

S. No.	Name of the issue: Public Issue by Rural Electrification Corporation Limited of Tax Free Secured Redeemable Non Convertible Bonds of face value of Rs. 1,000 each (Issue opening date: December 03, 2012)																								
1	<p>Type of Issue: Public Issue by Rural Electrification Corporation Limited ("REC" or "Issuer" or the "Company") of Tax Free Secured Redeemable Non Convertible Bonds of Face Value of Rs. 1,000 each in the nature of debentures having tax benefits under Section 10 (15)(iv)(h) of the Income Tax Act, 1961, as amended ("Bonds") for an amount aggregating upto the Shelf Limit* (Rs. 4,500 crores) by way of issuance of Bonds in one or more tranches in the Fiscal 2013 (each a "Tranche Issue", and together all Tranche Issues upto the Shelf Limit, "Issue"). This Tranche Issue by the Issuer is of Bonds aggregating to Rs. 1,000 crores with an option to retain oversubscription upto the Shelf Limit (i.e. upto Rs. 4,500 crores) ("Tranche - 1 Issue"). This Tranche is being offered by way of this Prospectus Tranche - 1, which contains, inter alia, the terms and conditions of the Bonds to be issued under Tranche - 1 ("Prospectus Tranche - 1") which should be read together with the Shelf Prospectus dated November 26, 2012 filed with the Registrar of Companies, Stock Exchanges and SEBI (the "Shelf Prospectus"). * Pursuant to the CBDT Notification, the Company has raised Rs. 500 crores through the private placement of Bonds. Consequently the Shelf Limit which was mentioned as Rs. 5,000 crores in the Draft Shelf Prospectus stands reduced to Rs. 4,500 crores. This Limit shall be applicable for raising further funds through public issue route and/or the private placement route such that at least 75% of the allocated amount under the CBDT Notification shall be raised through the public issue route. (Source: Prospectus Tranche - 1 dated November 26, 2012).</p>																								
2	<p>Issue size (Rs crore): The Tranche - 1 Issue by the Issuer is of Bonds aggregating to Rs. 1,000 crores with an option to retain oversubscription upto the Shelf Limit (i.e. upto Rs. 4,500 crores). The Company issued Bonds aggregating to Rs. 2,017.3471 Crores in the Tranche - 1 Issue. (Source: Minutes of the Meeting between the Company, Registrar and Lead Managers dated December 17, 2012 and Basis of Allocation dated December 18, 2012).</p>																								
3	<p>Rating of instrument alongwith name of the rating agency</p> <p>(i) as disclosed in the offer document: 'CRISIL AAA/Stable' by Crisil as per the rating letter dated November 07, 2012. 'CARE AAA' by CARE as per the rating letter dated November 09, 2012. 'IND AAA' by IRRPL as per the rating letter dated November 07, 2012. '[ICRA] AAA' by ICRA as per the rating letter dated November 12, 2012.</p> <p>(ii) at the end of FY 2013: 'CRISIL AAA/Stable' by Crisil as per the rating letter dated February 12, 2013. 'CARE AAA' by CARE as per the rating letter dated February 12, 2013. 'IND AAA' by IRRPL as per the rating letter dated February 12, 2013. '[ICRA]AAA' by ICRA as per the rating letter dated February 12, 2013. (Source: Crisil, CARE, IRRPL, ICRA).</p> <p>(iii) at the end of FY 2014: Not Applicable</p> <p>(iv) at the end of FY 2015: Not Applicable</p>																								
4	<p>Whether the security created is adequate to ensure 100% asset cover for the debt securities (See Regulation 26 (6) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008): Yes. (Source: Quarterly compliance report to the Debenture Trustee dated April 29, 2013).</p>																								
5	<p>Subscription level (number of times): The issue was over subscribed 2.03 times of the Base Issue size and 0.45 times of the Overall Issue Size after considering the cheque returns and after technical rejections. (Source: Final Post Issue Report dated December 31, 2012).</p>																								
6	<p>Financials of the issuer * (as per the annual financial results submitted to stock exchanges under Clause 29 of the listing agreement for debt securities)</p> <table><tr><th></th><th colspan="3">(In Rs. crores)</th></tr><tr><th>Parameters</th><th>1st FY (2012-13)</th><th>2nd FY (2013-14)</th><th>3rd FY (2014-15)</th></tr><tr><td>Income from operations</td><td>13,525.70</td><td>Not Applicable</td><td>Not Applicable</td></tr><tr><td>Net Profit for the period</td><td>3,832.78</td><td>Not Applicable</td><td>Not Applicable</td></tr><tr><td>Paid-up equity share capital</td><td>987.46</td><td>Not Applicable</td><td>Not Applicable</td></tr><tr><td>Reserves excluding revaluation reserves</td><td>16,542.38</td><td>Not Applicable</td><td>Not Applicable</td></tr></table> <p>* Based on audited consolidated financials Source: BSE</p>		(In Rs. crores)			Parameters	1st FY (2012-13)	2nd FY (2013-14)	3rd FY (2014-15)	Income from operations	13,525.70	Not Applicable	Not Applicable	Net Profit for the period	3,832.78	Not Applicable	Not Applicable	Paid-up equity share capital	987.46	Not Applicable	Not Applicable	Reserves excluding revaluation reserves	16,542.38	Not Applicable	Not Applicable
	(In Rs. crores)																								
Parameters	1st FY (2012-13)	2nd FY (2013-14)	3rd FY (2014-15)																						
Income from operations	13,525.70	Not Applicable	Not Applicable																						
Net Profit for the period	3,832.78	Not Applicable	Not Applicable																						
Paid-up equity share capital	987.46	Not Applicable	Not Applicable																						
Reserves excluding revaluation reserves	16,542.38	Not Applicable	Not Applicable																						
7	<p>Status of the debt securities (whether traded, delisted, suspended by any stock exchange, etc.)</p> <p>(i) at the end of FY 2013: Traded on NSE (Source: http://nseindia.com/) and BSE (Source: http://bseindia.com/).</p> <p>(ii) at the end of FY 2014: Not Applicable</p> <p>(iii) at the end of FY 2015: Not Applicable</p>																								
8	<p>Change, if any, in directors of issuer from the disclosures in the offer document</p> <p>(i) at the end of FY 2013: Dr. Govinda Marapalli Rao (resigned). (Source: Company, BSE).</p> <p>(ii) at the end of FY 2014: Not Applicable</p> <p>(iii) at the end of FY 2015: Not Applicable</p>																								
9	<p>Status of utilization of issue proceeds (as submitted to stock exchanges under Clause 19A of the listing agreement for debt securities)</p> <p>(i) as disclosed in the offer document: The funds raised through the Issue will be utilised towards general lending operations of the Company and other associated business objectives and to discharge existing debt obligations which were generally undertaken for business operations. The proceeds of the Issue would be utilized towards lending in the power sector and augmenting the resource base and not for any specified project. Pending utilisation of the proceeds out of the Issue, the Company intends to temporarily deploy funds in the interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities till the utilisation thereof as aforesaid.</p> <p>(ii) Actual utilization: The Company had made public issue of Tax Free Bonds of face value of Rs. 1,000/- each aggregating to Rs. 2,148.41 Crores in two tranches during the financial year 2012-13 in addition to a private placement of the Tax Free Bond Issue of Rs. 500 crores. The Bonds under public issue had been allotted in line with the prescribed guidelines and within financial year 2012-13. The issue proceeds have been utilised for the purposes as mentioned in the Offer Document except for Rs. 0.63 Crores which is kept in designated public issue account pending its utilisation. (Source: BSE Q4 and FY 2013 results announcement dated May 28, 2013).</p> <p>(iii) Reasons for deviation, if any: Not Applicable</p>																								
10	<p>Delay or default in payment of interest/ principal amount (See Regulation 23 (5) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and Clause 19 (I) of the listing agreement for debt securities) (Yes/ No) (If yes, further details of the same may be given)</p> <p>(i) Disclosures in the offer document: The Trustee will protect the interest of the Bondholders in the event of default by REC in regard to timely payment of interest and repayment of principal and the Trustee will take necessary action at REC's cost. Further, the Trustee shall ensure that the assets of REC are sufficient to discharge the principal amount at all time under this Issue.</p> <p>(ii) Delay in payment from the due date: Not Applicable</p> <p>(iii) Reasons for delay/ non-payment, if any: Not Applicable</p>																								
11	<p>Any other material information:</p> <p>(1) The Board of Directors of the Company at its meeting held on February 04, 2013, inter alia, have declared and approved payment of Interim Dividend at the rate of Rs. 6.75/- (Rupees Six and Seventy Five paise only) per share on the face value of the fully paid-up equity shares of Rs. 10/- each for the Financial Year 2012-13. This Interim Dividend on equity shares will be paid on February 18, 2013.</p> <p>(2) The Company announced on February 15, 2013 about incorporation of Four Project Specific Purpose Vehicles (SPVs), as Subsidiary Companies of Rural Electrification Corporation Limited - Kudgi Transmission Limited, Nellore Transmission Limited, Unchahar Transmission Limited, Baira Siul Sarna Transmission Limited.</p> <p>(3) During the FY 2012-13, the Company has raised Rs. 2,017.35 crore and Rs. 131.06 crore by way of Public Issue of Tax Free Bonds Tranche I and Tranche II respectively. The Company has also raised Rs. 500 crores through the private placement of Bonds.</p> <p>(4) The Board of Directors of the Company at its meeting held on May 28, 2013, inter alia, has recommended the Final Dividend of Rs. 1.50/- (Rupees One and Fifty Paise only) per share (on the face Value of Rs. 10 each) for the Financial Year 2012-13, subject to approval of the Shareholders in the ensuing Annual General Meeting. This is in addition to the Interim Dividend of Rs. 6.75/- per share already declared & paid in the month of February, 2013 for the Financial Year 2012-13 thereby making total dividend for the Financial Year 2012-13 to Rs. 8.25/- (on the face Value of Rs. 10 each). The Final Dividend of Rs. 1.50/- per share, if declared at the ensuing Annual General Meeting, would be paid to the Shareholders within 30 days from the date of AGM.</p> <p>(5) Incorporation of three project Specific Special purpose vehicles (SPVs), as Subsidiary Companies of Rural Electrification Corporation Limited.</p> <p>(6) Comptroller and Auditor General (C&AG) of India in exercise of powers conferred u/s 619(2) of the Companies Act, 1956 vide their letter No. CA.V/COY/CENTRAL GOVERNMENT, REC(2)/3 dated 26.07.2013 (Annexure-A) has appointed the two firms of Chartered Accountant i.e. M/s. Raj Har Gopal & Co. and M/s P.K. Chopra & Co., as the Joint Statutory Auditors of the Company for the Financial Year 2013-14.</p> <p>(7) Rural Electrification Corporation Limited has informed the Exchange that the Rural Electrification Corporation Limited has filed Shelf Prospectus & Prospectus Tranche-I in respect of proposed Public Issue of Tax Free Secured Redeemable Non-convertible Bonds, in the nature of Debentures, during the Financial Year 2013-14, with the Registrar of Companies (RoC), NCT of Delhi and Haryana on August 27, 2013. Further it is also informed that the Public Issue of Tax Free Secured Redeemable Non-convertible Bonds, in the nature of Debentures of REC will open on August 30, 2013 for subscription and is scheduled to close on September 23, 2013. (Source: Company, BSE)</p>																								