

SPA Merchant Bankers Ltd.

25, C Block, Community Centre, Janak Puri,

New Delhi – 110 058

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RURAL ELECTRIFICATION CORPORATION

New Issue Details 54 EC Capital Gains tax Exemption Bonds Series VIII:

The board terms approved for the launch of the 54 EC Series - VIII Bonds issue for the year 2010-2011 has been extended till **31-03-2012** or any further Notification / Modification by Govt. of India.

Structure .:

Nomenclature	REC Capital Gain Tax Exemption Bonds Series-VIII
Face Value	Rs.10,000/-
Mode of Issue	Private Placement
Minimum Application	One Bond of Rs.10000/-
Maximum Application	500 Bonds of Rs.10000/- as per the conditions laid in the finance Act, 2007
Mode of Subscription	100% on application
Deem date of allotment	Last day of each month in which the subscription money is realized and credited to REC account
Coupon rate & Payment of Interest	6.00% (payable annually on 30th June) from the date of realization of cheque/draft in account of REC. 1st interest will be payable on 30th June.
Tap Period	Up to 31st March, 2012. However, the corporation would have a right to close the issue any time by giving a prior notice of 5 days in any two leading dailies.
Tenor	3 year from the deemed date of allotment.
Redemption	At par, at the end of 3 years from the deemed date of allotment.
Transfer	Non-Transferable
Nature of Security	English mortgage creating pari-pasu charge over REC's immovable property and charge on receivables of REC to the satisfaction of the trustee.

KYC at page 3 of Application form is to be got filled.

Applications should be in multiple of Rs.10000/ strictly or the Banker would refuse the acceptance.

Applications once submitted can not be withdrawn.

Application Forms can also be downloaded from our website:

<http://rec.rcmcdelhi.com>