

SEC-1/187(2)/2026/2900

Dated: June 28, 2026

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| लिस्टिंग विभाग नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड एक्सचेंज प्लाजा, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - ४०० ०५१ | कॉर्पोरेट संबंध विभाग बीएसई लिमिटेड पहली मंजिल, फीरोज जीजीभोय टावर्स दलाल स्ट्रीट, फोर्ट, मुंबई - ४०० ००१ |
| स्क्रिप कोड—RECLTD | स्क्रिप कोड—532955 |
| Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), <u>Mumbai – 400 051.</u> | Corporate Relationship Department BSE Limited 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort, <u>Mumbai – 400 001.</u> |
| Scrip Code—RECLTD | Scrip Code—532955 |

Sub: Press Release regarding approval of Merger Scheme.

महोदय / महोदया,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Press Release regarding Approval of Merger scheme by Board of Directors of REC Limited (“Transferor Company”) and Power Finance Corporation Limited (“Transferee Company”) and their respective shareholders and creditors, is attached herewith as **Annexure-1**.

यह आपकी जानकारी के लिए है।

Thanking you,

**Yours faithfully,
For REC Limited**

**(Dinesh Garg)
Company Secretary &
Compliance Officer**

Encl.: As above.

Approval of Merger scheme by Board of Directors of PFC and REC

28-06-2026 – The Board of Directors of Power Finance Corporation Limited (PFC) and REC Limited (REC) today approved the Scheme of Merger (Scheme) for merger of REC (Transferor Company) into PFC (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The merger of REC into PFC shall create a financing entity with an aggregate loan book of over INR 11 lakh crore.

The Scheme is conditional upon and subject to, *inter-alia* receipt of all requisite approvals and consents required under applicable law including, approvals from the respective shareholders and creditors of both the companies, and all relevant regulatory and governmental authorities; and the Merged Entity continuing to qualify as a 'Government Company' under the Companies Act, 2013 and the Government of India continuing to retain majority voting rights and control in the merged entity (directly or indirectly).

Pursuant to the Scheme and valuation report, the Share Exchange Ratio for the Proposed Merger of REC into PFC shall be 88 equity shares of PFC of INR 10/- each fully paid up for every 100 equity shares of REC of INR 10/- each fully paid up to be issued to the shareholders of REC as existing on a record date to be determined by the Boards of PFC and REC (as may be applicable) at a future date.

Advisors

Deloitte Touche Tohmatsu India LLP is acting as Transaction and Tax Advisor and Cyril Amarchand Mangaldas as the Legal Advisor, to both PFC and REC. Further, RBSA Valuation Advisors LLP was appointed by PFC and Ernst & Young Merchant Banking Services LLP was appointed by REC, for providing joint valuation reports. SBI Capital Markets was appointed by PFC and Nuvama Wealth Management was appointed by REC, for providing their respective fairness opinions on the joint valuation reports.
