

SEC-1/187(2)/2018/ 3070

Dated: December 11, 2018

<b>Listing Department,</b> National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), <b>Mumbai – 400 051.</b>	<b>Corporate Relationship Department</b> BSE Limited 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort, <b>Mumbai – 400 001.</b>
<b>Scrip Code—RECLTD</b>	<b>Scrip Code—532955</b>

**Sub: Intimation regarding Strategic Sale of Government of India's existing holding in REC Limited.**

Dear Sir(s),

In compliance with Regulation 30 of the SEBI (LODR) Regulations, 2015, this is to inform that Department of Investment & Public Asset Management, Ministry of Finance, Government of India vide its letter dated December 11, 2018 has forwarded a copy of PIB Release regarding the Cabinet decision on the *in principle* approval for strategic sale of the Government of India's existing holding in REC Limited to Power Finance Corporation Limited.

A copy of the aforesaid letter along with PIB Release is enclosed herewith for your ready reference.

This is for your kind information and dissemination.

Thanking you,

Yours faithfully,



(J.S. Amitabh)

General Manager & Company Secretary

Encl: as above

**Regional Offices:** Bangalore, Bhopal, Bhubaneswar, Chennai, Guwahati, Hyderabad, Imphal, Jaipur, Jammu, Kolkata, Lucknow, Mumbai, Panchkula, Patna, Raipur, Ranchi, Thiruvananthapuram & Vijayawada

**State Offices :** Dehradun, Itanagar, Shillong, Shimla, Vadodara & Varanasi

**Training Centre :** REC Institute of Power Management & Training (RECIPMT), Hyderabad

**F. No. 3/8/2018-DIPAM-V  
Government of India  
Ministry of Finance  
Department of Investment & Public Asset Management**

**Block No. 11 & 14 CGO Complex  
Lodhi Rod New Delhi**

**OFFICE MEMORANDUM**

**Subject: Strategic Sale of the Government of India's existing holding of 52.63% of total paid up equity shareholding in REC Ltd.**

I am directed to enclosed a copy of the PIB release regarding the Cabinet decision on the 'in principle' approval for the strategic sale of the Government of India's existing 52.63% of total paid up equity shareholding of REC Ltd.

2. You are requested to take further necessary action at your end for the successful completion of the transaction during the current FY.

  
11/12/2018  
(Sidhil Sasi)  
Director

To:  
Shri A K Verma  
Joint Secretary,  
Ministry of Power  
Rafi Marg, Shram Shakti Bhawan  
New Dehi-110001

Copy for information and further necessary action to:

- i) CMD, REC Ltd. Core- 4, SCOPE Complex, 7, Lodhi Road, CGO Complex, Pragati Vihar, New Delhi, Delhi 110003
- ii) CMD, PFC, Power Finance Corporation Ltd. 'Urjanidhi', 1, Barakhamba Lane, Connaught Place New Delhi-110 001

Cabinet Committee on Economic Affairs (CCEA)

**Cabinet 'In Principle' approves strategic sale of the Government of India's existing 52.63% of total paid up equity shareholding in Rural Electrification Corporation to Power Finance Corporation along with transfer of management control**

Posted On: 06 DEC 2018 9:11PM by PIB Delhi

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi has given its 'In Principle' approval for strategic sale of the Government of India's existing 52.63% of total paid up equity shareholding in Rural Electrification Corporation (REC) to Power Finance Corporation (PFC) along with transfer of management control.

The acquisition intends to achieve integration across the Power Chain, obtain better synergies, create economies of scale and have enhanced capability to support energy access and energy efficiency by improved capability to finance power sector. It may also allow for cheaper fund raising with increase in bargaining power for the combined entity.

Both REC and PFC are Central Public Sector Enterprises under the Ministry of Power.

<http://pib.nic.in/PressReleaseDetail.aspx?PRID=1554933>