



RURAL ELECTRIFICATION CORPORATION LIMITED
(A Government of India Enterprise)

Registered Office: Core – 4, SCOPE Complex, 7, Lodhi Road, New Delhi – 110 003
Tel.: 24313978 Fax: 011-41757035 E-Mail: reccorp@recl.nic.in Gram: RECTRIC
Website: www.recindia.com & www.recindia.nic.in

REC/Fin./Banking/2008-09

Dated: 8.05.2008

To the Banks,

Sub: Unsecured (clean) Short Term Loan – 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 clean Short Term Loan to the extent of Rs. 500 crore from the banks for meeting its ongoing requirements.

The borrowing programme of the Corporation for Rs. 140 billion including Rs. 25 billion for short term loan during the year 2007-08 has been assigned highest rating of 'AAA/Stable & P1+ by CRISIL, "LAAA" & A1+by ICRA, 'AAA(Ind)' by Fitch for meeting its requirements during the financial year 2007-08. We intend to retain the same rating during the current year also. We invite your proposal for Short Term Loan for different periods upto 1 year :

Amount	Rate of Interest payment terms.	Period	Validity of the Offer	Security	Processing & Other charges
Rs.100 cr and above	(TO BE QUOTED)	3 months		Clean	Nil
		6 months			
		9 months			
		12 months			

Your proposal in this regard for Clean Short Term Loan indicating interest rates and other terms and conditions should reach the undersigned latest by 15th May, 2008.

For any information in this regard you may please contact the undersigned Phone 011-24364389 / M-9818335038 or Shri P.K. Marwah, Asstt.Manager (Fin.) 011-24365389 / M- 9873405455 Fax. No. 24365998/ 24364389.

Yours faithfully,

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