

PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA

**KfW (GERMAN DEVELOPMENT BANK) SIGNS A EURO 100.1 MILLION LOAN AND
FINANCING AGREEMENT WITH RURAL ELECTRIFICATION CORPORATION (REC)
UNDER INDO-GERMAN BILATERAL DEVELOPMENT COOPERATION**

New Delhi: Chaitra 10, 1934
March 30, 2012

Under the umbrella of Indo-German Bilateral Development Cooperation Programme, an Agreement was signed here today between Rural Electrification Corporation (REC) and KfW (German Development Bank) for a loan of Euro 100.1 million (including a grant component of Euro 0.5 million) for financing “Clean Energy for Rural Development” projects. The loan agreement was signed by Mr. Rajeev Sharma, Chairman & Managing Director, REC and Mr. Oscar von Maltzan, Country Director (India), KfW. A Guarantee Agreement was also signed between KfW and the Government of India represented by Mr. Prabodh Saxena, Joint Secretary, Department of Economic Affairs, and Ministry of Finance.

The loan component is proposed to support such projects in the field of renewable energy and/or energy efficiency which contribute to rural development. This is the third Line of Credit that REC is receiving under the Bilateral Development Programme between India and Germany.

SS/GN