

REC Tax Free Bonds – Tranche II (February 25, 2013 - March 15, 2013)

Options	Series of Bonds*	
	Tranche-II Series 1	Tranche-II Series 2
Tenor	10 years (120 months) from the Deemed Date of Allotment.	15 years (180 months) from the Deemed Date of Allotment.
Redemption Date	10 years (120 months) from the Deemed Date of Allotment.	15 years (180 months) from the Deemed Date of Allotment.
Redemption Amount (Rs./ Bond)	Repayment of the face value and any interest that may have accrued on the Redemption Date.	Repayment of the face value and any interest that may have accrued on the Redemption Date.
Frequency of interest payment	Annual.	Annual.
Minimum application size	5 Bonds (Rs. 5,000) across both the series of bonds	
In multiples of	1 Bond (Rs 1,000).	1 Bond (Rs 1,000).
Face value (Rs./ Bond)	Rs. 1,000	Rs. 1,000
Issue price (Rs./ Bond)	Rs. 1,000	Rs. 1,000
Coupon rate (%) p.a.	For Category I Investors: 6.88% For Category II Investors: 6.88% For Category III Investors: 6.88% For Category IV Investors: 7.38%**	For Category I Investors: 7.04% For Category II Investors: 7.04% For Category III Investors: 7.04% For Category IV Investors: 7.54%**
Annualized yield (%) p.a. for Category I,II,III	6.88	7.04
Annualized yield (%) p.a. for Category IV applicants***	7.38	7.54
Put option and call option	None	None

Applications will be rejected if banked without uploading in the electronic system of the stock exchanges.

*The Company shall allocate and allot Tranche-2 Series 2 bearing longest maturity to all valid applications, wherein the Applications have not indicated their choice of the relevant Bond Series.

**For various modes of payment, see “Terms of the Issue – Modes of Payment” on page no. 93 of this Prospectus Tranche – 2.

***In case the Bonds held by the original allottees under Category IV Portion are sold / transferred (except in case of transfer of Bonds to legal heir in the event of death of the original allottee), the coupon rate / effective yield shall stand revised to the coupon rate / effective yield applicable for allottees falling under Category I, Category II and Category III portion.

Source: Shelf Prospectus dated November 26, 2012 & Prospectus Tranche – 2 dated February 13, 2013.

Disclaimer: “Invest only on the basis of Prospectus”