# SECTION XVI
# SUMMARY TERM SHEET

REC Limited proposes to raise bonds with Base Issue Size of Rs. 500 Crores under Series 257 (A) (with maturity of 3 years and 20 days) and Base Issue Size of Rs. 800 Crores under Series 257 (B) (with maturity of 15 years and 20 days) with Green Shoe Option to retain oversubscription of Rs. 2500 Crores for Series 257 (A) and Rs. 2546 Crores for Series 257 (B). The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size in respect of Series 257 (A) and Series 257 (B), respectively.

The Key Information Document is the fifth tranche under the General Information Document.

| Series | Series 257 (A) | Series 257 (B) |
|---|---|---|
| Security Name | 7.28%RECLimited2029 | 7.49%RECLimited2041 |
| Issuer | REC Limited | |
| Type of Instrument | The Bonds are unsecured, redeemable, non-convertible, non-cumulative, taxable, bonds in the nature of debentures. | |
| Nature of Instrument | The Bonds are unsecured, redeemable, non-convertible, non-cumulative, taxable, bonds in the nature of debentures. | |
| Seniority | Unsecured, senior and unsubordinated bond. | |
| Mode of Issue | Private placement. | |
| Eligible Investors | 1. A "Qualified Institutional Buyer" ("**QIB**") as defined under Regulation 2 (ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and<br>2. Any non-QIB, who/which has been authorized by the Issuer, to participate in this Tranche Issue of Bonds on the EBP Platform. | |
| Listing (including name of stock Exchange(s) where it will be listed and timeline for listing) | BSE and NSE. The Bonds under a Series will be listed on the BSE and NSE within 3 (three) trading days from the Tranche Issue closing date. | |
| Rating of the Instrument | 'IND AAA/Stable' by IRRPL;<br>'CARE AAA; Stable' by CARE<br>'ICRA AAA (Stable)' by ICRA; and<br>'CRISIL AAA/Stable' by CRISIL | |
| Total Issue Size | Rs. 3000 Crores with green-shoe option to retain oversubscription | Rs. 3346 Crores with green-shoe option to retain oversubscription |
| Base Issue Size | Rs. 500 Crores | Rs. 800 Crores |
| Option to retain oversubscription (Amount) | Rs. 2500 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size. | Rs. 2546 Crores. The Issuer confirms that the Green Shoe Option does not exceed five times the Base Issue Size. |
| Reasons of retaining oversubscription | To meet the Issuer's fund requirements for lending and repayment of liabilities. | |
| Minimum Subscription | Not applicable as the Issue is being made on private placement basis. | |
| Minimum Application and in multiples of Debt Securities thereafter | Application must be for a minimum size of 100 Bonds and in multiple of 1 Bond thereafter. | Application must be for a minimum size of 100 Bonds and in multiple of 1 Bond thereafter. |
| Objects of the Issue | 100% of the amount raised through this private placement shall be used to augment long-term resources of the Issuer for the purpose of carrying out its functions authorized under the object clause of the Memorandum of Association of the Issuer. | |
| Details of the utilization of the Proceeds | The funds raised through this private placement are not meant for any specific project as such and therefore the proceeds of this Issue shall be utilized for the regular business activities of the Issuer. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue. | |
| Tenure | 3 years and 20 days | 15 years and 20 days |
| Redemption Date ** | 31 August 2029 | 31 August 2041 |
| Coupon Rate | 7.28% | 7.49% |
| Step Up/Step Down Coupon Rate | Not applicable. | Not applicable. |
| Coupon Payment Frequency | Annually each year. | Annually each year. |
| Coupon Payment Date* | First interest payment on 31 August 2027, then on 31 August 2028, and the last interest payment on 31 August 2029 along with maturity proceeds. | First interest payment on 31 August 2027, then on 31 August each year, and the last interest payment on 31 August 2041 along with maturity proceeds. |
| Coupon Type | Fixed, payable annually. | Fixed, payable annually. |

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| Coupon Reset Frequency | Not applicable. | Not applicable. |
| Coupon Reset Process | Not applicable. | Not applicable. |
| Day Count Basis | Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis. | Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis. |
| Interest on Application money | Not applicable. | |
| Interest on Refunded Money against which Allotment is not made | Not applicable. | |
| Default Interest Rate | 2% (Two percent) per annum over the Coupon Rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount.<br><br>2% (Two percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the Bond Trust Deed for the Bonds is not executed in accordance with the timeline under applicable law.<br><br>1% (One percent) per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.<br><br>In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay. | |
| Redemption Amount | Redeemed at the face value of Bonds | Redeemed at the face value of Bonds |
| Redemption Premium / Discount | Nil | Nil |
| Issue Premium / Discount | Not applicable | Not applicable |
| Issue Price | Rs. 1 Lakh per Bond | Rs. 1 Lakh per Bond |
| Face Value | Rs. 1 Lakh per Bond | Rs. 1 Lakh per Bond |
| Premium / Discount at which security is issued and the effective yield as a result of such discount. | Not applicable | Not applicable |
| Put Option Payment Date / Put Option Redemption Date | Not Applicable. | |
| Put Option Price | Not Applicable. | |
| Put Notification Time | Not Applicable. | |
| Put Option | Not Applicable. | |
| Call Option Payment Date | Not Applicable. | |
| Call Option Price | Not Applicable. | |
| Call Notification Time | Not Applicable. | |
| Call Option | Not Applicable. | |
| Bidding Date | 7 August 2026 | 7 August 2026 |
| Issue Opening Date | 7 August 2026 | 7 August 2026 |
| Issue Closing Date | 7 August 2026 | 7 August 2026 |
| Date of earliest closing of the Issue, if any | 7 August 2026 | 7 August 2026 |
| Pay-in Date | 11 August 2026 | 11 August 2026 |
| Deemed Date of Allotment | 11 August 2026 | 11 August 2026 |
| Issue Timing | 10:30 A.M. to 11:30 A.M. | 11:30 A.M. to 12:30 P.M. |
| Settlement Cycle | T + 2 day ('T' being the bidding date as set out above) | T + 2 day ('T' being the bidding date as set out above) |
| No. of Applications | N.A.*** | N.A.*** |
| Issuance mode of the Instrument | In dematerialized mode. | In dematerialized mode. |
| Trading mode of the Instrument | In dematerialized mode. | In dematerialized mode. |
| Settlement mode of the Instrument | Payment of interest and repayment of principal shall be made by way of cheque(s)/warrant(s)/demand draft(s)/direct credit/RTGS/NECS/NEFT or any other electronic mode offered by banks. | |
| Depository | National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). | |
| Holiday Convention | If the Coupon Payment Date falls on a holiday, the payment of Coupon up to original scheduled date, will be made on the following working day, however the dates of the future Coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. | |

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| | If the Redemption Date (also being the last Coupon Payment Date) of the Bonds under a Series falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds under a Series until but excluding the date of such payment.<br><br>It is clarified that Interest/redemption with respect to the Bonds under a Series shall be made only on the days when commercial banks are open for business in Mumbai.<br><br>If the Record Date falls on a day which is not a Business Day, the immediately preceding Business Day will be considered as the Record Date. | |
| Record Date | 15 (Fifteen) days prior to each Coupon Payment Date or Redemption Date. | 15 (Fifteen) days prior to each Coupon Payment Date or Redemption Date. |
| All covenants of the Issue (including side letters, accelerated payment clauses etc). | In addition to those set out in this summary term sheet, the covenants in relation to the Tranche Issue of Bonds under a Series are as set out in Annexure IV (Clause A) the Key Information Document.<br><br>*Side Letters*: The Issuer has not entered into any side letters containing separate covenants for the Bonds under a Series.<br><br>*Accelerated payment*: The payment of the Bonds can be accelerated only on the occurrence of an 'Event of Default'. For further details, please refer to Annexure IV (Clause B) of the Key Information Document. | |
| Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the Bondholder(s) for a Series over and above the coupon rate as specified in the Bond Trust Deed for the Bonds under a Series and disclosed in the Key Information Document. | The Bonds are unsecured. | |
| Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document | The Bonds are unsecured.<br><br>Please refer to the "Default Interest Rate" for the interest payable (if any) over and above the coupon rate. | |
| Transaction Documents | The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Tranche Issue:<br>1. Letter appointing Bond Trustee to the Bondholder(s);<br>2. Bond trustee agreement;<br>3. Bond Trust Deed for the Bonds under a Series;<br>4. Rating letter from IRRPL;<br>5. Rating letter from CRISIL;<br>6. Rating letter from CARE;<br>7. Rating letter from ICRA;<br>8. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form;<br>9. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds under a Series in dematerialized form;<br>10. Letter appointing the Registrar;<br>11. Application made to BSE and NSE for seeking their in-principle approval;<br>12. Listing Agreement with BSE and NSE;<br>13. Letters appointing Arrangers to the Tranche Issue; and<br>14. Electronic bidding platform agreements with BSE and NSE dated August 24, 2016 and December 07, 2016, respectively. | |
| Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement) | As set out in Annexure IV (Clause B and C) to the Key Information Document. | |

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| Creation of Recovery Expense Fund | The Issuer will create a recovery expense fund with the BSE as the Designated Stock Exchange, in the manner as specified by the SEBI Debenture Trustee Master Circular, as amended from time to time, and inform the Bond Trustee about the same. | |
| Conditions for Breach of Covenants (as specified in the Bond Trust Deed for the Bonds under a Series) | In cases of default by the Issuer in the performance or observance of any covenant, obligation, condition or provision contained in the Bond Trust Deed for the Bonds under a Series (other than the obligation to pay principal and Interest) and such default continues for 30 (thirty) business days or is not rectified within 7 (seven) business days after written notice has been given thereof by the Bond Trustee to the Issuer requiring the same to be remedied, the same will be construed as an Event of Default.<br><br>In cases of default committed in payment of the principal amount or two consecutive defaults on payment of Interest of the Bonds under a Series on the due date(s), the same will be construed as an Event of Default. The Bond Trustee may waive any breach by the Issuer of any of the covenants and provisions in the Bond Trust Deed for the Bonds under a Series. | |
| Remedies on Events of Default | As set out in Annexure IV (Clause B and C) to the Key Information Document. | |
| Cross Default | Not applicable. | Not applicable. |
| Bond Trustee | Beacon Trusteeship Limited. | |
| Registrar | KFIN Technologies Limited | |
| Role and Responsibilities of Bond Trustee | The Bond Trustee shall protect the interest of the Bondholder(s) under a Series as stipulated in the Bond Trust Deed for the Bonds under a Series, and in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Issuer.<br><br>No Bondholder(s) for the Bonds under a Series shall be entitled to proceed directly against REC unless the Bond Trustee, having become so bound to proceed, fail to do so. | |
| Risk Factors Pertaining to the Tranche Issue of Bonds under a Series | Please refer to Chapter X of the Key Information Document. | |
| Conditions precedent to subscription of Bonds under a Series | The subscription from investors for the Tranche Issue of Bonds under a Series shall be accepted for allocation and allotment by the Issuer subject to the following:<br><br>1. Rating letters as set out in the Key Information Document will be valid as on the date of issuance and listing of the Bonds under a Series;<br>2. Seek a written consent letter from the Bond Trustee conveying their consent to act as Bond Trustee for the Bondholder(s); and<br>3. In-principle approval from the BSE and NSE. | |
| Conditions subsequent to subscription of Bonds under a Series | The Issuer shall ensure that the following documents are executed/ activities are completed in accordance with the time frame mentioned elsewhere in the Key Information Document:<br><br>1. Maintaining a complete record of private placement offers in Form PAS-5;<br>2. Filing a return of allotment of Bonds under a Series with complete list of all Bondholder(s) for a Series in Form PAS-3 under Section 42(8) of the Companies Act, with the Registrar of Companies, National Capital Territory of Delhi and Haryana within 15 (fifteen) days of the Deemed Date of Allotment along with fee as provided in the Fees Rules under the Companies Act;<br>3. Credit of demat account(s) of the allottee(s) by number of Bonds under a Series allotted within the stipulated time period from the Deemed Date of Allotment;<br>4. Making listing application for Bonds under a Series and receiving listing permission with BSE and NSE on or before 3 (three) trading days from the Tranche Issue closing date; and<br>5. Submission of Bond Trust Deed for the Bonds under a Series with BSE and NSE within the timeline under applicable law for uploading on their website.<br><br>Further, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in the Key Information Document. | |
| Mode of Subscription | Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the NSE Bond-EBP Platform while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between the NSE Bond-EBP Platform and the bank account from which | Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the NSE Bond-EBP Platform while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between the NSE Bond-EBP Platform and the bank account from which |

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| | payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges as further set out under the 'Issue Procedure' section of the Key Information Document. | payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges as further set out under the 'Issue Procedure' section of the Key Information Document. |
| Settlement Mechanism | Through clearing corporation of NSE. | Through clearing corporation of NSE. |
| Allocation Option | Uniform yield. | Uniform yield. |
| Bidding type | Closed bidding. | Closed bidding. |
| Governing Law and Jurisdiction | The Bonds under a Series shall be governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi. | |

*Under the SEBI Master Circular, if the Coupon Payment Date falls on a holiday or Sunday, the payment may be made on the following working day without including the interest for holiday or Sunday and the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. Under the SEBI Master Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the interest amount.*

** *Under the SEBI Master Circular, as amended, if the redemption date falls on a holiday or Sunday, then such payment shall be made on the previous working date along with interest is required to be paid till the redemption date. Under the SEBI Master Circular, the second and fourth Saturday will not be considered as working days for the purpose of payment of the redemption amount.*

*** *Under the NBFC (Miscellaneous) Directions, there shall be no limit on the number of subscribers in respect of issuances with a minimum subscription of Rs.1 Crore and above.*

*Note: If there is any change in Coupon Rate pursuant to any event then such new Coupon Rate and events which lead to such change shall be disclosed.*
*The list of documents which has been executed in connection with the issue and subscription of Bonds under a Series is set out in Section XVIII of the Key Information Document.*
*The principal and Interest amount of the Bonds under a Series is unsecured. The recovery of 100% of the amount of the Bonds shall depend on the market scenario prevalent at the time of enforcement.*
*The Issuer has provided granular disclosures in the Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue".*

**Illustration of Bond Cash Flows for Series 257 (A)**

| | |
|---|---|
| **Issuer** | REC Limited |
| **Face Value (per security)** | Rs. 1,00,000/- |
| **Date of Allotment** | 11 August 2026 |
| **Date of Redemption** | 31 August 2029 |
| **Tenure** | 3 years and 20 days |
| **Coupon Rate** | 7.28% |
| **Frequency of the Interest Payment with specified dates** | Annual. First interest payment on 31 August 2027, then on 31 August 2028, and the last interest payment on 31 August 2029 along with maturity proceeds. |
| **Day Count Convention** | Actual / Actual |

**Cash Flows For One Bond With A Face Value of Rs. 1,00,000 for Series 257 (A)**

| **Particulars** | **Original** | | **Revised** | | **No. of Days** | **Cash Flow** |
|---|---|---|---|---|---|---|
| | **Day** | **Date** | **Day** | **Date** | | |
| 1st Coupon | Tuesday | 8/31/2027 | Tuesday | 8/31/2027 | 385 | 7,679 |
| 2nd Coupon | Thursday | 8/31/2028 | Thursday | 8/31/2028 | 366 | 7,280 |
| 3nd Coupon | Friday | 8/31/2029 | Friday | 8/31/2029 | 365 | 7,280 |
| Redemption | Friday | 8/31/2029 | Friday | 8/31/2029 | 0 | 100,000 |
| **TOTAL:** | | | | | **1116** | **122,239** |

**Illustration of Bond Cash Flows for Series 257 (B)**

| | |
|---|---|
| **Issuer** | REC Limited |
| **Face Value (per security)** | Rs.1,00,000/- |
| **Date of Allotment** | 11 August 2026 |
| **Date of Redemption** | 31 August 2041 |
| **Tenure** | 15 years and 20 days |
| **Coupon Rate** | 7.49% |
| **Frequency of the Interest Payment with specified dates** | Annual. First interest payment on 31 August 2027, then on 31 August each year, and the last interest payment on 31 August 2041 along with maturity proceeds. |
| **Day Count Convention** | Actual / Actual |

**Cash Flows For One Bond With A Face Value of Rs. 1,00,000 for Series 257 (B)**

| Particulars | Original | | Revised | | No. of Days | Cash Flow |
|---|---|---|---|---|---|---|
| | Day | Date | Day | Date | | |
| 1st Coupon | Tuesday | 8/31/2027 | Tuesday | 8/31/2027 | 385 | 7,900 |
| 2nd Coupon | Thursday | 8/31/2028 | Thursday | 8/31/2028 | 366 | 7,490 |
| 3rd Coupon | Friday | 8/31/2029 | Friday | 8/31/2029 | 365 | 7,490 |
| 4th Coupon | Saturday | 8/31/2030 | Saturday | 8/31/2030 | 365 | 7,490 |
| 5th Coupon | Sunday | 8/31/2031 | Monday | 9/1/2031 | 365 | 7,490 |
| 6th Coupon | Tuesday | 8/31/2032 | Tuesday | 8/31/2032 | 366 | 7,490 |
| 7th Coupon | Wednesday | 8/31/2033 | Wednesday | 8/31/2033 | 365 | 7,490 |
| 8th Coupon | Thursday | 8/31/2034 | Thursday | 8/31/2034 | 365 | 7,490 |
| 9th Coupon | Friday | 8/31/2035 | Friday | 8/31/2035 | 365 | 7,490 |
| 10th Coupon | Sunday | 8/31/2036 | Monday | 9/1/2036 | 366 | 7,490 |
| 11th Coupon | Monday | 8/31/2037 | Monday | 8/31/2037 | 365 | 7,490 |
| 12th Coupon | Tuesday | 8/31/2038 | Tuesday | 8/31/2038 | 365 | 7,490 |
| 13th Coupon | Wednesday | 8/31/2039 | Wednesday | 8/31/2039 | 365 | 7,490 |
| 14th Coupon | Friday | 8/31/2040 | Friday | 8/31/2040 | 366 | 7,490 |
| 15th Coupon | Saturday | 8/31/2041 | Saturday | 8/31/2041 | 365 | 7,490 |
| Redemption | Saturday | 8/31/2041 | Saturday | 8/31/2041 | 0 | 100,000 |
| **TOTAL:** | | | | | **5499** | **212,760** |