

Annexure 13.11

Annexure-A

REC Limited

Lending Rates effective from November 16, 2021 till further notification

A. On monthly rest basis, with 1 year reset (% p.a.)

Sl. No	Scheme/Product Borrower	State Sector Borrowers/CPSUs/J Vs			Private Sector Borrowers		
		A++	A+	A	IR 1	IR 2	IR 3
1	Conventional Generation	9.90	10.65	10.90	10.40	10.65	10.90
2	R&M of Conventional Generation (including Small Capex)	9.40	10.15	10.40	9.90	10.15	10.40
3	Installation of Pollution Control Equipments like FGD etc.	8.90	9.40	9.65	9.15	9.40	9.65
4	Non-Conventional Generation-Renewable Energy (Wind and Solar). For other projects, refer to note no. 8	8.50	9.00	9.25	8.75	9.00	9.25
5	Transmission	8.90	9.40	9.65	9.40	9.65	9.90
6	Distribution	-	9.65	10.15	9.65	10.15	10.40

B. On monthly rest basis (% p.a.)

7	Short Term Loan and Revolving Bill Payment Facility (RBPF-only for state Sector)						
(a)	Tenor upto 6 months (with no reset)	6.25	6.50	6.75	Please refer to Note No 13 for STL only		
(b)	Tenor > 6 months upto 12 months (with 6 months reset)	6.50	6.75	7.00			
8	Medium Term Loan (with no reset)	8.90	9.40	9.65			

Notes:

- The revised interest rates as above will be applicable in respect of all disbursements made on or after 16th November 2021 till further notification.
- ♦Interest rates for State Sector/CPSUs/JVs-Grade B & C borrowers shall be higher by 25 bps & 50 bps respectively than the interest rates applicable to Grade A.
♦Interest rates for Private Sector-Grade IR-4 & IR-5 borrowers shall be higher by 25 bps & 50 bps respectively than the interest rates applicable to Grade IR-3.
- Interest rate for Loans with "Reset after every 3 Years" shall be 25 bps higher than the rates of Term Loans with "Reset after every 1 year".

MS

4. 1 year reset option is available for all schemes/products, where loan documents are executed on or after 01.04.2021.
5. The option of "Reset after every 10 years" is available only for loans sanctioned before 01/09/2020 and the Interest rate shall be 15 bps higher than the rates of Term Loans with "Reset after every 3 years".
6. 10 bps rebate shall be allowed on the card rate for all Solar projects sanctioned on or after 01.04.2021, if the domestic content is 75% or more.
7. The rates for FGD etc. at S.No. 3 above are applicable only for installation of such equipment's in commissioned projects. In other cases, rates of Conventional Generation shall be applicable.
8. For Small Hydro (upto 25 MW), Biomass and Waste to Energy Projects, the interest rate will be 50 bps higher than the applicable Renewable Energy rates. For Hydro projects of more than 25 MW capacity, Conventional Generation rates will apply.
9. Interest Rates applicable to other Loan Products: **(Monthly rest, 1 year reset)**

SI No.	Particulars For State Sector Borrowers/CPSUs/JVs:	Applicable Interest rates
a	Funding against Regulatory Assets	Distribution + 190 bps
b	Financial Assistance for Computerisation / Studies	R&M of Conventional Generation (including Small Capex)
c	Transitional Financing to Discoms	Distribution + 75 bps
d	Renewable - RPO (Only for existing loans)	Distribution + 50 bps
e	Electro/Hydro mechanical components in large irrigation projects (with Govt Guarantee)	Conventional Generation 'A+' across all grades
f	Special Term Loans	Tenor upto 3 years - MTL Rates(with no reset), Tenor > 3 years - Respective scheme rates +50 bps (with 1 year reset)
For All Borrowers:		
g	Project Specific Funding	Non-Conventional Generation- Renewable Energy + 50 bps
h	Equipment Manufacturing (other than RE)	Conventional Generation + 50 bps
i	RE Equipment Manufacturing Projects	Non-Conventional Generation- Renewable Energy + 50 bps

10. For all loans (Except STL, RBPF, MTL & 9(e), sanctioned on or after 01.04.2021, 25 bps rebate and 50 bps rebate shall be allowed on the above rates for providing Government guarantee as security and for entering into Tripartite agreement for payment security through RBI Backstop arrangements respectively, subject to maximum rebate of 50 bps.

NB

11. For sanctions on or after 01.04.2021, Post COD rebate of 25 bps is allowed on the above rates for Conventional Generation and Renewable Energy projects, after 6 months of satisfactory commercial operations. Private Sector borrower to submit external rating (not less than investment grade) within one year of CoD and every year thereafter, as per guidelines, to continue to avail the rebate.
12. In case a borrower/project is downgraded to Stage 2 Category as per Ind-AS, applicable interest rates on the loan shall be higher by 25 bps till it is upgraded, for loans sanctioned on or after 01.04.2021.
13. Interest rates for STL to Private Sector borrowers with A1, A2 & A3 ratings shall be 8.90%, 9.40% & 9.90% respectively.
14. Interest rates for AAA rated State Sector borrowers/CPSUs/JVs shall be that of rates applicable to Grade A++.
15. In case of Generation projects, if there is a Government Sector entity (other than AAA rated Companies) which has presently not been rated, interest rates as applicable to the Category 'A' State Sector Borrowers would apply to such entities, till it is rated.
16. For corresponding quarterly rates, for rates at A above and Note no 9 above, and effective annualized interest rates, Annexure-B attached to this Loan Policy Circular may please be referred to.

NS

REC Limited

Effective Interest Rates

Interest Rate		
On Monthly Rest (%)	Effective Interest Rate on Quarterly Rest (%)	Effective Annualize Rate (%)
6.25	6.28	6.43
6.50	6.54	6.70
6.75	6.79	6.96
7.00	7.04	7.23
7.25	7.29	7.50
7.50	7.55	7.76
8.40	8.46	8.73
8.50	8.56	8.84
8.65	8.71	9.00
8.90	8.97	9.27
9.00	9.07	9.38
9.15	9.22	9.54
9.25	9.32	9.65
9.40	9.47	9.82
9.65	9.73	10.09
9.90	9.98	10.36
10.15	10.24	10.64
10.40	10.49	10.91
10.65	10.74	11.19
10.90	11.00	11.46
11.15	11.25	11.74
11.40	11.51	12.01
11.55	11.66	12.18
11.65	11.76	12.29
11.80	11.92	12.46
11.90	12.02	12.57
12.05	12.17	12.74
12.30	12.43	13.02
12.55	12.68	13.30
12.80	12.94	13.58

MB