

RURAL ELECTRIFICATION CORPORATION LIMITED

(A Govt. of India Enterprises)

Core-4, SCOPE Complex, Lodhi Road, New Delhi-110003.

COMPANY SECRETARY'S DIVISION

No. SEC-1/8(1)/2011 / 2224

Dated: 24th October, 2011

LOAN POLICY CIRCULAR – No.009 / 2011


Sub: Revision in the lending rates of Short Term Loans.

Ref: Loan Policy Circular No. 008/2011 dated 2nd September, 2011

The Sub Committee of the Board of Directors of REC in its 38th Meeting held on 24th October, 2011 has approved revision of existing lending rates of "Short Term Loans (STL)" by 25 basis points for all categories of borrowers. The revised interest rates will be as under:

Sl. No.	Category of Borrower	STL for upto 3 months, with monthly Rest (%)	STL for upto 6 months, with monthly Rest (%)	STL for more than 6 months & upto 1 year, with monthly Rest (%)	STL for more than 1 year & upto 3 years, with monthly Rest (%)
1.	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A+"	12.00	12.25	12.50	12.75
2.	State Sector Borrowers- Category "A" and other CPSUs	12.25	12.50	12.75	13.00
3.	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	12.50	12.75	13.00	13.25
4.	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	12.75	13.00	13.25	13.50

2. The revised interest rates as above will be applicable in respect of all disbursements made on or after 24th October, 2011.
3. The existing lending rates in respect of Term Loans as earlier notified vide Loan Policy Circular No.008/2011 dated 2nd September, 2011, will remain unchanged.
4. All other terms and conditions of loans / schemes as notified earlier shall also remain unchanged.
5. Zonal Managers/CPMs and other officers in Corporate Office issuing sanction letters are requested to ensure that applicable interest rates and other terms and conditions are duly circulated to all concerned and correctly incorporated in the sanction letters.


(Rakesh Kumar Arora)
GM (F&A) & Company Secretary

Distribution:

1. Manager/DM/AM/Sr. Officer to CMD, Dir. (Fin.), Dir. (Tech.), and CVO
2. All Executive Directors / General Managers.
3. All Addl. GMs /Dy. GMs /Chief Managers at Corporate Office.
4. All Zonal Managers / CPM in POs / Addl. Director, CIRE, and Incharge Sub-Offices
5. AGM (IT) – for posting on the websites of REC.
6. CM (Rajbhasha)/Manager (Rajbhasha) - For Hindi Translation.