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रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
(भारत सरकार का उद्यम) / (A Government of India Enterprise)
Regd. Office: Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi 110 003
Tel: +91-11-4102 0101 Fax: +91.11.2436 0644 E-mail: reccorp@recl.nic.in
CIN : L40101DL1969GOI005095 Website: www.recindia.nic.in

SEC-1/187(2)/2014/1238 **Dated: February 13, 2015**

Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), **Mumbai – 400 051.**	Corporate Relationship Department BSE Limited 1st Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort, **Mumbai – 400 001.**
Scrip Code-- RECLTD	**Scrip Code—532955**

Dear Sir,

Sub: Submission of Audited (Standalone) Financial Results of the Company for the Half-Year ended 30th September, 2014.

In continuation of our earlier letter dated February 2, 2015, on the above cited subject and in pursuance of Listing Agreements, we are submitting herewith the Audited (Standalone) Financial Results of the Company along with Auditors Report for the Half-Year ended 30th September, 2014. The Audited Standalone Financial Results have been reviewed by the Audit Committee and approved & taken on record by the Board of Directors of the Company in its Meetings held on Friday, February 13, 2015.

Further, we would also like to inform that, the Un-audited (Standalone) Financial Results of the Company for the second quarter and half year ended 30th September, 2014, in the prescribed format, in compliance of the Listing Agreement, have already been submitted to the Stock Exchanges on 10th November, 2014.

Further, Audited Balance Sheet and Statement of Profit & Loss for the Half Year ended September 30, 2014 will be sent separately.

Thanking you,

Yours faithfully,

(J.S. Amitabh)
General Manager & Company Secretary

Encl: As above

RURAL ELECTRIFICATION CORPORATION LIMITED

Registered Office - Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003, CIN: L40101DL1969GOI005095

PART I

(₹ in Lakhs)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30.09.2014

			HALF YEAR ENDED		HALF YEAR ENDED		YEAR ENDED
			30.09.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
			(Audited)	(Audited)	(Un-audited)	(Audited)	(Audited)
1		**Income from Operations**					
	a	Interest Income	9,63,429	8,08,126	9,63,429	8,08,126	16,80,639
	b	Other Operating Income	5,655	11,761	5,655	11,761	21,159
		Total Income from Operations	**9,69,084**	**8,19,887**	**9,69,084**	**8,19,887**	**17,01,798**
2		**Expenses**					
	a	Interest, Finance & Other Charges	5,70,676	4,82,131	5,70,676	4,82,131	10,03,846
	b	Employee Benefits Expense	6,328	7,194	6,869	7,194	12,991
	c	Other Expenses	4,456	3,362	4,421	3,362	10,508
	d	Allowance for bad and doubtful debts	10,682	2,232	10,682	2,232	4,732
	e	Contingent Allowance against Standard Loan Assets	3,234	6,680	3,234	6,680	26,470
	f	Depreciation and amortisation expense	364	210	364	210	421
		Total Expenses	**5,95,740**	**5,01,809**	**5,96,246**	**5,01,809**	**10,58,968**
3		**Profit from Operations before Other Income & Exceptional Items (1-2)**	**3,73,344**	**3,18,078**	**3,72,838**	**3,18,078**	**6,42,830**
4		Other Income	8,213	2,676	8,213	2,676	10,282
5		**Profit from Ordinary Activities before Exceptional Items (3+4)**	**3,81,557**	**3,20,754**	**3,81,051**	**3,20,754**	**6,53,112**
6		Exceptional Items	-	-	-	-	-
7		**Profit from Ordinary Activities before Tax (5+6)**	**3,81,557**	**3,20,754**	**3,81,051**	**3,20,754**	**6,53,112**
8		**Tax Expense**					
		- Current Year	1,05,822	66,396	1,05,784	66,396	1,70,466
		- Deferred Tax Liability / (Asset)	(3,033)	26,545	(3,087)	26,545	12,872
		- Earlier Years / (Refund)	59	1,374	-	1,374	1,404
9		**Net Profit from Ordinary Activities after Tax (7-8)**	**2,78,709**	**2,26,439**	**2,78,354**	**2,26,439**	**4,68,370**
10		Extraordinary Items (net of tax expense)	-	-	-	-	-
11		**Net Profit for the Period (9-10)**	**2,78,709**	**2,26,439**	**2,78,354**	**2,26,439**	**4,68,370**
12		Paid up Equity Share Capital (Face Value ₹10 per share)	98,746	98,746	98,746	98,746	98,746
13		Reserves & Surplus (Excluding Revaluation Reserves) (as per audited balance sheet as at 31st March)					19,68,200
14	i	**Earnings per Share (EPS) (before extraordinary items) (of ₹10 each) (not annualised) (in ₹)**					
	a	Basic	28.22	22.93	28.19	22.93	47.43
	b	Diluted	28.22	22.93	28.19	22.93	47.43
	ii	**Earnings per Share (EPS) (after extraordinary items) (of ₹10 each) (not annualised) (in ₹)**					
	a	Basic	28.22	22.93	28.19	22.93	47.43
	b	Diluted	28.22	22.93	28.19	22.93	47.43

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

SI. NO.	PARTICULARS	HALF YEAR ENDED		HALF YEAR ENDED		YEAR ENDED
		30.09.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Audited)	(Audited)	(Un-audited)	(Audited)	(Audited)
A.	**EQUITY AND LIABILITIES**					
(1)	**Shareholders' Funds**					
	(a) Share Capital	98,746	98,746	98,746	98,746	98,746
	(b) Reserves and Surplus	22,55,595	17,95,208	22,55,240	17,95,208	19,68,200
	Sub-total (Shareholders' Funds)	**23,54,341**	**18,93,954**	**23,53,986**	**18,93,954**	**20,66,946**
(2)	**Non-current Liabilities**					
	(a) Long-term Borrowings	1,22,53,506	1,01,38,302	1,22,53,506	1,01,38,302	1,10,16,230
	(b) Deferred Tax Liabilities (Net)	14,298	31,042	14,244	31,042	17,369
	(c) Other Long-term Liabilities	2,979	10,900	2,979	10,900	2,352
	(d) Long-term Provisions	47,225	25,398	47,726	25,398	44,224
	Sub-total (Non-current Liabilities)	**1,23,18,008**	**1,02,05,642**	**1,23,18,455**	**1,02,05,642**	**1,10,80,175**
(3)	**Current Liabilities**					
	(a) Short-term Borrowings	3,50,000	2,77,000	3,50,000	2,77,000	2,54,000
	(b) Other current liabilities	20,14,554	18,24,521	20,22,879	18,24,521	18,58,373
	(c) Short-term Provisions	14,132	4,663	5,737	4,663	25,796
	Sub-total (Current Liabilities)	**23,78,686**	**21,06,184**	**23,78,616**	**21,06,184**	**21,38,169**
	Total (EQUITY AND LIABILITIES)	**1,70,51,035**	**1,42,05,780**	**1,70,51,057**	**1,42,05,780**	**1,52,85,290**
B.	**ASSETS**					
(1)	**Non-current Assets**					
	(a) Fixed assets	7,882	8,352	7,883	8,352	8,183
	(b) Non-current Investments	1,61,347	56,629	1,61,347	56,629	1,66,063
	(c) Long-term Loans & Advances	1,47,48,265	1,24,52,217	1,47,48,265	1,24,52,217	1,35,89,897
	(d) Other Non-current Assets	605	15,291	605	15,291	3,212
	Sub-total (Non-Current Assets)	**1,49,18,099**	**1,25,32,489**	**1,49,18,100**	**1,25,32,489**	**1,37,67,355**
(2)	**Current Assets**					
	(a) Current Investments	9,432	9,432	69,432	9,432	4,716
	(b) Cash & Bank Balances	5,00,067	1,31,148	4,40,067	1,31,148	1,19,294
	(c) Short-term Loans & Advances	1,53,905	2,19,075	1,53,905	2,19,075	38,158
	(d) Other Current Assets	14,69,532	13,13,636	14,69,553	13,13,636	13,55,767
	Sub-total (Current Assets)	**21,32,936**	**16,73,291**	**21,32,957**	**16,73,291**	**15,17,935**
	Total (ASSETS)	**1,70,51,035**	**1,42,05,780**	**1,70,51,057**	**1,42,05,780**	**1,52,85,290**

Notes:

1. The above financial results for the half year ended 30th September, 2014 were reviewed by the Audit Committee at the meeting held on 13th February, 2015 and approved and taken on record by the Board of Directors at the meeting held on 13th February, 2015. Consequent to the audit, some minor variations have resulted from the limited reviewed accounts for the half year ended September 30, 2014, mainly due to the actuarial valuation of staff benefits which are not material and accordingly, profit after tax for the half year has increased by ₹ 355 lakhs.

   The un-audited figures subjected to limited review for the half year ending September 30, 2014 had been subjected to the limited review by the Joint Statutory Auditors of the Company and were reviewed by the Audit Committee at the meeting held on November 10, 2014 and approved and taken on record by the Board of Directors at the meeting held on November 10, 2014. These figures have already been submitted to the stock exchanges.
2. These results have been audited by the Joint Statutory Auditors of the Company.
3. The Company's main business is to provide finance for power sector. Accordingly, the company does not have more than one segment eligible for reporting in terms of Accounting Standard-17 'Segment Reporting'.
4. Previous periods/year's figures have been regrouped/rearranged wherever necessary.

For Rural Electrification Corporation Limited

(Rajeev Sharma)
Chairman & Managing Director
DIN - 00973413

Place: New Delhi
Date: 13th February, 2015

Raj Har Gopal & Co.
Chartered Accountants
412, Ansal Bhawan,
16, Kasturba Gandhi Marg,
New Delhi-110001

P.K. Chopra & Co.
Chartered Accountants
N-Block, Bombay Life Building,
2nd Floor, Connaught Place
New Delhi-110001

Independent Auditors' Report

To,
The Board of Directors,
Rural Electrification Corporation Limited
New Delhi

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Rural Electrification Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 30th September, 2014, the Statement of Profit and Loss, the Cash Flow Statement for the half year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and General Circular No. 15/2013 dated 13th September, 2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 the state of affairs of the Company as at 30th September, 2014, and its profit and its cash flows for the half year ended on that date.

Report on Other Legal and Regulatory Requirements

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of

the Companies (Accounts) Rules, 2014 and General Circular No. 15/2013 dated 13th September, 2013.

e. On the basis of the written representations received from the directors as on 30th September, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 2014 from being appointed as a director in terms of Section 164 (2) of the Act.

f. 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:

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 22.1 to the financial statements;
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Raj Har Gopal & Co.
Chartered Accountants
Firm Regn. No. 002074N

New Delhi

(Gopal Krishan)
(Partner)
(M. No. 081085)

For P.K. Chopra & Co.
Chartered Accountants
Firm Regn. No. 006747N

New Delhi

(K.S. Ponnuswami)
(Partner)
(M. No. 070276)

Place : New Delhi
Date : 13th February, 2015