

No.402/92/2006-MC (14 of 2010)
Government of India / Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi dated 12th April 2010

PRESS RELEASE

The Central Government have approved notification of ten year Deep Discount Bond (Zero Coupon Bond) of Rural Electrification Corporation Limited (REC) to be issued by 31st March 2011 as specified bonds for the purpose of sub-section 48 of section 2 of the Income Tax Act, 1961. The number of bonds approved for issue are 25,00,000 with maturity value of Rs.30,000 each having life period of 10 years. Income from such bonds will be taxed as capital gain only on transfer or redemption or maturity.

[Notification: No.24 vide F. No.164/02/-2008-ITA.I dated 8th April 2010]

XXX