	71.94	(93.51)	93.51
Dec 2021 - Mar 2025	1:1	2.92% and 72.93	(73.78)	73.78
Aug 2023	1:1	0.42% and 0.62	(0.08)	0.08
Mar 2025	1:1	1.44%	21.54	(21.54)
Mar 2025 - Jun 2030	1:1	75.41	(174.62)	174.62
Mar 2024 - Jul 2024	1:1	2.32%	(1.12)	1.12

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(b) Effects of Cash Flow hedge accounting on Statement of Profit and Loss

(₹ in Crores)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Year ended 31.03.2022				
- Currency risk and interest rate risk	(377.06)	-	(995.95)	Gain/ loss on foreign exchange translation
			126.43	Finance cost
Year ended 31.03.2021				
- Currency risk and interest rate risk	(1,065.12)	-	580.30	Gain/ loss on foreign exchange translation
			179.56	Finance cost

(c) Movement in cash flow hedging reserve and cost of hedging reserve

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Effective portion of Cash Flow Hedges		
Opening Balance	**(165.61)**	**(226.08)**
Add: Changes in intrinsic value of foreign currency option structures	1108.37	(625.61)
Add: Changes in fair value of cross currency swaps	111.72	(52.32)
Add: Changes in fair value of interest rate swaps	130.27	(1.12)
Less: Amounts reclassified to profit or loss	(869.52)	759.86
Less: Deferred tax relating to above (net)	(121.02)	(20.34)
Closing Balance	**194.21**	**(165.61)**
Costs of hedging reserve		
Opening Balance	**41.45**	**(204.75)**
Add: Change in deferred time value of foreign currency option structures	(1727.42)	(386.06)
Less: Amortisation of time value	1142.91	715.06
Less: Deferred tax relating to above (net)	147.11	(82.80)
Closing Balance	**(395.95)**	**41.45**

(d) Fair Value Hedges

At 31st March 2022, Company has outstanding interest rate swap agreements of ₹ 11,850.70 crores (Previous year Nil) wherein the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount. Such agreements are being used to hedge the exposure to the changes in fair value of fixed rate borrowings.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). As such, a hedge ratio of 1:1 for the hedging relationships has been established as the underlying risk of the interest rate swap is identical to the hedged risk component.

The impact of the hedging instrument on the balance sheet as at 31 March 2022 is, as follows:

(₹ in Crores)

Fair value hedge	Notional amount	Carrying amount *	Line item in balance sheet where hedging instrument is disclosed	Changes in fair value for calculating hedge ineffectiveness
- Interest rate swap	11,850.70	(111.92)	Derivative financial instruments	(111.92)

** Carrying amount here is exclusive of the interest receivable under such derivative contract as on reporting date.*

Notes to Accounts

The impact of the hedged item on the balance sheet as at 31 March 2022 is, as follows:

(₹ in Crores)

Fair value hedge	Carrying amount	Accumulated fair value adjustments	Line item in the balance sheet in which the hedged item is included	Change in value used for calculating hedge ineffectiveness
- Subordinated Liabilities	4,148.36	(128.33)	Subordinated Liabilities	(128.33)
- Institutional bonds	7,881.97	16.41	Debt Securities - Institutional Bonds	16.41

The decrease in fair value of the interest rate swap of ₹ 111.92 Crore (Previous year Nil) has been offset with a similar gain on the respective subordinated liabilities and debt securities.

48.6 Market Risk - Price risk

The Company is exposed to price risks arising from investments in equity shares. The Company's investments are held for strategic rather than trading purposes.

Sensitivity Analysis

The table below represents the impact on OCI Gain / (Loss) for 5% increase or decrease in the respective prices on Company's equity investments, outside the group:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Impact on Other Comprehensive Income (OCI)	13.41	(13.41)	21.51	(21.51)
Impact on Profit and Loss account (PL)	2.48	(2.48)	1.18	(1.18)

49 Additional Disclosures in respect of derivatives

49.1 Forward Rate Agreements/ Interest Rate Swaps

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(i)	The notional principal of swap agreements	33,239.41	25,035.68
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	563.77	339.60
(iii)	Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv)	Concentration of credit risk arising from the swaps	Refer Note Below	Refer Note Below
(v)	The fair value of the swap book	390.25	(64.05)

REC, being NBFC has entered into swap agreements with Category-I, Authorized Dealers Banks only, in accordance with the RBI guidelines. All the swap agreements entered into with banks are well with in the credit risk limit defined in the Board approved Risk Management Policy.

49.2 The Company has not entered into any exchange traded Interest Rate (IR) derivatives.

49.3 Quantitative Disclosures

(₹ in Crores)

Particulars		Currency Derivatives *		Interest Rate Derivatives **		Other Derivatives (Reverse cross currency swaps)***	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(i)	Derivatives (Notional Principal Amount)						
	For hedging	59,472.85	27,599.89	33,239.41	25,035.68	4,747.00	4,547.00
(ii)	Marked to Market Positions						
a)	Asset (+)	4,946.40	1,971.62	563.77	339.60	-	-
b)	Liability (-)	48.37	164.33	173.52	403.65	331.25	278.33
(iii)	Credit Exposure	5,131.08	4,854.40	490.82	574.96	662.05	632.05
(iv)	Unhedged Exposures	16,339.53	25,215.63	N.A.	N.A.	N.A.	N.A.

** Includes Full Hedge, Pricipal only Swap and Call Spread*
*** Includes Interest Rate Derivatives as a strategy of cost reduction*
**** Includes Reverse Cross Currency swap as a strategy of cost reduction*

Notes to Accounts

50 Impact of Covid-19 Pandemic on the Company

Since outbreak of COVID-19, our Country has experienced two further waves of pandemic following the discovery of mutant coronavirus variants. These waves led to temporary reimposition of localised /regional lockdown, which were subsequently lifted. With improving coverage of vaccination programme and resumption of economic activities, India is witnessing recovery in demand. Company's strong credit profile, liquidity access and availability of contingency buffers provides it no reasons to believe that the current crisis will have any significant impact on its operations, including the going concern assessment. However, the impact will continue to be dependent, among other things, on uncertain future developments about discovery of further coronavirus variants and any action to contain its spread, whether government mandated or otherwise.

51 Exposure Related Disclosures

RBI, vide its letter dated 17th September 2010 had categorized REC as an Infrastructure Finance Company (IFC) in terms of instructions contained in RBI Circular CC No.168 dated 12th February 2010. As an IFC, the total permissible exposure for lending in the private sector is 25% of owned funds in case of single borrower and 40% in case of a single group of borrowers and exposure for lending and investing taken together can be upto 30% and 50% of owned funds, respectively.

In respect of Central/State Government entities, RBI vide its letter No.DNBR.PD.CO.No.2184/03.10.001/2015-16 dated 16th June 2016 has exempted REC from applicability of RBI's concentration of credit/investment norms till 31st March, 2022. The Company has again represented to RBI for further extension of above exemption for a further period of five years. The matter, considering Company's business model and strategic positioning being a Government Company, is under consideration of RBI and the response is awaited. In view of the above, our maximum credit exposure limits to Central and State power Utilities continue to vary maximum upto 150% of owned funds, which is based on the board approved policy and the rating of the borrowers as per entity appraisal.

In respect of Private Sector entities, the Company's credit exposure to single borrowers and group borrowers did not exceed the RBI prudential exposure limits as at 31st March 2022 and 31st March 2021.

51.1 Exposure to Real Estate Sector

The Company has no exposure to real estate sector as at 31st March 2022 (As at 31st March 2021 Nil).

51.2 Exposure to Capital Market

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	317.88	671.93
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows/ issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds	-	-
	Total Exposure to Capital Market	**317.88**	**671.93**

Notes to Accounts

51.3 The company does not have any financing of Parent Company products during the current and previous year.

51.4 Concentration of Advances, Exposures and Credit-impaired Assets

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(i)	**Concentration of Advances**		
	Total Advances to twenty largest borrowers	2,39,602.97	2,28,371.07
	Percentage of Advances to twenty largest borrowers to Total Advances of the Company	62.17%	60.51%
(ii)	**Concentration of Exposures**		
	Total Exposure to twenty largest borrowers	3,29,335.41	3,42,453.58
	Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company on borrowers	61.93%	62.28%
(iii)	**Concentration of Credit-impaired Assets**		
	Total Exposure to the top four Credit-impaired Assets	8,645.97	8,489.02

52 Fair value disclosures

The fair values of financial instruments measured at amortised cost and the carrying cost of financial instruments measured at fair value by category are as follows::

(₹ in Crores)

Particulars		Note No.	As at 31.03.2022	As at 31.03.2021
	Financial assets measured at fair value			
	Derivative financial instruments measured at			
(i)	Fair value through other comprehensive income	8	5,079.87	1,758.79
(ii)	Fair value through profit and loss	8	430.30	552.43
	Investments* measured at			
(i)	Fair value through other comprehensive income	10	268.26	430.13
(ii)	Fair value through profit and loss	10	182.07	209.65
	Financial assets measured at amortised cost			
	Cash and cash equivalents	6	126.40	1,140.49
	Bank balances (other than cash and cash equivalents)	7	2,295.30	1,929.06
	Loan Assets	9	3,71,930.54	3,65,261.49
	Investments *	10	1,707.54	1,051.79
	Other financial assets	11	24,396.94	24,399.21
	Total		**4,06,417.22**	**3,96,733.04**
	Financial liabilities measured at fair value			
	Derivative financial instruments measured at			
(i)	Fair value through other comprehensive income (FVOCI)	8	205.64	482.51
(ii)	Fair value through profit and loss (FVTPL)	8	347.50	363.80
	Financial liabilities measured at amortised cost			
	Debt securities	18	2,19,633.57	2,37,328.06
	Borrowings (other than debt securities)	19	1,06,651.59	85,507.36
	Subordinated liabilities	20	6,816.47	6,946.89
	Other financial liabilities	21	25,575.84	25,934.10
	Total		**3,59,230.61**	**3,56,562.72**

** Investment in subsidiary and joint venture are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.*

Notes to Accounts

52.1 Fair values hierarchy

The fair value of financial instruments as referred above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

The Company's policy is to recognize transfers into and transfer out of fair value hierarchy at the date of event or change in circumstances that caused the transfer.

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Crores)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investments at FVOCI								
Equity investments	53.52	-	214.74	268.26	430.13	-	-	430.13
Investments at FVTPL								
Equity investments	49.52	-	-	49.52	23.60	-	-	23.60
Debentures	-	-	132.55	132.55	-	-	143.06	143.06
Preference Shares	-	-	-	-	-	-	42.99	42.99
Assets at FVTPL								
Derivative financial instruments	-	5,510.17	-	5,510.17	-	2,311.22	-	2,311.22
Liability at FVTPL								
Derivative financial instruments	-	553.14	-	553.14	-	846.31	-	846.31

Valuation Techniques for fair value disclosures (Level 1 , Level 2 and Level 3)

(A) **Investment in Quoted Equity Investments - Level 1 -** Investment in listed equity instruments are measured at their readily available quoted price in the market.

(B) **Derivative Financial Instruments - Level 2 -** The fair value has been determined on the basis of mark to market value provided by the banks that have contracted to hedge the underlying risk. Such valuation is calculated using market observable inputs including forward exchange rates, interest rates corresponding to the maturity of the contract and implied volatilities.

(C) **Investment in Unquoted Equity of Universal Commodity Exchange Limited (UCX) - Level 3 -** Investment in unquoted equity shares of UCX is classified as Level 3. It has been carried at Nil value by the Company due to the company specific reasons. UCX was shut down in 2014, thereby, ceasing to exist as a going concern.

(D) **Investment in Unquoted Equity of Energy Efficiency Services Limited (EESL)- Level 3 -** Investment in unquoted equity shares of EESL is classified as Level 3. EESL ceases to be a Joint Venture (JV) with effect from September 01, 2021. The fair value has been calculated on the basis of Financial Statement of the investee company.

(E) **Investment in Unquoted Preference Shares - Level 3 -** Investment in unquoted Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rattan India Power Ltd. (RIPL) are classified as Level 3. The company has been alloted OCCRPS of the borrower company pursuant to One Time Settlement arrangement executed on 23rd December 2019. The fair value has been taken as Nil as future cash flows are uncertain in such instruments. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

(F) **Investment in Optionally Convertible Debentures of Essar Power Transmission Limited - Level 3 -** Investment in unquoted Optionally Convertible Debentures (OCDs) of Essar Power Transmission Limited are classified as Level 3, which have been alloted to the Company upon implementation of restructuring plan with the borrower. The fair value has been derived by present value technique by discounting future cash flows at interest rate applicable to the borrowers. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

Notes to Accounts

(G) **Investment in Optionally Convertible Debentures of R.K.M PowerGen Private Limited - Level 3 -** Investment in unquoted Optionally Convertible Debentures (OCDs) of R.K.M PowerGen Private Limited are classified as Level 3, which have been alloted to the Company upon implementation of restructuring plan with the borrower. The fair value has been taken as Nil as such debentures are unsustainable in nature and future cash flows are uncertain. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

52.2 Reconciliation of Financial Instruments measured at Fair Value through Level 3 inputs

The following table shows the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in Crores)

Particulars	For the Year ended 31st March 2022					
	FVTPL (ii)			FVOCI (iii)		Total
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in OCDs	Investment in Venture Capital Fund	Investment in Unquoted Equity Shares	
Opening Balance	**-**	**42.99**	**143.06**	**-**	**-**	**186.05**
Received in Loan Settlement (Refer Note 9.3)	-	-	-	-	-	-
Settlement	-	-	(41.95)		-	(41.95)
Transfer in Level 3	-	-	-	-	218.10	218.10
Transfer from Level 3	-	-	-		-	-
Interest income (i)	-	6.02	21.13		-	27.15
Fair value changes	-	(49.01)	10.31	-	(3.36)	(42.06)
Closing Balance	**-**	**-**	**132.55**	**-**	**214.74**	**347.29**
Unrealised gain (loss) at year-end	**-**	**(32.42)**	**12.49**	**-**	**(19.36)**	**(39.29)**

(₹ in Crores)

Particulars	For the Year ended 31st March 2021					
	FVTPL (ii)			FVOCI (iii)		Total
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in OCDs	Investment in Venture Capital Fund	Investment in Equity Shares	
Opening Balance	**1,500.62**	**45.41**	**-**	**-**	**-**	**1,546.03**
Received in Loan Settlement (Refer Note 9.3	-	-	149.56	-	-	149.56
Settlement	(1667.94)	-	(28.22)	-	-	(1696.16)
Transfer in Level 3	-	-	-	-	-	-
Transfer from Level 3	-	-	-	6.15	-	6.15
Interest income (i)	167.32	6.26	21.72	-	-	195.30
Fair value changes	-	(8.68)	-	(6.15)	-	(14.83)
Closing Balance	**-**	**42.99**	**143.06**	**-**	**-**	**186.05**
Unrealised gain (loss) at year-end	**-**	**10.57**	**12.42**	**(6.15)**	**(16.00)**	**0.84**

Refer Note No. 10.5 for Investment in equity shares measured at Fair Value through Other Comprehensive Income (FVOCI) derecognised during the year

(i) forms part of line item 'Interest Income' in the Standalone Statement of Profit and Loss.

(ii) Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Standalone Statement of Profit and Loss.

(iii) Fair value gain/ (loss) on Investments at FVOCI forms part of line item 'Changes in Fair Value of FVOCI Equity Instruments' in the Standalone Statement of Profit and Loss.

Notes to Accounts

52.3 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	126.40	126.40	1,140.49	1,140.49
Bank balances (other than cash and cash equivalents)	2,295.30	2,295.30	1,929.06	1,929.06
Loans	3,71,930.54	3,72,175.00	3,65,261.49	3,66,843.62
Investments	1,707.54	1,726.25	1,051.79	1,057.27
Other financial assets	24,396.94	24,396.79	24,399.21	24,401.09
Total	**4,00,456.72**	**4,00,719.74**	**3,93,782.04**	**3,95,371.53**
Financial liabilities				
Debt securities	2,19,633.57	2,21,226.21	2,37,328.06	2,35,612.09
Borrowings (other than debt securities)	1,06,651.59	1,07,306.18	85,507.36	85,562.85
Subordinated liabilities	6,816.47	7,131.25	6,946.89	7,610.21
Other financial liabilities	25,575.84	25,575.84	25,934.10	25,934.10
Total	**3,58,677.47**	**3,61,239.47**	**3,55,716.41**	**3,54,719.25**

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables:

Financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, Contract assets, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity.

Loans and advances to customers

Fair values of loan assets are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The Company then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models.

Financial assets at amortised cost

The fair values of debt securities measured at amortised cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued debt

The fair values of the Company fixed interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2022 was assessed to be insignificant.

Investment in Govt. Securities (G-SEC) and State Development Loan (SDL)

The Company has made investments in G-Sec and SDL in order to maintain sufficient High Quality Liquid Assets as per RBI guidelines. The market price of Government of India securities and state development loan is available as at reporting date and accrued interest from last coupon date to the reporting date is added to market price.

Investment in PSU Bonds

The Company has made investments in PSU Bonds in order to maintain sufficient High Quality Liquid Assets as per RBI guidelines. The company has computed fair value using market inputs i.e., Yield of G-Sec bonds for similar remaining maturity or credit rating wise spread for PSUs for remaining maturity as per industry practice.

Notes to Accounts

Investments in securities issued by Borrower entities at the time of Loan Settlement/ Resolution

The fair value has been derived by present value technique by discounting future cash flows at interest rate applicable to the borrowers. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

All other debt securities, borrowings and subordinated liabilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

53 There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties identified on the basis of information available with the Company.

54 Related Party Disclosures :

54.1 List of Related Parties

(1) Key Managerial Personnel

Sh. S.K.G Rahate	Chairman & Managing Director w.e.f 22nd February, 2022
Sh. Sanjay Malhotra	Chairman & Managing Director upto 10th February, 2022
Sh. Ajoy Choudhury	Director (Finance)
Sh. Sanjeev Kumar Gupta	Director (Technical) upto 31st October, 2021
Sh. Praveen Kumar Singh	PFC Nominee Director (Non-executive Director) upto 31st Janurary, 2022
Smt. Parminder Chopra	PFC Nominee Director (Non-executive Director) w.e.f 4th February, 2022
Sh. Tanmay Kumar	Govt. Nominee Director upto 6th September, 2021
Sh. Vishal Kapoor	Govt. Nominee Director w.e.f 7th September, 2021
Dr. Gambheer Singh	Part Time Non-Official Independent Director w.e.f 15th November, 2021
Dr. Manoj M. Pande	Part Time Non-Official Independent Director w.e.f 15th November, 2021
Dr. Durgesh Nandini	Part Time Non-Official Independent Director w.e.f 30th December, 2021
Sh. J.S. Amitabh	Executive Director & Company Secretary

(2) Ultimate Holding Company

Power Finance Corporation Ltd.

(3) Subsidiary Company

REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)

(4) Associate Companies of REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)

Chandil Transmission Limited

Dumka Transmission Limited

Mandar Transmission Limited

Koderma Transmission Limited

Rajgarh transmission limited

Bidar transmission limited

MP Power Transmission Package-I Limited

ER NER Transmission Limited (incorporated on 06.10.2021)

Sikar New Transmission Limited (incorporated on 2 June, 2020 and transferred to M/s Power Grid Corporation of India Limited on 4 June, 2021)

Notes to Accounts

MP Power Transmission Package-II Limited (incorporated on 20 August, 2020 and transferred to M/s Adani Transmission Limited on 1 November, 2021)

Kallam Transmission Limited (incorporated on 28 May, 2020 and transferred to M/s Indigrid I Limited (Lead Member) on 28 December, 2021)

Gadag Transmission Limited (incorporated on 2 June, 2020 and transferred to M/s Renew

Fatehgarh Bhadla Transco Limited (incorporated on 2 June, 2020 and transferred to M/s Power Grid Corporation of India Limited on 4 June, 2021)

Dinchang Transmission Limited (struck off from the ROC vide MCA letter dated 17.08.2021)

(5) Joint Ventures

Energy Efficiency Services Limited (EESL) (upto 31st August, 2021)

(6) Post-employment Benefit Plan Trusts

REC Limited Contributory Provident Fund Trust

REC Gratuity Fund

REC Employees' Superannuation Trust

REC Retired Employees' Medical Trust

(7) Society registered for undertaking CSR Initiatives

REC Foundation

(8) Companies in which Key Managerial Personnel are Directors

Samarpan Hospitals Private Limited (Related Party w.e.f 15th November, 2021)

NHPC Limited (Related Party upto 6th September, 2021)

SJVN Limited (Related Party upto 6th September, 2021)

Kholongchhu Hydro Energy Limited (Related Party upto 6th September, 2021)

Punatsangchhu-I, Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

Punatsangchhu-II, Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

Mangdechhu Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

(9) Below mentioned related parties of the Ultimate Holding Company are also considered as related parties of REC:

(a) Key Managerial Personnel of Ultimate Holding Company

Sh. Ravinder Singh Dhillon	Chairman & Managing Director
Smt. Parminder Chopra	Director (Finance)
Sh. Praveen Kumar Singh	Director (Commercial) upto 31st Janurary, 2022
Sh. Rajiv Ranjan Jha	Director (Projects) w.e.f 28th October, 2021
Sh. Tanmay Kumar	Govt. Nominee Director upto 6th September, 2021
Sh. Vishal Kapoor	Govt. Nominee Director w.e.f 7th September, 2021
Sh Ram Chandra Mishra	Part Time Non-Official Independent Director
Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Smt. Usha Sanjeev Nair	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Shri. Prasanna Tantri	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Shri Manohar Balwani	Company Secretary

Notes to Accounts

(b) Subsidiary Companies of Ultimate Holding Company

PFC Consulting Limited (PFCCL)

(c) Associate Companies of Ultimate Holding Company

Bihar Mega Power Limited

Orissa Integrated Power Limited

Jharkhand Infrapower Limited

Coastal Tamil Nadu Power Limited

Bihar Infrapower Limited

Deoghar Infra Limited

Sakhigopal Integrated Power Company Limited

Ghogarpalli Integrated Power Company Limited

Odisha Infrapower Limited

Deoghar Mega Power Limited

Cheyyur Infra Limited

Ananthpuram Kurnool Transmission Limited

Khetri-Narela Transmission Limited

Coastal Karnataka Power Limited

Bhadla Sikar Transmission Limited

Mohanlalganj Transmission Limited (incorporated on 08.06.2021)

Kishtwar Transmission Limited (incorporated on 15.04.2021)

Chhatarpur Transmission Limited (incorporated on 25.01.2022)

Nangalbibra-Bongaigaon Transmission Limited (incorporated on 09.04.2021 and transferred on 16.12.2021)

Khavda-Bhuj Transmission Limited (incorporated on 18.05.2021 and transferred on 18.01.2022)

Koppal- Narendra Transmission Limited (transferred on 13.12.2021)

Sikar-II Aligarh Transmission Limited (transferred on 08.06.2021)

Karur Transmission Limited (transferred on 18.01.2022)

Chhattisgarh Surguja Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

Shongtong Karcham-Wangtoo Transmission Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

Tatiya Andhra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

Coastal Maharashtra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

Bijawar-Vidarbha Transmission Limited (under approval for striking off the name from the records of Registrar of Companies)

Tanda Transmission Company Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

(d) Post-employment Benefit Plan Trusts of Ultimate Holding Company

PFC Employees Provident Fund Trust

PFC Employees Gratuity Trust

PFC Defined Contribution Pension Scheme 2007

PFC Ltd. Superannuation Medical Fund

(e) Other Companies in which Key Managerial Personnel of Ultimate Holding Company are Directors

PTC India Limited

Notes to Accounts

54.2 Amount due from/ to the related parties :

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Power Finance Corporation Ltd.		
Loan Repayable on Demand	-	3,000.49
RECPDCL		
Debt Securities	57.44	57.44
Other Financial Assets	5.98	4.16
Other Financial Liabilities	6.10	5.57
Post-employment Benefit Plan Trusts		
Debt Securities	8.70	8.70
Debt Securities- Holding Company	19.90	19.90
Other financial liabilities- GOI Serviced Bonds	29.30	29.30
Provisions	1.05	9.00
Other financial assets	-	-
Post-employment Benefit Plan Trusts of Ultimate Holding Company		
Debt Securities	1.90	4.10
Key Managerial Personnel		
Debt Securities	0.16	0.15
Staff Loans & Advances	0.18	0.28
Key Managerial Personnel of Ultimate Holding Company		
Debt Securities	0.17	0.12
REC Foundation		
Other Non Financial Assets	1.20	1.54
Companies in which Key Managerial Personnel are Directors		
Debt Securities	-	10.00

54.3 Maximum amount of loans/ advances/ investments outstanding in respect of subsidiary during the year

(₹ in Crores)

Particulars	Loans & Advances		Investments	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
RECTPCL	-	1.63	-	0.05
RECPDCL	5.66	4.16	0.10	0.10

54.4 Transactions with the related parties :

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Power Finance Corporation Ltd.		
Dividend Paid	1,269.22	1,143.44
Directors' Sitting Fee	0.08	0.10
Loan Repayable on Demand raised	-	3,000.00
Finance Cost	14.47	0.49
RECPDCL		
Govt. funds disbursed	0.11	-
Apportionment of Employee Benefit and Other Expenses	19.97	8.96
Dividend Income	22.43	8.43
Rental Income	4.88	-

Notes to Accounts

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Finance Costs - Interest Paid	4.56	0.85
Other Expenses	12.45	7.98
REC TPCL		
Apportionment of Employee Benefit and Other Expenses	-	4.42
Finance Costs - Interest Paid	-	3.71
Post-employment Benefits Plan Trusts		
Contributions made by the Company	18.28	1.42
Finance Costs - Interest Paid	3.28	3.29
Post-employment Benefits Plan Trusts of Ultimate Holding Company		
Redemption of the bonds of Company	2.20	
Finance Costs - Interest Paid	0.38	0.38
Key Managerial Personnel		
Repayment/ Recovery of Staff Loans & Advances	0.10	0.17
Interest Income on Staff Loans	0.04	0.05
Finance Cost	0.02	0.01
Employee Benefits Expense - Managerial Remuneration	3.05	3.21
Directors' Sitting Fee	0.13	-
Key Managerial Personnel of Ultimate Holding Company		
Finance Cost	0.01	-
REC Foundation		
Payment towards Corporate Social Responsibility (CSR) Expenses	112.00	90.00
Companies in which Key Managerial Personnel are Directors		
Finance Cost	0.35	0.33
Dividend Income	4.13	27.52

During the previous year, related party transactions with RECTPCL have been presented till the effective date i.e., 5th February, 2021 (refer note 10.2)

54.5 Terms and conditions of transactions with related parties

The transactions with the related parties are being made at arm's length basis. The remuneration and the staff loans to Key Managerial Personnel are in line with the service rules of the Company. The finance costs paid to the related parties are on account of their investments in the debt securities of the Company and the Term loan repayable on demand taken from the holding company. The interest rate payable on such debt securities is uniformally applicable to all the bondholders. The Company also makes advances to its subsidiary company on account of apportionment of establishment and administrative expenses, which are recovered on quarterly basis. Even while the outstanding balances of subsidiary company at the year-end are unsecured, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is made on the basis of short-term realisation of the advances so given.

54.6 Managerial Remuneration

The details of remuneration to Key Managerial Personnel (KMP) during the year is as below:

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	Short-term employee benefits	2.91	3.01
(ii)	Post employment benefits	0.14	0.20
	Total	**3.05**	**3.21**

As the liabilities for the gratuity and compensated absence are provided on an actuarial basis for the Company as a whole rather than each individual employee, the amounts pertaining specifically to KMP are not known and hence, not included in the above table. Gratuity and compensated absence, are included based on actual payment in respective year based in the above table.

Notes to Accounts

54.7 Disclosure in respect of entities under the control of the same government (Government related entities)

List of Government related entities

The Company had transactions with the following government related entities during the year:

Bihar Grid Company Ltd

Damodar Valley Corporation

Nabinagar Power Generating Co. Pvt. Ltd.

Neyveli Uttar Pradesh Power Ltd

NTPC Tamil Nadu Energy Company Ltd.

Patratu Vidut Utpadan Nigam Ltd.

THDC India Ltd.

Aggregate transactions with such government related entities are as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Disbursement of Loans	2,059.64	2,837.27
Interest income recognised	1,829.69	2,178.00

Aggregate balance outstanding from such government related entities are as under:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Loan Assets	17,854.95	22,649.28
Interest Accrued	4.52	7.73

Refer Note No. 11, 19.1(i), 21 and 32 in respect of material transactions with the Central Govt.

55 Disclosures in respect of Ind AS 116 'Leases'

During the year ended 31st March, 2022, the expenses relating to short-term leases are ₹ 6.21 crores (previous year ₹12.92 crores). The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 6.23 crores. (previous year ₹ 12.95 crores).

Set out below are the carrying amounts of lease liabilities (included under borrowings) and the movements during the year:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**0.05**	**0.07**
Finance Cost accrued during the year	-	0.01
Payments made during the year	(0.02)	(0.03)
Closing Balance	**0.03**	**0.05**

The table below provides details regarding the contractual maturities of undiscounted lease liabilities:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Upto 1 year	0.02	0.02
1-5 years	0.02	0.04
More than 5 years	-	-

56 Disclosures for Employee Benefits as required under Ind AS 19 'Employee Benefits':

56.1 Defined Contribution Plans

A. Provident Fund

The Company pays fixed contribution of Provident Fund at pre-determined rates to a separate registered trust which invests the funds in permitted securities. The trust must declare the rate of interest on contribution to the members based upon the returns earned on its investments during the year, subject to minimum interest rate prescribed by Employees' Provident Fund Organisation. Any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

Notes to Accounts

B. Defined Contribution Superannuation Scheme

The Company pays fixed contribution towards superannuation scheme at pre-determined rates to NPS Trust which invests the funds in the permitted securities. The balance with the NPS Trust/ separate trust includes the monthly contributions in the members' account along with the accumulated returns. When the pension becomes payable to the member, the amount standing to the credit of the member is appropriated towards the member's accumulation and annuities, as opted for by the member is allotted.

The Company has recognised an expense of ₹ 11.18 crores (previous year ₹ 13.54 Crores) towards defined contribution plans

56.2 Defined Benefit Plans - Post-Employment Benefits

A. Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crores on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability of Gratuity is recognized on the basis of actuarial valuation.

Net Defined Benefit (Asset)/ Liability

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	30.43	32.44
Fair Value of Plan Assets	30.09	30.25
Net Defined Benefit (Asset)/ Liability	0.34	2.19

Movement in net defined benefit (asset)/ liability

(₹ in Crores)

Particulars	Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**32.44**	**36.82**	**30.25**	**35.47**	**2.19**	**1.35**
Included in profit or loss						
Current service Cost	1.79	1.93	-	-	1.79	1.93
Interest cost / income	2.17	2.28	2.11	2.38	0.06	0.10
Total amount recognised in profit or loss	**3.96**	**4.21**	**2.11**	**2.38**	**1.85**	**1.83**
Included in OCI						
Re-measurement loss (gain)						
- Actuarial loss (gain) arising from changes in financial assumptions	(0.65)	(0.49)	-	-	(0.65)	(0.49)
-Actuarial loss (gain) arising from Experience adjustments	(0.29)	0.58	-	-	(0.29)	0.58
Return on plan assets excluding interest income	-	-	(0.18)	(0.33)	0.18	0.33
Total amount recognised in OCI	**(0.94)**	**0.09**	**(0.18)**	**(0.33)**	**(0.76)**	**0.42**
Contribution by employers	-	-	2.94	1.42	(2.94)	(1.42)
Benefits paid	(5.03)	(8.68)	(5.03)	(8.69)	-	0.01
Closing Balance	**30.43**	**32.44**	**30.09**	**30.25**	**0.34**	**2.19**

B. Post Retirement Medical Facility (PRMF)

The Company has Post Retirement Medical Facility under which the entitled retired employees and their dependent family members are covered as per Company Rules. The scheme is funded by the Company and is managed by separate trust. The liability towards the same is recognized on the basis of actuarial valuation.

Notes to Accounts

Net Defined Benefit (Asset)/ Liability

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	165.51	151.69
Fair Value of Plan Assets	164.80	144.06
Net Defined Benefit (Asset)/ Liability	0.71	7.63

Movement in net defined benefit (asset)/ liability

(₹ in Crores)

Particulars	Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**151.69**	**136.42**	**144.06**	**140.64**	**7.63**	**(4.22)**
Included in profit or loss						
Current service Cost	3.29	2.90	-	-	3.29	2.90
Past service cost	2.50	-	-	-	2.50	-
Interest cost / income	10.31	8.94	10.07	9.45	0.24	(0.51)
Total amount recognised in profit or loss	**16.10**	**11.84**	**10.07**	**9.45**	**6.03**	**2.39**
Included in OCI						
Re-measurement loss (gain)						
- Actuarial loss (gain) arising from changes in financial assumptions	(4.08)	(5.20)	-	-	(4.08)	(5.20)
- Actuarial loss (gain) arising from changes in demographic assumptions	3.75	-			3.75	-
-Actuarial loss (gain) arising from Experience adjustments	10.58	19.94	-	-	10.59	19.94
Return on plan assets excluding interest income	-	-	2.90	1.64	(2.90)	(1.64)
Total amount recognised in OCI	**10.25**	**14.74**	**2.90**	**1.64**	**7.36**	**13.10**
Contribution by participants	0.15	-	0.06	0.08	0.09	(0.08)
Contribution by employers	-	-	7.71	-	(7.72)	-
Benefits paid	(12.68)	(11.31)	-	(7.75)	(12.68)	(3.56)
Closing Balance	**165.51**	**151.69**	**164.80**	**144.06**	**0.71**	**7.63**

C. Economic Rehabilitation Scheme (ERS)

The Company has an Economic Rehabilitation Scheme (ERS) to support the family financially in case of permanent disability/ death of an employee during the service tenure. This scheme is unfunded and the liability is determined based on actuarial valuation.

Net Defined Benefit (Asset)/ Liability for ERS

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation		
- ERS	4.15	4.13

Notes to Accounts

Movement in net defined benefit (asset)/ liability for ERS

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**4.13**	**4.25**
Included in profit or loss		
Current service Cost	0.20	0.20
Interest cost / income	0.26	0.25
Total amount recognised in profit or loss	**0.46**	**0.45**
Included in OCI		
- Actuarial loss (gain) arising from changes in financial assumptions	(0.06)	0.02
-Actuarial loss (gain) arising from Experience adjustments	0.89	0.73
Total amount recognised in OCI	**0.83**	**0.75**
Benefits paid	(1.27)	(1.32)
Closing Balance	**4.15**	**4.13**

56.2.1 Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

(i) Asset volatility

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market and macro-economic factors.

(ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period. A decrease in discount rate will increase present values of defined benefit obligations, although this will be partially offset by an increase in the value of the plans' investments.

(iii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

56.2.2 Plan Assets

The fair value of plan assets at the end of reporting period for each category, are as follows:

(₹ in Crores)

Particulars	Gratuity		PRMF	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Cash & Cash Equivalents	0.38	0.01	0.11	1.90
Unquoted Plan Assets				
State Government Debt Securities			22.58	
Corporate Bonds/ Debentures	-	-	142.11	142.16
Others - Insurer managed funds & T-bills	29.71	30.24	-	-
Sub-total - Unquoted Plan Assets	**29.71**	**30.24**	**164.69**	**142.16**
Total	**30.09**	**30.25**	**164.80**	**144.06**

Actual return on plan assets is ₹ 14.9 crores (previous year ₹ 13.14 crores).

Notes to Accounts

56.2.3 Significant Actuarial Assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by M/s Transvalue Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The principal assumptions used for actuarial valuations are:-

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Method Used	**PUCM**	**PUCM**	**PUCM**	**PUCM**	**PUCM**	**PUCM**
Discount Rate & Expected Return on Plan Assets, if funded	7.37%	6.99%	7.37%	6.99%	7.37%	6.99%
Future Salary Increase / medical inflation	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	17.35	16.03	17.35	16.03	17.35	16.03

The Principal assumptions are the discount rate, salary growth rate and expected average remaining working lives of employees. The discount rate is generally based on the market yields available on govt. bonds at the reporting date with a term that matches the liabilities and the salary growth rate takes account of inflation, seniority, promotions and other relevant factors as long term basis. The above information is certified by the Actuary.

56.2.4 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(0.80)	0.85	(0.90)	0.97
- PRMS	(12.16)	12.66	(11.14)	11.66
- ERS	(0.15)	0.17	(0.15)	0.17
Salary Escalation Rate (0.50% movement)				
- Gratuity	0.19	(0.21)	0.14	(0.13)
- PRMS	-	-	-	-
- ERS	0.15	(0.14)	0.15	(0.14)
Medical inflation Rate (0.50% movement)				
- PRMS	11.68	(10.57)	10.83	(10.44)
Medical Cost (10% movement)				
- PRMS	16.98	(16.28)	15.56	(14.92)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Company actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Company to manage its risks from prior periods.

56.2.5 Expected maturity analysis of the defined benefit plans in future years

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Less than 1 year	4.71	7.87	14.02	12.20	1.11	1.19
From 1 to 5 years	17.61	20.81	83.46	72.60	3.60	3.00
Beyond 5 years	32.92	31.10	327.63	285.02	4.74	3.19
Total	**55.24**	**59.78**	**425.11**	**369.82**	**9.45**	**7.38**

Notes to Accounts

56.2.6 Expected contribution for the next year

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Expected contribution	1.76	3.98	4.35	10.91	-	-

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12.20 years (as at 31.03.2021 - 12.54 years).

56.3 Other Long-term Employee Benefits

56.3.1 Earned Leave and Half Pay Leave

The Company provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service, while there is no limit for accumulation of half pay leave. Total expenses amounting to ₹ 8.98 crore (Previous year ₹ ₹ 4.21 crore) have been made towards these employee benefits and debited to the Statement of Profit and Loss on the basis of actuarial valuation.

56.3.2 Other employee benefits

Expenses towards long service award and settlement allowance amounting to Nil (previous year ₹ 0.76 crores) have been debited to the Statement of Profit and Loss on the basis of actuarial valuation.

56.4 Employee benefits (viz. Gratuity, PRMF, Terminal Benefits, leave encashment and other employee benefits) in respect of Company's employees working in its wholly-owned subsidiary on deputation / secondment basis, are being allocated based on a fixed percentage of employee cost.

57 Status of Documentation Subsequent to Unbundling of SEBs

Some of the erstwhile State Electricity Boards (SEBs) against whom loans were outstanding or on whose behalf guarantees were given, were restructured by the respective State Governments and new entities were formed in the past. Consequently, the liabilities of the erstwhile SEBs stand transferred to new entities.

Status of Documentation Subsequent to Reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union Territories (UTs) – Jammu & Kashmir UT and Ladakh UT, the existing entities pertaining to the erstwhile state of J&K have been restructured vide unbundling order dated 23rd October 2019. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documentation, the existing loans for Generation, T&D and Govt. schemes are being serviced / repaid in line with the existing loan agreements.

Status of Documentation Subsequent to Reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile State of Andhra Pradesh, the state of Telangana has been formed on 2 June 2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal Gazette Notification.

Status of Documentation is as under:

(i) Where ever the loans have been sanctioned to erstwhile APCPDCL, APNPDCL and APGENCO prior to bifurcation and documentation has not been done, these schemes have been re-sanctioned in the name of newly formed utilities and documentation formalities completed and accordingly the charge has been registered with the Ministry of Corporate Affairs (MCA).

(ii) Where ever the loans sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed and drawls have been made, in these schemes an undertaking has been obtained from the name changed / newly formed utility and disbursements have been made to the newly formed utility by changing the name of the borrower in the name of new / name changed utility.

(iii) Where ever the Loan is sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed with Government Guarantee and drawls have been made, further documentation for these schemes shall be done on Gazette Notification.

(iv) Once the final transfer scheme is notified through Gazette Notification by Govt, duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans with the new / name changed utilities. Till that time, the demand for payment of interest / principal is being segregated by the Utilities and the respective portions are being paid by Utilities in Telangana and Andhra Pradesh.

Notes to Accounts

58 Modifications in the Significant Accounting Policies

The policy on Business Combination under Common Control, Expenditure on Issue of Shares and Fair Value Hedges have been added. Further, certain accounting policies have also been reworded to bring in more clarity and align with Company's practice. There is no financial impact of such modifications carried out in the accounting policies.

59 Provisions, Contingencies and Impairment loss allowances debited to Standalone Statement of Profit and Loss

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	Impairment Loss Allowance for loans*	3,434.36	2,363.33
(ii)	Impairment Loss Allowance for Investments	28.72	-
(iii)	Impairment Loss Allowance for Other Receivables	10.23	56.29
(iv)	Provision made for Income Tax	2,378.98	2,394.35

** includes ₹ 11.81 crores (Previous year ₹ 0.71 crores) towards impairment allowance on Letter of Comfort.*

60 The Company's operations comprise of only one business segment - lending loans to power sector companies engaged in construction of power plants and in generation, supply, distribution and transmission of electricity: in the context of reporting business/ geographical segment as required by Ind AS 108 - Operating Segments. Based on "management approach" as defined in Ind AS 108 Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance based on analysis of various factors of one business segment.

60.1 Information about Revenue from major products and services

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(A)	Income from Loan Assets	38,522.97	34,364.47
(B)	Fee for Implementation of Govt. Schemes	15.23	33.67
(C)	Income from Treasury Operations	227.86	400.73
	Total	**38,766.06**	**34,798.87**

60.2 The Company does not have any reportable geographical segment as the lending operations of the Company are carried out within the country.

60.3 No single borrower has contributed 10% or more to the Company's revenue during the financial year 2021-22 and 2020-21

61 Amounts expected to be recovered/ settled within 12 months and beyond for each line item under asset and liabilities

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Within 12 months	More than 12 months	Within 12 months	More than 12 months
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	126.40	-	1,140.49	-
(b)	Bank balances other than (a) above	2,295.30	-	1,928.81	0.25
(c)	Derivative financial instruments	343.37	5,166.80	258.94	2,052.28
(d)	Loans	39,144.60	3,32,785.94	36,576.91	3,28,684.58
(e)	Investments	61.28	2,096.69	37.28	1,872.50
(f)	Other financial assets	255.77	24,141.17	259.59	24,139.62
	Total - Financial Assets (1)	**42,226.71**	**3,64,190.61**	**40,202.01**	**3,56,749.23**
(2)	**Non-Financial Assets**				

Notes to Accounts

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Within 12 months	More than 12 months	Within 12 months	More than 12 months
(a)	Current tax assets (net)	-	179.64	-	160.07
(b)	Deferred tax assets (net)	-	3,134.74	-	2,437.71
(c)	Investment Property	-	-	-	0.01
(d)	Property, Plant & Equipment	-	623.67	-	260.12
(e)	Capital Work-in-Progress	-	6.07	-	335.67
(f)	Intangible Assets Under Development	-	-	-	0.77
(g)	Other Intangible Assets	-	4.25	-	6.10
(h)	Other non-financial assets	37.87	8.19	72.66	8.84
	Total - Non-Financial Assets (2)	**37.87**	**3,956.56**	**72.66**	**3,209.29**
(3)	**Assets classified as held for sale (3)**	**0.86**	**-**	**-**	**-**
	Total ASSETS (1+2+3)	**42,265.44**	**3,68,147.17**	**40,274.67**	**3,59,958.52**
	LIABILITIES				
(1)	**Financial Liabilities**				
(a)	Derivative financial instruments	18.89	534.25	73.13	773.18
(b)	Debt Securities	29,639.43	1,89,994.14	45,057.34	1,92,270.72
(c)	Borrowings (other than debt securities)	22,529.92	84,121.67	27,509.52	57,997.84
(d)	Subordinated Liabilities	296.95	6,519.52	299.49	6,647.40
(e)	Other financial liabilities	1,466.54	24,109.30	1,824.80	24,109.30
	Total - Financial Liabilities (1)	**53,951.73**	**3,05,278.88**	**74,764.28**	**2,81,798.44**
(2)	**Non-Financial Liabilities**				
(a)	Current tax liabilities (net)	10.25	-	10.62	-
(b)	Provisions	57.00	47.51	71.65	41.32
(c)	Other non-financial liabilities	52.40	29.24	88.41	32.10
	Total - Non-Financial Liabilities (2)	**119.65**	**76.75**	**170.68**	**73.42**
	Total LIABILITIES (1+2)	**54,071.38**	**3,05,355.63**	**74,934.96**	**2,81,871.86**

Previous year figures have been reclassified/ regrouped to conform to the current classification.

62 There are no Off-Balance Sheet SPVs sponsored by the Company, which need to be consolidated as per accounting norms.

63 The Company does not have any Overseas Assets in the form of Joint Ventures/Subsidiaries abroad.

64 The disclosures as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 have been made in Note No. 3, 8, 9, 10, 20.1, 27.1, 44, 47, 48.1.3 (N), 48.1.3 (O), 48.1.3 (R), 48.1.3 (S), 48.1.3 (T), 48.1.3 (U) 48.2.2, 48.2.4, 48.3, 49, 51, 54, 58, 59, 62, 63, 65, 66.

65 No penalties have been levied on the Company by any regulator during the year ended 31st March 2022 (previous year Nil).

However, the Company has received notices from the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) imposing a total fine of ₹ 75,59,080 (inclusive of GST) for non-compliance for the quarters ended 30th June 2021, 30th September 2021 and 31st December 2021 on the corporate governance requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the position/quorum requirements of Board/ Committees.

The Company has requested the Stock Exchanges to waive the fine since the power to appoint Independent Directors is vested with President of India through the administrative Ministry as per Articles of Association of the Company and the Board of Directors or the Company cannot appoint Independent Directors on the Board of the Company. As such, there is no violation on the part of the

Notes to Accounts

Company in the appointment of Independent Directors. While the reply of the Stock Exchanges is still awaited, the Company is hopeful of favorable outcome of its request to the Stock Exchanges in line with the earlier waivers of fine by the Stock Exchanges for similar reasons.

66 No complaints have been received by the company from the borrowers under the Fair Practices Code during the year ended 31st March 2022 (previous year Nil).

67 Figures in Rupees have been rounded off to the nearest crores with two decimals, unless expressly stated.

The Notes to Accounts 1 to 67 are an integral part of the Standalone Financial Statements.

For and on behalf of the Board

J.S. Amitabh **ED & Company Secretary**	**Ajoy Choudhury** **Director (Finance)** **DIN - 06629871**	**R.S. Dhillon** **Chairman & Managing Director** **DIN - 00278074**

In terms of our Audit Report of even date

For S.K. Mittal & Co. **Chartered Accountants** **Firm Reg. No.: 001135N**	**For O.P. Bagla & Co. LLP.** **Chartered Accountants** **Firm Reg. No.: 000018N/N500091**
S.K. Mittal **Partner** **M.No. : 008506**	**Rakesh Kumar** **Partner** **M.No. : 087537**

Place : Gurugram
Date : 13th May 2022

REC Limited

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

Annexure to be enclosed with Balance Sheet as at 31st March 2022

(As prescribed by Reserve Bank of India)

(Particulars as required in terms of Paragraph 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in so far as they are applicable to REC Ltd.)

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	LIABILITIES SIDE:				
(1)	**Loans and advances availed by the NBFC**				
	inclusive of interest accrued thereon but not paid:				
	(a) Debentures/ Bonds :				
	- Secured	40,644.51	-	35,581.38	-
	- Unsecured	1,86,655.90	-	2,09,521.27	-
	(b) Term Loans				
	- Secured Loans from Financial Institutions	-	-	-	-
	- Unsecured Loans from NSSF	10,325.12		10,325.12	
	- Unsecured Loans from Banks	42,919.86		29,953.76	
	- Unsecured Loans from Financial Institutions	6,800.00		5,800.00	
	(c) Commercial Paper	-	-	-	-
	(d) Other Loans				
	- Foreign Currency Borrowings	35,687.77	-	21,060.17	-
	- FCNR (B) Loans	9,861.13	-	5,335.01	-
	- Short Term Loans/ Loans Repayable on Demand	1,415.58		10,201.99	
	- Loan repayable on demand from Holding Company	-		3,000.49	
	- Lease Obligations	0.03		0.05	

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
	ASSETS SIDE :				
(2)	**Break-up of Loans and Advances including bills receivables**				
	(a) Secured		2,13,512.93		2,47,657.93
	(b) Unsecured		1,57,153.67		1,16,554.11
(3)	**INVESTMENTS :**				
	Current Investments:				
	Quoted:				
	(i) Shares : Equity		49.52		23.60
	Unquoted:				
	(i) Shares : Preference		-		69.08
	(ii) Debentures and Bonds		238.76		292.16
	Long Term Investments:				
	Quoted:				
	(i) Shares : Equity		53.52		430.13
	(ii) Debentures and Bonds		226.82		227.52
	(iii) Government Securities		1,374.51		649.08
	Unquoted:				
	(i) Shares : Equity		214.84		218.20

(4) Borrower Group-wise classification of assets financed in (2) above :

(₹ in Crores)

Particulars	AMOUNT NET OF PROVISIONS	
	Secured	Unsecured
As at 31.03.2022		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same Group	-	-
(c) Other related Parties	-	-
2. Other than Related Parties	2,13,512.93	1,57,153.67
Total	**2,13,512.93**	**1,57,153.67**
As at 31.03.2021		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same Group	-	-
(c) Other related Parties	-	-
2. Other than Related Parties	2,47,657.93	1,16,554.11
Total	**2,47,657.93**	**1,16,554.11**

(5) Investor group-wise classification of investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Crores)

Category	As at 31.03.2022		As at 31.03.2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	0.10	0.10	0.10	0.10
(b) Companies in the same Group	-	-	218.10	218.10
(c) Other related Parties	-	-	-	-
2. Other than Related Parties	2,157.87	2,157.87	1,691.57	1,691.57
Total	**2,157.97**	**2,157.97**	**1,909.77**	**1,909.77**

(6) Other Information

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Gross Credit-impaired Assets		
(a) Related Parties	-	-
(b) Other than related Parties	17,159.89	18,256.93
(ii) Net Credit-impaired Assets		
(a) Related Parties	-	-
(b) Other than related Parties	5,594.16	6,465.62
(iii) Asset acquired in satisfaction of debts	-	349.28

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S.K. Mittal
Partner
M.No. : 008506

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Rakesh Kumar
Partner
M.No. : 087537

Place : Gurugram
Date : 13th May 2022

Independent Auditors' Report

To the Members of
REC Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of REC Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Change in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act")in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31st March 2022, and Profit (including other comprehensive income) and changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 48.1.3 to the standalone Ind AS Financial Statements regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance, in so far as it relates to technical aspects/parameters considered by independent agency appointed by the company and management judgement for ascertaining impairment allowance as management overlay.

2. We draw attention to Note No. 50 of the standalone Ind AS Financial Statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note No. 48.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.11) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance.	**We have applied following audit procedures in this regard** a). According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/framework with various regulatory updates alongwith Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/ performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters.

Independent Auditors' Report

To the Members of
REC Limited

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of REC Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Change in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act")in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31st March 2022, and Profit (including other comprehensive income) and changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 48.1.3 to the standalone Ind AS Financial Statements regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance, in so far as it relates to technical aspects/parameters considered by independent agency appointed by the company and management judgement for ascertaining impairment allowance as management overlay.
2. We draw attention to Note No. 50 of the standalone Ind AS Financial Statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note No. 48.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.11) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance.	**We have applied following audit procedures in this regard** a). According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/framework with various regulatory updates alongwith Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/ performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters.

S. No.	Key Audit Matter	Auditor's Response
	The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management. Further the management has adopted a methodology which in addition to the model adopted as above is further analyzed on case to case basis and wherever impairment impact need to be changed the same is considered in the financial statements. Since the company is a Non-Banking Finance Company (NBFC) involved in business of financing and if any of the key parameter/criteria/assumptions mentioned as above is applied improperly, it can result in impacting the carrying value of loan assets materially either individually or collectively. In view of the significance of the amount of loan assets in the standalone Ind AS Financial Statements i.e 90.62% of total assets, the audit procedure for impairment of loan assets has been considered as Key Audit Matter in our audit.	d) Assessment of impairment based upon performance of the loan assets is carried out on the basis of available documents comprising loan papers, financial data, valuation reports, progress report, periodical financial information, information on public domain, procedure applied by the management e.g. inspection of loans, physical verification, assessing borrower past records etc. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact as impairment allowance on financial statement. e) We have discussed with the management wherever underlying weakness is observed and management assessment is carried out in detail in such cases. f) Components and calculations in the study for impairment allowance carried out by external agency are relied upon by us and test checks are carried out for the same. Such components are credit rating of borrowers, calculation of probability of default/loan given defaults etc. Our audit procedure in the same are limited in view of reliance on report of the external agency. g) Further, the Management, pursuing a Board approved methodology reviews the impairment allowance in the report of the external agency and enhanced/reduced the impairment on case to case basis as management overlay. We have obtained a detailed analysis from the management for such changes. Our audit procedure in this regard is constrained by the management appraisal and we have relied upon the same. h) Comparison of ECL with the amount of provisioning as required in terms of Income Recognition, Assets classification and provisioning norms (IRACP) of Reserve Bank of India in pursuance of RBI Notification No. DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13th March 2020.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 8 to the standalone Ind AS Financial Statements read with accounting policy No. 3.10) To mitigate the Company's exposure to foreign currency risk and interest rate risk, non-INR cash flows are monitored and derivative contracts are entered into in accordance with the Company's board approved risk management policies and RBI guidelines. The Company has applied hedge accounting requirements as per Ind AS 109 'Financial Instruments' wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency. The derivatives are measured at fair value as per Ind AS 109. Mark to market gain/loss on these derivatives are recognised in the other comprehensive income for cash flow hedges. In view of significance and impact on financial statements we have identified it as a key audit matter.	**We have applied following audit procedure in this regard** a) Discussing and understanding management's perception and studying policy of the company for risk management. Motive of derivative transactions are studied and observed underlying exposure is not more than the volume of derivatives. b) Verification of fair value of derivative in terms of Ind AS 109. c) Testing the accuracy and completeness of derivative transactions. d) Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. e) Obtained details of various financial derivative contracts as outstanding as on 31st March 2022. f) Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. g) We also obtained confirmations from the banks with whom such financial derivative contracts have been entered into and independently compared the valuation so arrived at by the contracting banks. h) Additionally, we have verified the accounting of gain/loss on mark to market basis in the other comprehensive income for cash flow hedges. i) Assessing whether the financial statement disclosures appropriately reflect the Company's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the Directors' report, Corporate Governance report, Business responsibility report and Management Discussion and Analysis etc. in the Annual report but does not include the standalone Ind AS financial statements and our report thereon. Such other information is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedure that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the **Annexure-A**, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. On the basis of information and explanations given to us by the company we are enclosing our report in **Annexure-B** on the directions/ sub-directions issued by Comptroller and Auditor General of India in terms of Section 143(5) of the Act.

3. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules.

   e) Vide Notification No. G.S.R. 463(E) dated 5 June, 2015 issued by Ministry of Corporate Affairs, Government Companies have been exempted from applicability of the provisions of Section 164(2) of the Companies Act, 2013.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operative effectiveness of such controls , refer to our separate report in **"Annexure-C"**;

   g) Pursuant to Notification no. GSR463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 197 of the Act are not applicable to the government companies.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 43 to the standalone Ind AS financial statements;

      (ii) According to the information and explanations given to us the Company did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;

      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      (iv) (a) The Management has represented (refer Note 9.5) that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;

      (b) The Management has represented (refer Note 9.5), that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 as amended and provided under (a) and (b) above, contain any material misstatement.

      (v) The dividends (Interim and Final) declared and paid during the year by the company till the date of this report is in compliance with section 123 of the Companies Act, 2013

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJDD9001

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGLA6237

Place : Gurugram
Date : 13th May 2022

Annexure-A to the Independent Auditor's Report

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of REC Limited for the Year ended on 31st March 2022.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so as to cover all the assets in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the records of the company we report that title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company except for the following.

(₹ in Crores)

Description of property	Gross carrying value	Held in the name of	Whether Promoter, Director or their relative or employee	Period held since	Reason for not being held in name of Company
Building	4.59	Land & Development officer under Ministry of Urban Development, New Delhi	No	1990	Pending formalities from Land & Development Officer, office flat allotted to the company at the SCOPE a central government Complex has not been registered in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) We have been informed that the company has been sanctioned unsecured working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institution. Since, the limits have been sanctioned as unsecured, reporting under clause 3(ii) (b) of the Order is not applicable.

iii. During the year the Company has made investments in, provided guarantees and granted loans/advances in the nature of loans, secured/unsecured to companies, firms, Limited Liability Partnerships or any other parties., In this regard we report hereunder:

(a) The company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable, .

(b) In our opinion, the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loansand guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.

(c) Being a registered Non-Banking Financial Company (NBFC), the company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets except credit impaired assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) We report that for provisioning on a credit impaired loan asset as Expected Credit Loss (ECL), a Board approved methodology is followed. The delay in repayments for more than 90 days from the stipulated due date results in classification of account as credit impaired. Overdue amounts for more than 90 days as at the end of the year are as under. Further, the company takes steps for recovery of the principal and interest as per its defined procedures which in our opinion are reasonable. Since, the Company is a large infrastructure finance company, the occurrence of incidence of overdue in outstanding due is considered normal.

(₹ in Crores)

No. of cases	Principal Amount Overdue	Interest Overdue*	Total Overdue	Remarks (if any)
25	8,727.87	16,647.21	25,375.08	-

**The same has not been recognised as income as a matter of prudence as per accounting policies and practices of the Company.*

(e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the company is to give loans.

(f) As per the information and explanation provided to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year under audit. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to information & explanations given to us with respect to the provisions of Section 185 of the Act, the Company has not granted any loan or guarantee covered under Section 185.

Further, in our opinion and according to information & explanations given to us, the Company, being a NBFC, is exempt from the provisions of Section 186 of the Act and the relevant rules in respect of loans and guarantees. In respect of the investments, the Company has complied with the provisions of section 186 (1) of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder are applicable.

vi. Being an NBFC company, clause 3(vi) of the Order is not applicable regarding maintenance of cost records under Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148 of the Companies Act, 2013.

vii. (a) On the basis of our checks and audit procedures we are of the opinion that the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and as certified by the management on which we have relied upon, the dues of income tax as follows aggregating to ₹ 103.41 crores have not been deposited on account of dispute/deposited under protest and the matters are pending before appropriate authorities as detailed below:

(₹ in Crores)

Name of Statute	Nature of Dues	Amount Disputed	Amount paid / refund adjusted	Net Amount unpaid	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and interest	0.30	0.30	-	AY 2008-09	Delhi High Court
Income Tax Act, 1961	Income Tax and interest	0.32	0.32	-	AY 2012-13	CIT (Appeals) Delhi
Income Tax Act, 1961	Income Tax and interest	0.83	0.83	-	AY 2012-13	Delhi High Court
Income Tax Act, 1961	Income Tax and interest	87.68	6.44	81.24	AY 2018-19	CIT (Appeals) Delhi
Income Tax Act, 1961	Income Tax and interest	64.74	42.60	22.14	AY 2019-20	CIT (Appeals) Delhi
Income Tax Act, 1961	TDS	0.03	-	0.03	-	CPC, TDS
Goods and Services Tax Act 2017	Goods and Services Tax Paid	17.89	17.89	-	FY 2017-18	Commissioner (Appeals), CGST Delhi Appeals
Total		**171.79**	**68.38**	**103.41**		

viii As per Information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) As per Information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) As per Information and explanation given to us, the Company has not been declared willful defaulter by any bank or financial institution or any other lender.

(c) As per Information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) As per Information and explanation given to us and on the overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) As per Information and explanation given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries

(f) As per Information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company did not raise any money by way of initial public offer or further public offer during the year. Money raised by the Company by way of debt instruments and term loans during the year were applied for the purposes for which it was raised.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of any material fraud by the Company or on the Company. However, a false medical claim of ₹. 0.04 Crores by a retired employee of the company was noticed and reported during the year.

(b) As informed to us no re port under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As informed to us there are no whistle blower complaints received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clauses 3 (xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the necessary disclosures have been made in the standalone Ind AS financial statements etc., as required by the applicable accounting standards.

xiv. (a) In our opinion the Company broadly has an adequate internal audit system incommensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) We have been informed that the Company is registered as a non-banking finance company under section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the company is 14.000011.

(b) According to the information and explanations given to us, the company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank Of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects or other than ongoing projects. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

xxi. The clause 3 (xxi) of the order is not applicable to the Standalone Financial Statements, hence no comment is given.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJDD9001

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGLA6237

Place : Gurugram
Date : 13th May 2022

Annexure-I

Annexure-B to the Independent Auditor's Report

Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of Our Report of Even Date on the Accounts of REC Limited for the Year ended on 31st March 2022.

Sl. No.	Directions	Action Taken	Impact on Standalone Ind As Financial Statements
A.	**Directions**		
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has oracle ERP R12 version to process all the accounting transactions through IT system. All the accounting, including at Regional and State offices is done through the centralized ERP system.	No impact on the standalone Ind AS Financial Statements
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for Statutory Auditor of lender company).	There has been no such case and the company has been regularly servicing its debt and borrowings obligations. Moreover, the company has properly accounted for the cases where any loans given by the company have been restructured.	No impact on the standalone Ind AS Financial Statements
3.	Whether funds (grant/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The Company has not received any funds for specific schemes from central/ state agencies for utilization. However, the company receives funds from government for its disbursements to various agencies as per specified schemes.	No impact on the standalone Ind AS Financial Statements

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJDD9001

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGLA6237

Place : Gurugram
Date : 13th May 2022

Annexure-II

Compliance Certificate

We have conducted the audit of annual accounts of **REC Limited** for the year ended 31st March 2022 in accordance with direction/sub directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Direction/sub-directions issued to us.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJDD9001

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGLA6237

Place : Gurugram
Date : 13th May 2022

Annexure-C to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **REC Limited** the Company as of 31st March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Control and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the areas of improvement identified which needs further strengthening as reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2022 standalone Ind AS financial statements of the Company. However, these areas of improvement do not affect our opinion on the standalone Ind AS financial statements of the Company.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. K. Mittal
Designation : Partner
Membership Number : 008506
UDIN : 22008506AIYJDD9001

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYGLA6237

Place : Gurugram
Date : 13th May 2022

Non-Banking Financial Companies Auditors' Report for the year ended 31st March 2022

The Board of Directors,
REC Limited
Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi – 110003

We have audited the accompanying standalone financial statements of REC Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss and the Statement of Cash Flows and the Statement of changes in equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by Reserve Bank of India (RBI) vide notification no. DNBS.PPD.03/66.15.001/2016-17 dated 29th September, 2016 on the matters specified in para 3(A) and 3(C) of Chapter-II of the said Directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit, we report that:

1. The Company had been granted registration under section 45-IA of the Reserve Bank of India Act, 1934 on 10th February 1998 vide Certificate of Registration No. 14.000011. RBI issued further Certificate dated 17th September 2010 in lieu of earlier certificate having categorized REC Ltd as an Infrastructure Finance Company in terms of instructions contained in RBI Circular CC No. 168 dated 12th February, 2010. Consequent upon change of name of the Company from Rural Electrification Corporation Limited to REC Limited, RBI has issued fresh certificate of registration bearing no. 14.000011 dated 28th November 2018 with the name of REC Limited.

2. The company is entitled to continue to hold such registration in terms of its asset/ income pattern as on 31st March 2022.

3. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as laid down in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Direction 2016 dated 1st September 2016.

4. The Board of Directors of the Company, in its meeting held on 10th March 2021, has passed resolution for non-acceptance of any public deposits for the Financial Year 2021-22.

5. The Company has not accepted any public deposits during the financial year 2021-22.

6. The financial statements of the Company for the year 2021-22 have been prepared in accordance with recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act 2013 read with relevant rules issued thereunder.

   Accordingly, the company is following Board Approved methodology for computation of Impairment allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of Companies Act 2013 for adoption of a mechanism for preparation of financial statements the Company could not follow the Prudential norms relating to income recognition, accounting standards, asset classification and provisioning (IRACP norms) for Bad and Doubtful debts in terms of the directions 2016. Nevertheless the company is complying with the directions of the RBI vide Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 with respect to adherence to difference in provisioning between IRACP norms and ECL methodology of the company.

7. a) In our opinion, the Capital Adequacy ratio as disclosed in the Return submitted to RBI in Form NBS-7 has been correctly arrived on the basis of provisional financial statements and such ratio is in compliance with minimum CRAR prescribed by RBI.

   b) As per information and explanation given to us, the annual statement of capital funds, risk assets/ exposure and risk asset ratio (NBS-7 return) as on 31st March 2022 has been filed by company on 13th April 2022 on the basis of the provisional financial results.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 22072290AIYKXY2602

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Rakesh Kumar
Designation : Partner
Membership Number : 087537
UDIN : 22087537AIYJMG7914

Place : Gurugram
Date : 13th May 2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF REC LIMITED FOR THE YEAR ENDED 31 MARCH 2022.

The preparation of financial statements of REC Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of REC Limited for the year ended 31 March 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Deepak Kapoor)
Director General of Audit (Energy)
Delhi

Place : New Delhi
Dated : 22 July 2022

Consolidated Balance Sheet as at 31st March, 2022

(₹ in Crores)

Sl. No.	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	**6**	140.99	1,179.24
(b)	Bank balances other than (a) above	**7**	2,518.96	2,223.58
(c)	Trade receivables	**8**	94.55	140.07
(d)	Derivative financial instruments	**9**	5,510.17	2,311.22
(e)	Loans	**10**	3,71,930.54	3,65,261.49
(f)	Investments	**11**	2,190.44	1,723.68
(g)	Other financial assets	**12**	24,415.31	24,419.88
	Total - Financial Assets (1)		**4,06,800.96**	**3,97,259.16**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)	**13**	191.56	168.92
(b)	Deferred tax assets (net)	**14**	3,160.12	2,461.03
(c)	Investment Property	**15**	-	0.01
(d)	Property, Plant & Equipment	**16**	624.04	260.70
(e)	Capital Work-in-Progress	**16**	6.07	335.67
(f)	Intangible Assets Under Development	**16**	-	0.77
(g)	Other Intangible Assets	**16**	4.28	6.15
(h)	Other non-financial assets	**17**	68.68	102.67
(i)	Investments accounted for using equity method	**11**	-	257.74
	Total - Non-Financial Assets (2)		**4,054.75**	**3,593.66**
(3)	**Assets classified as held for sale**	**18**	4.38	14.05
	Total ASSETS (1+2+3)		***4,10,860.09***	***4,00,866.87***
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	**9**	553.14	846.31
(b)	Trade Payables			
	(i) total outstanding dues of MSMEs	**19**	-	0.01
	(ii) total outstanding dues of creditors other than MSMEs	**19**	36.48	61.84
(c)	Debt Securities	**20**	2,19,574.61	2,37,269.11
(d)	Borrowings (other than debt securities)	**21**	1,06,651.59	85,507.36
(e)	Subordinated Liabilities	**22**	6,816.47	6,946.89
(f)	Other financial liabilities	**23**	25,708.64	26,213.00
	Total - Financial Liabilities (1)		***3,59,340.93***	***3,56,844.52***
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)	**24**	10.25	14.40
(b)	Provisions	**25**	105.67	113.69
(c)	Other non-financial liabilities	**26**	89.13	130.25
	Total - Non-Financial Liabilities (2)		**205.05**	**258.34**
(3)	**Liabilities directly associated with assets classified as held for sale**	**18**	**0.01**	**0.08**
(4)	**EQUITY**			
(a)	Equity Share Capital	**27**	1,974.92	1,974.92
(b)	Instruments Entirely Equity In Nature	**28**	558.40	558.40
(c)	Other equity	**29**	48,780.78	41,230.61
	Total - Equity (4)		**51,314.10**	**43,763.93**
	Total - LIABILITIES AND EQUITY (1+2+3+4)		**4,10,860.09**	**4,00,866.87**
	Company Overview and Significant Accounting Policies	**1 to 5**		

Accompanying Notes to Financial Statements **1 to 73**

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Crores)

S. No.	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
	Revenue from Operations			
(i)	Interest Income	**30**	38,194.49	34,693.51
(ii)	Dividend Income	**31**	4.21	27.97
(iii)	Fees and Commission Income	**32**	572.82	95.38
(iv)	Net gain/ (loss) on fair value changes	**38**	346.57	572.33
(v)	Sale of services	**33**	150.96	163.65
I.	**Total Revenue from Operations (i to v)**		**39,269.05**	**35,552.84**
II.	**Other Income**	**34**	70.15	22.72
III.	**Total Income (I+II)**		**39,339.20**	**35,575.56**
	Expenses			
(i)	Finance Costs	**35**	22,050.96	21,489.05
(ii)	Net translation/ transaction exchange loss	**36**	799.05	330.26
(iii)	Fees and commission Expense	**37**	16.73	9.95
(iv)	Impairment on financial instruments	**39**	3470.02	2445.94
(v)	Cost of services rendered	**40**	65.11	88.67
(vi)	Employee Benefits Expenses	**41**	180.09	163.62
(vii)	Depreciation and amortization	**42**	18.24	10.86
(viii)	Corporate Social Responsibility Expenses	**43**	172.35	146.27
(ix)	Other Expenses	**44**	124.31	109.38
IV.	**Total Expenses (i to ix)**		**26,896.86**	**24,794.00**
V.	**Profit before Tax (III-IV)**		**12,442.34**	**10,781.56**
VI.	**Share of Profit/Loss of Joint Venture accounted for using equity method**		(11.81)	(1.97)
VII.	**Profit before Tax (III-IV+V)**		**12,430.53**	**10,779.59**
VIII.	**Tax Expense**	**45**		
(i)	Current tax		3,065.27	2,920.97
(ii)	Deferred Tax		(670.44)	(519.62)
	Total Tax Expense (i+ii)		**2,394.83**	**2,401.35**
IX.	**Profit for the period**		**10,035.70**	**8,378.24**
X.	**Other comprehensive Income/(Loss)**			
(i)	**Items that will not be reclassified to profit or loss**			
(a)	Re-measurement gains/(losses) on defined benefit plans		(8.33)	(14.26)
(b)	Changes in Fair Value of FVOCI Equity Instruments		22.19	166.53
(c)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		(0.02)	(0.05)
(d)	Income tax relating to these items			
	- Re-measurement gains/(losses) on defined benefit plans		2.10	3.59
	- Changes in Fair Value of FVOCI Equity Instruments		2.55	(6.01)
	Sub-Total (i)		***18.49***	***149.80***
(ii)	**Items that will be reclassified to profit or loss**			
(a)	Effective Portion of Cash Flow Hedges		480.84	80.81
(b)	Cost of hedging reserve		(584.51)	329.00
(c)	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		1.19	1.29
(d)	Income tax relating to these items			
	-Effective Portion of Cash Flow Hedges		(121.02)	(20.34)
	- Cost of hedging reserve		147.11	(82.80)
	Sub-Total (ii)		***(76.39)***	***307.96***
	Other comprehensive Income/(Loss) for the period (i+ii)		**(57.90)**	**457.76**
XI.	**Total comprehensive Income for the period (IX+X)**		**9,977.80**	**8,836.00**
XII.	**Basic & Diluted Earnings per Equity Share of ₹ 10 each (in ₹)**	**46**		
(1)	For continuing operations		50.82	42.42
(2)	For continuing and discontinued operations		50.82	42.42
	Company Overview and Significant Accounting Policies	**1 to 5**		

Accompanying Notes to Financial Statements **1 to 73**

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

Consolidated Statement of Cash Flows for the year ended 31st March 2022

(₹ in Crores)

PARTICULARS	Year ended 31.03.2022		Year ended 31.03.2021	
A. Cash Flow from Operating Activities :				
Net Profit before Tax	12,430.53		10,779.59	
Adjustments for:				
1. Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	0.97		4.69	
2. Loss/ (Gain) on derecognition of Assets held for sale (net)	(30.19)		-	
3. Depreciation & Amortization	18.24		10.86	
4. Impairment allowance on Assets Classified as Held for Sale	9.71		-	
5. Impairment losses on Financial Instruments	3,470.02		2,445.94	
6. Adjustments towards Effective Interest Rate in respect of Loans	(11.95)		32.61	
7. Adjustments towards Effective Interest Rate in respect of Borrowings	(111.31)		152.19	
8. Fair Value Changes in Derivatives	(351.36)		(545.92)	
9. Fair Value Changes in Investments	12.78		(2.43)	
10. Interest on Commercial Paper	14.76		35.32	
11. Interest Accrued on Zero Coupon Bonds	-		81.78	
12. Loss/ (Gain) on Exchange Rate fluctuation	(2,164.42)		526.71	
13. Provision made for Interest on Advance Income Tax	-		22.71	
14. Share of Profit/Loss of Joint Venture accounted for using equity method	11.81		1.97	
Operating profit before Changes in Operating Assets & Liabilities	**13,299.59**		**13,546.02**	
Inflow / (Outflow) on account of :				
1. Loan Assets	(9,877.12)		(56,522.42)	
2. Derivatives	(2,460.52)		711.20	
3. Other Operating Assets	(433.09)		(1,827.24)	
4. Operating Liabilities	(1,360.41)		3,264.58	
Cash flow from Operations	**(831.55)**		**(40,827.86)**	
1. Income Tax Paid (including TDS)	(3,101.39)		(2,696.20)	
2. Income Tax refund	23.26		11.73	
Net Cash Flow from Operating Activities		**(3,909.68)**		**(43,512.33)**
B. Cash Flow from Investing Activities				
1. Sale of Property, Plant & Equipment	0.10		0.35	
2. Sale of assets held for sale	31.24		-	
3. Investment in Property, Plant & Equipment (incl. CWIP & Capital Advances)	(47.90)		(73.30)	
4. Investment in Intangible Assets (including intangible assets under development & Capital Advances)	(0.25)		(0.95)	
5. Finance Costs Capitalised	(5.10)		(22.04)	
6. Sale/ (Investment) in Equity Shares and Venture Capital Fund	431.17		249.92	
7. Redemption/ (Investment) in High Quality Liquid Assets (HQLAs) (net)	(716.17)		(872.28)	
8. Redemption/ (Investment) in Debt Securities other than HQLAs (net)	96.07		1,582.15	
9. Sale/(Investment) of/in shares of associate companies (Net)	0.82		(0.40)	
10. Maturity/(Investment) of/in Corporate and Term deposits	(77.44)		(2.93)	
Net Cash Flow from Investing Activities		**(287.46)**		**860.52**
C. Cash Flow from Financing Activities				
1. Issue/ (Redemption) of Rupee Debt Securities (Net)	(20,844.10)		15,499.66	
2. Issue/ (Redemption) of Commercial Paper (net)	(14.76)		(2,925.00)	
3. Raising/ (Repayments) of Rupee Term Loans/ WCDL from Govt./Banks/ FIs (net)	2,164.16		26,270.47	
4. Raising/ (Repayments) of Foreign Currency Debt Securities and Borrowings (net)	24,310.58		2,884.39	
5. Raising/ (Redemption) of Subordinated Liabilities (net)	-		1,999.50	
6. Issue of Perpetual Debt Instruments entirely equity in nature	-		558.40	
7. Issue Expenses on Perpetual Debt Instruments entirely equity in nature	-		(0.94)	
8. Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(45.60)		-	

Consolidated Statement of Cash Flows for the year ended 31st March 2022 (Contd.)

(₹ in Crores)

PARTICULARS	Year ended 31.03.2022		Year ended 31.03.2021	
9. Payment of Dividend on Equity Shares	(2,411.37)		(2,172.41)	
10. Payment of Corporate Dividend Tax	-		-	
11. Repayment towards Lease Liability	(0.02)		(0.73)	
Net Cash flow from Financing Activities		**3,158.89**		**42,113.34**
Net Increase/Decrease in Cash & Cash Equivalents		**(1,038.25)**		**(538.47)**
Cash & Cash Equivalents as at the beginning of the year		1,179.24		1,717.71
Cash & Cash Equivalents as at the end of the year		140.99		1,179.24

During the year, the Group has received Dividend of ₹ 4.21 crores (previous year ₹ 27.97 crores). Further, during the year, the Group has paid an amount of ₹ 168.80 crores (previous year ₹ 150.30 crores) towards Corporate Social Responsibility.

Components of Cash & Cash Equivalents as at end of the year are:

(₹ in Crores)

PARTICULARS	Year ended 31.03.2022	Year ended 31.03.2021
- Cash in Hand (including postage & imprest)	0.02	0.12
- Balances with Banks	130.61	247.82
- Short-term Deposits with Scheduled Banks	10.36	931.30
Total Cash & Cash Equivalents	**140.99**	**1,179.24**

Reconciliation of liabilities arising from financing activities

(₹ in Crores)

Particulars	Opening Balance	Cash Flows during the period (net)	Movements in Interest Accrued *	Other Adjustments		Closing Balance
				Exchange Differences	IndAS Adjustments	
Year ended 31.03.2022						
Rupee Debt Securities	**2,11,208.71**	(20,844.11)	(859.83)	-	42.69	**1,89,547.46**
Commercial Paper	**-**	(14.76)	-	-	14.76	**-**
Rupee Term Loans/ WCDL	**59,281.36**	2,164.16	15.04	-	-	**61,460.56**
Foreign Currency Debt Securities & other Borrowings	**52,286.35**	24,310.60	44.66	(1,336.85)	(86.61)	**75,218.15**
Subordinated Liabilities	**6,946.89**	-	(2.54)	-	(127.88)	**6,816.47**
Total	**3,29,723.31**	**5,615.89**	**(802.67)**	**(1,336.85)**	**(157.04)**	**3,33,042.64**
Year ended 31.03.2021						
Rupee Debt Securities	**1,94,964.01**	15,499.66	657.70	-	87.34	**2,11,208.71**
Commercial Paper	**2,889.68**	(2,925.00)	-	-	35.32	**-**
Rupee Term Loans/ WCDL	**32,983.45**	26,270.47	27.44	-	-	**59,281.36**
Foreign Currency Debt Securities & Bonds	**50,629.65**	2,884.39	16.81	(1,392.24)	147.74	**52,286.35**
Subordinated Liabilities	**4,819.65**	1,999.50	128.90	-	(1.16)	**6,946.89**
Total	**2,86,286.44**	**43,729.02**	**830.85**	**(1,392.24)**	**269.24**	**3,29,723.31**

** Movement in Interest Accrued has been considered in 'Operating Liabilities' as Cash Flow from Operating Activities.*

Note : Previous year figures have been rearranged and regrouped wherever necessary.

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

Consolidated Statement of Changes in Equity for the year ended 31st March 2022

A Equity share capital

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**1,974.92**	**1,974.92**
Changes in equity share capital during the year	-	-
Balance at the end of the year	**1,974.92**	**1,974.92**

Refer note 27 for detail

B Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**558.40**	**558.40**
Changes in instruments entirely equity in nature during the year	-	-
Balance at the end of the year	**558.40**	**558.40**

Refer note 28 for detail

C. Other Equity

(₹ in Crores)

Particulars	Reserves & Surplus												
	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Capital Reserve	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	FVOCI- Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
Balance as at 31st March 2020	**16,659.10**	**2,992.83**	**2,131.00**	**2,236.54**	**4.70**	**(1,719.38)**	**6,976.22**	**793.29**	**3,674.25**	**(2.48)**	**106.26**	**(226.08)**	**(204.75)**	**33,421.50**
Profit for the period	-	-	-	-	-	-	-	-	8,378.24	-	-	-	-	8,378.24
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	(10.67)	-	-	-	-	(10.67)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	(0.05)	1.29	160.52	60.47	246.20	468.43
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,367.52**	**1.29**	**160.52**	**60.47**	**246.20**	**8,836.00**
Other adjustments														
Transferred to/ (from) Retained Earnings	2,563.13	288.13	1,673.00	-	-	-	981.10	-	(5,505.36)	-	-	-	-	-
Transferred to General Reserve	-	(1,152.55)	-	-	-	-	1,945.84	(793.29)	-	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	-	-	242.71		(242.71)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the period	-	-	-	-	-	437.65	-	-	-	-	-	-	-	437.65
Gain on increase in share in EESL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortisation during the period	-	-	-	-	-	708.57	-	-	-	-	-	-	-	708.57
Issue expenses on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	-	-	-	-	-	-	-	-	(0.70)	-	-	-	-	(0.70)
Total- Other adjustments	**2,563.13**	**(864.42)**	**1,673.00**	**-**	**-**	**1,146.22**	**2,926.94**	**(793.29)**	**(5,263.35)**	**-**	**(242.71)**	**-**	**-**	**1,145.52**
Dividends	-	-	-	-	-	-	-	-	(2,172.41)	-	-	-	-	(2,172.41)
Total- Transaction with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,172.41)**	**-**	**-**	**-**	**-**	**(2,172.41)**
Balance as at 31st March 2021	**19,222.23**	**2,128.41**	**3,804.00**	**2,236.54**	**4.70**	**(573.16)**	**9,903.16**	**-**	**4,606.01**	**(1.19)**	**24.07**	**(165.61)**	**41.45**	**41,230.61**

C. Other Equity (Contd.)

(₹ in Crores)

Particulars	Reserves & Surplus											
	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Securities Premium Account	Capital Reserve	Foreign Currency Monetary Item Translation Difference Account	General Reserve	Impairment Reserve	Retained Earnings	Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	FVOCI- Equity Instruments	Effective Portion of Cash Flow Hedges	Costs of Hedging reserve	Total
Balance as at 31st March 2021	**19,222.23**	**2,128.41**	**3,804.00**	**2,236.54**	**4.70**	**(573.16)**	**9,903.16**	**-**	**4,606.01**	**(1.19)**	**24.07**	**(165.61)**	**41.45**	**41,230.61**
Profit for the period	-	-	-	-	-	-	-	-	10,035.69	-	-	-	-	10,035.69
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	(6.23)	-	-	-	-	(6.23)
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	-	(0.02)	-	24.74	359.82	(437.40)	(52.86)
Reclassification of (gain)/ loss on ceasation of significant influence	-	-	-	-	-	-	-	-	-	1.19	-	-	-	1.19
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,029.44**	**1.19**	**24.74**	**359.82**	**(437.40)**	**9,977.79**
Transferred to/ (from) Retained Earnings	3,080.70	-	2,010.00	-	-	-	-	-	(5,090.70)	-	-	-	-	-
Transferred to/ (from) General Reserve	-	(1,931.59)	-	-	(4.70)	-	1,936.29	-	-	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	-	-	-	-	-	-	-	-	86.79	-	(86.79)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the period	-	-	-	-	-	(216.94)	-	-	-	-	-	-	-	(216.94)
Amortisation during the period	-	-	-	-	-	234.81	-	-	-	-	-	-	-	234.81
Coupon payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	-	-	-	-	-	-	-	-	(34.12)	-	-	-	-	(34.12)
Total- Other adjustments	**3,080.70**	**(1,931.59)**	**2,010.00**	**-**	**(4.70)**	**17.87**	**1,936.29**	**-**	**(5,038.03)**	**-**	**(86.79)**	**-**	**-**	**(16.25)**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	-	-	(2,411.37)	-	-	-	-	(2,411.37)
Total- Transaction with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,411.37)**	**-**	**-**	**-**	**-**	**(2,411.37)**
Balance as at 31st March 2022	**22,302.93**	**196.82**	**5,814.00**	**2,236.54**	**-**	**(555.29)**	**11,839.45**	**-**	**7,186.05**	**-**	**(37.98)**	**194.21**	**(395.95)**	**48,780.78**

Refer Note No. 29.1 for details regarding drawdown/ transfers from Reserves

Accompanying Notes to Financial Statements **1 to 73**

In terms of our Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place: Gurugram
Date: 13th May 2022

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

Consolidated Notes to Accounts

1. Company Overview

REC Limited ("REC" or the "Company" or the "holding company") was incorporated in the year 1969. The Company is domiciled in India and is limited by shares, having its registered office and principal place of business at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India. The books of accounts and financial statements are maintained at the Corporate Office situated at Plot no. I-4, Sector-29, Gurugram, Haryana, in addition to the registered office of the Company. The Company has offices spread across the country, mainly in the State Capitals and one training centre at Hyderabad.

The Company is a Government Company engaged in extending financial assistance across the power sector value chain and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI).

REC is a leading Infrastructure Finance Company in India and the principal products of REC are interest-bearing loans to State Electricity Boards, State Power utilities/State Power Departments and Private sector for all segments of Power infrastructure.

The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges.

The Company together with its subsidiaries is hereinafter referred to as 'the Group'.

2. Statement of Compliance and Basis of Preparation

These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines.

The consolidated financial statements for the period ended 31st March, 2022 were authorized and approved for issue by the Board of Directors on 13th May, 2022.

3. Significant Accounting Policies

The significant accounting policies applied in preparation of the consolidated financial statements are as given below:

3.1 Basis of Preparation and Measurement

Subsidiary

Subsidiary is the entity controlled by the Group. The Group controls an entity when it has power over the investee, is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The Group combines the financial statements of the holding company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Equity accounted investees

The Group's interests in equity accounted investees comprise of the interests in associates and joint venture.

An associate is an entity, including an unincorporated entity, over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Interests in associates are accounted for using the equity method. These interests are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence ceases. However, in case where it is assessed that the investment/ interest in associates is held for sale, the interest in associates is accounted for under Ind AS 105.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence or joint control ceases.

3.2 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that here is no evidence of impairment.

3.3 Basis of Preparation and Measurement

The consolidated financial statements have been prepared on going concern basis following accrual system of accounting on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies. These policies have been applied consistently for all the periods presented in the consolidated financial statements.

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the functional currency of the Group.

3.4 Income recognition

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) costs and expenses of REC

Consolidated Notes to Accounts

(ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

For financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR), i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Interest on financial assets subsequently measured at fair value through profit and loss is recognized on an accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head interest income.

Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of stressed assets.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Income from Government schemes

Income of agency fee on Government schemes is recognized on accrual basis based on the services rendered.

Dividend income

Income from dividend on shares of corporate bodies and units of mutual funds is taken into account on accrual basis when right to receive payment is established.

Provided that in case of final dividend, the right to receive payment shall be considered as established only upon approval of the dividend by the shareholders in the Annual General Meeting.

Dividend on financial assets subsequently measured at fair value through profit and loss is recognised separately under the head 'Dividend Income'.

Other services

Fees/ charges on loan assets, other than those considered an adjustment to EIR, are accounted for on accrual basis. Pre-payment premium is accounted for by the Group in the year of receipt.

Revenue from sale of services

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group uses the principles laid down by the Ind AS 115 to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:

(i) Identify the contract(s) with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts - Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Professional charges to be charged from the selected bidders/ developers for transmission projects put on tariff based bidding is accounted for in the year in which it is reasonably certain that the ultimate collection of the professional charges will be made.

Sale proceeds of Request for Proposal (RFP) documents is credited to the respective SPV and sale proceeds of Request for Qualification (RFQ) documents is retained by the Group and accounted as income of the Group.

3.5 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

3.6 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders

Consolidated Notes to Accounts

(after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.7 Foreign Currency Translation

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Group using the exchange rates prevailing on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit or Loss. However, for the long-term monetary items recognized in the consolidated financial statements before 01st April 2018, such gains and losses are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item, by recognition as income or expense in each of such periods.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date).

3.8 Property, Plant and Equipment (PPE)

Recognition and initial measurement

Land

Land held for use is initially recognized at cost. For land, as no finite useful life can be determined, related carrying amounts are not depreciated.

Land also includes land treated as a Right of Use asset under lease agreement earlier classified as finance lease and is amortised over the lease term.

Other Tangible assets

PPE other than land is initially recognized at acquisition cost or construction cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group beyond one year. Maintenance or servicing costs of PPE are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation method, useful lives, residual value, and impairment)

PPE are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on PPE is provided on the straight-line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation on assets purchased/sold during the year is charged for the full month if the asset is in use for more than 15 days. Depreciation on assets purchased during the year up to ₹5,000/- is provided @ 100%.

The residual values, useful lives, and method of depreciation are reviewed at the end of each financial year. PPE other than land is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'Capital Advances.'

3.9 Intangible assets

Recognition and initial measurement

Intangible assets mainly comprise of computer software which is initially measured at cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the Group.

Subsequent measurement (amortization method, useful lives and residual value)

All intangible assets with finite useful life are amortized on a straight line basis over the estimated useful lives, and a possible impairment is assessed if there is an indication that the intangible asset may be impaired. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates. Management estimates the useful life of intangible assets to be five years.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development' till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

Consolidated Notes to Accounts

Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

3.10 Lease accounting:

The Group recognises a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as short-term or low-value lease.

The Group assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

3.11 Assets/ Disposal Groups held for sale

Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such assets are measured at lower of carrying amount or fair value less selling costs.

Assets held for sale are presented separately from other assets in the Balance Sheet and are not depreciated or amortised while they are classified as held for sale.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

3.12 Investment property

Investment properties are the assets which have undetermined future use. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment properties are stated at cost less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group beyond one year. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement (depreciation and useful lives)

The Group only has land as an investment property, which is not depreciated.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Consolidated Notes to Accounts

3.13 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL or equity instruments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

Amortized cost

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

Modification of cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either do not meet the criteria for amortized cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Financial assets at FVOCI

FVOCI financial assets comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Group may transfer the same within equity.

De-recognition of financial assets

De-recognition of financial assets due to a substantial modification of terms and conditions

The Group derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

Consolidated Notes to Accounts

De-recognition of financial assets other than due to substantial modification

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Hedge accounting

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

All derivative financial instruments designated under hedge accounting are recognised initially at fair value and reported subsequently at fair value at each reporting date. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

At the inception of each hedging relationship, the Group formally designates and documents the hedge relationship, in accordance with the Group's risk management objective and strategies. The documentation includes identification of the hedged item, hedging instrument, the nature of risk(s) being hedged, the hedge ratio and how the hedging relationship meets the hedging effectiveness requirements.

Fair Value Hedges

In line with the recognition of change in the fair value of the hedging instruments in the Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exit. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Statement of Profit and Loss.

3.14 Impairment of financial assets

Loan assets

The Group follows a 'three-stage' model for impairment in the form of Expected Credit Loss (ECL) based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

Loss Given Default (LGD) – LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

Exposure at Default (EAD) – EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Financial assets other than Loans

In respect of its other financial assets, the Group assesses if the

credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. The Group also considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery or as directed by the order of the Judicial Authority.

3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.16 Dividend and Other Payments to holders of Instruments classified as Equity

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively. Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the Group.

3.17 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

3.18 Prepaid Expenses

A prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition.

3.19 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, the tax is also recognised in OCI or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3.20 Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which the Group pays fixed contributions in respect of the employees into a separate fund. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Group towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

Defined benefit plan

The Group has an obligation towards gratuity, Post-Retirement Medical Facility (PRMF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside.

The Group's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee benefits, which is amortised on a straight-line basis over the expected remaining period of the Loan. In case of change in expected remaining period of the Loan, the unamortised deferred employee benefits on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

3.21 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Group can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.22 Fair value measurement

The Group measures financial instruments, such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 -** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Consolidated Notes to Accounts

For assets and liabilities that are recognized in the consolidated financial statements regularly, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.23 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.24 Business Combination under Common Control

A business combination, if any, involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.25 Expenditure on issue of shares

Expenditure on issue of shares, if any, is charged to the securities premium account

4. Implementation of New/ Modified Standards

During the year, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS. The Group has analysed the impact of these amendments, which is not material to the Group.

5. Significant management judgment in applying accounting policies and estimation of uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, the Management has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income tax Act, 1961 and thus, the special reserve created and maintained is not capable of being reversed. Hence, the Group does not create any deferred tax liability on the said reserve.

Recognition of Deferred Tax Liability on Undistributed Reserves of Group Companies – The applicable tax laws provide for tax deduction in respect of dividend income from equity investments, to the extent of dividend declared by the Company to its shareholders during the year. Considering the historical information and dividend distribution policy of the Company, the Company does not expect any tax liability on the undistributed reserves of the Group Companies, as and when such reserves are distributed. Hence, the Company does not create any deferred tax liability on undistributed reserves of Group Companies.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Investment in SPVs – Transmission projects are managed as per the mandate from Government of India and the Group does not have the practical ability to direct the relevant activities of these projects unilaterally. The Group therefore considers its investment in respective SPVs as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

Non recognition of Interest Income on Credit Impaired Loans - Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of stressed assets.

Significant estimates

Impact of Covid-19 Outbreak - The Group has considered the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on effectiveness of its hedges. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19. The extent to which the Covid-19 pandemic will impact the Group will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Government or the Group to contain its spread or mitigate its impact.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Group makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets to measure ECL.
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default)

Consolidated Notes to Accounts

6 Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash in Hand (including postage & imprest)	0.02	0.12
Balances with Banks		
in current accounts	130.61	247.82
Deposits with original maturity less than 3 months	10.36	931.30
Short term Investment in Debt Mutual Funds	-	-
Total (Cash & Cash Equivalents)	**140.99**	**1,179.24**

7 Bank Balances (other than Cash and Cash Equivalents)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Earmarked Balances with Banks		
For unpaid dividends	6.39	5.79
For govt. funds for onward disbursement as grant	880.59	1,323.55
Earmarked Term Deposits		
Deposits in Compliance of Court Order	0.59	0.56
Term Deposit held as Margin Money against Bank Guarantee	0.27	0.25
Term Deposit- Debenture Redemption Reserves	225.33	-
Balances with banks not available for use pending allotment of 54EC Capital Gain Tax Exemption Bonds	1,291.54	856.62
Other Term deposits	114.25	36.81
Total (Other Bank Balances)	**2,518.96**	**2,223.58**
Term Deposits with remaining maturity more than 3 months but less than 12 months	97.25	70.02
Term Deposits with original maturity more than 12 months	65.28	1.22

7.1 There are no repatriation restrictions with respect to Cash & Cash Equivalents and Bank balances (other than Cash & Cash Equivalents) as at 31st March 2022 (Previous year Nil).

8 Trade Receivables

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	Unsecured, Considered good	91.94	124.45
	Less: Allowance for Expected Credit Loss	(12.48)	(19.12)
		79.46	**105.33**
(B)	Trade receivables which have significant increse in credit risk	30.97	55.32
	Less: Allowance for Expected Credit Loss	(15.88)	(20.58)
		15.09	**34.74**
(C)	Credit impaired receivables	54.36	46.80
	Less: Allowance for Expected Credit Loss	(54.36)	(46.80)
	Total Trade Receivables (A+B+C)	**94.55**	**140.07**

Consolidated Notes to Accounts

8.1 Trade Receivables ageing schedule

(₹ in Crores)

Particulars	Outstanding as at 31st March 2022					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	65.44	23.49	-	-	-	88.93
- which have significant increase in credit risk	-	-	19.35	14.56	-	33.91
- credit impaired	-	-	-	-	54.43	54.43
Sub- total (i)	**65.44**	**23.49**	**19.35**	**14.56**	**54.43**	**177.27**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**65.44**	**23.49**	**19.35**	**14.56**	**54.43**	**177.27**

(₹ in Crores)

Particulars	Outstanding as at 31st March 2021					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	98.84	25.61	-	-	-	124.45
- which have significant increase in credit risk	-	-	22.85	32.47	-	55.32
- credit impaired	-	-	-	-	46.80	46.80
Sub- total (i)	**98.84**	**25.61**	**22.85**	**32.47**	**46.80**	**226.57**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**98.84**	**25.61**	**22.85**	**32.47**	**46.80**	**226.57**

9 Derivative Financial Instruments

The Company enters into derivatives for hedging foreign exchange risks and interest rate risks. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Refer Note 52 for Risk Management Disclosures in respect of the derivatives.

Consolidated Notes to Accounts

Part I

(₹ in Crores)

Particulars		As at 31.03.2022			As at 31.03.2021		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Currency Derivatives**						
	- Currency swaps	2,850.13	1.39	48.37	2,854.54	43.07	121.08
	- Others						
	- Call Spread	1,895.18	76.73	-	4,263.27	271.36	-
	- Seagull Options	54,727.54	4,868.28	-	20,482.08	1,657.19	43.25
	Sub-total (i)	**59,472.85**	**4,946.40**	**48.37**	**27,599.89**	**1,971.62**	**164.33**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	33,239.41	563.77	173.52	25,035.68	339.60	403.65
	Sub-total (ii)	**33,239.41**	**563.77**	**173.52**	**25,035.68**	**339.60**	**403.65**
(iii)	**Other derivatives**						
	- Reverse cross currency swaps	4,747.00	-	331.25	4,547.00	-	278.33
	Total - Derivative Financial Instruments (i + ii+iii)	**97,459.26**	**5,510.17**	**553.14**	**57,182.57**	**2,311.22**	**846.31**

Part II

Included in Part I are derivatives held for hedging and risk management purposes as below:

(₹ in Crores)

Particulars		As at 31.03.2022			As at 31.03.2021		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
(i)	**Fair Value Hedging**						
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	11,850.70	19.76	112.00	-	-	-
(ii)	**Cash Flow Hedging**						
	- Currency Derivatives						
	- Currency Swaps	2,842.77	-	48.37	2,756.43	23.86	121.08
	- Others						
	- Call Spread	1,895.18	76.73	-	1,837.62	77.74	-
	- Seagull Options	54,727.54	4,868.28	-	20,482.08	1,657.19	43.25
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	13,313.21	115.10	45.27	13,055.84	-	318.18
	Sub-total (i)	**72,778.70**	**5,060.11**	**93.64**	**38,131.97**	**1,758.79**	**482.51**
(iii)	Undesignated Derivatives	12,829.86	430.30	347.50	19,050.60	552.43	363.80
	Total - Derivative Financial Instruments (i+ii+iii)	**97,459.26**	**5,510.17**	**553.14**	**57,182.57**	**2,311.22**	**846.31**

Derivative financial instruments are measured at fair value at each reporting date. The changes in the fair value of derivatives designated as hedging instruments in effective cash flow hedges are recognised in Other Comprehensive Income. In case of fair value hedges, the changes in fair value of the derivatives designated as hedging instruments along with the fair value changes in the carrying amount of the hedged items are recognised in the Statment of Profit & Loss. For undesignated derivatives, the changes in the fair value are recognised in the Statement of Profit & Loss.

Consolidated Notes to Accounts

10 Loans

The Company has categorised all loans at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A)	**Loans**				
(i)	Term Loans	3,83,310.40	3,84,566.08	3,77,041.98	3,78,090.36
(ii)	Working Capital Term Loans	2,060.86	2,069.12	376.17	377.24
	Total (A) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
	Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
	Total (A) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(B)	**Security Details**				
(i)	Secured by tangible assets	2,23,793.64	2,24,420.98	2,56,744.52	2,57,329.46
(ii)	Covered by Bank/ Govt. Guarantees	1,30,973.50	1,31,510.35	1,01,071.53	1,01,456.48
(iii)	Unsecured	30,604.12	30,703.87	19,602.10	19,681.67
	Total (B) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
	Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
	Total (B) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(C)(I)	**Loans in India**				
(i)	Public Sector	3,50,455.72	3,51,732.04	3,38,810.31	3,39,877.44
(ii)	Private Sector	34,915.54	34,903.16	38,607.84	38,590.16
	Total (C)(I) - Gross Loans	**3,85,371.26**	**3,86,635.20**	**3,77,418.15**	**3,78,467.60**
	Less: Impairment loss allowance	(14,704.66)	(14,704.66)	(13,206.11)	(13,206.11)
	Total (C)(I) - Net Loans	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**
(C)(II)	**Loans outside India**	**-**	**-**	**-**	**-**
	Less: Impairment loss allowance	-	-	-	-
	Total (C)(II) - Net Loans	**-**	**-**	**-**	**-**
	Total (C)(I) and (C)(II)	**3,70,666.60**	**3,71,930.54**	**3,64,212.04**	**3,65,261.49**

10.1 Reconciliation between the figures reported under Ind-AS and contractual amounts outstanding in respect of Loans:

₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Net Loans	**3,71,930.54**	**3,65,261.49**
Less: Interest accrued and due on Loans classified under the same head as per Ind-AS	(423.59)	(504.10)
Less: Interest accrued and not due on Loans classified under the same head as per Ind-AS	(957.96)	(635.00)
Add: Allowance for Expected Credit Loss netted off as per Ind-AS	14,704.66	13,206.11
Add: Ind-AS Adjustments in respect of fees based income at Effective Interest Rate (EIR)	117.61	89.65
Gross Loans	**3,85,371.26**	**3,77,418.15**

10.2 Movement of Impairment Loss Allowance in respect of Loans:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**13,206.11**	**11,996.04**
Add: Impairment loss allowance provided during the year (Refer Note 39)*	3,422.56	2,362.62
Less: Allowance utilised towards write-off of loans	(1,924.01)	(1,152.55)
Closing Balance	**14,704.66**	**13,206.11**

** Includes impairment loss allowance created on Stage 1 & 2 loan assets which has been enhanced to a minimum level of 0.40% from FY 2021-22*

10.3 In terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring, the Company has written off loans amounting to ₹ 1,924.01 crores (Previous year ₹ 1,152.55 crores). The details of write-offs for the current year are as below:

(i) During the current year

(a) Pursuant to the Resolution Plan approved under IBC proceedings executed on 13th May 2021 in respect of VS Lignite Power Private Limited, the Company has written off an amount of ₹ 39.45 crores after appropriating the recoveries of ₹ 14.79 crores (Cash ₹ 1.30 crores and Term Loan of ₹ 13.49 crores).

Consolidated Notes to Accounts

(b) Pursuant to the liquidation order under IBC proceedings executed on 30th December 2021 in respect of Lanco Babandh Power Limited, the Company has written off an amount of ₹ 1160.16 crores after appropriating cash recoveries of ₹ 40.39 crores.

(c) Pursuant to the Resolution Plan approved under IBC proceedings executed on 16th March 2022 in respect of Essar Power (MP) Limited (EPMPL), the Company has written off an amount of ₹ 724.40 crores after appropriating the recoveries of ₹ 620.60 crores (Cash ₹ 148.94 crores and Term Loan of ₹ 471.66 crores).

(d) Pursuant to the Resolution Plan approved under IBC proceedings executed on 23rd March 2022 in respect of Amrit Jal Ventures Private Limited, the company has recovered the entire outstanding loan of ₹ 4.35 crores and ₹ 0.28 crores overdue interest after appropriating cash recoveries of ₹ 4.63 crores.

(ii) During the previous year

(a) Pursuant to the restructuring executed on 4th June, 2020, in respect of Essar Power Transmission Corporation Ltd, the Company has written off an amount of ₹ 65.25 crores after appropriating the recoveries of ₹ 979.56 crores (Term Loan of ₹ 830.00 crores and Optionally convertible debentures of ₹ 149.56 crores).

(b) Pursuant to the Resolution Plan approved under IBC proceedings executed on 21st September, 2020 in respect of Facor Power Ltd, the Company has wriiten-off an amount of ₹181.86 crores after appropriating the recoveries of ₹ 329.12 crores (Cash ₹ 102.27 crores, Non-convertible debentures of ₹ 199.72 crores and amount recoverable of ₹ 27.13 crores).

(c) Pursuant to the restructuring executed on 4th December, 2020 in respect of R.K.M PowerGen Private Ltd, the Company has wriiten-off an amount of ₹905.44 crores after appropriating the recoveries of ₹ 1,396.55 crores (Term Loan of ₹ 1,396.55 crores and Optionally convertible debentures Nil).

10.4 The Company obtains balance confirmation from the borrowers for the balances standing as on the Balance Sheet date. The summary of the balance confirmations received from the borrowers is as under:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	%	Amount	%	Amount
Gross Loan Book of the Company		3,85,371.26		3,77,418.15
Loan Assets for which balance confirmations have been received from borrowers	93%	3,56,923.45	92%	3,48,293.80
Loan Assets for which balance confirmations is yet to be received from borrowers *of which,*	7%	28,447.81	8%	29,124.35
Loans secured by tangible assets	45%	12,813.68	71%	20,597.00
Loans covered by Government Guarantee/ Loans to Government	33%	9,295.96	10%	2,848.13
Unsecured loans	22%	6,338.17	19%	5,679.22

10.5 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

11 Investments

(A) Investments

(₹ in Crores)

Particulars	Amortised Cost	At fair value			Sub-total	Others (At Cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7)
As at 31st March, 2022							
Govt. Securities	1,374.51	-	-	-	**1,374.51**	-	**1,374.51**
Debt Securities	365.60	-	132.55	-	**498.15**	-	**498.15**
Equity Instruments	-	268.26	49.52	-	**317.78**	-	**317.78**
Preference Shares	28.72	-	-	-	**28.72**	-	**28.72**
Others	-	-		-	-	-	-
Total - Gross (A)	**1,768.83**	**268.26**	**182.07**	**-**	**2,219.16**	**-**	**2,219.16**

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	Amortised Cost	At fair value			Sub-total	Others (At Cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
	(1)	(2)	(3)	(4)	(5= 1+2+3+4)	(6)	(7)
Investments outside India	-	-	-	-	-	-	-
Investments in India	1,768.83	268.26	182.07	-	**2,219.16**	-	**2,219.16**
Total - Gross (B)	**1,768.83**	**268.26**	**182.07**	**-**	**2,219.16**	**-**	**2,219.16**
Total Investments	1,768.83	268.26	182.07	-	**2,219.16**	-	**2,219.16**
Less: impairment loss allowance (C)	(28.72)	-	-	-	**(28.72)**	-	**(28.72)**
Total - Net (D=A-C)	**1,740.11**	**268.26**	**182.07**	**-**	**2,190.44**	**-**	**2,190.44**
As at 31st March, 2021							
Govt. Securities	649.08	-	-	-	**649.08**	-	**649.08**
Debt Securities	408.73	-	143.06	-	**551.79**	-	**551.79**
Equity Instruments	-	430.13	23.60	-	**453.73**	-	**453.73**
Preference Shares	26.09	-	42.99	-	**69.08**	-	**69.08**
Others	-	-		-	-	-	-
Total - Gross (A)	**1,083.90**	**430.13**	**209.65**	**-**	**1,723.68**	**-**	**1,723.68**
Investments outside India	-	-	-	-	-	-	-
Investments in India	1,083.90	430.13	209.65	-	**1,723.68**	-	**1,723.68**
Total - Gross (B)	**1,083.90**	**430.13**	**209.65**	**-**	**1,723.68**	**-**	**1,723.68**
Total Investments	1,083.90	430.13	209.65	-	**1,723.68**	-	**1,723.68**
Less: impairment loss allowance (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total - Net (D=A-C)	**1,083.90**	**430.13**	**209.65**	**-**	**1,723.68**	**-**	**1,723.68**

(B) Investments accounted for using equity method

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Investment in Joint Ventures		
- Energy Efficiency Services Ltd.	-	257.74
(21,81,00,000 Equity shares of ₹ 10 each)		
Total	**-**	**257.74**

11.1 Details of investments

(₹ in Crores)

Particulars	Investment measured at	As at 31.03.2022		As at 31.03.2021	
		Number	Amount	Number	Amount
(A) Government Securities (HQLAs)*	Amortised Cost	13,39,32,800	1,374.51	6,25,00,000	649.08
Debt Securities					
(i) Debt Securities (HQLAs)*	Amortised Cost	3,14,940	259.39	3,14,940	259.63
(ii) Debt Securities (other than HQLAs)					
- 3% Optionally convertible debentures- Series A of Essar Power Transmission Co. Ltd.	Fair value through profit or loss	17,85,43,530	92.03	22,85,25,079	99.33
- 3% Optionally convertible debentures- Series B of Essar Power Transmission Co. Ltd.	Fair value through profit or loss	7,86,06,161	40.52	10,06,12,911	43.73
- Optionally convertible debentures- Series C of Essar Power Transmission Co. Ltd. **	Fair value through profit or loss	1,86,35,162	-	1,86,35,162	-

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	Investment measured at	As at 31.03.2022		As at 31.03.2021	
		Number	Amount	Number	Amount
- 0% Non- Convertible Debentures (NCDs) of Ferro Alloys Corporation Limited	Amortised Cost	2,54,95,144	106.21	2,52,91,783	149.10
- 0.01% Optionally convertible Debentures (OCD) Series A of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	21,38,03,170	-	21,38,03,170	-
- 0.01% Optionally convertible Debentures (OCD) Series B of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	63,03,032	-	63,03,032	-
- 0.01% Optionally convertible Debentures (OCD) Series Ai of R.K.M PowerGen Private Ltd. **	Fair value through profit or loss	1,04,74,150	-	1,04,74,150	-
(B) Sub-total - Debt Securities (i+ii)			**498.15**		**551.79**
Equity Instruments					
- NHPC Ltd.	Fair value through other comprehensive income	1,88,43,184	52.38	17,53,02,206	428.61
- HUDCO Ltd.	Fair value through other comprehensive income	3,47,429	1.14	3,47,429	1.52
- Energy Efficiency Services Ltd.	Fair value through other comprehensive income	21,81,00,000	214.74	-	-
- Universal Commodity Exchange Ltd.	Fair value through other comprehensive income	1,60,00,000	-	1,60,00,000	-
- Rattan India Power Ltd.	Fair value through profit or loss	9,25,68,105	49.52	9,25,68,105	23.60
- R.K.M Power Gen Private Ltd.	Fair value through profit or loss	18,17,90,667	-	18,17,90,667	-
(C) Sub-total - Equity Instruments			**317.78**		**453.73**
(D) Sub-total - Subsidiary			**-**		**-**
Preference Shares (PS)					
- Redeemable PS of Rattan India Power Ltd.	Amortised cost	2,87,20,978	28.72	2,87,20,978	26.09
- Optionally Convertible PS of Rattan India Power Ltd.	Fair value through profit or loss	4,33,03,616	-	4,33,03,616	42.99
(D) Sub-total - Preference Shares			**28.72**		**69.08**
Others					
- Units of 'Small is Beautiful' Venture Capital Fund	Fair value through other comprehensive income	-	-	61,52,200	-
(E) Sub-total - Others			**-**		**-**
Total Investments (F= A to E)			**2,219.16**		**1,723.68**
Less: impairment loss allowance (G)			(28.72)		-
Total - Net (H=F-G)			**2,190.44**		**1,723.68**

Refer note 56.1 for valuation technique of the investments shown at fair value

** High Quality Liquid Assets (HQLAs) maintained as per RBI Circular dated Novemeber 4, 2019*

*** Received against unsustainable portion of debt in terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring*

11.2 Details of Investment in Joint Venture:

(₹ in Crores)

Name of the company	Principal place of business / Country of Incorporation	Proportion of ownership interest as at	
		31.03.2022	31.03.2021
Joint Venture* :			
Energy Efficiency Services Limited (EESL)	India	-	22.18%

The investments in joint venture is measured at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

** During the year, pursuant to agreement executed amongst the Joint Venture partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited, EESL ceased to be a jointly controlled entity of the Company with effect from September 01, 2021, under Ind-AS framework.*

Consolidated Notes to Accounts

11.3 Movement of Impairment Loss Allowance in respect of Investments:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**-**	**-**
Add: Impairment loss allowance provided in respect to Redeemable PS of Rattan India Power Limited due for redemption during the year (Refer Note 39)	28.72	-
Less: Allowance utilised towards write-off of loans	-	-
Closing Balance	**28.72**	**-**

11.4 In terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring, the Company has received the following Investments:

(i) **<u>During the current year:</u>**

Company has not received any instruments in terms of the settlement under Insolvency and Bankruptcy Code (IBC) proceedings/ One Time Settlement (OTS)/ Restructuring.

(ii) **<u>During the previous year:</u>**

(a) Pursuant to the restructuring in respect of Essar Power Transmission Corporation Ltd, the company has been allotted 22,85,25,079 no. of optionally convertible debentures (3%) Series- A, 10,06,12,911 no. of optionally convertible debentures (3%) Series- B and 1,86,35,162 no. of optionally convertible debentures (0%) Series- C.

(b) Pursuant to the One Time Settlement arrangement executed on 21st September 2020 in respect of Facor Power Ltd, the Company has been allotted 2,52,91,783 no. of zero coupon non-convertible debentures of Ferro Alloys Corporation Limited.

(c) Pursuant to the restructuring in respect of R.K.M PowerGen Private Ltd, the company has been allotted 21,38,03,170 no. of optionally convertible debentures (0.01%) Series- A, 63,03,032 no. of optionally convertible debentures (0.01%) Series- B and 1,04,74,150 no. of optionally convertible debentures (0.01%) Series- Ai.

Refer note 10.3 for further details.

11.5 The Company has elected an irrevocable option to designate some of the equity instruments at FVOCI (Fair Value through Other Comprehensive Income). The Company's main operation is to provide financial assistance to power sector. Thus, in order to isolate Standalone Statement of Profit & Loss from price fluctuations of these instruments, management believes that this provides a more meaningful presentation, rather than classifying them at FVTPL (Fair Value through Profit & Loss).

Details of FVOCI investments derecognised during the year

(₹ in Crores)

Name of the company	FY 2021-22			FY 2020-21		
	No. of shares derecognised	Fair Value as on de-recognition	Cumulative Gain/ (loss) on de-recognition	No. of shares derecognised	Fair Value as on de-recognition	Cumulative Gain/ (loss) on de-recognition
NHPC Limited*	15,64,59,022	430.62	89.86			
Small is Beautiful**	61,52,200	0.55	(5.60)	-	-	-
India Energy Exchange Limited	-	-	-	1,22,71,211	249.92	248.69

* During the year, the Company has sold 15,64,59,022 equity shares of NHPC Limited considering the market scenerio for a consideration of ₹ 430.62 crores through stock exchange. The shares have thus been derecognised and the cumulative gain (net of tax) on such sale has been transferred from other comprehensive income to retained earnings.

** During the year, the Company has derecogniesd 61,52,200 units of 'Small is Beautiful' Venure Capital Fund, consequent to full and final settlement upon liquidation of the fund. As a result, the Company has written off an amount of ₹ 5.60 crores after appropriating cash recoveries of ₹ 0.55 crores

12 Other financial assets

The Company has categorised all the components under 'Other Financial Assets' at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	Loans to Employees (Refer Note No. 12.1)	41.95	39.94
(B)	Advances to Employees	0.27	0.41
(C)	Loans & Advances to Subsidiaries	(0.72)	-
(D)	Security Deposits	1.67	1.45
(E)	Recoverable from Govt. of India	-	
	Towards GoI Fully Serviced Bonds (Refer Note No. 23.5)	24,318.29	24,314.48

Consolidated Notes to Accounts

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(F)	**Other amounts recoverable**	145.02	152.13
	Less: Impairment Loss allowance (Refer Note No. 12.2)	(91.17)	(88.53)
	Other Amounts Recoverable (Net)	**53.85**	**63.60**
	Total (A to F)	**24,415.31**	**24,419.88**

12.1 Details of Loans to Employees

The Company has extended loans to employees with specified terms and repayment schedule, categorised at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	**Secured Loans**		
	- To employees Other than Key Managerial Personnel	12.64	7.39
	Sub-total (A)	**12.64**	**7.39**
(B)	**Unsecured Loans**		
	- To Key Managerial Personnel	0.18	0.28
	- To Others	29.13	32.27
	Sub-total (B)	**29.31**	**32.55**
	Total (A+B)	**41.95**	**39.94**

The figures above include interest accrued on such loans amounting to ₹ 8.45 crores (Previous year ₹ 8.16 crores).

12.2 Movement of impairment loss allowance on other financial assets

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening balance	**88.53**	**30.85**
Add: Created during the year	10.23	64.35
Less: Reversed/ Adjusted during the year	(7.59)	(6.67)
Closing balance	**91.17**	**88.53**

13 Current tax assets (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Income-tax & TDS	3,296.66	236.26
Less: Provision for Income Tax	(3,110.11)	(72.35)
Sub-Total (1)	**186.55**	**163.91**
Tax Deposited on income tax demands under contest	5.26	5.26
Provision for income tax for demand under contest	(0.25)	(0.25)
Sub-Total (2)	**5.01**	**5.01**
Current tax assets (Net)	**191.56**	**168.92**

14 Deferred tax assets (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets (Net)	3,160.12	2,461.03

14.1 Significant components of net deferred tax assets and liabilities for the year ended 31st March 2022 are as follows

(₹ in Crores)

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Deferred Tax Assets					
Expected Credit Loss	2,765.16	716.14	-	-	3,481.30
Provision for Earned Leave	4.71	1.92	-	-	6.63
Provision for Medical Leave	5.26	0.15	-	-	5.41
Provision for Other Expenses	0.72	0.50	-	-	1.22
Fair Valuation of Invetments	3.57	2.29	2.55	-	8.41
Fair Valuation of Derivatives	27.81	11.16	26.09	-	65.07
Right of Use asset (Net of lease liability)	-	-	-	-	-

Consolidated Notes to Accounts

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Total Deferred Tax Assets	**2,807.23**	**732.16**	**28.64**	**-**	**3,568.04**
Deferred Tax Liabilities					
Due to different tax base of Property, Plant & Equipment	1.61	10.85	-	-	12.46
Unamortised Foreign Currency Exchange Fluctuations	153.26	(2.21)	-	-	151.05
Financial assets and liabilities measured at amortised cost	191.33	24.90	-	-	216.24
Fair valuation of Debt Securities	-	28.17	-	-	28.17
Total Deferred Tax Liabilities	**346.20**	**61.71**	**-**	**-**	**407.92**
Total Deferred Tax Assets (Net)	**2,461.03**	**670.45**	**28.64**	**-**	**3,160.12**

Significant components of net deferred tax assets and liabilities for the year ended 31st March 2021 are as follows

(₹ in Crores)

Particulars	Opening balance	Recognised in Profit or Loss	Recognised in OCI	Others	Closing balance
Deferred Tax Assets					
Expected Credit Loss	2,291.73	473.43	-	-	2,765.16
Provision for Earned Leave	4.13	0.58	-	-	4.71
Provision for Medical Leave	5.51	(0.25)	-	-	5.26
Fair Valuation of Investments	10.00	(0.42)	(6.01)	-	3.57
Provision for Other Expenses	-	0.72	-	-	0.72
Fair Valuation of Derivatives	439.65	(308.70)	(103.14)	-	27.81
Right of Use asset (Net of lease liability)	0.04	(0.04)	-	-	-
Total Deferred Tax Assets	**2,751.06**	**165.32**	**(109.15)**	**-**	**2,807.23**
Deferred Tax Liabilities					
Due to different tax base of Property, Plant & Equipment	1.52	0.09	-	-	1.61
Unamortised Foreign Currency Exchange Fluctuations	448.95	(295.69)	-	-	153.26
Financial assets and liabilities measured at amortised cost	237.45	(46.13)	-	-	191.33
Others	12.57	(12.57)	-	-	-
Total Deferred Tax Liabilities	**700.49**	**(354.30)**	**-**	**-**	**346.20**
Total Deferred Tax Assets (Net)	**2,050.57**	**519.61**	**(109.15)**	**-**	**2,461.03**

15 Investment Property

Particulars	Opening Balance	Additions during the year	Sales/ adjustment during the year	Closing Balance
As at 31.03.2022	0.01	-	0.01	-
As at 31.03.2021	0.01	-	-	0.01

15.1 The company had classified the land held for undeterminable future use as investment property and didn't earn any rental income on it. The same has been sold during the year.

15.2 Fair value of investment property:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Value	-	0.01
Fair Value	-	0.90

The Company obtains independent valuations for its investment properties at least annually. The fair values of investment property is determined by an independent registered valuer and the main inputs used are circle rates and current prices of similar properties. All resulting fair value estimates for investment property are included in Level 3.

Consolidated Notes to Accounts

16 Property, Plant & Equipment and Intangible Assets

(₹ in Crores)

Particulars	Property, Plant & Equipment				
	Freehold Land	Right-of-Use Land	Buildings	Plant & equipment	Furniture & Fixtures
Gross carrying value					
As at 31.03.2020	**110.39**	**1.59**	**31.74**	**-**	**11.99**
Additions	-	-	98.66	-	9.65
Borrowings Cost Capitalised	-	-	-	-	-
Disposals	-	-	-	-	0.75
As at 31.03.2021	**110.39**	**1.59**	**130.40**	**-**	**20.89**
Additions	-	-	303.73	19.90	47.55
Borrowings Cost Capitalised	-	-	-	-	-
Disposals/ Adjustments	-	-	3.30	-	0.69
As at 31.03.2022	**110.39**	**1.59**	**430.83**	**19.90**	**67.75**
Accumulated depreciation/ amortisation					
As at 31.03.2020	**-**	**0.32**	**9.06**	**-**	**6.91**
Charge for the year	-	0.03	0.75	-	0.99
Adjustment for disposals	-	-	-	-	0.22
As at 31.03.2021	**-**	**0.35**	**9.81**	**-**	**7.68**
Charge for the year	-	0.02	4.96	0.95	3.67
Adjustment for disposals	-	-	1.26	-	0.41
As at 31.03.2022	**-**	**0.37**	**13.51**	**0.95**	**10.94**
Net block as at 31.03.2021	**110.39**	**1.24**	**120.59**	**-**	**13.21**
Net block as at 31.03.2022	**110.39**	**1.22**	**417.32**	**18.95**	**56.81**

16.1 The formalities regarding registration of title deed in respect of an immovable property acquired by the Company is yet to be executed. The details are as below:

(a) As at 31st March 2022

(₹ in Crores)

Description of Property, Plant & Equipment	Gross Carrying Value	Net Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Building - Office at Core 4, SCOPE Complex, New Delhi - 110003	4.59	2.01	Land & Development officer under Ministry of Urban Development, New Delhi	No	1990	Pending formalities from Land & Development Officer, office flat allotted to the company at the SCOPE a central government Complex has not been registered in the name of the Company.

(b) As at 31st March 2021

(₹ in Crores)

Description of Property, Plant & Equipment	Gross Carrying Value	Net Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Building - Office at Core 4, SCOPE Complex, New Delhi - 110003	4.59	2.07	Land & Development officer under Ministry of Urban Development, New Delhi	No	1990	Pending formalities from Land & Development Officer, office flat allotted to the company at the SCOPE a central government Complex has not been registered in the name of the Company.

Consolidated Notes to Accounts

(₹ in Crores)

				Capital Work-in-Progress	Intangible Assets under Development	Other Intangible Assets
EDP Equipments	Office Equipments	Vehicles	Total	Immovable Property	Computer Software	Computer Software
22.94	**20.98**	**0.40**	**200.03**	**287.62**	**0.77**	**13.74**
4.80	5.12	-	118.23	131.70	-	0.07
-	-	-	-	22.04	-	-
3.41	8.24	-	12.40	105.69	-	0.01
24.33	**17.86**	**0.40**	**305.86**	**335.67**	**0.77**	**13.80**
3.34	7.16	-	381.68	32.35	-	1.02
-	-	-	-	5.10	-	-
0.96	0.87	-	5.82	367.05	0.77	0.01
26.71	**24.15**	**0.40**	**681.72**	**6.07**	**-**	**14.81**
16.56	**12.91**	**0.32**	**46.08**	**-**	**-**	**4.92**
2.93	2.50	0.02	7.22	-	-	2.74
2.72	5.20	-	8.14	-	-	0.01
16.77	**10.21**	**0.34**	**45.16**	**-**	**-**	**7.65**
3.20	2.52	0.03	15.35	-	-	2.89
0.75	0.41	-	2.83	-	-	0.01
19.22	**12.32**	**0.37**	**57.68**	**-**	**-**	**10.53**
7.56	**7.65**	**0.06**	**260.70**	**335.67**	**0.77**	**6.15**
7.49	**11.83**	**0.03**	**624.04**	**6.07**	**-**	**4.28**

Consolidated Notes to Accounts

16.2 As on 31st March 2022, certain Property, Plant & Equipment has been pledged as security against secured borrowings of the Company as per the details below:

(₹ in Crores)

Particulars	As at 31st March 2022	As at 31st March 2021
Gross Carrying Value	3.30	3.30
Net Carrying Value	2.27	2.31

16.3 Capital Work in Progress (CWIP)

(a) CWIP ageing schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	6.07	-	-	-	6.07	153.75	90.67	69.71	21.54	335.67

There are no capital work in progress as on the reporting year where activity has been suspended.

(b) CWIP completion schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	**-**	-	-	-	-	**-**
- Project-1	6.07	-	-	-	**6.07**	329.60	6.07	-	-	**335.67**

16.4 Intangible assets under development

(a) Intangible assets under development ageing schedule

(₹ in Crores)

Particulars	As at 31st March 2022					As at 31st March 2021				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	**-**	-	0.12	-	0.65	**0.77**

There are no intangible assets under development as on the reporting year where activity has been suspended or which have exceeded cost as compared to its original plan or where completion is overdue.

16.5 In the opinion of management, there are no events or changes in circumstances that indicate the impairment of PPE and Intangible Assets in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment has been made.

16.6 While the Company has not made any specific borrowings for construction of a qualifying asset, the Company has capitalised certain borrowing costs on account of general borrowings at an average rate of borrowings of 7.94% (previous year 8%) for the Company in terms of Ind AS 23 'Borrowing Costs'.

16.7 Disclosure in respect of Intangible Assets as required under Ind-AS 38 "Intangible Assets"

Amortisation Rate 20% (100% in case the total cost of the asset is ₹ 5,000 or less)

Consolidated Notes to Accounts

17 Other non-financial assets

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
	Unsecured, considered good		
(A)	Capital Advances	8.19	8.84
(B)	Other Advances	3.56	3.34
(C)	Balances with Govt. Authorities	42.20	68.06
(D)	Pre-Spent Corporate Social Responsibility (CSR) Expenses	0.48	4.03
(E)	Prepaid Expenses	3.12	4.29
(F)	Deferred Employee Cost	11.11	14.09
(G)	Other Assets	0.02	0.02
	Total (A to G)	**68.68**	**102.67**

18 Assets classified as held for sale

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	**Disposal Group**		
	(i) Investment in associates	0.40	0.60
	(ii) Loans to associates	12.83	13.45
	(iii) Provision for impairment on assets classified as held for sale	(9.71)	-
	Sub-Total (i+ii+iii)	**3.52**	**14.05**
(B)	**Assets Classified as Held for Sale-Building**	0.86	0.00
	Total (B)	**0.86**	**0.00**
	Grand Total (A+B)	**4.38**	**14.05**
	Liabilities directly associated with assets classified as held for sale		
(C)	**Payable to associates**	0.01	0.08
	Total (C)	**0.01**	**0.08**
	Net Assets held for sale (A+B-C)	**4.37**	**13.97**

18.1 Investments in associates

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Investments in Equity Instruments of associates (fully paid up)		
equity shares of ₹ 10/- each		
Chandil Transmission Limited	0.05	0.05
Dumka Transmission Limited	0.05	0.05
Koderma Transmission Limited	0.05	0.05
Mandar Transmission Limited	0.05	0.05
Bidar Transmission Limited	0.05	0.05
Fatehgarh Badla Transco Limited	-	0.05
Gadag Transmission Limited	-	0.05
Kallam Transmission Limited	-	0.05
MP Power Transmission Package I Limited	0.05	0.05
MP Power Transmission Package II Limited	-	0.05
Rajgarh Transmission Limited	0.05	0.05
Ramgarh New Transmission Ltd	-	-
Sikar Transmission Limited	-	0.05
ER NER Transmission Limited	0.05	
Total	**0.40**	**0.60**

Consolidated Notes to Accounts

18.2 Loans to Associates

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Chandil Transmission Limited	2.54	2.53
Dumka Transmission Limited	2.48	2.47
Mandar Transmission Limited	2.22	2.21
Koderma Transmission Limited	2.28	2.27
MP Power Transmission Package I Limited	1.99	1.07
Rajgarh Transmission Limited	0.28	-
ER NER Transmission Limited	0.28	-
Receivable from SPV-Yet to Incorporate	0.76	-
Fatehgarh Bhadla Transco Limited	-	0.91
Kallam Transmission Limited	-	0.11
MP Power Transmission Package II Limited	-	1.09
Sikar New Transmission Limited	-	0.77
Gadag Transmission Limited	-	0.02
Total	**12.83**	**13.45**

18.3 Liabilities directly associated with assests classified as held for sale

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Bidar Transmission Limited	0.01	0.03
Rajgarh Transmission Limited	-	0.05
Total	**0.01**	**0.08**

18.4 Provision for impairment on assets classified as held for sale

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Chandil Transmission Limited	2.59	-
Dumka Transmission Limited	2.53	-
Mandar Transmission Limited	2.27	-
Koderma Transmission Limited	2.33	-
Total	**9.71**	**-**

18.5 Jharkhand Urja Sancharan Nigam Limited (JUSNL) has cancelled RFQ and RFP of transmission projects in State of Jharkhand. These projects have been kept in abeyance w.e.f. 01.10.2020. RECPDCL vide letters dated 14.10.2020, 06.11.2020 and 28.07.2021 has communicated JUSNL regarding recovery of expenses incurred on these SPVs. However, no communication has been received from JUSNL in this regard. As the bidding process of these SPVs has been cancelled and there is less probability of recovery of expenses already incurred, hence as an accounting prudence provision for impairment loss of approx. ₹9.71 crore has been created.

18.6 Management had incorporated these entities with a view to sell them off as per the guidelines of Ministry of Power, through the bid process prescribed by Ministry of Power. There is no possibility that management will have benefits from these entities other than selling them off, hence all these investments (along with the related assets and liabilities) has been classified as 'held for sale'.

With a view to monetise its idle assets, during the year the Company has disposed certain residential building units through e-auction process, with carrying value ₹1.18 crores (previous year Nil), classified under "Assets classified as held for sale" as required under Ind-AS 105. Such sale has resulted in gain of ₹30.19 crores during the current year (previous year Nil) (refer note 35).

18.7 Further, residential building units with carrying value ₹0.86 crores (previous year Nil) classified under "Assets classified as held for sale" are pending for disposal as at 31st March 2022. The process for their disposal is expected to be completed during the year 2022-23 through e-auction process.

Consolidated Notes to Accounts

19 Trade Payables

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade Payables		
Total outstanding dues of MSMEs	-	0.01
Total outstanding dues of creditors other than MSMEs	36.48	61.84
Total	**36.48**	**61.85**

19.1 Trade Payables ageing schedule

(₹ in Crores)

Particulars	Outstanding as at 31st March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Others	-	-	-	-	-
Sub-total (i)	**-**	**-**	**-**	**-**	**-**
(i) Other than MSME					
- Disputed	-	-	-	-	-
- Others	15.02	8.38	11.30	1.78	36.48
Sub-total (ii)	**15.02**	**8.38**	**11.30**	**1.78**	**36.48**
Total (i+ii)	**15.02**	**8.38**	**11.30**	**1.78**	**36.48**

(₹ in Crores)

Particulars	Outstanding as at 31st March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Others	0.01	-	-	-	0.01
Sub-total (i)	**0.01**	**-**	**-**	**-**	**0.01**
(i) Other than MSME					
- Disputed	-	-	-	-	-
- Others	35.39	14.34	10.33	1.77	61.84
Sub-total (ii)	**35.39**	**14.34**	**10.33**	**1.77**	**61.84**
Total (i+ii)	**35.40**	**14.34**	**10.33**	**1.77**	**61.85**

20 Debt Securities

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
(A) Secured Long-Term Debt Securities				
(i) Institutional Bonds	1,955.00	2,065.31	3,470.00	3,679.52
(ii) 54EC Capital Gain Tax Exemption Bonds	24,146.13	25,025.49	17,264.97	17,901.65
(iii) Tax Free Bonds	11,763.30	12,158.86	12,602.97	13,044.23
(iv) Bond Application Money	1,291.54	1,291.13	856.62	854.71
Sub-total (A)	**39,155.97**	**40,540.79**	**34,194.56**	**35,480.11**

Consolidated Notes to Accounts

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(B)	**Unsecured Long-Term Debt Securities**				
(i)	Institutional Bonds	1,44,074.60	1,48,998.67	1,69,856.60	1,75,707.24
(ii)	Infrastructure Bonds	3.96	8.00	11.07	21.36
(iii)	Foreign Currency Bonds	30,322.85	30,027.15	26,461.71	26,060.40
	Sub-total (B)	**1,74,401.41**	**1,79,033.82**	**1,96,329.38**	**2,01,789.00**
	Total - Debt Securities (A+B)	**2,13,557.38**	**2,19,574.61**	**2,30,523.94**	**2,37,269.11**
	Debt Securities issued in/ outside India				
(i)	Debt Securities in India	1,83,234.53	1,89,547.46	2,02,547.23	2,11,208.71
(ii)	Debt Securities outside India	30,322.85	30,027.15	26,461.71	26,060.40
	Total - Debt Securities	**2,13,557.38**	**2,19,574.61**	**2,30,523.94**	**2,37,269.11**

Refer Note No. 22.2 for reconciliation between the figure represented in Face Value and Amortised Cost

20.1 Details of Secured Long-Term Debt Securities - Refer Note 21.5 for details of the security

(i) Institutional Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
123-I Series - 9.40% Redeemable at par on 17.07.2021	-	-	1,515.00	1,615.61
123-IIIB Series - 9.34% Redeemable at par on 23.08.2024	1,955.00	2,065.31	1,955.00	2,063.91
Total - Institutional Bonds	**1,955.00**	**2,065.31**	**3,470.00**	**3,679.52**

(ii) 54EC Capital Gain Tax Exemption Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series XII (2018-19) - 5.75% Redeemable at par during financial year 2023-24	6,651.77	6,937.05	6,651.77	6,935.40
Series XIII (2019-20) - 5.75% Redeemable at par during financial year 2024-25	6,157.72	6,417.26	6,157.72	6,415.55
Series XIV (2020-21) - 5.75% and 5% Redeemable at par during financial year 2025-26	5,312.07	5,510.93	4,455.48	4,550.70
Series XV (2021-22) - 5% Redeemable at par during financial year 2026-27	6,024.57	6,160.25	-	-
Total - 54EC Capital Gain Tax Exemption Bonds	**24,146.13**	**25,025.49**	**17,264.97**	**17,901.65**

(iii) Tax Free Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series 2011-12	2,160.33	2,287.99	3,000.00	3,176.71
Redeemable at par. Bonds amounting to ₹ 839.67 crores are redeemable on 28.03.2022 and bonds amounting to ₹ 2,160.33 crores are redeemable on 29.03.2027 with interest rates varying from 7.93% to 8.32% payable annually				

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series 2012-13 Series 2A & 2B	500.00	512.60	500.00	531.26
Redeemable at par. Bonds amounting to ₹ 255.00 crores are redeemable on 21.11.2022 and bonds amounting to ₹ 245.00 crores are redeemable on 22.11.2027 with interest rates of 7.21% and 7.38% respectively payable annually				
Series 2012-13 Tranche 1	2,007.35	2,055.08	2,007.35	2,030.86
Redeemable at par. Bonds amounting to ₹ 1,165.31 crores are redeemable on 19.12.2022 and bonds amounting to ₹ 852.04 crores are redeemable on 20.12.2027 with interest rates varying from 7.22% to 7.88% payable annually				
Series 2012-13 Tranche 2	131.06	134.06	131.06	138.66
Redeemable at par. Bonds amounting to ₹ 81.35 crores are redeemable on 27.03.2023 and bonds amounting to ₹ 49.71 crores are redeemable on 27.03.2028 with interest rates varying from 6.88% to 7.54% payable annually				
Series 2013-14 Series 3A & 3B	1,350.00	1,413.35	1,350.00	1,358.55
Redeemable at par. Bonds amounting to ₹ 209.00 crores are redeemable on 29.08.2023 and ₹ 1,141.00 crores are redeemable on 29.08.2028 with interest rates varying from 8.01% to 8.46% payable annually				
Series 2013-14 Tranche 1	3,410.60	3,497.89	3,410.60	3,499.86
Redeemable at par. Bonds amounting to ₹ 575.06 crores are redeemable on 25.09.2023, ₹ 2,810.26 crores are redeemable on 25.09.2028 and ₹ 55.28 crores are redeemable on 26.09.2033 with interest rates varying from 8.01% to 8.71% payable annually				
Series 2013-14 Series 4A & 4B	150.00	155.48	150.00	161.92
Redeemable at par. Bonds amounting to ₹ 105.00 crores are redeemable on 11.10.2023 and ₹ 45.00 crores are redeemable on 11.10.2028 with interest rates varying from 8.18% to 8.54% payable annually				
Series 2013-14 Tranche 2	1,057.40	1,084.77	1,057.40	1,128.99
Redeemable at par. Bonds amounting to ₹ 419.32 crores are redeemable on 22.03.2024, ₹ 530.42 crores are redeemable on 23.03.2029 and ₹ 109.66 crores are redeemable on 24.03.2034 with interest rates varying from 8.19% to 8.88% payable annually				
Series 2015-16 Series 5A	300.00	306.33	300.00	317.75
7.17% Redeemable at par on 23.07.2025				
Series 2015-16 Tranche 1	696.56	711.30	696.56	699.67
Redeemable at par. Bonds amounting to ₹ 105.93 crores are redeemable on 05.11.2025, ₹ 172.90 crores are redeemable on 05.11.2030 and ₹ 421.17 crores are redeemable on 05.11.2035 with interest rates varying from 6.89% to 7.43% payable annually				
Total - Tax Free Bonds	**11,763.30**	**12,158.86**	**12,602.97**	**13,044.23**

Consolidated Notes to Accounts

(iv) Bond Application Money

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
54EC Capital Gain Tax Exemption Bonds	1,291.54	1,291.13	856.62	854.71
5% Redeemable at par after 5 years from the deemed date of allotment				
Total - Bond Application Money	**1,291.54**	**1,291.13**	**856.62**	**854.71**

20.2 Details of Unsecured Long-Term Debt Securities

(i) Institutional Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
157th Series - 7.60% Redeemable at par on 17.04.2021	-	-	1,055.00	1,131.66
154th Series - 7.18% Redeemable at par on 21.05.2021	-	-	600.00	637.16
161B Series - 7.73% Redeemable at par on 15.06.2021	-	-	800.00	849.11
174th Series - 8.15% Redeemable at par on 18.06.2021	-	-	2,720.00	2,894.23
100th Series - 9.63% Redeemable at par on 15.07.2021	-	-	1,500.00	1,602.90
101-III Series - 9.48% Redeemable at par on 10.08.2021	-	-	3,171.80	3,364.42
184-B Series STRPP-B - 7.55% Redeemable at par on 26.09.2021**	-	-	300.00	311.58
139th Series - 7.24% Redeemable at par on 21.10.2021	-	-	2,500.00	2,575.17
105th Series - 9.75% Redeemable at par on 11.11.2021	-	-	3,922.20	4,069.73
127th Series - 8.44% Redeemable at par on 04.12.2021	-	-	1,550.00	1,664.92
141st Series - 7.14% Redeemable at par on 09.12.2021	-	-	1,020.00	1,038.03
177th Series - 8.50% Redeemable at par on 20.12.2021	-	-	1,245.00	1,274.16
190B Series - 6.32% Redeemable at par on 31.12.2021	-	-	2,489.40	2,502.64
193th Series - 6.99% Redeemable at par on 31.12.2021	-	-	1,115.00	1,121.46
165th Series - 8.83% Redeemable at par on 21.01.2022	-	-	2,171.00	2,207.16
145th Series - 7.46% Redeemable at par on 28.02.2022	-	-	625.00	628.85
132nd Series - 8.27% Redeemable at par on 09.03.2022	-	-	700.00	750.81
173th Series - 8.35% Redeemable at par on 11.03.2022	-	-	2,500.00	2,509.41
198A Series - 6.60% Redeemable at par on 21.03.2022	-	-	2,596.00	2,600.39
167th Series - 8.45% Redeemable at par on 22.03.2022	-	-	2,571.80	2,577.65
179th Series - 8.15% Redeemable at par on 10.06.2022	1,000.00	1,065.84	1,000.00	1,065.70
107th Series - 9.35% Redeemable at par on 15.06.2022	2,378.20	2,554.82	2,378.20	2,554.56
186A Series - 6.90% Redeemable at par on 30.06.2022	2,500.00	2,629.90	2,500.00	2,629.63
150th Series - 7.03% Redeemable at par on 07.09.2022	2,670.00	2,775.76	2,670.00	2,775.38
184-B Series STRPP-C - 7.55% Redeemable at par on 26.09.2022**	300.00	311.59	300.00	311.56
152nd Series - 7.09% Redeemable at par on 17.10.2022	1,225.00	1,264.38	1,225.00	1,264.18
111-II Series - 9.02% Redeemable at par on 19.11.2022	2,211.20	2,283.72	2,211.20	2,283.50
155th Series - 7.45% Redeemable at par on 30.11.2022	1,912.00	1,959.41	1,912.00	1,958.74
185th Series - 7.09% Redeemable at par on 13.12.2022	2,759.00	2,817.14	2,759.00	2,816.25
187th Series - 7.24% Redeemable at par on 31.12.2022	2,090.00	2,127.51	2,090.00	2,127.24
159th Series - 7.99% Redeemable at par on 23.02.2023	950.00	957.53	950.00	957.57
188A Series - 7.12% Redeemable at par on 31.03.2023	1,400.00	1,400.22	1,400.00	1,400.17
114th Series - 8.82% Redeemable at par on 12.04.2023	4,300.00	4,667.36	4,300.00	4,666.94

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
195th Series - 6.92% Redeemable at par on 22.04.2023	2,985.00	3,179.43	2,985.00	3,179.21
191A Series - 6.80% Redeemable at par on 30.06.2023	1,100.00	1,106.39	1,100.00	1,106.06
200th Series PP-MLD - 5.36% Redeemable at par on 30.06.2023*	500.00	546.01	500.00	518.94
184-B Series STRPP-D - 7.55% Redeemable at par on 26.09.2023**	298.00	309.49	298.00	309.46
202B Series - 5.69% Redeemable at par on 30.09.2023	2,474.00	2,544.12	2,474.00	2,556.56
205-A Series - 4.99 % Redeemable at par on 31.01.2024	2,135.00	2,151.79	2,135.00	2,157.04
209th Series - 5.79 % Redeemable at par on 20.03.2024	1,550.00	1,552.38	1,550.00	1,552.62
210th Series - 5.74 % Redeemable at par on 20.06.2024	4,000.00	4,215.56	-	-
180-A Series - 8.10% Redeemable at par on 25.06.2024	1,018.00	1,075.09	1,018.00	1,072.68
191B Series - 6.99% Redeemable at par on 30.09.2024	1,100.00	1,106.48	1,100.00	1,106.18
212th Series - Floating (linked to T-Bill) Redeemable at par on 31.10.2024	2,500.00	2,538.84	-	-
186B Series - 7.40% Redeemable at par on 26.11.2024	1,500.00	1,537.91	1,500.00	1,537.78
128th Series - 8.57% Redeemable at par on 21.12.2024	2,250.00	2,418.88	2,250.00	2,418.67
129th Series - 8.23% Redeemable at par on 23.01.2025	1,925.00	2,063.71	1,925.00	2,063.52
130th Series - 8.27% Redeemable at par on 06.02.2025	2,325.00	2,493.36	2,325.00	2,493.14
131st Series - 8.35% Redeemable at par on 21.02.2025	2,285.00	2,304.25	2,285.00	2,304.22
190A Series - 6.88% Redeemable at par on 20.03.2025	2,500.00	2,514.48	2,500.00	2,513.83
201A Series - 5.90% Redeemable at par on 31.03.2025	900.00	935.39	900.00	935.50
133rd Series - 8.30% Redeemable at par on 10.04.2025	2,396.00	2,453.50	2,396.00	2,453.28
94th Series - 8.75% Redeemable at par on 09.06.2025	1,250.00	1,339.00	1,250.00	1,339.00
95-II Series - 8.75% Redeemable at par on 14.07.2025	1,800.00	1,913.49	1,800.00	1,913.49
136th Series - 8.11% Redeemable at par on 07.10.2025	2,585.00	2,670.75	2,585.00	2,671.10
203B Series - 5.85% Redeemable at par on 20.12.2025	2,777.00	2,821.01	2,777.00	2,844.16
204B Series - 5.81% Redeemable at par on 31.12.2025	2,082.00	2,111.47	2,082.00	2,116.78
205-B Series - 5.94 % Redeemable at par on 31.01.2026	2,000.00	2,018.82	2,000.00	2,024.68
211th Series - 6.23% Redeemable at par on 31.10.2031 with Put/ Call option exercisable on 31.10.2026	1,200.00	1,232.57	-	-
140th Series - 7.52% Redeemable at par on 07.11.2026	2,100.00	2,152.19	2,100.00	2,151.65
142nd Series - 7.54% Redeemable at par on 30.12.2026	3,000.00	3,066.06	3,000.00	3,055.87
147th Series - 7.95% Redeemable at par on 12.03.2027	2,745.00	2,750.60	2,745.00	2,745.44
156th Series - 7.70% Redeemable at par on 10.12.2027	3,533.00	3,614.30	3,533.00	3,612.72
162nd Series - 8.55% Redeemable at par on 09.08.2028	2,500.00	2,637.39	2,500.00	2,637.36
163rd Series - 8.63% Redeemable at par on 25.08.2028	2,500.00	2,628.01	2,500.00	2,627.99
168th Series - 8.56% Redeemable at par on 29.11.2028	2,552.40	2,625.69	2,552.40	2,624.45
169th Series - 8.37% Redeemable at par on 07.12.2028	2,554.00	2,620.97	2,554.00	2,621.52
176th Series - 8.85% Redeemable at par on 16.04.2029	1,600.70	1,735.73	1,600.70	1,735.65
178th Series - 8.80% Redeemable at par on 14.05.2029	1,097.00	1,169.96	1,097.00	1,168.79
180-B Series - 8.30% Redeemable at par on 25.06.2029	2,070.90	2,169.56	2,070.90	2,166.39
184-A Series - 8.25% Partly Paid Debentures Redeemable at par on 26.09.2029	870.60	907.18	580.40	604.76
192nd Series - 7.50% Redeemable at par on 28.02.2030	2,382.00	2,396.36	2,382.00	2,395.75
188B Series - 7.89% Redeemable at par on 31.03.2030	1,100.00	1,100.09	1,100.00	1,100.08
189th Series - 7.92% Redeemable at par on 31.03.2030	3,054.90	3,054.91	3,054.90	3,054.85
197th Series - 7.55% Redeemable at par on 11.05.2030	3,740.00	3,989.89	3,740.00	3,989.76
198B Series - 7.79% Redeemable at par on 21.05.2030	1,569.00	1,673.76	1,569.00	1,673.70

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
202A Series - 7.25% Redeemable at par on 30.09.2030	3,500.00	3,627.03	3,500.00	3,649.96
203A Series - 6.80% Redeemable at par on 20.12.2030	5,000.00	5,094.06	5,000.00	5,142.50
204A Series - 6.90% Redeemable at par on 31.01.2031	2,500.00	2,527.79	2,500.00	2,527.31
201B Series - 6.90% Redeemable at par on 31.03.2031	1,300.00	1,359.79	1,300.00	1,360.02
213th Series - 6.92% Redeemable at par on 20.03.2032	1,380.00	1,382.86	-	-
182nd Series - 8.18% Redeemable at par on 22.08.2034	5,063.00	5,314.67	5,063.00	5,314.66
183rd Series - 8.29% Redeemable at par on 16.09.2034	3,028.00	3,163.24	3,028.00	3,163.23
207th Series - 7.02 % Redeemable at par on 31.01.2036	4,589.90	4,641.75	4,589.90	4,644.40
208th Series - 7.40 % Redeemable at par on 15.03.2036	3,613.80	3,625.48	3,613.80	3,627.67
Total - Institutional Bonds	**1,44,074.60**	**1,48,998.67**	**1,69,856.60**	**1,75,707.24**

** PP-MLD- Principal Protected Market Linked Debentures*

*** STRPP- Separately Transferable Redeemable Principal Parts*

(ii) Infrastructure Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
Series-II (2011-12) - Redeemable at par	3.96	8.00	11.07	21.36
Total - Infrastructure Bonds	**3.96**	**8.00**	**11.07**	**21.36**

Details of Infrastructure Bonds issued are as under :

Series II (2011-12) allotted on 15.02.2012

(₹ in Crores)

Rate of Interest	As at 31.03.2022	As at 31.03.2021	Redemption Details
8.95% Cumulative	-	5.73	Redeemable on the date falling 10 years from the date of allotment
8.95% Annual	-	1.38	
9.15% Cumulative	2.83	2.83	Redeemable on the date falling 15 years from the date of allotment
9.15% Annual	1.13	1.13	
Total	**3.96**	**11.07**	

Amounts have been shown at face value

(iii) Foreign Currency Bonds

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Face Value	Amortised Cost	Face Value	Amortised Cost
4.75% US $500 Mn Bonds - Redeemable at par on 19.05.2023	3,790.36	3,848.85	3,675.24	3,726.60
5.250% US $700 Mn Bonds - Redeemable at par on 13.11.2023	5,306.50	5,387.23	5,145.33	5,209.90
3.375% US $650 Mn Bonds - Redeemable at par on 25.07.2024	4,927.46	4,941.02	4,777.81	4,784.36
3.50% US $500 Mn Bonds - Redeemable at par on 12.12.2024	3,790.36	3,822.14	3,675.24	3,703.43
2.25% US $500 Mn Bonds - Redeemable at par on 01.09.2026	3,790.36	3,785.82	3,675.24	3,672.19
2.75% US $400 Mn Bonds - Redeemable at par on 13.01.2027	3,032.28	3,045.13	-	-
3.875% US $450 Mn Green Bonds - Redeemable at par on 07.07.2027	3,411.32	3,102.47	3,307.71	2,956.72
4.625% US $300 Mn Bonds - Redeemable at par on 22.03.2028	2,274.21	2,094.49	2,205.14	2,007.20
Total - Foreign Currency Bonds	**30,322.85**	**30,027.15**	**26,461.71**	**26,060.40**

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Global Medium Term Note (GMTN) Programme

The Company has a Global Medium Term Note (GMTN) Programme of USD 7 Billion which is listed on SGX-ST (Singapore Stock Exchange - Securities Trading), LSE-ISM (London Stock Exchange – International Securities Market), Global Securities Market (GSM) of the India INX (India International Exchange) and NSE IFSC (NSE International Exchange). The summay of funds raised under the GMTN Programme is as below:

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Funds raised during the year under GMTN Programme	USD 0.4 Billion	USD 1 Billion
Cumulative amount raised under GMTN Programme	USD 4.4 Billion	USD 4 Billion
Outstanding amount out of funds raised under GMTN Programme	USD 4.0 Billion	USD 3.6 Billion

The amounts raised during the year have been utilized for the stated objects in the Offering Circular. Further, there has been no default as on the Balance Sheet date in the repayment of debt securities and borrowings and the Company has met all its debt servicing obligations, whether principal or interest, during the year.

21 Borrowings (Other than Debt Securities)

The Company has categorised all borrowings (other than debt securities) at Amortised Cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(A) Unsecured Long-Term Borrowings				
(i) Term Loans from Banks	42,878.32	42,919.86	29,938.58	29,953.76
(ii) Term Loans from Financial Institutions	6,800.00	6,800.00	5,800.00	5,800.00
(iii) Foreign Currency Borrowings	35,634.60	35,329.87	21,024.72	20,890.94
(iv) Term Loans from Govt. of India	10,000.00	10,325.12	10,000.00	10,325.12
(v) Lease Liability	0.03	0.03	0.05	0.05
Sub-total (A)	**95,312.95**	**95,374.88**	**66,763.35**	**66,969.87**
(B) Unsecured Short-Term Borrowings				
(i) FCNR (B) Loans	9,854.92	9,861.13	5,329.10	5,335.01
(ii) Short Term Loans/ Loans repayable on demand from Banks	1,410.93	1,415.58	10,186.52	10,201.99
(iii) Loans repayable on demand from Holding Company	-	-	3,000.00	3,000.49
Sub-total (B)	**11,265.85**	**11,276.71**	**18,515.62**	**18,537.49**
Total - Borrowings (other than Debt Securities) (A to B)	**1,06,578.80**	**1,06,651.59**	**85,278.97**	**85,507.36**
Borrowings (other than Debt Securities) in/ outside India				
(i) Borrowings in India	70,944.20	71,321.72	64,254.25	64,616.42
(ii) Borrowings outside India	35,634.60	35,329.87	21,024.72	20,890.94
Total - Borrowings (other than Debt Securities)	**1,06,578.80**	**1,06,651.59**	**85,278.97**	**85,507.36**

Please refer Note No. 22.2 for reconciliation between the figure represented in Face Value and Amortised Cost

21.1 Details of Unsecured Long-term Borrowings

(i) Term Loans from Banks

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Canara Bank	-	-	1,000.00	1,000.00
₹ 500 crores repaid on 05.07.2021, ₹ 500 crores repaid on 03.01.2022.				
- Bank of Baroda	-	-	2,000.00	2,000.36
₹ 2,000 crores repaid on 29.10.2021.				
- State Bank of India	12,729.30	12,729.30	10,839.90	10,839.90
₹ 4,999.98 crores repayable in 7 semi-annual instalments, first instalment due on 14.07.2022; ₹ 1,379.46 crores repayable in 3 annual instalments, next instalment due on 05.09.2022; ₹ 2,349.86 crores with ₹ 1650 crore repayable on 15.10.2022 and ₹ 699.86 crores on 05.03.2023; and ₹ 4,000 crores repayable in structured instalments, first instalment due on 29.10.2023.				

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- HDFC Bank	12,000.00	12,040.15	4,650.00	4,664.47
₹ 650 crores repayable on 30.09.2022, ₹ 2000 crores repayable on 04.12.2022, ₹ 2000 crores repayable on 15.06.2023, ₹ 1500 crores repayable on 19.06.2023, ₹ 300 crores repayable on 29.09.2023, ₹ 1500 crores repayable on 30.09.2023, ₹ 350 crores repayable on 11.10.2023, ₹ 350 crores repayable on 05.11.2023, ₹ 500 crores repayable on 15.01.2024, ₹ 850 crores repayable on 17.11.2026 and ₹ 2000 crores repayable on 31.03.2027.				
- Punjab National Bank	4,996.98	4,996.98	4,396.84	4,396.84
₹ 1,996.98 crores repayable in 3 annual instalments, first instalment due on 27.08.2023, ₹ 2,000 crores repayable on 11.11.2026 and ₹ 1,000 crores repayable in 5 annual instalments, first instalment due on 29.03.2028.				
- ICICI Bank	2,850.00	2,850.48	-	-
₹ 2,000 crores repayable in 9 annual instalments, first instalment due on 28.09.2023 and ₹ 850 crores repayable in 17 semi-annual instalments, first instalment due on 09.12.2023.				
- Deutsche Bank	1,000.00	1,000.15	500.00	500.08
₹ 500 crores repayable on 18.12.2023 and ₹ 500 crores repayable on 21.05.2024				
- JP Morgan Chase Bank	1,500.00	1,500.00	1,500.00	1,500.00
₹ 1,500 crores repayable on 26.03.2024				
- Bank of India	749.87	750.00	-	-
₹ 749.87 crores repayable in 5 annual instalments, first instalment due on 27.09.2024.				
- HSBC Bank	3,402.49	3,403.03	1,652.50	1,652.77
₹ 565 crores repayable on 19.05.2025, ₹ 187.49 crores repayable on 18.12.2025, ₹ 900 crores repayable on 25.03.2026, ₹ 500 crores repayable on 06.07.2026, ₹ 500 crores repayable on 09.07.2026, ₹ 85 crores repayable on 25.03.2030 and ₹ 665 crores repayable on 28.03.2030				
- Central Bank	500.00	500.00	-	-
₹ 500 crores repayable in 7 annual instalments, first instalment due on 28.02.2026.				
- Jammu & Kashmir Bank	300.00	300.05	-	-
₹ 300 crores repayable on 28.10.2026				
- Karur Vysya Bank	250.00	250.04	-	-
₹ 250 crores repayable on 29.10.2026				
- South Indian Bank	300.00	300.00	-	-
₹ 300 crores repayable on 08.11.2026			-	-
- Mizuho Bank	300.00	300.00	-	-
₹ 300 crores repayable on 21.01.2027				
- Union Bank of India	1,999.68	1,999.68	3,399.34	3,399.34
₹ 1,999.68 crores repayable in 5 annual instalments, first instalment due on 31.03.2027.				
Total - Unsecured Term Loans from Banks	**42,878.32**	**42,919.86**	**29,938.58**	**29,953.76**

Consolidated Notes to Accounts

(ii) Term Loans from Others - Financial Institutions

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Indian Infrastructure Finance Company Ltd. (IIFCL)	**6,800.00**	**6,800.00**	**5,800.00**	**5,800.00**
₹ 1,000 crores repayable on 03.06.2022 and ₹ 800 crores repayable on 23.06.2023, ₹ 1,500 crores repayable on 23.02.2024, ₹ 500 crores repayable on 14.03.2024, ₹ 1,000 crores repayable on 25.03.2026, ₹ 1,000 crores repayable on 27.03.2026 and ₹ 1,000 crores repayable on 09.08.2026				
Total - Term Loans from Others - Financial Institutions	**6,800.00**	**6,800.00**	**5,800.00**	**5,800.00**

(iii) Foreign Currency Borrowings

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
(1) ODA Loans - Guaranteed by Govt. of India				
JICA Loan - JICA-II loan repayable in half-yearly instalments till 20.03.2023, next instalment falling due on 20.09.2022	23.47	23.48	50.06	50.07
KfW-III Loan - Repayable in equal half-yearly instalments of €5.26 Mn till 30.03.2024, next instalment falling due on 30.06.2022	222.81	223.55	317.22	317.87
Sub-Total (1)	**246.28**	**247.03**	**367.28**	**367.94**
(2) ODA Loans - Without Govt. Guarantee				
KfW-IV Loan - Repayable in equal half-yearly instalments of €12.00 Mn till 15.11.2030 , next instalment falling due on 15.05.2022	1,637.43	1,639.80	1,241.16	1,243.23
Sub-Total (2)	**1,637.43**	**1,639.80**	**1,241.16**	**1,243.23**
(3) Bilateral/ Syndicated Loans				
US $100 Mn - Repayable on 05.10.2021	-	-	735.05	733.36
US $230 Mn - Repayable on 19.01.2022	-	-	1,690.61	1,676.86
US $200 Mn - Repayable on 28.07.2022	1,516.14	1,516.11	1,470.09	1,461.67
US $150 Mn - Repayable on 11.09.2022	1,137.11	1,136.75	1,102.57	1,097.49
US $250 Mn - Repayable on 29.08.2023	1,895.18	1,895.18	1,837.62	1,831.68
¥ 10,327.12 Mn - Repayable on 08.08.2023	642.66	636.04	685.31	673.06
US $250 Mn - Repayable on 27.03.2024	1,895.18	1,880.88	1,837.62	1,815.96
US $150 Mn - Repayable on 29.03.2024	1,137.11	1,125.35	1,102.57	1,085.82
US $100 Mn - Repayable on 01.07.2024	758.07	755.34	735.05	729.68
SG $72.08 Mn - Repayable on on 30.03.2025	403.21	396.92	391.79	383.78
US $75 Mn - Repayable on 30.03.2025	568.55	561.90	551.29	542.57
US $170 Mn - $100 Mn repayable on 26.03.2025 and $ 70 Mn repayable on 06.10.2025	1,288.72	1,288.65	1,249.58	1,249.55
¥ 10,519 Mn - Repayable on 25.09.2025	654.60	645.86	698.04	686.00
US $425 Mn - Repayable on 16.03.2026	3,221.80	3,207.65	3,123.95	3,095.46
US $600 Mn - Repayable on 25.08.2026	4,548.43	4,499.53	-	-
US $75 Mn - Repayable on 07.10.2026	568.55	565.00	-	-
US $1175 Mn - Repayable on 29.12.2026	8,907.33	8,751.96	-	-
¥ 37506 Mn - Repayable on 03.03.2027	2,334.04	2,293.52	-	-
US $300 Mn - Repayable on 02.06.2030	2,274.21	2,286.40	2,205.14	2,216.83
Sub-Total (3)	**33,750.89**	**33,443.04**	**19,416.28**	**19,279.77**
Total - Foreign Currency Borrowings (1+2+3)	**35,634.60**	**35,329.87**	**21,024.72**	**20,890.94**

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(iv) Term Loans from Govt. of India

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
- Loan from National Small Savings Fund (NSSF)	10,000.00	10,325.12	10,000.00	10,325.12
₹ 5,000 crores repayable on 13.12.2028 and ₹ 5,000 crores repayable on 04.10.2029				
Total - Term Loans from Govt.	**10,000.00**	**10,325.12**	**10,000.00**	**10,325.12**

21.2 Unsecured Short-Term Borrowings

(i) FCNR (B) Loans

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal O/s	Amortised Cost	Principal O/s	Amortised Cost
US$75 Mn - Repaid on 22.04.2021	-	-	551.29	553.09
US$75 Mn - Repaid on 20.05.2021	-	-	551.29	553.11
US$75 Mn - Repaid on 15.11.2021	-	-	551.29	551.29
US$200 Mn - Repaid on 20.12.2021	-	-	1,470.09	1,470.15
US$200 Mn - Repaid on 30.12.2021	-	-	1,470.09	1,472.31
US$100 Mn - Repaid on 30.12.2021	-	-	735.05	735.06
US$200 Mn - Repayable on 24.05.2022	1,516.14	1,517.78	-	-
US$150 Mn - Repayable on 27.05.2022	1,137.11	1,137.16	-	-
US$200 Mn - Repayable on 03.06.2022	1,516.14	1,516.21	-	-
US$25 Mn - Repayable on 07.06.2022	189.52	189.72	-	-
US$150 Mn - Repayable on 18.06.2022	1,137.11	1,137.17	-	-
US$200 Mn - Repayable on 10.12.2022	1,516.14	1,517.90	-	-
US$75 Mn - Repayable on 14.12.2022	568.55	569.21	-	-
US$200 Mn - Repayable on 30.12.2022	1,516.14	1,517.91	-	-
US$100 Mn - Repayable on 23.02.2023	758.07	758.07	-	-
Total - FCNR (B) Loans	**9,854.92**	**9,861.13**	**5,329.10**	**5,335.01**

21.3 Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 21.1 (i), (ii) and (iv) have been raised at interest rates ranging from 5.00% to 8.29% payable on monthly/quarterly/semi annual rests.

21.4 Foreign Currency Borrowings in Note No. 21.1(iii) have been raised at fixed interest rates ranging from 0.65% to 1.86% per annum and variable interest rates ranging from a spread of 13 bps to 210 bps over external benchmarks including 1/3/6 Months' USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) and Credit Adjustment Spread as applicable on transition of loans to new benchmark rates.

21.5 Security Details of Secured Debt Securities and Borrowings

For all the secured bonds issued by the Company and outstanding as at balance sheet date, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.

The Bond Series 123-IIIB of Institutional Bonds are secured by way of first pari passu charge on the specified immovable property and the book debts of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the Trustee, pursuant to the terms of the Bond Trust Deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.

Tax Free Bonds issued during FY 2011-12 are secured by first pari passu charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of receivables of ₹ 4,998.66 Crores of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).

Tax Free Bonds issued during FY 2013-14 are secured by first pari passu charge on the book debts (other than those that are exclusively charged/earmarked to lenders / other Trustees) of the Company in favour of SBICap Trustee Company Ltd.

The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura,

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Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

The Bond Series XIV and XV of 54EC Capital Gain Tax Exemption Bonds are secured by first pari passu charge on hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

Refer Note No. 10 and 16.2 for the carrying value of receivables and Property, Plant and Equipment (PPE) pledged as security.

21.6 No charges or satisfaction are yet to be registered with Registrar of Companies ROC beyond the respective statutory date.

22 Subordinated Liabilities

The Company has categorised all debt securities at amortised cost in accordance with the requirements of Ind AS 109.

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Face Value	Amortised Cost	Face Value	Amortised Cost
(i)	**115th Series - Subordinate Tier-II Bonds -** 8.06% Redeemable at par on 31.05.2023	2,500.00	2,668.11	2,500.00	2,667.90
		-	-	-	-
(ii)	**175th Series - Subordinate Tier-II Bonds -** 8.97% Redeemable at par on 28.03.2029	2,151.20	2,100.70	2,151.20	2,151.45
(iii)	**199th Series - Subordinate Tier-II Bonds -** 7.96% Redeemable at par on 15.06.2030	1,999.50	2,047.66	1,999.50	2,127.54
	Total - Subordinated Liabilities	**6,650.70**	**6,816.47**	**6,650.70**	**6,946.89**
	Subordinated Liabilities in/ outside India				
(i)	Borrowings in India	6,650.70	6,816.47	6,650.70	6,946.89
(ii)	Borrowings outside India	-	-	-	-
	Total - Subordinated Liabilities	**6,650.70**	**6,816.47**	**6,650.70**	**6,946.89**

Refer Note No. 22.2 for reconciliation between the figure represented in Face Value and Amortised Cost

22.1 Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating
Domestic Long-term Borrowings	CRISIL AAA, ICRA AAA, CARE AAA, IND AAA
Domestic Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAAr, ICRA PP-MLD AAA
Domestic Perpetual Bonds	CRISIL AAA, CARE AA+
Domestic Short term Borowings	CRISIL A1+, ICRA A1+, CARE A1+, IND A1+
International Long-term Issuer Rating	BBB- (Fitch), Baa3 (Moody's)

There has been no migration of ratings during the year.

22.2 Reconciliation between carrying values and the contractual amounts outstanding in respect of Borrowings:

(₹ in Crores)

Particulars	Debt Securities	Other Borrowings	Subordinated Liabilities	Total
As at 31st March 2022				
Total Amount as per Ind-AS	**2,19,574.61**	**1,06,651.59**	**6,816.47**	**3,33,042.67**
Less: Interest accrued on Borrowings classified under the same head as per Ind-AS	(6,736.43)	(430.69)	(296.94)	(7,464.06)
Add: Ind-AS Adjustments	719.20	357.90	131.17	1,208.27
Total Borrowings Outstanding	**2,13,557.38**	**1,06,578.80**	**6,650.70**	**3,26,786.88**
As at 31st March 2021				
Total Amount as per Ind-AS	**2,37,269.11**	**85,507.36**	**6,946.89**	**3,29,723.36**
Less: Interest accrued on Borrowings classified under the same head as per Ind-AS	(7,569.58)	(397.62)	(299.48)	(8,266.68)
Add: Ind-AS Adjustments	824.41	169.23	3.29	996.93
Total Borrowings Outstanding	**2,30,523.94**	**85,278.97**	**6,650.70**	**3,22,453.61**

Consolidated Notes to Accounts

22.3 The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and bonds of different tenors through private placement of debt securities. The amounts raised during the year have been utilized for the stated objects in the offer document/ information memorandum. Further, there has been no default as on the Balance Sheet date in the repayment of debt securities, borrowings and subordinated liabilities and the Company has met all its debt servicing obligations, whether principal or interest, during the year.

23 Other Financial Liabilities

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	**Unpaid Dividends (Refer Note 23.1)**	6.39	5.79
(B)	**Bond Application Money refundable and interest accrued thereon**	-	0.01
(C)	**Unpaid Principal & Interest on Bonds (Refer Note 23.1)**		
	- Matured Bonds & Interest Accrued thereon	22.01	49.77
	- Interest on Bonds	6.72	18.95
	Sub-total (C)	**28.73**	**68.72**
(D)	**Funds Received from Govt. of India for Disbursement as Subsidy/ Grant (cumulative)**	97,373.51	91,398.16
	Add: Interest on such funds (net of refund)	33.24	28.96
	Less: Disbursed to Beneficiaries (cumulative)	(96,514.35)	(90,098.32)
	Undisbursed Funds to be disbursed as Subsidy/ Grant	**892.40**	**1,328.80**
(E)	**Payables towards Bonds Fully serviced by Govt. of India**	24,318.29	24,314.43
(F)	**Other Liabilities**	462.83	495.25
	Total (A to F)	**25,708.64**	**26,213.00**

23.1 Unpaid dividends, unpaid principal and interest on bonds include the amounts which have either not been claimed by the investors or are on hold pending formalities pursuant to investors' claims etc. The amount due to be transferred to Investor Education and Protection Fund (IEPF) as at 31st March 2022 is ₹ 1.22 crores (₹ 0.62 crores as at 31st March 2021) which has been transferred within the prescribed time limit.

23.2 Subsidy Under Accelerated Generation & Supply Programme (AG&SP):

The Company is maintaining an Interest Subsidy Fund Account and was given AG&SP subsidy (for disbursement to the eligible borrowers) by Govt. of India at net present value calculated at indicative rates and year in accordance with GOI's letter vide D.O.No. 32024/17/97-PFC dated 23.09.1997 and O.M.No.32024/23/2001-PFC dated 07.03.2003 irrespective of the actual repayment schedule, moratorium year and duration of repayment of the eligible schemes. The impact of difference between the indicative rate and year considered at the time of drawl and the actual can be ascertained only after the end of the respective schemes.

Net amount of ₹ 0.73 Crores as at 31st March 2022 (₹ 0.71 Crores as at 31st March 2021) represents the balance amount of interest subsidy fund, which is to be passed on to the borrowers against their interest liability arising in future, under Accelerated Generation & Supply Programme (AG&SP), which comprises of the following :-

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance of Interest Subsidy Fund	**0.71**	**0.69**
Add: Interest earned during the year	0.02	0.02
Less: Interest subsidy passed on to the borrower	-	-
Closing Balance of Interest Subsidy Fund	**0.73**	**0.71**

23.3 Government of India has appointed REC Ltd. as a nodal agency for implementation of Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) and Revamped Distribution Sector Scheme (RDSS). The funds received for disbursement to various agencies under the schemes are kept in a respective separate bank accounts. The undisbursed funds for the schemes (including the funds received under erstwhile RGGVY Scheme) including interest earned thereto are classified under "Undisbursed Funds to be disbursed as Subsidy/ Grant" under the head "Other Financial Liabilities".

Consolidated Notes to Accounts

23.4 The movement in Interest on Subsidy/ Grant is explained as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**28.96**	**31.96**
Add: Interest earned/Adjustment during the year	25.25	30.48
Less: Amount refunded to Govt./Adjusted during the year	(20.98)	(33.48)
Closing Balance	**33.24**	**28.96**

23.5 For meeting GOI's funding requirement of DDUGJY Scheme, during the year, the Company has raised funds an aggregate amount of ₹ Nil (Previous year ₹ 2,500 crores) through unsecured, redeemable, non-convertible, taxable bonds in the nature of debentures of face value of ₹ 10 lacs at par on private placement basis. As per Ministry of Finance (MoF) letter dated 2nd December, 2020 and 3rd March, 2021, the repayment of principal and interest of the above bonds shall be made by GoI by making suitable budget provisions in the demand of Ministry of Power. Accordingly, the amount of such bonds along-with interest is also appearing as recoverable by the Company from Govt. of India (Note 12).

Details of the GoI Fully Serviced Bonds raised are as follows:

(₹ in Crores)

Particulars	Coupon Rate	Interest Frequency	Redemption Date	As at 31.03.2022	As at 31.03.2021
GoI-I Series	8.09%	Semi-annual	21.03.2028	1,837.00	1,837.00
GoI-II Series	8.01%	Semi-annual	24.03.2028	1,410.00	1,410.00
GoI-III Series	8.06%	Semi-annual	27.03.2028	753.00	753.00
GoI-IV Series	8.70%	Semi-annual	28.09.2028	3,000.00	3,000.00
GoI-V Series	8.54%	Semi-annual	15.11.2028	3,600.00	3,600.00
GoI-VI Series	8.80%	Semi-annual	22.01.2029	2,027.00	2,027.00
GoI-VII Series	8.60%	Semi-annual	08.03.2029	1,200.00	1,200.00
GoI-VIII Series	8.30%	Semi-annual	25.03.2029	4,000.00	4,000.00
GoI- IX Series	7.14%	Semi-annual	02.03.2030	1,500.00	1,500.00
GoI- X Series	8.25%	Semi-annual	26.03.2030	532.30	532.30
GoI- XI Series	7.20%	Semi-annual	31.03.2030	1,750.00	1,750.00
GoI- XII Series	6.45%	Semi-annual	07.01.2031	1,000.00	1,000.00
GoI- XIII Series	6.63%	Semi-annual	28.01.2031	1,000.00	1,000.00
GoI- XIV Series	6.50%	Semi-annual	26.03.2031	500.00	500.00
Total				**24,109.30**	**24,109.30**

24 Current tax liabilities (net)

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Income Tax	18.01	2,691.90
Less: Advance Income-tax & TDS	(7.76)	(2,677.50)
Current tax liabilities (Net)	**10.25**	**14.40**

25 Provisions

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
	Provisions for		
(A)	**Employee Benefits (Refer Note 60)**		
	Gratuity	0.34	1.30
	Earned Leave Liability	25.57	18.57
	Post Retirement Medical Benefits	0.71	7.71

Consolidated Notes to Accounts

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
	Medical Leave Liability	21.49	20.91
	Settlement Allowance	1.79	1.89
	Economic Rehabilitation Scheme	4.15	4.13
	Long Service Award	2.25	2.02
	Incentive	28.47	47.92
	Loyalty Bonus	-	0.15
	Sub-total (A)	**84.77**	**104.60**
(B)	**Others**		
	Expected Credit Loss on Letters of Comfort Refer 25.1 & 25.2)	20.90	9.09
	Sub-total (B)	**20.90**	**9.09**
	Total (A+B)	**105.67**	**113.69**

25.1 Movement of Expected Credit Loss provision on Letters of comfort

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening balance	**9.09**	**8.38**
Add: Created during the year	17.18	0.75
Less: Reversed/ Adjusted during the year	(5.37)	(0.04)
Closing balance	**20.90**	**9.09**

25.2 The Company has maximum credit risk exposure of ₹ 4,068.95 crores (previous year ₹ 2,608.85 crores) related to Letters of Comfort issued to the banks, as a financial guarantee on behalf of the borrowers.

26 Other Non-Financial Liabilities

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
(A)	Income Received in Advance	-	0.01
(B)	Sundry Liabilities Account (Interest Capitalisation)	4.10	5.07
(C)	Unbilled Liability towards Capital Account	26.96	28.53
(D)	Unamortised Fee on Undisbursed Loans	28.72	68.64
(E)	Advance received from Govt. towards Govt. Schemes	1.00	1.17
(F)	Statutory Dues	28.25	26.82
(G)	Other Liabilities	0.10	0.01
	Total (A to G)	**89.13**	**130.25**

27 Equity Share Capital

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised :				
Equity shares of ₹ 10 each	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Issued, Subscribed and Paid up :				
Fully paid up Equity shares of ₹ 10 each	1,97,49,18,000	1,974.92	1,97,49,18,000	1,974.92
Total	**1,97,49,18,000**	**1,974.92**	**1,97,49,18,000**	**1,974.92**

27.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period

(₹ in Crores)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	No. of Shares	Amount	No. of Shares	Amount
Share Capital at the beginning of the period	1,97,49,18,000	1,974.92	1,97,49,18,000	1,974.92
Add: Shares issued & allotted during the period	-	-	-	-
Share Capital at the end of the period	**1,97,49,18,000**	**1,974.92**	**1,97,49,18,000**	**1,974.92**

Consolidated Notes to Accounts

27.2 Allotment of Bonus Shares during the year and during preceding five years

During the current year and preceding five years, no bonus shares were issued by the Company except in the FY 2016-17, when the Company had allotted 98,74,59,000 Equity Shares as fully paid up by way of bonus shares.

27.3 The Company has neither issued any equity shares pursuant to contract without payment being received in cash nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

27.4 Rights, Preferences and Restrictions attached to Equity shares

The holders of the equity shares of the Company are entitled to receive dividends as and when declared by the Company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to a shareholder of a listed public company, under the Companies Act, 2013 and rules made thereunder, Companies Act, 1956 (to the extent applicable), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

27.5 Shareholders holding more than 5% of fully paid-up equity shares as at Balance Sheet date:

(₹ in Crores)

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Power Finance Corporation Limited	1,03,94,95,247	52.63%	1,03,94,95,247	52.63%
HDFC Trustee Company Ltd. A/c HDFC Hybrid Debt Fund	15,89,92,122	8.05%	16,72,55,577	8.47%

27.6 Details of equity shares held by the Holding Company, including the subsidiaries and associates

Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961 is maintained by the Company in order to enable the Company to avail tax benefits. As per Section 36(1)(viia) of the Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision/ reserve made for bad and doubtful debts, not exceeding five per cent of the total income as per Income Tax Act. The reserve so maintained shall be primarily utilised for adjustment of actual bad debts or part thereof.

(₹ in Crores)

Name of the Company	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Power Finance Corporation Ltd.	1,03,94,95,247	52.63%	1,03,94,95,247	52.63%

27.7 Details of equity shares held by the promoters

Name of the Promoter	As at 31.03.2022			As at 31.03.2021		
	No. of Shares	Percentage	% change during the year	No. of Shares	Percentage	% change during the year
The President of India	-	-	-	-	-	-
Power Finance Corporation Ltd.	1,03,94,95,247	52.63%	-	1,03,94,95,247	52.63%	-

28 Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	Amount	Number	Amount
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	5,584	558.40	5,584	558.40
Total	**5,584**	**558.40**	**5,584**	**558.40**

28.1 Reconciliation of the number of perpetual securities outstanding at the beginning and at the end of the year

(₹ in Crores)

Particulars	For the year ended 31.03.2022		For the year ended 31.03.2021	
	Number	Amount	Number	Amount
Balance at the beginning of the year	**5,584**	**558.40**	**-**	**-**
Increase/ (Decrease) during the year	-	-	5,584	558.40
Balance at the end of the year	**5,584**	**558.40**	**5,584**	**558.40**

Consolidated Notes to Accounts

28.2 Instrument holders holding more than 5% of Perpetual Debt Instruments entirely equity in nature as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	Number	Percentage	Number	Percentage
HVPNL Employees Pension Fund Trust	665	11.91%	665	11.91%
HPGCL Employees Pension Fund Trust	500	8.95%	500	8.95%

28.3 Company had issued Perpetual Debt Instruments of face value of ₹ 10 lakhs each, with no maturity and callable only at the option of the Company after 10 years. The claims of the holders of the securities shall be (a) Superior to the claims of the holders of the equity shares issued by the Issuer; and (b) Subordinated to the claims of all other creditors of the Issuer. The instruments carry a step up provision if not called after 10 years. The payment of Coupons may be cancelled or suspended at the discretion of the Company. The coupon of the securities is not cumulative except where the Issuer shall not be liable to pay coupon and may defer the payment of coupon, if (i) The capital to risk assets ratio ("CRAR") of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI.

As these securities are perpetual in nature and the Company does not have any redemption obligation and discretion on payment of coupon, these have been classified as equity. Further, the periodic coupon payments are accordingly adjusted with retained earnings."

29 Other Equity

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	**Other Reserves**		
(i)	Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	22,302.93	19,222.23
(ii)	Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	196.82	2,128.41
(iii)	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	5,814.00	3,804.00
(iv)	Securities Premium	2,236.54	2,236.54
(v)	Foreign Currency Monetary Item Translation Difference Account	(555.29)	(573.16)
(vi)	Capital Reserve	0.00	4.70
(vii)	General Reserve	11,839.45	9,903.16
(B)	**Retained Earnings**	7,186.05	4,606.01
(C)	**Other Comprehensive Income (OCI)**		
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	(1.19)
	- Equity Instruments through Other Comprehensive Income	(37.98)	24.07
	- Effective Portion of Cash Flow Hedges	194.21	(165.61)
	- Cost of Hedging reserve	(395.95)	41.45
	Total - Other Equity (A+B+C)	**48,780.78**	**41,230.61**

Additions and deductions to the components of 'Other Equity' has been disclosed in 'Statement of Changes in Equity'.

29.1 Pursuant to regulatory guidelines and utilisation of reserves created for specific purposes, the Company has transferred the following amounts from different reserves to General Reserve:

(i) **<u>During the financial year 2021-22</u>**

(a) ₹ 1,931.59 crores from Reserve for Bad & Doubtful Debts under Section 36(1)(viia)(c) of the Income Tax Act, 1961 on account of actual write-offs on loan assets and other recoverables.

(ii) **<u>During the financial year 2020-21</u>**

(a) ₹ 1,152.55 crores from Reserve for Bad & Doubtful Debts under Section 36(1)(viia)(c) of the Income Tax Act, 1961 on account of actual write-offs on loan assets

(b) ₹ 793.29 crores from Impairment Reserves has been transferred to the General Reserves in pursuance of RBI Guidelines

29.2 Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961

Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961 is maintained by the Company in order to enable the Company to avail tax benefits. As per section 36(1)(viii) of the Income Tax Act, 1961, the company is eligible for deduction not exceeding 20% of profit derived from long term finance activity, provided such amount is transferred and maintained in special reserve account.

Consolidated Notes to Accounts

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**19,222.23**	**16,659.10**
Add: Transferred from Retained Earnings	3,080.70	2,563.13
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**22,302.93**	**19,222.23**

29.3 Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961

Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961 is maintained by the Company in order to enable the Company to avail tax benefits. As per Section 36(1)(viia) of the Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision/ reserve made for bad and doubtful debts, not exceeding five per cent of the total income as per Income Tax Act. The reserve so maintained shall be primarily utilised for adjustment of actual bad debts or part thereof.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**2,128.41**	**2,992.83**
Add: Transferred from Retained Earnings	-	288.13
Less: Transferred to General Reserve	(1,931.59)	(1,152.55)
Balance as at the end of the year	**196.82**	**2,128.41**

29.4 Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

The Company is creating the Reserve Fund as required u/s 45IC of Reserve Bank of India Act, 1934, wherein at least 20% of net profit is required to be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India from time to time and further, any such appropriation is also required to be reported to the Reserve Bank of India within 21 days from the date of such withdrawal.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**3,804.00**	**2,131.00**
Add: Transferred from Retained Earnings	2,010.00	1,673.00
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**5,814.00**	**3,804.00**

29.5 Securities Premium

Securities Premium represents the premium received by the Company on issue of shares and debt securities. It is utilised in accordance with the provisions of the Companies Act, 2013.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**2,236.54**	**2,236.54**
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**2,236.54**	**2,236.54**

Consolidated Notes to Accounts

29.6 Foreign Currency Monetary Item Translation Difference Account

The company had opted towards an irrevocable option for amortising the foreign exchange fluctuation loss/gain on the long term foreign currency monetary items over the balance period of such items in accordance with Para 46A of the erstwhile applicable Accounting Standard 11 'The Effects of Changes in Foreign Exchange Rates'. The Company opted to continue the policy of such amortisation as per the previous GAAP in respect of the exchange differences arising from translation of long-term foreign currency monetary items as on 31st March 2018 in line with the provisions of Ind-AS. The balance in this account represents the unamortised gain/ (loss) which will be amortised over the balance period of the eligible long term foreign currency monetary liabilities.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**(573.16)**	**(1,719.38)**
Add: Foreign Currency Translation Gain/ Loss (-) on long term monetary items during the year	(216.94)	437.65
Less: Amortisation during the year	234.81	708.57
Balance as at the end of the year	**(555.29)**	**(573.16)**

29.7 General Reserve

General Reserve includes the amounts appropriated from the profits of the Company and also amounts transferred from Statutory Reserves.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**9,903.16**	**6,976.22**
Add: Transferred from Retained Earnings	-	981.10
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	1,931.59	1,152.55
Add: Transferred from Debenture Redemption Reserve	-	-
Add: Transferred from Impairment Reserve	-	793.29
Add: Transferred from Capital Reserve	4.70	
Balance as at the end of the year	**11,839.45**	**9,903.16**

29.8 Impairment Reserve

As per the Reserve Bank of India (RBI) Guidelines, the Company is required to appropriate the difference from their net profit after tax to "Impairment Reserve" where the impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) Norms (including standard asset provisioning) issued by RBI. The Company reviews the requirement at each reporting date. In pursuance of the guidelines, an amount of ₹ 793.29 crores lying under Impairment reserve has been transferred to General Reserve during the FY 20-21.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**-**	**793.29**
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	(793.29)
Balance as at the end of the year	**-**	**-**

Consolidated Notes to Accounts

29.9 Equity Instruments through Other Comprehensive Income (OCI)

The Group has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within the OCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the related equity securities are derecognised.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**24.07**	**106.26**
Add: Recognition through Other Comprehensive Income (net of taxes)	24.74	160.52
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	(86.79)	(242.71)
Balance as at the end of the year	**(37.98)**	**24.07**

29.10 Effective Portion of Cash Flow Hedges

The Company uses derivative instruments in pursuance of managing its foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent the derivative contracts designated under the hedge accounting are effective hedges, the change in fair value of the hedging instrument is recognised in 'Effective Portion of Cash Flow Hedges'. Amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

Detail of Movement during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**(165.61)**	**(226.08)**
Add: Recognition through Other Comprehensive Income (net of taxes)	359.82	60.47
Balance as at the end of the year	**194.21**	**(165.61)**

29.11 Cost of Hedging Reserve

The Company designates the intrinsic value of foreign currency option contracts as hedging instruments in 'Cash Flow Hedge' relationships. The changes in fair value of the time value of an option are recognised in OCI and amortised to the Statement of Profit and Loss on a rational basis.

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**41.45**	**(204.75)**
Add: Recognition through Other Comprehensive Income (net of taxes)	(437.40)	246.20
Balance as at the end of the year	**(395.95)**	**41.45**

29.12 Detail of Movement in Capital Reserve during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**4.70**	**4.70**
Less: Transferred to General Reserve	(4.70)	-
Balance as at the end of the year	**-**	**4.70**

Consolidated Notes to Accounts

29.13 Detail of Movement in Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**(1.19)**	**(2.48)**
Add: Recognition through Other Comprehensive Income (net of taxes)	1.19	1.29
Balance as at the end of the year	**-**	**(1.19)**

29.14 Detail of Movement in Retained Earnings during the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance as at the begining of the year	**4,606.01**	**3,674.25**
Add: Profit for the year	10,035.69	8,378.24
Add: Remeasurement of Defined Benefit Plans (net of taxes)	(6.23)	(10.67)
Add: Recognition through Other Comprehensive Income (net of taxes)	(0.02)	(0.05)
Less: Transferred to General Reserve	-	(981.10)
Less: Transferred to Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	(3,080.70)	(2,563.13)
Less: Transferred to Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	-	(288.13)
Less: Transferred to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(2,010.00)	(1,673.00)
Less: Transferred to Debenture Redemption Reserve	-	-
Less: Transferred to Impairment Reserve	-	-
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument	86.79	242.71
Less: Coupon Payment on Instrument Entirely Equity in Nature (Perpetual Debt Instruments) (Net of Taxes)	(34.12)	-
Less: Issue expenses on Perpetual Debt Instruments (net of taxes)	-	(0.70)
Less: Dividend paid during the year	(2,411.37)	(2,172.41)
Less: Dividend Distribution Tax	-	-
Balance as at the end of the year	**7,186.05**	**4,606.01**

29.15 Dividend declared/ proposed by the Company for Equity Shares of ₹ 10/- each

(₹ in Crores)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Dividend per Equity Share	Dividend Amount	Dividend per Equity Share	Dividend Amount
	(₹)	(₹ in Crores)	(₹)	(₹ in Crores)
Interim Dividend	10.50	2,073.66	11.00	2,172.41
Final/ Proposed Dividend	4.80	947.96	1.71	337.71
Total Dividend	**15.30**	**3021.62**	**12.71**	**2,510.12**

The Board of Directors at its meeting held on 13th May, 2022 recommended final dividend of ₹ 4.80/- per equity share (on face value of ₹ 10/- each) for the financial year 2021-22, subject to approval of Shareholders in the ensuing Annual General Meeting.

As per the requirements of Ind-AS 10 'Events after the Reporting Period', the Company is not required to provide for the dividend proposed by the Board of Directors after the end of the financial year. Such appropriation is made after the approval in the Annual General Meeting (AGM) in case of final dividend.

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30 Interest Income

(₹ in Crores)

Particulars		Year ended 31.03.2022			Year ended 31.03.2021		
		On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Fair Value through Profit or Loss
(A)	**Interest on Loan Assets**						
(i)	Long term financing	-	37,613.72	-	-	34,160.00	-
	Less: Rebate for timely payments/ completion etc	-	(0.04)	-	-	(0.06)	-
	Long term financing (net)	-	37,613.68	-	-	34,159.94	-
(ii)	Short term financing	-	197.16	-	-	69.98	-
	Sub-total (A)	**-**	**37,810.84**	**-**	**-**	**34,229.92**	**-**
(B)	**Interest Income from Investments**						
(i)	Interest from Long Term Investments	-	110.44	27.15	-	29.40	195.30
	Sub-total (B)	**-**	**110.44**	**27.15**	**-**	**29.40**	**195.30**
(C)	**Interest on Deposits with Banks**						
(i)	Interest from Deposits	-	89.78	-	-	161.44	-
	Sub-total (C)	**-**	**89.78**	**-**	**-**	**161.44**	**-**
(D)	**Other Interest Income**						
(i)	Interest on Delayed Payments by Borrowers	-	154.54	-	-	72.84	-
(ii)	Interest from Staff Advances	-	0.97	-	-	3.70	-
(iii)	Interest on Mobilisation Advance	-	0.24	-	-	0.56	-
(iv)	Unwinding of Discount of Security Deposits	-	0.16	-	-	0.19	-
(v)	Interest from SPVs	-	0.37	-	-	0.16	-
	Sub-total (D)	**-**	**156.28**	**-**	**-**	**4.61**	**-**
	Total - Interest Income (A to D)	**-**	**38,167.34**	**27.15**	**-**	**34,498.21**	**195.30**

31 Dividend Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Dividend from Long-Term Investments	4.21	27.97
Total - Dividend Income	**4.21**	**27.97**

31.1 Details of dividend recognised on Other Investments :

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Dividend on FVOCI Equity Investments		
- Investments held at the end of the year	3.20	27.63
- Investments derecognized during the year	1.01	0.34
Total	**4.21**	**27.97**

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32 Fees and Commission Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Fees based Income	92.22	26.57
Prepayment Premium	465.37	35.14
Fee for Implementation of Govt. Schemes	15.23	33.67
Total - Fees and Commission Income	**572.82**	**95.38**

33 Sale of services

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Consultancy Engineering Services	150.96	163.65
Total	**150.96**	**163.65**

34 Other Income

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net gain/ (loss) on disposal of assets classified as held for sale	30.19	
Rental Income	16.32	2.17
Liabilities/Provision Written Back	10.09	-
Fees from Training Courses	6.57	2.77
Interest from Income Tax Refund	0.84	1.00
Miscellaneous Income	6.14	16.78
Total - Other Income	**70.15**	**22.72**

35 Finance Costs

Finance Costs have been incurred on financial liabilities measured at amortised cost.

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i) Interest on Borrowings		
- Loans from Govt. of India	822.50	820.81
- Loans from Banks/ Financial Institutions	2,788.79	2,091.00
- External Commercial Borrowings	577.12	630.50
- Lease Liability	-	0.11
Sub-Total (i)	**4,188.41**	**3,542.42**
(ii) Interest on Debt Securities		
- Domestic Debt Securities	14,759.43	15,289.04
- Foreign Currency Debt Securities	1,294.73	1,196.54
- Commercial Paper	14.76	35.32
Sub-Total (ii)	**16,068.92**	**16,520.90**
(iii) Interest on Subordinated Liabilities		
- Subordinate Bonds	523.30	523.75
Sub-Total (iii)	**523.30**	**523.75**
(iv) Other Interest Expense		
- Swap Premium	1,269.34	894.62
- Interest on Advance Income Tax	0.75	22.71
- Interest on liability towards employee benefits	3.48	2.32
- Miscellaneous interest expense	1.86	4.37
Sub-Total (iv)	**1,275.43**	**924.02**
Total - Finance Costs	**22,056.06**	**21,511.09**
Less: Finance Costs Capitalised	(5.10)	(22.04)
Total - Finance Costs (Net)	**22,050.96**	**21,489.05**

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36 Net translation/ transaction exchange loss/ (gain)

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net translation/ transaction exchange loss/ (gain)	799.05	330.26
Total	**799.05**	**330.26**

The figures above include amortisation of net translation/ transaction exchange loss/ (gain) on Long Term Foreign Currency Monetary Items recognised in the financial statements before 1st April 2018 amounting to ₹ 234.81 crores (Previous year ₹ 708.57 crores).

36.1 The foreign currency monetary items are translated at FBIL (Financial Benchmark India Private Ltd) reference rates prevailing at the end of each reporting period or where the FBIL reference rate is not available for any currency, the closing rate for the same date quoted on Bloomberg. The respective rates as on the reporting date are as below:

Exchange Rates	USD/INR	JPY/INR	Euro/INR	SGD/INR
As at 31st March 2022	75.8071	0.6223	84.6599	55.9438
As at 31st March 2021	73.5047	0.6636	86.0990	54.3581

37 Fees and commission expense

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	Guarantee Fee	4.29	-
(ii)	Listing and Trusteeship Fee	0.84	0.78
(iii)	Agency Fees	2.01	3.01
(iv)	Credit Rating Expenses	6.69	3.33
(v)	Other Finance Charges	2.90	2.83
	Total (i to v)	**16.73**	**9.95**

38 Net Gain/ (loss) on Fair Value Changes

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Net gain/ (loss) on financial instruments at Fair Value through profit or loss		
(i) On trading Portfolio	-	-
(ii) Others		
- Changes in fair value of Derivatives	351.36	545.92
- Changes in fair value of Long Term Investments	(12.78)	2.43
- Changes in fair value of Short-term MF investments	7.99	23.98
Sub-total (ii)	**346.57**	**572.33**
Total (A)	**346.57**	**572.33**
Breakup of Fair Value Changes		
- Realised	365.03	590.79
- Unrealised	(18.46)	(18.46)
Total Net Gain/ (loss) on Fair Value Changes	**346.57**	**572.33**

Fair value changes in this schedule are other than those arising on account of accrued interest income/ expense and represents changes in fair value of derivatives designated as economic hedges not designated under hedge accounting and ineffective hedge

39 Impairment on financial instruments

(₹ in Crores)

Particulars		Year ended 31.03.2022		Year ended 31.03.2021	
		On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost	On financial instruments measured at FVOCI	On financial instruments measured at Amortised Cost
(i)	- Loans *	-	3,434.36	-	2,363.33
(ii)	- Investments	-	28.72		-
(iii)	- Others	-	6.94	-	82.61
	Total (i+ii+iii)	**-**	**3,470.02**	**-**	**2,445.94**

** includes ₹ 11.81 crores (Previous year ₹ 0.71 crores) towards impairment allowance on Letter of Comfort.*

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40 Cost of services rendered

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Project Expenses	65.11	88.67
Total	**65.11**	**88.67**

41 Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Salaries and Allowances	134.23	119.67
- Contribution to Provident Fund and Other Funds	11.60	13.96
- Expenses towards Post Employment Benefits	7.46	4.87
- Rent towards Residential Accomodation for Employees	3.77	2.19
- Staff Welfare Expenses	23.03	22.93
Total	**180.09**	**163.62**

42 Depreciation and amortization

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Depreciation on Property, Plant & Equipment	15.35	8.12
- Amortization on Intangible Assets	2.89	2.74
Total	**18.24**	**10.86**

43 Corporate Social Responsibility Expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Direct Expenditure	166.88	141.73
- Overheads	5.47	4.54
Total	**172.35**	**146.27**

43.1 Ministry of Corporate Affairs (MCA) vide its notification dated Janurary 22, 2021 has prescribed Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective prospectively from the date of notification, as clarified by MCA. These rules require that any unspent CSR amount, other than for any ongoing project, must be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. In case such unspent amount pertains to any ongoing project, it must be transferred to unspent CSR Account by 30th April of the next year. However, if such amount is not utilised within three financial years, it is required to be transferred to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. The Company also carries the right to set-off any amount spent in excess of the requirement under the Act within three succeeding financial years against the amount to be spent.

43.2 Details of Gross Amount required to be spent by the Group:

(a) Gross amount required to be spent by the company during the year is ₹ 172.35 crores (previous year ₹ 146.27 crores)

(b) Amount approved by the Board to be spent during the year is ₹ 172.35 crores (previous year ₹ 146.27 crores)

(c) Refer Note no. 58 for related party transactions related to CSR.

(d) Amount required to be spent on CSR activities as per Section 135 (5) of the Companies Act, 2013:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A) Opening Balance - Excess amount spent	**(4.03)**	**-**
(B) Amount required to be spent during the year	172.35	146.27
(C) Amount spent during the year	168.80	150.30
(D) Closing Balance - Excess amount spent* (A+B-C)	**(0.48)**	**(4.03)**

** eligible to be set-off in the next three succeeding financial years*

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43.3 Amount spent during the year

(₹ in Crores)

Particulars	Year ended 31.03.2022			Year ended 31.03.2021		
	In Cash	Yet to be paid	Total	In Cash	Yet to be paid	Total
(i) Construction/ acquisition of any asset	**-**	**-**	**-**	**-**	**-**	**-**
(ii) On purpose other than (i) above						
Health/Sanitation / Waste Management / Drinking water	54.75	-	54.75	28.48	-	28.48
Education/ Vocational/ Skill Development	16.83	-	16.83	18.20	-	18.20
Environmental Sustainability (Solar Applications/ Afforestation/ Energy efficient LED lighting)	8.25	-	8.25	18.01	-	18.01
Sports	15.00	-	15.00	-	-	-
Contribution to PM CARES Fund	50.00	-	50.00	50.03	-	50.03
Provision of food/ration to migrant workers due to COVID- 19 and Providing Cold Chain equipment for COVID-19 vaccination	0.60	-	0.60	7.75	-	7.75
Others	17.90	-	17.90	23.29	-	23.29
Administrative overheads including training, impact assessment etc.	5.47	-	5.47	4.54	-	4.54
Total (ii)	**168.80**	**-**	**168.80**	**150.30**	**-**	**150.30**

In support of the fight against the Covid-19 pandemic, the Company committed a total contribution of ₹ 200 crores to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund), of which ₹ 50 crores was contributed during the year 2021-22, ₹ 50 crores contributed during the year 2020-21 and ₹ 100 crores contributed during the year 2019-20.

44 Other Expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Travelling and Conveyance	11.72	9.56
- Publicity & Promotion Expenses	2.32	8.36
- Repairs and Maintenance	27.45	18.37
- Rent, taxes and energy costs	7.32	16.95
- Insurance Charges	0.09	0.10
- Communication costs	2.91	3.43
- Printing & stationery	0.94	0.99
- Director's sitting fees	0.21	0.10
- Auditors' fees and expenses	1.59	1.52
- Legal & Professional Charges	11.59	11.28
- Net Loss on Disposal of Property, Plant & Equipment	0.97	4.03
- Training And Conference Expense	7.65	2.97
- Govt. Scheme Monitoring Expenses	18.49	18.28
- Impairment allowance on assets classified as held for sale	9.71	-
- Other Expenditure	21.35	13.44
Total	**124.31**	**109.38**

44.1 Disclosure in respect of Auditors' fees and expenses

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Fees paid to statutory auditors :		
- as auditor	0.62	0.74
- for taxation matters *	0.17	0.33
- for company law matters (includes limited review fees)	0.33	0.26
- for other services	-	-
(i) Certification of MTN Offer Document/ Comfort Letter	0.10	0.10
(ii) For Certifications	0.22	0.04

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(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Fees paid to statutory auditors :		
- for reimbursement of expenses	0.03	-
Sub-total	**1.47**	**1.47**
Non-recoverable tax credit in respect of fees paid to auditors	0.12	0.05
Total - Auditor's fees and expenses	**1.59**	**1.52**

** includes ₹ Nil (Previous year ₹ 0.12 crore) of fees for taxation matters pertaining to earlier years.*

45 Tax Expense

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
- Current tax expense	3,069.23	2,698.02
- Current tax expense/ (benefit) pertaining to earlier years	(3.96)	222.95
Sub-total - Current Tax	**3,065.27**	**2,920.97**
- Deferred tax expense/ (credit)	(670.44)	(519.62)
Total	**2,394.83**	**2,401.35**

45.2 Reconciliation of Effective Tax Rate

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit before Tax	**12,430.53**	**10,779.59**
Statutory income tax rate	**25.168%**	**25.168%**
Expected income tax expense	**3,128.52**	**2,713.01**
Tax effect of income tax adjustments:		
Benefit of deduction u/s 36(1)(viii) of Income Tax Act 1961	(775.36)	(645.09)
Non-allowability of CSR expenses & other adjustments	42.95	112.70
Other non-deductible tax expenses	(1.03)	6.16
Non Taxable Income	(2.59)	(8.57)
Tax Expense Earlier Years	(3.96)	222.95
Impact of change in tax rates	(3.98)	-
Tax effect on JV profit accounted for using equity method	2.97	0.50
Tax effect of intra group revenue reversals	7.30	(0.31)
Tax expense	**2,394.83**	**2,401.35**

46 Earnings per Share

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Numerator		
Profit for the year from continuing operations as per Statement of Profit and Loss (₹ in Crores)	10,035.70	8,378.24
Profit for the year from continuing and discontinued operations as per Statement of Profit and Loss (₹ in Crores)	10,035.70	8,378.24
Denominator		
Weighted average Number of equity shares	1,97,49,18,000	1,97,49,18,000
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing operations)	50.82	42.42
Basic & Diluted Earnings per Share (in ₹ for an equity share of ₹ 10 each) (for continuing and discontinued operations)		
	50.82	**42.42**

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47 Contingent Liabilities and Commitments :

47.1 Contingent Liabilities not provided for in respect of:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(A) Claims against the Company not acknowledged as debts	30.21	29.67
(B) Taxation Demands		
(i) - Demands raised by the Income Tax Department	167.69	25.41
(ii) - Demands against appeals filed by the Income Tax Department against the relief allowed to the Company	0.90	0.30
(iii) - Demands raised in respect of GST	17.89	-
(C) Others		
- Letters of Comfort	4,068.95	2,608.85
- Bank Guarantees	31.06	38.49

The amount referred to in 'A' above are in respect of cases pending in various courts and is dependent upon the verdict of the court.

The amount referred to in B(i) above are against the various demands raised by Income Tax Department. The company is contesting these demands and the management believes that its position will likely be upheld in the appellate process.

The amount referred to in B(ii) above are against the appeal filed by Income Tax Department in High Court against the relief allowed to the Company at ITAT level.

The amount referred to in B(iii) above is against the GST refund appeal filed by REC.

47.2 Commitments not provided for in respect of:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
- Contracts remaining to be executed on capital account		
- Towards Property, Plant & Equipment	129.13	225.95
- Towards Intangible Assets	-	0.16
- Other Commitments		
- CSR Commitments	400.30	260.85

48. Details of Registration/ License/ authorisation obtained from financial sector regulators:

Particulars	Regulator Name	Registration Details
(i) Corporate Identification Number	Ministry of Corporate Affairs	L40101DL1969GOI005095
(ii) Registration Number	Reserve Bank of India	14.000011
(iii) Legal Entity Identifier (LEI) Code	Global Legal Entity Identifier Foundation (GLEIF)	335800B4YRYWAMIJZ374
(iv) Registration Number	Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)	L0012

49 Implementation of Govt. Schemes

49.1 Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Government of India launched a scheme "Pradhan Mantri Sahaj Bijli Har Ghar Yojana" - Saubhagya to achieve universal household electrification in the country during Oct 2017. The scheme envisaged to provide last mile connectivity and electricity connections to all remaining un-electrified households in rural areas and poor households in urban areas. The capital outlay of Saubhagya Scheme was ₹ 16,320 Crore including Gross Budgetary Support of ₹ 12,320 Crore during the entire implementation period. Ministry of Power designated REC as the Nodal agency for operationalization of Saubhagya Scheme. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

49.2 Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the flagship scheme of Government of India covering all aspects of rural power distribution was launched in Nov 2014. Under the scheme 60% of the project cost (85% for special States) is provided as grant by Government of India and additional grant up to 15% (5% for special States) on achievement of prescribed milestones. DDUGJY facilitates towards achievement of '24x7 Power for All' in the country through the following project components:

(i) Separation of agriculture and non-agriculture feeders facilitating adequate power supply to agriculture & continuous power supply to non-agricultural consumers in the rural areas;

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(ii) Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/ feeders/ consumers;

(iii) Micro-grid and Off-grid distribution network;

(iv) Rural Electrification component under the RGGVY 12th and 13th plans, subsumed to DDUGJY.

The scheme had estimated outlay of ₹ 75,893 Crore including budgetary support of ₹ 63,027 Crore from Government of India during the entire implementation period. Additional Infra under DDUGJY was sanctioned with a total outlay of ₹ 7,069 Cr including budgetary support of ₹ 5,302 Cr. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

49.3 National Electricity Fund (NEF)

The National Electricity Fund (NEF), an interest subsidy scheme, has become operational since FY 2012-13. The scheme has been introduced by the Government of India to promote capital investment in the distribution sector. The scheme provides interest subsidy linked with reform measures, on the loans taken by public and private distribution power utilities for various capital works in the Distribution sector. NEF would provide interest subsidy aggregating up to ₹ 8,466 Crore (including interest subsidy to the borrowers, Service Charges to the Nodal Agency, payments to Independent Evaluators and other incidental expenses) spread over 14 years for loan disbursement against projects approved during 2012-13 and 2013-14. REC has been nominated as the Nodal Agency for operationalization of NEF scheme across the country.

49.4 Revamped Distribution Sector Scheme (RDSS)

Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to them so as to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 Crore over 5 years i.e. FY 2021-22 to FY 2025-26 including an estimated Government Budgetary Support (GBS) of ₹ 97,631 Crore.

(i) Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.

(ii) Reduction of ACS-ARR gap to zero by 2024-25.

(iii) Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Components of the scheme are :

Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.

Part B – Training & Capacity Building and other Enabling & Supporting Activities.

49.5 J&K Prime Minister's Development Plan (PMDP)

Government of Jammu & Kashmir, Power Development Department has appointed RECPDCL as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commsioning of all the material and services works to be taken-up for execution of transmission projects under PMDP in J&K state and Ladakh on nomination basis, as per actual cost to be discovered through competitive biddings.

49.6 11 kV Feeder Monitoring Scheme

Ministry of Power has appointed RECPDCL to implement 11 kV Feeder Monitoring Scheme. The scheme is to develop a Self-sustained independent web based system for automated 11 kV Rural Feeder Monitoring System through Data Logging of various essential parameters of all the Outgoing 11kV rural feeders from 66, 33/11 kV sub stations and make the information available online for various stake holders including public portal, on real time basis for power supply monitoring, alerts, meter data analysis, information dissemination and energy audit.

50 Capital management

The Company manages its capital to ensure that it will continue as going concern while maximizing the return to stakeholders. The capital structure of the Company consists of the equity and the long-term borrowings made by the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and raises funds through the suitable instruments, in light of the dynamic business environment and liquidity position within the sector. Further, with regard to capital restructuring, the Company is also guided, inter alia, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc. The Company has complied with all externally imposed capital requirements.

Consolidated Notes to Accounts

The debt-equity ratio of the Group is as below:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Net debt	3,26,645.89	3,21,274.39
Net Worth	51,314.10	43,763.93
Debt-equity ratio	**6.37**	**7.34**

Net debt represents principal outstanding less cash and cash equivalents available.

Dividend Distribution Policy

BoD monitors the dividend pay-out to the shareholders of the Company. Dividend distribution policy of the Company focuses on various factors including but not limited to the present & future capital requirements, profits earned during the financial year, Capital to Risk-weighted Assets Ratio (CRAR), cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend, subject to the guidelines as applicable from time to time, cash flow position and net worth of the Company, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by DIPAM, Govt. of India, Company is required to pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher. Though the Company endeavors to declare the dividend as per these guidelines, the Company may propose lower dividend after analysis of various financial parameters, cash flow position and funds required for future growth.

The Company has also adopted various policies for the management of the Company which inter-alia include Comprehensive Risk Management Policy, Whistle Blower Policy, Code for Prevention of Insider Trading in REC Equity Shares/Securities, Policy for prevention of Fraud, The Code of Business Conduct and Ethics for Board Members and Senior Management, Fair Practices Code, etc.

51 Capital to Risk-weighted Assets Ratio

The Company is complying with the Capital Adequacy requirements as prescribed by the Reserve Bank of India. Being an NBFC and Infrastructure Finance Company (NBFC-IFC), REC is required to maintain a Capital Adequacy Ratio or Capital to Risk Weighted Assets Ratio (CRAR) of 15% (with a minimum Tier I Capital of 10%), computed by dividing company's Tier-I and Tier-II capital by Risk Weighted Assets.

Particulars	Numerator* (₹ in Crores)	Denominator* (₹ in Crores)	As at 31.03.2022	As at 31.03.2021	% Variance
(i) CRAR	57,937.08	2,45,436.54	23.61%	19.72%	19.70%
(ii) CRAR - Tier I Capital	48,052.65	2,45,436.54	19.58%	16.31%	20.04%
(iii) CRAR - Tier II Capital	9,884.43	2,45,436.54	4.03%	3.41%	18.10%

The amount of Perpetual Debt Instrument of the Tier-I capital is 1.16% (previous year 1.44%)

** Numerator being Tier-I & Tier-II capital majorily consists of Equity (Refer Note no. 25, 26 and 27) and Denominator being Risk Weighted Assets majorily represents the weighted sum of company's credit exposure(s) such as Loans (Refer Note no. 10) and Investments (Refer Note no. 11), calculated in line with circular(s) issued by RBI in this regard, from time to time.*

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Amount of Subordinated Debt raised as Tier-II capital	-	1,999.50
Amount raised by issue of Perpetual Debt Instruments	-	558.40

52 Financial Risk Management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company has formulated a comprehensive Risk Management Policy, which covers, inter-alia, Credit Risk, Operational Risk and Market Risk of the organization. The Company's risk management policies are guided by well-defined policies appropriate for various risk categories, independent risk oversight and periodic monitoring. A Risk Management Committee (RMC) has also been constituted under the chairmanship of an Independent Director, whose main function is to identify and monitor various risks of the organization and to suggest actions for mitigation of the same.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Consolidated Notes to Accounts

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and Cash Equivalents, Loans, Financial Assets measured at amortised cost, Investment in G-Sec, State Development Loans, Debt Securities and Preference Shares	Ageing analysis	Bank deposits, liquid funds, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings, Debt Securities, Subordinated Liabilities, and Other Financial Liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - Currency risk	Recognised Financial Assets and Liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting	Derivative contracts
Market risk - interest rate risk	Borrowings, Debt Securities and Subordinated Liabilities at variable interest rates	Sensitivity analysis	Derivative contracts
Market risk - equity price risk	Investments in Quoted Equity Securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly

For managing these risks, the Company has put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. Pursuant to RBI notification DNBR (PD) CC.NO/.099/03.10.001/2018-19, to augment risk management practices in the Company, the Board has also appointed a Chief Risk Officer (CRO) who is involved in the process of identification, measurement and mitigation of risks. The risk management approach i.e. Company's objectives, policies and processes for measuring and managing each of above risk is set out in the subsequent paragraphs.

52.1 Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

52.1.1 Financial assets that expose the entity to credit risk

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Low credit risk on financial reporting date**		
	Cash and cash equivalents	140.99	1,179.24
	Bank balances other than cash and cash equivalents	2,518.96	2,223.58
	Loans *	3,35,876.99	3,58,891.11
	Trade Receivables	79.46	105.33
	Investments **	1,872.66	1,269.95
	Other financial assets	24,415.31	24,419.88
(ii)	**Moderate credit risk**		
	Loans *	36,424.23	2,888.05
	Trade Receivables	15.09	34.74
(iii)	**High credit risk**		
	Loans *	17,159.89	18,256.93
	Investments in Preference Share ***	28.72	-
	Other financial assets	91.17	88.53

** Represents the principal outstanding (along with undisbursed amount towards Letters of Comfort) without deduction for expected credit losses*

*** This does not include investments in equity instruments and venture capital funds carried at FVOCI/ FVTPL and investments in subsidiary and joint venture as they are carried at cost in line with the exemption given under Ind AS 27.*

**** Represents principal outstanding without deduction for expected credit losses in respect to the investment in Redeemable Preference Shares of Rattan India Power Limited.*

Consolidated Notes to Accounts

Cash and Cash Equivalents and Bank Deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by parking funds in investment grade rated instruments and highly rated banks and also diversifying the deposit base by investing in different instruments/ banks across the country.

Loans

Credit risk related to borrowers are mitigated through adequate security arrangements for the loans by way of hypothecation of future project loan assets, receivables, inventories or any other assets, Govt. Guarantees, Corporate guarantees etc. and additionally Collaterals wherever required. The Company closely monitors the credit-worthiness of the promoters through well-defined entity appraisal guidelines that are configured from systematic institutional and project appraisal process analysis to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures in form of pre-disbursement conditions.

Trade Receivables

Credit risk related to Trade Receivables is mitigated by assessing the credit worthiness of debtors and is managed by monitoring the recoverability of such amounts continuously.

Other Financial Assets measured at Amortized Cost

Other financial assets measured at amortized cost includes loans and advances to employees and subsidiary, security deposits and other amounts recoverable, including from Govt. of India. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Investment in G-Sec, State Development loans and Debt Securities

Credit risk related to investment in High Quality Liquid Assets (HQLAs) is managed by investment in Govt. Securities, State Development Loans and investment in PSU Bonds with sound financial health and also diversifying the investment portfolio in different maturity/ sector and monitoring the financial health on regular basis.

Investment in Securities issued by Borrower entities at the time of Loan Settlement/ Resolution

REC also invests in securities issued by borrower entities as a part of the settlement/ resolution plan duly approved by the Company or the Consortium of Lenders, as applicable and in case of resolutions under Insolvency & Bankruptcy Code 2016, approved by Committee of Creditors and National Company Law Tribunal (NCLT) of the competent jurisdiction. Credit risk related to these securities is managed by monitoring the recoverability of such amounts continuously.

52.1.2 Expected Credit Losses (ECL) for financial assets other than loans and trade receivables

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- **For cash and cash equivalents and bank balances (other than cash and cash equivalents) -** Since the Company deals with only high-rated banks and financial institutions for banking operations and the liquid funds category in the debt funds with consistent track record for short term investment of surplus funds, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- **For Investment in G-Sec, State Development loans and Debt Securities -** Considering that the investments are in debt securities including Governemnet Securities/ minimum investment grade rated Government Companies in High Quality Liquid Assets (HQLAs), credit risk is considered low.
- **For Investment in Securities issued by Borrower entities at the time of Loan Settlement/ Resolution -** Credit risk is evaluated on the basis of recoverability of such securities. Wherever medium or high risk evaluated on such investments, suitable loss allowance is provided.
- **For other financial assets -** Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Consolidated Notes to Accounts

Details of expected credit loss for financial assets other than loans and trade receivables is disclosed as follows:

(₹ in Crores)

Particulars	As at 31.03.2022			As at 31.03.2021		
	Gross Carrying Amount	ECL	Net Carrying amount	Gross Carrying Amount	ECL	Net Carrying amount
Cash and cash equivalents	140.99	-	140.99	1,179.24	-	1,179.24
Bank balances (other than cash and cash equivalents)	2,518.96	-	2,518.96	2,223.58	-	2,223.58
Investments*	1,930.10	28.72	1,901.38	1,269.95	-	1,269.95
Other financial assets **	24,506.48	91.17	24,415.31	24,508.41	88.53	24,419.88

** The impairment allowance has been provided in full on 'Investments in Reedemable Prefernce Shares' of Rattan India Power Limited considered as credit-impaired.*

*** The impairment allowance has been provided in full on 'Other financial assets' considered as credit-impaired.*

52.1.3 Expected Credit Loss for loans

For risk management reporting purposes, the Company considers and consolidates following elements of credit risk:

Credit default risk: The risk of loss arising from a debtor being unlikely to pay its loan obligations in full or the debtor is more than 90 days past due on any material credit obligation; default risk may impact all credit-sensitive transactions, including loans and securities.

Concentration risk: The risk associated with any single exposure or group of exposures with the potential to produce large enough losses to threaten Company's core operations.

(A) Credit Risk Management

The credit risk is managed at different levels including at appraisal, disbursements and post disbursement monitoring. The Company has "Integrated Rating Guidelines" and "Comprehensive Risk Management Policy". To mitigate credit risk, the company follows systematic institutional and project appraisal process to assess the credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. Further, on periodic basis, the loan assets are reviewed and categorized as High/Moderate/Low based on ECL methodology. The process for Credit Risk Management are as under:

(i) The Company has "Integrated Rating Guidelines" covering credit assessment, risk grading, collateral requirements, reporting, monitoring of end utilisation of funds etc. Further, independent Lender legal counsels are appointed to ensure effective documentation and mitigation of legal risk

(ii) For all existing private sector projects, where the Company is Lead Financial Institution, the Company engages Lender's Independent Engineers (LIE), Lender's Financial Advisors (LFA) and Lender's Insurance Advisors (LIA), which are independent agencies who act on behalf of various lenders and consortium members. LIE conducts periodic site visits and submits reports on progress status of the project, after discussion with borrower and inspection/ review of relevant documents. LFA submit the statements of fund flow and utilization of funds in the project periodically. In cases where the Company is not the lead Financial Institution, the tasks related to LIE and LFA services are being coordinated with the lead lender.

The Company also endeavors to appoint a separate Project Management Agency (PMA) for new projects being financed, which subsumes the entire works of LIE /Project Management Consultant (PMC), LFA and LIA for better coordination among the agencies. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of project progress, review of EPC/non-EPC contracts & invoices, fund utilization and insurance for the project. PMA also verifies the bills of original equipment manufacturer/ supplier, composite works contractor and give its recommendation for disbursement. Initial due diligence is also be performed by PMA taking the sanctity of technical and financial parameters including original project cost & COD.

Concurrent Auditors/Agencies for Specialized monitoring/Cash Flow monitoring agencies are being appointed by REC/Lenders on case to case basis for effective monitoring of Trust & Retention Account (TRA) for stressed projects.

(iii) The Company has an authorisation structure for the approval and renewal of credit facilities. Authorisation limits have been established commensurating with the size of business proposal at CMD/Executive Committee/Loan Committee/ Board of Directors based on the recommendation of Screening Committee, as appropriate.

Consolidated Notes to Accounts

(iv) The Company has developed risk grading structure to categorise its exposures according to the degree of risk of default by charging appropriate interest rates and security package.

(v) Regular reports on the credit quality of loan portfolios are provided to Risk Management Committee and Board, which may require appropriate corrective action to be taken.

(vi) External agencies are appointed from time to time to review the guidelines, policy and existing practices being followed by business units along with providing the specialist skills to promote best practice throughout the Company for management of credit risk.

(vii) Individual and Group Credit Exposures are assessed against designated limits, before facilities are committed to borrowers by the business unit concerned. Sanction of additional facilities are also subject to the same review process.

(viii) The Company continuously monitors delays and/ or default of borrowers & other counterparties and their recoverability. On occurrence of default in the borrower's account, the Company initiates necessary steps to cure the default which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC), etc., monitoring of the TRA account, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP), sale of the exposures to other entities/ investors and other recovery mechanisms including invocation of guarantees/ securities to recover the dues.

(B) Credit risk Measurement

The impairment loss allowance on loan assets is provided as per Ind AS 109 in accordance with a board-approved policy, which measures the credit risk on the basis of key financial and operational parameters to assess improvement/ deterioration in credit quality. Management overlays to the model output, if any, are duly documented and approved by the Audit Committee. The evaluation of Expected Credit Loss (ECL) is undertaken by an independent agency, ICRA Analytics Limited (formerly ICRA Online Limited).

The Company has an internal system of grading for State Governments, Public Sector Undertakings and State Power Utilities. However, for Distribution Companies (DISCOMs), the Company adopts the ratings by the Ministry of Power as and when they are updated. These ratings are mapped with external rating grades published by various credit rating agencies as part of rating transition matrix. For private borrowers, the Company uses the external rating as published by various credit rating agencies, or proxy risk score in case such rating is not available. The proxy risk score model considers following parameters :

Quantitative factors

Debt/ EBITDA (30% weightage)

Return on Capital Employed (15% weightage)

Interest Coverage (25% weightage)

Gearing (Debt/Equity) (30% weightage)

Qualitative Factors

Quarter wise Operational Parameters like PPA, PLF, ACS – ARR Gap, and LAF

Actual Default dates

Status of the Project

(C) Measurement of Expected Credit Loss (ECL)

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit impaired on initial recognition and whose credit risk has not increased significantly since initial recognition is classified as "Stage 1".
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If a financial instrument is credit impaired, it is moved to "Stage 3".
- Financial instrument in Stage 1 have their ECL measured at an amount equal to expected credit loss that results from default events possible within the next 12 months. Instruments in Stage 2 or Stage 3 criteria have their ECL measured on lifetime basis.

Consolidated Notes to Accounts

(D) Significant Increase in Credit Risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when on any financial instrument if the payment is more than 30 days past due on its contractual payments.

(E) Definition of default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when the loan account is more than 90 days past due on its contractual payments or or any such period allowed by the company in line with circular issued by the Reserve Bank of India.

(F) Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.
- EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.
- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

Determination of Probability of Default (PD)

The Company has analysed the available average annual rating transition matrices published by Credit Rating Agencies to arrive at annual transition matrix based PD. This annual transition matrix PD was extrapolated to arrive at the lifetime probability of default of various rating grades by loan tenure / maturity profile i.e. lifetime PD.

Loss Given Default (LGD) computation model

Based on the historical trend, research and industry benchmarking the Company has constructed a LGD model. Factors reviewed in the LGD model include Project cost per unit, PPA status, FSA status etc. Based on internal research the company has benchmarked these factors for Thermal, Renewable in Private Sector. In case of Private sector borrowers, the realizable value of the assets were arrived at using suitable assumptions, including valuation on outcome of the resolution process etc., to arrive at LGD. For State Government and Public sector projects, the Company has factored in the state support and assumed that the State/Central governments would step in to repay debt obligations of the state utilities as witnessed in the past.

(G) Alignment of LGD in case of Stage 3 Assets

Stage-3 assets where REC and PFC (Group Companies) are in Consortium for Stage-III Loan accounts, LGD is taken on the following basis:

(a) In cases where either REC or PFC is lead lender, LGD % calculated by the lead lender is adopted.

(b) In cases where neither REC nor PFC is lead lender, higher of the LGD% worked out by REC and PFC is adopted.

(H) Key assumptions used in measurement of ECL

(i) The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

(ii) EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that the Company expects to be owed at the time of default.

Consolidated Notes to Accounts

(I) Credit Risk Exposure

Credit Risk Exposure in respect of the borrowers with different credit ratings is as under

(₹ in Crores)

Credit Risk Category (Internal/ Mapped Ratings)	As at 31.03.2022				As at 31.03.2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
Very Good (AAA | AA | A | Government Loan)	1,81,968.90	11,661.35	-	1,93,630.25	2,20,485.16	1,421.82	-	2,21,906.98
Good (BBB | BB | B)	96,631.68	24,762.88	-	1,21,394.57	1,07,998.93	69.68	-	1,08,068.61
Average (C)	54,755.07	-	-	54,755.07	28,532.47	-	-	28,532.47
Fair (D)	2,521.34	-	-	2,521.34	1,874.55	1,396.55	-	3,271.10
Non- Performing (D)	-	-	17,159.89	17,159.89	-	-	18,256.93	18,256.93
Gross Exposure	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.12**	**3,58,891.11**	**2,888.05**	**18,256.93**	**3,80,036.09**
Loss allowance	2,790.22	369.61	11,565.73	14,725.57	1,282.46	141.43	11,791.31	13,215.20
Net Exposure	**3,33,086.77**	**36,054.62**	**5,594.16**	**3,74,735.55**	**3,57,608.65**	**2,746.62**	**6,465.62**	**3,66,820.89**

(J) Collateral and other credit enhancements

The Company employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds disbursed. The Company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgage of Immovable properties
- Hypothecation of Moveable property
- Assignment of project contract documents
- Pledge of instruments through which promoters' contribution is infused in the project
- Pledge of Promoter Shareholding
- Corporate and personal Guarantee of Promoters

(K) Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period

Consolidated Notes to Accounts

The following tables explain the changes in the loan assets (including undisbursed Letters of Comfort) and the corresponding ECL allowance between the beginning and the end of the reporting period:

(₹ in Crores)

For the Year ended 31st March 2022	Stage 1		Stage 2		Stage 3		Total	
	Gross Amount	12 months ECL	Gross Amount	Lifetime ECL	Gross Amount	Lifetime ECL	Gross Amount	ECL
Opening Balance	**3,58,891.11**	**1,282.46**	**2,888.05**	**141.43**	**18,256.93**	**11,791.31**	**3,80,036.09**	**13,215.20**
Transfer to 12 months ECL	2,031.94	134.62	(1,396.55)	(139.66)	(635.39)	5.03	-	(0.01)
Transfer to life time ECL not credit impaired	(35,361.06)	(40.15)	35,361.06	40.15	-	-	-	-
Transfer to Lifetime ECL credit impaired	(1,516.73)	(214.87)	-	-	1,516.73	214.87	-	-
Additional provision due to changes in PD/ LGD	-	1,235.51	-	293.79	-	1,517.77	-	3,047.07
New Financial assets originated or purchased (including further disbursements in existing assets)	62,483.86	569.85	3,877.11	40.22	-	-	66,360.97	610.07
Financial Assets that have been derecognised (including recoveries in existing assets)	(50,652.13)	(177.20)	(4,305.44)	(6.32)	(54.37)	(39.24)	(55,011.94)	(222.76)
Write offs	-	-	-	-	(1,924.01)	(1,924.01)	(1,924.01)	(1,924.01)
Closing Balance	**3,35,876.99**	**2,790.22**	**36,424.23**	**369.61**	**17,159.89**	**11,565.73**	**3,89,461.11**	**14,725.56**

(₹ in Crores)

For the Year ended 31st March 2021	Stage 1		Stage 2		Stage 3		Total	
	Gross Amount	12 months ECL	Gross Amount	Lifetime ECL	Gross Amount	Lifetime ECL	Gross Amount	ECL
Opening Balance	**2,99,697.53**	**488.46**	**2,431.27**	**963.83**	**21,255.55**	**10,552.13**	**3,23,384.35**	**12,004.42**
Transfer to 12 months ECL	2,509.24	353.78	(53.05)	(1.82)	(2,456.18)	(351.96)	0.01	-
Transfer to life time ECL not credit impaired	(1,609.07)	(1.90)	1,609.07	1.90	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	-	(36.22)	(0.38)	36.22	0.38	-	-
Additional provision due to changes in PD/ LGD	-	123.92	-	178.15	-	2,037.68	-	2,339.75
New Financial assets originated or purchased (including further disbursements in existing assets)	94,564.60	414.89	264.00	0.47	2.00	0.20	94,830.60	415.56
Financial Assets that have been derecognised (including recoveries in existing assets)	(36,271.19)	(96.69)	(421.58)	(95.28)	(333.56)	(200.02)	(37,026.33)	(391.99)
Write offs	-	-	(905.44)	(905.44)	(247.10)	(247.10)	(1,152.54)	(1,152.54)
Closing Balance	**3,58,891.11**	**1,282.46**	**2,888.05**	**141.43**	**18,256.93**	**11,791.31**	**3,80,036.09**	**13,215.20**

(L) Details of Stage wise Exposure and Impairment Loss Allowance:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021					
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Total Exposure	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.12**	**3,58,891.11**	**2,888.05**	**18,256.93**	**3,80,036.09**
Impairment Allowance	2,790.22	369.61	11,565.73	14,725.57	1,282.46	141.43	11,791.31	13,215.20
ECL %	0.83%	1.01%	67.40%	3.78%	0.36%	4.90%	64.59%	3.48%

Consolidated Notes to Accounts

(M) Concentration of credit risk

The Company monitors concentration of credit risk (loan assets including undisbursed Letters of Comfort) by type of industry in which the borrower operates, further bifurcated into type of borrower, whether state or private.

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Gross Amount	ECL	Gross Amount	ECL
Concentration by industry				
Generation	1,55,202.14	12,298.95	1,56,901.95	12,035.54
Renewables	13,449.27	225.20	17,388.24	117.88
Transcos	64,879.92	774.38	61,309.37	502.51
Discoms	1,52,115.74	1,411.67	1,39,833.76	557.90
Government Loans	3,814.04	15.36	4,602.77	1.37
Total	**3,89,461.11**	**14,725.56**	**3,80,036.09**	**13,215.20**
Concentration by ownership				
State	3,50,584.17	2,684.59	3,38,973.84	938.40
Private	38,876.94	12,040.97	41,062.25	12,276.80
Total	**3,89,461.11**	**14,725.56**	**3,80,036.09**	**13,215.20**

(N) Sector-wise Credit-impaired Assets - Percentage of Stage-III Assets to Total Advances in that sector

Particulars	As at 31.03.2022	As at 31.03.2021
Power Sector	4.45%	4.84%

(O) Movement of Credit-impaired Assets

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	**Gross Credit-impaired Assets to Gross Advances (%)**	4.45%	4.84%
(ii)	**Net Credit-impaired Assets to Gross Advances (%)**	1.45%	1.71%
(iii)	**Net Credit-impaired Assets to Net Advances (%)**	1.51%	1.78%
(iv)	**Movement of Credit-impaired Assets (Gross)**		
(a)	Opening balance	18,256.93	21,255.55
(b)	Additions during the year	1,516.73	38.22
(c)	Reductions during the year	(689.76)	(2789.74)
(d)	Write-off during the year	(1924.01)	(247.10)
(e)	**Closing balance**	**17,159.89**	**18,256.93**
(v)	**Movement of Credit-impaired Assets (Net)**		
(a)	Opening balance	6,465.62	10,703.42
(b)	Additions during the year	(215.91)	34.59
(c)	Reductions during the year	(655.55)	(4272.39)
(d)	Write-off during the year	-	-
(e)	**Closing balance**	**5,594.16**	**6,465.62**
(vi)	**Movement of provisions for Credit-impaired Assets**		
(a)	Opening balance	11,791.31	10,552.13
(b)	Provisions made during the year	1,732.64	2,038.26
(c)	Write-back of excess provisions	(34.21)	(551.98)
(d)	Provision on assets written off during the year	(1924.01)	(247.10)
(e)	**Closing balance**	**11,565.73**	**11,791.31**

Consolidated Notes to Accounts

(P) In accordance with RBI Circular on Implementation of Ind AS by NBFCs dated 13.03.2020, had the loans otherwise required to be classified as NPA as per IRACP norms been considered, Gross NPA to Gross Loans ratio would have been 4.45% (previous year 5.04%) and Net NPA to Net Loans would have been 1.51% (previous year 1.99%) as at 31st March 2022.

(Q) Write off policy

The Company writes off financial assets, in whole or in part, as directed by the order of the Judicial Authority or when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include cessation of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full.

(R) Business Model Policy

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realize the cash flows by collecting contractual payments (including principal and interest) over the tenure of the loan. Further, investments in the nature of debt investments and other financial assets may also be held by the Company to collect the contractual payments as per the agreed terms.

The Company's business model therefore is "hold to collect" for Loans, certain Financial Investments and Other Financial Assets. Such financial assets are measured at amortised cost if the contractual terms gives rise to cash flows that are solely payments of principal and interest on the amount outstanding.

(S) There are no Accounts with overdues beyond 90 days but not treated as credit impaired (excluding accounts to whom relief under RBI Covid-19 Relief package has been allowed) (previous year Nil)

(T) There are no reportable cases of loans transferred/ acquired during the FY 2021-22 (previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24th September 2021.

Consolidated Notes to Accounts

(U) Comparison between provision required as per RBI Income Recognition, Asset Classificaion and Provisioning norms (IRACP) and Impairment Allowance as per Ind-AS

(₹ in Crores)

For the Year ended 31st March 2022 Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	3,31,787.14	3,32,586.36	2,769.32	3,29,817.04	1,771.72	997.60
	Stage 2	36,424.23	36,888.95	369.61	36,519.34	391.52	(21.91)
Sub Total (1)		**3,68,211.37**	**3,69,475.31**	**3,138.93**	**3,66,336.38**	**2,163.24**	**975.69**
Non-Performing Assets							
Substandard Assets	Stage 3	1,512.49	1,512.49	437.16	1,075.33	190.83	246.33
Doubtful Assets							
Up to 1 year	Stage 3	33.28	33.28	3.33	29.95	7.25	(3.92)
1 to 3 years	Stage 3	4,534.01	4,534.01	2,981.99	1,552.01	1,952.89	1029.10
More than 3 years	Stage 3	11,062.89	11,062.89	8,126.03	2,936.86	8,108.58	17.45
Subtotal for doubtful assets		**15,630.18**	**15,630.18**	**11,111.35**	**4,518.82**	**10,068.72**	**1042.63**
Loss Assets	Stage 3	17.22	17.22	17.22	-	17.22	-
Sub-total for NPA (2)		**17,159.89**	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
Total Loan Assets		**3,85,371.26**	**3,86,635.20**	**14,704.66**	**3,71,930.53**	**12,440.01**	**2264.65**
Other items which are in scope of Ind-AS 109 but not covered under IRACP norms							
- Letter of Comfort*	Stage 1	4,089.85	4,089.85	20.90	4,068.95	-	20.90
Sub-Total (3)		**4,089.85**	**4,089.85**	**20.90**	**4,068.95**	**-**	**20.90**
Total	**Stage 1**	**3,35,876.99**	**3,36,676.21**	**2,790.22**	**3,33,885.99**	**1,771.72**	**1018.50**
	Stage 2	**36,424.23**	**36,888.95**	**369.61**	**36,519.34**	**391.52**	**(21.91)**
	Stage 3	**17,159.89**	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
	Total	**3,89,461.11**	**3,90,725.05**	**14,725.56**	**3,75,999.48**	**12,440.01**	**2285.55**

** Gross carrying amount towards Letter of Comfort (LoC) represents non fund based exposures considered as financial guarantee as per IndAS 109*

(₹ in Crores)

For the Year ended 31st March 2021 Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Outstanding amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(5)-(7)
Performing Assets							
Standard	Stage 1	3,56,273.17	3,57,285.43	1,273.37	3,56,012.06	2,304.84	(1031.47)
	Stage 2	2,888.05	2,925.24	141.43	2,783.81	145.62	(4.19)
Sub Total (1)		**3,59,161.22**	**3,60,210.67**	**1,414.80**	**3,58,795.87**	**2,450.46**	**(1035.66)**
Non-Performing Assets							
Substandard Assets	Stage 3	36.31	36.31	3.63	32.68	3.63	-
Doubtful Assets							
Up to 1 year	Stage 3	560.99	560.99	303.81	257.18	301.24	2.57
1 to 3 years	Stage 3	13,786.04	13,786.04	8,514.57	5,271.46	6,913.49	1601.08
More than 3 years	Stage 3	3,856.37	3,856.37	2,952.08	904.29	2,665.23	286.85
Subtotal for doubtful assets		**18,203.40**	**18,203.40**	**11,770.46**	**6,432.93**	**9,879.96**	**1890.50**
Loss Assets	Stage 3	17.22	17.22	17.22	-	17.22	-
Sub-total for NPA (2)		**18,256.93**	**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
Total Loan Assets		**3,77,418.15**	**3,78,467.60**	**13,206.11**	**3,65,261.48**	**12,351.27**	**854.84**
Other items which are in scope of Ind-AS 109 but not covered under IRACP norms							
- Letter of Comfort*	Stage 1	2,617.94	2,617.94	9.09	2,608.85	-	9.09
Sub-Total (3)		**2,617.94**	**2,617.94**	**9.09**	**2,608.85**	**-**	**9.09**
Total	**Stage 1**	**3,58,891.11**	**3,59,903.37**	**1,282.46**	**3,58,620.91**	**2,304.84**	**(1022.38)**
	Stage 2	**2,888.05**	**2,925.24**	**141.43**	**2,783.81**	**145.62**	**(4.19)**
	Stage 3	**18,256.93**	**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
	Total	**3,80,036.09**	**3,81,085.54**	**13,215.20**	**3,67,870.33**	**12,351.27**	**863.93**

** Gross carrying amount towards Letter of Comfort (LoC) represents non fund based exposures considered as financial guarantee as per IndAS 109*

Consolidated Notes to Accounts

52.1.4 Expected Credit Loss for Trade Receivables

The entity provides for lifetime credit losses in respect of trade receivables of RECPDCL, one of the subsidiary of REC using simplified approach under ECL method

(Amount ₹ in Crores)

Particulars	Less than 1 year	1 year- 2 year	2 year- 3 year	More than 3 year	Total
As at 31st March 2022					
Gross carrying value	88.93	19.35	14.56	54.43	177.27
Expected loss rate	14.03%	6.82%	99.52%	100.00%	46.66%
Expected credit loss (provision)	12.48	1.32	14.49	54.43	82.72
Carying amount (net of impairment)	76.45	18.03	0.07	-	94.55
As at 31st March 2021					
Gross carrying value	124.45	22.85	32.47	46.80	226.57
Expected loss rate	15.36%	19.04%	49.98%	100.00%	38.18%
Expected credit loss (provision)	19.12	4.35	16.23	46.80	86.50
Carying amount (net of impairment)	105.33	18.50	16.24	-	140.07

52.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company manages its liquidity risk through a mix of strategies, including forward-looking resource mobilization based on projected disbursements and maturing obligations. The Company has put in place an effective Asset Liability Management System and has also constituted an Asset Liability Management Committee ("ALCO") which monitors the liquidity risk with the help of liquidity gap analysis.

The Company maintains adequate bank balances, short term investments that are readily convertible into cash and adequate borrowing and overdraft facilities by continuously monitoring the forecast and actual cash flows.

52.2.1 Maturity Pattern of Future Undiscounted Cash Flows

The cash flows towards items of financial liabilities (representing future undiscounted cash flows towards principal and interest) is as under:

(₹ in Crores)

As at 31st March 2022	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Non-Derivative Financial Liabilities :											
Rupee Borrowings											
Debt Securities											
- Principal	-	-	-	-	5,878.20	2,970.00	14,058.86	53,719.87	39,133.38	67,474.22	**1,83,234.53**
- Interest	-	379.26	348.22	1,085.23	2,345.40	2,433.79	6,289.22	21,667.98	14,748.20	22,279.94	**71,577.24**
Other Borrowings											
- Principal	-	-	160.93	1,150.00	1,000.00	1,824.29	5,163.63	17,836.77	15,155.51	18,798.15	**61,089.28**
- Interest	272.39	-	63.24	202.90	496.89	671.39	1,604.83	4,949.21	3,439.46	3,027.89	**14,728.20**
Subordinated Liabilities											
- Principal	-	-	-	-	-	-	-	2,500.00	-	4,150.70	**6,650.70**
- Interest	-	-	-	201.50	114.94	-	163.60	759.35	557.08	787.73	**2,584.20**
Foreign Currency Borrowings											
Debt Securities											
- Principal	-	-	-	-	-	-	-	17,814.67	6,822.64	5,685.54	**30,322.85**

Consolidated Notes to Accounts

(₹ in Crores)

As at 31st March 2022	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
- Interest	-	-	-	227.28	66.15	285.65	584.79	1,691.31	769.79	171.02	**3,795.99**
Other Borrowings											
- Principal	-	-	-	2,744.22	2,887.33	2,664.98	4,506.16	8,555.57	21,129.28	3,001.98	**45,489.52**
- Interest	8.00	7.18	22.42	67.65	124.53	263.85	447.00	1,388.28	812.26	516.82	**3,657.99**
Derivative Liabilities :											
Interest rate swaps	-	-	-	0.07	-	18.82	0.00	42.62	-	112.01	**173.52**
Currency swaps	-	-	-	-	-	-	-	13.87	-	34.50	**48.37**
Reverse cross currency swap	-	-	-	-	-	-	-	22.50	-	308.74	**331.24**
Seagull Option	-	-	-	-	-	-	-	-	-	-	**-**

(₹ in Crores)

As at 31st March 2021	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Non-Derivative Financial Liabilities :											
Rupee Borrowings											
Debt Securities											
- Principal	-	-	1,055.00	600.00	3,520.00	6,486.80	25,852.18	46,211.21	44,523.75	75,813.29	**2,04,062.23**
- Interest	-	379.26	429.06	1,313.74	1,981.43	3,293.77	7,839.85	22,724.28	16,731.83	27,588.05	**82,281.27**
Other Borrowings											
- Principal	-	350.00	2,400.00	7,099.52	4,137.00	1,526.67	3,658.51	20,600.55	9,152.90	10,000.00	**58,925.15**
- Interest	208.60	4.26	85.39	199.76	458.88	565.70	1,388.04	4,370.69	2,293.36	2,653.21	**12,227.90**
Subordinated Liabilities											
- Principal	-	-	-	-	-	-	-	2,500.00	-	4,150.70	**6,650.70**
- Interest	-	-	-	201.50	162.21	-	192.96	1,107.77	704.25	1,375.22	**3,743.91**
Foreign Currency Borrowings											
Debt Securities											
- Principal	-	-	-	-	-	-	-	8,820.56	12,128.28	5,512.87	**26,461.71**
- Interest	-	-	-	220.52	64.14	194.94	485.15	1,841.77	670.06	395.99	**3,872.57**
Other Borrowings											
- Principal	-	-	551.29	551.29	45.31	12.51	6,797.99	8,043.62	4,575.17	5,776.64	**26,353.82**
- Interest	8.81	1.21	7.27	68.26	60.15	130.44	246.98	841.03	615.06	800.45	**2,779.66**
Derivative Liabilities :											
Interest rate swaps	-	-	-	-	-	-	29.88	343.06	30.71	-	**403.65**
Currency swaps	-	-	-	-	-	-	-	-	16.48	104.60	**121.08**
Reverse cross currency swap	-	-	-	-	-	-	-	-	19.67	258.66	**278.33**
Seagull Option	-	-	24.92	18.33	-	-	-	-	-	-	**43.25**

Bonds with put & call option have been shown considering the earliest exercise date. The liquidity analysis for derivative financial liabilities is based on fair values of the derivative contracts and the maturity buckets have been derived on the basis of the remaining tenor of the respective derivative instrument.

Consolidated Notes to Accounts

Significant cashflows required for financial liabilities shall be funded through the undiscounted cash flows (principal and interest) from loans as below:

(₹ in Crores)

Particulars	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
As at 31st March 2022											
Principal	158.66	-	2,077.03	2,142.80	4,800.08	8,892.93	19,691.55	74,970.39	74,346.88	1,83,586.28	**3,70,666.60**
Interest	611.62	-	892.06	1,559.14	6,094.78	9,076.43	17,252.35	59,983.17	44,663.39	71,842.69	**2,11,975.63**
As at 31st March 2021											
Principal	878.97	-	1,866.73	1,747.68	4,838.22	8,947.33	17,793.88	72,044.11	67,832.43	1,88,262.69	**3,64,212.04**
Interest	117.12	4.00	880.36	1,331.57	5,715.61	9,108.12	17,306.39	60,195.92	45,576.96	77,702.45	**2,17,938.50**

The principal cash flows relating to Stage III assets, net of Expected Credit Loss have been considered in over 5 years bucket irrespective of the maturity date.

52.2.2 Maturity Pattern of Significant Financial Assets & Liabilities, as prescribed by RBI

(₹ in Crores)

As at 31st March 2022	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Loan Assets	158.66	-	2,077.03	2,142.80	6,181.63	8,892.93	19,691.55	74,970.39	74,346.88	1,83,468.67	**3,71,930.54**
Investments			0.31	-	2.81	2.82	56.17	80.05	180.59	1,867.69	**2,190.44**
Rupee Borrowings											
Debt Securities	19.34	367.83	330.52	993.71	7,777.02	4,636.58	15,210.81	53,696.32	39,118.89	67,396.43	**1,89,547.46**
Other Borrowings	6.56	-	200.55	1,150.00	1,000.00	2,149.40	5,165.59	17,836.77	15,155.52	18,796.19	**61,460.59**
Subordinated Liabilities		-	-	168.38	126.46	-	2.11	2,499.73	-	4,019.79	**6,816.47**
Foreign Currency Borrowings											
Debt Securities	-	-	-	172.81	40.17	89.14	-	17,755.78	6,805.78	5,163.48	**30,027.15**
Other Borrowings	5.62	2.42	4.43	2,747.65	2,910.57	2,680.96	4,506.16	8,499.93	20,837.27	2,995.98	**45,191.00**

(₹ in Crores)

As at 31st March 2021	1-7 Days	8-14 Days	Over 15 Days & up to 1 Months	Over 1 month & up to 2 Months	Over 2 months & up to 3 Months	Over 3 months & up to 6 Months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Loan Assets	878.97	-	1,866.73	1,747.68	4,838.22	9,451.43	17,793.88	72,044.11	67,832.43	1,88,808.04	**3,65,261.49**
Investments		-	0.31	-	-	-	37.80	100.64	136.13	1,448.81	**1,723.68**
Rupee Borrowings											
Debt Securities	-	367.83	1,462.17	1,143.76	5,127.49	8,436.25	28,242.92	46,217.54	44,490.29	75,720.46	**2,11,208.71**
Other Borrowings	-	350.00	2,431.14	7,099.52	4,462.12	1,526.67	3,658.51	20,600.55	9,152.91	9,999.99	**59,281.41**
Subordinated Liabilities	-	-	-	168.38	129.51	-	1.60	2,499.52	-	4,147.88	**6,946.89**
Foreign Currency Borrowings	-										
Debt Securities	-	-	-	-	-	62.02	213.39	8,768.94	12,094.51	4,921.54	**26,060.40**
Other Borrowings	6.59	-	551.29	557.44	68.01	12.51	6,785.72	7,968.17	4,505.29	5,770.93	**26,225.95**

Consolidated Notes to Accounts

52.2.3 Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Expiring within one year (cash credit and other facilities)		
- Fixed rate		
- Floating rate	8,803.05	5,547.28
Expiring beyond one year (loans/ borrowings)		
- Fixed rate	-	-
- Floating rate	1,245.90	-

52.2.4 Additional Disclosures in accordance with RBI Circular on liquidity risk management

The Company has put in place an effective Asset Liability Management System and has also constituted an Asset Liability Management Committee ("ALCO") which monitors the liquidity risk with the help of liquidity gap analysis. The Company continuously monitors the projected and actual cash flows and accordingly maintains adequate bank balances, overdraft facilities, short term investments that are readily convertible into cash and adequate borrowing plans.

(i) Funding Concentration based on significant counterparty (borrowings)

Particulars	As at 31.03.2022	As at 31.03.2021
Number of significant counterparties*	15	20
Amount (₹ in Crores)	1,55,352.32	1,82,250.87
% of Total Liabilities	**43.21%**	**51.04%**

(ii) Top 10 borrowings

	Particulars	As at 31.03.2022		As at 31.03.2021	
		Amount (₹ in Crores)	% of Total borrowings	Amount (₹ in Crores)	% of Total borrowings
1	Term Loan from State Bank of India	12,729.30	3.89%	10,839.90	3.36%
2	Term Loan from Govt. of India- National Small Savings Fund (NSSF)	12,000.00	3.67%	4,650.00	1.44%
3	54EC- Series XII (2018-19)	10,000.00	3.06%	10,000.00	3.10%
4	54EC- Series XIII (2019-20)	8,907.33	2.73%	-	-
5	Term Loan from India Infrastructure Finance Company Ltd. (IIFCL)	6,800.00	2.08%	5,800.00	1.80%
6	54EC- Series XII (2018-19)	6,651.77	2.04%	6,651.77	2.06%
7	54EC- Series XIII (2019-20)	6,157.72	1.88%	6,157.72	1.91%
8	54EC- Series XV (2021-22)	6,024.57	1.84%	-	-
9	Tax Free Bonds (2013-14 Series)	6,000.00	1.84%	-	-
10	54EC- Series XIV (2020-21)	5,312.07	1.63%	-	-
11	Foreign Currency Bonds- US $700 Mn Bonds	-	-	5,145.33	1.60%
12	Institutional Bonds- 182nd Series	-	-	5,063.00	1.57%
13	Institutional Bonds- 203rd A Series	-	-	5,000.00	1.55%
14	Foreign Currency Bonds- US $650 Mn Bonds	-	-	4,777.81	1.48%
	Total	**80,582.76**	**24.65%**	**64,085.53**	**19.87%**

Consolidated Notes to Accounts

(iii) Funding Concentration based on significant instrument/ product

Name of significant instrument/ product*	As at 31.03.2022		As at 31.03.2021	
	Amount (₹ in Crores)	% of Total Liabilities	Amount (₹ in Crores)	% of Total Liabilities
1 Debt Securities				
Institutional Bonds	1,46,029.60	40.61%	1,73,326.60	48.54%
Foreign Currency Bonds	30,322.85	8.43%	26,461.71	7.41%
54EC Capital Gain Tax Exemption Bonds	25,437.67	7.07%	18,121.59	5.07%
Tax Free Bonds	11,763.30	3.27%	12,602.97	3.53%
Sub-Total (1)	**2,13,553.42**	**59.40%**	**2,30,512.87**	**64.55%**
2 Borrowings (Other than Debt Securities)				
Term Loans from Banks	42,878.32	11.93%	29,938.58	8.38%
Foreign Currency Borrowings	35,634.60	9.91%	21,024.72	5.89%
Loans repayable on demand from Banks	1,410.93	0.39%	10,186.52	0.03
Term Loans from Govt. of India	10,000.00	2.78%	10,000.00	2.80%
Term Loans from Financial Institutions	6,800.00	1.89%	5,800.00	1.62%
FCNR (B) Loans	9,854.92	2.74%	5,329.10	1.49%
Sub-Total (2)	**1,06,578.77**	**29.64%**	**82,278.92**	**23.04%**
3 Subordinated Liabilities	6,650.70	1.85%	6,650.70	1.86%
Total (1+2+3)	**3,26,782.89**	**90.89%**	**3,19,442.49**	**89.45%**

** Significant counterparty/ significant instrument/ product is defined as a single counterparty/ single instrument/ product or group of connected or affiliated counterparties accounting in aggregate to more than 1% of the company's total liabilities.*

(iv) Stock Ratios:

Particulars	As at 31.03.2022				As at 31.03.2021			
	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets
Commercial Papers	-	-	-	-	-	-	-	-
Non-Convertible debentures having maturity of less than one year	-	-	-	-	-	-	-	-
Other Short-Term liabilities	13,027.82	3.99%	3.62%	3.17%	20,849.55	6.47%	5.84%	5.20%

** Significant counterparty/ significant instrument/ product is defined as a single counterparty/ single instrument/ product or group of connected or affiliated counterparties accounting in aggregate to more than 1% of the company's total liabilities.*

(v) Liquidity Coverage Ratio (LCR)

RBI, vide its Liquidity Framework dated 04 Nov, 2019 has stipulated maintaining of Liquidity Coverage Ratio (LCR) by Non-Deposit taking NBFCs with asset size of more than ₹ 10,000 Crores w.e.f. 01 Dec, 2020. These guidelines of RBI aims to ensure that Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The LCR is represented by:

The Stock of High-Quality Liquid Assets

Total Net Cash Outflows over the next 30 calendar days

where,

(i) Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the next 30 calendar days, where the cash flows are assigned a predefined stress percentage, as prescribed by RBI.

(ii) High Quality Liquid Assets (HQLA) means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios.

Consolidated Notes to Accounts

The LCR requirement is binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching up to the required level of 100% by December 1, 2024.

At Present, HQLA investments are held in INR in the form of Government Securities(G-Sec)/ State Development Loans (SDLs) Securities and AAA/AA Corporate Bonds and auto swap balance with banks.

Composition of HQLA:

Out of the Stock of HQLA, the Government Securities is the highest proportion of HQLA followed by AAA/AA Corporate bonds and auto swap balances. The position of HQLA holding as on 31 March 2022 is as follows:

HQLA Items	% of Overall
Assets without Haircut	**89%**
- Cash and Cash Equivalents	12%
- G-Sec and SDLs	77%
Assets with 15% Haircut	**11%**
- Corporate Bonds	11%
Assets with 50% Haircut	-
Total	**100%**

Liquidity Coverage Ratio Disclosure

(₹ in Crores)

Particulars	Quarter ended 31.03.2022		Quarter ended 31-12-2021	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
High Quality Liquid Assets				
Total High Quality Liquid Assets (HQLA)	**1,719.78**	**1,686.09**	**2,151.50**	**2,120.54**
- AA/AAA Corporate Bonds	224.56	190.87	206.39	175.43
- G-SEC Bonds/ State Development Loans (SDLs)	1,296.73	1,296.73	483.29	483.29
- Banks Autoswap	198.49	198.49	1,461.82	1,461.82
Cash Outflows				
Other contractual funding obligations	8,279.00	9,520.85	11,720.66	13,478.76
Other contingent funding obligations	848.00	975.20	2,193.98	2,523.08
Total Cash Outflows	**9,127.00**	**10,496.05**	**13,914.64**	**16,001.84**
Cash Inflows				
Inflows from fully performing exposures	6,414.00	4,810.50	7,480.10	5,610.08
Other cash inflows	10,223.00	7,667.25	11,807.52	8,855.64
Total Cash Inflows (restricted to 75% of Outflows on every observation day)	**16,637.00**	**7,872.04**	**19,287.63**	**11,760.86**
Total Adjusted Value				
Total HQLA (A)		1,686.09		2,120.54
Total Net Cash Outflows (B)		2,624.01		4,240.98
Liquidity Coverage Ratio (LCR)		**64.26%**		**50.00%**
% Variance		**28.51%**		

** For average, daily observation during Quarter-4 of FY 2021-22, has been considered.*

Consolidated Notes to Accounts

52.3 Market Risk - Currency Risk

The Company is exposed to foreign currency risk from various foreign currency borrowings primarily denominated in USD, EURO, JPY and SGD. The Company has a risk management policy which aims to manage the foreign currency risk arising from its borrowings denominated in a currency other than the functional currency of the Company. The Company uses combination of foreign currency options structures, forward contracts and cross currency swap to hedge its exposure to foreign currency risk.

An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of CMD with Functional Directors, executive directors and Chief General Managers from Finance and Operating Divisions as its members. ALCO monitors Foreign currency risk with exchange rate and interest rate managed through various derivative instruments. 'The Company enters into various derivative transactions to cover exchange rate through various instruments like foreign currency forwards contracts, currency options, principal only swaps and forward rate agreements. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

In respect of foreign currency debt securities and borrowings, the company has also executed cross currency swaps (principal and/ or interest) to hedge the Foreign Currency Exposure. The outstanding position of Foreign Currency Exposure as at 31st March 2022 is as under:

(Foreign Currency amounts in Millions, INR equivalent in ₹ Crores)

Currency	As at 31.03.2022			As at 31.03.2021		
	Total Exposure	Hedged through Derivatives	Unhedged Exposure	Total Exposure	Hedged through Derivatives	Unhedged Exposure
USD $	9,436.00	7,620.00	1,816.00	6,893.85	3,500.00	3,393.85
INR Equivalent	*71,531.58*	*57,765.01*	*13,766.57*	*50,673.04*	*25,726.65*	*24,946.39*
JPY ¥	58,729.87	20,846.05	37,883.82	21,600.36	20,845.99	754.37
INR Equivalent	*3,654.76*	*1,297.25*	*2,357.51*	*1,433.40*	*1,383.34*	*50.06*
EURO €	26.32	0.87	25.45	36.85	11.40	25.45
INR Equivalent	*222.82*	*7.37*	*215.45*	*317.30*	*98.12*	*219.18*
SGD $	72.08	72.08	-	72.08	72.08	-
INR Equivalent	*403.21*	*403.21*	-	*391.79*	*391.79*	-
Total	**75,812.37**	**59,472.84**	**16,339.53**	**52,815.53**	**27,599.90**	**25,215.63**

Sensitivity Analysis

The table below represents the impact on P&L including FCMITDA (+ Gain / (Loss) for 5% change in foreign currency exchange rate against INR on the unhedged exposures:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Favorable	Adverse	Favorable	Adverse
USD/INR	515.09	(515.09)	933.39	(933.39)
JPY/INR	88.21	(88.21)	1.87	(1.87)
EUR/INR	8.06	(8.06)	8.20	(8.20)

** Holding all other variables constant*

Consolidated Notes to Accounts

52.4 Market Risk - Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. Interest rates are dynamic and dependent on various internal and external factors including but not limited to RBI policy changes, liquidity in the market, movement of external benchmarks such as AAA bond/ G-Sec yields/ LIBOR etc. Some of the borrowings of the Company are exposed to interest rate risk with floating interest rates linked to USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate), T-Bills, Repo Rate etc. The Company manages its interest rate risk through various derivative contracts like interest rate swap contracts, forward interest rate contracts to minimize the risk of fluctuation in interest rates. The Company also uses cross-currency interest rate swaps as a cost-reduction strategy to benefit from the interest differentials in different currencies.

The table below shows the overall exposure of the Company to the liabilities linked with floating interest rates as at 31st March 2022 is as under:

(Foreign Currency amounts in Millions, INR equivalent in ₹ Crores)

Currency	As at 31.03.2022			As at 31.03.2021		
	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure
INR Borrowings	50,178.32	-	50,178.32	35,738.58	-	35,738.58
USD $	4,636.00	1,325.00	3,311.00	2,768.85	1,630.00	1,138.85
INR Equivalent	35,144.17	10,044.44	25,099.73	20,352.38	11,981.27	8,371.11
JPY ¥	58,352.72	10,327.16	48,025.56	20,846.14	10,327.14	10,519.00
INR Equivalent	*3,631.29*	*642.66*	*2,988.63*	*1,383.35*	*685.31*	*698.04*
SGD $	72.08	72.08	-	72.08	72.08	-
INR Equivalent	*403.21*	*403.21*	-	*391.79*	*391.79*	-
Total INR Equivalent	**89,356.99**	**11,090.31**	**78,266.68**	**57,866.10**	**13,058.37**	**44,807.73**

The Company also uses Interest Rate Swaps to manage fair value risk on interest rate borrowings to mitigate the interest rate sensitivity mismatch. Through such swaps, the fixed rate borrowings amounting to ₹ 11,850.70 crores as on 31st March 2022 (Previous year Nil) have been converted into floating rate borrowings through the use of MIBOR-linked Overnight Indexed Swaps.

The Company's lending portfolio carries interest at semi-fixed rate i.e. fixed rate of interest with 1/3/10 year reset option with the borrower. The Company reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements etc. In order to manage pre-payment risks, the Company charges pre-payment premium from borrowers in case of pre- payment of loan. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

The Company is exposed to interest rate risk on following Loan Assets which are at semi-fixed rates:

(₹ in Crores)

Description	As at 31.03.2022	As at 31.03.2021
Rupee Loans	3,75,805.76	3,63,580.03

Consolidated Notes to Accounts

Sensitivity Analysis

The table below represents the impact on P&L Gain / (Loss) for 50 basis points increase or decrease in interest rate on Company's floating rate assets and liabilities on the unhedged exposures:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Floating Rate Loan Liabilities	(292.84)	292.84	(167.65)	167.65
Interest Rate Swaps	(44.34)	44.34	-	-
Floating/ semi-fixed Rate Loan Assets	1,406.11	(1406.11)	1,360.37	(1360.37)

** Holding all other variables constant*

The above sensitivity analysis has been prepared assuming that the amount outstanding at the end of the reporting period remains outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

52.5 Disclosures in respect of Interest Rate Benchmark Reform (IBOR)

The Company has variable interest rate borrowings with interest rates linked with different benchmarks. Such interest rate benchmarks for foreign currency borrowings include 1/3/6 Month USD LIBOR (London Inter-Bank Offered Rate), Overnight SOFR (Secured Overnight Financing Rate), TONA (Tokyo Overnight Average Rate), SORA (Singapore Overnight Rate Averages), etc. The summary of such borrowings as on 31st March, 2022 are as below:

Benchmark	Amount (₹ in Crores)	Amount (USD Mn Equivalent)
3M USD LIBOR	7,201.67	950.00
6M USD LIBOR	27,373.94	3,611.00
O/N SOFR	568.55	75.00
TONA	3,631.29	479.02
SORA	403.21	53.19
Total	**39,178.67**	**5,168.21**

As announced by the UK Financial Conduct Authority (FCA) on 5 March 2021, JPY LIBOR has ceased to be published after 31st December 2021 and 1 Month, 3 Month and 6 Month USD LIBOR will cease to be published after 30th June 2023.

(i) Exposure directly affected by the Interest Rate Benchmark Reform (IBOR)

While some of the floating rate borrowings of the Company are already under the new benchmarks, some of the borrowings will also get repaid before the cessation date of the respective interest rates, i.e. 3M USD LIBOR and 6M USD LIBOR. Accrodingly, the total amount of exposure that is directly affected by the Interest Rate Benchmark Reform (IBOR) is ₹ 25,963.93 crores (USD 3.425 Billion) as on 31st March, 2022. Out of this, the nominal amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is ₹ 3,790.36 crores (USD 0.500 Billion).

Consolidated Notes to Accounts

(ii) Managing the process to transition to alternative benchmark rates

Pursuant to the Interest Rate Benchmark Reform, LIBOR will be replaced with alternative Risk-Free Rates (RFRs). SOFR (Secured Overnight Financing Rate) will be the replacement for USD LIBOR, while TONA (Tokyo Overnight Average Rate) will replace JPY LIBOR. ISDA (International Swaps and Derivatives Association), the globally recognized statutory body governing the global derivative deals, has come up with the ISDA 2020 IBOR Fallbacks Protocol (commonly referred to as Fallback Protocol) to move all the legacy contracts to new benchmarks. The Company has adhered to the Fallbacks Protocol under which the fallbacks for the various LIBOR benchmarks will automatically become applicable to the existing derivative trades with all counterparties.

With respect to the term loans, REC has been actively engaging with the lenders to initiate the transition exercise at an early stage. During the year 2021-22, REC has completed the transition documentation for two JPY loans amounting to JPY 20,846.12 Billion (INR equivalent as on 31st March, 2022 ₹ 1,297.25 crores) with the benchmark changed from JPY LIBOR to TONA . Additionally, an active transition for one SGD loan amounting to SGD 72.08 Million (INR equivalent as on 31st March, 2022 ₹ 403.21 crores has also been concluded during the year with the benchmark changed from 6M SOR (Singapore Swap Offer Rate) to SORA (Singapore Overnight Rate Average). Where the interest rate risk for these loans was hedged, the interest rate benchmarks in such derivatives have been suitably changed to the new benchmarks.

(iii) Significant Assumptions for exposures affected by the Interest Rate Benchmark Reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the Interest Rate Benchmark Reform. While the benchmarks for the underlying loan are yet to be agreed with the lenders, it has been assumed that there will be no change in the alternative benchmark rates of the underlying loan and the derivative contracts and hedge effectiveness is not altered as a result of such reform.

52.6 Hedge accounting

The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges. For option contracts, the Company designates only the intrinsic value of option contracts as a hedged item by excluding the time value of the option. The changes in the fair value of the aligned time value of the option are recognised in Other Comprehensive Income and accumulated in the cost of hedging reserve. The time value of the options at the inception of the hedging relationship is reclassified to Profit or Loss on a straight-line basis.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

(i) For cross currency swaps, principal only swaps and interest rate swaps that exactly match the terms of the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

(ii) For other interest rate swaps (in cases of late designation), the Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

(iii) For option structures, the Company analyses the behaviour of the hedging instrument and hedged item using regression analysis based dollar offset method.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Consolidated Notes to Accounts

Impact of Hedge Accounting

(a) Effects of hedge accounting on balance sheet

(₹ in Crores)

As at 31st March 2022		Notional amount (in Mn)	Carrying amount of hedging instruments	
Type of hedge and risks			Assets	Liabilities
	Cash flow hedge			
	Foreign exchange and interest rate risk			
(i)	Foreign currency options structures			
	- Seagull Structure	USD 7,045	4,744.05	-
		USD 20,846.12	102.15	-
	- Call Spread	USD 250	76.73	-
(ii)	Cross Currency Interest Rate swaps	USD 1,300	22.69	43.78
		JPY 10,327.12	-	1.50
		SGD 72.08	23.86	-
(iii)	Principal only swaps	USD 375	-	48.37
(iv)	Interest rate swaps	USD 425	92.42	-

(₹ in Crores)

As at 31st March 2021		Notional amount (in Millions)	Carrying amount of hedging instruments	
Type of hedge and risks			Assets	Liabilities
	Cash flow hedge			
	Foreign exchange and interest rate risk			
(i)	Foreign currency options structures			
	- Seagull Structure	USD 2,595	1458.96	43.25
		JPY 20,846.12	198.23	-
	- Call Spread	USD 250	77.74	-
(ii)	Cross currency swaps	USD 1,350	-	244.37
		JPY 10,327.12	-	4.06
		SGD 72.08	23.86	-
(iii)	Principal only swaps	USD 375	-	121.08
(iv)	Interest rate swaps	USD 260	-	69.74

Consolidated Notes to Accounts

(₹ in Crores)

Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
May 2022 - Jan 2027	1:1	74.30665848	(399.81)	399.81
Aug 2023 - Sep 2025	1:1	0.659080153	(96.08)	96.08
Mar 2024	1:1	57.523	(74.08)	74.08
May 2022 - Mar 2025	1:1	2.99% and 72.94	112.67	(112.67)
Aug 2023	1:1	0.42% and 0.62	0.82	(0.82)
Mar 2025	1:1	1.44%	21.54	(21.54)
Mar 2025 - Jun 2030	1:1	75.41	(49.08)	49.08
Mar 2024 - Oct 2026	1:1	2.23%	130.27	(130.27)

(₹ in Crores)

Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
April 2021 - Oct 2025	1:1	73.32	(611.68)	611.68
Aug 2023 - Sep 2025	1:1	0.66	(131.87)	131.87
Mar 2024	1:1	71.94	(93.51)	93.51
Dec 2021 - Mar 2025	1:1	2.92% and 72.93	(73.78)	73.78
Aug 2023	1:1	0.42% and 0.62	(0.08)	0.08
Mar 2025	1:1	1.44%	21.54	(21.54)
Mar 2025 - Jun 2030	1:1	75.41	(174.62)	174.62
Mar 2024 - Jul 2024	1:1	2.32%	(1.12)	1.12

Consolidated Notes to Accounts

(b) Effects of Cash Flow hedge accounting on Statement of Profit and Loss

(₹ in Crores)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Year ended 31.03.2022				
- Currency risk and interest rate risk	(377.06)	-	(995.95)	Gain/ loss on foreign exchange translation
			126.43	Finance cost
Year ended 31.03.2021				
- Currency risk and interest rate risk	(1,065.12)	-	580.30	Gain/ loss on foreign exchange translation
			179.56	Finance cost

(c) Movement in cash flow hedging reserve and cost of hedging reserve

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Effective portion of Cash Flow Hedges		
Opening Balance	(165.61)	(226.08)
Add: Changes in intrinsic value of foreign currency option structures	1108.37	(625.61)
Add: Changes in fair value of cross currency swaps	111.72	(52.32)
Add: Changes in fair value of interest rate swaps	130.27	(1.12)
Less: Amounts reclassified to profit or loss	(869.52)	759.86
Less: Deferred tax relating to above (net)	(121.02)	(20.34)
Closing Balance	**194.21**	**(165.61)**
Costs of hedging reserve		
Opening Balance	**41.45**	**(204.75)**
Add: Change in deferred time value of foreign currency option structures	(1727.42)	(386.06)
Less: Amortisation of time value	1142.91	715.06
Less: Deferred tax relating to above (net)	147.11	(82.80)
Closing Balance	**(395.95)**	**41.45**

(d) Fair Value Hedges

At 31st March 2022, Company has outstanding interest rate swap agreements of ₹ 11,850.70 crores (Previous year Nil) wherein the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount. Such agreements are being used to hedge the exposure to the changes in fair value of fixed rate borrowings.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). As such, a hedge ratio of 1:1 for the hedging relationships has been established as the underlying risk of the interest rate swap is identical to the hedged risk component.

The impact of the hedging instrument on the balance sheet as at 31st March 2022 is, as follows:

(₹ in Crores)

Fair value hedge	Notional amount	Carrying amount *	Line item in balance sheet where hedging instrument is disclosed	Changes in fair value for calculating hedge ineffectiveness
- Interest rate swap	11,850.70	(111.92)	Derivative financial instruments	(111.92)

** Carrying amount here is exclusive of the interest receivable under such derivative contract as on reporting date.*

Consolidated Notes to Accounts

The impact of the hedged item on the balance sheet as at 31st March 2022 is, as follows:

(₹ in Crores)

Fair value hedge	Carrying amount	Accumulated fair value adjustments	Line item in the balance sheet in which the hedged item is included	Change in value used for calculating hedge ineffectiveness
- Subordinated Liabilities	4,148.36	(128.33)	Subordinated Liabilities	(128.33)
- Institutional bonds	7,881.97	16.41	Debt Securities-Institutional Bonds	16.41

The decrease in fair value of the interest rate swap of ₹ 111.92 Crore (Previous year Nil) has been offset with a similar gain on the respective subordinated liabilities and debt securities.

52.7 Market Risk - Price risk

The Company is exposed to price risks arising from investments in equity shares. The Company's investments are held for strategic rather than trading purposes.

Sensitivity Analysis

The table below represents the impact on OCI Gain / (Loss) for 5% increase or decrease in the respective prices on Company's equity investments, outside the group:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Impact on Other Comprehensive Income (OCI)	13.41	(13.41)	21.51	(21.51)
Impact on Profit and Loss account (PL)	2.48	(2.48)	1.18	(1.18)

53 Additional Disclosures in respect of derivatives

53.1 Forward Rate Agreements/ Interest Rate Swaps

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	The notional principal of swap agreements	33,239.41	25,035.68
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	563.77	339.60
(iii)	Collateral required by the NBFC upon entering into swaps	NIL	Nil
(iv)	Concentration of credit risk arising from the swaps	Refer Note Below	Refer Note Below
(v)	The fair value of the swap book	390.25	(64.05)

REC, being NBFC has entered into swap agreements with Category-I, Authorized Dealers Banks only, in accordance with the RBI guidelines. All the swap agreements entered into with banks are well with in the credit risk limit defined in the Board approved Risk Management Policy.

53.2 The Company has not entered into any exchange traded Interest Rate (IR) derivatives.

53.3 Quantitative Disclosures

(₹ in Crores)

	Particulars	Currency Derivatives *		Interest Rate Derivatives **		Other Derivatives (Reverse cross currency swaps)***	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(i)	Derivatives (Notional Principal Amount)						
	For hedging	59,472.85	27,599.89	33,239.41	25,035.68	4,747.00	4,547.00
(ii)	Marked to Market Positions						
a)	Asset (+)	4,946.40	1,971.62	563.77	339.60	-	-
b)	Liability (-)	48.37	164.33	173.52	403.65	331.25	278.33
(iii)	Credit Exposure	5,131.08	4,854.40	490.82	574.96	662.05	632.05
(iv)	Unhedged Exposures	16,339.53	25,215.63	N.A.	N.A.	N.A.	N.A.

** Includes Full Hedge, Principal only Swap and Call Spread*
*** Includes Interest Rate Derivatives as a strategy of cost reduction*
**** Includes Reverse Cross Currency swap as a strategy of cost reduction*

Consolidated Notes to Accounts

54 Impact of Covid-19 Pandemic on the Company

Since outbreak of COVID-19, our Country has experienced two further waves of pandemic following the discovery of mutant coronavirus variants. These waves led to temporary reimposition of localised /regional lockdown, which were subsequently lifted. With improving coverage of vaccination programme and resumption of economic activities, India is witnessing recovery in demand. Company's strong credit profile, liquidity access and availability of contingency buffers provides it no reasons to believe that the current crisis will have any significant impact on its operations, including the going concern assessment. However, the impact will continue to be dependent, among other things, on uncertain future developments about discovery of further coronavirus variants and any action to contain its spread, whether government mandated or otherwise.

55 Exposure Related Disclosures

RBI, vide its letter dated 17th September 2010 had categorized REC as an Infrastructure Finance Company (IFC) in terms of instructions contained in RBI Circular CC No.168 dated 12th February 2010. As an IFC, the total permissible exposure for lending in the private sector is 25% of owned funds in case of single borrower and 40% in case of a single group of borrowers and exposure for lending and investing taken together can be upto 30% and 50% of owned funds, respectively.

In respect of Central/State Government entities, RBI vide its letter No.DNBR.PD.CO.No.2184/03.10.001/2015-16 dated 16th June 2016 has exempted REC from applicability of RBI's concentration of credit/investment norms till 31st March, 2022. The Company has again represented to RBI for further extension of above exemption for a further period of five years. The matter, considering Company's business model and strategic positioning being a Government Company, is under consideration of RBI and the response is awaited. In view of the above, our maximum credit exposure limits to Central and State power Utilities continue to vary maximum upto 150% of owned funds, which is based on the board approved policy and the rating of the borrowers as per entity appraisal.

In respect of Private Sector entities, the Company's credit exposure to single borrowers and group borrowers did not exceed the RBI prudential exposure limits as at 31st March 2022 and 31st March 2021.

55.1 Exposure to Real Estate Sector

The Company has no exposure to real estate sector as at 31st March 2022 (As at 31st March 2021 Nil).

55.2 Exposure to Capital Market

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	317.78	929.57
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows/ issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds	-	-
	Total Exposure to Capital Market	**317.78**	**929.57**

Consolidated Notes to Accounts

55.3 The company does not have any financing of Parent Company products during the current and previous year.

55.4 Concentration of Advances, Exposures and Credit-impaired Assets

(₹ in Crores)

	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Concentration of Advances**		
	Total Advances to twenty largest borrowers	2,39,602.97	2,28,371.07
	Percentage of Advances to twenty largest borrowers to Total Advances of the Company	62.17%	60.51%
(ii)	**Concentration of Exposures**		
	Total Exposure to twenty largest borrowers	3,29,335.41	3,42,453.58
	Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company on borrowers	61.93%	62.28%
(iii)	**Concentration of Credit-impaired Assets**		
	Total Exposure to the top four Credit-impaired Assets	**8,645.97**	**8,489.02**

56 Fair value disclosures

The fair values of financial instruments measured at amortised cost and the carrying cost of financial instruments measured at fair value by category are as follows:

(₹ in Crores)

	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
	Financial assets measured at fair value			
	Derivative financial instruments measured at			
(i)	Fair value through other comprehensive income	9	5,079.87	1,758.79
(ii)	Fair value through profit and loss	9	430.30	552.43
	Investments measured at			
(i)	Fair value through other comprehensive income	11	268.26	430.13
(ii)	Fair value through profit and loss	11	182.07	209.65
	Financial assets measured at amortised cost			
	Cash and cash equivalents	6	140.99	1,179.24
	Bank balances (other than cash and cash equivalents)	7	2,518.96	2,223.58
	Trade receivables	8	94.55	140.07
	Loan Assets	10	3,71,930.54	3,65,261.49
	Investments	11	1,740.10	1,083.90
	Other financial assets	12	24,415.31	24,419.88
	Total		**4,06,800.95**	**3,97,259.16**
	Financial liabilities measured at fair value			
	Derivative financial instruments measured at			
(i)	Fair value through other comprehensive income	9	205.64	482.51
(ii)	Fair value through profit and loss	9	347.50	363.80
	Financial liabilities measured at amortised cost			
	Trade payables	19	36.48	61.85
	Debt securities	20	2,19,574.61	2,37,269.11
	Borrowings (other than debt securities)	21	1,06,651.59	85,507.36
	Subordinated liabilities	22	6,816.47	6,946.89
	Other financial liabilities	23	25,708.64	26,213.00
	Total		**3,59,340.93**	**3,56,844.52**

Consolidated Notes to Accounts

56.1 Fair values hierarchy

The fair value of financial instruments as referred above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

The Company's policy is to recognize transfers into and transfer out of fair value hierarchy at the date of event or change in circumstances that caused the transfer.

Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in Crores)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investments at FVOCI								
Equity investments	53.52	-	214.74	268.26	430.13	-	-	430.13
Investments at FVTPL								
Equity investments	49.52	-	-	49.52	23.60	-	-	23.60
Perpetual Bonds	-	-	-	-	-	-	-	-
Debentures	-	-	132.55	132.55	-	-	143.06	143.06
Preference Shares	-	-	-	-	-	-	42.99	42.99
Assets at FVTPL								
Derivative financial instruments	-	5,510.17	-	5,510.17	-	2,311.22	-	2,311.22
Liability at FVTPL								
Derivative financial instruments	-	553.14	-	553.14	-	846.31	-	846.31

Valuation Techniques for fair value disclosures (Level 1 , Level 2 and Level 3)

(A) **Investment in Quoted Equity Investments - Level 1 -** Investment in listed equity instruments are measured at their readily available quoted price in the market.

(B) **Derivative Financial Instruments - Level 2 -** The fair value has been determined on the basis of mark to market value provided by the banks that have contracted to hedge the underlying risk. Such valuation is calculated using market observable inputs including forward exchange rates, interest rates corresponding to the maturity of the contract and implied volatilities.

(C) **Investment in Unquoted Equity of Universal Commodity Exchange Limited (UCX) - Level 3 -** Investment in unquoted equity shares of UCX is classified as Level 3. It has been carried at Nil value by the Company due to the company specific reasons. UCX was shut down in 2014, thereby, ceasing to exist as a going concern.

(D) **Investment in Unquoted Equity of Energy Efficiency Services Limited (EESL)- Level 3 -** Investment in unquoted equity shares of EESL is classified as Level 3. EESL ceases to be a Joint Venture (JV) with effect from September 01, 2021. The fair value has been calculated on the basis of Financial Statement of the investee company.

(E) **Investment in Unquoted Preference Shares - Level 3 -** Investment in unquoted Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rattan India Power Ltd. (RIPL) are classified as Level 3. The company has been alloted OCCRPS of the borrower company pursuant to One Time Settlement arrangement executed on 23rd December 2019. The fair value has been taken as Nil as future cash flows are uncertain in such instruments. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

(F) **Investment in Optionally Convertible Debentures of Essar Power Transmission Limited - Level 3 -** Investment in unquoted Optionally Convertible Debentures (OCDs) of Essar Power Transmission Limited are classified as Level 3, which have been alloted to the Company upon implementation of restructuring plan with the borrower. The fair value has been derived by present value technique by discounting future cash flows at interest rate applicable to the borrowers. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

Consolidated Notes to Accounts

(G) **Investment in Optionally Convertible Debentures of R.K.M PowerGen Private Limited - Level 3 -** Investment in unquoted Optionally Convertible Debentures (OCDs) of R.K.M PowerGen Private Limited are classified as Level 3, which have been alloted to the Company upon implementation of restructuring plan with the borrower. The fair value has been taken as Nil as such debentures are unsustainable in nature and future cash flows are uncertain. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

56.2 Reconciliation of Financial Instruments measured at Fair Value through Level 3 inputs

The following table shows the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in Crores)

Particulars	For the Year ended 31st March 2022					
	FVTPL			FVOCI		Total
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in OCDs	Investment in Venture Capital Fund	Investment in Unquoted Equity Shares	
Opening Balance	**-**	**42.99**	**143.06**	**-**	**-**	**186.05**
Received in Loan Settlement (Refer Note 10.3)	-	-	-	-	-	-
Settlement	-	-	(41.95)	-	-	(41.95)
Transfer in Level 3	-	-	-	-	218.10	218.10
Transfer from Level 3	-	-	-	-	-	-
Interest income (i)	-	6.02	21.13	-	-	27.15
Fair value changes	-	(49.01)	10.31	-	(3.36)	(42.06)
Closing Balance	**-**	**-**	**132.55**	**-**	**214.74**	**347.29**
Unrealised gain (loss) at year-end	**-**	**(32.42)**	**12.49**	**-**	**(19.36)**	**(39.29)**

(₹ in Crores)

Particulars	For the Year ended 31st March 2021					
	FVTPL			FVOCI		Total
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in OCDs	Investment in Venture Capital Fund	Investment in Equity Shares	
Opening Balance	**1,500.62**	**45.41**	**-**	**-**	**-**	**1,546.03**
Received in Loan Settlement *(Refer Note 10.3)*	-	-	149.56	-	-	149.56
Settlement	(1667.94)	-	(28.22)	-	-	(1696.16)
Transfer from Level 3	-	-	-	6.15	-	6.15
Interest income	167.32	6.26	21.72	-	-	195.30
Fair value changes	-	(8.68)	-	(6.15)	-	(14.83)
Closing Balance	**-**	**42.99**	**143.06**	**-**	**-**	**186.05**
Unrealised gain (loss) at period-end	**-**	**10.57**	**12.42**	**(6.15)**	**(16.00)**	**0.84**

Refer Note No. 11.5 for Investment in equity shares measured at Fair Value through Other Comprehensive Income (FVOCI) derecognised during the year

*(i) * forms part of line item 'Interest Income' in the Standalone Statement of Profit and Loss.*

(ii) Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Standalone Statement of Profit and Loss.

(iii) Fair value gain/ (loss) on Investments at FVOCI forms part of line item 'Changes in Fair Value of FVOCI Equity Instruments' in the Standalone Statement of Profit and Loss.

Consolidated Notes to Accounts

56.3 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	140.99	140.99	1,179.24	1,179.24
Bank balances (other than cash and cash equivalents)	2,518.96	2,518.96	2,223.58	2,223.58
Trade receivables	94.55	94.55	140.07	140.07
Loans	3,71,930.54	3,72,175.00	3,65,261.49	3,66,843.62
Investments	1,740.10	1,778.29	1,083.90	1,096.95
Other financial assets	24,415.31	24,415.16	24,419.88	24,421.76
Total	**4,00,840.45**	**4,01,122.96**	**3,94,308.16**	**3,95,905.22**
Financial liabilities				
Trade payables	36.48	36.48	61.85	61.85
Debt securities	2,19,574.61	2,21,167.25	2,37,269.11	2,35,683.50
Borrowings (other than debt securities)	1,06,651.59	1,07,306.18	85,507.36	85,562.85
Subordinated liabilities	6,816.47	7,131.25	6,946.89	7,610.21
Other financial liabilities	25,708.64	25,708.64	26,213.00	26,213.00
Total	**3,58,787.79**	**3,61,349.79**	**3,55,998.21**	**3,55,131.41**

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables:

Financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, Contract assets, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity.

Loans and advances to customers

Fair values of loan assets are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The Company then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models.

Financial assets at amortised cost

The fair values of debt securities measured at amortised cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued debt

The fair values of the Company fixed interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2022 was assessed to be insignificant.

Investment in Govt. Securities (G-SEC) and State Development Loan (SDL)

The Company has made investments in G-Sec and SDL in order to maintain sufficient High Quality Liquid Assets as per RBI guidelines. The market price of Government of India securities and state development loan is available as at reporting date and accrued interest from last coupon date to the reporting date is added to market price.

Investment in PSU Bonds

The Company has made investments in PSU Bonds in order to maintain sufficient High Quality Liquid Assets as per RBI guidelines. The company has computed fair value using market inputs i.e., Yield of G-Sec bonds for similar remaining maturity or credit rating wise spread for PSUs for remaining maturity as per industry practice.

Consolidated Notes to Accounts

Investments in securities issued by Borrower entities at the time of Loan Settlement/ Resolution

The fair value has been derived by present value technique by discounting future cash flows at interest rate applicable to the borrowers. Any change in expectation of future cash flow is adjusted to reflect change in fair value of the investment.

All other debt securities, borrowings and subordinated liabilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

57 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Principal amount remaining unpaid as at the period end	**-**	**0.01**
Interest due thereon remaining unpaid as at the period end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at the period end	-	0.53
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

58 Related Party Disclosures :

58.1 List of Related Parties

(1) Key Managerial Personnel

Sh. S.K.G Rahate	Chairman & Managing Director w.e.f 22nd February, 2022
Sh. Sanjay Malhotra	Chairman & Managing Director upto 10th February, 2022
Sh. Ajoy Choudhury	Director (Finance)
Sh. Sanjeev Kumar Gupta	Director (Technical) upto 31st October, 2021
Sh. Praveen Kumar Singh	PFC Nominee Director (Non-executive Director) upto 31st Janurary, 2022
Smt. Parminder Chopra	PFC Nominee Director (Non-executive Director) w.e.f 4th February, 2022
Sh. Tanmay Kumar	Govt. Nominee Director upto 6th September, 2021
Sh. Vishal Kapoor	Govt. Nominee Director w.e.f 7th September, 2021
Dr. Gambheer Singh	Part Time Non-Official Independent Director w.e.f 15th November, 2021
Dr. Manoj M. Pande	Part Time Non-Official Independent Director w.e.f 15th November, 2021
Dr. Durgesh Nandini	Part Time Non-Official Independent Director w.e.f 30th December, 2021
Sh. J.S. Amitabh	Executive Director & Company Secretary

(2) Ultimate Holding Company

Power Finance Corporation Ltd.

(3) Associate Companies of REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)

Chandil Transmission Limited

Dumka Transmission Limited

Mandar Transmission Limited

Koderma Transmission Limited

Rajgarh transmission limited

Bidar transmission limited

MP Power Transmission Package-I Limited

ER NER Transmission Limited (incorporated on 06.10.2021)

Sikar New Transmission Limited (incorporated on 2 June, 2020 and transferred to M/s Power Grid Corporation of India Limited on 4 June, 2021)

Consolidated Notes to Accounts

MP Power Transmission Package-II Limited (incorporated on 20 August, 2020 and transferred to M/s Adani Transmission Limited on 1 November, 2021)

Kallam Transmission Limited (incorporated on 28 May, 2020 and transferred to M/s Indigrid I Limited (Lead Member) on 28 December, 2021)

Gadag Transmission Limited (incorporated on 2 June, 2020 and transferred to M/s Renew

Fatehgarh Bhadla Transco Limited (incorporated on 2 June, 2020 and transferred to M/s Power Grid Corporation of India Limited on 4 June, 2021)

Dinchang Transmission Limited (struck off from the ROC vide MCA letter dated 17.08.2021)

(4) Joint Ventures

Energy Efficiency Services Limited (EESL) (upto 31st August, 2021)

(5) Post-employment Benefit Plan Trusts

REC Limited Contributory Provident Fund Trust

REC Gratuity Fund

REC Employees' Superannuation Trust

REC Retired Employees' Medical Trust

(6) Society registered for undertaking CSR Initiatives

REC Foundation

(7) Companies in which Key Managerial Personnel are Directors

NHPC Limited (Related Party upto 6th September, 2021)

SJVN Limited (Related Party upto 6th September, 2021)

Kholongchhu Hydro Energy Limited (Related Party upto 6th September, 2021)

Punatsangchhu-I, Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

Punatsangchhu-II, Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

Mangdechhu Hydroelectric Project Authority in Bhutan (Related Party upto 6th September, 2021)

(8) Below mentioned related parties of the Ultimate Holding Company are also considered as related parties of REC:

(a) Key Managerial Personnel of Ultimate Holding Company

Sh. Ravinder Singh Dhillon	Chairman & Managing Director
Smt. Parminder Chopra	Director (Finance)
Sh. Praveen Kumar Singh	Director (Commercial) upto 31st Janurary, 2022
Sh. Rajiv Ranjan Jha	Director (Projects) w.e.f 28th October, 2021
Sh. Tanmay Kumar	Govt. Nominee Director upto 6th September, 2021
Sh. Vishal Kapoor	Govt. Nominee Director w.e.f 7th September, 2021
Sh Ram Chandra Mishra	Part Time Non-Official Independent Director
Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Smt. Usha Sanjeev Nair	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Shri. Prasanna Tantri	Part Time Non-Official Independent Director w.e.f 23rd December, 2021
Shri Manohar Balwani	Company Secretary

(b) Subsidiary Companies of Ultimate Holding Company

PFC Consulting Limited (PFCCL)

(c) Associate Companies of Ultimate Holding Company

Bihar Mega Power Limited
Orissa Integrated Power Limited
Jharkhand Infrapower Limited
Coastal Tamil Nadu Power Limited
Bihar Infrapower Limited

Consolidated Notes to Accounts

Deoghar Infra Limited
Sakhigopal Integrated Power Company Limited
Ghogarpalli Integrated Power Company Limited
Odisha Infrapower Limited
Deoghar Mega Power Limited
Cheyyur Infra Limited
Ananthpuram Kurnool Transmission Limited
Khetri-Narela Transmission Limited
Coastal Karnataka Power Limited
Bhadla Sikar Transmission Limited
Mohanlalganj Transmission Limited (incorporated on 08.06.2021)
Kishtwar Transmission Limited (incorporated on 15.04.2021)
Chhatarpur Transmission Limited (incorporated on 25.01.2022)
Nangalbibra-Bongaigaon Transmission Limited (incorporated on 09.04.2021 and transferred on 16.12.2021)
Khavda-Bhuj Transmission Limited (incorporated on 18.05.2021 and transferred on 18.01.2022)
Koppal- Narendra Transmission Limited (transferred on 13.12.2021)
Sikar-II Aligarh Transmission Limited (transferred on 08.06.2021)
Karur Transmission Limited (transferred on 18.01.2022)
Chhattisgarh Surguja Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
Shongtong Karcham-Wangtoo Transmission Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
Tatiya Andhra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
Coastal Maharashtra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
Bijawar-Vidarbha Transmission Limited (under approval for striking off the name from the records of Registrar of Companies)
Tanda Transmission Company Limited (under process of Striking off the name of Company from the records of Registrar of Companies)

(d) Post-employment Benefit Plan Trusts of Ultimate Holding Company

PFC Employees Provident Fund Trust
PFC Employees Gratuity Trust
PFC Defined Contribution Pension Scheme 2007
PFC Ltd. Superannuation Medical Fund

(e) Other Companies in which Key Managerial Personnel of Ultimate Holding Company are Directors

PTC India Limited

58.2 Amount due from/ to the related parties :

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Power Finance Corporation Ltd.		
Loan Repayable on Demand	-	**3,000.49**
Associates		
Loans to associates	12.83	13.45
Payables	0.01	0.08
Post-employment Benefit Plan Trusts		
Debt Securities	8.70	8.70
Debt Securities- Holding Company	19.90	19.90
Other financial liabilities- GOI Serviced Bonds	29.30	29.30
Provisions	1.05	9.00

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Other financial assets	-	-
Post-employment Benefit Plan Trusts of Ultimate Holding Company		
Debt Securities	1.90	4.10
Key Managerial Personnel		
Debt Securities	0.16	0.15
Staff Loans & Advances	0.18	0.28
Key Managerial Personnel of Ultimate Holding Company		
Debt Securities	0.17	0.12
REC Foundation		
Other Non Financial Assets	1.20	1.54
Companies in which Key Managerial Personnel are Directors		
Debt Securities	-	10.00

58.3 Transactions with the related parties :

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Power Finance Corporation Ltd.		
Dividend Paid	1,269.22	1,143.44
Directors' Sitting Fee	0.08	0.10
Loan Repayable on Demand raised	-	3,000.00
Finance Cost	14.47	0.49
Post-employment Benefits Plan Trusts		
Contributions made by the Company	18.28	1.42
Finance Costs - Interest Paid	3.28	3.29
Post-employment Benefits Plan Trusts of Ultimate Holding Company		
Subscription to the bonds of Company	2.20	-
Finance Costs - Interest Paid	0.38	0.38
Key Managerial Personnel		
Repayment/ Recovery of Staff Loans & Advances	0.10	0.17
Interest Income on Staff Loans	0.04	0.05
Finance Cost	0.02	0.01
Employee Benefits Expense - Managerial Remuneration	3.05	3.21
Directors' Sitting Fee	0.13	-
Key Managerial Personnel of Ultimate Holding Company		
Finance Cost	0.01	-
REC Foundation		
Payment towards Corporate Social Responsibility (CSR) Expenses	112.00	90.00
Companies in which Key Managerial Personnel are Directors		
Finance Cost	0.35	0.33
Dividend Income	4.13	27.52

Consolidated Notes to Accounts

58.4 Terms and conditions of transactions with related parties

The transactions with the related parties are being made at arm's length basis. The remuneration and the staff loans to Key Managerial Personnel are in line with the service rules of the Company. The finance costs paid to the related parties are on account of their investments in the debt securities of the Company and the Term loan repayable on demand taken from the holding company. The interest rate payable on such debt securities is uniformally applicable to all the bondholders. The Company also makes advances to its subsidiary company on account of apportionment of establishment and administrative expenses, which are recovered on quarterly basis. Even while the outstanding balances of subsidiary company at the year-end are unsecured, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is made on the basis of short-term realisation of the advances so given.

58.5 Managerial Remuneration

The details of remuneration to Key Managerial Personnel (KMP) during the year is as below:

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	Short-term employee benefits	2.91	3.01
(ii)	Post employment benefits	0.14	0.20
	Total	**3.05**	**3.21**

As the liabilities for the gratuity and compensated absence are provided on an actuarial basis for the Company as a whole rather than each individual employee, the amounts pertaining specifically to KMP are not known and hence, not included in the above table. Gratuity and compensated absence, are included based on actual payment in respective year based in the above table.

58.6 Disclosure in respect of entities under the control of the same government (Government related entities)

List of Government related entities

The Company had transactions with the following government related entities during the year:

Bihar Grid Company Ltd
Damodar Valley Corporation
Nabinagar Power Generating Co. Pvt. Ltd.
Neyveli Uttar Pradesh Power Ltd
NTPC Tamil Nadu Energy Company Ltd.
Patratu Vidut Utpadan Nigam Ltd.
THDC India Ltd.

Aggregate transactions with such government related entities are as under:

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Disbursement of Loans	2,059.64	2,837.27
Interest income recognised	1,829.69	2,178.00

Aggregate balance outstanding from such government related entities are as under:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Loan Assets	17,854.95	22,649.28
Interest Accrued	4.52	7.73

Refer Note No. 12, 21.1(i)and 35 in respect of material transactions with the Central Govt.

59 Disclosures in respect of Ind AS 116 'Leases'

The Company has leases for office building, warehouses, Office equipment and related facilities. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term.

Consolidated Notes to Accounts

The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

During the year ended 31st March, 2022, the expenses relating to short-term leases are ₹ 6.21 crores (previous year ₹12.92 crores). The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 6.23 crores. (previous year ₹ 12.95 crores).

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	0.05	2.12
Finance Cost accrued during the year	-	0.11
Payments made during the year	(0.02)	(2.18)
Closing Balance	**0.03**	**0.05**

The table below provides details regarding the contractual maturities of undiscounted lease liabilities:

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Upto 1 year	0.02	0.02
1-5 years	0.02	0.04
More than 5 years	-	-

60 Disclosures for Employee Benefits as required under Ind AS 19 'Employee Benefits':

60.1 Defined Contribution Plans

A. Provident Fund

The Company pays fixed contribution of Provident Fund at pre-determined rates to a separate registered trust which invests the funds in permitted securities. The trust must declare the rate of interest on contribution to the members based upon the returns earned on its investments during the year, subject to minimum interest rate prescribed by Employees' Provident Fund Organisation. Any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

In case of RECPDCL, there is no separate trust and the companies makes provident fund contributions to defined contribution plans.

B. Defined Contribution Superannuation Scheme

The Company pays fixed contribution towards superannuation scheme at pre-determined rates to NPS Trust which invests the funds in the permitted securities. The balance with the NPS Trust/ separate trust includes the monthly contributions in the members' account along with the accumulated returns. When the pension becomes payable to the member, the amount standing to the credit of the member is appropriated towards the member's accumulation and annuities, as opted for by the member is allotted.

The Group has recognised an expense of ₹ 11.60 crores (previous year ₹ 13.96 Crores) towards defined contribution plans

60.2 Defined Benefit Plans - Post-Employment Benefits

A. Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crores on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability of Gratuity is recognized on the basis of actuarial valuation.

Net Defined Benefit (Asset)/ Liability

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	30.43	32.44
Fair Value of Plan Assets	30.09	30.25
Net Defined Benefit (Asset)/ Liability	0.34	2.19

Consolidated Notes to Accounts

Movement in net defined benefit (asset)/ liability

(₹ in Crores)

Particulars	Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**32.44**	**36.82**	**30.25**	**35.47**	**2.19**	**1.35**
Included in profit or loss						
Current service Cost	1.79	1.93	-	-	1.79	1.93
Interest cost / income	2.17	2.28	2.11	2.38	0.06	-0.10
Total amount recognised in profit or loss	**3.96**	**4.21**	**2.11**	**2.38**	**1.85**	**1.83**
Included in OCI						
Re-measurement loss (gain)						
- Actuarial loss (gain) arising from changes in financial assumptions	(0.65)	(0.49)	-	-	(0.65)	(0.49)
-Actuarial loss (gain) arising from Experience adjustments	(0.29)	0.58	-	-	(0.29)	0.58
Return on plan assets excluding interest income	-	-	(0.18)	(0.33)	0.18	0.33
Total amount recognised in OCI	**(0.94)**	**0.09**	**(0.18)**	**(0.33)**	**(0.76)**	**0.42**
Contribution by employers	-	-	2.94	1.42	(2.94)	(1.42)
Benefits paid	(5.03)	(8.68)	(5.03)	(8.69)	-	0.01
Closing Balance	**30.43**	**32.44**	**30.09**	**30.25**	**0.34**	**2.19**

B. Post Retirement Medical Facility (PRMF)

The Company has Post Retirement Medical Facility under which the entitled retired employees and their dependent family members are covered as per Company Rules. The scheme is funded by the Company and is managed by separate trust. The liability towards the same is recognized on the basis of actuarial valuation.

Net Defined Benefit (Asset)/ Liability

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	165.51	151.69
Fair Value of Plan Assets	164.80	144.06
Net Defined Benefit (Asset)/ Liability	0.71	7.63

Movement in net defined benefit (asset)/ liability

(₹ in Crores)

Particulars	Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**151.69**	**136.42**	**144.06**	**140.64**	**7.63**	**(4.22)**
Included in profit or loss						
Current service Cost	3.29	2.90	-	-	3.29	2.90
Past service cost	2.50	-	-	-	2.50	-
Interest cost / income	10.31	8.94	10.07	9.45	0.24	(0.51)
Total amount recognised in profit or loss	**16.10**	**11.84**	**10.07**	**9.45**	**6.03**	**2.39**

Consolidated Notes to Accounts

(₹ in Crores)

Particulars	Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Included in OCI						
Re-measurement loss (gain)						
- Actuarial loss (gain) arising from changes in financial assumptions	(4.08)	(5.20)	-	-	(4.08)	(5.20)
- Actuarial loss (gain) arising from changes in demographic assumptions	3.75	-	-	-	3.75	-
-Actuarial loss (gain) arising from Experience adjustments	10.58	19.94	-	-	10.59	19.94
Return on plan assets excluding interest income	-	-	2.90	1.64	(2.90)	(1.64)
Total amount recognised in OCI	**10.25**	**14.74**	**2.90**	**1.64**	**7.36**	**13.10**
Contribution by participants	0.15	-	0.06	0.08	0.09	(0.08)
Contribution by employers	-	-	7.71	-	(7.72)	-
Benefits paid	(12.68)	(11.31)	-	(7.75)	(12.68)	(3.56)
Closing Balance	**165.51**	**151.69**	**164.80**	**144.06**	**0.71**	**7.63**

C. Economic Rehabilitation Scheme (ERS)

The Company has an Economic Rehabilitation Scheme (ERS) to support the family financially in case of permanent disability/ death of an employee during the service tenure. This scheme is unfunded and the liability is determined based on actuarial valuation.

Net Defined Benefit (Asset)/ Liability for ERS

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation		
- ERS	4.15	4.13

Movement in net defined benefit (asset)/ liability for ERS

(₹ in Crores)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**4.13**	**4.25**
Included in profit or loss		
Current service Cost	0.20	0.20
Interest cost / income	0.26	0.25
Total amount recognised in profit or loss	**0.46**	**0.45**
Included in OCI		
Re-measurement loss (gain)		
- Actuarial loss (gain) arising from changes in financial assumptions	(0.06)	0.02
-Actuarial loss (gain) arising from Experience adjustments	0.89	0.73
Total amount recognised in OCI	**0.83**	**0.75**
Benefits paid	(1.27)	(1.32)
Closing Balance	**4.15**	**4.13**

Consolidated Notes to Accounts

60.2.1 Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

(i) Asset volatility

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market and macro-economic factors.

(ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period. A decrease in discount rate will increase present values of defined benefit obligations, although this will be partially offset by an increase in the value of the plans' investments.

(iii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

60.2.2 Plan Assets

The fair value of plan assets at the end of reporting period for each category, are as follows:

(₹ in Crores)

Particulars	Gratuity		PRMF	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Cash & Cash Equivalents	**0.38**	**0.01**	**0.11**	**1.90**
Unquoted Plan Assets				
State Government Debt Securities			22.58	
Corporate Bonds/ Debentures	-	-	142.11	142.16
Others - Insurer managed funds & T-bills	29.71	30.24	-	-
Sub-total - Unquoted Plan Assets	**29.71**	**30.24**	**164.69**	**142.16**
Total	**30.09**	**30.25**	**164.80**	**144.06**

Actual return on plan assets is ₹ 14.9 crores (previous year ₹ 13.14 crores).

60.2.3 Significant Actuarial Assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by M/s Transvalue Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The principal assumptions used for actuarial valuations are:-

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Method Used	**PUCM**	**PUCM**	**PUCM**	**PUCM**	**PUCM**	**PUCM**
Discount Rate & Expected Return on Plan Assets, if funded	7.37%	6.99%	7.37%	6.99%	7.37%	6.99%
Future Salary Increase / medical inflation	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	17.35	16.03	17.35	16.03	17.35	16.03

The Principal assumptions are the discount rate, salary growth rate and expected average remaining working lives of employees. The discount rate is generally based on the market yields available on govt. bonds at the reporting date with a term that matches the liabilities and the salary growth rate takes account of inflation, seniority, promotions and other relevant factors as long term basis. The above information is certified by the Actuary.

Consolidated Notes to Accounts

60.2.4 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Crores)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(0.80)	0.85	(0.90)	0.97
- PRMS	(12.16)	12.66	(11.14)	11.66
- ERS	(0.15)	0.17	(0.15)	0.17
Salary Escalation Rate (0.50% movement)				
- Gratuity	0.19	(0.21)	0.14	(0.13)
- PRMS	-	-	-	-
- ERS	0.15	(0.14)	0.15	(0.14)
Medical inflation Rate (0.50% movement)				
- PRMS	11.68	(10.57)	10.83	(10.44)
Medical Cost (10% movement)	-	-	-	-
- PRMS	16.98	(16.28)	15.56	(14.92)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Company actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Company to manage its risks from prior periods.

60.2.5 Expected maturity analysis of the defined benefit plans in future years

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Less than 1 year	4.71	7.87	14.02	12.20	1.11	1.19
From 1 to 5 years	17.61	20.81	83.46	72.60	3.60	3.00
Beyond 5 years	32.92	31.10	327.63	285.02	4.74	3.19
Total	**55.24**	**59.78**	**425.11**	**369.82**	**9.45**	**7.38**

60.2.6 Expected contribution for the next year

(₹ in Crores)

Particulars	Gratuity		PRMF		ERS	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Expected contribution	1.76	3.98	4.35	10.91	-	-

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12.20 years (as at 31.03.2021 - 12.54 years).

60.3 Other Long-term Employee Benefits

60.3.1 Earned Leave and Half Pay Leave

REC provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service, while there is no limit for accumulation of half pay leave. In case of RECPDCL, the Employees are entitled for Leave Encashment after completion of one year of service only and amount is paid in full, at the time of separation. The liability for the same is recognised on the basis of actuarial valuation. Total expenses amounting to ₹ 9.37 crore (Previous period ₹ 4.55 crore) have been made towards these employee benefits and debited to the Statement of Profit and Loss on the basis of actuarial valuation.

Consolidated Notes to Accounts

60.3.2 Other employee benefits

Expenses towards long service award and settlement allowance amounting to Nil (previous year ₹ 0.76 crores) have been debited to the Statement of Profit and Loss on the basis of actuarial valuation.

In case of RECPDCL, the Loyalty incentive to the employees is payable after completion of three years of continuous service only, except in case of separation due to death. The payment of dues to outgoing employee is released at the time of separation. Expenses amounting to Nil (Previous year ₹ 0.20 crore) have been debited to the Statement of Profit and Loss on the basis of actuarial valuation.

61 Status of Documentation Subsequent to Unbundling of SEBs

Some of the erstwhile State Electricity Boards (SEBs) against whom loans were outstanding or on whose behalf guarantees were given, were restructured by the respective State Governments and new entities were formed in the past. Consequently, the liabilities of the erstwhile SEBs stand transferred to new entities.

Status of Documentation Subsequent to Reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union Territories (UTs) – Jammu & Kashmir UT and Ladakh UT, the existing entities pertaining to the erstwhile state of J&K have been restructured vide unbundling order dated 23rd October 2019. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documentation, the existing loans for Generation, T&D and Govt. schemes are being serviced / repaid in line with the existing loan agreements.

Status of Documentation Subsequent to Reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile State of Andhra Pradesh, the state of Telangana has been formed on 2 June 2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal Gazette Notification.

Status of Documentation is as under:

(i) Where ever the loans have been sanctioned to erstwhile APCPDCL, APNPDCL and APGENCO prior to bifurcation and documentation has not been done, these schemes have been re-sanctioned in the name of newly formed utilities and documentation formalities completed and accordingly the charge has been registered with the Ministry of Corporate Affairs (MCA).

(ii) Where ever the loans sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed and drawls have been made, in these schemes an undertaking has been obtained from the name changed / newly formed utility and disbursements have been made to the newly formed utility by changing the name of the borrower in the name of new / name changed utility.

(iii) Where ever the Loan is sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed with Government Guarantee and drawls have been made, further documentation for these schemes shall be done on Gazette Notification.

(iv) Once the final transfer scheme is notified through Gazette Notification by Govt, duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans with the new / name changed utilities. Till that time, the demand for payment of interest / principal is being segregated by the Utilities and the respective portions are being paid by Utilities in Telangana and Andhra Pradesh.

62 Modifications in the Significant Accounting Policies

The policy on Business Combination under Common Control, Expenditure on Issue of Shares and Fair Value Hedges have been added. Further, certain accounting policies have also been reworded to bring in more clarity and align with Company's practice. There is no financial impact of such modifications carried out in the accounting policies.

63 Provisions, Contingencies and Impairment loss allowances debited to Consolidated Statement of Profit and Loss

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(i)	Impairment Loss Allowance for loans*	3,434.36	2,363.33
(ii)	Impairment Loss Allowance for Investments	28.72	-
(iii)	Impairment Loss Allowance for Other Receivables	6.94	82.61
(iv)	Provision made for Income Tax	2,394.83	2,401.35

** includes ₹ 11.81 crores (Previous year ₹ 0.71 crores) towards impairment allowance on Letter of Comfort.*

Consolidated Notes to Accounts

64 The Company's operations comprise of only one business segment - lending loans to power sector companies engaged in construction of power plants and in generation, supply, distribution and transmission of electricity: in the context of reporting business/ geographical segment as required by Ind AS 108 - Operating Segments. Based on "management approach" as defined in Ind AS 108 Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance based on analysis of various factors of one business segment.

64.1 Information about Revenue from major products and services

(₹ in Crores)

Particulars		Year ended 31.03.2022	Year ended 31.03.2021
(A)	Income from Loan Assets	38,522.97	34,364.47
(B)	Fee for Implementation of Govt. Schemes	15.23	33.67
(C)	Income from Treasury Operations	235.36	410.12
(D)	Revenue from sale of services	150.96	163.65
	Total	**38,924.52**	**34,971.91**

64.2 The Group does not have any reportable geographical segment as the primary operations of the Group are carried out within the country.

64.3 No single borrower has contributed 10% or more to the Company's revenue during the financial year 2021-22 and 2020-21

65 Subsidiaries, joint venture and associates considered for consolidation

A. Wholly owned subsidiaries of the Company:

(₹ in Crores)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group	
		As at 31.03.22	As at 31.03.21
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	India	100%	100%

B. Joint venture

(₹ in Crores)

Name of entity	Place of business/ country of incorporation	Ownership interest/ Carrying Amount held by the Group**	
		As at 31.03.22	As at 31.03.21
Energy Effiency Services Limited (EESL)*	India		
Ownership interest		15.68%	22.18%
Carrying Amount**		214.74	257.74

** During the year, pursuant to agreement executed amongst the Joint Venture partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited, EESL ceased to be a jointly controlled entity of the Company with effect from September 01, 2021, under Ind-AS framework.*

** The financial statements for FY 2021-22 is un-audited and certifed by the management and have been considered for Consolidated Financial Statements of the Group. The figures appearing in the financial statements may change upon completion of the audit.*

*** Quoted price of the investment is not available, as the equity shares of the Company are not listed on stock exchanges.*

C. Associates

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group	
		As at 31.03.22	As at 31.03.21
Dinchang Transmission Limited	India	100.00%	100.00%
Chandil Transmission Limited	India	100.00%	100.00%
Dumka Transmission Limited	India	100.00%	100.00%
Mandar Transmission Limited	India	100.00%	100.00%
Koderma Transmission Limited	India	100.00%	100.00%
Rajgarh Transmission Limited (Earlier Rajgarh Madhya Pradesh Line)	India	100.00%	100.00%
MP Power Transmission Package-I Limited	India	100.00%	100.00%
Bidar Transmission Limited (Earlier Bidar Karnataka Line)	India	100.00%	100.00%
ER NER Transmission Limited	India	100.00%	-

Consolidated Notes to Accounts

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group	
		As at 31.03.22	As at 31.03.21
Gadag Transmission Limited (Earlier Gadag Karnataka Part A Line)*	India	-	100.00%
Fatehgarh Bhadla Transco Limited (Earlier Solar Energy Rajasthan Part B Line)*	India	-	100.00%
Sikar New transmission Limited (Earlier Solar Energy Rajasthan Part C Line)*	India	-	100.00%
Kallam transmission Limited (Earlier Osmanabad Maharashtra Line)*	India	-	100.00%
MP Power Transmission Package-II Limited*	India	-	100.00%

* The above SPV has been sold during the year

Note: The above investments are managed as per the mandate from Government of India (GoI) and the Company does not have the practical ability to direct the relevant activities of these Companies unilaterally. The Company therefore, considers its investment in respective Companies as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

66 Disclosures in respect of Entities Consolidated as required under Schedule III to the Companies Act, 2013

66.1 Share in Net Assets i.e. Total Assets minus Total Liabilities

(₹ in Crores)

Name of the Entity	As at March 31, 2022		As at March 31, 2021	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Assets	Amount
Parent				
REC Limited	99.36%	50,985.60	99.23%	43,426.37
Subsidiaries - Indian				
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	0.64%	328.59	0.68%	297.99
Joint Venture - Indian				
Energy Efficiency Services Limited	-	-	0.59%	257.74
Associates - Indian				
Chandil Transmission Limited	-	0.05	-	0.05
Dumka Transmission Limited	-	0.05	-	0.05
Mandar Transmission Limited	-	0.05	-	0.05
Koderma Transmission Limited	-	0.05	-	0.05
Kallam transmission Limited (Earlier Osmanabad Maharashtra Line)	-	-	-	0.05
Bidar Transmission Limited (Earlier Bidar Karnataka Line)	-	0.05	-	0.05
Gadag Transmission Limited (Earlier Gadag Karnataka Part A Line)	-	-	-	0.05
Fatehgarh Bhadla Transco Limited (Earlier Solar Energy Rajasthan Part B Line)	-	-	-	0.05
Sikar New transmission Limited (Earlier Solar Energy Rajasthan Part C Line)	-	-	-	0.05
Rajgarh Transmission Limited (Earlier Rajgarh Madhya Pradesh Line)	-	0.05	-	0.05
MP Power Transmission Package-I Limited	-	0.05	-	0.05
MP Power Transmission Package-II Limited	-	-	-	0.05
Adjustments or eliminations effect	**0.00%**	**(0.43)**	**-0.50%**	**(218.77)**
Total	**100.00%**	**51,314.10**	**100.00%**	**43,763.93**

Consolidated Notes to Accounts

Share in profit and loss

(₹ in Crores)

Name of the Entity	Year ended 31.03.2022		Year ended 31.03.2021	
	As % of Consolidated Net Profit	Amount	As % of Consolidated Net Profit	Amount
Parent				
REC Limited	100.10%	10,045.92	99.80%	8,361.78
Subsidiaries - Indian				
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	0.53%	53.03	0.31%	25.62
REC Transmission Projects Company Limited	-	-	0.00%	-
Joint Venture - Indian				
Energy Efficiency Services Limited	(0.12%)	(11.81)	(0.02%)	(1.97)
Associates - Indian	-	-	-	-
Adjustments or eliminations effect	**(0.51%)**	**(51.44)**	**(0.09%)**	**(7.19)**
Total	**100.00%**	**10,035.70**	**100.00%**	**8,378.24**

Share in Other Comprehensive Income

(₹ in Crores)

Name of the Entity	Year ended 31.03.2022		Year ended 31.03.2021	
	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Other Comprehensive Income	Amount
Parent				
REC Limited	102.02%	(59.07)	99.73%	456.52
Subsidiaries - Indian				
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	-	-	-	-
REC Transmission Projects Company Limited	-	-	-	-
Joint Venture - Indian				
Energy Efficiency Services Limited	(2.02%)	1.17	0.27%	1.24
Associates - Indian	-	-	-	-
Adjustments or eliminations effect	-	-	-	-
Total	**100.00%**	**(57.90)**	**100.00%**	**457.76**

Share in Total Comprehensive Income

(₹ in Crores)

Name of the Entity	Year ended 31.03.2022		Year ended 31.03.2021	
	As % of Consolidated Total Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent				
REC Limited	100.09%	9,986.85	99.80%	8,818.30
Subsidiaries - Indian				
REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	0.53%	53.03	0.29%	25.62
REC Transmission Projects Company Limited	0.00%	-	-	-
Joint Venture - Indian				
Energy Efficiency Services Limited	(0.11%)	(10.64)	(0.01%)	(0.73)

Consolidated Notes to Accounts

(₹ in Crores)

Name of the Entity	Year ended 31.03.2022		Year ended 31.03.2021	
	As % of Consolidated Total Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Associates - Indian	-	-	-	-
Adjustments or eliminations effect	(0.52%)	(51.44)	(0.08%)	(7.19)
Total	**100.00%**	**9,977.80**	**100.00%**	**8,836.00**

67 Amounts expected to be recovered/ settled within 12 months and beyond for each line item under asset and liabilities

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Within 12 months	More than 12 months	Within 12 months	More than 12 months
	ASSETS				
(1)	**Financial Assets**				
(a)	Cash and cash equivalents	140.99	-	1,179.24	-
(b)	Bank balances other than (a) above	2,453.95	65.01	2,222.36	1.22
(c)	Trade receivables	94.55	-	140.07	-
(d)	Derivative financial instruments	343.37	5,166.80	258.94	2,052.28
(e)	Loans	39,144.60	3,32,785.94	36,576.91	3,28,684.58
(f)	Investments	62.11	2,128.33	38.10	1,685.58
(g)	Other financial assets	274.14	24,141.17	280.26	24,139.62
	Total - Financial Assets (1)	**42,513.71**	**3,64,287.26**	**40,695.88**	**3,56,563.28**
(2)	**Non-Financial Assets**				
(a)	Current tax assets (net)	-	191.56	-	168.92
(b)	Deferred tax assets (net)	-	3,160.12	-	2,461.03
(c)	Investment Property	-	-	-	0.01
(d)	Property, Plant & Equipment	-	624.04	-	260.70
(e)	Capital Work-in-Progress	(0.00)	6.07	-	335.67
(f)	Intangible Assets Under Development	-	-	-	0.77
(g)	Other Intangible Assets	-	4.28	-	6.15
(h)	Other non-financial assets	60.49	8.19	93.83	8.84
(i)	Investments accounted for using equity method	-	-	-	257.74
	Total - Non-Financial Assets (2)	**60.49**	**3,994.26**	**93.83**	**3,499.83**
(3)	**Assets classified as held for sale**	**4.38**	**-**	**14.05**	**-**
	Total ASSETS (1+2+3)	**42,578.58**	**3,68,281.52**	**40,803.76**	**3,60,063.11**
	LIABILITIES				
(1)	**Financial Liabilities**				
(a)	Derivative financial instruments	18.89	534.25	73.13	773.18
(b)	Trade Payables				
	(I) Trade payables				
	(i) total outstanding dues of MSMEs	-	-	0.01	-
	(ii) total outstanding dues of creditors other than MSMEs	36.48	-	61.84	-
	(II) Other payables				
	(i) total outstanding dues of MSMEs	-	-	-	-
	(ii) total outstanding dues of creditors other than MSMEs	-	-	-	-

Consolidated Notes to Accounts

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Within 12 months	More than 12 months	Within 12 months	More than 12 months
(c)	Debt Securities	29,637.91	1,89,936.70	45,055.83	1,92,213.28
(d)	Borrowings (other than debt securities)	22,529.92	84,121.67	27,509.52	57,997.84
(e)	Subordinated Liabilities	296.95	6,519.52	299.49	6,647.40
(f)	Other financial liabilities	1,598.01	24,110.63	2,102.37	24,110.63
	Total - Financial Liabilities (1)	**54,118.16**	**3,05,222.77**	**75,102.19**	**2,81,742.33**
(2)	**Non-Financial Liabilities**				
(a)	Current tax liabilities (net)	10.25	-	14.40	-
(b)	Provisions	57.60	48.07	71.82	41.87
(c)	Other non-financial liabilities	59.63	29.50	97.89	32.36
	Total - Non-Financial Liabilities (2)	**127.48**	**77.57**	**184.11**	**74.23**
(3)	**Liabilities directly associated with assets classified as held for sale**	0.01	-	0.08	-
	Total LIABILITIES (1+2+3)	**54,245.65**	**3,05,300.34**	**75,286.39**	**2,81,816.55**

Previous year figures have been reclassified/ regrouped to conform to the current classification.

68 There are no Off-Balance Sheet SPVs sponsored by the Company, which need to be consolidated as per accounting norms.

69 The Company does not have any Overseas Assets in the form of Joint Ventures/Subsidiaries abroad.

70 The disclosures as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 have been made in Note No. 3, 9, 10, 11, 22.1, 29.1, 48, 51, 52.1.3 (N), 52.1.3 (O), 52.1.3 (R), 52.1.3 (S), 52.1.3 (T), 52.1.3 (U), 52.2.2, 52.2.4, 52.3, 53,55, 58, 62, 63, 68, 69, 71, 72.

71 No penalties have been levied on the Company by any regulator during the year ended 31st March 2022 (previous year Nil).

However, the Company has received notices from the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) imposing a total fine of ₹ 75,59,080 (inclusive of GST) for non-compliance for the quarters ended 30th June 2021, 30th September 2021 and 31st December 2021 on the corporate governance requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the position/quorum requirements of Board/ Committees.

The Company has requested the Stock Exchanges to waive the fine since the power to appoint Independent Directors is vested with President of India through the administrative Ministry as per Articles of Association of the Company and the Board of Directors or the Company cannot appoint Independent Directors on the Board of the Company. As such, there is no violation on the part of the Company in the appointment of Independent Directors. While the reply of the Stock Exchanges is still awaited, the Company is hopeful of favorable outcome of its request to the Stock Exchanges in line with the earlier waivers of fine by the Stock Exchanges for similar reasons.

72 No complaints have been received by the company from the borrowers under the Fair Practices Code during the year ended 31st March 2022 (previous year Nil).

73 Figures in Rupees have been rounded off to the nearest crores with two decimals, unless expressly stated.

The Notes to Accounts 1 to 73 are an integral part of Balance Sheet and Statement of Profit & Loss.

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

REC Limited

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

Annexure to be enclosed with Consolidated Balance Sheet as at 31st March 2022

(As prescribed by Reserve Bank of India)

(Particulars as required in terms of Paragraph 18 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, in so far as they are applicable to REC Ltd.)

(₹ in Crores)

Particulars		As at 31.03.2022		As at 31.03.2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	LIABILITIES SIDE:				
(1)	**Loans and advances availed by the NBFC**				
	inclusive of interest accrued thereon but not paid:				
	(a) Debentures/ Bonds :				
	- Secured	40,597.85	-	35,534.72	-
	- Unsecured	1,86,643.60	-	2,09,508.98	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans				
	- Secured Loans from Financial Institutions	-	-	-	-
	- Unsecured Loans from Govt. of India	10,325.12	-	10,325.12	-
	- Unsecured Loans from Banks	42,919.86	-	29,953.76	-
	- Unsecured Loans from Financial Institutions	6,800.00	-	5,800.00	-
	(d) Inter-corporate Loans and Borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Other Loans	-	-	-	-
	- Foreign Currency Borrowings	35,687.77	-	21,060.17	-
	- FCNR(B) Loans	9,861.13	-	5,335.01	-
	- Short Term Loans/ Loans Repayable on Demand	1,415.58	-	10,201.99	-
	- Unsecured Loans from Holding Company	-	-	3,000.49	-
	- Finance Lease Obligations	0.03	-	0.05	-
	- Loans Repayable on Demand from Banks & FIs				

(₹ in Crores)

Particulars		As at 31.03.2022	As at 31.03.2021
	ASSETS SIDE :		
(2)	**Break-up of Loans and Advances including bills receivables**		
	(a) Secured	2,13,512.93	2,47,657.93
	(b) Unsecured	1,57,153.67	1,16,554.11
(3)	**INVESTMENTS :**		
	Current Investments:		
	Quoted:		
	(i) Shares : Equity	49.52	23.60
	Unquoted:		
	(i) Shares : (a) Preference	-	69.08
	(ii) Debentures and Bonds	238.76	292.16
	Long Term Investments:		
	Quoted:		
	(i) Shares : Equity	53.52	430.13
	(ii) Debentures and Bonds	259.39	259.63
	(iii) Government Securities	1,374.51	649.08
	Unquoted:		
	(i) Shares : (a) Equity	214.74	257.74
	(ii) Units of mutual funds	-	-

(4) Borrower Group-wise classification of assets financed in (2) above :

(₹ in Crores)

Particulars	AMOUNT NET OF PROVISIONS	
	Secured	Unsecured
As at 31.03.2022		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same Group	-	-
(c) Other related Parties	-	-
2. Other than Related Parties	2,13,512.93	1,57,153.67
Total	**2,13,512.93**	**1,57,153.67**
As at 31.03.2021		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same Group	-	-
(c) Other related Parties	-	-
2. Other than Related Parties	2,47,657.93	1,16,554.11
Total	**2,47,657.93**	**1,16,554.11**

(5) Investor group-wise classification of investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Crores)

Category	As at 31.03.2022		As at 31.03.2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Companies in the same Group	-	-	257.74	257.74
2. Other than Related Parties	2,190.44	2,190.44	1,723.68	1,723.68
Total	**2,190.44**	**2,190.44**	**1,981.42**	**1,981.42**

(6) Other Information

(₹ in Crores)

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Gross Credit-impaired Assets		
(a) Related Parties	-	-
(b) Other than related Parties	17,159.89	18,256.93
(ii) Net Credit-impaired Assets		
(a) Related Parties	-	-
(b) Other than related Parties	5,594.16	6,465.62
(iii) Asset acquired in satisfaction of debts	-	349.28

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

Form AOC-1

Statement containing salient features of the financial statements of Subsidiaries/ Associates/ Joint Ventures for the Year 2021-22

Part A: Subsidiaries

(₹ in Crores)

	Particulars	(I)
1	**Name of the Subsidiary**	**REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)**
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4	Share capital	0.09
5	Reserves & Surplus	328.50
6	Total assets	518.61
7	Total Liabilities	190.02
8	Investments	91.52
9	Turnover	177.20
10	Profit/ (Loss) Before Taxation	68.88
11	Provision for Taxation	15.85
12	Profit/ (Loss) After Taxation	53.03
13	Proposed Dividend	8.91
14	% Shareholding	100.00%

(1) Name of subsidiaries which are yet to commence operations - Nil

(2) Names of subsidiaries which have been liquidated or sold during the year - Nil

Part B: Associates and Joint Ventures

Details of Associates

(₹ in Crores)

Name of Associates		Bidar Transmission Limited*	Chandil Transmission Limited #	Dumka Transmission Limited #	ER NER Transmission Limited *	Koderma Transmission Limited *	Mandar Transmission Limited #	MP Power Transmission Package I Limited *	Rajgarh Transmission Limited *
1	Latest audited Balance Sheet Date	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22
2	Shares of Associate/Joint Ventures held by the company on the year end								
	Number	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	Amount of Investment in Associates/ Joint Venture	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
	Extent of Holding (%)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
3	Description of how there is significant influence			Refer Note 1					
4	Reason why the associate/ joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA
5	Networth attributable to Shareholding as per latest audited Balance Sheet	0.07	(2.15)	(2.10)	(0.26)	(1.92)	(1.87)	(1.62)	(0.10)
6	Profit / (Loss) for the year	(0.01)	-	-	(0.31)	-	-	(0.80)	(0.20)
i.	Considered in Consolidation **	-	-	-	-	-	-	-	-
ii.	Not Considered in Consolidation	(0.01)	-	-	(0.31)	-	-	(0.80)	(0.20)

** The latest audited Balance Sheet available for associates have been prepared on the basis of IND-AS.*
 # The latest management certified Balance Sheet available for associates have been prepared on the basis of IND-AS.
***Associates classified under held for sale and valued at cost or fair market value (less cost to sales) whichever is less, hence profit not considered.*

Note : 1. The Group is holding 100% of shares but these investments are managed as per the mandate from Government of India and Group does not have the practical ability to direct the relevant activities of these companies unilaterally, hence treated as associate company.
Note : 2. Five associates were transferred during FY 2021-22 whose details are as follows:

Name of SPV	Date of transfer
Fatehgarh Bhadla Transco Limited	04.06.2021
Sikar New Transmission Limited	04.06.2021
MP Power Transmission Package II Limited	01.11.2021
Kallam Transmission Limited	28.12.2021
Gadag Transmission Limited	17.03.2022

Detail of joint Venture

During the year, pursuant to agreement executed amongst the Joint venture partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited, EESL ceased to be a jointly controlled entity of the company with effect from September 01, 2021.

(1) Names of associates or joint ventures which are yet to commence operations - NIL

(2) Names of associates or joint ventures which have been liquidated or sold during the year.x

The following associates have been sold during the year, as a part of business process:

Name of subsidiary	Date of Sale
Fatehgarh Bhadla Transco Limited	04.06.2021
Sikar New Transmission Limited	04.06.2021
MP Power Transmission Package II Limited	01.11.2021
Kallam Transmission Limited	28.12.2021
Gadag Transmission Limited	17.03.2022

For and on behalf of the Board

J.S. Amitabh
ED & Company Secretary

Ajoy Choudhury
Director (Finance)
DIN - 06629871

R.S. Dhillon
Chairman & Managing Director
DIN - 00278074

In terms of our Audit Report of even date

For S.K. Mittal & Co.
Chartered Accountants
Firm Reg. No.: 001135N

S. Murthy
Partner
M.No. : 072290

For O.P. Bagla & Co. LLP.
Chartered Accountants
Firm Reg. No.: 000018N/N500091

Atul Aggarwal
Partner
M.No. : 092656

Place : Gurugram
Date : 13th May 2022

Independent Auditors' Report

To the Members of
REC Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of REC Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at 31st March, 2022, of consolidated Profit (including other comprehensive Income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 52.1.3 of the consolidated Ind AS financial statements regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance, in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.

2. We draw attention to Note No. 54 of the consolidated Ind AS financial statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note Note No. 52.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.14) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance.	**We have applied following audit procedures in this regard** a). According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/framework with various regulatory updates alongwith Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/ performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters.

Independent Auditors' Report

To the Members of
REC Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of REC Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at 31st March, 2022, of consolidated Profit (including other comprehensive Income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

1. We draw attention to Note No. 52.1.3 of the consolidated Ind AS financial statements regarding, the provision of impairment allowance in respect of its loan assets and Letters of Comfort. In this regard, we have relied upon the basis of determination of impairment allowance, in so far as it relates to technical aspects/parameters considered by independent agency and management judgement for ascertaining impairment allowance as management overlay.
2. We draw attention to Note No. 54 of the consolidated Ind AS financial statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note Note No. 52.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.14) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance.	**We have applied following audit procedures in this regard** a). According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/framework with various regulatory updates alongwith Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/ performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters.

S. No.	Key Audit Matter	Auditor's Response
	The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management. Further the management has adopted a methodology which in addition to the model adopted as above is further analyzed on case to case basis and wherever impairment impact need to be changed the same is considered in the financial statements. Since the company is a Non-Banking Finance Company (NBFC) involved in business of financing and if any of the key parameter/criteria/assumptions mentioned as above is applied improperly, it can result in impacting the carrying value of loan assets materially either individually or collectively. In view of the significance of the amount of loan assets in the standalone Ind AS Financial Statements i.e. 90.52% of total assets, the audit procedure for impairment of loan assets has been considered as Key Audit Matter in our audit.	d) Assessment of impairment based upon performance of the loan assets is carried out on the basis of available documents comprising loan papers, financial data, valuation reports, progress report, periodical financial information, information on public domain, procedure applied by the management e.g. inspection of loans, physical verification, assessing borrower past records etc. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact as impairment allowance on financial statement. e) We have discussed with the management wherever underlying weakness is observed and management assessment is carried out in detail in such cases. f) Components and calculations in the study for impairment allowance carried out by external agency are relied upon by us and test checks are carried out for the same. Such components are credit rating of borrowers, calculation of probability of default/loan given defaults etc. Our audit procedure in the same are limited in view of reliance on report of the external agency. g) Further, the Management, pursuing a Board approved methodology reviews the impairment allowance in the report of the external agency and enhanced/reduced the impairment on case to case basis as management overlay. We have obtained a detailed analysis from the management for such changes. Our audit procedure in this regard is constrained by the management appraisal and we have relied upon the same. h) Comparison of ECL with the amount of provisioning as required in terms of Income Recognition, Assets classification and provisioning norms (IRACP) of Reserve Bank of India in pursuance of RBI Notification No. DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13th March 2020.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 9 to the standalone Ind AS Financial Statements read with accounting policy No. 3.13) To mitigate the Company's exposure to foreign currency risk and interest rate risk, non-INR cash flows are monitored and derivative contracts are entered into in accordance with the Company's board approved risk management policies and RBI guidelines. The Company has applied hedge accounting requirements as per Ind AS 109 'Financial Instruments' wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency. The derivatives are measured at fair value as per Ind AS 109. Mark to market gain/loss on these derivatives are recognised in the other comprehensive income for cash flow hedges. In view of significance and impact on financial statements we have identified it as a key audit matter.	**We have applied following audit procedure in this regard** a) Discussing and understanding management's perception and studying policy of the company for risk management. Motive of derivative transactions are studied and observed underlying exposure is not more than the volume of derivatives. b) Verification of fair value of derivative in terms of Ind AS 109. c) Testing the accuracy and completeness of derivative transactions. d) Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. e) Obtained details of various financial derivative contracts as outstanding as on 31st March 2022. f) Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. g) We also obtained confirmations from the banks with whom such financial derivative contracts have been entered into and independently compared the valuation so arrived at by the contracting banks. h) Additionally, we have verified the accounting of gain/loss on mark to market basis in the other comprehensive income for cash flow hedges. i) Assessing whether the financial statement disclosures appropriately reflect the Company's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.

The following key audit matters with respect audit opinion on the financial statement of REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited), a wholly owned subsidiary company has been reported by the component auditors vide their report dated 11.05.2022 and has been reproduced by us as under :

S. No.	Key Audit Matter	Auditor's Response
1.	**Valuation of account Receivable in view of risk of credit loss** (Refer to Note no. 52.1.5 "Financial Instrument" and Note no. 8 "Trade Receivable" of) Accounts receivables is a significant item in the Company's financial statements as at March 31, 2022 and assumptions used for estimating the credit loss on receivables is an area which is influenced by management's judgment. The Company makes an assessment of the estimated credit losses basis credit risk, project status, past history, latest discussion/ correspondence with the customer. Given the relative significance of these receivables to the financial statements and the nature and extent of audit procedures involved to assess the recoverability of receivables, we determined this to be a key audit matter.	**Principal Audit Procedures** Our audit incorporated the following procedure with regards to provisioning of receivables: • Understood and evaluated the accounting policy of the company. • We evaluated the design and tested the operating effectiveness of key controls in relation to determination of estimated credit loss. • Inquired with senior management regarding status of collectability of the receivable • For material balances, the basis of provision was discussed with the management. Assessed and challenged the information used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, performance against historical trends and the level of credit loss charges over time.
2.	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"** The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Refer Notes 3.4 and 64.1 to the Financial Statements	**Principal Audit Procedures** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. We carried out the following procedures: • Understand the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Regarding the stage of completion and revenue in respect of ongoing projects, we have relied upon the reports of the Technical Experts of the Company as we did not have that technical expertise with us. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Calculations in respect of unearned revenue were test-checked using reports provided by project experts with respect to the percentage of work completed. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with the terms of contracts and status of work provided by the project experts of the company. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the Directors' Report, Corporate Governance Report, Business Responsibility Report and Management Discussion and Analysis etc in the Annual report but does not include the consolidated Ind AS financial statements and our report thereon. Such other information is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act,2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ,("Ind AS"). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of ₹ 518.61 Crores (₹ 662.79 Crores as at 31st March 2021) as at 31st March 2022, total revenues of ₹ 177.20 Crores (Previous year ₹ 184.86 Crores) and net cash flows amounting to ₹ -24.16 Crores (Previous year ₹ -0.93 Crores) for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the subsidiary's share of net profit after tax of ₹ 53.03 crores (Previous Year ₹ 25.62 crores) and total comprehensive income of ₹ 53.03 crores (Previous Year ₹ 25.62 crores) as considered in the Consolidated Ind AS Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) Vide Notification No. G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government Companies have been exempted from applicability of the provisions of Section 164(2) of the Companies Act, 2013.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operative effectiveness of such controls , refer to our separate report in "Annexure-A"; and

(g) Pursuant to Notification no. GSR463(E) dated dated 5th June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 197 of the Act are not applicable to the holding/subsidiary company being government companies.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate Ind AS financial statements as also the other financial information of the subsidiary:

i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 47 to the Consolidated Ind AS Financial Statements;

ii) According to the information and explanations given to us, The Group does did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

iv) (a) The Management of the group has represented (refer Note No. 10.5) that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advancedor loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, includin foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the group has represented (refer Note No. 10.5), that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 as amended and provided under (a) and (b) above, contain any material misstatement.

(v) The dividends (Interim and Final) declared and paid during the year by the Group till the date of this report is in compliance with section 123 of the Companies Act, 2013

2. With respect to the matters specified in clause (xxi) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, we report that according to the information and explanations given to us, and based on the CARO report issued by us for the Company and report issued by the auditor of its subsidiary included in the consolidated financial statements, there are no qualifications or adverse remarks in such reports.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 22072290AIYJSC9493

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Atul Aggarwal
Designation : Partner
Membership Number : 092656
UDIN : 22092656AIYHFZ4536

Place : Gurugram
Date : 13th May 2022

Annexure-A to the Independent Auditors' Report of even date on the Consolidated Ind AS financial Statements of REC Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of REC Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group and considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary, incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;

b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Group; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the holding company, its subsidiary, which are companies incorporated in India, have, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the areas of improvement identified which needs further strengthening as reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2022 Consolidated Ind AS financial statements of the Group. However, these areas of improvement do not affect our opinion on the operating effectiveness of the Internal Financial Control over financial reporting of the Group.

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company which is incorporated in India, is based on the corresponding reports of the auditors of such company.

Further, we have considered the disclosure reported above in determining the nature, timing and extent of audit tests applied in our report of the financial statements of the Group, and the above disclosure does not affect our opinion on the operating effectiveness of the Internal Financial Control over financial reporting of the Group.

M/s S.K. Mittal & Co.
Chartered Accountants,
ICAI Firm Registration: 001135N

Name : S. Murthy
Designation : Partner
Membership Number : 072290
UDIN : 22072290AIYJSC9493

M/s O.P. Bagla & Co. LLP.
Chartered Accountants,
ICAI Firm Registration: 000018N/N500091

Name : Atul Aggarwal
Designation : Partner
Membership Number : 092656
UDIN : 22092656AIYHFZ4536

Place : Gurugram
Date : 13th May 2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REC LIMITED FOR THE YEAR ENDED 31 MARCH 2022.

The preparation of consolidated financial statements of REC Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act, based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of REC Limited for the year ended 31 March 2022, under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of REC Limited, REC Power Development and Consultancy Limited and Bidar Transmission Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Deepak Kapoor)
Director General of Audit (Energy)
Delhi

Place: New Delhi
Dated: 22 July 2022

ANNEXURE

List of Subsidiaries, Associate Companies and Jointly Controlled Entities of REC Limited whose financial statements were not audited by the Comptroller and Auditor General of India

Associate Companies

1. Chandil Transmission Limited
2. Dumka Transmission Limited
3. ER NER Transmission Limited
4. Koderma Transmission Limited
5. Mandar Transmission Limited
6. MP Power Transmission Package-I Limited
7. Rajgarh Transmission Limited