

Rural Electrification Corp Track Record

Name of the Issue: Rural Electrification Corporation Limited				
1	Type of Issue (IPO/FPO)	FPO		
2	Issue Size (Rs. Cr)	3,530.04		
Source: Final Post Issue Monitoring Report dated March 15, 2010				
3	Grade of issue alongwith name of the rating agency			
	Name	Not applicable		
	Grade	Not applicable		
4	Subscription Level (Number of times)	3.14		
Notes:				
1) The above figure is net of cheque returns, but before technical rejections				
2) Amount of subscription includes all bids received at the price of Rs. 193 for Eligible Employees; Floor price of Rs. 203 for Retail and Non-Institutional Bidders and above the Floor price of Rs. 203 per Equity Share for QIBs				
Source: Final Post Issue Monitoring Report dated March 15, 2010				
5	QIB Holding (as a % of outstanding capital) as disclosed to stock exchanges			
	Particulars	%		
	(i) allotment in the issue *	13.40%		
	(ii) at the end of the 1st Quarter immediately after the listing of the issue (March 31,2010) ^	24.67%		
	(iii) at the end of 1st FY (March 31, 2010) ^	24.67%		
	(iv) at the end of 2nd FY (March 31, 2011) ^	25.31%		
	(v) at the end of 3rd FY (March 31, 2012) ^	25.92%		
Source:				
* Basis of Allotment (excluding pre-issue QIB holding); pre-issue QIB holding as a % of the pre-issue outstanding capital was 12.47%				
^ Clause 35 Reporting with Stock Exchanges; the shareholder category of 'Institutions' has been considered				
6	Financials of the issuer (as per the annual financial results submitted to stock exchanges)			
		(Rs. Crore)		
	Parameters	1st FY (FY 2010)	2nd FY (FY 2011)	3rd FY (FY 2012)
	Income from operations*	6,549.76	8,256.91	10,337.59
	Net Profit for the period	2,022.25	2,584.90	2,838.66
	Paid-up equity share capital	987.46	987.46	987.46
	Reserves excluding revaluation reserves	10,116.80	11,839.98	13,818.42
* Income from operations includes other operating income				
Source: Clause 41 Reporting with Stock Exchanges. Consolidated Financials.				
7	Trading Status in the scrip of the issuer			
	Particulars	Status		
	(i) at the end of 1st FY (FY 2010)	Frequently traded		
	(ii) at the end of 2nd FY (FY 2011)	Frequently traded		
	(iii) at the end of 3rd FY (FY 2012)	Frequently traded		
Note: Scrip considered as frequently traded if the traded turnover on any stock exchange during the last twelve calendar months was atleast 10% of the total no. of shares				
Source: Stock Exchange websites				
8	Change in Directors of issuer from the disclosures in the offer document			
	Particulars	Name of the Director	Change due to	
	(i) at the end of 1st FY (FY 2010)	-	-	
	(ii) at the end of 2nd FY (FY 2011)	Mr. P. Uma Shankar	Ceased to be Director	
		Dr. J.M. Pathak	Appointment	
		Mr. Venugopal N. Dhoot	End of Tenure	
		Dr. Govinda Marapalli Rao	End of Tenure	
		Mr. P. R. Balasubramanian	End of Tenure	
		Dr. Devi Singh	End of tenure	
		Mr. Rakesh Jain	Appointment	
		Mr. Guljit Kapur	Ceased as Director due to superannuation	
	(iii) at the end of 3rd FY (FY 2012)	Dr. J.M. Pathak	Ceased to be Director	
		Mr. P. J. Thakkar	Appointment	
		Dr. Devi Singh	Appointment	
		Dr. Govinda Marapalli Rao	Appointment	
		Mr. Venkataraman Subramanian	Appointment	
		Mr. Rakesh Jain	Services as Director withdrawn	
		Mr. Rajeev Sharma	Appointment	
		Dr. Sunil Gupta	Appointment	
Source: Clause 30 Reporting with Stock Exchanges				
9	Status of implementation of project/ commencement of commercial production			
	(i) as disclosed in the offer document			
	Not applicable as the funds raised were not for a specific project.			
	(ii) Actual implementation			
	Not applicable as the funds raised were not for a specific project.			
	(iii) Reasons for delay in implementation, if any			
	Not applicable as the funds raised were not for a specific project.			

10 Status of utilization of issue proceeds

(i) as disclosed in the offer document

Based on Fresh Issue other than Offer for Sale portion

(Rs. Crore)

Items	Net Proceeds of the Fresh Issue *	Estimated schedule of deployment of Net Proceeds of the Fresh Issue for Fiscal
		2010
Augment capital base to meet our future capital requirements arising out of growth in business	2,627.19	2,627.19

Notes:

* As disclosed in the Prospectus dated February 25, 2010

As disclosed in the Prospectus dated February 25, 2010, proceeds of Offer for Sale (net of issue expenses portion) were of Rs. 879.77 crore

(ii) Actual utilization

As per clause 41 reporting to Stock Exchanges for the year ended March 31, 2010, the net proceeds of the Issue were utilized for the purpose stated in the offer document.

(iii) Reasons for deviation, if any

Not Applicable

11 Comments of monitoring agency, if applicable

(a) Comments on use of funds

Not Applicable as the Issuer is a 'public financial institution' under Section 4A of the Companies Act, and is not required to appoint a monitoring agency for the Issue.

(b) Comments on deviation, if any, in the use of proceeds of the issue from the objects stated in the offer document

Not Applicable

(c) Any other reservations expressed by the monitoring agency about the end use of funds

Not Applicable

12 Pricing Data

Issue Price (Rs.): (Alternate Book Building)

- Retail and Non-Institutional Bidders - Rs. 203 per equity share
- Eligible Employees - Rs. 193 per equity share
- QIBs - Rs. 206, Rs. 207, Rs. 208, Rs. 210 and Rs. 215 per equity share on a price-priority basis

Designated Stock Exchange:

NSE

Listing Date:

8-Mar-10

Price parameters	At close of listing day i.e. March 8, 2010	Close of 30th calendar day from listing day i.e. April 6, 2010 ⁽¹⁾	Close of 90th calendar day from listing day i.e. June 7, 2010 ⁽²⁾	As at the end of 1st FY after the listing of the issue (FY 2010)			As at the end of 2nd FY after the listing of the issue (FY 2011)			As at the end of 3rd FY after the listing of the issue (FY 2012)		
				Closing price	High ⁽³⁾	Low ⁽³⁾	Closing price	High ⁽³⁾	Low ⁽³⁾	Closing price	High ⁽³⁾	Low ⁽³⁾
Market Price on Designated Stock Exchange	241.45	265.05	277.65	250.65	257.10	230.00	253.70	413.80	215.70	205.40	269.60	143.50
Nifty	5,124.00	5,366.00	5,034.00	5,249.10	5,329.55	5,092.05	5,833.75	6,338.50	4,786.45	5,203.65	5,944.45	4,531.15
CNX Finance ⁽⁴⁾	3,647.36	3,853.51	3,777.26	3,744.37	3,762.47	3,635.45	4,629.58	5,273.78	3,598.02	4,070.10	4,722.81	3,291.05

Source: NSE

⁽¹⁾ 30th calendar day has been taken as listing date plus 29 calendar days.

⁽²⁾ 90th calendar day has been taken as listing date plus 89 calendar days. Where the 90th day is a holiday the immediately following trading day has been considered

⁽³⁾ The high and low prices are the intra day high and low, except CNX Finance index data which is based on closing price

⁽⁴⁾ CNX Finance index is an NSE index which reflects the Indian financial markets comprising of stocks of banks, financial institutions, housing finance and other financial .services companies.

13 Basis for Issue Price

Accounting ratio	Rural Electrification Corporation Ltd.	As disclosed in the offer document	At the end of 1st FY (FY 2010)	At the end of 2nd FY (FY At the end of 3rd FY (FY 2012) 2011)	**
EPS	Issuer:	16.03	23.06 #	26.03 #	28.53 #
	Peer Group:				
	Power Finance Corp Ltd.	16.50	20.50 ~ ^	19.80 ~ ^^	23.00 ~ ^^
	Industry Avg:	Not applicable	Not applicable	Not applicable	Not applicable
P/E	Issuer:	12.70	10.87 #	9.75 #	7.20 #
	Peer Group:				
	Power Finance Corp Ltd.	11.70	12.63 ~ ^	9.32 ~ ^^	7.70 ~ ^^
	Industry Avg:	11.70 ***	12.63	9.32	7.45
RoNW	Issuer:	20.22%	21.00% #	20.10% #	19.10% #
	Peer Group:				
	Power Finance Corp Ltd.	17.30%	17.30% ~ ^	17.80% ~ ^^	17.70% ~ ^^
	Industry Avg:	Not applicable	Not applicable	Not applicable	Not applicable
NAV per share based on Balance Sheet	Issuer:	79.76	112.21 #	129.51 #	149.32 #
	Peer Group:				
	Power Finance Corp Ltd.	108.20	124.70 ~ ^	143.20 ~ ^^	156.90 ~ ^^
	Industry Avg:	Not applicable	Not applicable	Not applicable	Not applicable

Notes:

~ The Peer Group represents financials of Power Finance Corporation Limited which was the only other listed company in the Indian power sector finance industry as disclosed in the Prospectus.

*** Industry average represents data of Power Finance Corporation Limited which was the only other listed company in the Indian power sector finance industry as disclosed in the Prospectus.

Sourced from the Annual Report of the Company for the relevant fiscal year on standalone basis except for share price information which has been sourced from NSE's website. Key ratios for the Company have been calculated as follows:

(i) EPS - Fully diluted EPS as reported by the Company in its Annual Report

(ii) P/E - Closing Price as of March 31 of each year / EPS

(iii) RoNW - Net Profit After Tax / Closing networth (Share Capital + Reserves and Surplus - Miscellaneous expenses)

(iv) NAV per share - Closing Networth / Shares Outstanding as of fiscal year end

** Ratios not disclosed as financials for the relevant fiscal years are not available.

Rural Electrification Corp Track Record

Source:

* Sourced from the Prospectus dated February 25, 2010. The Company ratios are based on standalone financials.

^ Capital Market Vol Vol XXV/08 - Jun 14 - Jun 27, 2010

^^ Capital Market Vol Vol XXVI/09 - Jun 27 - Jul 10, 2011

^^^ Capital Market Vol Vol XXVII/10 - Jul 9-22, 2012

14 Any other material information

Particulars	Date
Registration of the Company as an Infrastructure Finance Company (IFC) in terms of instructions contained in Bank's Circular dated February 12, 2010	20-Sep-10
Enhancement in the limit for purchase of equity shares and convertible debentures of Rural Electrification Corporation Ltd by Foreign Institutional Investors, through primary market and stock exchanges, under the Portfolio Investment Scheme from 24 percent to 35 percent of its paid up capital.	1-Oct-10
Transfer of 50,000 Equity Shares of Raichur Sholapur Transmission Company Ltd. (RSTCL), which were held by REC Transmission Projects Company Ltd. (RECTPCL) (a wholly owned subsidiary Company of REC) and its nominees to a Consortium of M/s. Patel Engineering Ltd, M/s. Simplex Infrastructure Ltd. & M/s. BS TransComm Ltd. and their nominees pursuant to a Share Purchase Agreement executed between RECTPCL, RSTCL and the Consortium led by M/s. Patel Engineering Ltd. for establishment of Transmission System Associate with Krishnapattnam UMPP	10-Jan-11
REC Transmission Projects Company Ltd (RECTPCL), a wholly owned subsidiary company of REC Ltd, has been appointed Bid Process Coordinator (BPC) for certain transmission projects. RECTPCL is in the process to incorporate three Special Purpose Vehicles (SPVs) as its wholly owned subsidiary companies for each of these transmission projects.	28-Mar-11
Pursuant to the order issued by the Ministry of Power, Government of India, (i) Dr. J. M. Pathak has been relieved of his duties as Chairman and Managing Director w.e.f. April 16, 2011; and (ii) Mr. H. D. Khunteta, Director (Finance) has been assigned the additional charge of the post of Chairman and Managing Director for a period of three months or until further orders. whichever is earlier	16-Apr-11
Upon superannuation of Shri B. R. Raghunandan, Executive Director and Company Secretary, from services of REC, Shri Rakesh K. Arora, General Manager (F&A), has taken over the charge of Company Secretary of the Company with effect from April 29, 2011 in addition to his existing duties and responsibilities	2-May-11
Pursuant to the order issued by the Ministry of Power, Government of India, Mr. H. D. Khunteta, Director (Finance) has been allowed to hold the current charge of Chairman and Managing Director for a period of three months or until further orders, whichever is earlier	8-Aug-11
Amendments / alternations / insertions / deletions in the Articles of Association of the Company approved in the Annual General Meeting mainly relating to incorporate new provisions in respect of mode of service of documents to shareholders and participation of Directors /Shareholders in Meetings of Board/Committees/General Body Meeting through Electronic Mode i.e. Video Conference facility	17-Sep-11
Comptroller and Auditor General (C&AG) of India has appointed (i) M/s. Bansal & Co., New Delhi; and (ii) M/s. P. K. Chopra & Co., New Delhi as the Statutory Auditors of the Company for the Financial Year 2011-12.	12-Oct-11
Pursuant to the order issued by the Ministry of Power, Government of India, Mr. H. D. Khunteta, Director (Finance) has been allowed to hold the current charge of Chairman and Managing Director for a period of two months beyond October 16, 2011 or til the appoinment of regular Chairman and Managing Director, whichever is earlier	31-Oct-11
REC Transmission Projects Company Limited (RECTPCL) appointed to act as Bid Process Coordinator for Transmission Project; RECTPCL in the process to incorporate a Project Specific Special Purpose Vehicle (SPV) as its Wholly Owned Subsidiary Company for this project	18-Nov-11
Approval by Board of Directors and filing of Prospectus in respect of Public Issue of Tax Free Secured Redeemable Non-convertible Bonds of face value of Rs. 1000 each, in the nature of Debentures, during the Financial Year 2011-12, aggregating to Rs. 1500 crore with an option to retain over subscription up to a total amount of Rs. 3000 crore	2-Mar-12
Updates on Filing of Prospectus with Registrar of Companies- proposed Public Issue of Tax Free Secured Redeemable Non-convertible Bonds during the year 2011-12 - definition of Qualified Institutional Buyers to have the same meaning as assigned to it in the SEBI (Issue and Listing of Debt Securities) Regulations, 2008; any individual investor investing upto rupees five lakh shall be treated as retail investor and any individual investor investing more than rupees five lakh shall be treated as High Networth individual	7-Mar-12
Consideration of a proposal for sale and transfer of Equity Shares held by REC Transmission Projects Company Ltd. in Vemagiri Transmission System Ltd. (VTSL) to M/s Power Grid Corporation of India Ltd.	30-Mar-12

Source: Stock Exchange filings. Further details on the above and a complete list of material information as disclosed by the Company is available on the website of the stock exchanges

Note: The above track record has been updated till March 31, 2012 since three financial years have elapsed from the date of the issue.