

REC Limited

A Maharatna Company

INVESTOR PRESENTATION

Performance Highlights
Q1 FY 2025-26

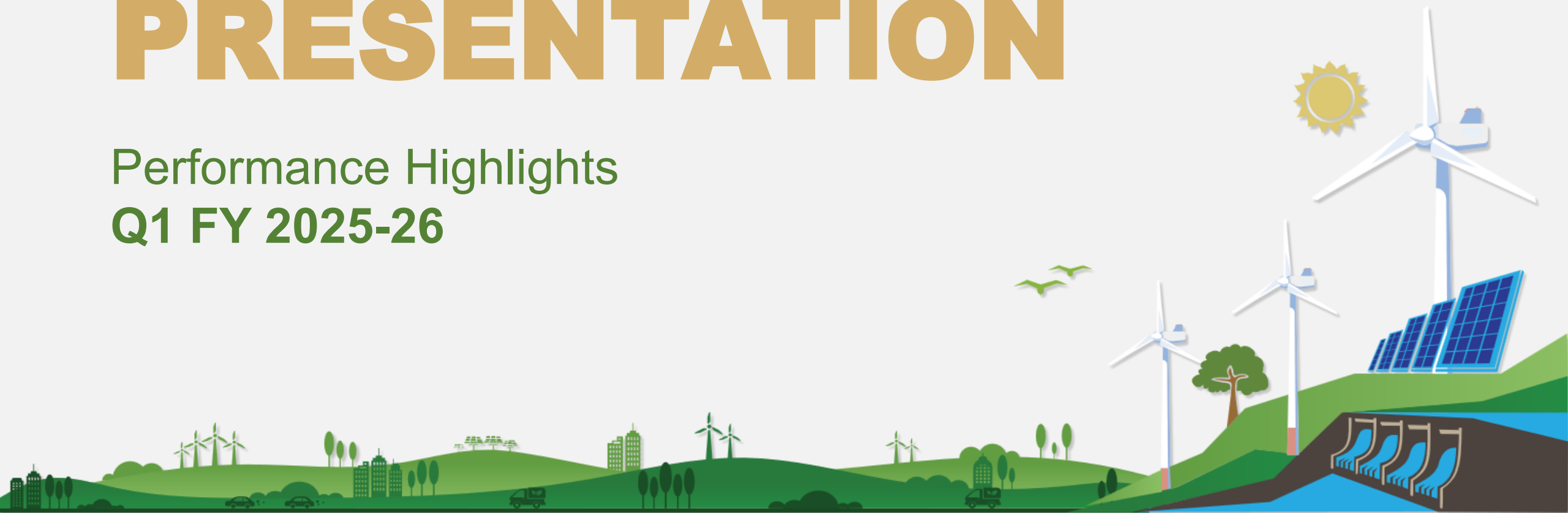


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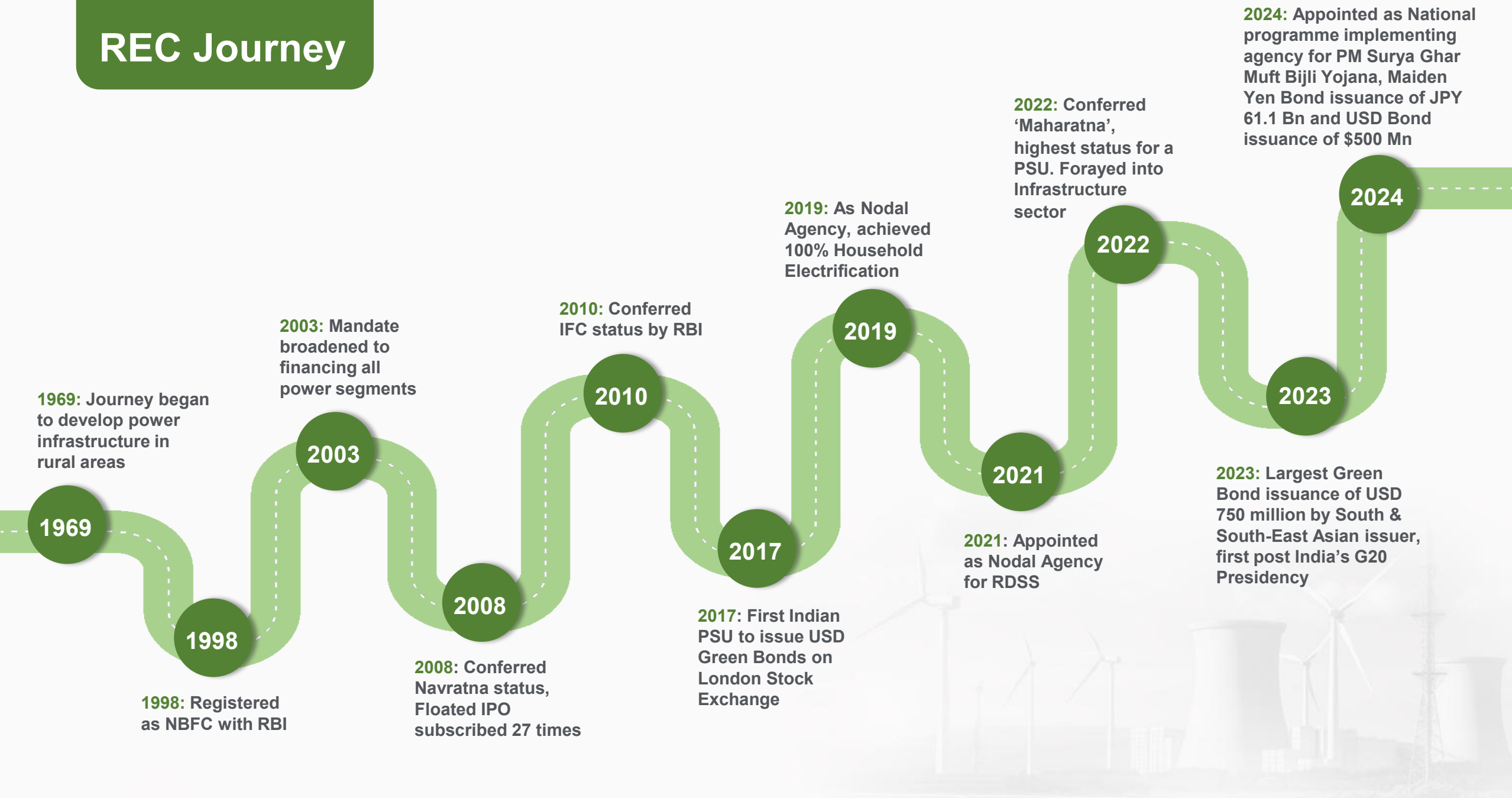
01

REC OVERVIEW

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REC Journey



Key Strengths

Strong Fundamentals and Profitable Business with Stable Margins leading to Strong Profitability

Highest Domestic Rating of “AAA”; International Ratings of “Baa3” & “BBB-” from Moody’s & Fitch respectively at par with Sovereign rating`

Nodal Agency for major Govt. of India’s power sector programmes – RDSS, Saubhagya, DDUGJY, Rooftop Solar (RTS) etc.

Experienced Management Team with Sector Expertise

Occupies Strategic Position in the Growth and development of the Power Sector and a major player In Renewable Energy segment and creation of India’s Green Energy Corridor

‘Maharatna’ Company and a strategic player in the Indian Power, Infrastructure and Logistics Sector

Diversified Asset Base with robust Access to Diversified Funding Sources

Healthy Asset Quality with adequate provisioning coverage ratio

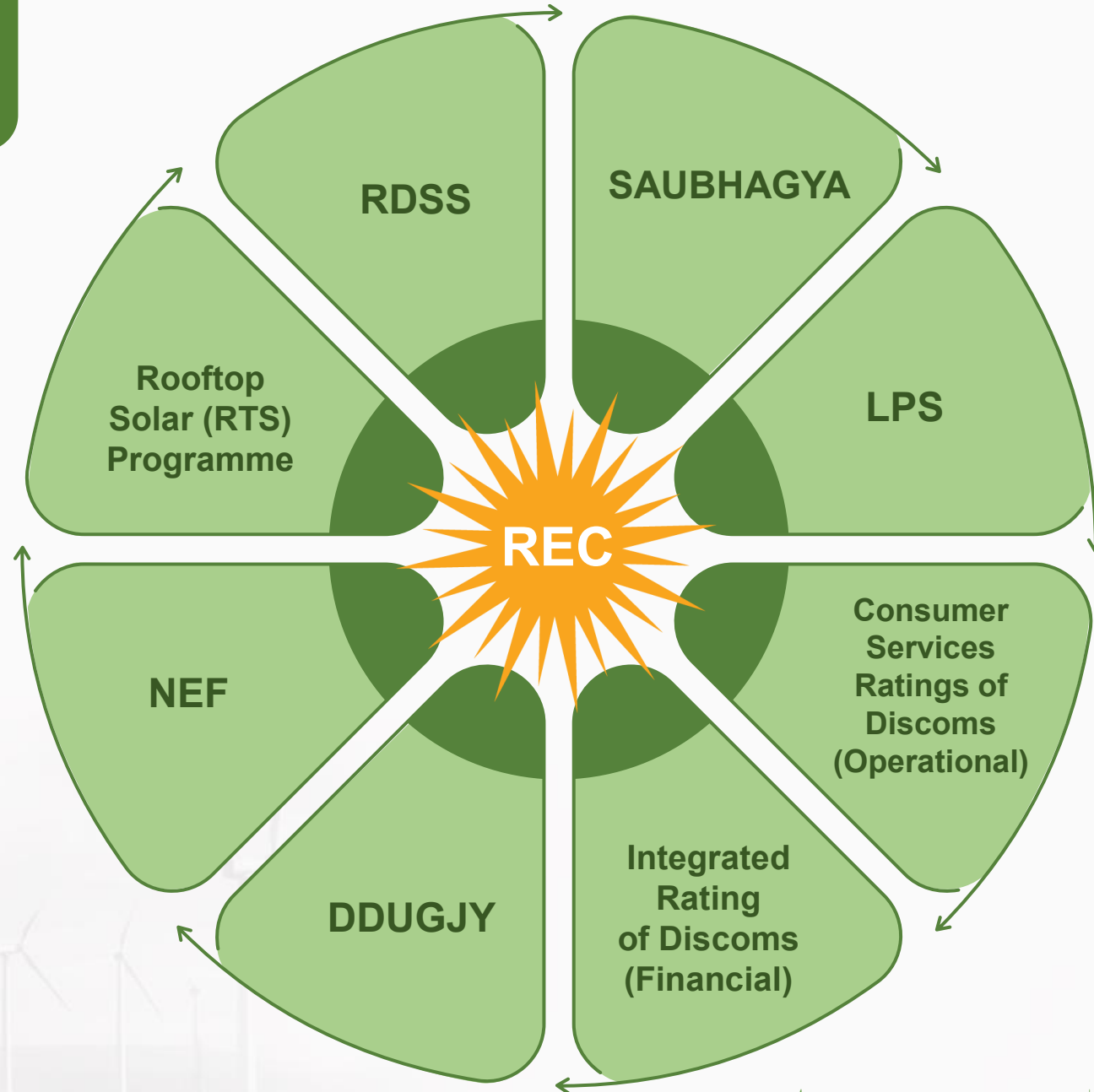


Government's Trusted Arm

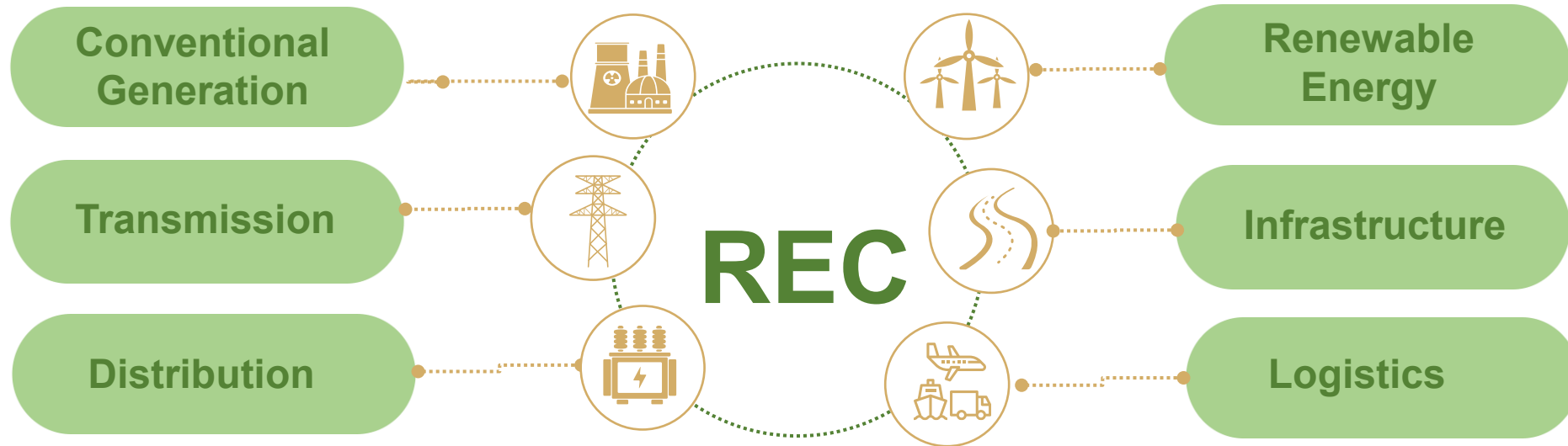


असीमित ऊर्जा, अनन्त संभावनाएँ
Endless energy. Infinite possibilities.

A MAHARATNA COMPANY

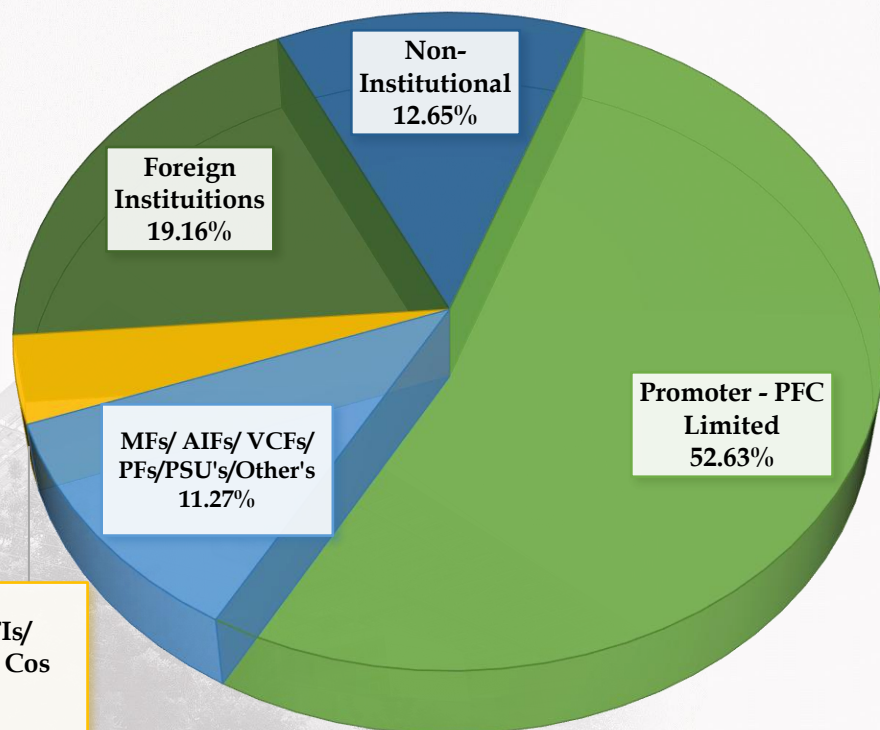


Our Diversified Portfolio



Shareholders Outlook

Shareholding Pattern as on June 30, 2025



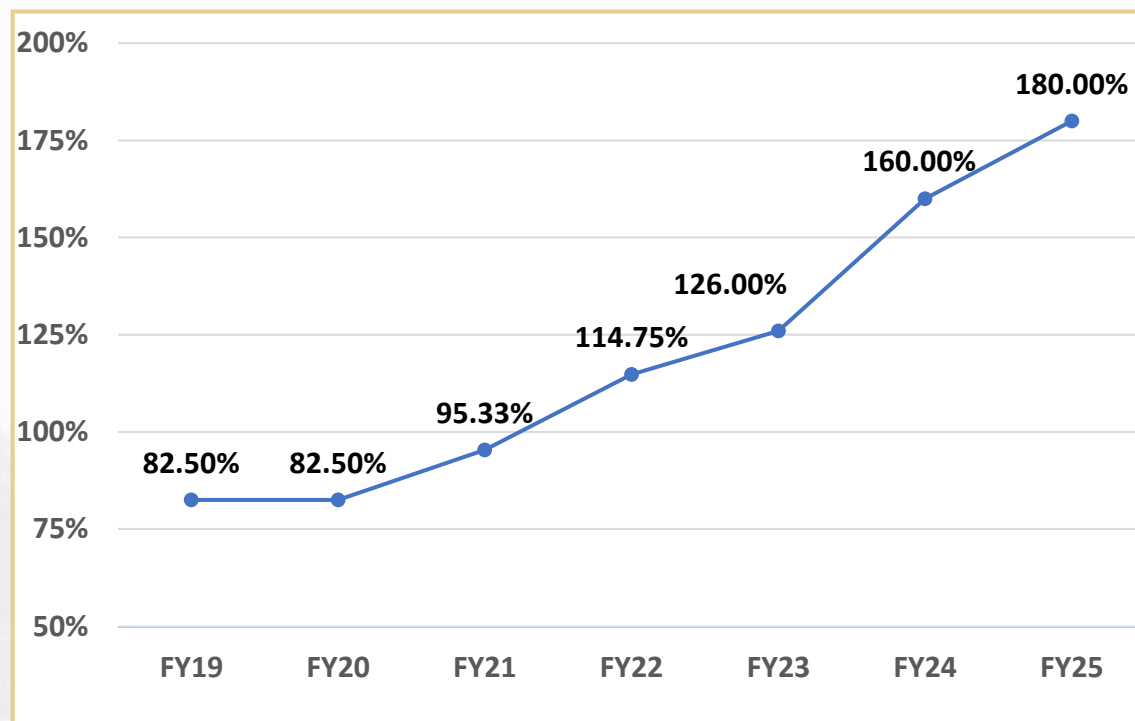
Top 10 Shareholders as on June 30, 2025

Rank	Particulars	Shareholding (%)
1	Power Finance Corporation Limited	52.63
2	Life Insurance Corporation Of India - P & GS Fund	1.48
3	NPS Trust-A/C LIC Pension Fund Scheme	1.39
4	Nippon India- BSE Sensex Next 30 Index Fund	1.37
5	ICICI Prudential- S&P BSE 500 ETF	1.19
6	HDFC- Balanced Advantage Fund	0.94
7	Kotak- Nifty Next 50 Index Fund	0.81
8	Tata AIG General Insurance Company Limited	0.73
9	SBI- PSU Fund	0.72
10	Invesco- India PSU Equity Fund	0.69
	TOTAL	61.95

Shareholders Outlook Continued..

Dividend as a % of Equity Share Capital

Consistently high dividend paying company



Interim dividend recommended for Q1 FY26 of **₹4.60 (46%) per share**



Earnings per Share (EPS) - ₹67.60



Book Value per Share (BVPS) - ₹302.63

- Dividend adjusted for Bonus in the ratio of 1:3 in Aug 2022.
- Actual dividend 110.00%, 110.00%, 127.10% and 153.00% pre bonus for the year FY19, FY20, FY21 & FY22

Awards and Accolades



02

OPERATIONAL PERFORMANCE

- Sanctions
- Disbursements
- Outstanding loans
- Pan India presence – Loan Assets



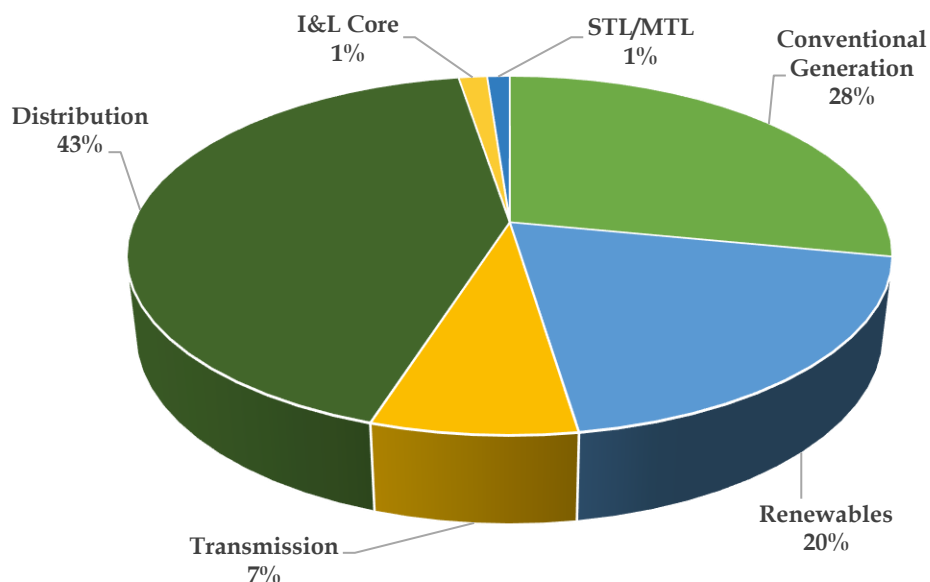
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Sanctions - Composition

Sector-wise breakup of Sanctions for Q1 FY 25-26



Robust sanctions across diversified disciplines

(₹ in crore)

Discipline-wise in	Q1				12M	
	FY26	%	FY25	%	FY25	%
Conventional Generation	28,237	28	35,552	32	89,632	27
Renewable Energy	19,659	20	38,492	34	1,05,259	31
Transmission	7,371	7	7,169	6	17,559	5
Distribution	42,760	43	7,600	7	67,481	20
a) Distribution Capex	9,301	9	4,200	4	41,881	13
b) LPS & LIS ¹	-	-	-	-	500	0
c) RBPF ²	2,850	3	3,400	3	13,700	4
d) Other Non Capex	30,609	31	-	-	11,400	3
I&L³-Core	1,441	1	19,815	18	41,239	12
I&L - E&M⁴	-	-	-	-	2,000	1
STL/MTL	1,150	1	3,000	3	14,009	4
Total Sanctions	1,00,618	100	1,11,628	100	3,37,179	100

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme

²RBPF - Revolving Bills Payment Facility

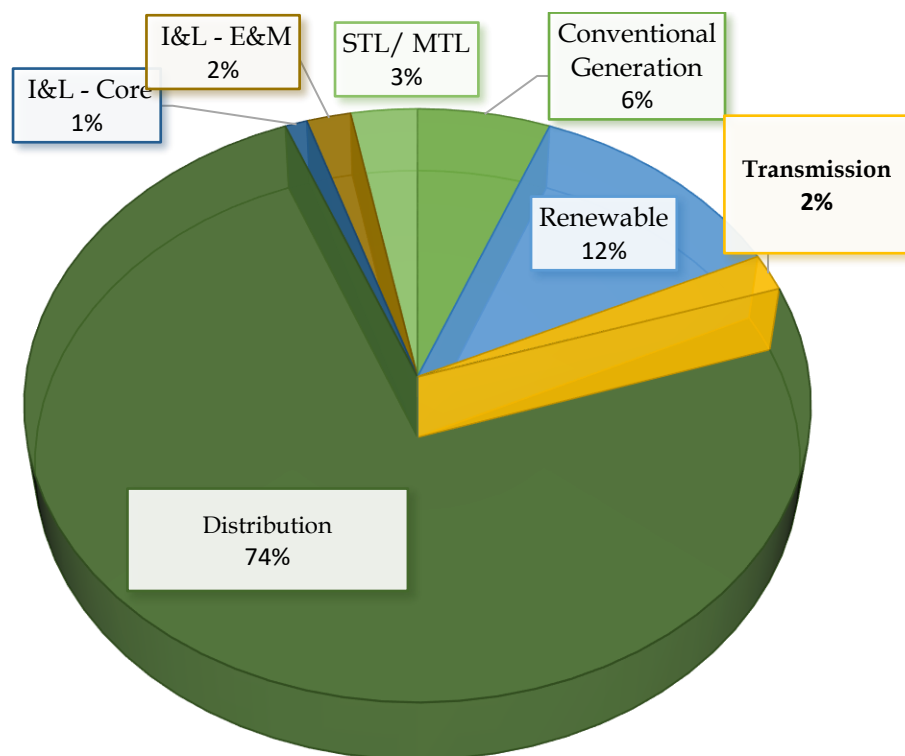
³I&L – Infrastructure & Logistics

⁴I&L-E&M Infrastructure & Logistics – Electrical and Mechanical

Disbursements - Composition

Sector-wise breakup of Disbursements for Q1 FY 25-26

(₹ in crore)



Discipline-wise	Q1				12 M	
	FY 26	%	FY 25	%	FY 25	%
Conventional Generation	3,318	6	4,667	11	27,478	14
Renewable Energy	7,233	12	5,351	12	26,186	14
Transmission	1,222	2	1,443	3	6,064	3
Distribution	43,987	74	20,714	48	1,01,777	53
a) Distribution	18,530	31	1,150	3	10,598	6
b) LPS & LIS ¹	1,113	2	3,007	7	12,299	6
c) RDSS ²	694	1	830	2	1,592	1
d) RBPF ³	23,650	40	15,727	36	77,288	40
I&L ⁴ – Core	343	1	5,753	13	10,772	6
I&L - E&M ⁵	1,205	2	2,229	5	7,849	4
STL/MTL	2,200	3	3,495	8	11,059	6
Total Disbursements	59,508	100	43,652	100	1,91,185	100
Increase in Q1 FY 26 over Q1 FY 25	36%					
Increase in Renewables incl Large Hydro in Q1 FY 26 over Q1 FY 25	35%					

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme

²RDSS- Revamped Distribution Sector Scheme

³RBPF - Revolving Bills Payment Facility

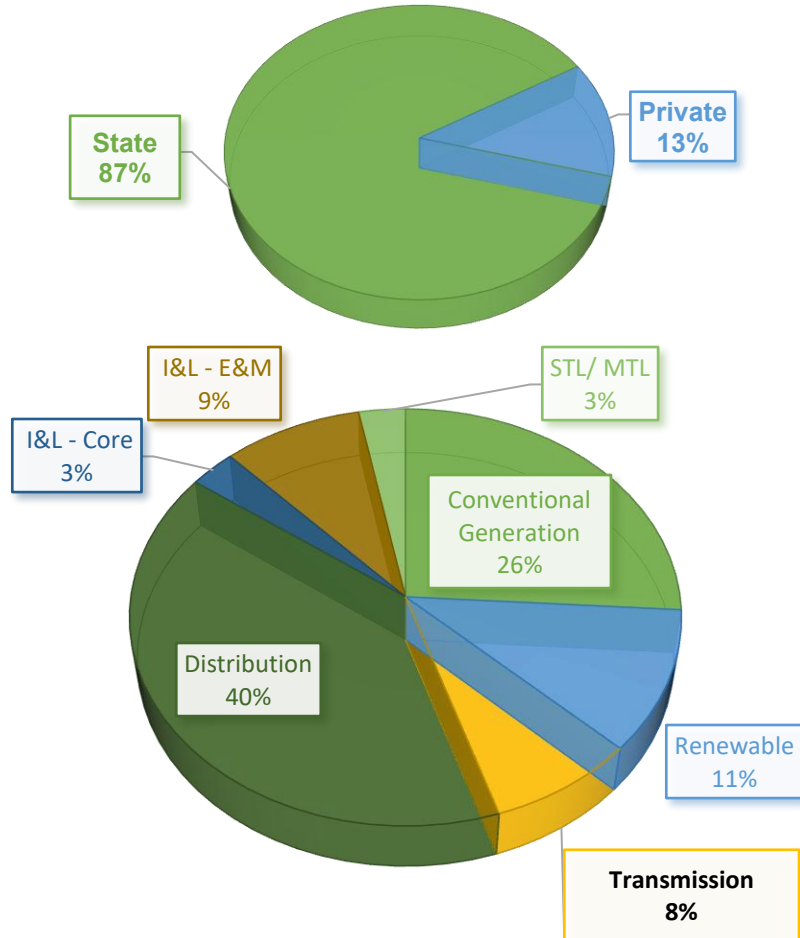
⁴I&L – Infrastructure & Logistics

⁵I&L - E&M - Infrastructure & Logistics- Electrical and Mechanical

Outstanding Loans – Composition

Sector-wise breakup of Loan Book as on Q1 FY 25-26

(₹ in crore)



Discipline-wise	As on					
	June 30,2025		June 30,2024		March 31, 2025	
	Amount	%	Amount	%	Amount	%
State	5,07,829	87	4,70,653	89	4,94,578	87
Private	76,739	13	59,086	11	72,305	13
Total	5,84,568	100	5,29,739	100	5,66,883	100
Conventional Generation	1,50,802	26	1,47,913	28	1,55,071	28
Renewable Energy	63,850	11	42,936	8	57,994	10
Transmission	45,231	8	47,648	9	46,743	8
Distribution	2,36,436	40	2,18,310	41	2,20,626	39
a) Distribution	1,00,831	17	84,708	16	84,591	15
b) LPS & LIS ¹	49,904	9	41,422	8	49,272	9
c) Special Loan	40,497	7	49,806	9	42,382	7
d) RDSS ²	1,974	-	900	-	1,280	-
e) RBPF ³	43,230	7	41,474	8	43,101	8
I&L - Core ⁴	18,791	3	13,429	3	18,448	3
I&L - E&M ⁵	51,290	9	47,541	9	50,953	9
STL/MTL	18,168	3	11,962	2	17,048	3
TOTAL	5,84,568	100	5,29,739	100	5,66,883	100

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme

²RDSS- Revamped Distribution Sector Scheme

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⁴I&L – Infrastructure & Logistics

⁵I&L - E&M - Infrastructure & Logistics- Electrical and Mechanical



Loan Book has grown at a robust rate of ~10% YoY

PAN India presence – Loan Book

Lending across 26 States & UTs

State/ Joint Sector Borrowers

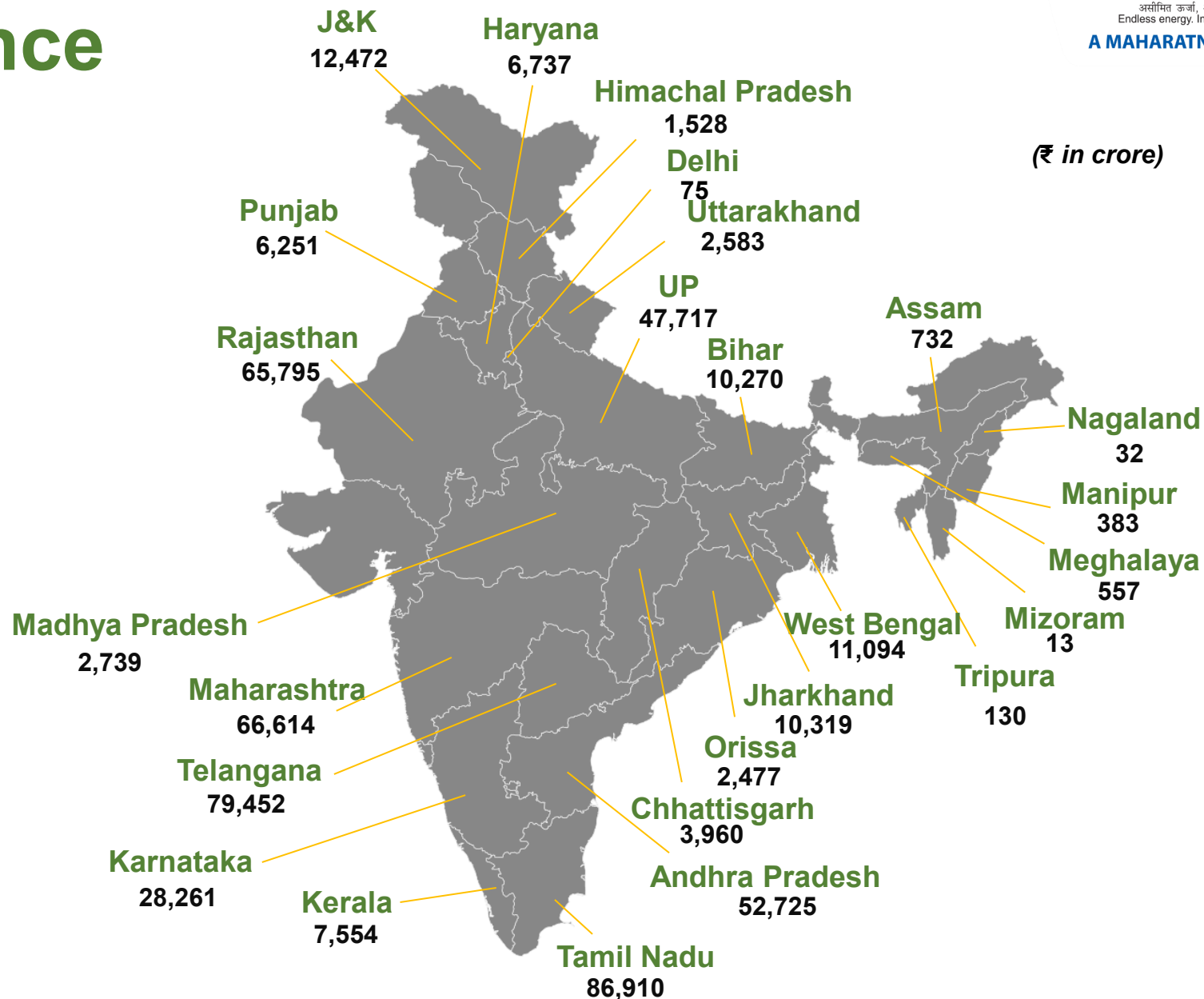
₹5,07,829 crore

Private Sector Borrowers

₹76,739 crore

Total Loan Outstanding

₹5,84,568 crore



03

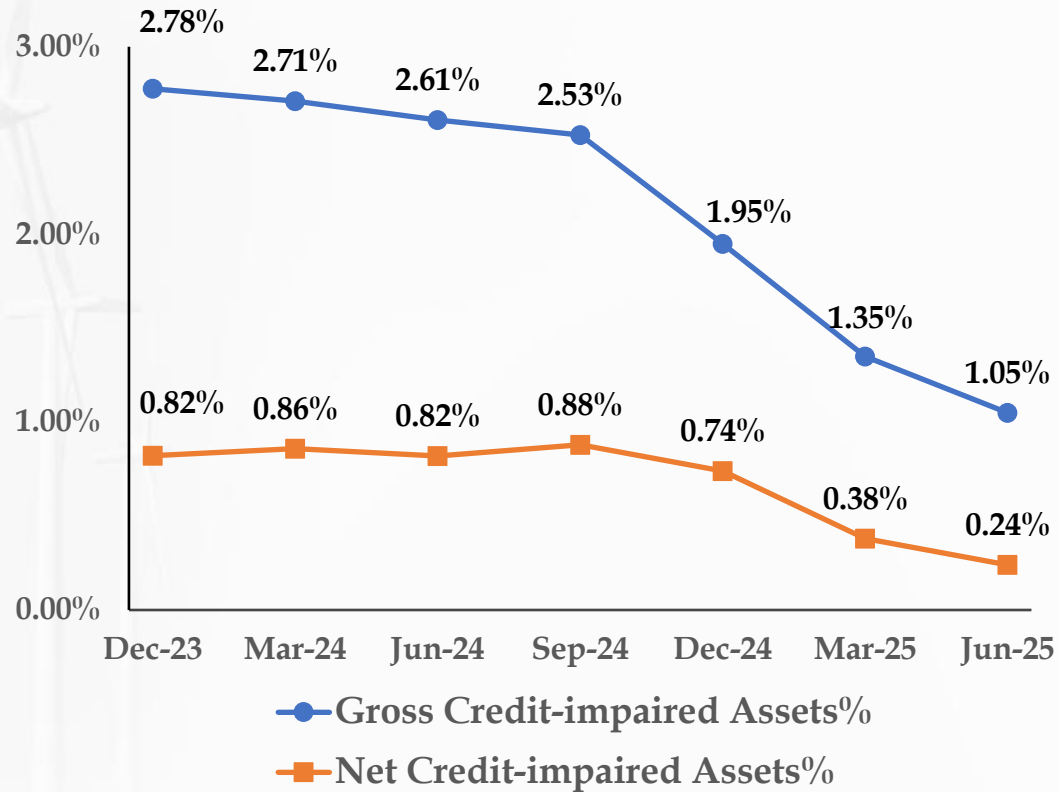
ASSET QUALITY

- Asset quality and provision coverage
- Loan portfolio and ECL provisioning
- Credit impaired assets and resolution status

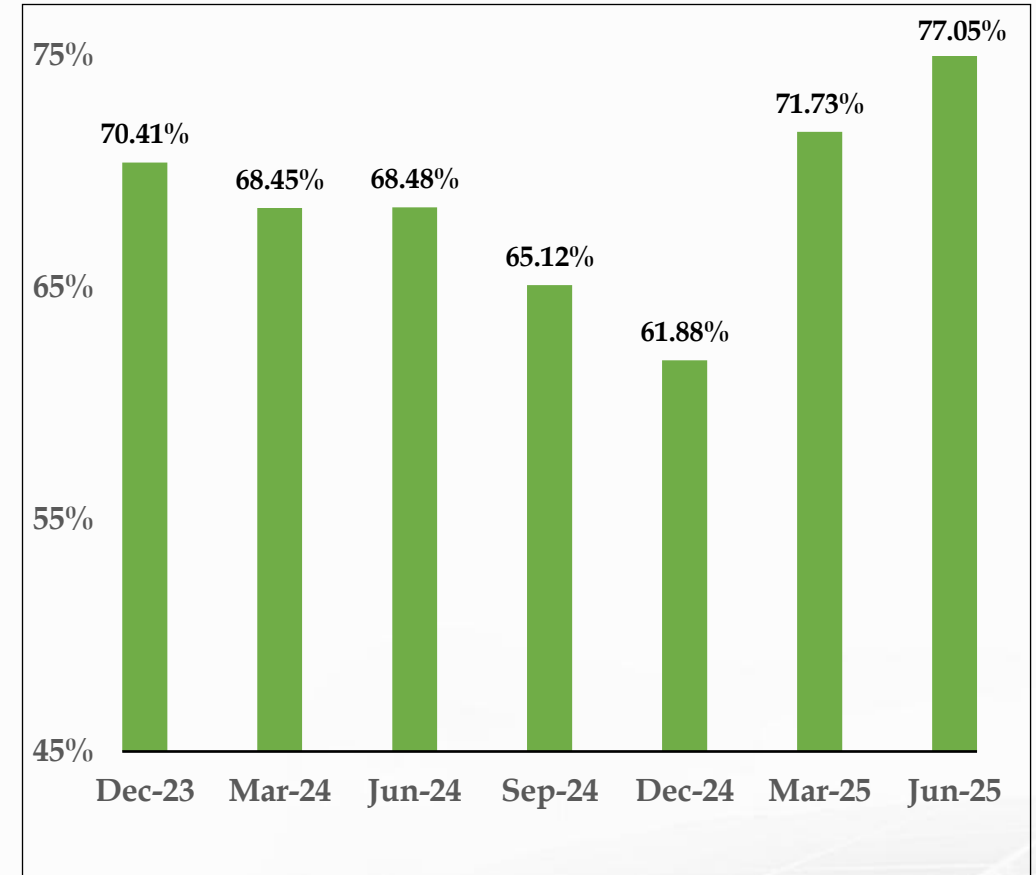


Asset Quality and provisioning coverage

Improving Asset Quality



Provision Coverage Ratio



Loan Portfolio and ECL provisioning

(₹ in crore)

Particulars	Loan	Credit Impaired Assets (Stage – III)			Standard Assets (Stage – I & II)			Total ECL #
	O/s	O/s	ECL	Provision coverage	O/s	ECL	Provision coverage ratio	
				ratio (%)			(%) @	
State Sector								
-Generation	1,35,670	-	-	-	1,35,670	1,555	1.15%	1,555
-Renewable Energy	10,106	-	-	-	10,106	105	1.04%	105
-Transmission	41,251	-	-	-	41,251	22	0.05%	22
-Distribution	2,36,436	-	-	-	2,36,436	2,457	1.04%	2,457
a) Distribution Capex	1,00,831	-	-	-	1,00,831	1,416	1.40%	1,416
b) LPS & LIS ¹	49,904	-	-	-	49,904	443	0.89%	443
c) RDSS ²	1,974	-	-	-	1,974	4	0.20%	4
d) RBPF ³	43,230	-	-	-	43,230	358	0.83%	358
e) Special Loan	40,497	-	-	-	40,497	236	0.58%	236
-I&L ⁴ – Core	17,268	-	-	-	17,268	6	0.03%	6
-I&L - E&M ⁵	48,930	-	-	-	48,930	40	0.08%	40
-STL/MTL	18,168	-	-	-	18,168	330	1.82%	330
Total State Sector	5,07,829	-	-	-	5,07,829	4,515	0.89%	4,515
Private Sector								
-Generation	15,132	5,842	4,477	76.64%	9,290	109	1.17%	4,586
-Renewable Energy	53,744	305	259	84.81%	53,439	402	0.75%	661
-Transmission	3,980	-	-	-	3,980	17	0.43%	17
-I&L ⁴ – Core	1,523	-	-	-	1,523	1	0.07%	1
-I&L - E&M ⁵	2,360	-	-	-	2,360	2	0.08%	2
-Distribution	0*	-	-	-	0*	0*	0.88%	0*
Total Private Sector	76,739	6,147	4,736	77.05%	70,592	531	0.75%	5,267
Grand Total	5,84,568	6,147	4,736	77.05%	5,78,421	5,046	0.87%	9,782

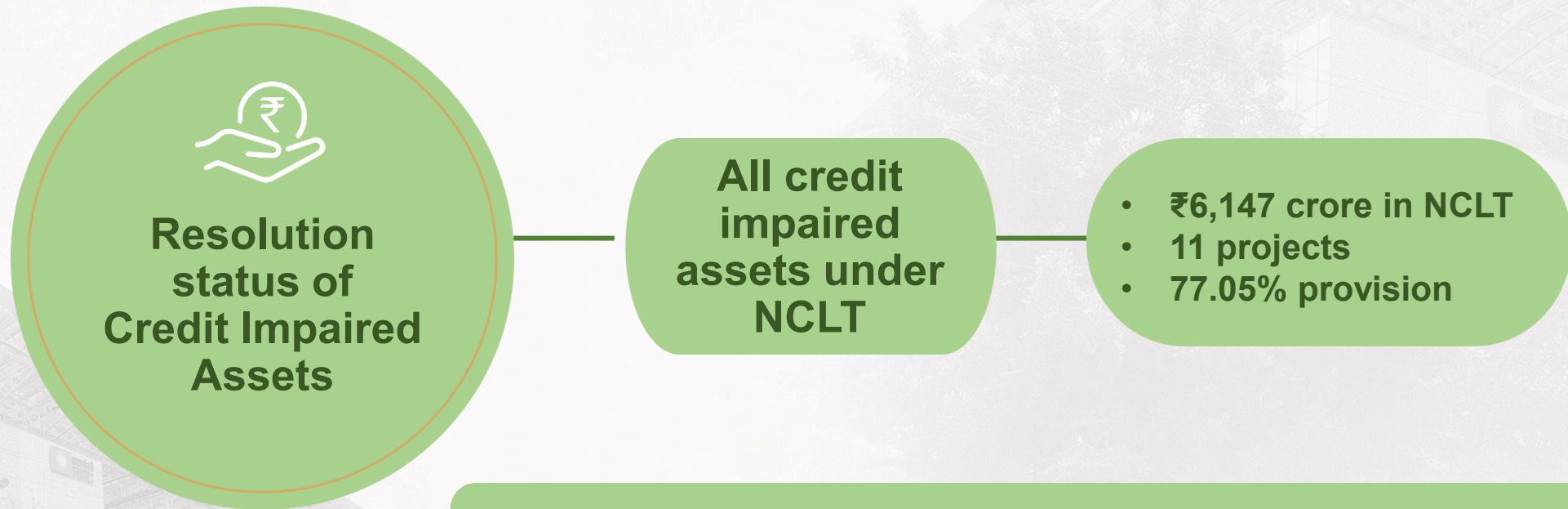
*0 denotes amount less than ₹1 crore.

In addition to the above, Reserves available in the form of Statutory Reserve u/s 45-IC of RBI Act and Reserve for Bad & Doubtful debts u/s 36(1)(vii)(c) of the Income Tax Act, 1961 amounting to ₹14,862 crore and ₹1,058 crore respectively.

¹LPS – Late payment surcharge & LIS – Liquidity infusion scheme ²RDSS- Revamped Distribution Sector Scheme ³RBPF - Revolving Bills Payment Facility ⁴I&L – Infrastructure & Logistics

⁵I&L - E&M- Infrastructure & Logistics- Electrical and Mechanical

Credit Impaired Assets – Resolution Status



One stressed asset having outstanding loan of ₹1,504 crore has been resolved during Q1 FY26



04

BORROWING PROFILE

- Credit ratings for long term borrowings
- Outstanding borrowings



Credit Ratings for Long Term Borrowings

Long-term International Ratings

MOODY'S

Baa3 (Stable)–Key Highlights

- ✓ REC Limited (REC) remains strategically important to the Indian power sector and plays a key role in implementing the central government policy initiatives.
- ✓ REC finances all segments of domestic power infrastructure projects, covering transmission, distribution and generation facilities throughout the country, with a focus on rural electrification projects.

FitchRatings

BBB- (Stable)–Key Highlights

- ✓ REC remains an important government-related entity (GRE) due to its strategic role in supporting India's power sector. Hence, Fitch believes the government has strong incentive to provide extraordinary support to REC, if needed.



Japan Credit Rating Agency

BBB+ (Stable)–Key Highlights

REC plays a very important role in the implementation of the Government of India's (GOI) power sector plans. The ratings strongly reflect the country's creditworthiness and are in line with the Republic of India's Long-term Issuer Ratings (FC: BBB+/Stable and LC: BBB+/Stable). It is based on REC's strong capital and personal relationship with GOI, its important position as an institution that financially supports the development of power infrastructure across India, and its strong integration with GOI, supported by its position as a Nodal agency for power policy initiatives in India.

Long-term Domestic Ratings

CRISIL
An S&P Global Company

"AAA"



"AAA"

CARE Ratings
Professional Risk Opinion

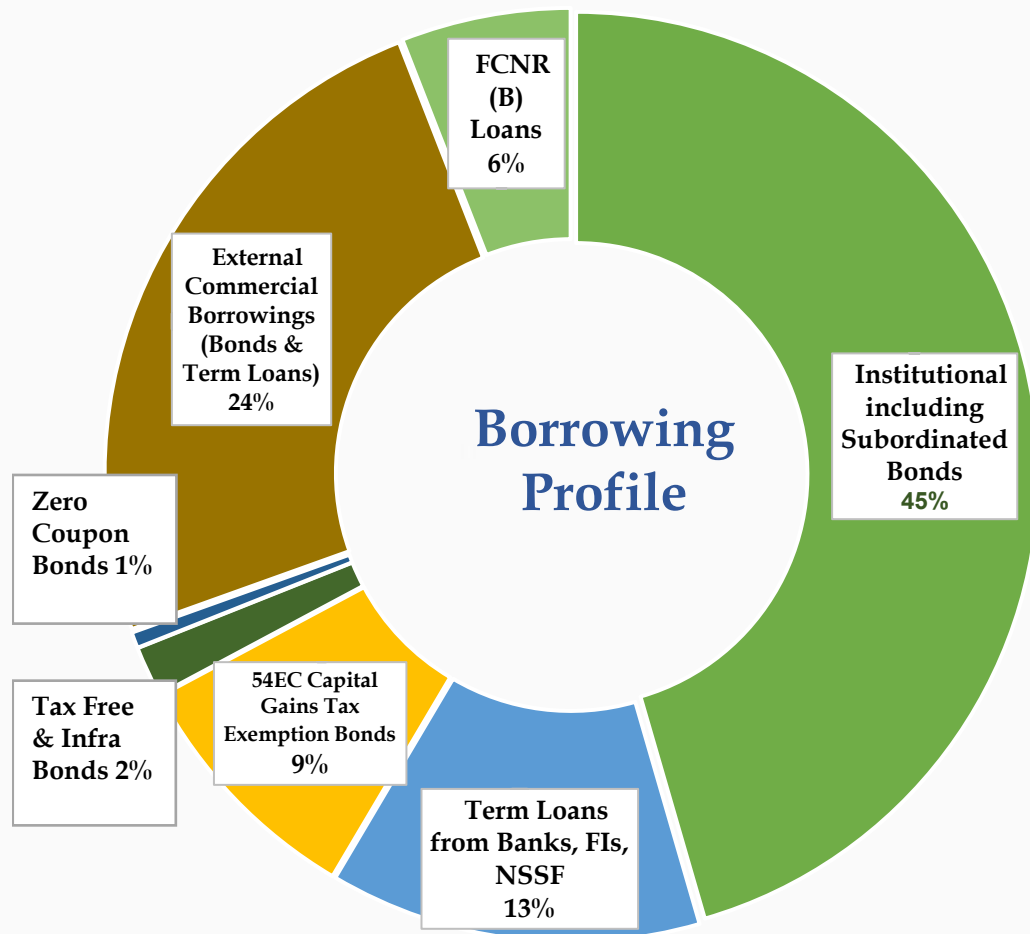
"AAA"

**IndiaRatings
& Research**
A Fitch Group Company

"AAA"

Perpetual Debt Instruments also rated "AAA" by CARE Ratings and CRISIL

Outstanding Borrowings



(₹ in crore)

Particulars	June 30, 2025	June 30, 2024	March 31, 2025
(A) Domestic Borrowings			
Institutional including Subordinated Bonds	2,31,440	1,93,011	2,10,039
Loans from Banks, FIs, NSSF, etc.	66,085	75,043	56,550
54EC Capital Gains Tax Exemption Bonds	44,193	43,246	43,832
Tax Free Bonds	8,999	8,999	8,999
Infra Bonds	4	4	4
Zero Coupon Bonds	2,838	-	2,796
Sub Total (A)	3,53,559	3,20,303	3,22,220
(B) Foreign Currency Borrowings			
External Commercial Borrowings (Bonds & Term Loans)	1,24,829	1,08,644	1,22,857
FCNR (B) Loans	30,144	29,847	43,182
Sub Total (B)	1,54,973	1,38,491	1,66,039
Grand Total (A+B)	5,08,532	4,58,794	4,88,259

- Access to multiple sources of funding with a mix of international and domestic sources to meet the business growth
- One of the six Companies allowed to raise low-cost Capital Gains Tax Exemption Bonds

05

FINANCIAL HIGHLIGHTS

- Key Financial Highlights
- Key Ratios
- Standalone Statement of Profit & Loss
- Standalone Statement of Assets and Liabilities



Key Financial Highlights for Q1 FY26 vs Q1 FY25



Net Profit

₹4,451 crore vs
₹3,442 crore
(29% growth)



Total Income

₹14,734 crore vs
₹13,037 crore
(13% growth)



Net Interest Income

₹5,247 crore vs
₹4,474 crore
(17% growth)



Highest Loan Book

₹5.85 lakh crore vs
₹5.30 lakh crore
(10% growth)



Net Credit Impaired Assets

0.24% vs 0.82%



Highest Net Worth

₹79,688 crore vs
₹72,351 crore
(10% growth)

Capital Adequacy Ratio at 23.98% (Tier – I : 21.94% & Tier – II : 2.04%)

Key Ratios

Particulars	Q1		12 M
	FY 26	FY 25	FY 25
Yield on Loan Assets (%)	10.08	9.99	10.05
Cost of Funds (%)	7.12	7.05	7.11
Interest Spread (%)	2.96	2.94	2.94
Net Interest Margin (%)	3.74	3.64	3.63
Return on Net Worth (%)	22.63	19.51	21.46
Interest Coverage Ratio (Times)	1.63	1.54	1.58
Debt Equity Ratio (Times)	6.38	6.27	6.29

- Yield = Ratio of interest income on interest bearing Loan Asset to daily average of interest earning loan assets
- Cost of funds = Ratio of finance costs + loss (gain) on Forex translation/transaction + loss (gain) on Fair Value changes + Fees & Commission Expenses to daily average of borrowings
- Interest Spread = Yield minus Cost of Funds
- Net Interest Margin = Ratio of net interest income + gain/ (loss) on Translation/transaction + gain (loss) on Fair Value changes to daily average of interest earning loan assets
- Interest Coverage Ratio = Ratio of PBIT to Finance Cost + Fee & Commission Expense
- Debt Equity = Ratio of Total Borrowings (net of cash & cash equivalents) to Net Worth
- Return on Average Net worth = Ratio of PAT to average Net Worth

Standalone Statement of Profit & Loss

(₹ in crore)

Particulars	Q1		12 Months
	FY 26	FY 25	FY 25
Interest Income on Loan assets	14,192	12,500	54,026
Less: Finance Costs ¹	8,945	8,026	34,148
Net Interest Income	5,247	4,474	19,878
Other Operating Income	454	237	1,536
Net gain/ (loss) on fair value changes	(577)	286	348
Other Income	87	14	69
Total Income (Net of Finance Cost)	5,211	5,011	21,831
Less: Translation/transaction exchange loss/(gain)	51	61	208
Less: Other costs ²	130	152	744
Less: Impairment on financial instruments	(617)	473	1,019
Profit Before Tax	5,647	4,325	19,860
Less: Tax Expense	1,196	883	4,147
Profit After Tax	4,451	3,442	15,713
Add: Other Comprehensive Income/(Loss)	(2,464)	83	(1,517)
Total Comprehensive Income/(Loss)	1,987	3,525	14,196

¹Finance Costs includes fees and commission expenses ²Other Costs include Employee Benefit, CSR, Depreciation & Amortization and Other Expenses

Standalone Statement of Assets and Liabilities

(₹ in crore)

Particulars	As at 30.06.2025	As at 30.06.2024	As at 31.03.2025
Assets			
(1) Financial Assets			
Cash and bank balances	783	6,260	1,750
Derivative financial instruments	18,033	12,973	17,432
Loans (Ind-AS)	5,77,798	5,20,243	5,59,088
Investments	8,164	5,548	6,641
Other financial assets	25,287	24,775	24,606
Total Financial Assets (1)	6,30,065	5,69,799	6,09,517
(2) Non-Financial Assets			
Current tax assets (net)	14	294	399
Deferred tax assets (net)	3,523	2,534	2,853
Investment Property, Property, Plant & Equipment, Capital Work-in-Progress, Other Intangible assets	708	658	704
Other non-financial assets including receivables	77	122	82
Total Non-Financial Assets (2)	4,322	3,608	4,038
Total Assets (1+2)	6,34,387	5,73,407	6,13,555
Liabilities			
(1) Financial Liabilities			
Derivative financial instruments	5,035	1206	1,670
Debt Securities	3,13,691	2,79,476	2,92,475
Borrowings other than Debt Securities	1,92,762	1,80,860	1,94,300
Subordinated Liabilities	9,422	7,234	9,514
Other financial liabilities including payables	33,441	31,411	37,559
Total Financial Liabilities (1)	5,54,351	5,00,187	5,35,518
(2) Non-Financial Liabilities			
Current Tax Liabilities (Net)	-	433	-
Provisions	111	114	137
Other non-financial liabilities	238	322	262
Total Non-Financial Liabilities (2)	349	869	399
(3) Equity			
Equity Share Capital	2633	2,633	2633
Instruments entirely equity in nature	558	558	558
Other equity	76,496	69,160	74,447
Total Equity (3)	79,687	72,351	77,638
Total Liabilities and Equity (1+2+3)	6,34,387	5,73,407	6,13,555

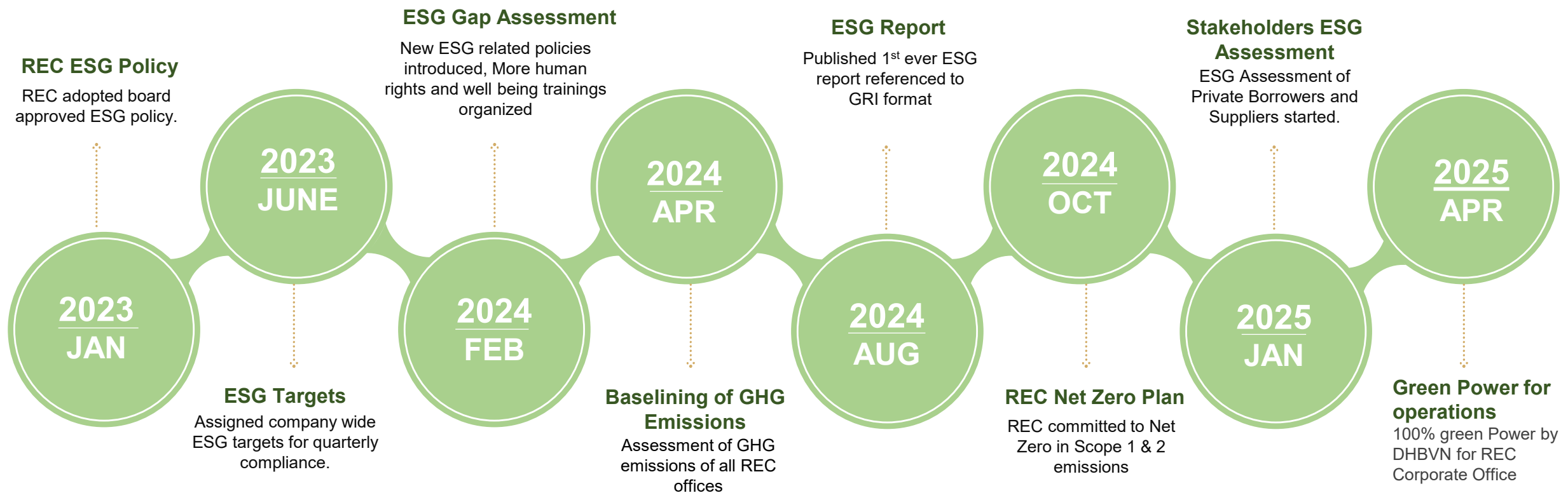
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ESG

- ESG at REC Limited
- REC's Contribution for clean energy projects

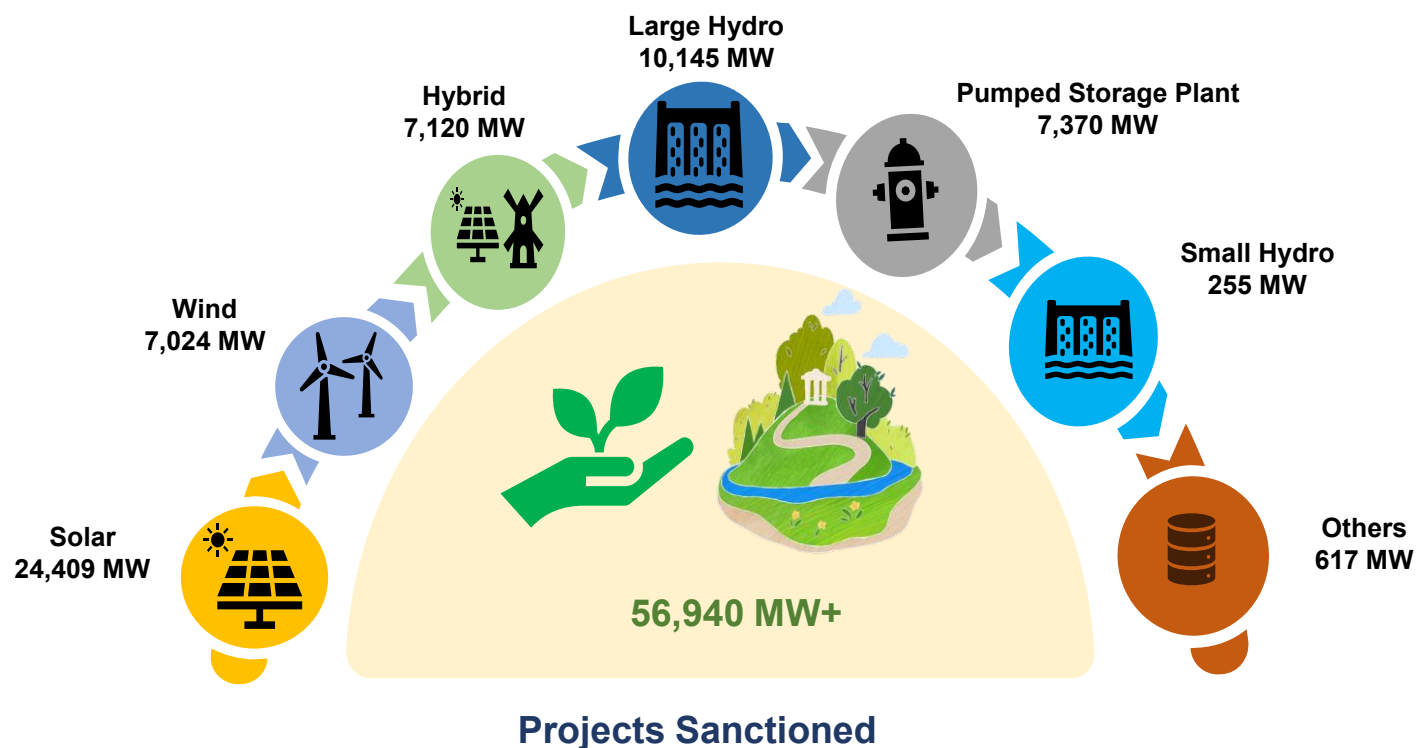


ESG at REC Limited

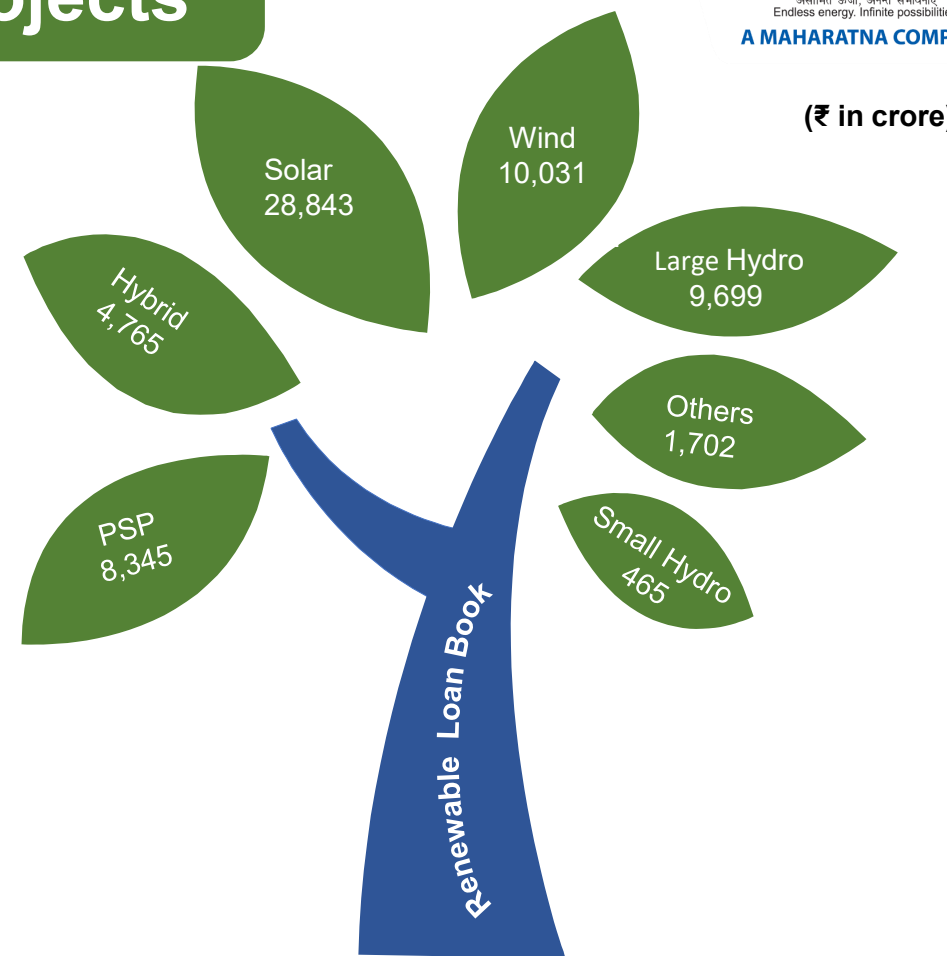


REC's Contribution for Clean Energy Projects

REC being the stepping stone for India's energy transition, our lending strategies are tailored to align with India's commitment to harnessing clean and green energy sources.



(These has the emission avoidance potential of 6,56,75,840 tones equivalent to 2.62 billion trees*)



₹ 63,850 crore

Renewables Loan Asset

Investor Resources

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Annual Report:

<https://recindia.nic.in/annual-reports>

Financial Results:

<https://recindia.nic.in/financial-results>

ESG Report:

<https://recindia.nic.in/sustainability-report>



Investor Announcements:

<https://recindia.nic.in/notice>



Recent reports relevant to power sector :

<https://powermin.gov.in/en/content/annual-reports-year-wise-ministry>

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thank you



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