



रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड

RURAL ELECTRIFICATION CORPORATION LTD.

भारत सरकार का उद्यम A Government of India Enterprise

Regd. Office Core-4 SCOPE Complex 7 Lodi Road New Delhi 110003

Tel:24368553,Fax:24362032Email:reccorp@mail.recl.nic.in Gram: RECTRIC

No.REC/IPO/Registrar/2007

Dated: 18thJun2007

LIMITED TENDER ENQUIRY

1. CRISIL Limited
CRISIL House,121-122,Andheri Kurla Road,
Andher(East),Mumbai- 400 093
India
2. ICRA Limited
1105,Kailash Building,
11th Floor,
26, Kasturba Gandhi Marg,
New Delhi – 110001
India
3. Credit Analysis & Research Limited (CARE)
710,Surya Kiran,
19, Kasturba Gandhi Marg,
New Delhi-11000 1
India

Sub.: Invitation for Bids for appointment of IPO Grading Agency for REC's proposed Equity IPO on Limited Tender Basis(Only above addressees are eligible for response)

Dear Sir,

1 Background

- a) Rural Electrification Corporation Limited (REC) is a Public Sector Company fully owned by the Government of India (GOI), under the administrative control of the Ministry of Power. It was declared a Public Financial Institution in 1992 under Sec. 4A of the Companies Act, 1956. REC undertakes debt financing to the Indian Power Sector. The Corporation is a consistently profit making and dividend paying company. Further details about REC can be accessed through our website – www.recindia.com.

- b) REC's capital base presently comprises of Authorized Capital of Rs. 1200.00 crores and Paid Up Capital of Rs. 780.60 crores consisting of 78,06,00,000, equity shares of face value of Rs. 10 each. The current paid-up capital is fully subscribed by the Government of India. REC proposes to make an IPO for 7,80,60,000 equity shares of Rs. 10/- each consisting 10% of pre-issue paid-up capital and disinvestment of 10% of the Government of India shareholding in REC. The proposed IPO would be through the book building process.

2. Scope of Work

REC has received permission from Government of India for its Initial Public Offering of Equity Shares ("Issue"). The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/CFD/DIL/DIP/25/2007/30/4 dated April 30, 2007 issued certain amendments to the SEBI (Disclosure and Investor Protection) Guidelines, 2000. One of these amendments provided for mandatory grading of Initial Public Offerings. On this account, REC is considering the appointment of IPO Grading agency.

3. Price Bid

You are requested to send your financial bid in a sealed cover for appointment as IPO Grading Agency in the following format for the scope of work as at Sr No.2 above:

Sr. No.	Particulars	Amount (Rs.)
1.	Professional fees	
2.	Other expenses including travel (indicate ceiling amount)	
	Total	

The price quoted by the bidder should be inclusive of all Taxes and Duties.

4. Payment Terms

The payment shall be released in one lumpsum after completion of all activities connected with IPO Grading, to the satisfaction of REC and after deducting applicable Taxes.

5. Other Conditions

- a) The Price bid submitted shall be valid for acceptance up to 120 days from the date of opening. The validity period of the Price bid can be extended for a further period of 120 days with the consent of bidder at the sole discretion of the REC.
- b) REC reserves the right to accept /reject any proposal of any firm to act as IPO Grading Agency to REC's IPO issue without assigning any reason and this invitation letter should not be construed as offer of appointment.
- c) The grading shall be valid initially for at least two months and will have to be re-validated in case the issue timelines gets stretched due to unforeseen circumstances.

6. Submission of Bid

- a) The sealed envelope containing Price bids should be superscribed “ **Price Bid for Appointment of IPO Grading Agency**” addressed to Rural Electrification Corporation Ltd.,Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi-110003 and dropped in the Bid Box placed at the reception in the REC’s Corporate Office.,New Delhi.
- b) Alternatively the sealed envelope containing bid may be sent by post/ courier so as to reach REC Ltd. on or before the stipulated date and time. Mailing of the bid will be solely at the risk of the bidder and REC Ltd. will not be responsible for any postal/transit delay. Bids received by Fax or not as per above procedure are liable to be rejected.
- c) The bids shall be received up to 3.00 PM on 3rd Jul’07 and the same shall be opened at 3.30p.m.on the same day at the Corporate office REC Ltd. Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi-110003.The bidders are free to depute their authorized representative to be present at the time of opening of the bid

7 Company Details

You are also requested to furnish the following information about your organization

- a) Full particulars of the constitution and ownership
- b) Details of the pending complaints, enquiries, litigations and contingent liabilities that could affect the performance of the bidder as also the details of any past conviction and any possible areas of conflicts of interest
- c) Also indicate any recent changes in organizational /ownership structures, if any.

Thanking you.

Yours sincerely,

[R.P.Vaishnaw]
[DGM-F&A]