

# RURAL ELECTRIFICATION CORPORATION LIMITED

(A Govt. of India Enterprise)

Core-4, Scope Complex, No.7, Lodi Road, New Delhi-110003

No.SEC-1/8(1)/2006/

Dated: 11<sup>th</sup> September, 2006

## LOAN POLICY CIRCULAR

### **Sub: Revision in Lending Rates of Short Term Loans (STL)**

Ref: REC's Loan Policy Circular No. SEC-1/8(1)/2006/178 dated 14.6.2006.

In partial modification of Loan Policy Circular dated 14<sup>th</sup> June, 2006, the Corporation has revised the interest rates in respect of Short Term Loans (STL) as detailed below :-

	<u>Existing</u>	<u>Revised Interest Rates</u>
STL – Upto 1 year	9.25%	8.75% with monthly rest i.e. 9.11% annualized
STL – More than 1 year & upto 3 years	9.50%	9.00% with monthly rest i.e. 9.38% annualised

The revised interest rates will be applicable on all disbursements made on or after 5.9.2006 irrespective of date of sanction of loans. The interest will be payable on monthly rest basis without moratorium period, and there will be no change in the other terms and conditions of Short Term Loan.

This issues with the approval of CMD.

Hindi version follows.

(B.R. Raghunandan)  
GM (Law) & CS

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