

Ref No.-REC/FIN/Bonds/2011-12/

Dated 17.01.2012

To,

Sub.: Appointment of Payee Banker for the Interim Dividend Payments for the year 2011-12 by REC

Dear Sir/Madam,

Rural Electrification Corporation intends to appoint payee banker(s) for Interim Dividend Payment for the year 2011-12. The Dividend Account is proposed to be funded on 30.1.2012 and payout date shall be 07.2.2012.

The interim dividend is to be decided by the Board Of Directors in their meeting to be held on 25th January, 2012 and the quantum of dividend is not known as of now. However, quotes in Annexure 'A' may be given on the basis of 35% Interim Dividend (on the basis of Interim Dividend declared last year) which will be adjusted upwards/ downwards proportionately according to the actual dividend declared.

The main terms and conditions for Payee Banks are as follows:-

Main Condition

The Bank should have minimum branches in 100 locations spread all over India. A Certificate to this is to be enclosed by the bank in a separate envelop. The quotations of the banks who do not furnish the said certificate will not be considered for Dividend Payee Bankers. The envelop may be subscribed as Main Condition for Dividend Payee Bankers.

Other Terms and condition for Payee Bank:-

- i. The bank should be approved/ authorized by SEBI to act as Payee bank for the payment of Dividend.
- ii. The Corporation will deposit the dividend amount on the due date through RTGS/Fund transfer as desired by the bank for credit to REC Dividend account as opened for the purpose
- iii. The dividend amount will be remitted to the investor through NECS/RTGS and through warrants. In case of rejection of NECS/RTGS, the bank is required to intimate REC next day.
- iv. REC will provide the details of investors i.e. Name of investors, Investors Bank and address, Account number, MICR No or IFSC code as the case may be to the bank at least 1 working day in advance.
- v. The dividend warrants required to be issued shall be payable at par at all locations to the shareholders by the Bank
- vi. REC shall provide the details of dividend warrants so issued by the Corporation to the bank prior to the dividend payment date.
- vii. Cheque (dividend warrant) in the leaf form (continued stationary) is required to be provided by the bank at its cost for issue to the shareholders. Account payee only and "Not Negotiable" warrant will be issued to the shareholder.
- viii. The bank shall give a bank statement to the Corporation showing details of warrants presented for the payment on fortnightly basis.

- ix. The bank shall also furnish a reconciliation statement on monthly basis to the Corporation containing the following:-
 - 1. Date wise list of paid warrants number along with the amount of each warrant
 - 2. Unpaid list of the warrant number along with the amount of each warrant remaining unpaid at the end of each month.
- x. A statement showing the reconciliation of amount deposited by REC and the amount paid by the bank and the figure so arrived at shall tally with the unpaid list.
- xi. REC shall have the right to revalidate the stale warrants

In case your bank is willing to act as payee banker on the terms and conditions as mentioned above, you are requested to send your quotation in closed envelope subscribed as 'Quotation for Payee Bank' in addition to the envelop as mentioned under Main Condition to the undersigned at the address as mentioned above **latest by 25.01.2012 (up to 2.30 pm)**. The validity period of your quote should be 30 days from the closing date. The authorized representative of the banks may be present at the time of opening the bids i.e. **at 2.45 pm on 25.01.2012**. The quotation should be in format as given in Annexure A. further details are to be given in Annexure B.

REC shall have the right to accept / reject any of the offer(s) without assigning any reason whatsoever it may be. For any further clarification, the undersigned may be contacted.

For any further/clarification, the following officer may be contacted:
Koshal Puri, Chief Manager (Fin), (M)9899896437

Thanking You,
Yours Faithfully,

Sd/-

(Rajiv Sood)
DGM (Finance)

QUOTATION FOR FIRST INTERIM DIVIDEND PAYOUT FOR THE YEAR 2011-12

RURAL ELECTRIFICATION CORPORATION LIMITED

The Bank is willing to reimburse REC LTD for Rs..... * towards expenses related to printing / over printing , envelopes, stationary, mailing / dispatch etc., being incurred by REC for interim dividend payment

*Amount to be filled by Bank

Authorized Signatory of Bank

Name :

Designation :

Contact No.:

Facility/Charges

Sl.No.	Particulars	Information to be furnished by Bank*
1.	Minimum balance for opening of A/c	
2.	Designated Branch for contact for control of payee bank account within 10 km radius of REC office	
3.	Contact person details	
4.	Printing of MICR Stationery charges, if any	
5.	Stop payment charges, if any	
6.	RCA/MCA/transaction charges or any other charges like service charges etc.	
7.	DD in case of non-availability of branch and charges if any	
8.	NECS/RTGS facilities and charges if any	
9.	Monthly reconciliation statements as & when required along with list of paid and unpaid data to the Corporation and charges if any	
10.	List of documents required for opening of bank account	
11.	Authorization of SEBI for acting as payee banker	
12.	Revalidation of payment warrants after expiry of validity, whether acceptable or not	
13.	Others(Any other facility/benefits .banks want to offer)	

*Note- Banks are requested to furnish the complete detail in the information column (please use additional sheets if required)