REC Limited

A Maharatna Company

INVESTOR PRESENTATION

Performance Highlights

H1 FY 2025-26

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REC
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01

REC OVERVIEW

REC Journey

1969: Journey began to develop power infrastructure in rural areas

1998: Registered as NBFC with RBI

2003: Mandate broadened to financing all power segments

2008: Conferred Navratna status, Floated IPO subscribed 27 times

2010: Conferred IFC status by RBI

2017: First Indian PSU to issue USD Green Bonds on London Stock Exchange

2019: As Nodal Agency, achieved 100% Household Electrification

2021: Appointed as Nodal Agency for RDSS

2022: Conferred 'Maharatna' status, highest status for a PSU. Forayed into Infrastructure sector

2023: Largest Green Bond issuance of USD 750 million by South & South-East Asian issuer, first post India's G20 Presidency

2024: Appointed as National programme implementing agency for PM Surya Ghar Muft Bijli Yojana, Maiden Yen Bond issuance of JPY 61.1 Bn and USD Bond issuance of $500 Mn

Key Strengths

Highest Domestic Rating of "AAA"

International Ratings of "Baa3" & "BBB-" at par with Sovereign Rating

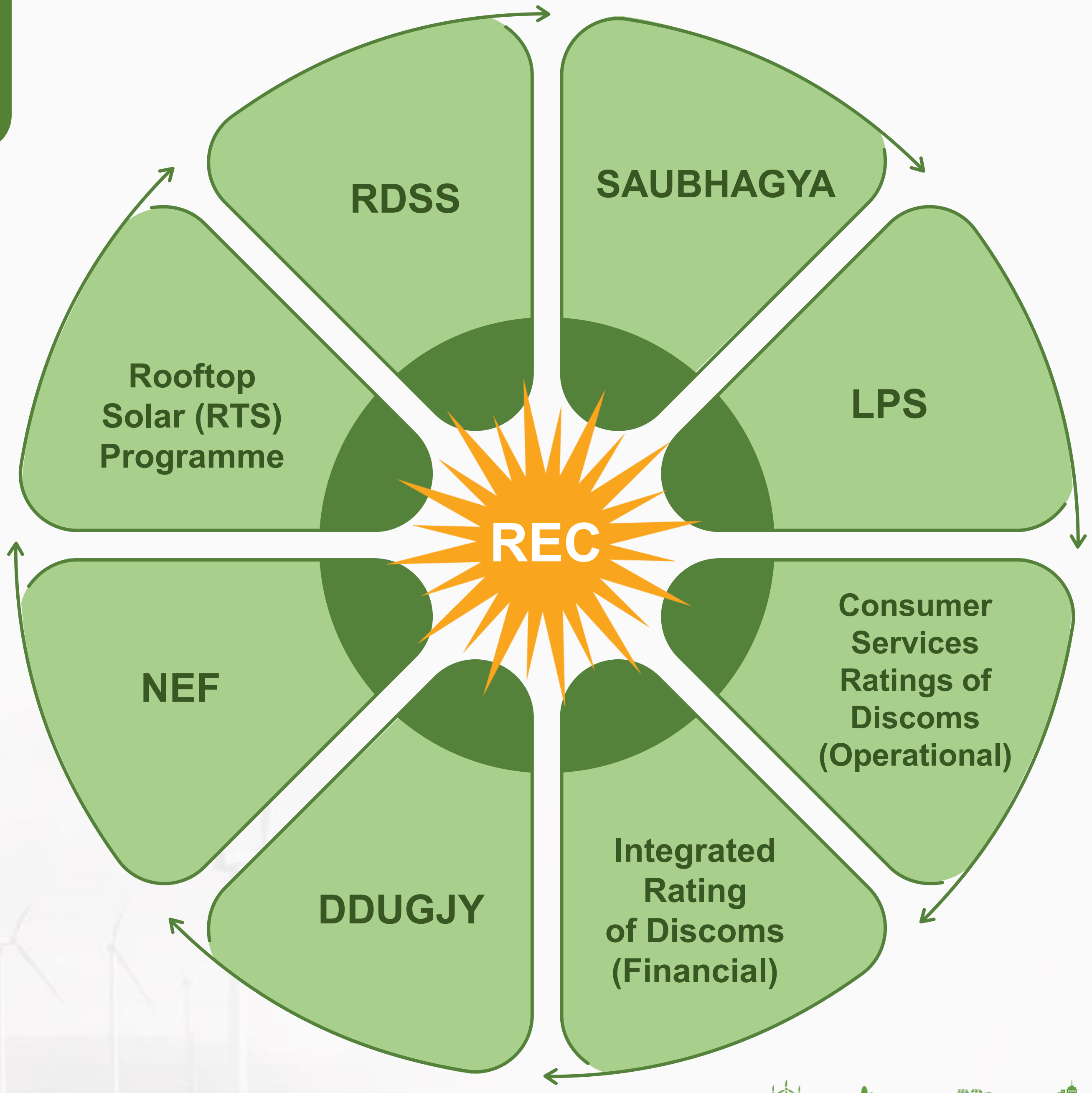
Nodal Agency for major Govt. of India's Power Sector Programs

First Indian Public Sector NBFC compliant with ISO 31000 Risk Management Framework

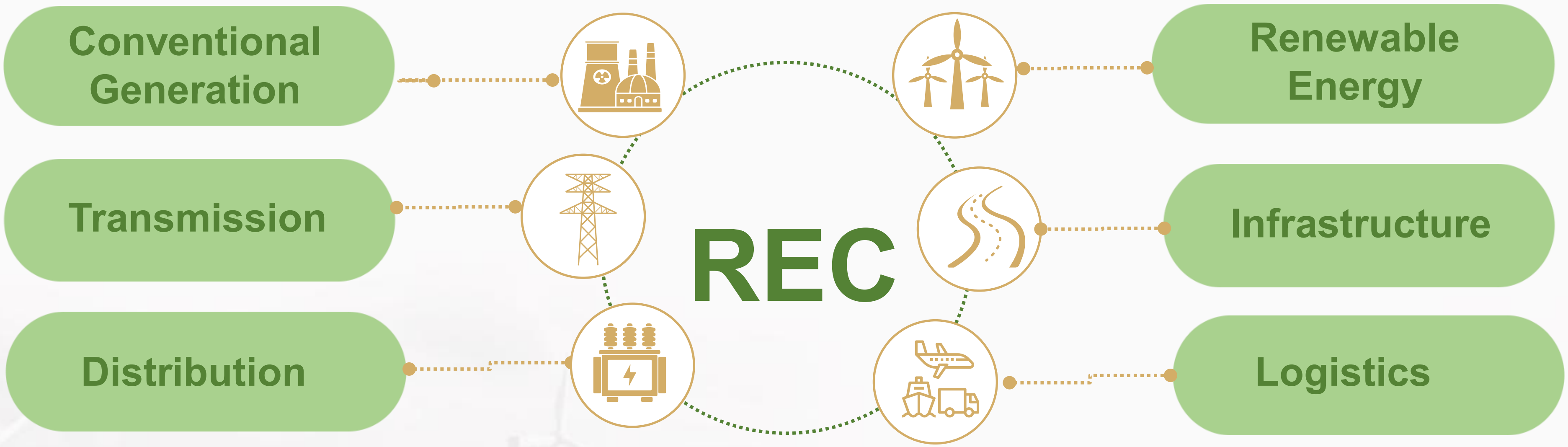
Major player in Renewable Energy segment and creation of India's Green Energy Corridor

Strategic player in the Indian Power, Infrastructure and Logistics Sector

Government's Trusted Arm



Diversified Portfolio



Awards and Accolades

Best Financial Services Company
Awarded by Dun & Bradstreet

Sustainability Icons Award 2025
For Excellence in ESG Initiatives

CSR Award
from National Culture Fund, Ministry of Culture

Adam Smith Awards ASIA 2024
For Best Funding Solution

Emerging Technologies Award 2025
For best use of Emerging Technologies by 'Governance Now'

Excellence in Green Financing
Awarded by Network 18

Golden Peacock Award 2024
For Excellence in Corporate Governance

Editors Choice Award
Awarded with Sustainability Champion - Editors Choice Award

Technology Excellence
Award for Generative AI Implementation

02

FINANCIAL HIGHLIGHTS

Key Financial Highlights for H1 FY26 vs H1 FY25

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Highest Ever Half Yearly Profit

₹8,877 crore vs ₹7,448 crore (19% growth)

Total Income

₹29,828 crore vs ₹26,633 crore (12% growth)

Net Interest Income

₹10,608 crore vs ₹9,261 crore (15% growth)

Loan Book

₹5.82 lakh crore vs ₹5.46 lakh crore (7% growth)

Net Credit Impaired Assets

0.24% vs 0.88%

Highest Net Worth

₹82,739 crore vs ₹72,893 crore (14% growth)

Capital Adequacy Ratio at 23.74% (Tier – I : 21.73% & Tier – II : 2.01%)

Revenue & Profits

(₹ in crore)

Particulars	H1 FY26	H1 FY25	Q2 FY26	Q2 FY25	12M FY25
Interest Income on Loan assets (including DIPI)	28,686	25,798	14,348	13,284	54,321
Less: Finance Costs (including fee & comm)	18,078	16,537	9,133	8,511	34,149
Net Interest Income	10,608	9,261	5,215	4,773	20,172
Profit After Tax	8,877	7,448	4,426	4,005	15,713
Total Comprehensive Income	7,081	6,279	5,094	2,754	14,196

Key Ratios

Particulars	H1 FY26	H1 FY25	12M FY25
Yield on Loan Assets (%)	**10.06**	10.08	10.05
Cost of Funds (%)	**7.17**	7.12	7.11
Interest Spread (%)	**2.89**	2.96	2.94
Net Interest Margin (%)	**3.64**	3.64	3.63
Return on Net Worth (%)	**22.14**	21.03	21.46
Interest Coverage Ratio (Times)	**1.62**	1.57	1.58
Debt Equity Ratio (Times)	**6.07**	6.47	6.29

03

OPERATIONAL PERFORMANCE

Disbursements - Composition

Highest Ever Half Yearly Disbursement

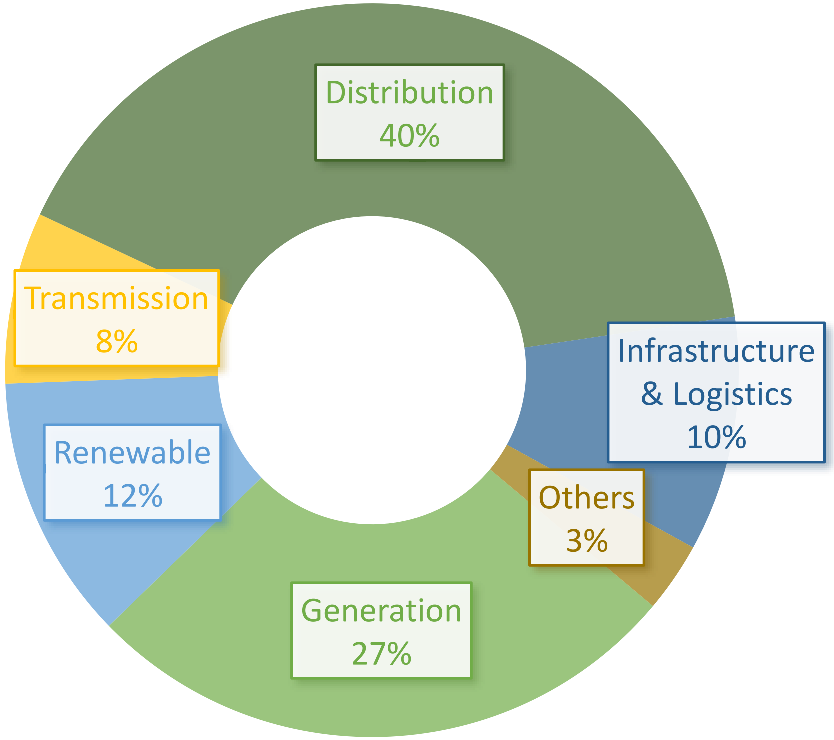
27% growth in Total Disbursements YoY

(₹ in crore)

Discipline-wise	Q2		H1		12 M
	FY 26	FY 25	FY 26	FY 25	FY 25
Conventional Generation	8,616	6,493	11,934	11,161	27,478
Renewable Energy	5,809	5,946	13,042	11,297	26,186
Transmission	1,437	2,474	2,658	3,917	6,064
Distribution	35,788	25,303	79,776	46,017	1,01,777
Infra & Logistics	2,828	5,553	4,376	13,535	18,621
Others	1,484	1,534	3,684	5,028	11,059
Total Disbursements	**55,962**	**47,303**	**1,15,470**	**90,955**	**1,91,185**

Outstanding Loan Assets

Loan Book has grown at robust rate of ~7% YoY

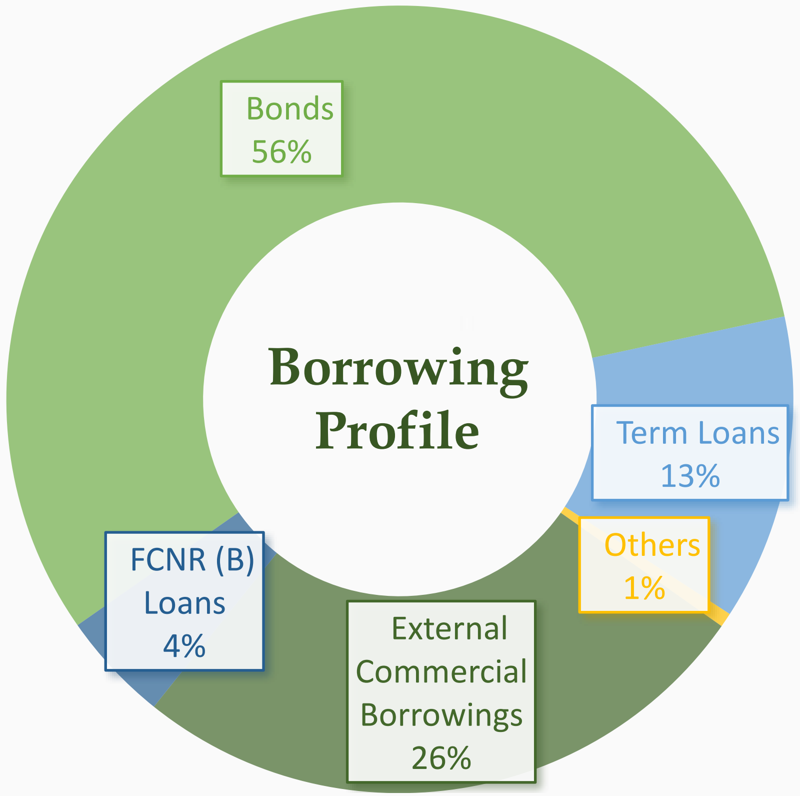


(₹ in crore)

Discipline-wise	As on					
	September 30, 2025		September 30, 2024		March 31, 2025	
	Amount	%	Amount	%	Amount	%
State	4,99,918	86	4,80,818	88	4,94,578	87
Private	82,249	14	65,299	12	72,305	13
Total	**5,82,167**	**100**	**5,46,117**	**100**	**5,66,883**	**100**
Conventional Generation	1,54,948	27	1,50,937	28	1,55,071	28
Renewable Energy	68,033	12	47,820	9	57,994	10
Transmission	44,083	8	48,592	9	46,743	8
Distribution	2,36,768	40	2,19,990	40	2,20,626	39
Infra & Logistics	60,382	10	65,812	12	69401	12
Others	17,953	3	12,966	2	17,048	3
Total	**5,82,167**	**100**	**5,46,117**	**100**	**5,66,883**	**100**

Outstanding Borrowings

(₹ in crore)



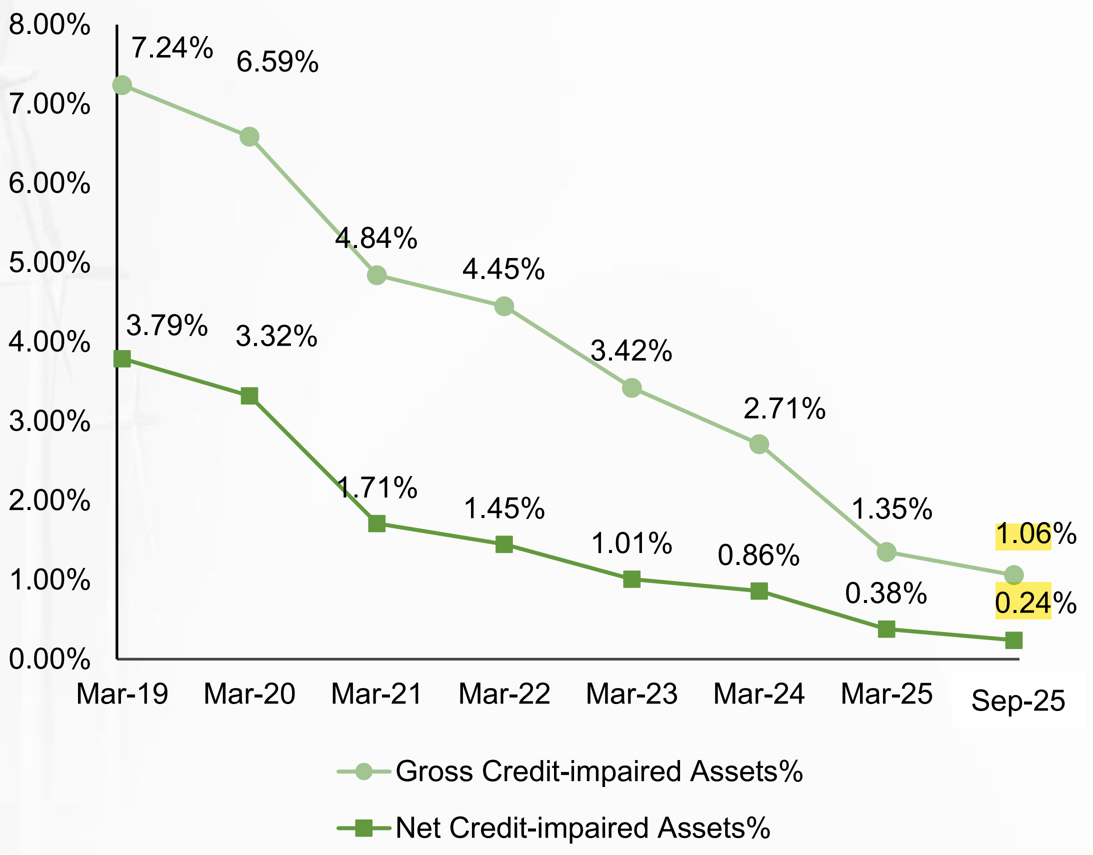
Particulars	September 30, 2025	September 30, 2024	March 31, 2025
(A) Domestic Borrowings			
Bonds	2,85,671	2,55,532	2,65,670
Term Loans	63,796	71,508	56,550
Others	3,000	-	-
Sub Total (A)	**3,52,467**	**3,27,040**	**3,22,220**
(B) Foreign Currency Borrowings			
External Commercial Borrowings	1,31,985	1,13,976	1,22,857
FCNR (B) Loans	23,015	34,816	43,182
Sub Total (B)	**1,55,000**	**1,48,792**	**1,66,039**
Grand Total (A+B)	**5,07,467**	**4,75,832**	**4,88,259**

04

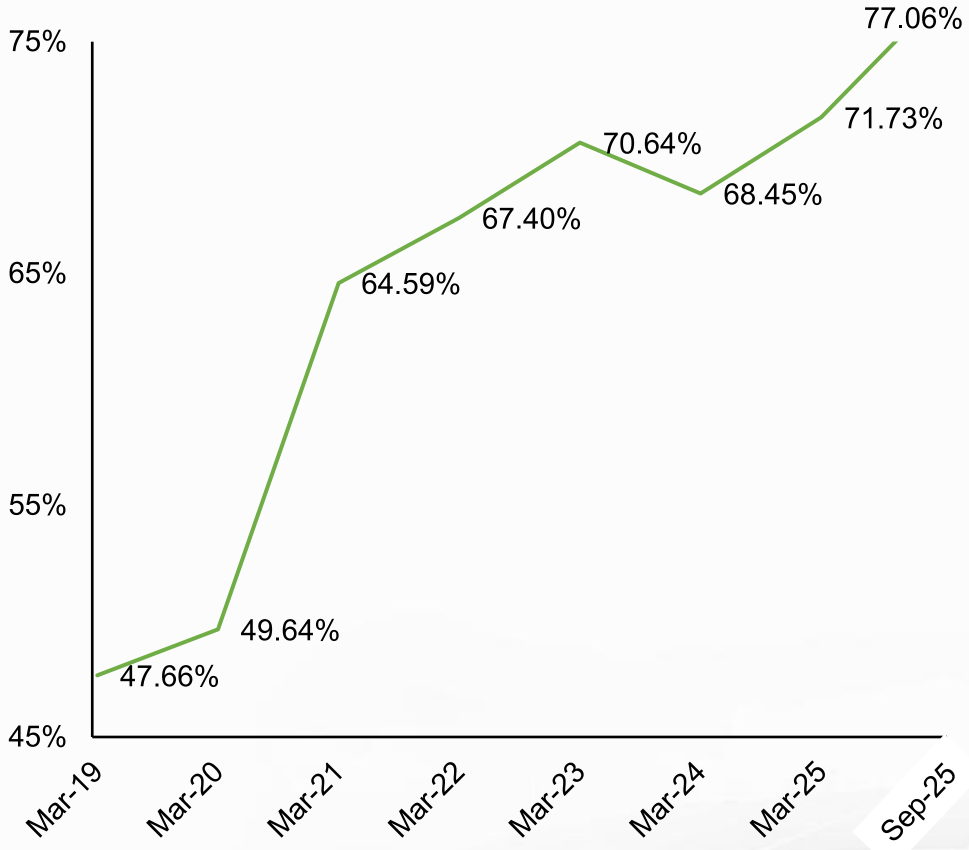
ASSET QUALITY

Asset Quality and provisioning coverage

Continuously Improving Asset Quality



Bettering Provision Coverage Ratio



Loan Portfolio and ECL provisioning

(₹ in crore)

Outstanding Loan Assets	Stage I	Stage II	Stage III	Total
State Sector	4,89,426	10,492*	-	4,99,918
Private Sector	70,483	5,620	6,146	82,249
Total Outstanding	**5,59,909**	**16,112**	**6,146**	**5,82,167**
% of Total Loan Assets	**96.18%**	**2.77%**	**1.06%**	**100%**
Provisioning	4,807	338	4,736	9,881
Provisioning (%)	0.86%	2.10%	77.06%	1.70%
Net Assets	**5,55,102**	**15,774**	**1,410**	**5,72,286**

* During Q2 FY26, an amount of ₹11,413 crore has been recovered from Kaleshwaram Irrigation Project Corporation Limited (Stage-II Asset)

Credit Impaired Assets – Resolution Status

One stressed asset having outstanding loan of ₹1,504 crore has been resolved during H1 FY26

Resolution status of Credit Impaired Assets

- **Under NCLT**
  - ₹6,134 crore worth projects in NCLT
  - 10 projects
  - 77.18% provision
- **Outside NCLT**
  - ₹12 crore worth projects outside NCLT
  - 1 project
  - 20% provision

05

SHAREHOLDERS OUTLOOK

Dividend History

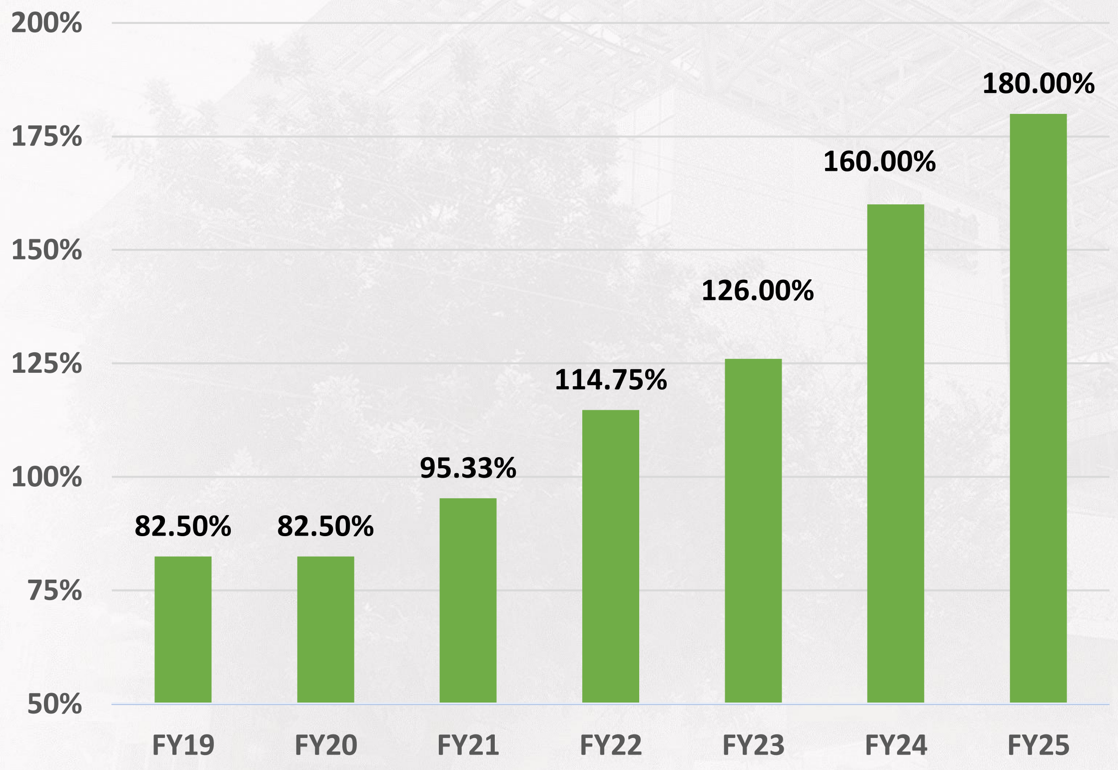
Consistently High Dividend paying company

Interim dividend for Q2 FY26 of ₹4.60 (46%) per share

Earnings per Share (EPS) - ₹33.71

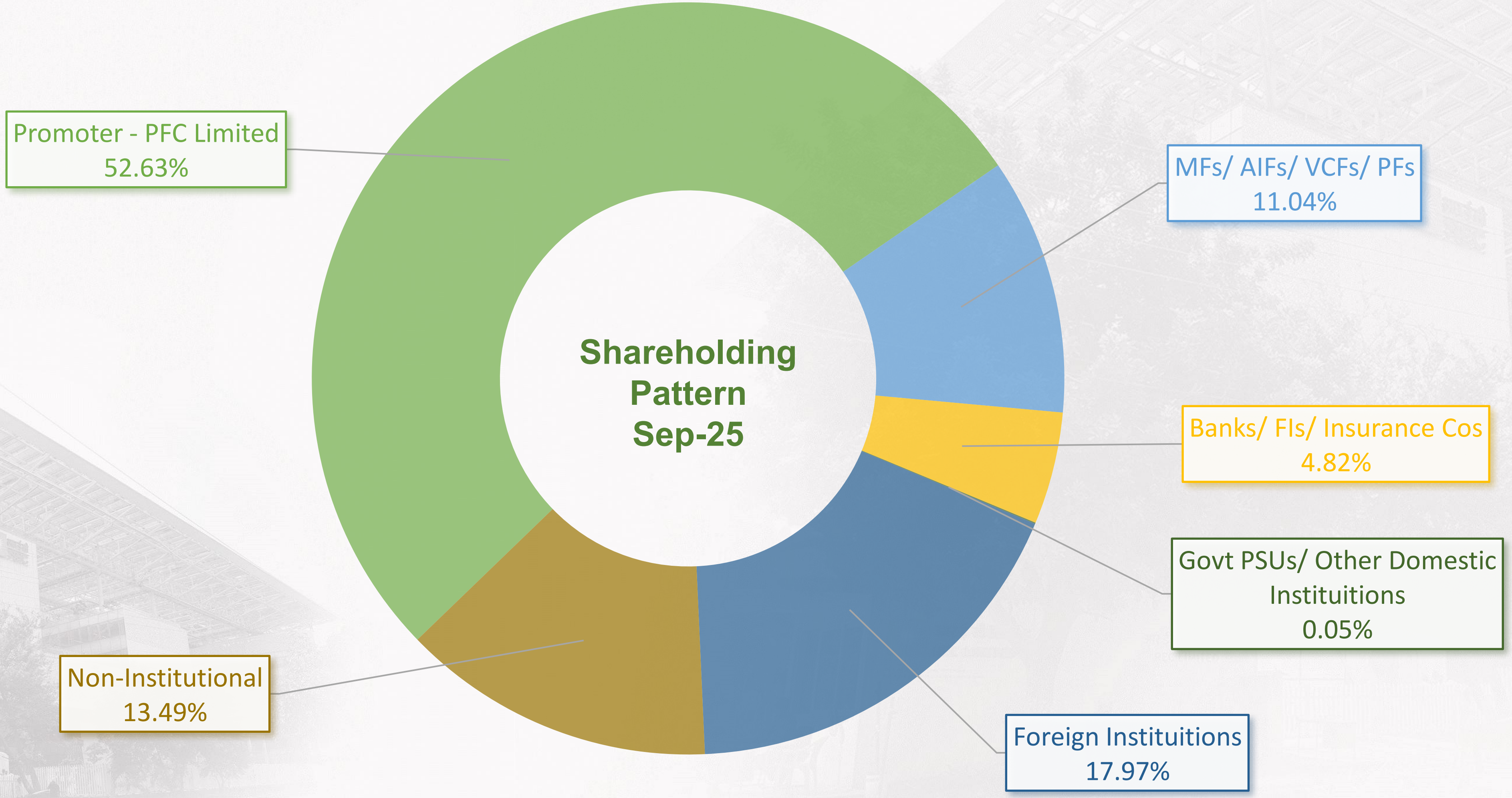
Book Value per Share (BVPS) - ₹314.21

Dividend Payout History



- 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

Shareholding Pattern



06

ESG AT REC

ESG at REC Limited

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2023 JAN

REC ESG Policy
Formalized ESG implementation by adopting board approved ESG policy.

2023 JUNE

ESG Targets
Assigned company wide ESG targets for quarterly compliance.

2024 FEB

ESG Gap Assessment
New ESG related policies introduced, More human rights, Ethics, Health & Safety trainings organized

2024 APR

Baselining of GHG Emissions
Assessment of GHG emissions of all REC offices

2024 AUG

ESG Report
Published 1st ever ESG report referenced to GRI format.
Submitted CDP& S&P CSA response

2024 OCT

REC Net Zero Plan
REC committed to Net Zero in Scope 1 & 2 emissions by 2035

2025 JAN

Stakeholders ESG Assessment
ESG Assessment of Private Borrowers and Suppliers started.

2025 APR

Green Power for operations
100% green power by DHBVN for REC Corporate Office
93% EV/Hybrid office fleet conversion achieved

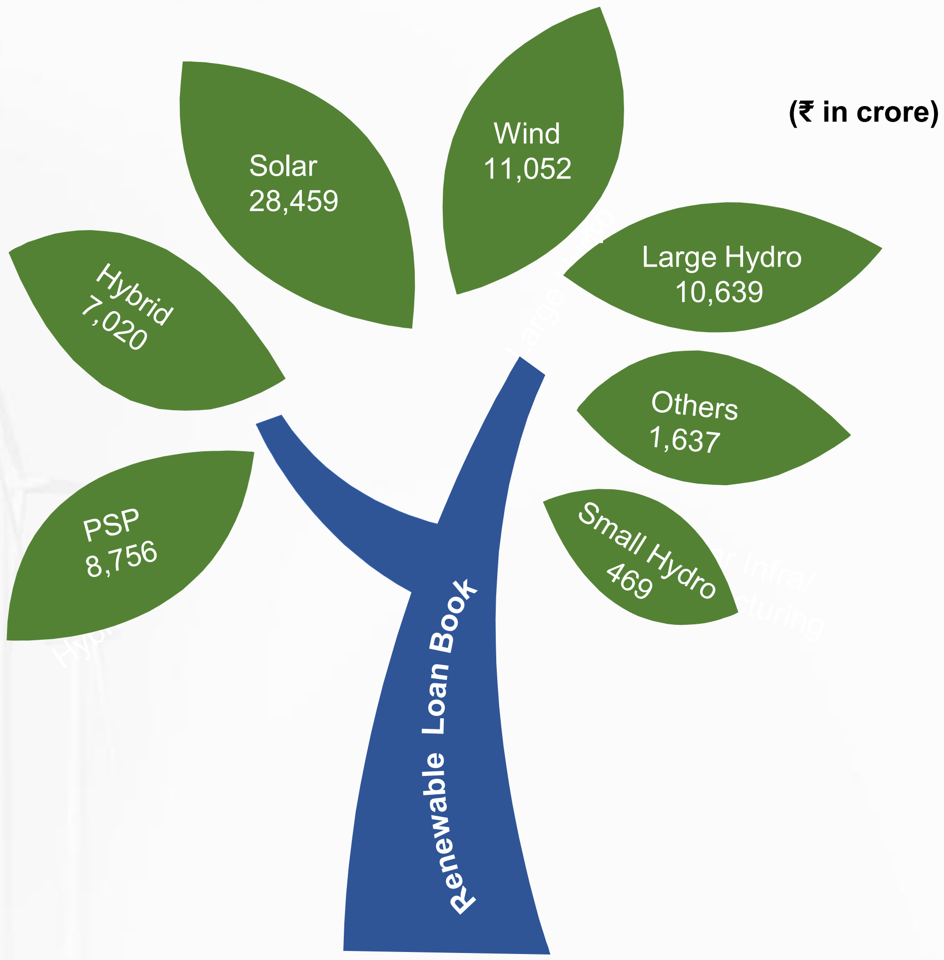
2025 AUG

ESG Report
Published 2nd ESG report referenced to GRI format.
Submitted CDP response

REC's ESG Rating

S. No.	Rating Agency	ESG Score of REC	ESG Score Grading
1	Morningstar Sustainalytics ESG Risk Rating	**15.7 (Low Risk)**	Negligible Risk: 0-10 || Low Risk: 10-20 || Medium: 20-30 || High Risk: 30-40 || Severe Risk: 40+
2	CRISIL	**64 (Strong)**	Weak (0-40) || Below average (41-50) || Adequate (51-60) || Strong (61-70) || Leadership (71-100)
3	NSE Sustainability Ratings	**77**	0 -100 || 100 being maximum, 0 being minimum
4	SES ESG	**79.3 (Medium Risk)**	0-60 High Risk || 60-80 Medium Risk || 80-100 Low Risk
5	S&P Global ESG Score	**37 (Above Industry Average)**	Below the industry average || Above Industry Average
6	MSCI ESG Ratings	**BB**	Laggard: CCC, B || Average: BB, BBB, A || Leader: AA, AAA
7	CDP	**C**	D/D-, C/C-, B/B, A

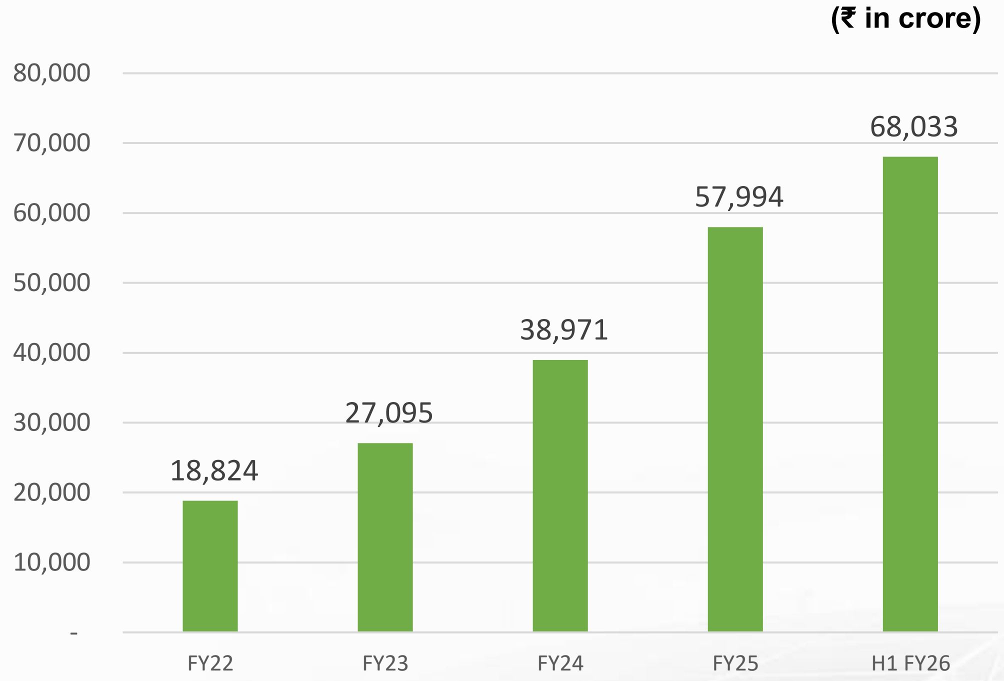
REC's Contribution for Clean Energy Projects



₹ 68,033 crore

Renewables Loan Asset

Renewable Loan Book Grows >3x in 5 Years



REC's Contribution for Clean Energy Projects

REC has sanctioned 61,400+ MW projects which has the emission avoidance potential of 71.2 million tonnes equivalent to

2.85 Billion Trees

Highlights of ESG Performance

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Environmental

6.1 mn ton CO2	Avoided Emissions of RE Projects funded for FY25 (PCAF Method)
52 GW	Total RE Capacity Sanctioned by REC
82,275 Cr.	RE Projects supported by REC
49%	RE Loan Book Growth
Zero Discharge	REC Corporate office has STP that treats 100% waste water
76%	Conversion of Conventional office fleet to EV
34.7%	In house Roof top solar contribution in office electricity consumption
Onboarded vendor	Waste Management

Social

Zero	Complaints on Human Rights & POSH
289 Cr.	Community Expenditure
Zero	Lost Time Injury Frequency Rate (LTIFR)
Zero	Instances of Data Breaches
6.08%	Employee Turnover Ratio
14.5%	Women Employee Ratio
Zero	Gender Pay Gap at Grade Level
44	Graduate Apprentice supported (Nos)

Governance

15	Total Board Meetings
100%	Training on NGRBC and ESG to BoD & KMP
18935	Training man days to employees and stakeholders by RECIPMT
437	Training man days on ethics, code of conduct
12.5%	Women ratio in the Board
15.7 (Low risk)	ESG Risk rating by Sustainalytics
64 (Strong)	ESG Score by CRISIL
79.3 (↑ B+)	ESG Score by SES

Investor Resources

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Annual Report:
https://recindia.nic.in/annual-reports

Financial Results:
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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

Contact Information

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thank you