आरईसी REC
असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
Rural Electrification Corporation Limited
(भारत सरकार का उद्यम) / (A Government of India Enterprise)
Regd. Office: Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi 110 003
Tel: +91.11.4102 0101 Fax: +91.11.2436 0644 E-mail: reccorp@recl.nic.in
CIN : L40101DL1969GOI005095 Website: www.recindia.nic.in

SEC-1/187(2)/2014/826 **Dated: 12.05.2014**

(1) The Listing Department, National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), **Mumbai – 400 051.**	(2) The Listing Department, BSE Limited, 1St Floor, PJ Towers, Dalal Street, **Mumbai – 400 001.**
Scrip Code-- RECLTD	**Scrip Code—532955**

Sub: Submission of six copies of Notice Postal Ballot in compliance of the Listing Agreement.

Dear Sirs,

In continuation of our letter dated April 28, 2014 and in compliance of the provisions of the Listing Agreement, please find enclosed six (6) copies of Postal Ballot Notice dated April 30, 2014 pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and administration) Rules, 2014 along with the Postal Ballot Form and Explanatory Statement under Section 102 of the Companies Act, 2013, pertaining to the following Special Business to be passed by way of passing **Special Resolutions** through Postal Ballot (including e-voting):-

1. Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement upto Rs. 30,000 crore during the Financial Year 2014-15,as per the provisions of Section 42 of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013;

2. Increase in the overall Borrowing Limit to Rs. 200,000 crore (Rupees Two Lakh Crore only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) as per the provisions of Section 180 (1) (c) of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013; and

3. Creation of mortgage and / or charge on immovable and/or movable properties of the Company, both present and future, for securing loan up to Rs. 200,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) or otherwise as per the provisions of Section 180 (1) (a) of the Companies Act, 2013 read with the applicable rules made under the Companies Act, 2013.

The voting rights of members have been reckoned as on May 2, 2014 (the cut-off date) and the Notice along with Postal Ballot forms have been sent to all the members whose names appear on the Register of Members/List of Beneficial Owners on that date and the despatch of Notice alongwith other requisite documents has been completed on Friday, May 9, 2014. Shareholders, who have not received the Postal Ballot Form, may apply to the Company/M/s Karvy Computershare Private Limited ("M/s Karvy") to obtain a duplicate thereof or download the same along with Postal Ballot Notice from www.recindia.nic.in or https://evoting.karvy.com.

The Board of Directors of the Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, Company Secretaries, Hyderabad as the Scrutinizer for conducting the Postal Ballot process. The Company is pleased to offer e-voting facility (optional) to all the shareholders of the Company to enable them to cast their votes electronically and has entered into an agreement with M/s Karvy in this regard.

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Voting period commences on May 10, 2014 (1000 Hours) and ends on June 9, 2014 (1730 Hours). Voting, whether by post or by electronic means, shall not be allowed beyond June 9, 2014 and assent/dissent of a shareholder by Physical Postal Ballot (including by duplicate Postal Ballot form) received after this date would be strictly treated as if reply from the shareholder has not been received.

For any queries / grievances connected with Postal Ballot process including voting by electronic means, you may contact Shri S. Balaji Reddy, Manager-Corporate Registry, M/s Karvy Computershare Private Limited, Plot No.17 - 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081, India Tel: 91-40-44655134 E-mail: balaji.reddy@karvy.com .

The results of the Postal Ballot will be announced on June 10, 2014 at 1600 Hours at the Registered Office of the Company and shall be posted on the website of the Company/e-voting portal.

Yours faithfully

for (J S Amitabh)
GM & Company Secretary

Encl: a.a.

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रुरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
RURAL ELECTRIFICATION CORPORATION LIMITED
(भारत सरकार का उद्यम) (A Government of India Enterprise)
Regd. Office : Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110003.
Tele: +91 11 4102 0101 Fax + 91 11 2436 0644 **Email** : complianceofficer@recl.nic.in
CIN : L40101DL1969GOI005095 **Website :** www.recindia.nic.in

Notice of Postal Ballot

(Pursuant to provisions of Section 110 of the Companies Act, 2013 and Rules made thereunder)

To,
The Members,

Notice is hereby given to the Members of Rural Electrification Corporation Limited (the "Company") pursuant to the Section 110 of the Companies Act, 2013 (the "Companies Act") (which shall include any statutory modifications, amendments or re-enactments thereto) read with the Companies (Management and Administration) Rules, 2014 (which shall include any statutory modifications, amendments or re-enactments thereto), for seeking consent of Members of the Company by passing resolutions by way of Postal Ballot, for the following Special Business:-

Item no. 1. Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder.

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Notification, 2012 and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other approvals, permissions and sanctions, as may be necessary, including the approval of any long term lenders and trustees of Debenture Holders, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, consent of the Company be and is hereby accorded to raise funds through Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures upto ₹ 30,000 crore during the Financial Year 2014-15 (including funds already raised during the Financial Year 2014-15, by way of issue of unsecured/secured non-convertible bonds / debentures of the Company on private placement basis), in one or more tranches, to such person or persons, who may or may not be the bond/ debenture holders of the Company, as the Board (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, Companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within the overall limit of ₹ 30,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board."

"RESOLVED FURTHER THAT for the purpose of giving effect to Private Placement of unsecured/secured non-convertible bonds/ debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force."

Item no. 2. Increase in the overall Borrowing Limit to ₹ 2,00,000 crore in Indian Rupees and in any foreign currency equivalent to USD 6 billion.

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of earlier resolution passed by the Company in its 43rd Annual General Meeting of the Company held on September 20, 2012, pursuant to Section 180(1) (c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to borrow such moneys or sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed aggregate of the paid up capital of the Company and its free reserves, provided that the total amount borrowed and outstanding at any point of time shall not exceed a sum of ₹ 2,00,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

Item no. 3. Creation of mortgage and / or charge on all or any of the movable and / or immovable properties of the Company.

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of earlier resolution passed by the Company in its 43rd Annual General Meeting held on September 20, 2012, pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to create charge, hypothecation, mortgage on any movable and/ or immovable properties of the Company wheresoever situated, both present and future and on the whole or substantially the whole of the undertaking or the undertakings of the Company in favour of any banks, financial institutions, hire purchase/lease companies, body corporate or any other persons on such terms and conditions as the Board may think fit for the benefit of the Company and as agreed between Board and lender(s) towards security for borrowing of funds from time to time, not exceeding ₹ 2,00,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) for the purpose of business of the Company or otherwise as per the requirements of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and any other statutory and procedural formalities to be complied with in this regard."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

By Order of the Board of Directors
For Rural Electrification Corporation Limited



(J S Amitabh)
GM & Company Secretary

Registered Office
Core-4, SCOPE Complex,
7, Lodi Road,
New Delhi 110 003.

Dated: April 30, 2014

NOTES:-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto as **Annexure I**.
2. The Notice of Postal Ballot is being sent to all the Shareholders, whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on May 2, 2014.

3. The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, Company Secretaries, Hyderabad as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

4. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and to others are being sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.recindia.nic.in or https://evoting.karvy.com or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited, Unit: Rural Electrification Corporation Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081, fill in the details and send the same to the Scrutinizer.

5. In compliance with provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering E-voting facility to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with M/s Karvy Computershare Private Limited for facilitating e-voting facility to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The Shareholders who wish to vote by Postal Ballot Form (instead of e-voting) can download Postal Ballot Form from www.recindia.nic.in or https://evoting.karvy.com.

   The instructions for e-voting are as under:

   (a) Procedure & instructions for E-voting

   i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'

   ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

   iii) Please contact our toll free No. **1800 345 4001** for any further clarifications.

   iv) Members can cast their vote online from **May 10, 2014 (1000 Hours) and ends on June 9, 2014 (1730 Hours).**

   v) After entering these details appropriately, click on "LOGIN".

   vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z).one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile, email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   vii) You need to login again with the new credentials.

   viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.

   ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.

   x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.

   xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on " CANCEL "and accordingly modify your vote.

   xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xiii) Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to savitajyoti@yahoo.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no.".

(b) In case of Shareholders' receiving Postal Ballot Form by Post:

(i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN(E Voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to (xii) of (a) above, to cast vote.

(c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of https://evoting.karvy.com' or contact Karvy Computershare Private Limited at the Telephone No.: (Toll Free No.: **1800 345 4001**)

(d) If you are already registered with Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password for casting your vote.

(e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

6. Kindly note that the Shareholders can opt for only one mode of voting, i.e., either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Shareholders cast their vote by both Physical Postal Ballot and e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.

7. Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed business reply envelope to the Scrutinizer, so as to reach the Scrutinizer not later than close of working hours (i.e. 1730 Hours) on June 9, 2014. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/ speed post at the expense of the Shareholders will also be accepted. **Assent / Dissent received after June 9, 2014 would be strictly treated as if reply from the shareholder has not been received.**

8. The voting period ends on the close of working hours (i.e. 1730 hours) on June 9, 2014. The e-voting module shall also be disabled by M/s Karvy Computershare Private Limited for voting thereafter.

9. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on May 2, 2014.

10. As per Rule 22 of the Companies (Management and Administration) Rules, 2014, inter-alia details of dispatch of Notice and Postal Ballot Form to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in NCT of Delhi.

11. The Scrutinizer will submit her report to the Chairman and Managing Director or Company Secretary of the Company after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot will be announced on June 10, 2014 at 1600 Hours at the Registered Office of the Company situated at Core-4, SCOPE Complex, 7, Lodi Road, New Delhi–110 003. The result of the Postal Ballot along with the Scrutinizer's Report will also be displayed on the Company's website www.recindia.nic.in and also on the website of M/s Karvy Computershare Private Limited i.e. https://evoting.karvy.com and shall be communicated to the stock exchanges where the Company's shares are listed. The result of the Postal Ballot will also be published in the newspapers. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution. The result of the Postal Ballot shall also be announced at the next Annual General Meeting of the Company.

12. The Board of Directors has appointed Director (Finance) and Company Secretary as the persons responsible for the entire postal ballot process.

13. All the documents referred to in the Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 1100 hours to 1300 hours up to the date of declaration of the result of Postal Ballot.

Annexure I to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.

Item No.1: Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder.

The Board of Directors of the Company in its Meeting held on March 28, 2014 had approved the proposal to borrow ₹ 37,000 crore during the Financial Year 2014-15, through various debt instruments on private placement / public issue basis, with interchangeability of the amount of raising as warranted by market conditions, in consonance with the Memorandum & Articles of Association of the Company. This includes raising of funds up to ₹ 6,000 crore through Capital Gains Tax Exemption Bonds under Section 54EC of the Income Tax Act, 1961 by way of Private Placement. Further, Reserve Bank of India (RBI) vide its letter dated March 24, 2014 had accorded exemption from the applicability of the RBI Guidelines dated June 27, 2013 and July 2, 2013, in case of the issuance of Tax Free Bonds i.e. REC Capital Gains Tax Exemption Bonds-Series IX under Private Placement. Accordingly, the Series IX which was open for subscription from April 1, 2013 to March 31, 2014, has been extended for subscription during the Financial Year 2014-15 also.

However, Ministry of Corporate Affairs (MCA), Government of India vide its different notifications has now notified certain sections of the Companies Act, 2013 and various Rules made thereunder which are effective from April 1, 2014. In this connection, it is stated that as per provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for **"non-convertible debentures", it shall be sufficient if the company passes a previous Special Resolution only once in a year for all the offers or invitations for such debentures during the year.**

In view of the above and to meet the requirements of Section 42 of the Companies Act, 2013 read with applicable Rules, for making Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures upto ₹ 30,000 crore during the Financial Year 2014-15 (including funds already raised during the Financial Year 2014-15, by way of issue of unsecured/secured non-convertible bonds / debentures of the Company on private placement basis) in one or more tranches, to such person or persons, who may or may not be the bond / debenture holders of the Company, within the overall market borrowing programme of the Company of ₹ 37,000 crore for the Financial Year 2014-15, as approved by the Board of Directors in its Meeting held on March 28, 2014, approval of the shareholders of the Company by way of Special Resolution is required.

Further, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force.

The Board of Directors of the Company in its Meeting held on April 28, 2014 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by members of the Company.

In view of the aforesaid provisions, you are requested to grant your consent to the Special Resolution as set out at Item No.1 of the Postal Ballot Notice dated April 30, 2014 of the Company.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

Item No.2: Increase in the overall Borrowing Limit to ₹ 2,00,000 crore in Indian Rupees and in any foreign currency equivalent to USD 6 billion.

As per Section 180 (1) (c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company shall not, except with the consent of the Company by passing a Special Resolution, borrow moneys, together with the moneys already borrowed by the Company, in excess of the paid-up capital and free reserves of the Company.

At the 43rd Annual General Meeting of the Company held on September 20, 2012, the Members of the Company had granted powers to the Board of Directors of the Company to borrow moneys upto a total amount of ₹ 1,45,000 crore (Rupees One Lakh Forty Five Thousand Crore Only). The net amount of borrowings of the Company is approximately ₹ 1,26,249 crore as on March 31, 2014 and a sum of ₹ 37,000 crore is likely to be borrowed during the Financial Year 2014-15 for lending activities, from the market by way of issue of bonds to investors and availing long term loans from banks and financial institutions, foreign currency borrowings etc.

The projected level of borrowings during the Financial Year 2014-15 is likely to exceed the presently approved limit. Therefore the consent of the Members is sought under Section 180(1) (c) of the Companies Act, 2013, for increasing the borrowing limit from ₹ 1,45,000 crore to ₹ 2,00,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) to cover the further requirement of borrowings.

The Board of Directors of the Company in its Meeting held on April 28, 2014 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by members of the Company.

In view of the aforesaid provisions, you are requested to grant your consent to the Special Resolution as set out at Item No.2 of the Postal Ballot Notice dated April 30, 2014 of the Company.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

Item No.3: Creation of mortgage and / or charge on all or any of the movable and / or immovable properties of the Company.

In terms of the provisions of Section 180(1) (a) of the Companies Act, 2013, a company cannot sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking or undertakings of the company without the consent of the Shareholders of the Company by way of a Special Resolution through Postal Ballot.

The operations of the Company have increased substantially and in order to meet the growing fund requirements of the Company, additional funds are required to be raised by creation of security on the immovable/movable properties of the Company. Since the creation of charge / mortgage tantamount to otherwise disposing of the undertakings of the Company, it shall be necessary to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013.

Therefore, it is proposed to authorize the Board of Directors of the Company to mortgage/create charge on immovable and/or movable properties of the Company, both present and future, for securing loan up to ₹ 2,00,000 crore (Rupees Two Lakh Crore Only) in Indian Rupees and in any foreign currency equivalent to USD 6 billion (USD Six Billion only) or otherwise as per the requirements of Section 180(1)(a) of the Companies Act, 2013, Rules made there under and any other statutory and procedural formalities to be complied with in this regard.

The Board of Directors of the Company in its Meeting held on April 28, 2014 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in the Notice, by members of the Company.

In view of the aforesaid provisions, you are requested to grant your consent to the Special Resolution as set out at Item No.3 of the Postal Ballot Notice dated April 30, 2014 of the Company.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Special Resolution, except to the extent of their shareholding in the Company.

By Order of the Board of Directors
For Rural Electrification Corporation Limited



(J S Amitabh)
GM & Company Secretary

Registered Office
Core-4, SCOPE Complex,
7, Lodi Road,
New Delhi 110 003.

Dated: April 30, 2014

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असीमित ऊर्जा, अनन्त संभावनाएं
Endless energy. Infinite possibilities.

रुरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड
RURAL ELECTRIFICATION CORPORATION LIMITED
(भारत सरकार का उद्यम) **(A Government of India Enterprise)**
Regd. Office : Core-4, SCOPE Complex, 7, Lodi Road, New Delhi 110003.
Tele: +91 11 4102 0101 Fax + 91 11 2436 0644 **Email** : complianceofficer@recl.nic.in
CIN : L40101DL1969GOI005095 **Website :** www.recindia.nic.in

POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

1. **Name(s) of Member(s)** : (Including joint holders, if any) **(in block letters)**
2. **Registered address of the sole/first named Member** :
3. **Registered Folio No./ DP ID No./Client ID No.*** : (*Applicable to investors holding shares in dematerialized form)
4. **Number of shares held** :
5. I/We hereby exercise my/our vote in respect of the following Special Resolutions to be passed through Postal Ballot for the business stated in the Postal Ballot Notice dated April 30, 2014 of Rural Electrification Corporation Limited (the "Company") by conveying/sending my/our assent or dissent to the said Special Resolutions by placing the tick (√) mark in the appropriate box below:-

Item No.	Description	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1	Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder.			
2	Increase in the overall Borrowing Limit to ₹ 200,000 crore in Indian Rupees and in any foreign currency equivalent to USD 6 billion.			
3	Creation of mortgage and / or charge on all or any of the movable and / or immovable properties of the Company.			

Place:
Date :

(Signature of the Member)

Email---------- # Tel/Mobile No----------
 # Optional

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

Note:
1. Please read the instructions printed overleaf carefully before exercising your vote.
2. Last date for receipt of Postal Ballot Forms by Scrutinizer is June 9, 2014.

INSTRUCTIONS

1. A shareholder desirous of exercising vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed business reply envelope. Postage will be borne by the Company. Envelopes containing Postal ballot Form, if deposited in person or sent by courier or any other mode at the expense of the Shareholders(s) will also be accepted;

2. Please convey your assent / dissent in this Postal Ballot Form only. The assent or dissent received in any other form shall not be considered valid;

3. The self-addressed business reply envelope bears the name and postal address of the Scrutinizer appointed by the Company;

4. This Postal Ballot Form should be completed and signed by the Shareholder (as per specimen signature registered with the Company/ R&TA or Depository Participants, in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, this Form must be completed and signed by the first named shareholder and in his/her absence, by the next named shareholder;

5. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/authorization giving requisite authority to the person voting on the Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories;

6. The Postal Ballot Form duly completed and signed should be forwarded to the Scrutinizer appointed by the Company so as to reach the Scrutinizer not later than the close of working hours on or before June 9, 2014 (i.e. 1730 Hours). Postal Ballot Forms received after this date will be strictly treated as if the reply from such shareholder(s) has not been received;

7. A Shareholder can apply for duplicate Postal Ballot Form through an email at savitajyoti@yahoo.com, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on or before June 9, 2014 (i.e. 1730 Hours). For any clarification(s), please contact M/s Karvy Computershare Private Limited on toll free number : 1800 345 4001;

8. The right of voting by Postal Ballot shall not be exercised by proxy;

9. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by using erasable writing mediums like pencil);

10. Voting rights shall be reckoned on the paid up value of shares registered in the name(s) of shareholder(s) on the cut- off date i.e. May 2, 2014;

11. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected;

12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If any extraneous paper is found, the same will be destroyed by the Scrutinizer;

13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of Joint holders;

14. The Scrutinizer's decision on the validity of Postal Ballot shall be final;

15. The Company is pleased to offer e-voting facility as an alternative, for all the shareholders of the Company to enable them to cast their votes electronically instead of despatching Postal Ballot Form. E-voting is optional. The detailed procedure of e-voting is enumerated in the Notes to the Postal Ballot Notice; and

16. The result of the Postal Ballot shall be announced on June 10, 2014 at 1600 Hours at the Registered Office of the Company at Core-4, SCOPE Complex, 7, Lodi Road, New Delhi and the same will also be posted on website of the Company.

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