



RURAL ELECTRIFICATION CORPORATION LIMITED
(A Government of India Enterprise)

Registered Office: Core – 4, SCOPE Complex, 7, Lodi Road, New Delhi – 110 003.
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Website: www.recindia.com & www.recindia.nic.in

No. REC/Finance/Resource/ECB/11-12

Date: 14th November 2011

To

Sir,

Sub: Raising unsecured ECB – Syndicated Term Loan equivalent to US\$ 200 million with Green Shoe option

REC has an International rating of Baa3 and BBB- from Moody's & Fitch respectively and highest rating of AAA (triple A) for domestic borrowing programme for the financial year 2011-12 from CARE CRISIL, FITCH & ICRA.

REC has been granted "In Principle" approval from RBI for raising ECB equivalent to US\$ 500 million for funding to Infrastructure Power Sector Projects.

It will be highly appreciable in case your bank quotes a **Firm Rate** for raising ECB equivalent to US\$ 200 million with Green Shoe option through Syndicated Term loan as per 'Annexure A' attached.

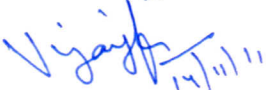
The basic structure of the said ECB is as under:

Amount	Equivalent to US\$ 200 with Green Shoe option
Currency	USD
Tenor	5 years
Payment	Bullet
Interest payment	Quarterly/Semi-annually
Withholding tax	As applicable
Validity of the offer	30 days
Last date of submission	23 rd November 2011

The banks are allowed to quote individually or may form syndicate subject to maximum of 3 banks. The bank/syndicate will have to quote with a minimum commitment of USD 200 million.

The offer should reach REC office latest by 11.30 hours on 23rd November 2011 under a closed cover addressed to the undersigned, subscribed as "**Raising unsecured ECB – Syndicated Term Loan equivalent to US\$ 200 million with Green Shoe option**". REC has the right to reject any or all offers without assigning any reason thereof. In case of any further information in this regard Shri Awanish Bharati, Asst.Manager(Finance) may be contacted at 011-43091592/0-9650933199, akbharati@recl.nic.in.

Yours sincerely,


(Vijay Kumar)
Dy. General Manager (Finance)
vkumar@recl.nic.in
011-24313978


14/11/11

Zonal /Project Office: Bangalore, Bhubaneswar, Chennai, Guwahati, Hyderabad, Jabalpur, Jaipur, Jammu, Kolkata, Lucknow, Mumbai, Panchkula, Patna, Ranchi, Shillong, Shimla, Thiruvananthapuram & Vadodara

Annexure-A

**Firm Offer for raising ECB equivalent to US\$ 200 million with Green Shoe Option by way of
Syndicated Term Loan**

1.	Name of bank(s) giving quote		
2.	Currency	USD	
3.	Interest	Payable Quarterly /Semi annually in USD	
4.	Tenor	5 years	
5.	Firm commitment amount		
6.	All-in cost (Firm Offer)	<u>3 Months USD Libor</u>	<u>6 Months USD Libor</u>
7.	Breakup of All-in cost as a %age p.a.: <ul style="list-style-type: none"> ➤ Margin (Over 3 Months USD Libor & Over 6 Months USD Libor) ➤ Legal cost ➤ Arrangement /Upfront fee ➤ Agency fee ➤ Out of Pocket expenses ➤ Others (specify) 		
8.	Applicable withholding tax		
9.	Total cost to RECL	<u>3 Months USD Libor</u>	<u>6 Months USD Libor</u>


 17/11/11