

## x TRACK RECORD OF THE PUBLIC ISSUES MANAGED BY THE MERCHANT BANKER IN THE LAST 3 FINANCIAL YEARS

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### RURAL ELECTRIFICATION CORPORATION LIMITED

#### 1. Type of issue

Public Issue by Rural Electrification Corporation Limited (“REC” or “Issuer” or the “Company”) of Tax Free Secured Redeemable Non Convertible Bonds of Face Value of Rs. 1,000 each in the nature of debentures having tax benefits under Section 10 (15)(iv)(h) of the Income Tax Act, 1961, as amended (“Bonds”) for an amount aggregating upto the Shelf Limit\* (Rs. 5,000 crores) by way of issuance of Bonds in one or more tranches in the Fiscal 2014 (each a “Tranche Issue”, and together all Tranche Issues upto the Shelf Limit, “Issue ”). This Tranche Issue by the Issuer is of Bonds for an amount of Rs. 1,000 crores with an option to retain oversubscription upto Rs 2,500 crores, aggregating upto Rs 3,500 crores (“Tranche - I”). The Tranche -I Issue is being offered by way of the Prospectus Tranche - I, containing, inter alia, the terms and conditions of Tranche - I Issue. (“Prospectus Tranche - I”) which should be read together with the Shelf Prospectus dated August 26, 2013 filed with the Registrar of Companies, Stock Exchanges and SEBI (the “Shelf Prospectus”). The Shelf Prospectus together with the Prospectus Tranche - I for the Tranche -I Issue shall constitute the "Prospectus

*\* Pursuant to the CBDT Notification, our Company is authorised to raise a minimum of 70% of the allocated limit by way of various tranche(s) of public issue and during the process of the public issue(s), our Company may also, at its discretion, raise Bonds through private placement route in one or more tranche(s) for an amount not exceeding 30% of the allocated limit wherein suitable amount shall be earmarked for Sovereign Wealth Funds, Pension and Gratuity Funds. Accordingly, our Company has earmarked Rs. 150 crores of the Shelf Limit for Sovereign Wealth Funds, Pension and Gratuity Funds, which shall be raised through private placement route. Our Company shall ensure that Bonds issued through public issue route and private placement route in the Fiscal 2014 shall together not exceed Rs. 5,000 crores. In case our Company raises funds through private placement route during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised and the same shall be disclosed in the respective Tranche Prospectus (es).*

**2. Issue size (Rs crores)**

The Tranche - I Issue by the Issuer is of Bonds for an amount of Rs. 1,000 crores with an option to retain oversubscription upto Rs 2,500 crores, aggregating upto Rs 3,500 crores .\*

\* The Company raised Rs. 3,440.6042 crores in the Tranche-I Issue.

Source : Minutes of the Meeting dated September 24, 2013.

**3. Rating of instrument alongwith name of the rating agency**

<b>Particular</b>	<b>Rating Agency</b>	<b>Rating</b>
(i) As disclosed in the offer document	CRISIL Limited	“CRISIL AAA/Stable”
	Credit Analysis and Research Limited	“CARE AAA”
	ICRA Limited	“[ICRA] AAA”
	India Ratings and Research Private Limited	“IND AAA”
(ii) At the end of 1 <sup>st</sup> FY ( March 31, 2014)^	CRISIL Limited	“CRISIL AAA/Stable”
	Credit Analysis and Research Limited	“CARE AAA”
	ICRA Limited	“[ICRA] AAA”
	India Ratings and Research Private Limited	“IND AAA”
(iii) At the end of 2 <sup>nd</sup> FY ( March 31, 2015)*	--	--
(iv) At the end of 3 <sup>rd</sup> FY ( March 31, 2016)*	--	--

^ Source : CARE-Website  
Company factsheet - [www.crisil.com](http://www.crisil.com)  
ICRA – Website  
IRRPL – Website

\* Rating not disclosed as reporting for the relevant fiscal years has not been completed

**4. Whether the security created is adequate to ensure 100% asset cover for the debt securities\* : Yes**

*\*Source : Bond Trust cum Hypothecation Deed dated August 27, 2013*

**5. Subscription level (number of times)\*:** The Issue was subscribed 3.4414 times of the Base Issue Size and 0.9833 times of the Shelf Limit (After considering technical rejections cases and before excluding partial refunds)

*\* Source – Minutes of the Meeting between the Company, Registrar and Lead Managers, in consultation with BSE Limited, dated September 24, 2013.*

**6. Financials of the issuer (as per the annual financial results submitted to stock exchanges under Clause 29 of the listing agreement or debt securities)**

**(Standalone)**

**(Rs In Crores)**

<b>Parameters</b>	<b>1st FY (March 31, 2014)</b>	<b>2nd FY (March 31, 2015)*</b>	<b>3rd FY (March 31, 2016)*</b>
<i>Income from operations#</i>	17017.98	NA	NA
<i>Net Profit for the period</i>	4683.70	NA	NA
<i>Paid-up equity share capital</i>	987.46	NA	NA
<i>Reserves excluding revaluation reserves</i>	19682.00	NA	NA

(Consolidated)

(Rs In Crores)

Parameters	1st FY (March 31, 2014)	2nd FY (March 31, 2015)*	3rd FY (March 31, 2016)*
<i>Income from operations#</i>	17122.21	NA	NA
<i>Net Profit for the period</i>	4741.25	NA	NA
<i>Paid-up equity share capital</i>	987.46	NA	NA
<i>Reserves excluding revaluation reserves</i>	19815.59	NA	NA

# *Income from operations include other operating income.*

\**Financials not disclosed as reporting for the relevant fiscal years has not been completed*

**7. Status of the debt securities (whether traded, delisted, suspended by any stock exchange, etc.)#**

Particular	
(i) At the end of 1st FY (March 31, 2014)	Listed on BSE Limited and available for trading.
(ii) At the end of 2nd FY (March 31, 2015)*	NA
(iii) At the end of 3rd FY (March 31, 2016)*	NA

# *Bonds are listed on the BSE Limited w.e.f September 30, 2013*

\* *Trading status not disclosed as reporting for the relevant fiscal years has not been completed*

**8. Change, if any, in directors of issuer from the disclosures in the offer document**

Particular	Name of Director	Appointment / Resignation
(i) At the end of 1st FY (March 31, 2014)#	Nil	Nil
(ii) At the end of 2nd FY (March 31, 2015)^	--	--
(iii) At the end of 3rd FY (March 31, 2016)*	NA	NA

#Source : Stock exchange filings

^ However following changes have taken place in the Board as on December 31, 2014 :

1. **On June 10, 2014** – Dr. Devi Singh and Shri V. Subramaniam have ceased to be Directors of the Company w.e.f June 9, 2014

\* Changes in Directors not disclosed in the above table as reporting for the relevant fiscal years has not been completed.

**9. Status of utilization of issue proceeds**

(i) As disclosed in the offer document	The funds raised through this Issue will be utilised towards general lending operations of the Company and other associated business objectives and to discharge existing debt obligations, which were generally undertaken for business operations, subject to the restrictions contained in the Foreign Exchange Management (Borrowing and Lending in Rupee) Regulations, 2000 and other applicable statutory and / or regulatory requirements.
(ii) Actual utilization	The entire proceeds of the fund mobilised through these Bonds was utilised for lending and other operational business of the Company.*
(iii) Reasons for deviation, if any	NA

\*Source - Annual Report

**10. Delay or default in payment of interest/ principal amount (Yes/ No) (If yes, further details of the same may be given)**

(i)	Disclosures in the offer document on terms of issue	No delay or default
(ii)	Delay in payment from the due date	--
(iii)	Reasons for delay/ non-payment, if any	--

\* As on December 31, 2014 no information regarding delay or default in payment of interest/ principal amount has been reported on the website of the Stock Exchanges/ Debenture Trustees

**11. Any other material information**

<b>Announcement</b>	<b>Date</b>
Rural Electrification Corporation Ltd has informed BSE that Rural Electrification Corporation Limited has been named as “Best Employer India 2013” and conferred with “The AON Hewitt Voice of Employees Award Public Sector Enterprises India 2013” based on a survey conducted by AON Hewitt	16-Jan-2014
Rural Electrification Corporation Ltd has informed BSE that in terms of CBDT Notification dated February 13, 2014 and Letter of SEBI dated February 21, 2014, REC has filed an amendment in the Shelf Prospectus dated August 26, 2013 for increasing the shelf limit to Rs. 6000 crore from Rs. 5000 crore, with the office of Registrar of Companies (RoC), NCT of Delhi and Haryana on February 25, 2014. The Company has also filed Prospectus Tranche-II for raising an amount of Rs. 250 crore with an option to retain Over-Subscription upto Rs. 809.3958 crore aggregating upto Rs. 1059.3958 crore through Public Issue of Tax Free Secured Redeemable Non-convertible Bonds	26-Feb-14

<p>of face value of Rs. 1000 crore, in the nature of Debentures, during the Fiscal Year 2014, with the RoC, NCT of Delhi and Haryana on February 25, 2014. Further the Company has informed that, the Public Issue of Tax Free Secured Redeemable Nonconvertible Bonds, in the nature of Debentures of REC will open on February 28, 2014 for subscription and is scheduled to close on March 14, 2014</p>	
<p>Rural Electrification Corporation Ltd has informed BSE that regarding sale and transfer of equity shares of NRSS XXXI(A) Transmission Limited and NRSS XXXI(B) Transmission Limited held by REC Transmission Projects Company Limited to M/s Power Grid Corporation of India Limited and M/s Essel Infraprojects Limited, respectively.</p>	<p>26-Feb-14</p>
<p>Rural Electrification Corporation Ltd has now informed BSE that after receipt of approval of the Ministry of Power, 50,000 Equity Shares of Unchahar Transmission Limited (UTL), held by REC Transmission Projects Company Limited (RECTPCL) (a Wholly Owned Subsidiary of REC Limited) and its nominees, have been transferred along with all assets and liabilities of the Company (UTL) to M/s. Power Grid Corporation of India Limited (PGCIL) and their nominees, on March 24, 2014, substantially upon the terms &amp; conditions as detailed in the Share Purchase Agreement executed between the RECTPCL, UTL and M/s. Power Grid Corporation of India Limited, for establishment of "Transmission System for ATS of Unchahar TPS".</p>	<p>25-Mar-14</p>
<p>Rural Electrification Corporation Ltd has informed BSE that the Board of Directors of the Company at its meeting held on April 28, 2014 has approved the following proposals, subject to the approval of Shareholders of the Company by way of passing Special Resolutions through Postal Ballot (including e-voting):-</p> <ol style="list-style-type: none"> <li>1. Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement upto Rs. 30,000 crore during the Financial Year 2014-15, as per the provisions of</li> </ol>	<p>28-Apr-14</p>

<p>Section 42 of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013;</p> <p>2. Increase in the overall Borrowing Limit to Rs. 200,000 crore (Rupees Two Lakh Crore only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) as per the provisions of Section 180 (1) (c) of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013; and</p> <p>3. Creation of mortgage and / or charge on immovable and/or movable properties of the Company, both present and future, for securing loan up to Rs. 200,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) or otherwise as per the provisions of Section 180 (1) (a) of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013.</p>	
<p>With reference to the earlier announcement dated February 26, 2014, Rural Electrification Corporation Ltd has now informed BSE that after receipt of approval from the Ministry of Power vide their letter dated April 22, 2014 :</p> <p>a. 50,000 Equity Shares of NRSS XXXI (A) Transmission Limited held by REC Transmission Projects Company Limited (RECTPCL) (a Wholly Owned Subsidiary of REC Limited) and its nominees, have been transferred along with all assets and liabilities of the Company to M/s Power Grid Corporation of India Limited (PGCIL) and their nominees, on May 12, 2014, substantially upon the terms &amp; conditions as detailed in the Share Purchase Agreement executed between the RECTPCL, NRSS XXXI (A) Transmission Limited and M/s Power Grid Corporation of India Limited, for establishment of "Transmission System for Northern Region System Strengthening Scheme,</p>	<p>12-May-14</p>



<p>NRSS XXXI (Part A)."</p> <p>b. . 50,000 Equity Shares of NRSS XXXI (B) Transmission Limited held by REC Transmission Projects Company Limited (RECTPCL) (a Wholly Owned Subsidiary of REC Limited) and its nominees, have been transferred along with all assets and liabilities of the Company to M/s. Essel Infraprojects Limited (EIL) and their nominees, on May 12, 2014, substantially upon the terms &amp; conditions as detailed in the Share Purchase Agreement executed between the RECTPCL, NRSS XXXI (B) Transmission Limited and M/s Essel Infraprojects Limited, for establishment of "Transmission System for Northern Region System Strengthening Scheme, NRSS XXXI (Part B)."</p>	
<p>Rural Electrification Corporation Ltd has informed BSE that the members of the Company have passed the Resolutions by way of Postal Ballot as follows :</p> <ol style="list-style-type: none"> <li>1. Issue of Unsecured / Secured Non Convertible Bonds / Debentures through Private placement .</li> <li>2. Increase in overall Borrowing Limit of Rs. 200,000 crore in Indian Rupees and in any foreign currency equivalent to USD 6 billion</li> <li>3. Creation of mortgage and/ or charge on all or any of the movable and/ or immovable properties of the Company in respect of enhanced borrowing limits.</li> </ol>	<p>10-Jun-14</p>
<p>Rural Electrification Corporation Ltd has informed BSE that in exercise of the powers conferred in by Sub-para 3.2 of Para 3 of the Guidelines circulated under Section 63 of the Electricity Act, 2003, the Central Government, has appointed REC Transmission Projects Company Limited (RECTPCL), a Wholly Owned Subsidiary Company of Rural Electrification Corporation Limited (RECL), to act as Bid Process Coordinator (BPC) for selecting developer as Transmission Service</p>	<p>16-Jul-14</p>

<p>Provider (TSP) for following Transmission Projects through Tariff Based Competitive Bidding:</p> <ol style="list-style-type: none"> <li>1. 'Transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part - A)';</li> <li>2. 'Transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part - B)';</li> <li>3. 'Connectivity lines for Maheshwaram (Hyderabad) 765/400kV Pooling S/s';</li> <li>4. 'Transmission System for LTA of 400 MW for 2x500 MW Neyveli Lignite Corporation Ltd TS-I (Replacement) (NNTPS) in Neyveli'; and</li> <li>5. Transmission System Strengthening associated with Vindhyachal-V';</li> </ol> <p>To initiate the work relating to BPC, RECTPCL is in the process to incorporate five Project Specific Special Purpose Vehicle (SPV) as its Wholly Owned Subsidiary Company for above mentioned transmission projects. Since RECTPCL is a wholly owned Subsidiary of RECL, the Board of Directors of REC Limited in its 405th Meeting held on July 15, 2014, approved a proposal for incorporation of five Project Specific SPVs as Subsidiary Companies of RECTPCL, which will also be Subsidiary Companies of REC Limited in terms of the provisions of Section 2(87) of the Companies Act, 2013.</p> <p>Further, these SPVs would be transferred to respective successful bidder to be selected through Tariff Based Competitive Bidding Process as Transmission Service Provider for developing above transmission projects.</p>	
<p>Rural Electrification Corporation Ltd has informed BSE regarding "Sale and transfer of Equity Shares of NRSS XXIX Transmission Limited held by REC Transmission Projects Company Limited to M/s Sterlite Grid Limited."</p>	<p>5-Aug-14</p>

Rural Electrification Corporation Ltd has informed BSE that the Company has been conferred with the "ICSI National Award for Excellence in Corporate Governance for 2013" by the Institute of Company Secretaries of India (ICSI). The award certificate and trophy has been received by CMD, REC from Shri Arun Jaitely Hon'ble Minister for Finance Defence and Corporate Affairs at an award ceremony held at Hotel Taj Bengal, Kolkata on August 24, 2014.	25-Aug-14
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Source: Stock Exchange Filings

**All the above information is updated as on December 31 , 2014 unless indicated otherwise.**