



Endless energy. Infinite possibilities.

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

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

Dated: 4.4.2008

The Banks,

Sub : Request for providing Cash Credit facility interchangeable to MIBOR /
BPLR linked W.C. Limit - regarding

Sir,

Rural Electrification Corporation Ltd. (RECL) is a wholly owned enterprise of the Government of India. 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 credit facility in the form of Cash Credit limit interchangeable to MIBOR / BPLR linked WCDL from the banks for meeting its day to day requirements. Corporation has an exposure of Rs.1200 crore for Cash Credit limit which is to be tied up with one or more banks.

The borrowing programme of the Corporation for Rs. 140 billion including 25 billion for short term loan during the year 2007-08 had been assigned highest rating of 'AAA/Stable & P1+ by CRISIL, "LAAA"&A1+ by ICRA, 'CARE AAA' & PRI+ by CARE and 'AAA(Ind)' by Fitch. Corporation hope to retain the same rating during the current financial year 2008-09. We invite your proposal for Cash Credit limit interchangeable to MIBOR / BPLR linked WCDL :

- | | | |
|----|--------------------|--|
| 1. | Amount | Rs. 100 crore or more |
| 2. | Period | 1 year |
| 3. | Security | Clean |
| 4. | Put / Call Option | Daily Put / Call option on demand with prior notice. |
| 5. | Purpose | To meet the on going funds requirement of the Corpn. |
| 6. | Processing charges | Nil. |

Your proposal in this regard for Cash Credit limit interchangeable with MIBOR / BPLR linked Working Capital Limit indicating interest rates and other terms and conditions should reach the under signed within 15 days from the date of issue of this letter.

For any information in this regard you may please contact the undersigned Phone 011-24364389 / M-9818335038 or Shri P.K. Marwah, Asstt. Manager 011-24365389 / M- 9873405455.

Yours faithfully,

Sd/-
(Ajay Mathur)
Chief Manager(Finance)