

# 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)/2009

Dated: 16<sup>th</sup> April, 2009

### LOAN POLICY CIRCULAR – No.003 / 2009

#### **Sub: Revision in the lending rates of Term Loans.**

- Ref :   1. Loan Policy Circular No. 001/2009 dated 22<sup>nd</sup> January, 2009  
          2. Loan Policy Circular No. 002/2009 dated 5<sup>th</sup> February, 2009

The Sub-Committee of the Board of Directors of REC, in its 19<sup>th</sup> Meeting held on 16<sup>th</sup> April, 2009 has approved revision of lending rates in respect of Terms Loans & Short Term Loans with immediate effect, as per details given in the enclosed Annexure.

2.   The revised interest rates will be applicable in respect of all disbursements made on or after 16<sup>th</sup> April, 2009.
3.   All other terms and conditions of loans / schemes as notified earlier remain unchanged.
4.   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.

Sd/-

(B.R. Raghunandan)  
GM(Law) & C.S.

Encls : Annexure

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending rates effective from 16th April, 2009

**I - TERM LOANS**

Sl. No.	Schemes	Reforming State Sector Borrowers, Central Sector Borrowers (other than identified CPSUs & AAA Companies)			Identified CPSUs and all AAA Companies			Private Sector Borrowers Grade - I to III			Private Sector Borrowers Grade - IV			Private Sector Borrowers Grade - V		
		With reset after 10 years			With reset after 10 years			With reset after 10 years			With reset after 10 years			With reset after 10 years		
		Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.
A)	Term Loan/Schemes															
1)	Conventional Generation-Large	12.00	11.75	12.25	12.00	11.75	12.00	11.75	12.25	12.00	12.25	12.50	12.25	13.00	12.75	13.25
2)	Generation-Others (excluding Non-conventional)*	12.25	12.00	12.50	12.25	12.00	12.25	12.00	12.50	12.25	12.50	12.75	13.00	13.25	13.50	13.25
3)	R&M, R&U, Transmission, Distribution and other Schemes	12.00	12.00	12.25	12.00	11.75	12.00	11.75	12.25	12.00	12.50	12.75	13.00	13.25	13.50	13.25
4)	Computerization	12.00	12.00	12.25	12.00	11.75	12.00	11.75	12.25	12.00	12.50	12.75	13.00	13.25	13.50	13.25
B)	Loan to Equipment Manufacturers															
1)	Upto 1 year	12.00	12.00	12.25	12.00	11.75	12.00	11.75	12.25	12.00	12.50	12.75	13.00	13.25	13.50	13.25
2)	More than 1 year up to 3 years	12.50	12.50	12.75	12.50	12.25	12.50	12.25	12.75	12.50	13.00	13.25	13.50	13.75	14.00	13.75

**II - SHORT TERM LOANS**

Sl. No.	Category of Borrower	Rate of interest for STL of upto 1 year, with monthly Rest (% p.a.)	Rate of interest for STL of More than 1 year and upto three years, with monthly Rest (% p.a.)
1	Central Sector Borrowers/ Identified CPSUs	11.50	12.00
2	State Sector Borrowers- Category "A+" & "A"	11.75	12.25
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	12.00	12.50
4	State Sector Borrowers- Category "C" / Private Sector Borrowers other than "AAA"	12.25	12.75

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STLs where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerisation are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 16th April, 2009.
- Definition for large Generation Projects as at A(1) above will be the same as defined in REC's Loan Policy Circular dated 14th June, 2006, i.e. Sanction amount of Rs.700 Crores and above in respect of State/Central Sector Borrowers and Sanction amount of Rs.500 Crores and above in respect of Private Sector Borrowers.
- "In respect of TermsLoans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at Sl.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.

Not Applicable

# 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)/2009 / 1034

Dated: 26<sup>th</sup> May, 2009


### LOAN POLICY CIRCULAR – No.004 / 2009

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

Ref : Loan Policy Circular No. 003/2009 dated 16<sup>th</sup> April, 2009

The Sub-Committee of the Board of Directors of REC, in its 20<sup>th</sup> Meeting held on 20<sup>th</sup> May, 2009 has approved revision of lending rates in respect of Terms Loans & Short Term Loans with immediate effect, as per details given in the enclosed Annexure.

2. The revised interest rates will be applicable in respect of all disbursements made on or after 20<sup>th</sup> May, 2009.
3. The definition of Large Generation Projects and the categorisation of the borrowers have also been revised as per details given in Notes of the enclosed Annexure.
4. All other terms and conditions of loans / schemes as notified earlier 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.

  
(B.R. Raghunandan)  
GM(Law) & C.S.

**Encls : Annexure**

#### **Distribution:**

1. DM/Sr. Officer/AM to CMD, D(F), D(T) 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. Dy. GM (IT) – for posting on the websites of REC.

RURAL ELECTRIFICATION CORPORATION LIMITED  
Lending rates effective from 20th May, 2009

TERM LOANS

Sl. No.	Schemes	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies)				State Sector Borrowers (Category "A+" and identified CPSUs and all AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD
A)	Term Loan/Schemes																				
1)	Conventional Generation-Large	11.50	11.75	11.50	11.75	11.25	11.50	11.25	11.50	11.75	12.00	11.75	12.00	12.00	12.25	12.50	12.75	12.50	12.75	12.50	12.75
2)	Generation-Others (excluding Non-conventional)	11.75	12.00	11.75	12.00	11.50	11.75	11.50	11.75	12.00	12.25	12.00	12.25	12.25	12.50	12.75	13.00	12.75	13.00	12.75	13.00
3)	R&M, R&U, Transmission, Distribution and other Schemes	11.50		11.75		11.25		11.50		11.75		12.00		12.00		12.25		12.50		12.75	
4)	Computerization	11.50				11.25															
B)	Loan to Equipment Manufacturers																				
1)	Upto 1 year	11.50				11.25															
2)	More than 1 year and up to 3 years	12.00				11.75															

II - SHORT TERM LOANS

Sl. No.	Category of Borrower	Rate of Interest for STL of upto 1 year, with monthly Rest (% p.a.)	Rate of Interest for STL of More than 1 year and upto three years, with monthly Rest (% p.a.)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A+"	9.50	10.00
2	State Sector Borrowers- Category "A" & "B" and other CPSUs	9.75	10.25
3	State Sector Borrowers- Category "C" / Private Sector Borrowers ("AAA")	10.00	10.50
4	Private Sector Borrowers other than "AAA"	10.25	10.75

Notes:

- The above rates are effective rates on quarterly rest basis except for STLs where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerization are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 20th May, 2009.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs. 500 Crores and above, both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- In respect of Term Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at SJ.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization/ grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs. 700 crores in case of Discoms & Transco and Rs. 1000 crores for an integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs. 700 crores / Rs. 1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-108(1)/2008/342 dated 27th November, 2008 and No.SEC-108(1)/2008/1165 dated 9th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable



## 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)/2009

Dated: 13<sup>th</sup> August, 2009

### LOAN POLICY CIRCULAR – No.008 / 2009

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

- Ref : 1. Loan Policy Circular No. 004/2009 dated 26<sup>th</sup> May, 2009  
2. Loan Policy Circular No. 007/2009 dated 10<sup>th</sup> June, 2009

The Sub-Committee of the Board of Directors of REC, in its 21<sup>st</sup> Meeting held on 11<sup>th</sup> August, 2009 has approved revision of lending rates in respect of Terms Loans & Short Term Loans with immediate effect, as per details given in the enclosed Annexure. The highlights of revision in lending rates and other changes effected are as under :

- (a) The interest rates ( Pre-COD ) of Term Loans in respect of schemes under the categories of  
(1) Conventional Generation – Large, and (2) Generation - Others (excluding Non-Conventional),  
have been reduced by 25 bps;
- (b) In respect of Term Loans, the sequence / order of first two categories of borrowers as shown in  
Annexure to Loan Policy Circular No.004/2009 dated 26<sup>th</sup> May 2009 has been interchanged as  
detailed below along with applicable interest rates ;

<u>Existing sequence/order of Category of Borrowers</u>		<u>Revised sequence / order of Category of Borrowers</u>	
State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies	State Sector Borrowers (Category "A+") and Identified CPSUs and all AAA Companies	State Sector Borrowers (Category "A+") and Identified CPSUs and all AAA Companies	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies

- (c) The interest rates for STL of more than 1 year and up to three years have been increased uniformly by 25 bps in different categories as compared to interest rates as on 26-05-2009;

Contd. on page – 2

(d) The last three Categories of Borrowers in respect of Short Term Loans as appearing in the Loan Policy Circular dated 26<sup>th</sup> May, 2009 have been revised as under :

Sl. No	Existing Category of Borrowers	Revised Category of Borrowers
1	State Sector Borrowers - Category "A" & "B" and other CPSUs	State Sector Borrowers - Category "A" and other CPSUs
2	State Sector Borrowers - Category "C" / Private Sector Borrowers ("AAA")	State Sector Borrowers - Category "B" / Private Sector Borrowers ("AAA")
3	Private Sector Borrowers other than "AAA"	State Sector Borrowers - Category "C" / Private Sector Borrowers other than "AAA"

2. The revised interest rates as per Annexure will be applicable in respect of all disbursements made on or after 11<sup>th</sup> August, 2009.

3. All other terms and conditions of loans / schemes as notified earlier remain unchanged.

4. 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.

Sd/-

(B.R. Raghunandan)  
General Manager & Company Secretary

Encls : Annexure

RURAL ELECTRIFICATION CORPORATION LIMITED  
Lending rates effective from 11th August, 2009

I - TERM LOANS

Sl. No.	Schemes	State Sector Borrowers (Category "A" and "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies)				State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after 10 years				With reset after 10 years				With reset after 10 years				With reset after 10 years				With reset after 10 years			
		Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD
A)	Term Loan/Schemes																				
1)	Conventional Generation-Large	11.00	11.00	11.25	11.25	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50
2)	Generation-Others (excluding Non-conventional)*	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75
3)	R&M, R&U, Transmission, Distribution and other Schemes	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75
4)	Computerization	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75
B)	Loan to Equipment Manufacturers																				
1)	Upto 1 year	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75
2)	More than 1 year and up to 3 years	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.25	12.25	12.50	12.50	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25

II - SHORT TERM LOANS

Sl. No.	Category of Borrower	Rate of Interest for STL of upto 1 year, with monthly Rest (% p.a.)	Rate of Interest for STL of More than 1 year and upto three years, with monthly Rest (% p.a.)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A"	9.50	10.25
2	State Sector Borrowers- Category "A" and other CPSUs	9.75	10.50
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	10.00	10.75
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	10.25	11.00

Notes:

- The above rates are effective rates on quarterly rest basis except for STLs where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerization are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 11th August, 2009.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs. 500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- In respect of Terms Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at Sl.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I, II, III, IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions, if disbursements under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs. 700 crores in case of Discoms & Transco and Rs. 1000 crores for an integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs. 700 crores / Rs. 1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-1/8(1)/2006/342 dated 27th November, 2006 and No.SEC-1/8(1)/2008/1165 dated 9th June, 2008.
- In case of Joint Venture being formed by Identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable

# 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)/2009

11450

Dated: 9<sup>th</sup> December, 2009

### LOAN POLICY CIRCULAR – No.011 / 2009

#### **Sub: Revision in the lending rates of Term Loans.**

- Ref : 1. Loan Policy Circular No. 008/2009 dated 13<sup>th</sup> August, 2009.  
2. Loan Policy Circular No. 010/2009 dated 15<sup>th</sup> September, 2009.

The Sub-Committee of the Board of Directors of REC, in its 26<sup>th</sup> Meeting held on 9<sup>th</sup> December, 2009 has approved revision of lending rates in respect of Terms Loans as under :

- (i) in the categories of (A) (1) Conventional Generation – Large, (2) Generation - Others (excluding Non-Conventional), (4) Computerisation, and (B) (1) & (2) Loan to Equipment Manufacturers, the interest rates have been reduced by 25 bps; and
  - (ii) in the category of (3) R&M, R&U, Transmission, Distribution and other schemes, the interest rates have been reduced by 50 bps.
2. The above revised interest rates as incorporated in the Annexure will be applicable in respect of all disbursements made on or after 10<sup>th</sup> December, 2009.
  3. All other terms and conditions of loans / schemes as notified earlier remain unchanged.
  4. 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.

  
(B.R. Raghunandan)  
GM & Company Secretary

Encls : Annexure

**DISCLAIMER:** "Rural Electrification Corporation Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make a further public offer of its equity shares and has filed a draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India ("SEBI"). The DRHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the book running lead managers at [www.kmcc.co.in](http://www.kmcc.co.in), [www.dspml.com](http://www.dspml.com), [www.icicisecurities.com](http://www.icicisecurities.com), [www.imfinancial.in](http://www.imfinancial.in) and [www.abnamro.co.in](http://www.abnamro.co.in). Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the aforementioned DRHP.

This advertisement is not an offer of securities for sale in the United States or elsewhere. Securities may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption therefrom. Neither the issuer nor the selling security holder have registered nor intend to register any securities under the US Securities Act of 1933, as amended. There will be no public offering of the securities in the United States. The issuer is not and will not be registered under the US Investment Company Act of 1940, as amended, and investors will not be entitled to benefits of that Act. No money, securities or other consideration from any person is being solicited and, if sent in response to the information contained in this advertisement, will not be accepted".

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
**Lending rates effective from 10th December, 2009**

**I - TERM LOANS**

Sl. No.	Schemes	State Sector Borrowers (Category "A" & "B") and all identified CPSUs and all AAA Companies				State Sector Borrowers (Category "A" & "B") Central Sector Borrowers (other than identified CPSUs & AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after 10 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after 10 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.
A) Term Loans/Schemes																					
1) Conventional Generation-Large		10.75	10.75	11.00	11.00	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.75	11.75	12.00	12.00	12.25	12.25	12.50
2) Generation-Others (excluding Non-conventional)		11.00	11.00	11.25	11.25	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	12.50
3) R&M, R&U, Transmission, Distribution and other Schemes		10.75	11.00	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.75	11.75	12.00	12.00	12.25	12.25	12.50
4) Computerization		11.00	11.00	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.75	11.75	12.00	12.00	12.25	12.25	12.50
B) Loan to Equipment Manufacturers																					
1) Upto 1 year		11.00	11.00	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.75	11.75	12.00	12.00	12.25	12.25	12.50
2) More than 1 year and up to 3 years		11.50	11.50	11.50	11.50	11.75	11.75	11.75	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	12.50	12.50	12.50

**II - SHORT TERM LOANS (STL) :**

Sl. No.	Category of Borrower	Rate of interest for STL of upto one year, with monthly Rest (% p.a.)	Rate of interest for STL of More than one year and upto three years, with monthly Rest (% p.a.)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A"	8.25	10.25
2	State Sector Borrowers- Category "A" and other CPSUs	8.50	10.50
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	8.75	10.75
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	9.00	11.00

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerization are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 10th December, 2009.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- "In respect of Term Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at SL.No.N(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs.700 crores in case of Diacos & Transco and Rs.1000 crores for an integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No. REC-1/01/2008/042 dated 27th November, 2008 and No. REC-1/01/2008/1165 dated 5th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable

# 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

Dated: 6<sup>th</sup> January, 2011

### LOAN POLICY CIRCULAR – No.001 / 2011

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

- Ref :
1. Loan Policy Circular No. 011/2009 dated 9<sup>th</sup> December, 2009
  2. Loan Policy Circular No. 003/2010 dated 20<sup>th</sup> August, 2010
  3. Loan Policy Circular No. 005/2010 dated 28<sup>th</sup> September, 2010

The Sub-Committee of the Board of Directors of REC, in its 31<sup>st</sup> Meeting held on 6<sup>th</sup> January, 2011 has approved revision of lending rates in respect of Terms Loans and Short Term Loans with immediate effect as per details given in the enclosed Annexure.

2. The revised interest rates as per Annexure will be applicable in respect of all disbursements made on or after 6<sup>th</sup> January, 2011.
3. The schemes with Annual Reset Clause linked to Indian Bench Mark (INBMK) (One year G-Sec Yield) is kept in abeyance for the time being. The proposals under the scheme shall be decided on case to case basis with the approval of Competent Authority. However, the proposals / tenders submitted till 6<sup>th</sup> January, 2011 with Annual Reset Clause linked to Indian Bench Mark (INBMK) (One year G-Sec Yields), both for Generation and T&D schemes, will remain valid.
4. All other terms and conditions of loans / schemes as notified earlier 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.

(B.R. Raghunandan)  
ED & Company Secretary

Encls : Annexure

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending rates effective from 6th January , 2011

**I - TERM LOANS**

Sl. No.	Schemes	State Sector Borrowers (Category "A+" and Identified CPSUs and all AAA Companies)				State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD	With reset after every 3 years	With reset after 10 years	Pre COD	Post COD
A)	Term Loan/Schemes																				
1)	Conventional Generation-Large	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.50	11.75	11.75	11.75	12.00	12.25	12.25	12.25	12.50	12.50	12.50
2)	Generation-Others (excluding Non-conventional)*	11.00	11.00	11.25	11.25	11.25	11.25	11.25	11.50	11.50	11.50	11.75	11.75	11.75	12.00	12.25	12.25	12.25	12.50	12.50	12.50
3)	R&M, R&U, Transmission, Distribution and other Schemes	10.75	11.00	11.00	11.00	11.00	11.00	11.00	11.25	11.25	11.25	11.50	11.50	11.50	11.75	12.00	12.00	12.00	12.25	12.25	12.25
4)	Computerization	11.25				11.50															
B)	Loan to Equipment Manufacturers																				
1)	Upto 1 year	11.00				11.25															
2)	More than 1 year and up to 3 years	11.50				11.75															

**II - SHORT TERM LOANS (STL)**

Sl. No.	Category of Borrower	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for upto 6 months, with monthly Rest (%)	Rate of interest for STL for more than 6 months & upto 1 year, with monthly Rest (%)	Rate of interest for STL for more than 1 year & upto 3 years, with monthly Rest (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A+"	9.75	10.25	10.50	10.75
2	State Sector Borrowers- Category "A" and other CPSUs	10.00	10.50	10.75	11.00
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	10.25	10.75	11.00	11.25
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	10.50	11.00	11.25	11.50

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL / Medium Term Loans where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerisation are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 6th January, 2011.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- \*In respect of TermsLoans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at SL.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions, if disbursements under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs.700 crores in case of Discoms & Transco and Rs.1000 crores for an integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-18(1)/2008/342 dated 27th November, 2008 and No.SEC-18(1)/2008/1165 dated 9th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable

## 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

Dated: 17<sup>th</sup> February, 2011

### LOAN POLICY CIRCULAR – No.003 / 2011

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

Ref: 1. Loan Policy Circular No. 001/2011 dated 6<sup>th</sup> January, 2011

The Sub-Committee of the Board of Directors of REC, in its 32<sup>nd</sup> Meeting held on 17<sup>th</sup> February, 2011 has approved revision of lending rates in respect of Terms Loans and Short Term Loans with immediate effect as per details given in the enclosed Annexure.

2. The revised interest rates as per Annexure will be applicable in respect of all disbursements made on or after 17<sup>th</sup> February, 2011.
3. All other terms and conditions of loans / schemes as notified earlier remain unchanged.
4. 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.

(M.L. Kumawat)  
Chief Manager (F&A)  
CS Division

Encls : Annexure

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending rates effective from **17th February , 2011**

**I - TERM LOANS**

Sl. No.	Schemes	State Sector Borrowers (Category "A" and Identified CPSUs and all AAA Companies)				State Sector Borrowers (Category "A" Private Sector Borrowers I to III Companies)				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after 10 years				With reset after 10 years				With reset after 10 years				With reset after 10 years			
		Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD	Post COD	% p.a.	Pre COD
A)	Term Loan/Schemes																
1)	Conventional Generation-Large	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	12.25	12.25	12.25	12.50	12.75	12.75	13.00	13.00
2)	Generation-Others (excluding Non-conventional)*	11.25	11.25	11.50	11.50	11.50	11.50	11.75	11.75	12.25	12.25	12.25	12.50	12.75	12.75	13.00	13.00
3)	R&M, R&U, Transmission, Distribution and other Schemes	11.25		11.50				11.75		12.00			12.25	12.50		12.75	
4)	Computerization	11.25					11.50										
B)	Loan to Equipment Manufacturers																
1)	Upto 1 year	11.50					11.75			12.50				12.50			
2)	More than 1 year and up to 3 years	12.00					12.25			13.00				13.00			

**II - SHORT TERM LOANS (STL)**

Sl. No.	Category of Borrower	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for upto 6 months, with monthly Rest (%)	Rate of interest for STL for more than 6 months & upto 1 year, with monthly Rest (%)	Rate of interest for STL for more than 1 year & upto 3 years, with monthly Rest (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A+"	11.00	11.50	11.75	11.25
2	State Sector Borrowers- Category "A" and other CPSUs	11.25	11.75	12.00	11.50
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	11.50	12.00	12.25	11.75
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	11.75	12.25	12.50	12.00

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL / Medium Term Loans where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerisation are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 17th February, 2011.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- In respect of Terms Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at S.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions, if disbursements under these schemes reach target amount within specified period. The minimum disbursement to be considered for offering this discount is Rs.700 crores in case of Discoms & Transco and Rs.1000 crores for an integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-18(1)/2006/342 dated 27th November, 2006 and No.SEC-18(1)/2008/1165 dated 9th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government State entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable

# 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

Dated: 21<sup>st</sup> April, 2011

### LOAN POLICY CIRCULAR – No.004 / 2011

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

**Ref :** 1. Loan Policy Circular No. 003/2011 dated 17<sup>th</sup> February, 2011

The Chairman & Managing Director has approved upward revision of existing lending rates in respect of Terms Loans and Short Term Loans by 25 bps across the board, with immediate effect as per details given in the enclosed Annexure.

2. The revised interest rates as per Annexure will be applicable in respect of all disbursements made on or after 21<sup>st</sup> April, 2011.
3. All other terms and conditions of loans / schemes as notified earlier remain unchanged.
4. 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.

(M.L. Kumawat)  
Chief Manager (F&A)  
CS Division

Encls : Annexure

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending rates effective from **21st April , 2011**

**I - TERM LOANS**

Sl. No.	Schemes	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers & AAA Companies (other than identified CPSUs & AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after every 3 years		With reset after 10 years		With reset after every 3 years		With reset after 10 years		With reset after every 3 years		With reset after 10 years		With reset after every 3 years		With reset after 10 years	
		Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD	Pre COD	Post COD
A)	Term Loan/Schemes																
1)	Conventional Generation-Large	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	13.00	13.00	13.25	13.25
2)	Generation-Others (excluding Non-conventional)*	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	13.00	13.00	13.25	13.25
3)	R&M, R&U, Transmission, Distribution and other Schemes	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00
4)	Computerization	11.50	11.50	11.75	11.75	11.75	11.75	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00
B)	Loan to Equipment Manufacturers																
1)	Upto 1 year	11.75	11.75	12.00	12.00	12.00	12.00	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25
2)	More than 1 year and up to 3 years	12.25	12.25	12.50	12.50	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75

**II - SHORT TERM LOANS (STL)**

Sl. No.	Category of Borrower	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for upto 6 months, with monthly Rest (%)	Rate of interest for STL for upto 1 year, with monthly Rest (%)	Rate of interest for STL for more than 1 year & upto 3 years, with monthly Rest (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A"	11.25	11.75	12.00	12.25
2	State Sector Borrowers- Category "A" and other CPSUs	11.50	12.00	12.25	12.50
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	11.75	12.25	12.50	12.75
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	12.00	12.50	12.75	13.00

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL / Medium Term Loans where rates are with monthly rest.
- Identified CPSUs are NTPC,NLC,DVC,NHPC,NPCIL,PGCIL,SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerisation are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 21st April, 2011.
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- In respect of Term Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at SLNo.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions, if disbursements under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs.700 crores in case of Discoms & Transco and Rs.1000 crores in case of Discoms & Transco and Rs.1000 crores in case of Discoms & Transco.
- The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-1/8(1)/2006/342 dated 27th November, 2006 and No.SEC-1/8(1)/2008/1165 dated 9th June, 2008.
- In case of Joint Venture being formed by Identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

# 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

Dated: 20<sup>th</sup> May, 2011

### LOAN POLICY CIRCULAR – No.005 / 2011

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

**Ref : Loan Policy Circular No. 004/2011 dated 21<sup>st</sup> April, 2011**

The Sub Committee of the Board of Directors of REC in its 33<sup>rd</sup> Meeting held on 19<sup>th</sup> May, 2011 has approved upward revision of existing lending rates in respect of Term Loans, Computerization schemes and Loan to Equipment Manufacturers by 50 bps across the board, as per details given in the enclosed Annexure.

2. The revised interest rates as per Annexure will be applicable in respect of all disbursements made on or after 20<sup>th</sup> May, 2011.
3. The existing lending rates in respect of Short Term Loans (STL) as notified vide Loan Policy Circular No.004/2011 dated 21<sup>st</sup> April, 2011 will remain unchanged.
3. All other terms and conditions of loans / schemes as notified earlier remain unchanged.
4. 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 K. Arora)  
GM (F&A) & Company Secretary

Encls : Annexure

### 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.

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
**Lending rates effective from 20th May , 2011**

**I - TERM LOANS**

Sl. No.	Schemes	State Sector Borrowers (Category "A" & "B") and identified CPSUs and all AAA Companies				State Sector Borrowers (Category "A" & "B") Central Sector Borrowers (other than identified CPSUs & AAA Companies)				Private Sector Borrowers Grade - I to III				Private Sector Borrowers Grade - IV				Private Sector Borrowers Grade - V			
		With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.	With reset after every 3 years	Pre COD	Post COD	% p.a.
A)	Term Loan/Schemes																				
1)	Conventional Generation-Large	12.00	12.00	12.25	12.25	12.25	12.25	12.25	12.50	12.75	13.00	13.00	13.00	13.25	13.25	13.50	13.50	13.50	13.75	13.75	13.75
2)	Generation-Others (excluding Non-conventional)	12.00	12.00	12.25	12.25	12.25	12.25	12.25	12.50	12.75	13.00	13.00	13.00	13.25	13.25	13.50	13.50	13.50	13.75	13.75	13.75
3)	R&M, R&U, Transmission, Distribution and other Schemes	12.00		12.25		12.25			12.50	12.50	12.75			13.00		13.25		13.50			13.50
4)	Computerization	12.00				12.25															
B)	Loan to Equipment Manufacturers																				
1)	Upto 1 year	12.25				12.50				13.25				13.75				13.75			
2)	More than 1 year and up to 3 years	12.75				13.00															

**II - SHORT TERM LOANS (STL)**

Sl. No.	Category of Borrower	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for upto 6 months, with monthly Rest (%)	Rate of interest for STL for more than 6 months & upto 1 year, with monthly Rest (%)	Rate of interest for STL for more than 1 year & upto 3 years, with monthly Rest (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A"	11.25	11.75	12.00	11.50
2	State Sector Borrowers- Category "A" and other CPSUs	11.50	12.00	12.25	11.75
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	11.75	12.25	12.50	12.00
4	State Sector Borrowers- Category "C" / Private Sector Borrowers other than "AAA"	12.00	12.50	12.75	12.25

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL / Medium Term Loans where rates are with monthly rest.
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PGCIL, SJVN, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerization are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 20th May, 2011.**
- Definition for large Generation Projects as at A(1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
- "In respect of Term Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category at Sl.No.A(1) above.
- In respect of Private Sector Borrowers, Grades-I,II,III,IV & V as stated above are based on REC's internal categorization / grading methodology.
- In respect of State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions. If disbursements under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs.700 crores in case of Discoms & Transco and Rs.1000 crores for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time, is applicable to North Eastern States only in line with our existing Loan Policy Circulars No.SEC-1/8(1)/2006/342 dated 27th November, 2006 and No.SEC-1/8(1)/2008/165 dated 9th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation Projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rate as applicable to the GENCO of the respective State would apply to such entities, till it is rated.

Not Applicable

## 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

Dated: 8<sup>th</sup> August, 2011

### LOAN POLICY CIRCULAR – No.007 / 2011

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


- Ref : 1. Loan Policy Circular No. 005/2011 dated 20th May, 2011  
2. Loan Policy Circular No.006/2011 dated 6th June, 2011

The Sub Committee of the Board of Directors of REC in its 36th Meeting held on 8th August, 2011 has approved the upward revision of existing lending rates in respect of Term Loans for all categories, and (a) STL for upto 3 months and (b) STL for more than 1 year & upto 3 years, by 25 bps as per details given in the enclosed Annexure.

The revised interest rates as per Annexure will be applicable in respect of all disbursements under above categories made on or after **8th August, 2011**.

All other rates, terms and conditions of loans / schemes as notified earlier remain unchanged.

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

Encls : Annexure

#### 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 (both internet and intranet).
6. CM (Rajbhasha)/Manager (Rajbhasha) - For Hindi Translation

RURAL ELECTRIFICATION CORPORATION LIMITED

## 1. TERM LOANS

Sl. No.	Schemes	State Sector Borrowers (Category "A" & "B", Central Sector Borrowers (Other than identified CPSUs & AAA Companies)										Private Sector Borrowers Grade - III										Private Sector Borrowers Grade - IV										Private Sector Borrowers Grade - V									
		With credit after 10 years		With credit after 15 years		With credit after 20 years		With credit after 25 years		With credit after 30 years		With credit after 35 years		With credit after 40 years		With credit after 45 years		With credit after 50 years		With credit after 55 years		With credit after 60 years		With credit after 65 years		With credit after 70 years		With credit after 75 years		With credit after 80 years		With credit after 85 years		With credit after 90 years							
		With credit after 10 years	With credit after 15 years	With credit after 20 years	With credit after 25 years	With credit after 30 years	With credit after 35 years	With credit after 40 years	With credit after 45 years	With credit after 50 years	With credit after 55 years	With credit after 60 years	With credit after 65 years	With credit after 70 years	With credit after 75 years	With credit after 80 years	With credit after 85 years	With credit after 90 years	With credit after 10 years	With credit after 15 years	With credit after 20 years	With credit after 25 years	With credit after 30 years	With credit after 35 years	With credit after 40 years	With credit after 45 years	With credit after 50 years	With credit after 55 years	With credit after 60 years	With credit after 65 years	With credit after 70 years	With credit after 75 years	With credit after 80 years	With credit after 85 years	With credit after 90 years						
A	Term Loan/Schemes																																								
1)	Conventional Generation Large	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25							
2)	Generation-Other (excluding Non Conventional)	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25							
3)	RAM Ratio Transmission and other Schemes	12.25	12.50	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25							
4)	Computerization	12.25	12.25	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25							
B)	Loan to Equipment Manufacturers																																								
1)	upto 1 year	12.50	12.50	12.75	12.75	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25	16.25	16.50							
2)	More than 1 year and upto 3 years	13.00	13.00	13.25	13.25	13.50	13.50	13.75	13.75	14.00	14.00	14.25	14.25	14.50	14.50	14.75	14.75	15.00	15.00	15.25	15.25	15.50	15.50	15.75	15.75	16.00	16.00	16.25	16.25	16.50	16.50	16.75	16.75	17.00							

## II - SHORT TERM LOANS (STL)

Sl. No.	Category of Borrower	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for upto 3 months, with monthly Rest (%)	Rate of interest for STL for more than 3 months & upto 1 year, with monthly Rest (%)	Rate of interest for STL for more than 1 year & upto 3 years, with monthly Rest (%)
1	Central Sector Borrowers: Identified CPSUs/ State Sector Category "A-"	11.50	11.75	12.00	12.25
2	State Sector Borrowers-Category "A" and other CPSUs	11.75	12.00	12.25	12.50
3	State Sector Borrowers-Category "B", Private Sector Borrowers "AAA"	12.00	12.25	12.50	12.75
4	State Sector Borrowers-Category "C", Private Sector Borrowers other than "AAA"	12.25	12.50	12.75	13.00

## Notes:

1. The above rates are effective rates on quarterly rent basis except for STL - Medium Term Loans, where rates are with monthly rent.
2. Identified CPDs are WPC-NCC-PMC, NWC-PCC, PCC, SACC, TACC, or any other entity as identified by the Corporation from time to time.
3. The rates mentioned above for Commercial and Retail are not applicable for AAA private sector borrowers.
4. The revised Interest Rates as above will be applicable in respect of all disbursements made on or after 8th August, 2011.
5. Disbursement for large Corporation Projects as at A11 above stands revised to Sanction amount of Rs. 300 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
6. In respect of Term Loans for Non-conventional Generation Projects, the rate of interest would be the same as applicable for Conventional Generation-Large category as SL for A11 above.
7. In respect of Private Sector Borrowers, Grades A3, B3, C3, D3, E3, F3, G3, H3, I3, J3, K3, L3, M3, N3, O3, P3, Q3, R3, S3, T3, U3, V3, W3, X3, Y3, Z3, AA3, AB3, AC3, AD3, AE3, AF3, AG3, AH3, AI3, AJ3, AK3, AL3, AM3, AN3, AO3, AP3, AQ3, AR3, AS3, AT3, AU3, AV3, AW3, AX3, AY3, AZ3, BA3, BB3, BC3, BD3, BE3, BF3, BG3, BH3, BI3, BJ3, BK3, BL3, BM3, BN3, BO3, BP3, BQ3, BR3, BS3, BT3, BU3, BV3, BW3, BX3, BY3, BZ3, CA3, CB3, CC3, CD3, CE3, CF3, CG3, CH3, CI3, CJ3, CK3, CL3, CM3, CN3, CO3, CP3, CQ3, CR3, CS3, CT3, CU3, CV3, CW3, CX3, CY3, CZ3, DA3, DB3, DC3, DD3, DE3, DF3, DG3, DH3, DI3, DJ3, DK3, DL3, DM3, DN3, DO3, DP3, DQ3, DR3, DS3, DT3, DU3, DV3, DW3, DX3, DY3, DZ3, EA3, EB3, EC3, ED3, EE3, EF3, EG3, EH3, EI3, EJ3, EK3, EL3, EM3, EN3, EO3, EP3, EQ3, ER3, ES3, ET3, EU3, EV3, EW3, EX3, EY3, EZ3, FA3, FB3, FC3, FD3, FE3, FF3, FG3, FH3, FI3, FJ3, FK3, FL3, FM3, FN3, FO3, FP3, FQ3, FR3, FS3, FT3, FU3, FV3, FW3, FX3, FY3, FZ3, GA3, GB3, GC3, GD3, GE3, GF3, GG3, GH3, GI3, GJ3, GK3, GL3, GM3, GN3, GO3, GP3, GQ3, GR3, GS3, GT3, GU3, GV3, GW3, GX3, GY3, GZ3, HA3, HB3, HC3, HD3, HE3, HF3, HG3, HH3, HI3, HJ3, HK3, HL3, HM3, HN3, HO3, HP3, HQ3, HR3, HS3, HT3, HU3, HV3, HW3, HX3, HY3, HZ3, IA3, IB3, IC3, ID3, IE3, IF3, IG3, IH3, II3, IJ3, IK3, IL3, IM3, IN3, IO3, IP3, IQ3, IR3, IS3, IT3, IU3, IV3, IW3, IX3, IY3, IZ3, JA3, JB3, JC3, JD3, JE3, JF3, JG3, JH3, JI3, JJ3, JK3, JL3, JM3, JN3, JO3, JP3, JQ3, JR3, JS3, JT3, JU3, JV3, JW3, JX3, JY3, JZ3, KA3, KB3, KC3, KD3, KE3, KF3, KG3, KH3, KI3, KJ3, KK3, KL3, KM3, KN3, KO3, KP3, KQ3, KR3, KS3, KT3, KU3, KV3, KW3, KX3, KY3, KZ3, LA3, LB3, LC3, LD3, LE3, LF3, LG3, LH3, LI3, LJ3, LK3, LL3, LM3, LN3, LO3, LP3, LQ3, LR3, LS3, LT3, LU3, LV3, LW3, LX3, LY3, LZ3, MA3, MB3, MC3, MD3, ME3, MF3, MG3, MH3, MI3, MJ3, MK3, ML3, MM3, MN3, MO3, MP3, MQ3, MR3, MS3, MT3, MU3, MV3, MW3, MX3, MY3, MZ3, NA3, NB3, NC3, ND3, NE3, NF3, NG3, NH3, NI3, NJ3, NK3, NL3, NM3, NN3, NO3, NP3, NQ3, NR3, NS3, NT3, NU3, NV3, NW3, NX3, NY3, NZ3, OA3, OB3, OC3, OD3, OE3, OF3, OG3, OH3, OI3, OJ3, OK3, OL3, OM3, ON3, OO3, OP3, OQ3, OR3, OS3, OT3, OU3, OV3, OW3, OX3, OY3, OZ3, PA3, PB3, PC3, PD3, PE3, PF3, PG3, PH3, PI3, PJ3, PK3, PL3, PM3, PN3, PO3, PP3, PQ3, PR3, PS3, PT3, PU3, PV3, PW3, PX3, PY3, PZ3, QA3, QB3, QC3, QD3, QE3, QF3, QG3, QH3, QI3, QJ3, QK3, QL3, QM3, QN3, QO3, QP3, QQ3, QR3, QS3, QT3, QU3, QV3, QW3, QX3, QY3, QZ3, RA3, RB3, RC3, RD3, RE3, RF3, RG3, RH3, RI3, RJ3, RK3, RL3, RM3, RN3, RO3, RP3, RQ3, RR3, RS3, RT3, RU3, RV3, RW3, RX3, RY3, RZ3, SA3, SB3, SC3, SD3, SE3, SF3, SG3, SH3, SI3, SJ3, SK3, SL3, SM3, SN3, SO3, SP3, SQ3, SR3, SS3, ST3, SU3, SV3, SW3, SX3, SY3, SZ3, TA3, TB3, TC3, TD3, TE3, TF3, TG3, TH3, TI3, TJ3, TK3, TL3, TM3, TN3, TO3, TP3, TQ3, TR3, TS3, TT3, TU3, TV3, TW3, TX3, TY3, TZ3, UA3, UB3, UC3, UD3, UE3, UF3, UG3, UH3, UI3, UJ3, UK3, UL3, UM3, UN3, UO3, UP3, UQ3, UR3, US3, UT3, UU3, UV3, UW3, UX3, UY3, UZ3, VA3, VB3, VC3, VD3, VE3, VF3, VG3, VH3, VI3, VJ3, VK3, VL3, VM3, VN3, VO3, VP3, VQ3, VR3, VS3, VT3, VU3, VV3, VW3, VX3, VY3, VZ3, WA3, WB3, WC3, WD3, WE3, WF3, WG3, WH3, WI3, WJ3, WK3, WL3, WM3, WN3, WO3, WP3, WQ3, WR3, WS3, WT3, WU3, WV3, WW3, WX3, WY3, WZ3, XA3, XB3, XC3, XD3, XE3, XF3, XG3, XH3, XI3, XJ3, XK3, XL3, XM3, XN3, XO3, XP3, XQ3, XR3, XS3, XT3, XU3, XV3, XW3, XX3, XY3, XZ3, YA3, YB3, YC3, YD3, YE3, YF3, YG3, YH3, YI3, YJ3, YK3, YL3, YM3, YN3, YO3, YP3, YQ3, YR3, YS3, YT3, YU3, YV3, YW3, YX3, YY3, YZ3, ZA3, ZB3, ZC3, ZD3, ZE3, ZF3, ZG3, ZH3, ZI3, ZJ3, ZK3, ZL3, ZM3, ZN3, ZO3, ZP3, ZQ3, ZR3, ZS3, ZT3, ZU3, ZV3, ZW3, ZX3, ZY3, ZZ3.
8. In respect of State Sector Borrowers, the rating "A+", "A", "B+", "B", "C+", "C", "D+", "D", "E+", "E", "F+", "F", "G+", "G", "H+", "H", "I+", "I", "J+", "J", "K+", "K", "L+", "L", "M+", "M", "N+", "N", "O+", "O", "P+", "P", "Q+", "Q", "R+", "R", "S+", "S", "T+", "T", "U+", "U", "V+", "V", "W+", "W", "X+", "X", "Y+", "Y", "Z+", "Z", "AA", "AB", "AC", "AD", "AE", "AF", "AG", "AH", "AI", "AJ", "AK", "AL", "AM", "AN", "AO", "AP", "AQ", "AR", "AS", "AT", "AU", "AV", "AW", "AX", "AY", "AZ", "BA", "BB", "BC", "BD", "BE", "BF", "BG", "BH", "BI", "BJ", "BK", "BL", "BM", "BN", "BO", "BP", "BQ", "BR", "BS", "BT", "BU", "BV", "BW", "BX", "BY", "BZ", "CA", "CB", "CC", "CD", "CE", "CF", "CG", "CH", "CI", "CJ", "CK", "CL", "CM", "CN", "CO", "CP", "CQ", "CR", "CS", "CT", "CU", "CV", "CW", "CX", "CY", "CZ", "DA", "DB", "DC", "DD", "DE", "DF", "DG", "DH", "DI", "DJ", "DK", "DL", "DM", "DN", "DO", "DP", "DQ", "DR", "DS", "DT", "DU", "DV", "DW", "DX", "DY", "DZ", "EA", "EB", "EC", "ED", "EE", "EF", "EG", "EH", "EI", "EJ", "EK", "EL", "EM", "EN", "EO", "EP", "EQ", "ER", "ES", "ET", "EU", "EV", "EW", "EX", "EY", "EZ", "FA", "FB", "FC", "FD", "FE", "FF", "FG", "FH", "FI", "FJ", "FK", "FL", "FM", "FN", "FO", "FP", "FQ", "FR", "FS", "FT", "FU", "FV", "FW", "FX", "FY", "FZ", "GA", "GB", "GC", "GD", "GE", "GF", "GG", "GH", "GI", "GJ", "GK", "GL", "GM", "GN", "GO", "GP", "GQ", "GR", "GS", "GT", "GU", "GV", "GW", "GX", "GY", "GZ", "HA", "HB", "HC", "HD", "HE", "HF", "HG", "HH", "HI", "HJ", "HK", "HL", "HM", "HN", "HO", "HP", "HQ", "HR", "HS", "HT", "HU", "HV", "HW", "HX", "HY", "HZ", "IA", "IB", "IC", "ID", "IE", "IF", "IG", "IH", "II", "IJ", "IK", "IL", "IM", "IN", "IO", "IP", "IQ", "IR", "IS", "IT", "IU", "IV", "IW", "IX", "IY", "IZ", "JA", "JB", "JC", "JD", "JE", "JF", "JG", "JH", "JI", "JJ", "JK", "JL", "JM", "JN", "JO", "JP", "JQ", "JR", "JS", "JT", "JU", "JV", "JW", "JX", "JY", "JZ", "KA", "KB", "KC", "KD", "KE", "KF", "KG", "KH", "KI", "KJ", "KK", "KL", "KM", "KN", "KO", "KP", "KQ", "KR", "KS", "KT", "KU", "KV", "KW", "KX", "KY", "KZ", "LA", "LB", "LC", "LD", "LE", "LF", "LG", "LH", "LI", "LJ", "LK", "LM", "LN", "LO", "LP", "LQ", "LR", "LS", "LT", "LU", "LV", "LW", "LX", "LY", "LZ", "MA", "MB", "MC", "MD", "ME", "MF", "MG", "MH", "MI", "MJ", "MK", "ML", "MM", "MN", "MO", "MP", "MQ", "MR", "MS", "MT", "MU", "MV", "MW", "MX", "MY", "MZ", "NA", "NB", "NC", "ND", "NE", "NF", "NG", "NH", "NI", "NJ", "NK", "NL", "NM", "NN", "NO", "NP", "NQ", "NR", "NS", "NT", "NU", "NV", "NW", "NX", "NY", "NZ", "OA", "OB", "OC", "OD", "OE", "OF", "OG", "OH", "OI", "OJ", "OK", "OL", "OM", "ON", "OO", "OP", "OQ", "OR", "OS", "OT", "OU", "OV", "OW", "OX", "OY", "OZ", "PA", "PB", "PC", "PD", "PE", "PF", "PG", "PH", "PI", "PJ", "PK", "PL", "PM", "PN", "PO", "PP", "PQ", "PR", "PS", "PT", "PU", "PV", "PW", "PX", "PY", "PZ", "QA", "QB", "QC", "QD", "QE", "QF", "QG", "QH", "QI", "QJ", "QK", "QL", "QM", "QN", "QO", "QP", "QQ", "QR", "QS", "QT", "QU", "QV", "QW", "QX", "QY", "QZ", "RA", "RB", "RC", "RD", "RE", "RF", "RG", "RH", "RI", "RJ", "RK", "RL", "RM", "RN", "RO", "RP", "RQ",

## Application

# 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)/2012/2720

Dated: 21<sup>st</sup> August, 2012

### LOAN POLICY CIRCULAR – No.004 / 2012

**Sub: Introduction of (a) Interest Rates based on Integrated Rating for Private Sector Borrowers; and (b) Interest Rates for Transitional Financing to State DISCOMs.**

Ref : 1. Loan Policy Circular No.002/2012 dated 9<sup>th</sup> May, 2012  
2. Loan Policy Circular No.008/2011 dated 2<sup>nd</sup> September, 2011

The Board of Directors, REC in its 389<sup>th</sup> Meeting held on 9<sup>th</sup> August, 2012 have approved (a) Integrated Rating Guidelines for Entity and Project Appraisal of Private Sector Generation Projects; and (b) Broad Guidelines for Transitional Financing to State Sector DISCOMs.

2. Consequently, the Sub-Committee of the Board of Directors, REC in its 45<sup>th</sup> Meeting held on 17<sup>th</sup> August, 2012 has approved the (i) Interest Rates based on Integrated Rating for Private Sector Borrowers; and (ii) Interest Rates for Transitional Financing to State Sector DISCOMs, as per details given in the enclosed Annexure-A and the same will be applicable in respect of all disbursements made on or after 21<sup>st</sup> August, 2012.

3. All other terms and conditions of loans / schemes as notified earlier shall also remain unchanged.
4. 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

Encls: Annexure-A

### Distribution:

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

## ! - TERM LOANS

	State Sector Borrowers (Category "A+")	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than identified CPSUs & AAA Companies) (AND)	Private Sector Borrowers with Integrated Rating of IR-1	Private Sector Borrowers (a) With integrated Rating of IR-2 (b) Entity Grade : I & II	Private Sector Borrowers (a) With integrated Rating of IR-3 (b) Entity Grade : III & IV (c) DISCOM Grade - A	Private Sector Borrowers (a) With integrated Rating of IR-4	Private Sector Borrowers (a) With integrated Rating of IR-5 (b) Entity Grade : V (c) DISCOM Grade - B (d) Non Graded
Schemes	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.	With reset after every 3 years Pre Post COD % p.a.
A) Term Loan Schemes							
1) Conventional Generation-Large	12.50	12.50	12.75	12.75	13.00	13.00	13.50
2) Generation-Others (excluding Non-Conventional)	12.50	12.50	12.75	12.75	13.00	13.00	13.50
3) Non-Conventional Generation (Renewable Energy)	12.25	12.25	12.50	12.50	12.75	12.75	13.00
4) R&M, R&U, Transmission, Distribution and other Schemes	12.25	12.50	12.50	12.50	12.75	12.75	13.00
5) Computerization	12.25		12.50				
B) Loan to Equipment Manufacturers							
1) Upto 1 year	12.50		12.75				14.00
2) More than 1 year and up to 3 years	13.00		13.25				14.25
C) Transitional Financing							
1) Upto 5 years (including Moratorium period)	12.25		12.50				13.75
2) More than 5 years (including Moratorium period)	12.50		12.75				14.00

### III - SHORT TERM LOANS (STL)

Sl. No.	Category of Borrower	Rate of interest for STL for more than 3 months and upto 8 months, with monthly Real (%)	Rate of interest for STL for more than 8 months & upto 1 year, with monthly Real (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Category "A"	13.00	13.25
2	State Sector Borrowers- Category "A" and other CPSUs	13.25	13.50
3	State Sector Borrowers- Category "B" / Private Sector Borrowers ("AAA")	13.50	13.75
4	State Sector Borrowers- Category "C"/Private Sector Borrowers other than "AAA"	13.75	14.00

## Notes:

1. The above rates are effective rates on quarterly rest basis except for STL / Medium Term Loans where rates are with monthly rest.
2. Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, POCIL, SJVNL, THDC or any other entity as identified by the Corporation from time to time.
3. The rates mentioned as above for Compensation are not applicable for AAA private sector borrowers.
4. The revised interest rates as above will be applicable in respect of all disbursements made on or after 21<sup>st</sup> August, 2012.
5. Definition for Large Generation Projects as at A1) above stands revised to Sanction amount of Rs.500 Crores and above both in respect of State / Central Sector Borrowers as well as Private Sector Borrowers.
6. In respect of Private Sector Borrowers, Grades A-I, II, III, IV, V and Borrowers with Integrated Rating of IR-1 to IR-5 as stated above are based on REC's internal categorization methodology.
7. For State Sector Borrowers, the rating "A+", "A", "B", "C" are based on the REC's internal grading methodology.
8. For State Sector category "C" borrowers, the applicable rates would be 0.5% higher than the applicable rates for State Sector category "A" Borrowers.
9. A volume discount of 25 bps on applicable interest rate can be offered for loans for distribution & transmission schemes on future sanctions. For this purpose, the applicable rates would be 0.5% higher than the applicable rates for State Sector category "A" Borrowers. A volume discount of 25 bps on applicable interest rate can be offered for loans for distribution & transmission schemes on future sanctions. For this purpose, the applicable rates would be 0.5% higher than the applicable rates for State Sector category "A" Borrowers.
10. The minimum disbursement amount to be considered for offering this discount is Rs.750 Crores in case of Distribution & Transmission and Rs.1000 Crores for an Integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of the MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate.
11. The minimum disbursement amount to be considered for offering this discount is Rs.750 Crores in case of Distribution & Transmission and Rs.1000 Crores for an Integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of the MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate.
12. The minimum disbursement amount to be considered for offering this discount is Rs.750 Crores in case of Distribution & Transmission and Rs.1000 Crores for an Integrated SEB for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MOU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MOU. The Transmission and Distribution loans sanctioned after signing of the MOU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs.700 crores / Rs.1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate.

Not Applicable

# RURAL ELECTRIFICATION CORPORATION LIMITED

(A Govt. of India Enterprise)  
Core-4, SCOPE Complex, Lodhi Road, New Delhi-110003.

## COMPANY SECRETARY'S DIVISION

No.SEC-1/8(1)/2013/201

Dated: 15<sup>th</sup> February, 2013

### LOAN POLICY CIRCULAR No.003 / 2013

Sub: Downward revision in the lending rates of Term Loans and Short Term Loans (STL).

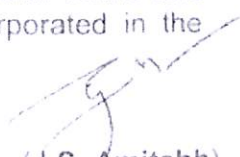
Ref : 1. Loan Policy Circular No.002/2013 dated 30<sup>th</sup> January, 2013  
2. Loan Policy Circular No.004/2012 dated 21<sup>st</sup> August, 2012

The Sub-Committee of the Board of Directors, REC in its 53<sup>rd</sup> Meeting held on 14<sup>th</sup> February, 2013 has accorded approval for downward revision in existing lending rates of (a) Term Loans (except Transitional Finance Loans & Computerisation Loans) by 25 bps; (b) Renewable Energy Projects (within purview of MNRE) Loans by 50 bps; and (c) a discount of 25 bps on Short Term Loans (STL) & Transitional Finance Loan rates, where the STL/Transitional Finance Loan is secured by State Government Guarantee, for all categories of borrowers as per details given in the enclosed Annexure-A.

2. The revised interest rates as above will be applicable in respect of all disbursements made on or after 15<sup>th</sup> February, 2013.

3. All other terms and conditions of Term Loans & Short Term Loans as notified earlier shall remain unchanged.

4. 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 informed to all concerned and correctly incorporated in the sanction letters.

  
(J.S. Amitabh)  
GM & Company Secretary

Encls: Annexure-A'

#### Distribution:

1. AM/Sr. Officer to CMD, Director (Finance), Director (Technical.), and CVO, REC.
2. All Executive Directors / General Managers at Corporate Office, REC.
3. All Addl.GMs /Dy.GMs at Corporate Office, REC.
4. All Zonal Managers / CPM in ZOs/POs, Addl. Director, CIRE, and Incharge Sub-Offices REC.
5. AGM (IT), REC - for posting on the websites / intranet of REC.
6. DGM (Rajbhasha) / Manager (Rajbhasha), REC - For Translation into Hind.

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
**Lending Rates effective from 15th February 2013**

**I - TERM LOANS - (With reset after every 3 years)**

Sl. No.	Category of Loans /Schemes	State Sector Borrowers (Category "A" & "B") (Category "A" & "B") Central Sector Borrowers (other than Identified CPSUs & AAA Companies and Private Sector Borrowers with Integrated Rating of IR-1)	Private Sector Borrowers			
			(a) With Integrated Rating of IR-2 (b) Entity Grade: II & III	(a) With Integrated Rating of IR-3 (b) Entity Grade: III & IV (c) DISCOM Grade- A	(a) With Integrated Rating of IR-4	(a) With Integrated Rating of IR-5 (b) Entity Grade: V (c) DISCOM Grade- B (d) Non Graded
			(% p.a.)			
Term Loan/Schemes						
A)						
1)	Conventional Generation	12.25	12.50	13.00	13.25	13.50
2)	Non-Conventional Generation - Renewable Energy Projects (within purview of MNRE)	11.75	12.00	12.50	12.75	13.00
3)	R&M, R&U, Transmission, Distribution and other Schemes	12.00	12.25	12.50	12.75	13.25
4)	Computerization	12.25	12.50			
Loan to Equipment Manufacturers						
B)						
1)	Upto 1 year	12.25	12.50	13.00	13.25	13.50
2)	More than 1 year and up to 3 years	12.75	13.00	13.50	13.75	14.00

**II- TRANSITIONAL FINANCING LOANS - (With reset after every 3 years)**

Particulars	Category A*		Category B		Category C	
	12.00	12.25	12.50	12.75	12.75	12.82
1) If interest is paid Quarterly	11.88	12.13	12.37	12.62		
2) If interest is paid Monthly						

**III - SHORT TERM LOANS (STL)**

Sl. No.	Category of Borrower	Interest Rates for STL for more than 3 months and upto 6 months, with monthly rests (%)		Interest Rates for STL for more than 6 months and upto 1 year, with monthly rests (%)	
		12.50	12.75	13.00	13.25
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Borrowers Category "A"	12.50	12.75	13.00	13.25
2	State Sector Borrowers Category "A" and other CPSUs	12.50	12.75	13.00	13.25
3	State Sector Borrowers Category "B" / Private Sector Borrowers ("AAA")	13.00	13.25	13.50	13.75
4	State Sector Borrowers Category "C"/Private Sector Borrowers other than "AAA"	13.25	13.50	13.75	14.00

**Notes:**

- The above rates are effective rates on quarterly rest basis except for STL / Transitional Financing Loans (if interest is paid monthly) where rates are with monthly rest.
- 25 bps discount shall be allowed for Financial Assistance under schemes of (i) Short Term Loans and (ii) Transitional Financing to Discoms, where such Financial Assistance is secured by the State Government Guarantee.
- Interest rate for Term Loans with "Reset after every 10 Years" shall be 25 bps higher than the rates of Term Loans with "Reset after every 3 years".
- Identified CPSUs are NTPC, NLC, DVC, NHPC, NPCIL, PGCIL, SJVNL, THDC or any other entity as identified by the Corporation from time to time.
- The rates mentioned as above for Computerization are not applicable for AAA private sector borrowers.
- The revised interest rates as above will be applicable in respect of all disbursements made on or after 15th February, 2013.
- In respect of Private Sector Borrowers, Grades-I, II, III, IV, V and Borrowers with Integrated Rating of IR-1 to IR-5 as stated above are based on REC's internal categorization methodology.
- In respect of State Sector Borrowers, the rating "A+", "B+", "C+" are based on the REC's internal grading methodology.
- For State Sector category "C" borrowers, the applicable rates would be 0.50% higher than the applicable rates for State Sector category "A" Borrowers.
- A volume discount of 25 bps on applicable interest rates can be offered in case of loans for distribution & transmission schemes on future sanctions, if disbursements under these schemes reach target amount within specified period. The minimum disbursement amount to be considered for offering this discount is Rs. 700 crores in case of Discoms & Transco and Rs. 1000 crores for the combined disbursement for its Distribution and Transmission schemes. For this purpose, borrowers shall be required to sign an MoU with REC, committing to draw the required amount within a period of two and half years from the date of signing of MoU. The Transmission and Distribution loans sanctioned after signing of MoU with REC would be eligible for the benefit under this policy. The discount under the policy shall be passed on to the borrowers only on the interest due on or after drawal of Rs 700 crores / Rs 1000 crores as applicable. The Total disbursement made during the specified period shall be eligible for a discount of 25 bps from the applicable rate till it is repaid.
- A general rebate of 25 bps on the prevailing interest rates for T&D projects / schemes, and additional rebate of 25 bps for compliance with reform conditionalities as stipulated by Ministry of Power from time to time is applicable to North Eastern States only in line with our existing Loan Policy Circulars No SEC-1/81/2009/242 dated 27th November, 2006 and No SEC-1/81/2009/165 dated 9th June, 2008.
- In case of Joint Venture being formed by identified CPSUs / State Sector Borrowers / Central Sector Borrowers among themselves, the applicable rate of interest for such JV entity shall be same as applicable to the entity holding 51% or more equity in the said JV.
- In case of Generation projects, if there is a Government Sector entity (Other than identified CPSUs / rated State entities and AAA rated companies) which has presently not been rated, interest rates as applicable to the GENCO of the respective State would apply to such entities, till it is rated.
- For corresponding effective annualized interest rates Annexure-B attached to this Loan Policy Circular may please be referred to.
- Not Applicable

# RURAL ELECTRIFICATION CORPORATION LIMITED

(A Govt. of India Enterprise)  
Core-4, SCOPE Complex, Lodhi Road, New Delhi-110003.

## COMPANY SECRETARY'S DIVISION

No.SEC-1/8(1)/2013/343

Dated: 19<sup>th</sup> June, 2013

### LOAN POLICY CIRCULAR – No.006 / 2013

**Sub: 1. Introduction of new category of loan viz. "Medium Term Loan (MTL) for more than 1 year and upto 3 years"; and  
2. Downward revision in the lending rates of Short Term Loans (STL).**

**Ref : Loan Policy Circular No.004/2013 dated 20<sup>th</sup> May, 2013.**

The Board of Directors, REC in its 395<sup>th</sup> Meeting held on May 28, 2013 has approved introduction of new category of loan viz. "Medium Term Loan (MTL) - for a period of more than one year and upto three years" for Central / State Sector Borrowers and authorized CMD to approve the policy in this regard. The Policy for Medium Term Loans has since been approved and notified vide Entity Appraisal Division's Circular No.REC/SBG/EAD/MTL/13-14/01 dated 11.6.2013.

In line with the above decision, the Sub-Committee of the Board of Directors, REC Limited for Review of lending rates of Term Loans/Short Term Loans, in its 57<sup>th</sup> Meeting held on 19<sup>th</sup> June, 2013 has approved fixing of interest rates for Medium Term Loans for Central / State Sector Borrowers, as detailed in Annexure-A.

Further, the Sub-Committee has also approved downward revision of existing lending / interest rates of Short Term Loans (STL) by 25 basis points for all categories of borrowers. All other terms and conditions of Short Term Loans as notified earlier shall remain unchanged.

**The interest rates as detailed in Annexure-A will be applicable in respect of all disbursements made on or after 19<sup>th</sup> June, 2013.**

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 informed to all concerned and correctly incorporated in the sanction letters.

  
(J.S. Amitabh)  
GM & Company Secretary

**Encls: Annexure-A**

### Distribution:

1. AM/Sr.Officer to CMD, Director (Finance), Director (Technical.), and CVO, REC.
2. All Executive Directors / General Managers at Corporate Office, REC.
3. All Addl.GMs /Dy.GMs at Corporate Office, REC.
4. All Zonal Managers / CPM in ZOs/POs, Addl. Director, CIRE, and Incharge Sub-Offices, REC.
5. AGM (IT), REC – for uploading on the websites / intranet of REC.
6. DGM (Rajbhasha) / Manager (Rajbhasha), REC - For Translation into Hindi.

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending Rates effective from 19th June, 2013

I - TERM LOANS - (With reset after every 3 years)									
Sl. No.	Category of Loans /Schemes	State Sector Borrowers (Category "A+" ) and Identified CPSUs and AAA Rated Companies	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than Identified CPSUs & AAA Companies) and Private Sector Borrowers with Integrated Rating of IR-1	(a) With Integrated Rating of IR-2 (b) Entity Grade: I& II (c) DISCOM Grade- A		(a) With Integrated Rating of IR-3 (b) Entity Grade: III & IV (c) DISCOM Grade- B		(a) With Integrated Rating of IR-4 (b) Entity Grade: V (c) DISCOM Grade- B (d) Non Graded	
		Private Sector Borrowers							
(% p.a.)									
A) Term Loan/Schemes									
1)	Conventional Generation	12.25	12.50	13.00	13.25	13.50	13.75		
2)	Non-Conventional Generation - Renewable Energy Projects (within purview of MINRE)	11.75	12.00	12.50	12.75	13.00	13.25		
3)	R&M, R&U, Transmission, Distribution and other Schemes	12.00	12.25	12.50	12.75	13.25	13.50		
4)	Computerization	12.25	12.50						
B) Loan to Equipment Manufacturers									
1)	Upto 1 year	12.25	12.50	13.00	13.25	13.50	13.75		
2)	More than 1 year and up to 3 years	12.75	13.00	13.50	13.75	14.00	14.00		
II- TRANSITIONAL FINANCING LOANS - (With reset after every 3 years)									
Particulars									
1)	If interest is paid Quarterly			Category A+	Category A	Category B	Category C		
2)	If interest is paid Monthly			12.00 11.88	12.25 12.13	12.50 12.37	12.75 12.62		
III - SHORT TERM LOANS (STL) / MEDIUM TERM LOANS (MTL)									
Sl. No.	Category of Borrower	STL				MTL			
		Interest Rates for STL for more than 3 months and upto 6 months, with monthly rests (%)	Interest Rates for STL more than 6 months and upto 1 year, with monthly rests (%)	Interest Rates for STL for more than 6 months and upto 1 year, with monthly rests (%)	Interest Rates for MTL for more than 1 year and upto 3 years, with monthly rests (%)	Interest Rates for MTL for more than 1 year and upto 3 years, on quarterly rests (%)			
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Borrowers Category "A+"	12.00	12.25	12.50	12.50	12.63			
2	State Sector Borrowers Category "A" and other CPSUs	12.25	12.50	12.75	12.75	12.89			
3	State Sector Borrowers Category "B" / Private Sector Borrowers ("AAA")	12.50	12.75	13.00	13.00	13.14			
4	State Sector Borrowers Category "C"/Private Sector Borrowers other than "AAA"	12.75							

\* For "Notes" Please see next page

# **RURAL ELECTRIFICATION CORPORATION LIMITED**

(A Govt. of India Enterprise)

Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003.

## **COMPANY SECRETARY'S DIVISION**

No.SEC-1/8(1)/2013/ 68

Dated: 19<sup>th</sup> August, 2013

### **LOAN POLICY CIRCULAR – No.007 / 2013**

**Sub: Upward revision in the lending rates of Term Loans, Short Term Loans (STL) and Medium Term Loans (MTL).**

**Ref : Loan Policy Circular No.006/2013 dated 19<sup>th</sup> June, 2013.**

The Sub-Committee of the Directors, REC Limited for Review of lending rates of Term Loans/Short Term Loans, in its 60<sup>th</sup> Meeting held on 19<sup>th</sup> August, 2013 has approved Upward revision in the existing lending rates of Term Loans, Short Term Loans (STL) and Medium Term Loans (MTL) by 25 bps for all category of borrowers,.

**The revised interest rates as detailed in Annexure-A will be applicable in respect of all disbursements made on or after 20<sup>th</sup> August, 2013.**

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 informed to all concerned and correctly incorporated in the sanction letters.



**(J.S. Amitabh)**  
**GM & Company Secretary**

**Encls: Annexure-A**

### **Distribution:**

1. AM/Sr.Officer to CMD, Director (Finance), Director (Technical.), and CVO, REC.
2. All Executive Directors / General Managers at Corporate Office, REC.
3. All Addl.GMs /Dy.GMs at Corporate Office, REC.
4. All Zonal Managers / CPM in ZOs/POs, Addl. Director, CIRE, and Incharge Sub-Offices, REC.
5. AGM (IT), REC – for uploading on the websites / intranet of REC.
6. DGM (Rajbhasha) / Manager (Rajbhasha), REC - For Translation into Hindi.

Annexure-A

(LPC No. 007/2013 dated August 19, 2013)

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending Rates effective from **August 20, 2013**

I - TERM LOANS - (With reset after every 3 years)									
Sl. No.	Category of Loans /Schemes	State Sector Borrowers (Category "A" & "B") and Identified CPSUs and AAA Rated Companies	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than Identified CPSUs & AAA Companies) and Private Sector Borrowers with Integrated Rating of IR-1	(a) With Integrated Rating of IR-2 (b) Entity Grade: II & III	(a) With Integrated Rating of IR-3 (b) Entity Grade: III & IV (c) DISCOM Grade- A	(a) With Integrated Rating of IR-4	(a) With Integrated Rating of IR-5 Entity Grade: V (c) DISCOM Grade-B (d) Non Graded		
		(% p.a.)							
A)	Term Loan/Schemes								
1)	Conventional Generation	12.50	12.75	13.25	13.50	13.75	14.00		
2)	Non-Conventional Generation - Renewable Energy Projects (within purview of MNRE)	12.00	12.25	12.75	13.00	13.25	13.50		
3)	R&M, R&U, Transmission, Distribution and other Schemes	12.25	12.50	12.75	13.00	13.50	13.75		
4)	Computerization	12.50	12.75						
B)	Loan to Equipment Manufacturers								
1)	Up to 1 year	12.50	12.75	13.25	13.50	13.75	14.00		
2)	More than 1 year and up to 3 years	13.00	13.25	13.75	14.00	14.25	14.25		
II- TRANSITIONAL FINANCING LOANS - (With reset after every 3 years)									
	Particulars	Category A+		Category A		Category B	Category C		
1)	If interest is paid Quarterly		12.25	12.50	12.50	12.75	13.00		
2)	If interest is paid Monthly		12.13	12.38	12.62	12.87			
III - SHORT TERM LOANS (STL) / MEDIUM TERM LOANS (MTL)									
Sl. No.	Category of Borrower	STL		STL		MTL (only for State Sector Borrowers)			
		Interest Rates for STL for more than 3 months and upto 6 months, with monthly rests (%)		Interest Rates for STL for more than 6 months and upto 1 year, with monthly rests (%)		Interest Rates for MTL for more than 1 year and upto 3 years, on quarterly rests (%)			
1	Central Sector Borrowers/Identified CPSUs/ State Sector Borrowers Category "A"	12.25	12.50	12.50	12.75	12.75	12.88		
2	State Sector Borrowers Category "A" and other CPSUs	12.50	12.75	12.75	13.00	13.00	13.14		
3	State Sector Borrowers Category "B" / Private Sector Borrowers ("AAA")	12.75	13.00	13.00	13.25	13.25	13.39		
4	State Sector Borrowers Category "C"/Private Sector Borrowers other than "AAA"	13.00	13.25	13.25					

\* Please see next page for notes

*[Handwritten signature]*

# **RURAL ELECTRIFICATION CORPORATION LIMITED**

(A Govt. of India Enterprise)

Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003.

## **COMPANY SECRETARY'S DIVISION**

No.SEC-1/8(1)/2013/535

Dated: 11<sup>th</sup> October, 2013

### **LOAN POLICY CIRCULAR – No.009 / 2013**

**Sub: Downward revision in the lending rates of Term Loans for T&D category of loans by 25 bps.**

**Ref : Loan Policy Circular No.007/2013 dated 19<sup>th</sup> August, 2013.**

The Sub-Committee of the Directors of Rural Electrification Corporation Limited for Review of lending rates of Term Loans/Short Term Loans, in its 63<sup>rd</sup> Meeting held on 8<sup>th</sup> October, 2013 has approved downward revision in the existing lending rates of Term Loans for T&D category of loans by 25 bps for all categories of borrowers.

**The revised interest rates as detailed in Annexure-A will be applicable in respect of all disbursements made by REC Limited on or after 11<sup>th</sup> October, 2013.**

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 informed to all concerned and correctly incorporated in the sanction letters.

  
(J.S. Amitabh)  
GM & Company Secretary

**Encls: Annexure-A**

### **Distribution:**

1. AM/Sr. Officer to CMD, Director (Finance), Director (Technical.), and CVO, REC.
2. All Executive Directors / General Managers at Corporate Office, REC.
3. All Addl.GMs /Dy.GMs at Corporate Office, REC.
4. All Zonal Managers / CPM in ZOs/POs, Addl. Director, CIRE, and Incharge Sub-Offices, REC.
5. AGM (IT), REC – for uploading on the websites / intranet of REC.
6. DGM (Rajbhasha) / Manager (Rajbhasha), REC - For Translation into Hindi.

**RURAL ELECTRIFICATION CORPORATION LIMITED**  
Lending Rates effective from **October 11, 2013**

I - TERM LOANS - (With reset after every 3 years)						
Sl. No.	Category of Loans /Schemes	State Sector Borrowers (Category "A" & "B"), Central Sector Borrowers (other than Identified CPSUs & AAA Companies) and Private Sector Borrowers with Integrated Rating of IR-1	State Sector Borrowers (Category "A+", and Identified CPSUs and AAA Rated Companies	Private Sector Borrowers		
				(a) With Integrated Rating of IR-2 (b) Entity Grade: I & II	(a) With Integrated Rating of IR-3 (b) Entity Grade: III & IV (c) DISCOM Grade- A	(a) With Integrated Rating of IR-4 (b) Entity Grade: V (c) DISCOM Grade- B (d) Non Graded
(% p.a.)						
A) Term Loan/Schemes						
1)	Conventional Generation		12.50	12.75	13.25	13.50
2)	Non-Conventional Generation - (within Renewable Energy Projects purview of MNRE)		12.00	12.25	12.75	13.00
3)	R&M, R&U, Transmission, Distribution and other Schemes		12.00	12.25	12.50	12.75
4)	Computerization		12.50	12.75		
B) Loan to Equipment Manufacturers						
1)	Upto 1 year		12.50	12.75	13.25	13.50
2)	More than 1 year and up to 3 years		13.00	13.25	13.75	14.00
					14.25	14.25
II- TRANSITIONAL FINANCING LOANS - (With reset after every 3 years)						
Particulars			Category A+	Category A	Category B	Category C
1)	If interest is paid Quarterly		12.25	12.50	12.75	13.00
2)	If interest is paid Monthly		12.13	12.38	12.62	12.87
III - SHORT TERM LOANS (STL) / MEDIUM TERM LOANS (MTL)						
Sl. No.	Category of Borrower		STL		MTL (only for State Sector Borrowers)	
			Interest Rates for STL for more than 3 months and upto 6 months, with monthly rests (%)	Interest Rates for STL for more than 6 months and upto 1 year, with monthly rests (%)	Interest Rates for MTL for more than 1 year and upto 3 years, on quarterly rests (%)	Interest Rates for MTL for more than 1 year and upto 3 years, on quarterly rests (%)
1	Central Sector Borrowers/ Identified CPSUs/ State Sector Borrowers Category "A"		12.25	12.50	12.75	12.88
2	State Sector Borrowers Category "A" and other CPSUs		12.50	12.75	13.00	13.14
3	State Sector Borrowers Category "B" / Private Sector Borrowers ("AAA")		12.75	13.00	13.25	13.39
4	State Sector Borrowers Category "C"/Private Sector Borrowers other than "AAA"		13.00	13.25		

PS : For "Notes" please see next page.

P.T.O.