

Reg: Appointment of Registrar & Transferring Agent (R& TA) for the Institutional Bonds Issue of existing and proposed Bonds Series

Dear Sir,

Rural Electrification Corporation Limited (REC) is a Public Sector Company fully owned by the Government of India (GOI), under administrative control of the Ministry of Power. It was declared a Public Financial Institution in 1992_ under Sec. 4A the Companies Act, 1956. REC undertakes debt financing and non-fund based support 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.

REC is having highest domestic rating as 'AAA' and international rating as investment grade which is equivalent to sovereign rating. REC is continuously raising funds from the market by way of Secured/ unsecured Redeemable Non Convertible Institutional Bonds on Private Placement basis. At present 22 Bonds Series are outstanding having investor base of about 35 ISIN and 1000 Bondholders. These Bonds are mainly in Demat Form except very small fraction of old Bonds, which are in physical mode. The Interest payments on various Bonds Series are both on annual and half yearly basis.

REC intends to appoint Registrar and Transferring Agent (R&TA) for existing Bonds Series as well as for new Bonds Issue. R&TA will provide all the services to REC relating to pre-issue and post issue of Bonds till such Bonds are redeemed.

Scope of work:- The illustrative (but not exhaustive) scope of work to be performed by R&TA is given in Annexure A.

Terms and condition:-

- a) **Validity of offer:-** The offer should have a validity for 45 days from the date of opening of the offer.
- b) **Payment Terms:-** Payment shall be made based on the bill raised by the firm on quarterly basis along with a certificate from the resource division about satisfactory performance of assigned job.
- c) **Earnest Money/ security Deposit:-** The offer should be submitted along with EMD of Rs.10000.00 (Rs. Ten Thousand only) in the form of Demand Draft/ Pay order in favour of Rural Electrification Corporation Limited, payable New Delhi. The EMD of successful firm will be retained and kept as security deposit. On getting the award letter EMD can be replaced by a fixed deposit of equivalent amount issued in the name of the firm and pledged in the favour of Rural Electrification Corporation Limited. EMD of the unsuccessful firms will be refunded in 10 days time after issue of award letter to the successful firm.
- d) **Rejection and/ or splitting of offer:-** REC Ltd. reserves the right to reject all or any offer or split the offer between one or more firms without assigning any reason what so ever.
- e) **Termination of contract:-** REC reserves the right to terminate the contract after giving one month notice to firm.
- f) **Period of contract:-** The period of contract is initially for three years. RECL will not accept any request of rate revision within the period of three year. Only after

completion of contract period the rate can be considered for revision on a mutually agreed terms and conditions.

- g) **Identifying nodal officer:-** On award of the contract, within 10 days time, the successful firm will have to nominate a nodal officer and inform RECL its contact details for timely smooth interaction.
- h) **Dispute:-** In case of any dispute arising during execution of contract then a amicable solution may be arrived at with discussion and reconciliation. However in case the dispute remaining unresolved then the decision of CMD, RECL will be final.
- i) **Penalty clause:-**The R&TA shall execute the work efficiently and with due diligence and care. However, the Registrar shall indemnify the Company and its successors from and against all suits, claims, actions and damages which may be made or commence against the Company by any holder of the securities issued or other third party as a consequence of any failure or deficiency on the part of the Registrar in performing or fulfilling, providing any of the functions, duties, obligations and services hereunder, Registrar shall be liable for payment of damages which are caused by the negligence, willful misconduct, failure to act or recklessness of the Registrar.
- j) **Confidentiality:** - Firm should indemnify about maintaining confidentiality, were ever required, about the data and relevant details of REC available with them.

Submission of offer: -You are requested to send your Technical and financial Bid as per the prescribed format enclosed as annexure "B" & "C" respectively along with a copy of SEBI registration certificate. EMD will form part of the technical bid. The Technical and financial Bid should be separately sealed in a different envelopes dully marked as Technical bid and financial Bid and both the envelop may be kept in a separate envelop dully marked as "Quotation for R&TA".

Date of submission of offer: The sealed offer, addressed to the undersigned, may reach to REC office, Scope complex, 7 Lodhi Road, New Delhi by 3.00 P.M. to Shri Koshal Puri, Manager (Finance) on or before 25th August 2007. The offers received after the specified time limit or in open envelop or by fax shall not be considered.

Opening of bid: - Bids will be opened on 25th at 3.30 P.M. in presence of the representative of the firm who so ever is interested to be present. Financial bid will be opened after analyzing the technical bid and for the firms which has been declared as technically qualified.

The R&TA should understand the enclosed scope of work clearly and quote accordingly. In case of any clarification required in this regard Sh. Koshal Puri, Manager (Finance) may be contacted on his telephone no.-24365461, Mob. No. 9899896437, E-mail-koshal.recl@nic.in..

Thanking You,

Yours Faithfully

Sd/-

(Vijay Kumar)
Chief Manager (Fin)

ANNEXURE -A

SCOPE OF WORK:

- I. Uploading allotment file on NSDL and servicing the investors of the various series.
- II. Maintenance of records/folios/Dist Nos. / Certificate Nos./ No of Bonds/ Address/ POA etc. for all the investors. The one time data pertaining to the records of investors/folios shall be created by R&TA i.e. Master Data of investors for various series on the basis of data provided by REC.
- III. Send to REC, the Master Record Copy and also making reconciliation and updating on regular basis and sending them to REC.
- IV. Calculation of interest/ redemption payments, receiving and checking of form 15H/15AA, printing of interest/ redemption warrants after deduction of TDS as per Income Tax Act and dispatch of interest/ redemption warrants to the investors for periodical interest payments and interest on application money and redemption proceeds. Also payment of Interest/ Redemption proceeds through RTGS/ ECS/ Direct payments/ NEFT including calling, updating and compilation of details for above payments from the Bondholders.
- V. Printing of TDS Certificates and dispatch of the same.
- VI. Keeping track of Income Tax Exemption Notifications / Declarations & PAN Nos.
- VII. To prepare the investor-wise final statement for redemption and repayment of principal.
- VIII. To entertain all requests from investors regarding transfer / split / consolidation / duplicate letter of allotment and bond certificates etc.
- IX. Registration of Power of Attorney and intimation of the same to POA holders / change of Address.
- X. To deal with all the demat related activities as such: -
 - Maintenance of separate Folios in each Depository.
 - Updating data downloaded by the Depository on periodical basis.
 - Confirmation of Demat / Remat / updating the Depository on a daily basis.

- Conversions of physical bonds into demat and vice versa i.e. Demat / Remat of Certificates.
 - Reconcile the security position with NSDL / CDSL on daily basis.
- XI. To keep a record and handle all the grievances of the investors , including separate e-mail id for the purpose. A record to be kept of the date of receipt and response sent and status shall be informed to Company on monthly/ fortnightly basis.
- XII. Preparation of all the TDS / Annual Returns and other Statutory Returns as may be required and file the same with the respective authorities.
- XIII. To provide the following records to REC at periodic intervals: -
- Copies of all the records.
 - Monthly updating all the records.
 - Reconciliation statement for allotment, interest payment and redemption payment
 - Trial Balance matching at the time of processing of interest.
 - Transfer Register.
 - Interest Register
 - Demat Register
 - Master data in CD
 - Any other information as may be required by REC.
- XIV Any other activity related to Registrar as may be required by REC and not included above.
- XV To provide services up to redemptions on the above terms.

ANNEXURE - B

TECHNICAL BID

Sl. no	Description.	Qualification criteria	Information of the Bidder
1	SEBI Registration valid till date	Must	
2	Amount of average turnover for last three financial year (upto 31-03-2007) on Registry operations along with a copy of annual accounts.	Average Rs.0.50 crore per annum from Registry operations	
3	Number of PSU and other Big Corporate serving presently	At least two out of which one from PSU.	
4	No of Bonds Series outstanding, face value of Bonds and Investor Base(Institutional Investors only), dealt in each of the last three years for PSU & Big Corporate for Private Placement of Institutional Bonds (i.e. Bonds Series having Investors other than Individuals, firms and HUFs). Details of Series wise Break up for each PSU and Big Corporate for each year.	Average of five Bonds Series with total Face value of Rs. 3,000 Crore and Investor Base of 400 Investors (all on average per year)	
5	No of Bonds Series redeemed for PSU & Big Corporate for Private Placement of Institutional Bonds (i.e. Bonds Series having Investors other than Individuals, firms and HUFs). Details of Series wise Break up for each PSU and Big Corporate for each year.	Min one Bonds Series with investor base of 50 Bondholders and maturity value of Rs 500 crores per year on average basis.	
6	Whether the R&TA has been debarred / issued any warning by SEBI in the last one year, if any, the details thereof may be furnished	Nominated committee will judge the facts of content and its serousness.	
7	A copy of recent report/certificate from the Statutory Auditors about sufficient systems and internal controls implemented by Registrar..	Must	

*For the purpose of point no 3,4 and 5 Big Corporate shall be a AAA/AA+ rated Company.

ANNEXURE- C

FINANCIAL BID

S. N	Description	QTY	Rate	Amount in Rs.
1	Lump sum Fee for all the Services to be rendered as per the scope of work. The fee to be quoted per Bonds Series per annum.* (Note:- Blank interest warrant will be supplied by REC / Collection Bankers)	Lumpsum		
	Sub. Total (1)			
2	Out of Pocket Expenses: <ul style="list-style-type: none"> ❖ Postage and Courier expenses ❖ Statutory Payment <ul style="list-style-type: none"> ○ Envelop cost per dispatch ○ Cost of letter/ printing material/ form etc (other than issue of Interest warrant/ TDS Certificates) per page. 			Reimbursement on actual basis (Not to be quoted)
	Sub. Total (2) (excluding postage/courier/ statutory payment	5000		
	Grand Total (1)+(2)			

*Service Tax shall be paid as applicable

For the evaluation of Bid, for comparative statement the cost under (2) may be calculated assuming 5000 letters / dispatch per annum.