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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
Website: www.recindia.nic.in

SEC-1/187(2)/2014/757

Dated: 28.03.2014

(1) The Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), **Mumbai – 400 051**	(2) The Listing Department, BSE Limited 1St Floor, PJ Towers, Dalal Street, **Mumbai – 400 001**
Scrip Code-- RECLTD	**Scrip Code—532955**

Dear Sir(s),

Sub: Submission of Audited Standalone Financial Results of the Company for the Half Year ended 30th September, 2013.

In continuation of our earlier letter dated 13th March, 2013 on the above cited subject, we are submitting herewith the Audited Standalone Financial Results of the Company along with Auditors Report for the Half Year ended 30th September, 2013. The Audited Standalone Financial Results have been reviewed by the Audit Committee, approved by the Board of Directors and taken on record in the meetings held on Friday, 28th March, 2014.

Further, we would also like to inform that, the Un-Audited Financial (Standalone) Results of the Company for the second quarter and half year ended 30th September, 2013, in the prescribed format, in compliance of the Listing Agreement, have already been submitted to the Stock Exchanges on 13th November, 2013.

Further, Audited Balance Sheet and Statement of Profit & Loss for the Half Year ended September 30, 2013 will be sent separately.

Thanking you,

Yours faithfully

(J S Amitabh)
GM & Company Secretary

Encl.: As above

RURAL ELECTRIFICATION CORPORATION LIMITED

(₹ in Lakhs

PART I

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30.09.2013

			HALF YEAR ENDED		HALF YEAR ENDED		YEAR ENDED
			30.09.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
			(Audited)	(Audited)	(Un-audited)	(Un-audited)	(Audited)
1		**Income from Operations**					
	a	Interest Income	8,08,126	6,23,727	8,08,126	6,23,727	13,29,095
	b	Other Operating Income	11,073	12,312	11,073	12,312	22,791
		Total Income from Operations	**8,19,199**	**6,36,039**	**8,19,199**	**6,36,039**	**13,51,886**
2		**Expenses**					
	a	Interest, Finance & Other Charges	4,82,131	3,84,309	4,82,131	3,84,309	8,08,376
	b	Employee Benefits Expense	7,194	7,900	7,218	7,900	15,184
	c	Other Expenses	3,362	2,324	3,352	2,324	6,469
	d	Allowance for bad and doubtful debts	2,232	-	2,232	-	2,500
	e	Contingent Allowance against Standard Loan Assets	6,680	-	6,680	-	10,568
	f	Depreciation and amortisation expense	210	179	210	179	375
		Total Expenses	**5,01,809**	**3,94,712**	**5,01,823**	**3,94,712**	**8,43,472**
3		**Profit from Operations before Other Income & Exceptional Items (1-2)**	**3,17,390**	**2,41,327**	**3,17,376**	**2,41,327**	**5,08,414**
4		Other Income	3,364	4,600	3,364	4,600	7,981
5		**Profit from Ordinary Activities before Exceptional Items (3+4)**	**3,20,754**	**2,45,927**	**3,20,740**	**2,45,927**	**5,16,395**
6		Exceptional Items	-	-	-	-	-
7		**Profit from Ordinary Activities before Tax (5+6)**	**3,20,754**	**2,45,927**	**3,20,740**	**2,45,927**	**5,16,395**
8		**Tax Expense**					
		- Current Year	66,396	62,766	66,421	62,766	1,34,579
		- Deferred Tax Liability / (Asset)	26,545	98	26,512	98	54
		- Earlier Years / (Refund)	1,374	-	1,374	-	-
9		**Net Profit from Ordinary Activities after Tax (7-8)**	**2,26,439**	**1,83,063**	**2,26,433**	**1,83,063**	**3,81,762**
10		Extraordinary Items (net of tax expense)	-	-	-	-	-
11		**Net Profit for the Period (9-10)**	**2,26,439**	**1,83,063**	**2,26,433**	**1,83,063**	**3,81,762**
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)					16,46,692
14	i	**Earnings per Share (EPS) (before extraordinary items) (of ₹10 each) (not annualised) (in ₹)**					
	a	Basic	22.93	18.54	22.93	18.54	38.66
	b	Diluted	22.93	18.54	22.93	18.54	38.66
	ii	**Earnings per Share (EPS) (after extraordinary items) (of ₹10 each) (not annualised) (in ₹)**					
	a	Basic	22.93	18.54	22.93	18.54	38.66
	b	Diluted	22.93	18.54	22.93	18.54	38.66

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

SI. NO.	PARTICULARS	HALF YEAR ENDED		HALF YEAR ENDED		YEAR ENDED
		30.09.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		(Audited)	(Audited)	(Un-audited)	(Un-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	1,795,208	1,532,340	1,795,202	1,532,340	1,646,692
	Sub-total (Shareholders' Funds)	**1,893,954**	**1,631,086**	**1,893,948**	**1,631,086**	**1,745,438**
(2)	Non-current Liabilities					
	(a) Long-term Borrowings	10,138,302	8,132,938	10,138,302	8,132,938	9,096,038
	(b) Deferred Tax Liabilities (Net)	31,042	-	31,008	-	-
	(c) Other Long-term Liabilities	10,900	5,172	10,900	5,172	8,025
	(d) Long-term Provisions	25,398	9,114	25,304	9,114	18,845
	Sub-total (Non-current Liabilities)	**10,205,642**	**8,147,224**	**10,205,514**	**8,147,224**	**9,122,908**
(3)	Current Liabilities					
	(a) Short-term Borrowings	277,000	147,000	277,000	147,000	248,000
	(b) Other current liabilities	1,824,521	1,594,663	1,824,534	1,594,663	1,911,640
	(c) Short-term Provisions	4,663	13,135	4,759	13,135	22,743
	Sub-total (Current Liabilities)	**2,106,184**	**1,754,798**	**2,106,293**	**1,754,798**	**2,182,383**
	Total (EQUITY AND LIABILITIES)	**14,205,780**	**11,533,108**	**14,205,755**	**11,533,108**	**13,050,729**
B.	ASSETS					
(1)	Non-current Assets					
	(a) Fixed assets	8,352	7,863	8,352	7,863	8,005
	(b) Non-current Investments	56,629	66,312	56,629	66,312	61,345
	(c) Deferred Tax Assets (Net)	-	907	-	907	951
	(d) Long-term Loans & Advances	12,452,217	9,848,293	12,452,217	9,848,293	11,457,453
	(e) Other Non-current Assets	6,806	19,005	6,806	19,005	13,076
	Sub-total (Non-Current Assets)	**12,524,004**	**9,942,380**	**12,524,004**	**9,942,380**	**11,540,830**
(2)	Current Assets					
	(a) Current Investments	9,432	24,437	9,432	24,437	4,716
	(b) Cash & Bank Balances	131,148	91,924	131,148	91,924	148,426
	(c) Short-term Loans & Advances	219,075	343,888	219,075	343,888	191,595
	(d) Other Current Assets	1,322,121	1,130,479	1,322,096	1,130,479	1,165,162
	Sub-total (Current Assets)	**1,681,776**	**1,590,728**	**1,681,751**	**1,590,728**	**1,509,899**
	Total (ASSETS)	**14,205,780**	**11,533,108**	**14,205,755**	**11,533,108**	**13,050,729**

Notes:

1. The above financial results for the half year ended 30th September, 2013 were reviewed by the Audit Committee at the meeting held on 28th March, 2014 and approved by the Board of Directors and taken on record at the meeting held on 28th March, 2014. Consequent to the audit, some minor variations have resulted from the limited reviewed accounts for the half year ended September 30, 2013, 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 ₹6 lakhs.

   The un-audited figures subjected to limited review for the half year ending September 30, 2013 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 13, 2013 and approved by the Board of Directors & taken on record at the meeting held on November 13, 2013. 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

Place: New Delhi
Date: 28th March, 2014

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

P.K. Chopra & Co.
Chartered Accountants
N-84, Pratap Building,
Connaught Place,
New Delhi-110001

Independent Auditors' Report

To,
The Board of Directors,
Rural Electrification Corporation Ltd.
New Delhi

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Rural Electrification Corporation Limited,** which comprise the Balance Sheet as at September 30, 2013, and the Statement of Profit & Loss and Cash Flow Statement for the half year then ended, and a summary of significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Financial Statements**
   Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

3. **Auditor's Responsibility**
   Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected

RAJ HAR GOPAL & CO. Chartered Accountants New Delhi

P.K. CHOPRA & CO. Chartered Accountants New Delhi

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 control relevant to the Company's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 principals generally accepted in India:

(a) in the case of Balance Sheet, of the state of affairs of the Company as at September 30, 2013;

(b) in the case of Statement of Profit and Loss, of the profit for the half year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the half year ended on that date.

5. Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.

(ii) As required under the provisions of section 227(3) of the Companies Act, 1956, we report that:

a. We have 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 appears from our examination of those books;

c. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;

d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

e. Vide notification No. 2/5/2001-CL.V dated 22.03.2002 of the Department of Company Affairs, Government of India, Government Companies have been exempted from applicability of the provisions of Section 274(1)(g) of the Companies Act, 1956.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

(Gopal Krishan)
Partner
M. No. 081085

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

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

Place : New Delhi
Date : 28th March, 2014

Annexure to the Independent Auditor's Report

REFERRED TO IN PARAGRAPH 5(i) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF RURAL ELECTRIFICATION CORPORATION LIMITED FOR THE HALF YEAR ENDED ON SEPTEMBER 30, 2013

(i) (a) The Company has maintained fixed assets records to show full particulars including quantitative details and situation of its fixed assets.

(b) The fixed assets of the Company were physically verified by the management during the Half Year ended September 30, 2013; as certified by the management, no material discrepancies has been found on such physical verification.

(c) In our opinion and according to the explanations given to us, during the half year, the Company has not disposed off substantial part of fixed assets therefore going concern is not affected. Hence, this clause of the order is not applicable.

(ii) The company being Non Banking Financial Company does not have any inventory; as such this clause is not applicable.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to any Corporation, firm or other parties covered in register maintained under section 301 of Companies Act, 1956. Accordingly, clause 4(iii)(a), 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the order are not applicable.

(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from any Corporation, firm, or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly clause 4(iii)(e), the clause 4(iii)(f) and 4(iii)(g) of the order are not applicable.

(iv) In our opinion and according to information & explanations given to us, internal controls for purchase of fixed assets and for the financial services are generally commensurate with the size of the Company and the nature of its business. However, in certain areas internal control needs further strengthening like monitoring and supervision of loans given to various SEBs/ DISCOMS/ TRANSCOS/ GENCOS including obtaining search reports for charges created

against the loans given and physical verification of assets charged to REC as security after Commercial Operations Date.

(v) According to information and explanations given to us, the Company has not entered into any contract with the Companies or Entities covered u/s 301 of the Companies Act, 1956. Accordingly this clause of the order is not applicable.

(vi) According to the information and explanations given to us, the Company has not accepted any deposit from public to which the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under, apply.

(vii) In our opinion, the Company has an internal audit system generally commensurate with its size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Companies Act, 1956, for the products/services of the Company. Accordingly, this clause of the order is not applicable to the Company.

(ix) (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, investor's education protection fund, employees state insurance, income tax, wealth tax, service tax, custom duty and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, wealth tax were in arrears as at September 30, 2013 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, sales tax, custom duty and cess which has not been deposited on account of dispute.

(x) The Company does not have any accumulated losses as at September 30, 2013. The Company has also not incurred cash losses during the half year covered by our audit and in the immediate preceding financial year. Accordingly, this clause of the order is not applicable.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank and bond holders as at the Balance Sheet date.

(xii) In our opinion and according to the information and explanations given to us, the Company has maintained records and documents in respect of loan granted by it to various State Electricity Boards, Transmission, Distribution and Generation Companies including independent power producers on the basis of security including collateral security by way of pledge of share and other securities.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi or mutual benefit fund or society, therefore, this clause of the order is not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debenture and other investment, therefore this clause of the order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the half year. Accordingly, this clause of the order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which they were raised.

(xvii) According to the information and explanations given to us and on the overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.

(xviii) According to the information and explanations given to us, during the half year the Company has not made any preferential allotment of shares to companies, firms or other parties needs to be listed in the register maintained u/s 301 of the Companies Act.

(xix) According to the information and explanations given to us, the Company has created security in respect of Institutional Bonds, Tax Free Secured Bonds, and Capital Gain Bonds in the form of charge on receivables and Registered Mortgage on the immovable properties of the Company at Maharashtra, Delhi, Tamil Nadu & Gujarat.

P.K. CHOPRA & CO. * Chartered Accountants * New Delhi

P.K. CHOPRA & CO. * Chartered Accountants * New Delhi

(xx) The Company had made public issue of Tax Free Bonds of face value of ₹1,000.00 each aggregating to ₹ 2,148.41 Crores in two tranches during the financial year 2012-13 in addition to a private placement issue of the Tax Free Bonds of ₹ 500.00 Crores. The issue proceeds of ₹ 0.63 Crores remaining unutilized as on 31st March, 2013 have since been utilized for the purposes as mentioned in the Offer document.

The Company has made a public issue of Tax Free Bonds of face value of ₹1,000.00 each aggregating to ₹ 3,440.60 Crores during the half year ended September 30, 2013 in addition to a private placement of the Tax Free Bonds of ₹ 1,350.00 Crores. The bonds under public issue had been allotted in line with the prescribed guidelines and within the half year ended. The issue proceeds have been utilized for the purposes as mentioned in the Offer document except for ₹ 18.97 Crores which is kept in designated public issue account pending its utilization.

(xxi) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the half year, nor have we been informed of such case by the management.

Referred in paragraph 5 (i) of report of even date, clauses (ii) (b) & (c), (iii) (c) & (d), (v) (b), (viii) (a) (b) (c) (d) of Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

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

(Gopal Krishan)
Partner
M. No. 081085

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

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

Place : New Delhi
Date : 28th March, 2014