

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED
(A Government of India Enterprise)
Public Issue of Tax Free Secured Redeemable Non Convertible Bonds

ISSUE INVESTMENT SERIES

Options	Series of Bonds*		
	For Category I, II & III**		
	Tranche I Series 1A	Tranche I Series 2A	Tranche I Series 3A
Coupon Rate (%) p.a	8.01%	8.38%	8.50%
Annualised Yield (%) p.a	8.01%	8.38%	8.50%
Options	For Category IV**		
	Tranche I Series 1B	Tranche I Series 2B	Tranche I Series 3B
Coupon Rate (%) p.a	8.26%	8.63%	8.75%
Annualised Yield (%) p.a	8.26%	8.63%	8.75%
	For Category I, II, III & IV**		
Maturity / Redemption Date	10 years from the Deemed Date of Allotment	15 years from the Deemed Date of Allotment	20 years from the Deemed Date of Allotment
Redemption Amount (Rs./Bond)	Repayment of the Face Value plus any interest at the applicable Coupon/ Interest Rate that may have accrued at the Redemption Date		
Coupon/ Interest Type	Fixed Coupon Rate		
Coupon / Interest Payment Date	The date, which is the day falling one year from the Deemed Date of Allotment, in case of the first coupon/ interest payment and the same day every year, until the Redemption Date for subsequent coupon/ interest payment		
Coupon/ Interest Reset Process	Not applicable		
Frequency of Coupon/ Interest Payment	Annual		

*The Company shall Allot Tranche I Series 1A/ Series 1B(depending upon the category of applicants) to all valid applications, wherein the Applicants have not indicated their choice of the relevant Series of Bond.

**In pursuance of the Notification and for avoidance of doubt, it is clarified as under:

- The coupon rates indicated under Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B shall be payable only on the Portion of Bonds allotted to RIIs in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under RII Category viz Category IV.
- In case the Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B are transferred by RIIs to Non-RIIs viz, Qualified Institutional Buyers, Domestic Corporates and/or High Networth Individuals, the coupon rate on such Bonds shall stand at par with coupon rate applicable on Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A, respectively.
- If the Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B are sold/ transferred by the RIIs to investor(s) who fall under the RII category as on the Record Date for payment of interest, then the coupon rates on such Bonds shall remain unchanged;
- Bonds allotted against Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B shall continue to carry the specified coupon rate if on the Record Date for payment of interest, such Bonds are held by investors falling under RII Category;
- If on any Record Date, the original RII allottee(s)/ transferee(s) hold the Bonds under Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B for an aggregate face value amount of over Rs. 10.00 lakh, then the coupon rate applicable to such RII allottee(s)/transferee(s) on Bonds under Tranche I Series 1B, Tranche I Series 2B, Tranche I Series 3B shall stand at par with coupon rate applicable on Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A, respectively;
- Bonds allotted under Tranche I Series 1A, Tranche I Series 2A and Tranche I Series 3A shall carry coupon rates indicated above till the respective maturity of Bonds irrespective of Category of holder(s) of such Bonds;
- For the purpose of classification and verification of status of the RII Category of Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds, allotted under the relevant Issue shall be clubbed and taken together on the basis of PAN.

INVESTOR CATEGORIES AND ALLOTMENT

Category I (“Qualified Institutional Buyers”) (“QIBs”)**	Category II (“Domestic Corporates”) **	Category III (“High Networth Individuals”) (“HNIs”)	Category IV (“Retail Individual Investors”) (“RIIs”)
<ul style="list-style-type: none"> Public financial institutions as defined in Section 4A of the Companies Act, Alternative Investment Funds eligible to invest under the SEBI (Alternative Investment Funds) Regulations, 2012, as amended; Scheduled commercial banks, Mutual funds registered with SEBI, Multilateral and bilateral development financial institutions, State industrial development corporations, Insurance companies registered with the Insurance Regulatory and Development Authority, Provident funds with a minimum corpus of Rs. 25 Crs., Pension funds with a minimum corpus of Rs. 25 Crs., The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, Insurance funds set up and managed by the army, navy, or air force of the Union of India, and Insurance funds set up and managed by the Department of Posts, India, which is authorized to invest in Bonds. 	<ul style="list-style-type: none"> Companies within the meaning of section 2(20) of the Companies Act, 2013, Limited Liability Partnerships registered under the provisions of the LLP Act, statutory corporations, trust, partnership firms in the name of partners, cooperative banks, regional rural banks and and legal entities registered under applicable laws in India and authorised to invest in Bonds 	<ul style="list-style-type: none"> The following investors applying for an amount aggregating to more than Rs. 10.00 lakh across all Series of Bonds in each Tranche Issue Resident Individual Investors Hindu Undivided Families applying through the Karta 	<ul style="list-style-type: none"> The following investors applying for an amount aggregating up to and including Rs. 10.00 lakh across all Series of Bonds in each Tranche Issue Resident Individual Investors Hindu Undivided Families through the Karta

****With regard to Section 372A(3) of the Companies Act, 1956, kindly refer to General Circular No. 6/ 2013, dated March 14, 2013 Ministry of Corporate Affairs, GoI clarifying that in cases where the effective yield on tax free bonds is greater than the prevailing bank rate, there shall be no violation of Section 372A(3) of the Companies Act, 1956.**

ALLOTMENT:

Qualified Institutional Buyers Portion	Domestic Corporate Portion	High Networth Individuals (“HNIs”) Portion	Retail Individual Investors (“RIIs”) Portion
15% of the Overall Issue Size	20% of the Overall Issue Size	25% of the Overall Issue Size	40% of the Overall Issue Size

ISSUE DETAILS**COMMON TERMS FOR ALL SERIES OF THE BONDS**

Issuer	India Infrastructure Finance Company Limited
Issue of Bonds	Public issue of the tax free secured redeemable non-convertible bonds in the nature of debenture of face value of Rs. 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, proposed to be issued by the Company pursuant to the Shelf Prospectus and the relevant Tranche Prospectus(es), for an amount up to an aggregate amount of the Shelf Limit of Rs. 7,036.80 Crs*. This Tranche –I Issue by the Issuer is of the Bonds for an amount of Rs. 500 Crs with an option to retain oversubscription up to Rs. 2,000 Crs aggregating to 2,500 Crs (“Tranche- I Issue”). *In terms of the Notification, the Company has raised Rs. 2,963.20 Crs on a private placement basis in two tranches, through information memorandum dated August 23, 2013 and August 29, 2013, respectively. Further, the Company may also raise funds through private placement route in one or more tranches during the process of the present Issue. The aggregate amount raised through the private placement route shall not exceed Rs. 3,000 Crs i.e. up to 30% of the allocated limit for raising funds through tax free bonds during Fiscal 2014, in terms of the Notification. The Company shall ensure that the tax free bonds issued through public issue and private placement route shall together not exceed Rs. 10,000 Crs. In case if our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall be reduced by such amount raised
Issue Opening Date	October 03, 2013
Issue Closing Date	October 31, 2013. This Tranche - I Issue shall open for subscription from 10.00 a.m. to 5.00 p.m.(Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of this Tranche- I Issue, the Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in a leading national daily newspaper
Face Value (Rs.)	Rs. 1,000
Issue Price (Rs.)	Rs. 1,000
Nature of Bonds	Secured
Mode of Issue	Public issue
Minimum Application	5 Bonds (Rs. 5000) (individually or collectively, across series)
Credit Ratings	[ICRA] AAA (Outlook: Stable)by ICRA, BWR AAA (Outlook: Stable) by Brickwork Rating India Private Limited, CARE AAA by CARE & IND AAA (Stable) by IRRPL
Security	<i>Pari passu</i> first charge on receivables of the Company with an asset cover of one time of the total outstanding amount of Bonds, pursuant to the terms of the Bond Trust Agreement. The Company reserves the right to create first <i>pari passu</i> charge on, the present and future, receivables for its present and future financial requirements or otherwise. Provided that a minimum security cover of 1 (one) times is maintained
Security Cover	One time of the total outstanding Bonds
Put/Call Option	There is no put/call option for the Bonds
Listing	BSE Limited. For more information, see “ Terms of the Issue – Listing ” on page 50 of this Prospectus Tranche- I
Bond Trustee	IL&FS Trust Company Limited
Depositories	Central Depository Services (India) Limited (“CDSL”) and National Securities Depository Limited (“NSDL”)
Issuance	In dematerialised form and physical form, at the option of the Applicant***
Trading	In dematerialised form only***
Market Lot /Trading Lot	One Bond
Deemed Date of Allotment	The date on which, the Board of Directors or Bond Committee approves the Allotment of Bonds for this Tranche - I Issue or such date as may be determined by the Board of Directors or Bond Committee and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified in this Prospectus Tranche- I) shall be available from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment
Interest on application monies received which are used towards allotment of Bonds	Interest on the amount for which Bonds are allotted to the Applicants (except ASBA Applicants) subject to deduction of income tax under the Income Tax Act, to any applicants to whom the Bonds are allotted pursuant to this Tranche- I Issue from the date of realization of application money through cheque(s)/demand draft(s)/ any other mode or the date of receipt of the Application (being the date of upload of each application on the electronic platform of the stock exchange(s)) whichever is later up to one day prior to the Deemed date of Allotment at the rate of 8.01% p.a ,8.38%p.a and 8.50% p.a on Tranche 1 Series 1A, Tranche I Series 2A and Tranche I Series 3A, respectively, for Allottees under Categories I, II and III and at the rate of 8.26%p.a ,8.63%p.a and 8.75% p.a on Tranche I Series 1B, Tranche I Series 2B and Tranche I Series 3B, respectively, for Allottees under Categories IV.
Interest on application monies received which are liable to be refunded	Interest on application money which is liable to be refunded to the Applicants (except ASBA Applicants) in accordance with the SEBI Debt Regulations, or other applicable statutory and/or regulatory requirements, subject to deduction of income tax under the Income Tax Act, as applicable, from the date of realization of the application money through cheque(s)/demand draft(s)/ any other mode or three days from the date of upload receipt of the Application (being the date of the Application on the electronic platform of the Stock Exchanges), whichever is later up to one day prior to the Deemed Date of Allotment, at the rate of 5% per annum . Such interest shall be paid along with the monies liable to be refunded.
Record Date	The record date for payment of interest on the Bonds or the Maturity Amount will be 15 days prior to the date on which such amount is due and payable.
Lead Managers	A.K Capital Services Ltd., SBI Capital Markets Ltd. Axis Capital Ltd., ICICI Securities Ltd., Karvy Investor Services Ltd. and RR Investors Capital Services Private Limited.

*****In terms of Regulation 4(2)(d) of the Debt Regulations, the Company will make public issue of the Bonds in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Investors who wish to hold the Bonds in physical form will fulfil such request. However, trading in Bonds shall be compulsorily in dematerialized form**

Source: Shelf Prospectus & Prospectus Tranche I dated September 28, 2013

Disclaimer: “Invest only after referring to the prospectus”