

A. REC's Advice to Investor

- 1) **REC advises its investors to apply in Demat mode. REC shall also pay incentive of Rs. 500/- per person once after a month of allotment if the bonds are applied in Demat mode.** If an investor does not already have a Demat account, they can open Demat account with REC empaneled Depository Participants as well with Zero Account opening charges and Zero Annual Maintenance Charges for five years. The list is available on <https://www.recindia.nic.in/54EC>
However an investor can also apply for the Bonds in physical mode also.
The advantages of applying in demat account are as follows:
 - Faster credit in demat account (15 days after allotment) as compared to physical dispatch of Bond Certificate (45 days after allotment).
 - All changes can be done from a single place itself i.e. bank account, nominee, email, mobile no, address etc.
 - No chances of loss/theft of Bond Certificate.
 - REC fetches the data for interest/redemption payment from Depository Participant, therefore accuracy increases manifold.
 While applying in demat mode, please double check the details like DP-ID-Client ID, First Holder/Second Holder/Third Holder with Client Master List (CML). Payment will be made in favour of sole/ first holder. In case there is mismatch in the details provided in the application and Client Master List then the investor shall be allotted Bonds in physical mode.
- 2) **REC advises all investors to appoint a Nominee in respect of their investments in Physical Mode.** If investor does not wish to appoint a nominee, then they are required to fill form ISR-3 (The same can be obtained from <https://recindia.nic.in/uploads/files/Form-ISR-3.pdf>).
- 3) REC advises all its investors to keep a **Scan Copy/Photocopy of the Application Form and KYC Documents** for their future reference.

B. Instructions for Filling up the form

- 1) All the details mentioned in the Application Form are required to be filled in mandatorily. Application Forms must be completed in BLOCK LETTERS IN ENGLISH.
- 2) Minimum investment is 2 Bonds of Rs. 10,000 each amounting to Rs. 20,000 and maximum investment is 500 Bonds of Rs. 10,000 each amounting to Rs. 50 Lakhs in a financial year.
- 3) As a matter of precaution against possible fraudulent encashment of interest/redemption warrants due to loss/ misplacement, applicants are requested to mention the full particulars of their bank account, as specified in point 6 of the Application Form. In case, where the investor applies for Bonds under physical mode, the payment warrants so issued (if any) shall be as per the details captured in the Register of Bondholders and any discrepancy arising due to wrong information furnished in the Application Form shall be at the applicant's sole risk.

C. Instructions for Submitting the form

- 1) **Option 1 – Net Banking Payment (Recommended by REC):** In case the investor has the net-banking facility, then investors may apply for bonds online in REC Portal - (Link: <https://www.recindia.nic.in/54EC>). Investors are requested to check Daily Third Party Payment Limit with their banker.
- 2) **Option 2 – RTGS/NEFT Payment:** In case investor does not have the necessary net-banking payment limits, they may make payment through RTGS/NEFT as well. Investors need to mandatorily mention the UTR Number and attach the payment proof. The documents can be uploaded in REC Portal (Link: <https://www.recindia.nic.in/54EC>) or can be submitted to any collection branches as per Point 4 below. Investors are also advised to email the documents to investorcell@rec.in. The Bank details of REC for RTGS payments are as follows. Investor can make payment in any of the account below.

Particulars	HDFC Bank	ICICI Bank
Beneficiary Name	REC Limited - 54EC Bonds	REC Limited - 54EC Bonds
Account Number	00030350000584	000405108563
IFSC	HDFC0000003	ICIC0000004
MICR	110240001	400229002
Branch	K.G. Marg, New Delhi	H.T.Parekh Marg, Mumbai

- 3) **Option 3 – Cheque/DD Payment:** In case of Payment by Cheque/DD, Investors are required to submit the Application Form duly filled along with either an account payee Cheque or Demand Draft payable in favor of "REC Ltd - 54EC Bonds" along with necessary enclosures and the same needs to be submitted to Collection branches as per Point 4 below.
- 4) **Collection Banker Branches:** The duly filled form along with RTGS/Cheque/DD can be submitted at any branches of HDFC Bank, Canara Bank, Axis Bank, IDBI Bank, ICICI Bank, Yes Bank and Indusind Bank across India. In case of any issues of banks not accepting applications, the investor can contact the escalation matrix of the bank which can be found here: <https://www.recindia.nic.in/54EC>. In case the issue is not resolved, please call us on 1800 180 2992 or email at investorcell@rec.in.
- 5) Applicant's name, address, mobile number and application number should be mentioned on the reverse of the Cheque/ Demand Draft. Cash, Money Orders or Postal Orders will NOT be accepted.

D. General Instructions

- 1) **The Bonds are under a lock-in-period of 5 years from the deemed date of allotment. Application once submitted cannot be withdrawn and subscription amount will not be refunded as per Information Memorandum. Further premature redemption is not permitted under any circumstances.** The Bonds are not transferable or marketable. In case of death of the sole/first holder, the Bonds can be transmitted in the name of second/third holder or nominee or successor as the case may be.
- 2) Interest rate is 5.25% p.a. payable annually on June 30th until the date of redemption. The Bonds will automatically redeem after expiry of 5 years without surrender of bond certificate and the interest/redemption proceeds will be automatically credited in the registered bank account of the applicant. The Bonds are rated AAA by CRISIL, CARE, ICRA and India Ratings.
- 3) The Deemed Date of Allotment of Bonds will be the last day of the month during which the application / subscription amount has been credited to REC's account. Further, the allotment shall only take place once REC accepts the duly filled Application Form and necessary KYC documents. For funds received between the 1st to 15th of the month, the tentative allotment process will take place by the last date of the month. For funds received between the 16th to the last date of the month, the tentative allotment process will take place by the 15th day of the subsequent month. In case of dematerialized Bonds, credit will take place within 15 days of allotment under lock-in-securities. In case of Bonds in physical form, the bond certificate will tentatively be dispatched within 45 days of allotment. The timelines set out herein are provisional and indicative in nature.
- 4) For allotment done by 31st May, the first interest payment shall be 30th June of same year. For allotment done post 31st May, the first interest payment shall be 30th June of next year. **Interest and 54EC benefit shall start from the date of credit in REC Collection Account.**
- 5) Pursuant to notification number 359/2002 dated 2nd December, 2002, REC has been **exempted from deduction of tax at source** under section 193 of the Income Tax Act 1961, on the interest payable on REC 54EC Capital Gain Tax Exemption Bonds. However, TDS shall be deducted for NRI investors u/s 195 of the act.
- 6) REC is entitled, at its sole and absolute discretion, to accept or reject any application, in part or in full, without assigning any reason. The application shall be considered complete only upon receiving duly filled Application Form along with the proof of payment. An Application Form that is not complete in all respect may be rejected by REC.
- 7) The Bond Issue is being made strictly on a private placement basis. It is not and should not be deemed to constitute an offer to the public in general.
- 8) In case of any inconsistency in the provisions of application form and Information Memorandum, the provisions of Information Memorandum shall prevail.

MANDATORY DOCUMENTS REQUIRED FOR MAKING AN APPLICATION IN REC 54EC BONDS

1. Individuals - Resident Indian Nationals

- a) PAN Card (in case of Joint application, self-attested PAN card copy of all the applicants are required).
- b) Copy of Cancelled Cheque / Bank Statement / Passbook bearing First/Sole Holder's Name, Account Number, IFSC and MICR.
- c) Any one of the following Address Proof
 - Aadhar Card.
 - Passport/Driving License
 - Voters Identity card
 - Ration Card
 - Registered Lease or Sale Agreement of Residence or Utility Bills like Telephone Bill (Only Landline), Electricity Bill or Gas Bill – Not more than 3 months old.
 - Identity Card/Documents issued by any of the following: Central/State Government and its departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions.
- d) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

2. NRIs/Other Foreign Eligible Investor

- a) PAN Card (in case of Joint application, self-attested PAN copy of all the applicants are required).
- b) Copy of Cancelled Cheque / Bank Statement / Passbook of Savings/NRO Bank account bearing First/Sole Holder's Name, Account Number, IFSC and MICR (NRE Bank Account is not allowed).
- c) Passport (Mandatory)
- d) Any one of the Address Proof as mentioned at Point 1 (c) above.
- e) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

3. HUF

All documents (as applicable) attested by Karta

- a) PAN Card of HUF
- b) Copy of Cancelled Cheque / Bank Statement / Passbook of HUF bearing First/Sole Holder's Name, Account Number, IFSC and MICR.
- c) HUF Deed
- d) PAN and Address Proof of Karta
- e) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

4. Company/LLP/Other Body Corporate

All documents (as applicable) attested by Company Secretary/Director / Authorised signatories

- a) PAN Card
- b) Copy of Cancelled Cheque / Bank Statement / Passbook bearing Name, Account Number, IFSC and MICR.
- c) Certificate of Incorporation
- d) Memorandum & Articles of Association.
- e) Resolution of the Board of Directors/Partners authorizing investment.
- f) PAN and Address Proof of the Signatories.
- g) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

5. Partnership Firms

All documents (as applicable) attested by any Partner/Notary

- a) PAN Card
- b) Copy of Cancelled Cheque / Bank Statement / Passbook bearing Name, Account Number, IFSC and MICR.
- c) Registration certificate, if registered
- d) Partnership deed
- e) Delegation of Powers or Power of Attorney granted to a partner or an employee of the firm to transact business on its behalf.
- f) PAN and Address Proof of the Signatories.
- g) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

6. Trusts/Foundations/Association of Persons/Body of Individuals/Artificial Judicial Persons/Local Authority/ Others

All documents (as applicable) attested by Signatories/Notary

- a) PAN Card
- b) Copy of Cancelled Cheque / Bank Statement / Passbook bearing Name, Account Number, IFSC and MICR.
- c) Registration Certificate
- d) Resolution passed by the relevant body for investment.
- e) PAN and Address Proof of the Signatories.
- f) Copy of Client Master List / Holding Statement (if Application is done in Demat Mode)

Particulars	Alankit Assignments Limited (RTA)	REC Limited
Toll Free Number	011 - 4254 1234 / 72900 71335 (Monday to Friday - 10.00 AM to 5.00 PM)	1800 180 2992 Mon to Fri: 10:00 AM to 06:00 PM
Email Address	recbond@alankitassignments.com	investorcell@recl.in
Address	Alankit Assignments Limited (RTA) (Unit : REC - 54EC Bonds) 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110 055	REC Limited, REC World Headquarters, A-Block, 2nd Floor, Retail Bonds Division, Plot No. I-4, Sector 29, Near IFFCO Chowk Metro Station, Gurugram, Haryana 122001