



RURAL ELECTRIFICATION CORPORATION LIMITED

(A Government of India Enterprise)

Registered Office: Core – 4, SCOPE Complex, 7, Lodi Road, New Delhi – 110 003.
Tel.: 24365161 Fax: 011-24360644 E-Mail: reccorp@recl.nic.in Gram: RECTRIC
Website: www.recindia.com & www.recindia.nic.in

Fax No.

No.REC/Fin./Banking//2008-09/

Dated: 02.04.2009

Banks

Sub: Term Loan – regarding.

Sir,

Rural Electrification Corporation Ltd. (RECL) is a Government of India Enterprise having been conferred Nav-Ratna status. The Corporation is engaged in financing rural electrification, generation and distribution projects all over the country to State Electricity Boards, State Power utilities and other eligible entities. Corporation intends to avail un-secured Term Loan to the extent of Rs.1000 crore from the banks for meeting its ongoing requirements.

The borrowing programme of the Corporation of Rs.13,000 crore for long term loan and Rs.3000 crore for short term loan during the year 2008-09 had been assigned highest rating of 'AAA/Stable & P1+' by CRISIL, CARE AAA & PR1+ by CARE, , "LAAA" & A1+ by ICRA, 'AAA(Ind)' & F1+ by Fitch for meeting its requirements during the financial year 2008-09. During the current year Corporation has a borrowing programme to the tune of Rs.30,000 crore. We hope to retain the same rating during the current financial year. We invite your proposal for clean Term Loan for a period of 5 years :

Amount	Rate of Interest Payment terms	Period	Security	Processing and other charges	Pre-payment
Rs.100 cr. and above	(To be Quoted)	5 years bullet repayment	Clean	Nil	Without penalty
		5 years with 50% Payable at the end of 4 th yr and 50% at the end of 5 th yr.			

Your proposal in this regard for clean Term Loan indicating interest rates and other terms and conditions should reach the undersigned **latest by 13th April 2009**.

The audited financial results for the year 2007-08 and financial results upto 3rd quarter of the current financial year 2008-09 are available on the web-site "www.recindia.nic.in".

For any information in this regard you may please contact the undersigned Phone 011-24313978 or Shri P.K. Marwah, Dy.Manager (Fin.) 011-24365389 Fax No. 24313978 / 24365998.

Yours faithfully,

Sd/-
(Vijay Kumar)
Chief Manager (Finance)