

Serial No. LTIDF/PREF/14-15/A

Addressee _____



L&T INFRA DEBT FUND LIMITED

Date of Incorporation: March 19, 2013

A public limited company incorporated under the Companies Act, 1956, as amended

Corporate Identity Number: U67100MH2013PLC241104

Registered & Corporate Office: 3B, Laxmi Towers, C-25, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Tel: (022) 4060 5300; **Fax:** (022) 4060 5353

Website: www.ltidf.com

Company Secretary and Compliance Officer: Ms. Radhika Parmanandka

E-mail: radhikaparmanandka@ltfinance.com

ISSUE BY L&T INFRA DEBT FUND LIMITED (THE "COMPANY" OR THE "ISSUER") OF UPTO 750 RATED LISTED CUMULATIVE REDEEMABLE NON - CONVERTIBLE PREFERENCE SHARES WITH A FACE VALUE OF ₹ 10,00,000 EACH (THE "CRPS"), AGGREGATING TO ₹ 75,00,00,000 (RU SEVENTY FIVE CRORES ONLY) ON A PRIVATE PLACEMENT BASIS (THE "OFFER") WITH AN OPTION TO RETAIN OVER- SUBSCRIPTION OF UPTO 750, RATED LISTED CUMULATIVE REDEEMABLE NON - CONVERTIBLE PREFERENCE SHARES WITH A FACE VALUE OF ₹ 10,00,000 EACH (THE "CRPS"), AGGREGATING TO ₹ 75,00,00,000 (₹ SEVENTY FIVE CRORES ONLY) ₹ SEVENTY FIVE CRORE (₹ 75,00,00,000) FOR ISSUANCE OF ADDITIONAL CRPS, AGGREGATING UPTO A TOTAL OF ₹ ONE HUNDRED AND FIFTY CRORES (₹ 150,00,00,000) (THE "OVER-SUBSCRIPTION") (OFFER AND OVER-SUBSCRIPTION COLLECTIVELY REFERRED TO AS THE "ISSUE"). THE CRPS WILL BE LISTED ON BSE LIMITED.

GENERAL RISK

INVESTORS ARE ADVISED TO READ THE SECTION TITLED "RISK FACTORS" CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR THE PURPOSES OF TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND OF THE ISSUE INCLUDING, THE RISKS INVOLVED.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN LEGAL, REGULATORY, TAX, FINANCIAL AND/OR ACCOUNTING ADVISORS ABOUT RISKS ASSOCIATED WITH AN INVESTMENT IN SUCH CRPS AND THE SUITABILITY OF INVESTING IN SUCH CRPS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

INVESTMENT IN THESE CRPS INVOLVES A DEGREE OF RISK AND NEITHER DIVIDEND NOR REDEMPTION PREMIUM IS GUARANTEED. POTENTIAL INVESTORS ARE ADVISED TO READ THIS DRAFT INFORMATION MEMORANDUM CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST USE THEIR OWN JUDGMENT AND RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE ISSUE INCLUDING THE RISKS INVOLVED.

INSTRUMENTS OFFERED THROUGH THE OFFER DOCUMENT ARE NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES AND NOT DEBENTURES/BONDS. THEY ARE RISKIER THAN DEBENTURES/BONDS AND MAY NOT CARRY ANY GUARANTEED COUPON AND CAN BE REDEEMED ONLY OUT OF THE DISTRIBUTABLE PROFITS OF THE COMPANY OR OUT OF THE PROCEEDS OF A FRESH ISSUE OF SHARES MADE, IF ANY, BY THE COMPANY FOR THE PURPOSE OF REDEMPTION.

THE COMPANY HAS A VALID CERTIFICATE OF REGISTRATION DATED OCTOBER 21, 2013 ISSUED BY THE RESERVE BANK OF INDIA ("RBI") UNDER SECTION 45-IA OF THE RESERVE BANK OF INDIA ACT, 1934, AS AMENDED ("RBI ACT"). THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATION MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR DISCHARGE OF LIABILITY OF THE COMPANY. NEITHER IS THERE ANY PROVISION IN LAW TO KEEP, NOR DOES THE COMPANY KEEP ANY PART OF THE DEPOSITS WITH RBI AND BY ISSUING THE CERTIFICATE OF REGISTRATION TO THE COMPANY, THE RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEES FOR THE REPAYMENT OF THE DEPOSIT AMOUNT TO ANY DEPOSITOR.

LISTING

THE COMPANY HAS RECEIVED IN-PRINCIPLE APPROVAL FOR THE LISTING OF THE CRPS FROM THE BSE LIMITED BY ITS LETTER DATED SEPTEMBER 17, 2014.

CREDIT RATINGS

The CRPS have been rated 'CRISIL AAA/ Stable' by CRISIL Limited pursuant to its letter dated September 11, 2014

Issue Opening Date	Issue Closing Date
September 18, 2014	September 19, 2014
Registrar to the Issue	

Sharepro Services (India) Private Limited

13 A B, Samhita Warehousing Complex, 2nd floor, Sakinaka Telephone Exchange Lane
Andheri - Kurla Road
Sakinaka
Andheri East
Mumbai - 400 072
Tel: +91 22 6191 5400 / 412
Fax: +91 22 6191 5444
Email: prakashk@shareproservices.com
Contact Person: Mr. Prakash A. Khare

DISCLAIMERS

THIS PRIVATE PLACEMENT OFFER LETTER AND DRAFT INFORMATION MEMORANDUM (“**IM**” AND/ OR “**OFFER DOCUMENT**”) IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE CRPS WILL BE LISTED ON THE BSE AND DO NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE CRPS TO THE PUBLIC IN GENERAL. APART FROM THIS IM, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE ISSUE OR IN RELATION TO THE COMPANY NOR IS THIS IM REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS. ACCORDINGLY, THIS IM HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED AS A PROSPECTUS.

THIS IM HAS BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE COMPANY AND OTHER TERMS AND CONDITIONS RELATING TO THE ISSUE OF THE CRPS, TO POTENTIAL INVESTORS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE CRPS. THIS IM DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY POTENTIAL INVESTOR MAY REQUIRE. NEITHER THIS IM NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE CRPS IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, AND ANY RECIPIENT OF THIS IM SHOULD NOT CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY CRPS. EACH INVESTOR CONTEMPLATING THE PURCHASE OF ANY CRPS SHOULD MAKE ITS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE COMPANY, AND ITS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE COMPANY. POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE CRPS AND SHOULD ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. IT IS THE RESPONSIBILITY OF POTENTIAL INVESTORS TO ALSO ENSURE THAT THEY WILL SELL THESE CRPS IN STRICT ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS IM AND APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT, 1956, AS AMENDED AND TO THE EXTENT NOT REPEALED (“COMPANIES ACT”) AND THE COMPANIES ACT, 2013, TO THE EXTENT NOTIFIED (“COMPANIES ACT, 2013”).

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS IM OR IN ANY MATERIAL MADE AVAILABLE BY THE COMPANY TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE INTERMEDIARIES AND THEIR RESPECTIVE AGENTS OR ADVISORS ASSOCIATED WITH THIS IM HAVE NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY IS ACCEPTED BY ANY SUCH INTERMEDIARY AGENT OR ADVISOR AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS IM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY. ACCORDINGLY, ALL SUCH INTERMEDIARIES AND THEIR RESPECTIVE AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS IM OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY IN CONNECTION WITH THIS ISSUE.

THIS IM IS NOT INTENDED FOR DISTRIBUTION TO ANY PERSON OTHER THAN THOSE TO WHOM IT IS SPECIFICALLY ADDRESSED TO AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT.

ONLY THE PERSON TO WHOM A COPY OF THIS IM IS SENT IS ENTITLED TO APPLY FOR THE CRPS. ANY APPLICATION BY A PERSON TO WHOM THE IM AND/OR THE APPLICATION FORM HAS NOT BEEN SENT BY THE COMPANY SHALL BE REJECTED.

THE PERSON WHO IS IN RECEIPT OF THIS IM SHALL NOT DISTRIBUTE THE SAME IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY.

EACH PERSON RECEIVING THIS IM ACKNOWLEDGES THAT SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED ALL ADDITIONAL INFORMATION CONSIDERED TO BE NECESSARY TO:

- A. VERIFY THE ACCURACY OF, OR TO SUPPLEMENT, THE INFORMATION HEREIN;
- B. UNDERSTAND THE NATURE OF THE CRPS AND THE RISKS INVOLVED IN INVESTING IN THEM INCLUDING FOR ANY REASON HAVING TO SELL THEM OR BE MADE TO REDEEM THEM BEFORE THE FINAL REDEMPTION DATES; AND
- C. SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY OR AGENT OR ADVISORY OR UNDERWRITER THAT MAY BE ASSOCIATED WITH ISSUANCE OF THE CRPS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

THIS IM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE CRPS OR THE DISTRIBUTION OF THIS IM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS IM AND THE OFFERING AND SALE OF THE CRPS MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS IM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

NO OFFER IS BEING MADE TO "PERSON RESIDENT OUTSIDE INDIA" AS SUCH TERM IS DEFINED IN FOREIGN EXCHANGE MANAGEMENT ACT, 1999. THE CRPS WILL ONLY BE OFFERED AND SOLD TO PERSONS RESIDENT IN INDIA AND WILL NOT BE OFFERED OR SOLD TO INVESTORS IN ANY JURISDICTION OUTSIDE INDIA.

THE CRPS HAVE NOT BEEN RECOMMENDED OR APPROVED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. THIS IM HAS NOT BEEN SUBMITTED, CLEARED OR APPROVED BY SEBI.

DISCLAIMER STATEMENT FROM THE COMPANY

THE COMPANY ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE, OTHER THAN IN THIS IM AND ANY OTHER MATERIAL EXPRESSLY STATED TO BE ISSUED BY OR AT THE INSTANCE OF THE COMPANY IN CONNECTION WITH THE ISSUE OF CRPS, AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION, MATERIAL OR STATEMENT WOULD BE DOING SO AT THEIR/ITS OWN RISK.

DISCLAIMER OF RESERVE BANK OF INDIA

1. (A) "RESERVE BANK OF INDIA DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR DISCHARGE OF LIABILITY BY THE COMPANY"
- (B) "NEITHER IS THERE ANY PROVISION IN LAW TO KEEP, NOR DOES THE COMPANY KEEP ANY PART OF THE PUBLIC FUNDS WITH THE RESERVE BANK AND BY ISSUING THE CERTIFICATE OF REGISTRATION TO THE COMPANY, THE RESERVE BANK NEITHER

ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF THE PUBLIC FUNDS TO ANY PERSON/BODY CORPORATE”

DISCLAIMER OF THE STOCK EXCHANGE

AS REQUIRED, A COPY OF THIS INFORMATION MEMORANDUM HAS BEEN SUBMITTED TO BSE (DEFINED HEREINAFTER) (ALSO REFERRED TO AS “STOCK EXCHANGE”) FOR SEEKING IN PRINCIPLE APPROVAL FOR LISTING OF THE CRPS. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUCH SUBMISSION OF THE INFORMATION MEMORANDUM WITH BSE OR HOSTING THE SAME ON THE WEBSITE OF BSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE INFORMATION MEMORANDUM HAS BEEN CLEARED OR APPROVED BY BSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS INFORMATION MEMORANDUM; NOR DOES IT WARRANT THAT THIS ISSUER’S SECURITIES WILL BE LISTED OR CONTINUE TO BE LISTED ON THE STOCK EXCHANGE; NOR DOES IT TAKE RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE STOCK EXCHANGE OR ANY AGENCY WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

PURSUANT TO RULE 14 (3) OF THE COMPANIES (PROSPECTUS & ALLOTMENT OF SECURITIES) RULES, 2014, A COPY OF THIS INFORMATION MEMORANDUM SHALL BE FILED WITH THE REGISTRAR OF COMPANIES, MUMBAI ALONG WITH FEE AS PROVIDED IN THE COMPANIES (REGISTRATION OFFICES & FEES) RULES, 2014, WITHIN A PERIOD OF THIRTY DAYS OF CIRCULATION OF THIS INFORMATION MEMORANDUM. THIS INFORMATION MEMORANDUM SHALL ALSO BE FILED WITH SEBI AS PER EXTANT PROVISIONS. THE CRPS HAVE NOT BEEN RECOMMENDED OR APPROVED BY SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS INFORMATION MEMORANDUM. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS INFORMATION MEMORANDUM SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR VETTED BY SEBI. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS INFORMATION MEMORANDUM. HOWEVER SEBI RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE ISSUER, ANY IRREGULARITIES OR LAPSES IN THIS INFORMATION MEMORANDUM

DEFINITIONS/ ABBREVIATIONS/ TERMS USED

AGM	Annual general meeting of the Company
Acknowledgement Slip	Means the acknowledgment slip, the format of which is enclosed herewith as Annexure 4 to be obtained by an applicant, duly stamped by the RTA at the time of deposit of the Application Form.
Allot / Allotment / Allotted	Unless the context otherwise requires or implies, the allotment of the CRPS pursuant to the Issue.
Application Form	The application form circulated along with this IM to be used for the purposes of applying for the CRPS as Annexure 4
Application Money	The money credited by an applicant to the Designated Account of the Issuer for the purpose of subscription to the CRPS
Articles of Association/ Articles	The Articles of Association of the Company
Beneficiary/Beneficiaries	Those persons whose names appear on the beneficiary details provided by the Depositories (NSDL and/ or CDSL) as on the record date
Board/Board of Directors	The Board of Directors of the Company
BSE	BSE Limited
BOT	Build Operate Transfer
CAGR	Compound Annual Growth Rate
CARE	Credit Analysis & Research Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956, as may be amended/ modified/ substituted from time to time including the Companies Act, 2013 as may be applicable.
Company/Issuer	L&T Infra Debt Fund Limited
CRISIL	CRISIL Limited (A Standard and Poor's Company)
CRAR	Capital to Risk-weighted Assets Ratio
CRPS Holders	Persons who are for the time being holders of the CRPS and whose names are last mentioned in the CRPS Register and shall include Beneficiaries
CRPS Register	The Register of Members maintained by the Company and/or the Registrar and Share Transfer Agents (RTA)
CRPS	Rated, listed, cumulative, redeemable, non-convertible preference shares of face value of ₹ 10,00,000/- each being issued by the Company in accordance with this IM
Deemed Date of Allotment	September 19, 2014
Depositories	NSDL and CDSL
Designated Account	Company's bank account for collecting the Application Money.
DP	Depository Participant
ECGC	Export Credit Guarantee Corporation of India Limited
EGM	Extraordinary general meeting of the Company
FY	Financial Year
GOI	Government of India
IDF	Infrastructure Debt Fund
IDF-NBFC	Infrastructure Debt Fund – Non-Banking Financial Company, as defined under the IDF RBI Directions
IDF RBI Directions	Infrastructure Debt Fund-Non-Banking Financial Companies (Reserve Bank) Directions, 2011
IFC	Infrastructure Finance Company
IM	This information memorandum and private placement offer letter dated September 17, 2014, prepared by the Company in relation to the private placement of CRPS aggregating up to ₹ 150 crore.
INR/ ₹ / Rupees	The lawful currency of the Republic of India
Investors	Those persons resident in India (who fall within a class listed under the

	heading 'who can apply' of this IM) to whom a copy of this IM may be sent, specifically addressed to such person, with a view to offering the CRPS for sale (being offered on a private placement basis) under this IM.
ISIN	International Securities Identification Number
IT Act	Income Tax Act, 1961, as amended
IT Rules	Income Tax Rules, 1962, as amended
Issue	Issue by the Issuer of upto 750 CRPS, aggregating to ₹ 75,00,00,000 with an option to retain an over-subscription of upto ₹75,00,00,000 for issuance of additional CRPS aggregating to a total of ₹ 150,00,00,000 (Rupees one hundred and fifty crores).
Issue Size	₹ 75,00,00,000 (Rupees seventy five crores) with an option to retain an over-subscription of ₹ 75,00,00,000 (Rupees seventy five crores) for issuance of additional CRPS aggregating to a total of ₹ 150,00,00,000 (Rupees one hundred and fifty crores)
L&T	Larsen & Toubro Limited
MCA	Ministry of Corporate Affairs, Government of India
Memorandum of Association	The Memorandum of Association of the Company
N.A.	Not applicable
NBFC	Non-Banking Financial Company
NHAI	National Highway Authority of India
NPA	Non-Performing Assets
NSDL	National Securities Depository Limited
Promoter	Promoter of the Company, in terms of the SEBI ICDR Regulations, being L&T Finance Holdings Limited
PAN	Permanent Account Number allotted under the IT Act.
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
SEBI	Securities and Exchange Board of India
TDS	Tax Deducted at Source

DISCLOSURE REQUIREMENTS UNDER FORM PAS – 4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Placement Document where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	14
b.	Date of incorporation of the company.	14
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	16
d.	Brief particulars of the management of the company.	24
e.	Names, addresses, DIN and occupations of the directors	24
f.	Management's perception of risk factors	10
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	28
i)	Statutory dues;	28
ii)	Debentures and interest thereon;	28
iii)	Deposits and interest thereon; and	28
iv)	Loan from any bank or financial institution and interest thereon.	28
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	14
2.	PARTICULARS OF THE OFFER	
a.	Date of passing of board resolution.	39
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	39
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	33
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	33
e.	Name and address of the valuer who performed valuation of the security offered.	15
f.	Amount which the company intends to raise by way of securities.	33
g.	Terms of raising of securities:	
(i).	Duration, if applicable;	34
(ii).	Rate of dividend;	34
(iii).	Rate of interest;	NA
(iv).	Mode of payment; and	40
(v)	Mode of repayment.	43
h.	Proposed time schedule for which the offer letter is valid.	1
i.	Purposes and objects of the offer.	33
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	26
k.	Principle terms of assets charged as security, if applicable.	NA
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	26
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority	29

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
	against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	
c.	Remuneration of directors (during the current year and last three financial years).	26
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	29
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	28
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding, the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	29
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company	29
4.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	22
(b)	Size of the present offer; and	22
(c)	Paid up capital:	22
(A)	After the offer; and	22
(B)	After conversion of convertible instruments (if applicable);	22
(d)	Share premium account (before and after the offer).	22
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	23
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	23
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	22
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	30
d.	A summary of the financial position of the company as in the three	28

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
	audited balance sheets immediately preceding the date of circulation of offer letter.	
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	28
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	29
5.	A DECLARATION BY THE DIRECTORS THAT	
a.	The company has complied with the provisions of the Act and the rules made thereunder.	52
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	52
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	52

RISK FACTORS

Prospective investors should carefully consider the risk factors relating to the business of the Company and the industry of the Company described below together with all other information contained in this IM before making any investment decision relating to the CRPS. These risks and uncertainties are not the only issues that the Company faces; additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have an adverse effect on the business, results of operations, financial condition or prospects and cause the market price of the CRPS to fluctuate significantly and consequently adversely impact the prospective investment, upon a sale of the CRPS.

Unless otherwise stated in the relevant risk factors set forth below, the Company is not in a position to specify or quantify the financial or other risks mentioned herein.

The order of the risk factors appearing hereunder is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The prospective Investors must rely on their own examination of the Company and this Issue, including the risks and uncertainties involved.

Internal Risk Factors

There could be delays or defaults by a concession authority with respect to payments upon termination under the tripartite agreement between the Company, the concession authority and the concessionaire

Any lending or investment activity is exposed to credit risk arising from the risk of default and non-payment by borrowers and other counterparties. IDF-NBFCs are permitted to refinance only those projects that have completed at least 1 year of satisfactory operations. Further, the model tripartite agreement required to be entered into between an IDF-NBFC, the relevant concession authority and the concessionaire provides for credit enhancement measures in respect of borrowings availed of from the IDF-NBFC, including (i) deeming an IDF-NBFC to be a senior lender, (iii) stipulating that the IDF-NBFC's refinance amount remains lower than the termination compensation payable under the concession agreement (iii) providing the IDF-NBFC with the right to enforce termination of the relevant concession agreement upon an event of default by the concession authority or the concessionaire, (iv) requiring, upon such termination being enforced, the concession authority to make a termination payment to the senior lenders, and (v) a priority charge being provided to the IDF-NBFC in respect of application of the aforesaid termination payment by the concession authority. However, in spite of the aforesaid credit enhancement measures, a delay in payment or non-payment of part or all of the termination payment by the relevant concession authority pursuant to the provisions of the applicable tripartite agreement, could adversely affect the Company's business and future financial condition. For further details in this regard, please refer to 'Inherent Credit Enhancement Features of IDF-NBFCs' on page 20 of this IM.

Changes may occur to the Company's current interest rate policy of matching fixed rate assets with fixed rate liabilities

The Company proposes to provide long term fixed rate facilities to borrow ₹ In order to ensure the absence of basis or interest rate risk, the Company presently proposes to raise funds through the issuance of fixed rate, long term bonds. In case of a change at any point in the future, in the aforesaid policy of matching fixed rate assets with fixed rate liabilities of equivalent average maturity, the Company could face interest rate risks as well as a risk of asset liability mismatches, which could adversely impact the business and financial condition of the Company.

Changes could occur in the Company's foreign exchange exposure policy

Although existing guidelines specifically permit fund raising by IDF-NBFCs through foreign currency bonds and provide for the availability of the facility of foreign exchange hedging, under the Company's present foreign exchange exposure policy, it is envisaged that the Company will borrow funds in foreign currency only if its foreign exchange exposure under such borrowing is fully hedged. However, in the event

this policy is changed and the Company borrows funds in foreign currency, the Company could be exposed to the risk of fluctuations in foreign exchange rates and adverse movements of the Indian rupee. Any such adverse movements of the rupee against foreign currencies, could adversely impact the business and financial condition of the Company.

The fiscal benefits to IDF-NBFCs could be withdrawn in the future, or additional or increased levies, taxes or fees could be imposed on IDF-NBFCs

The Government of India has, in order to achieve multiple objectives (including but not limited to providing a solution to the asset liability mismatch of banks), put in place a policy framework for the smooth functioning of IDFs in India. Along with the policy framework, the government has provided certain fiscal benefits to IDF NBFCs. For instance, any income of an IDF-NBFC is exempt from tax. In case of withdrawal of any or all of these benefits or increased taxes, fees or any other levies being imposed could adversely impact the financial position of the Company. Further, the policies and regulations with respect to IDFs are nascent. The Company could be adversely affected, in the event of an amendment or change to any of these policies or regulation resulting in any of these benefits ceasing to be made available to the Company.

The Company's ability to sustain itself is primarily dependent on the availability of appropriate projects to lend to in future

IDF-NBFCs are permitted to invest only in public private partnerships (“PPP”) infrastructure projects, which have completed at least one year of satisfactory commercial operation. A large number of PPP infrastructure projects, currently under construction, are also expected to become operational over the next few years. The Company believes that this market is sufficient for several players, including refinanciers which are not IDF NBFCs. However, in case the concession authorities partially or completely discontinue the practice of bidding out projects on a PPP basis, and/ or the state governments also do not approve the model tripartite agreement approved by the Government of India, it could lead to a risk of non-availability of eligible projects for IDF-NBFCs after refinancing eligible projects that are currently operational & expected to become operational in the next few years. If opportunities for the Company to lend to such projects become limited, the Company's business, future financial performance and results of operations could be adversely affected.

Risk of concentration to a few sectors

While there are several sectors / sub sectors currently eligible for refinance by IDF-NBFCs, some of which could come under the jurisdiction of state concession authorities, the model tripartite agreement has been approved by the Government of India only in respect of the roads and ports sectors. Although the Cabinet Committee on Infrastructure has, on October 30, 2013, approved the constitution of an Inter-Ministerial Group to consider all cases requiring modifications to the model tripartite agreement for sector specific concession agreements any delay or alternatively non-approval of the model tripartite agreements in respect of other sectors, or delays by the concession authority in execution of the model tripartite agreements upon finalisation, could result in a risk of concentration of the Company's business towards the sectors in respect of which model tripartite agreements have been approved by the Government of India.

Risk of lower market share due to increased competition

While the regulatory guidelines in respect of IDF-NBFCs provide for a number of conditions including with respect to eligibility of sponsor(s), minimum capital infusion, minimum credit rating prior to application to RBI, restrictions on shareholding of the Sponsor, etc., it is possible that there could be a larger number of applicants at a later point in time, and if approved, an increased number of competitors in the IDF-NBFC space. Significantly increased competition could result in a lower market-share in future years for the Company.

Risks in relation to this Issue

Restrictions on payment of dividend and redemption

As per the provisions of the Companies Act, the dividends payable on the CRPS can only be out of profits of the Company, calculated in accordance with the provisions of the Companies Act or out of the profits of the Company for any previous fiscal year(s) arrived at as laid down by the Companies Act. Further, where the profits (including accumulated profits standing in the profit or loss account) are inadequate, dividends can be paid out of free reserves, in accordance with the Companies Act and the rules made thereunder. Redemption of the CRPS can only be made out of the proceeds of a fresh issue of shares made for the purpose of redemption or the profits of the Company that would otherwise have been available for distribution as dividend. In case the Company does not have adequate profits, the Company will not be able to pay the dividends on the CRPS. Further, in case the Company does not have adequate profits or the Company is unable to raise money by fresh issue of shares, the Company may be unable to redeem the CRPS in accordance with their terms.

The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject the Company to higher compliance requirements and increase in the Company's compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offer document, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. The Company is also required to spend, in each financial year, at least 2.0% of the average net profits during three immediately preceding financial years towards corporate social responsibility activities. Further, the Companies Act, 2013 imposes greater monetary and other liability on the Company, the Directors and the Key Managerial Personnel for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, the Company may need to allocate additional resources, which may increase the regulatory compliance costs and divert management attention.

While in principle approval for listing has been received from BSE, there is no guarantee that the CRPS issued pursuant to this Issue will be listed on the BSE in a timely manner and could get delayed

In accordance with Indian law and practice, permissions for listing and trading of the CRPS issued pursuant to this Issue will not be granted until after the CRPS have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of CRPS to be submitted. There could be a failure or delay in listing the CRPS on the Stock Exchange. Any failure or delay in obtaining the approval would restrict an investor's ability to trade in the CRPS.

External Risk Factors

Risk of low trading volumes in secondary market and/ or improper functioning of capital markets could restrict the liquidity of the CRPS in the secondary market

There is no assurance that an active trading market for this instrument will develop or be sustained after listing of the CRPS. The trading volume of the CRPS would be driven by, amongst other things, market demand and supply and prices may fluctuate after listing due to a wide variety of factors including but not limited to (i) the return on similar securities available in the market (ii) interest rates prevalent in India, and (iii) the financial performance, growth and results of operations of the Company. Holders of the CRPS may also face risk of improperly functioning capital markets that could restrict liquidity in the secondary market.

A slowdown in economic growth in India and the global financial markets could cause the Company's business to suffer

The Company's performance and the quality and growth of its assets are dependent on the overall growth of the Indian economy and global markets. A further slowdown in the Indian economy and the global markets could affect its business, including its ability to grow its asset portfolio, the quality of its assets, and its ability to implement its strategy. India's economy and the global markets could be affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general downtrend in the Indian and the world economy.

The nature and pace of policy and regulatory changes in the infrastructure sector and infrastructure finance sector may have an impact on the Company's growth and financial results

The policy and institutional framework in the infrastructure sector and infrastructure finance sector have been continuously evolving and the reform process is an on-going phenomenon. The growth of the infrastructure industry in India, which directly impacts the Company, is dependent on the establishment of stable government policies and prudent regulation. Infrastructure development in India has historically been the preserve of the Central and State Governments, and has been constrained by various factors such as shortages of public funding, political considerations and issues of transparency and accountability. The pace of regulatory change in some infrastructure sectors has not been as rapid. The precise nature and pace of policy and regulatory change may have an impact on the Company's growth and financial results.

GENERAL INFORMATION

(i) DETAILS OF THE COMPANY

Name of the Company: L&T Infra Debt Fund Limited

Date of Incorporation: March 19, 2013

Registered Office:

3B, Laxmi Towers, C-25, 'G' Block, Bandra-Kurla Complex, Bandra East, Mumbai-400051

Corporate Office:

3B, 2nd Floor, Laxmi Towers, C-25, 'G' Block, Bandra-Kurla Complex, Bandra East, Mumbai-400051.

Registration:

Certification of incorporation dated March 19, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai. Corporate Identification Number: U67100MH2013PLC241104.

The Company has a valid Certificate of Registration dated October 21, 2013 issued by the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, as amended ("RBI Act").

Income-Tax Registration:

PAN : AACCL4493R

Compliance Officer:

Name : Ms. Radhika Parmanandka

Address : City -2, 177, C.S.T. Road, Kalina, Santacruz East, Mumbai – 400098

Telephone : +91 22 6621 7593

Fax : +91 22 6621 7509

E-Mail : radhikaparmanandka@ltfinance.com

Investors can contact the Registrar & Share Transfer Agents (RTA) in case of any pre-issue or post-issue related problems such as non-receipt of demat credit, refund orders or interest on Application Money.

Registrar & Share Transfer Agents (RTA)

Sharepro Services (India) Private Limited

13 A B, Samhita Warehousing Complex, 2nd floor, Sakinaka Telephone Exchange Lane

Andheri - Kurla Road

Sakinaka

Andheri East

Mumbai – 400 072

Tel: +91 22 6191 5400 / 412

Fax: +91 22 6191 5444

Email: prakashk@shareproservices.com

Contact Person: Mr. Prakash A. Khare

Legal Advisor to the Issue:

AZB & Partners

24th Floor, Express Towers

Nariman Point, Mumbai 400 021

Tel: +91 22 66396880

Fax: +91 22 66396888

Email: mumbai@azbpartners.com

Statutory Auditors:**Deloitte Haskins & Sells LLP**

Tower 3, 27th - 32nd floor
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (W), Mumbai - 400 013
Tel: +91 22 6185 4000
Fax: +91 22 6185 4501/4601

Chief Financial Officer

To be appointed.

Tax Advisor**BMR & Associates, LLP**

BMR House
36B Dr. R K Shirodkar Marg
Parel, Mumbai 400 012
Tel: +91 22 30217000
Fax: +91 22 30217070

Credit Rating Agency:**CRISIL Limited**

CRISIL House,
Central Avenue,
Hiranandani Business Park,
Powai,
Mumbai – 400 076
Tel: +91 22 3342 3000
Fax: +91 22 3342 3050
web: www.crisil.com

Credit Ratings**CRISIL**

By its letter dated September 11, 2014, CRISIL has assigned a rating of 'CRISIL AAA/ Stable' to this issue of CRPS by the Issuer to the extent of ₹2.50 billion redeemable preference shares. Such instruments carry very low credit risk. Set out as Annexure 1 is the rating letter and the rating rationale.

Kindly note that the above ratings are not a recommendation to buy, sell or hold the CRPS and subscribers should take their own independent decisions. The ratings may be subject to revision or withdrawal at any time by the rating agency and the rating agency has a right to suspend or withdraw the rating(s) at any time on the basis of new information, etc.

Valuer**P. Madhavan Iyengar**

S1/ 107, Jai Krishna Sudama CHS Ltd
Bangur Nagar, Goregaon (W)
Mumbai - 400 090
Tel: +91-9821676230
Email: iyengarmadhavan@yahoo.com

Issue Programme

The subscription list for this Issue shall remain open for subscription during banking hours for the period indicated below, except it may close on such earlier or later date as may be decided by the Board / Committee of Directors of the Company, as the case may be.

ISSUE OPENS ON	September 18, 2014
ISSUE CLOSES ON	September 19, 2014

INFORMATION ABOUT THE COMPANY

(ii) BRIEF SUMMARY OF THE BUSINESS/ACTIVITIES OF THE COMPANY AND ITS LINE OF BUSINESS.

a) Overview and Corporate Structure

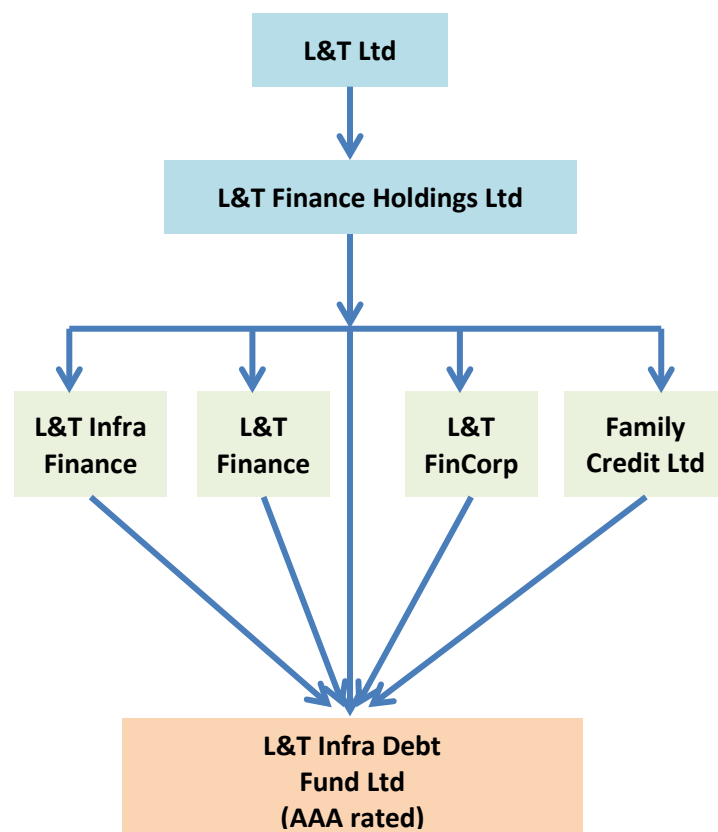
Company Background

L&T IDF is an Infrastructure Debt Fund registered under the Companies Act, 1956 and regulated by the RBI. L&T IDF was incorporated on March 19, 2013 and received the Certificate of Registration (“CoR”) number N-13.02055 from RBI on October 21, 2013 under Section 45-IA of the RBI Act, registering the Company as an IDF-NBFC. L&T IDF commenced business on November 21, 2013.

Corporate Structure

L&T IDF was incorporated with an initial share capital of ₹ 5,00,000. Its current issued and paid-up equity share capital aggregates to ₹ 304,00,00,000, comprising 30,40,00,000 Equity Shares.

L&T IDF is held 48.36% by L&T Infrastructure Finance Company Limited and the remaining stake is currently held by L&T Finance Holdings Limited (23.36%), L&T Finance Limited (6.58%), L&T FinCorp Limited (14.14%), and Family Credit Limited (7.56%). Each of L&T Infrastructure Finance Company Limited, L&T Finance Limited, L&T FinCorp Limited and Family Credit Limited are wholly owned subsidiaries of L&T Finance Holdings Limited, which is, in turn, a subsidiary of Larsen & Toubro Limited.



Outside liabilities

L&T IDF can leverage its net worth through the issue of long-tenor bonds to reputed investors, including pension funds, insurance companies and other key investors, both domestic and foreign.

Operations

In line with IDF RBI Directions, L&T IDF would invest in operational PPP projects which have completed at least one year of satisfactory commercial operation and become party to a tripartite agreement with the concessionaire and the concession authority for ensuring compulsory buyout with termination payment in an event of default. The investment portfolio may be diversified by sector, project type, geography and promoter groups.

Credit rating

NCD and Preference Share instruments of L&T IDF have each been rated **AAA** on a standalone basis. The table below indicates the credit ratings assigned to instruments issued/ to be issued by L&T IDF:

Instrument	CRISIL	CARE
Non-Convertible Debentures	AAA	AAA
Preference Shares	AAA	N.A.

This is based, among other factors, on the (i) well-defined regulatory and operating framework for IDF – NBFCs, with in- built credit enhancement mechanism; (ii) domain expertise, risk assessment experience and established client relationships of the L&T Group in infrastructure (iii) financing experience of L&T Infrastructure Finance Company (iv) clear and focused business model and (v) experienced management team.

Sectoral focus

L&T IDF offers refinancing solutions to eligible clients (infrastructure PPP projects which have completed at least 1 year of satisfactory operations) principally in multiple sectors in line with regulatory guidelines.

Market

As per regulatory guidelines, IDF-NBFCs are permitted to refinance debt of only those projects that fulfill the following criteria:

- (i) The projects should be PPP infrastructure projects.
- (ii) The projects should have completed at least 1 year of satisfactory commercial operations.
- (iii) The projects should have suitable arrangements for buyback of debt, by a government owned concession authority, in event of termination.
- (iv) IDF-NBFCs shall enter into a tripartite agreement in respect of each financing.

GoI has approved a model tripartite agreement between the concessionaire, who is the Borrower, concession authority and the IDF-NBFC for the roads and ports sectors

The model tripartite agreement is currently approved for the roads and ports sectors but is in the process of being replicated for other eligible sectors, based on the same principles. The sector-wise estimates of size of market for IDF-NBFCs are as per the sections below.

Roads:

India has the second largest road network in the world, aggregating to 4.7 million km. Roads form the most common mode of transportation and account for about 85 per cent of passenger traffic and close to 60 per cent of freight. (Source: *www.ibef.org*)

As on April 30, 2013, out of 239 projects awarded by NHAI on PPP basis, 75 projects were operational. In addition, 63 state PPP projects were operational. These 138 projects are eligible or expected to become eligible for refinance by L&T IDF in FY 2015 (i.e. after completion of 1 year of satisfactory operational performance). (Source: *Guidelines for Investment in Roads Sector – Government of India, Road Transport & Highways. www.nhai.org*) State projects would be eligible for refinance by IDF-NBFCs subject to approval of model tripartite agreements by state governments.

Airports:

The private sector played an important role during the eleventh five year plan (2007-2012) in the area of airport development. Five international airport projects were successfully completed through PPP mode, namely, the development of Hyderabad and Bengaluru international airport and modernization of Kochi, Delhi and Mumbai international airports. Total investment made by private airports operators in the last five years was approximately ₹30,000 Crore (Source: *Planning Commission, 12th Plan documents*)

The Planning Commission estimates ₹ 50,000 Crore of private sector investment in Airports in the Twelfth Plan Period (2013-2017).

Ports

The Indian coastline is dotted with 12 major and 185 non-major ports, catering to coastal and overseas trade. (Source: *Report of the Working Group for the Eleventh Five Year Plan*) With increase in India's seaborne trade, Indian ports have witnessed an increase in traffic. Over the last few years, the share of non-major ports in the total traffic handled has been increasing.

As per the Ministry of Shipping, there were 30 operational PPP projects under major ports in India with an aggregate investment of approximately ₹ 9500 crore. Additionally, there are 26 projects aggregating approximately ₹ 13,700 crore under various stages of implementation, expected to be operational in the next 5 year period.

As per Twelfth Five Year Plan, to meet the overall projected traffic of 1758.26 million tonnes by FY 2017, the total capacity of the port sector is envisaged to be 2289.04 million tonnes. The traffic forecast by the end of Twelfth Five Year Plan is expected to be 943.06 million tonnes and 815.20 million tonnes for the major ports and non-major ports respectively, with the corresponding ports capacities of 1229.24 million tonnes and 1059.80 million tonnes respectively (Source: *Planning Commission, documents relating to the Twelfth Five Year Plan*).

Urban Infrastructure:

Most urban infrastructure projects which are eligible for finance by IDF- NBFCs would come under the jurisdiction of state government / state government entities.

Considering the poor financial strength of many municipal bodies and poor viability of many of the projects, the current refinancing market for eligible urban infrastructure projects is relatively low, compared to other sectors. Projects in these sectors would form a part of IDF-NBFC's market subject to state government approval for model tripartite agreements (between the Borrower, the IDF-NBFC and the Concession Authority) which are mandatory for financing by an IDF-NBFC.

Background of IDFs

In order to accelerate and enhance the flow of long term debt to infrastructure projects in India, the Union Finance Minister, in his Budget speech for 2011-12 had announced the setting up of Infrastructure Debt Funds (IDFs). GoI and regulators have subsequently announced the broad structure, eligibility criteria for sponsors, Income Tax benefits and inherent credit enhancement mechanisms.

IDF-NBFCs set up as companies under the Companies Act, 1956 would refinance PPP infrastructure projects that have completed at least 1 year of satisfactory operations and have a buyback arrangement with a government owned concession authority.

Though refinance for infrastructure projects is an established business in India, the IDFs format is new and seeks to achieve the following overall objectives:

- reduction in asset liability mismatch of banks;
- freeing-up of exposure of banks to business groups;
- lower cost long term refinance for projects;
- increased foreign investments into India's infrastructure sectors; and
- deepening, widening and broadening the bond market in India;

Overview of regulatory guidelines in respect of IDF-NBFCs

The RBI has, through the IDF RBI Directions, prescribed a clearly defined regulatory and operating framework designed specifically for IDF-NBFCs. This framework prescribes a focused business model and provides asset quality protection through an in-built credit enhancement mechanism by way of a tripartite agreement. Certain features of the regulations governing IDF-NBFCs that are intended to contribute to the aforesaid asset quality protection are set out below.

Sponsors

The only class of NBFCs permitted to sponsor IDF-NBFCs are IFCs. Such sponsors are allowed to contribute up to 49% of the equity share capital of an IDF-NBFC with a minimum equity shareholding of 30% of the equity share capital of an IDF-NBFC. Furthermore, post investment in the IDF-NBFC, the IFC must comply with the minimum CRAR and net owned fund prescribed for IFCs.

Investments by IDF-NBFCs

As per the IDF RBI Directions, an IDF-NBFC should have minimum net owned funds of ₹ 300 crore and should invest only in public private partnerships infrastructure projects, which have completed at least one year of satisfactory commercial operation. Furthermore, an IDF-NBFC is required to be a party to a tripartite agreement with the concessionaire (*i.e.* the party which has entered into a concession agreement with the concession authority for developing the infrastructure project) and the concession authority, with the lenders' representative as a confirming party. The tripartite agreement permits IDF-NBFCs (i) to extend the tenor of refinance to projects, within certain limits (ii) access to termination benefits available to senior lenders, under the provisions of the concession agreement (iii) access to a priority charge on termination benefits, in event of default.

As of the date of this IM, IDF-NBFCs can invest only in road & port projects as the Government of India has only approved the model tripartite agreement for the road & port sectors. Further, on October 30, 2013, the Cabinet Committee on Infrastructure has approved the constitution of an Inter-Ministerial Group to consider all cases requiring modifications to the model tripartite agreement for sector specific concession agreements. The tripartite agreement for the airport sector, is under finalization by the GoI.

Inherent Credit Enhancement Features of IDF-NBFCs

While the Cabinet Committee on Infrastructure has approved the model tripartite agreement solely for the road & port sectors, the terms of a tripartite agreement that would be entered into are permitted to be modified on a case by case basis, in order to reflect the provisions of the relevant concession agreements, but without altering the allocation of risks.

In this regard, the model tripartite agreement with NHAI, the IDF-NBFC and the concessionaire ("**NHAI Tripartite Agreement**"), with the lenders' representative as a confirming party, provides for a part of the concessionaire's outstanding debt by the IDF-NBFC. The total value of such refinance shall not exceed 85% of the Debt Due forming part of the total cost of the project ("**Bonds**"). However, the concessionaire may, with the prior written approval of NHAI additionally refinance for a total value not exceeding 15% of the debt due forming part of the total cost of the project, as approved by NHAI.

As per the NHAI Tripartite Agreement, the tenor of the refinance shall be such that at least 50% and 75% of the total refinance shall be redeemed by the concessionaire within the expiry of 75% and 85% of the concession period, respectively, and the balance, if any, shall be redeemed no later than two years prior to the expiry of the Concession Period. Furthermore, the IDF-NBFC and the concessionaire may mutually agree to undertake early redemption of the Bonds.

Upon issuance of the Bonds to the IDF-NBFC, the IDF-NBFC shall be deemed to be a senior lender and shall be entitled to all rights and privileges of a senior lender under the concession agreement. Furthermore, rights, title or interest of the senior lenders in relation to termination payments in the event of termination, to the extent such rights, title or interest are provided in the concession agreement, and other related agreements, shall be subordinate to the rights, title or interest created by the refinance in favour of the IDF-NBFC. Any payments on account of termination shall be applied first for the repayment/redemption of the amount refinanced by IDF-NBFCs, after which any balance shall be paid towards meeting other obligations, including the balance Debt Due. All senior lenders shall continue to have pari passu charge on project security including but not limited to charge on revenues, accounts, contracts, pledge of shares and other assets as may be applicable, of the concessionaire.

In the event of default by the concessionaire in servicing of debt, the senior lenders (including the IDF-NBFC) shall have the right to enforce termination of the concession agreement, which, amongst other things, requires the concession authority to make a termination payment to the senior lenders (including the IDF-NBFC), the quantum of which would be determined as per the terms of the relevant concession agreement.

On September 24, 2013, the Cabinet Committee on Economic Affairs permitted IDF-NBFCs to avail benefits available to Public Financial Institutions (PFI), for instance access to provisions of the SARFAESI Act, including the adjudicatory process through debt recovery tribunals, as is currently

permitted to PFIs. These measures are aimed at promoting the operationalisation of IDFs through timely access to funds and credit enhancement.

Resources

An IDF- NBFC is permitted to raise resources through issue of either INR or Dollar denominated bonds with a minimum maturity of five years.

Credit Rating

An IDF-NBFC is required to have, at the minimum, a credit rating grade of 'A' by CRISIL or an equivalent rating issued by other accredited rating agencies.

Capital Adequacy

An IDF-NBFC is required to have a minimum CRAR of 15% and its Tier II Capital shall not exceed its Tier I Capital. For the purpose of computing capital adequacy of an IDF-NBFC, bonds covering public private partnerships and post commencement operations date infrastructure projects in existence over a year of commercial operation shall be assigned a risk weight of 50%. All other assets shall be risk weighted as per the extant RBI regulations.

Credit Concentration Norms

The maximum exposure that an IDF-NBFC can take on individual projects will be at 50% of its total capital funds, *i.e.* Tier I plus Tier II Capital. An additional exposure of up to 10% could be taken at the discretion of the board of directors of the IDF-NBFC. Furthermore, RBI may, upon receipt of an application from an IDF-NBFC, if the financial position of the IDF-NBFC is satisfactory, permit additional exposure of up to 15% of its total capital funds, *i.e.* over 60%, subject to such conditions as it may deem fit to impose regarding additional prudential safeguards. Further, IDF-NBFCs are not permitted to undertake any exposure to associate companies of the IDF-NBFC.

Tax Benefits available to IDF-NBFCs

As per section 10(47) of the IT Act, any income of an IDF-NBFC, set up in accordance with the guidelines as prescribed and notified by the Central Government, shall be exempt from tax. The said guidelines have been prescribed under Rule 2F of the IT Rules.

b) Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis.

(In Lakhs)

Parameters	FY 2014	FY 2013	FY 2012
For Financial Entities			
Networth	32,288.13	N.A.	N.A.
Total Debt	0.00	N.A.	N.A.
Of which -	0.00	N.A.	N.A.
Non Current Maturities of Long Term Borrowing			
- Short Term Borrowing	0.00	N.A.	N.A.
- Current Maturities of Long Term Borrowing	0.00	N.A.	N.A.
Net Fixed Assets	0.00	N.A.	N.A.
Non Current Assets	61.00	N.A.	N.A.
Cash and cash equivalents	32,121.20	N.A.	N.A.
Current Investments	0.00	N.A.	N.A.
Current Assets	126.29	N.A.	N.A.
Current Liabilities	20.36	N.A.	N.A.
Assets under Management	0.00	N.A.	N.A.
Off Balance Sheet Assets	0.00	N.A.	N.A.
Interest Income	2,729.59 [#]	N.A.	N.A.

Interest Expense	0.00	N.A.	N.A.
Provisioning & write –offs	0.00	N.A.	N.A.
PAT	1,888.13	N.A.	N.A.
Gross NPA { %}	NA	N.A.	N.A.
Net NPA	NA	N.A.	N.A.
Tier I Capital Adequacy Ratio (%)	25,087.89%	N.A.	N.A.
Tier II Capital Adequacy Ratio (%)	0%	N.A.	N.A.

#As per RBI Notification No. DNBS.233/CGM(US)-2011 dated 21st November, 2011, an IDF-NBFC should have a minimum Net Owned Fund of ₹ 300 Crore. Accordingly, on 8th April 2013 and 9th April 2013, ₹ 304 Crore in aggregate was infused in L&T IDF Ltd by shareholders and the same was deployed in Fixed Deposits as per RBI Circular RBI/2012-13/319 dated 7th December, 2012. Interest Income above relates to income from Fixed Deposits till 31st March, 2014.

c) Gross Debt: Equity Ratio of the Company on a consolidated basis.

Before the issue of non-convertible redeemable preference shares (as of June 30, 2014)	0.76x
After the issue of non-convertible redeemable preference shares	0.52x

(iii) BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION.

(a) Details of Share Capital as of June 30, 2014

Share Capital	
Authorized Share Capital *	₹ 600,00,00,000 consisting of 40,00,00,000 Equity Shares of face value of ₹ 10/- each and 2,000 Preference Shares of face value of ₹ 10,00,000/- each
Equity Share Capital	₹ 400,00,00,000 consisting of 40,00,00,000 Equity Shares of face value of ₹ 10/- each
Preference Share Capital	200,00,00,000 consisting of 2,000 Preference Shares of face value of ₹ 10,00,000/- each
Issued, Subscribed and Paid-up Share Capital	₹ 304,00,00,000 consisting of 30,40,00,000 Equity Shares of face value of ₹ 10/- each
Equity Share Capital	₹ 304,00,00,000 consisting of 30,40,00,000 Equity Shares of face value of ₹ 10/- each
Preference Share Capital	NIL
Size of the Issue	₹ 150,00,00,000 consisting of 1,500 Preference Shares of face value of ₹ 10,00,000/- each
Paid up Capital of the Issuer after the Issue	₹ 454,00,00,000 consisting of 30,40,00,000 Equity Shares of face value of ₹ 10/- each and 1,500 Preference Shares of face value of ₹ 10,00,000/- each
Equity Share Capital	₹ 304,00,00,000 consisting of 30,40,00,000 Equity Shares of face value of ₹ 10/- each
Preference Share Capital **	₹ 150,00,00,000 consisting of 1,500 Preference Shares of face value of ₹ 10,00,000/- each
Share Premium Account	
Before the Issue	NIL
After the Issue	NIL

*The shareholders have, by way of a resolution dated January 21, 2014, reclassified the authorised share capital of the Company into ₹600,00,00,000/- comprising 2,000 preference shares of ₹10,00,000/- each and 40,00,00,000 equity shares of ₹10/- each.

***Assuming a full subscription to the Issue aggregating to ₹150,00,00,000.*

(b) Changes to capital structure of the Company as of June 30, 2014, since incorporation

Date of change (AGM/EGM)	Amount in ₹	Particulars
Authorised Share Capital		
EGM dated January 21, 2014	600,00,00,000	Reclassification of Authorised Share Capital of the Company from ₹ 600,00,00,000, comprising 60,00,00,000 Equity Shares, to ₹ 600,00,00,000, comprising 40,00,00,000 Equity Shares and 2,000 preference shares of ₹ 10,00,000 each.
Issued, Subscribed and Paid-up Share Capital		
EGM dated March 25, 2013	304,00,00,000	Increase in Issued, Subscribed and Paid-up Share Capital of the Company from ₹ 5,00,000, comprising 50,000 Equity Shares, to ₹ 304,00,00,000, comprising 30,40,00,000 Equity Shares.

(b) Share Capital History of the Company as of June 30, 2014, since incorporation

(i) Equity Share Capital History of the Company

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Consideration (cash other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹)	Equity Share Premium (₹)	
March 19, 2013	50,000	10	10	5,00,000	Subscription to Memorandum of Association	50,000	5,00,000/-	-	-
April 10, 2013	30,39,50,000	10	10	303,95,00,000	Preferential Allotment	30,40,00,000	304,00,00,000	-	-

(ii) Preference Share Capital History of the Company

N.A.

(c) Details of allotments made by the Company in the last one year

(i) Details of allotment of the Equity Shares

N.A.

(ii) Details of allotment of Preference Shares

N.A.

(e) Details of any Acquisition or Amalgamation in the last 1 year.

N.A.

(f) **Details of any Reorganization or Reconstruction in the last 1 year:**

N.A.

(iv) **DETAILS OF SHAREHOLDING OF THE COMPANY AS OF JUNE 30, 2014**

(a) *Shareholding pattern of the Company as of June 30, 2014*

Sr. No.	Particulars	Total No. of Equity Shares	No. of Equity Shares in demat	Total Shareholding as % of total no of Equity Shares
1.	L&T Infrastructure Finance Company Limited	14,70,00,000	14,70,00,000	48.36
2.	L&T Finance Holdings Limited	7,10,00,000	7,10,00,000	23.36
3.	L&T FinCorp Limited	4,30,00,000	4,30,00,000	14.14
4.	L&T Finance Limited	2,00,00,000	2,00,00,000	6.58
5.	Family Credit Limited	2,29,99,996	2,29,99,996	7.56
6.	Yeshwant Moreswar Deosthalee	1*	1*	0.00
7.	Narayanaswami Sivaraman	1*	1*	0.00
8.	Suneet Maheshwari	1*	1*	0.00
9.	Suryanarayanan Neelakantan	1*	1*	0.00
	Total	30,40,00,000	30,40,00,000	100

* Equity Shares held jointly with L&T Infrastructure Finance Company Limited

(b) *Top ten Equity Shareholders of the Company as of June 30, 2014*

Sr. No.	Particulars	Total No. of Equity Shares	No. of Equity Shares in dematerialized form	Total Shareholding as % of total no of Equity Shares
1.	L&T Infrastructure Finance Company Limited	14,70,00,000	14,70,00,000	48.36
2.	L&T Finance Holdings Limited	7,10,00,000	7,10,00,000	23.36
3.	L&T FinCorp Limited	4,30,00,000	4,30,00,000	14.14
4.	L&T Finance Limited	2,00,00,000	2,00,00,000	6.58
5.	Family Credit Limited	2,29,99,996	2,29,99,996	7.56
6.	Yeshwant Moreswar Deosthalee	1*	1*	0.00
7.	Narayanaswami Sivaraman	1*	1*	0.00
8.	Suneet Maheshwari	1*	1*	0.00
9.	Suryanarayanan Neelakantan	1*	1*	0.00
	Total	30,40,00,000	30,40,00,000	100

* Equity Shares held jointly with L&T Infrastructure Finance Company Limited

(v) **DETAILS REGARDING DIRECTORS OF THE COMPANY.**

(a) *Details of the current Directors of the Company*

Name, Designation, Occupation	Age	Address	Date of Appointment	DIN	Other Directorships
Arun Ramanathan Non-Executive Chairman	65	6A, 6 th West Cross Street Shenoy Nagar Chennai - 600030	January 21, 2014	00308848	1. Equitas Holdings Private Limited; 2. Equitas Micro Finance Private Limited;

Name, Designation, Occupation	Age	Address	Date of Appointment	DIN	Other Directorships
Retired IAS Officer					3. Religare Enterprises Limited; 4. Shipping Corporation of India; 5. National Textile Corpn Limited; 6. Indian Clearing Corporation Limited
Yeshwant Moreshwar Deosthalee Non-Executive Director Service	68	C/401, Chaitanya Tower Coop Hsg Soc Ltd. Appasaheb Marathe Marg Prabhadevi Mumbai - 400025	March 19, 2013	00001698	1. L&T Finance Limited; 2. L&T Finance Holdings Limited; 3. L&T General Insurance Company Limited; 4. L&T Mutual Fund Trustee Limited; 5. L&T Metro Rail (Hyderabad) Limited; 6. L&T Infra Investment Partners Advisory Private Limited; 7. Yog Entertainment Private Limited; 8. L&T Infrastructure Finance Company Limited;
Narayanaswami Sivaraman Non-Executive Director Service	56	Flat No. 43 Kalpataru Residency, Tower A, near Cine Planet Sion East Mumbai - 400022	March 19, 2013	00001747	1. L&T Finance Limited; 2. L&T FinCorp Limited; 3. L&T Finance Holdings Limited; 4. L&T General Insurance Company Limited; 5. L&T Trustee Company Private Limited; 6. L&T Infra Investment Partners Advisory Private Limited; 7. L&T Vrindavan Properties Limited; 8. L&T Housing Finance Limited; 9. Family Credit Limited; 10. L&T Infrastructure Finance Company Limited; 11. FINANCIAL PLANNING STANDARDS BOARD INDIA
Suneet Maheshwari Non-Executive Director	56	Flat No.192-193, Tower A, 19th Floor, Kalpataru Habitat, Dr. S.S. Rao Marg	March 19, 2013	00420952	1. L&T Trustee Company Private Limited; 2. L&T Infra Investment Partners Advisory Private

Name, Designation, Occupation	Age	Address	Date of Appointment	DIN	Other Directorships
Service		Parel Mumbai – 400012			Limited; 3. L&T Access Financial Advisory Services Limited; 4. L&T FinCorp Limited; 5. Feedback Infra Private Limited; 6. L&T Housing Finance Limited; 7. L&T Infrastructure Finance Company Limited;

As of the date of this IM, none of the Company's Directors appear on the RBI defaulter's list and / or the ECGC default list.

(b) Details of change in Directors since last three years

Name	Date of Appointment	Date of Resignation	Remarks
Arun Ramanathan	January 21, 2014	N.A.	N.A.

(c) Remuneration of directors

Please refer to page 15 of Annexure 2.

(d) Details of Key Managerial Personnel

Name	Designation
Shiva Rajaraman	Manager and Chief Executive Officer
Radhika Parmanandka	Company Secretary

(e) Interest of Directors, Promoter and Key Managerial Personnel in the Issue

The Promoter, Directors and the Key Managerial Personnel may be regarded as interested in the CRPS, if any, that may be subscribed by or allotted to them or their relatives or the companies, firms, trusts in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue

(f) Contribution made by the Promoter or the Directors either as part of the Issue or separately in furtherance of the objects of the Issue

The Promoter and the Directors may contribute to the Issue, to the extent of the CRPS that may be subscribed by or allotted to them.

(vi) Details of the Auditors of the Company:

Current Auditors

Name of the Auditor	Address	Auditor since
Deloitte Haskins & Sells LLP	Indiabulls Finance Centre, Tower 3, 27th - 32nd Floor Elphinstone Mill Compound Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013	March 25, 2013

Details of change in auditors in the last three years

N.A.

(vii) DETAILS OF BORROWINGS OF THE COMPANY, SEGREGATING THE RUPEE DENOMINATED BORROWINGS AND BORROWINGS MADE IN FOREIGN CURRENCY, AS OF JUNE 30, 2014

(a) Details of secured loan facilities

N.A.

(b) Details of unsecured loan facilities

N.A.

(c) Details of non – convertible debentures

Debenture Series	Tenor/ period of maturity	Rate of dividend/ Interest	Amount	Date of allotment	Redemption on date/ schedule	Credit rating	Secured/ unsecured	Security
Secured, Redeemable, Non-Convertible Bonds Series A FY 2014-15 (Three types of options were provided under this series)	<i>Option 1 Tranche 1 Bonds: 5 yrs</i> <i>Option 2 Tranche 1 Bonds: 7 yrs</i> <i>Option 3 Tranche 1 Bonds: 10 yrs</i>	<i>Option 1 Tranche 1 Bonds: 9.60%</i> <i>Option 2 Tranche 1 Bonds: 9.70%</i> <i>Option 3 Tranche 1 Bonds: 9.70%</i>	Rs 250,00,000 (Rupees Two Hundred Fifty Crore Only)	June 10, 2014	<i>Option 1 Tranche 1 Bonds: Monday, June 10, 2019</i> <i>Option 2 Tranche 1 Bonds: Thursday, June 10, 2021</i> <i>Option 3 Tranche 1 Bonds: Monday, June 10, 2024</i>	“CRISIL AAA” by CRISIL and “CARE AAA” by CARE.	Secured	(a) An exclusive and first ranking charge over identified fixed deposits and an exclusive and first ranking floating charge on identified receivables which will replace the fixed deposit, as and when originated. (b) First pari passu charge on certain immovable properties in Chennai.

(d) List of top 10 debentureholders#

Sr. No.	Name of debentureholders	Amount
1)	SBI Short Term Debt Fund	475,000,000
2)	SBI Life Insurance Co.Ltd	450,000,000
3)	Birla Sun Life Insurance Company Limited	250,000,000
4)	Future Generali India Life Insurance Co. Ltd-shareholders / non unit linked	200,000,000
5)	Future Generali India Insurance Co Ltd	150,000,000
6)	TATA Short Term Bond Fund	150,000,000
7)	Agriculture Insurance Company Of India Limited	100,000,000
8)	Postal Life Insurance Fund A/C Sbifmpl	100,000,000
9)	The Oriental Insurance Company Limited	100,000,000
10)	Darashaw And Company Pvt Ltd	77,500,000

#The details of the top 10 debentureholders' are provided in value terms, on cumulative basis for all outstanding debentures.

(e) Corporate guarantee issued by the Company

N.A.

(f) Details of commercial paper outstanding

N.A.

(g) Details of rest of the borrowings

N.A.

(h) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past five years

N.A.

(i) Details of any outstanding borrowings taken/debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part; (ii) at a premium or discount; or (iii) In pursuance of an option

N.A.

(viii) Details of Promoters of the Company.

Details of Promoter holding in the Company as of June 30, 2014

Sr. No.	Name of the Promoter	Number of Equity Shares held	In dematerialised form	% of Shareholding
1.	L&T Finance Holdings Limited	7,10,00,000	7,10,00,000	23.36
	Total	7,10,00,000	7,10,00,000	23.36

As of the date of this IM, L&T Finance Holdings Limited is the promoter of the Company. While L&T Infrastructure Finance Company Limited (a wholly owned subsidiary of L&T Finance Holdings Limited), being an IFC, has been named as the Sponsor of the Company pursuant to and in accordance with the IDFC RBI Directions, L&T Infrastructure Finance Company Limited should not be construed as a promoter in accordance with the provisions of the SEBI ICDR Regulations.

(ix) Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss Statement, Balance Sheet and Cash Flow Statement) for the last three years and auditor qualification, if any.

Financial statement for the period ended March 31, 2014 annexed as Annexure 2 to this IM.

(x) Abridged version of the Limited Review for the period ended June 30, 2014 and auditors qualifications

Financial statement for the period ended June 30, 2014 annexed as Annexure 3 to this IM.

- (xi) **Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company.**

N.A.

- (xii) **Any material event/ development or change having implications on the financials/credit quality at the time of Issue which may affect the Issue or the Investor's decision to invest/continue to invest in the non-convertible redeemable preference shares.**

N.A.

- (xiii) **The credit rating letter issued by the rating agencies.**

The credit rating letter issued by CRISIL dated September 11, 2014 along with the rating rationale is annexed herewith as Annexure 1.

- (xiv) **Names of all the recognized stock exchange where non-convertible redeemable preference shares are proposed to be listed clearly indicating the designated stock exchange.**

The CRPS are proposed to be listed on the BSE, and BSE shall be the designated stock exchange.

- (xv) *Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Issuer during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action*

N.A.

- (xvi) *Related party transactions entered during the last three financial years immediately preceding the year of the circulation of the IM including with regard to loans made or, guarantees given or securities provided*

Please refer to page no. 16 of Annexure 2 to this IM.

- (xvii) *Details of acts of material frauds committed against the Issuer in the last three years, if any, and if so, the action taken by the Issuer*

N.A.

- (xviii) *Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act against the Company and / or its subsidiaries and prosecutions filed (whether pending or not) fines imposed, compounding of offences by the Company and / or its subsidiaries in the last three years*

N.A.

- (xix) **List of Authorised Signatories**

Pursuant to the resolution of the Committee of Directors dated September 16, 2014, the following are the authorized signatories to execute the IM: Directors, Manager, Company Secretary of the Company, Mr. N. Suryanarayanan (Head – Group Secretarial & Compliance), Mr. G. K. Shettigar (Vice-President – Treasury), Mr. Shekhar Prabhudesai (Head - Secretarial), Mr. Jaymeen Shah (Assistant General Manager – Secretarial & Compliance), Mr. Sharad Nagar (Deputy General Manager – Treasury) and Mr. Nagaraajan Iyer (Manager – Investor Services).

DIVIDEND POLICY

Under the Companies Act, the Company can pay dividends upon a recommendation by its Board and approval by a majority of its shareholders at the annual general meeting. The dividends may be paid out of profits of the Company in the year in which the dividends are declared or out of the undistributed profits or reserves of previous fiscal years or out of both. No dividend has been declared by the Company till date.

The Company does not have any formal dividend policy for any issued securities of the Company. The declaration and payment of dividend are governed by the applicable provisions of the Companies Act and the Articles of Association of the Company and will depend on a number of other factors, including the results of operations, financial condition, capital requirements and surplus, contractual restrictions on the Company and other factors considered relevant by the Board.

The Issuer has not been prohibited or restricted in payment of dividends by virtue of any default of its contractual obligations or otherwise.

The Company shall pay dividends to the CRPS Holders in accordance with the terms of this Issue and applicable law. In the event the dividend is not paid in a particular year, the same shall be accumulated and paid along with the dividend payout in the next year.

STATEMENT OF TAX BENEFITS

The following is a summary of certain Indian tax considerations applicable to an investment in the listed Cumulative Redeemable Non-convertible Preference Shares ('CRPS'). No assurance can be given that courts or other authorities responsible for the administration of tax laws will agree with this interpretation, or that changes in such laws or practice will not occur. This summary does not constitute legal or tax advice and is based on the taxation law and practice in force at the date of this Information Memorandum Document. Investors should consult their own advisors on the tax implications of their acquiring, holding or disposing of the CRPS under the laws of any jurisdictions in which they are or may be liable to tax. All tax rates in this section are exclusive of applicable surcharge and education cess.

I. Income Tax

A. Residents

1. Dividends earned on shares of the domestic companies are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Income-tax Act, 1961 ('IT Act'). As per section 115-O of the IT Act, tax rate on distributed profits of domestic companies (DDT) is 15 percent on a gross basis. However, as per section 94(7) of the IT Act, losses arising from sale / transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed as exempt.
2. As per section 115JB of the IT Act, in case of company, where the income tax calculated under the IT Act is less than 18.5 percent of the book profit, then such book profit shall be deemed to be the total income and tax payable shall be 18.5 percent of book profits. To the extent MAT exceeds regular income tax; a future credit is provided which can offset future regular tax to the extent MAT does not apply in a future year. However, this credit can be carried forward for next ten assessment year[₹]. The CRPS Holders will not be liable to pay Minimum Alternative Tax ('MAT') under section 115JB of the IT Act on dividend income.
3. Section 14A of the IT Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the IT Act. Thus, any expenditure incurred to earn exempt income (ie dividend) is not a deductible expenditure in computing the taxable income.
4. On transfer / redemption of CRPS, the difference between the sale price and the cost of acquisition of the CRPS should be taxable as capital gains (where the CRPS are held as investments) or as business income (where the CRPS are held as trading assets). No tax is presently required to be deducted at source on transfer / redemption of CRPS. Such gain on transfer / redemption of CRPS will be subject to MAT under section 115JB of the IT Act.
5. CRPS held as capital asset for a period of more than twelve months preceding the date of transfer / redemption will be treated as long term capital asset. For the purpose of computing capital gains, the period of holding will be reckoned from the date of purchase / allotment of CRPS.
6. In accordance with proviso to section 112 of the IT Act, the tax on capital gains on transfer / redemption of listed securities held as long term capital assets will be the lower of:
 - (a) 20 percent of the capital gains as computed after indexation of the cost, or
 - (b) 10 percent of the capital gains as computed without indexation.
7. Short term capital gains on the transfer / redemption of the CRPS would be taxed at normal rates of the tax applicable to the CRPS Holder[₹]. Cost indexation benefit would not be available in computing tax on short term capital gains.
8. As per section 71(3) of the IT Act, if there is a loss under the head 'Capital gains', it cannot be set-off against the income under any other head. Section 74 of the IT Act provides that the brought forward short term capital loss, can be set-off against short term and long term capital gains. Brought forward

long term capital loss, can only be set off against long term capital gains. The unabsorbed losses, if any, can be carried forward for eight years from the year in which such loss is incurred.

9. If the income from transfer of CRPS is considered to be business income, such business income will be liable to tax at the normal rates applicable to the CRPS Holders
10. Under section 36(1)(xv) of the IT Act, securities transaction tax paid by a shareholder in respect of taxable securities transaction entered, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and gains of business or profession'.
11. Under section 54EC of the IT Act, long term capital gain arising on transfer of shares of the company is exempt from tax to the extent the same is invested in National Highway Authority of India ('NHAI') or Rural highway electrification bond ('RHEC') bonds within a period of six months from the date of such transfer. Such investment made during the financial year and the subsequent financial year should not exceed Rs fifty lakhs and it should be for a minimum period of three years
12. In accordance with section 54F of the IT Act, long term capital gain arising on transfer of shares of the company held by an individual or Hindu undivided family, shall be exempt from tax if the net consideration is utilized for (i) the purchase of a residential house within a period of one year before or two years after the date of transfer; or (ii) the construction of one residential house within a period of three years after the date of transfer. Such benefit will not be available if the individual or Hindu undivided family –
 - (a) owns more than one residential house, other than the new asset, on the date of transfer of the shares; or
 - (b) purchase another residential house, other than the new asset, within a period of one year after the date of transfer of the shares; or
 - (c) constructs another residential house, other than the new asset, within a period of three years after the date of transfer of the shares; and

the income from such residential house, other than the one residential house owned on the date of transfer of the shares, is chargeable under the head income from house property.

A. Other Eligible Institutions

All mutual funds registered under Securities Exchange Board of India ('SEBI') or set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India ('RBI') are exempt from tax on all their income, including income from investment in CRPS under the provisions of Section 10(23D) of the IT Act subject to and in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

II. Wealth Tax

Wealth-tax is not levied on investment in shares held in a company under section 2(ea) of the Wealth-tax Act, 1957.

III. Tax implications on interest on application money

The Issuer will be required to deduct applicable tax at source on interest payments on application money.

TERMS OF THE ISSUE

Issuer	:	L&T Infra Debt Fund Limited
Name And Type of Instrument	:	Rated listed cumulative redeemable non-convertible preference shares of a face value of INR 10,00,000 each (“ CRPS ”) being issued by L&T Infra Debt Fund Limited on a private placement basis
Nature of Instrument	:	Rated Listed, Cumulative, Redeemable, Non-Convertible Preference Shares
Mode of Issue	:	Private Placement
Seniority	:	Claims of the CRPS Holder shall rank senior to claims by any holder of equity shares of the Company and shall rank pari passu with all other preference shares issued by the Company. Claims of the CRPS Holder shall be subordinate to the both secured and unsecured creditors of the Company
Rating	:	“CRISIL AAA” from CRISIL
Eligible Investors	:	As set out in ‘ Who can apply ’ section entitled “Information relating to terms of Issue.”
Face Value	:	INR 10,00,000 (Rupees ten lakhs only)
Issue Size	:	Up to 750 CRPS aggregating to INR 75,00,00,000 (Rupees Seventy Five Crores)
Option to Retain Oversubscription	:	Up to 750 CRPS aggregating to INR 75,00,00,000 (Rupees Seventy Five Crores)
Listing	:	The application for listing of CRPS on the BSE would be made within 15 days from Deemed Date of Allotment.
Objects of the Issue	:	Long term augmentation of funds, as permitted by regulatory guidelines
Details of Utilization of Proceeds	:	The Issuer shall utilize the proceeds of the Issue solely for meeting the Objects of the Issue as stated above
Issue Opening Date	:	September 18, 2014
Issue Closing Date	:	September 19, 2014
Pay-in Date	:	Pay-in Date shall be same as the date on which the Application Form is sent to the RTA
Deemed Date of Allotment	:	September 19, 2014
Issue Price	:	At face value, i.e., INR 10,00,000 (Rupees ten lakhs)
Discount at which non-convertible redeemable preference share is issued and the effective yield as a result of such discount	:	Not applicable
Put option Date	:	Not Applicable
Put option Price	:	Not Applicable
Call Option Date	:	Not Applicable

Call Option Price	:	Not Applicable													
Put Notification Time	:	Not Applicable													
Call Notification Time	:	Not Applicable													
Dividend Payment Frequency	:	Annual													
Dividend Payment Dates	:	01 – October – 2015 03 – October – 2016 03 – October – 2017 01 – October – 2018 01 – October – 2019 01 – October – 2020 01 – October – 2021 30 – September – 2022													
Tenor	:	96 months and 11 days from the Deemed Date of Allotment													
Redemption Amount and Dates	:	Redemption Amount as a percentage of the face value of the CRPS is as set out below: <table><tr><td>01 – October - 2020</td><td>33%</td></tr><tr><td>01 – October - 2021</td><td>33%</td></tr><tr><td>30 September - 2022</td><td>34%</td></tr></table>		01 – October - 2020	33%	01 – October - 2021	33%	30 September - 2022	34%						
01 – October - 2020	33%														
01 – October - 2021	33%														
30 September - 2022	34%														
Effective Net Yield	:	Effective Net Yield shall mean the internal rate of return of the investor based on the actual schedule of cash flows from the Issuer to the investor pursuant to the CRPS, as illustrated in the example provided below the Terms of the Issue section. The Effective Net Yield on the CRPS is as set out below: <table><tr><td>Option</td><td>Effective Net Yield (%)</td></tr><tr><td>1</td><td>8.25%</td></tr><tr><td>2</td><td>8.30%</td></tr><tr><td>3</td><td>8.60%</td></tr></table>		Option	Effective Net Yield (%)	1	8.25%	2	8.30%	3	8.60%				
Option	Effective Net Yield (%)														
1	8.25%														
2	8.30%														
3	8.60%														
Dividend and Redemption Premium	:	The following investment options are available to the investor: <table><tr><td>Option</td><td>Rate of Dividend#</td><td>Redemption Premium (year 6,7,8*)</td></tr><tr><td>1</td><td>6.75%</td><td>14.00%</td></tr><tr><td>2</td><td>6.00%</td><td>21.20%</td></tr><tr><td>3</td><td>5.00%</td><td>33.20%</td></tr></table> <p><i>Note: All other terms would remain same for these investment options</i></p> <p># Dividend for a particular financial year will be paid to a holder of the CRPS as a percentage of the outstanding face value of the CRPS held by such holder as reduced by any Redemption Amounts paid to such holder</p> <p>Redemption Premium in each year would be payable as a percentage of the Redemption Amount payable in the respective year</p>		Option	Rate of Dividend#	Redemption Premium (year 6,7,8*)	1	6.75%	14.00%	2	6.00%	21.20%	3	5.00%	33.20%
Option	Rate of Dividend#	Redemption Premium (year 6,7,8*)													
1	6.75%	14.00%													
2	6.00%	21.20%													
3	5.00%	33.20%													

		<p>*Redemption Premium in year 8: The Redemption Premium for year 8 will be paid at the rate of 14.00% (for Option 1), 21.20% (for Option 2) and 33.20% (for Option 3), in each case, determined with reference to the Redemption Amount payable at the end of year 8. The Redemption Premium payable in year 8 shall be increased (if required) by such amounts as may be required so as to ensure that the Effective Net Yield as adjusted for any Tax Adjustment Events, in the hands of the investor (after including all Dividend and Redemption Premium paid / payable upto maturity of the CRPS) shall be 8.25% (for Option 1), 8.30% (for Option2) and 8.60% (for Option 3). However, in the event of occurrence of any increase in tax rates applicable to any payments to be made by the Issuer to investors pursuant to the Issue, including but not limited to a Tax Adjustment Event, the Issuer reserves the right to exercise the “Premature Redemption” wherein the redemption of CRPS may be preponed as described below.</p> <p>The term “Tax Adjustment Events” shall mean the following events:</p> <ol style="list-style-type: none"> Transfer of incidence of taxation of Dividend from the Issuer to the investor; and Any increase in the rate of tax required to be applied to long term capital gains without providing for indexation benefits, beyond the rate of 10% applicable as on the date of completion of the Issue <p>The payment of Dividend and Redemption Premium will be subject to the applicable company law and other regulations for the time being in force</p>
Premature Redemption	:	<p>In case of any increase in tax rates applicable to any payments to be made by the Issuer to investors pursuant to the Issue, the Issuer may, at its discretion, redeem the CRPS at any time after the end of three years from the date of issuance of such CRPS, subject to prior written notice (“Premature Redemption Notice”) of at least 30 days being provided to the holders of the CRPS</p> <p>In the event of Premature Redemption, the Issuer shall pay the CRPS holders Dividend in accordance with the Clause titled “Dividend and Redemption Premium” set out above as well as a Redemption Premium so as to ensure that such that the investor is provided with the Effective Net Yield as applicable to the relevant option of CRPS, calculated up to and including the date of such Premature Redemption. The Premature Redemption shall be effected in the manner and within the time period as prescribed in the Premature Redemption Notice</p>
Mode of redemption	:	Out of profit or out of fresh issue of capital or both
Basis of Allotment	:	<p>The Issuer reserves the right to reject in full or partly any or all the applications received by it from the investors, without assigning any reason for such rejections</p> <p>Investors will be allotted CRPS on a first come first serve basis determined on the basis of the date of Application for each Application Form. If there are multiple applications made by an Investor, all such applications will individually be considered for Allotment on a first-come-first-serve basis</p> <p>Application Forms should reach the RTA in physical or electronic form with all other accompanying documents (including the documents referred to the section titled “Who Can Apply”) not later than one day from the Date of Application</p>

	<p>Oversubscription:</p> <p>In case of oversubscription over and above the Issue Size, full allotment of the CRPS will be made to the applicants on a first come first serve basis determined on the basis of the Date of Application for each Application Form, up to the date falling one day prior to the date of oversubscription and allotment of CRPS to the applicants on the date of oversubscription (determined on the basis of the Date of Application for each Application Form) will be made on a proportionate basis.</p> <p>Date of Application:</p> <p>The Date of Application shall be:</p> <p>(i) the date of receipt of the physical copy of the Application Form by the RTA, upto 6 p.m. on any given date, and duly acknowledged by the RTA; or</p> <p>(ii) the date of receipt of the e-mail with electronic copy of the Application Form by the RTA, upto 6 p.m. on any given date; or</p> <p>(iii) the date of receipt of Application Money in the Designated Account for the purpose of subscribing in the Issue, as confirmed by the UTR Confirmation;</p> <p>in each case, whichever is earlier</p>
Minimum Application and multiples thereafter	<p>: INR 30,00,000 (Rupees 30 lakhs only) and in multiples of INR 10,00,000 (Rupees 10 lakhs only) thereafter</p> <p>(i.e. 3 CRPS and in multiples of 1 CRPS thereafter), across all options of CRPS</p>
Interest on Application Money	<p>: To successful applicants at the rate of 8.30% p.a. on the amount allotted, from and including the date of receipt of the money in the Designated Account till one day prior to Deemed Date of Allotment, subject to applicable tax laws</p>
Interest on Refund Amount	<p>: The Company shall pay interest on refund of application money along with application money on amount not allotted. Refund orders will be dispatched within seven business days from the date of Allotment. Interest will be paid at the rate of 8.30% p.a. on the refund amount, from and including the date of receipt of the money in the Designated Account till one day prior to Deemed Date of Allotment, subject to applicable tax laws. Furthermore, in the event of withdrawal of the Issue, or failure to obtain the final listing and trading approvals from the BSE, refund orders will be dispatched to the applicants within seven business days from such withdrawal or refusal by the BSE.</p> <p>Payment of interest on refund of application money is not applicable in case of applications that are rejected on technical grounds (as detailed in the section entitled "Information relating to terms of the Issue") or are withdrawn by the applicants.</p>
Rights of Instrument Holders	<p>: </p> <ul style="list-style-type: none"> • Voting Rights: No voting rights other than in respect of matters directly affecting the rights attached to the CRPS • In the event any due and payable Dividends remain unpaid for an aggregate period of at least 2 years prior to the start of any general meeting of the equity shareholders, CRPS holders shall have voting rights in line with the voting

		<p>rights of the equity shareholders</p> <ul style="list-style-type: none"> Liquidation Preference: on winding up or repayment of capital, preferential rights vis-à-vis equity shareholders, to be repaid the amount of capital paid up and shall include any unpaid Dividends and any fixed premium (if applicable)
Default Interest Rate	:	<ul style="list-style-type: none"> In case of default in payment of Dividend and/or principal redemption on the due dates, additional dividend of @ 2% p.a. over the Dividend rate will be payable by the Company for the defaulting period In case of delay in listing of the CRPS beyond 20 days from the Deemed Date of Allotment, the Company will pay penal amount of 1% p.a. over the Dividend rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of such CRPS to the investor
Issuance mode of the Instrument	:	Demat Only
Trade mode of the Instrument	:	Demat Only
Settlement Mode of the Instrument	:	As set out in the section titled “ Payment of Dividend ” and “ Payment of Redemption ”
Depository	:	National Securities Depository Limited “ NSDL ” Central Depository Services (India) Limited “ CDSL ”
Business Day Convention	:	<ul style="list-style-type: none"> All days on which the banks are open for business in Mumbai other than a Saturday or a Sunday If any Dividend Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day without any obligation for paying interest/ dividend for the intervening period If the Redemption Dates 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 In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date
Record Date	:	15 days prior to each Dividend Payment Date and the Redemption Dates
Transaction Documents	:	The Offer Document and Application Form
Conditions Precedent to Disbursement	:	Not Applicable
Conditions Subsequent to Disbursement	:	Not Applicable
Events of Default	:	Not Applicable
Provisions related to Cross Default Clause	:	Not Applicable
Governing Law and Jurisdiction	:	Indian law and Mumbai

Illustration for Effective Net Yield calculation*Terms of Option 2 taken for illustration (Terms as below)*

Investment (₹ Cr.)		100
Year	Components	Rate
Annual	Dividend	6.00%
6	Redemption Amount	33.00%
7	Redemption Amount	33.00%
8	Redemption Amount	34.00%
6	Redemption Premium	21.20%
7	Redemption Premium	21.20%
8	Redemption Premium	21.20%
	Yield to investor	8.30%

Cash Flow

Date	Outflow (₹ Cr.)	Dividend Amount (₹ Cr.)	Redemption Amount (₹ Cr.)	Redemption Premium (₹ Cr.)	Cashflow = [Outflow] + Dividend + Redemption+ Premium (₹ Cr.)
	A	B	C	D	E= A+B+C+D
19-Sep-14	-100.00				-100.00
01-Oct-15		6.00	0.00	0.00	6.00
03-Oct-16		6.00	0.00	0.00	6.00
03-Oct-17		6.00	0.00	0.00	6.00
01-Oct-18		6.00	0.00	0.00	6.00
01-Oct-19		6.00	0.00	0.00	6.00
01-Oct-20		6.00	33.00	7.00	46.00
01-Oct-21		4.02	33.00	7.00	44.02
30-Sep-22		2.04	34.00	7.21	43.25

Output

Calculated Yield (XIRR i.e IRR based on schedule of cash flows)	8.30%
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INFORMATION RELATING TO TERMS OF ISSUE

Who Can Apply

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly by way of a serially numbered IM accompanied with the Application Form are eligible to apply for the CRPS. An application made by any other person will be deemed as an invalid application and rejected. In order to subscribe to the CRPS a person must be either a:

- a) Individual;
- b) Hindu Undivided Family through its Karta;
- c) Partnership firms including Limited Liability Partnership firms;
- d) Commercial Bank;
- e) Co-operative Bank;
- f) Regional Rural Bank;
- g) Pension Fund, Provident Fund, Superannuation Fund or Gratuity Fund;
- h) Mutual Fund;
- i) Company, Bodies Corporate, Statutory Corporation;
- j) Financial Institution;
- k) Private Trust/ Public Charitable Trust;
- l) Insurance Company; and
- m) Societies registered under the Societies Registration Act, 1860.

THE CRPS CAN BE APPLIED FOR ONLY IN DEMATERIALISED FORMAT.

Authority

The issue has been authorised by a resolution dated November 21, 2013 by the Board and a resolution dated September 16, 2014 by the shareholders

Applications under Power of Attorney/ Relevant Authority

In case of an application made under a Power of Attorney or resolution or authority, a certified true copy thereof along with Memorandum of Association and Articles and/or Bye-laws must be attached to the Application Form at the time of making the application, failing which, the Company reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application. Further modifications/ additions in the Power of Attorney or authority should be notified to the Company at its registered office.

DISCLAIMER:

PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THIS IM HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS/ INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/ REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME. NON RESIDENTS CANNOT APPLY FOR OR HOLD THESE CRPS.

PLEASE NOTE THAT BY SIGNING THE APPLICATION FORM THE INVESTOR ACKNOWLEDGES THAT THE INVESTOR IS DULY AUTHORISED, WHETHER UNDER APPLICABLE LAW, OR UNDER THE INVESTOR'S CONSTITUTION DOCUMENTS OR OTHERWISE TO SUBSCRIBE TO THE ISSUE AND THE PERSON SIGNING THE APPLICATION FORM IS A DULY AUTHORISED SIGNATORY IN THIS REGARD.

Rejection of Applications

Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications not duly signed by the sole/joint applicants.
- Amount paid doesn't tally with the amount payable for the CRPS applied for.
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors (without the name of guardian) and insane persons.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations.
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI.
- Applications by any persons outside India.
- Any application for an amount below the minimum application size.
- Applications which are not in number of at least 3 (three) CRPS, and then in multiples of 1 (one) CRPS or is less than the minimum application size.
- Applicant's details not provided in Application Form.
- Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted.
- Applications accompanied by Stockinvest/money order/postal order.
- In case the subscription amount is paid in cash.
- Demat details not provided or is incorrect or inadequate.
- Application Forms not accompanied by UTR Confirmation for receipt of Application Money.

For further instructions regarding application for the CRPS, Investors are requested to read the instructions provided in the Application Form.

How to Apply

The Company shall circulate copies of the IM along with the serially numbered Application Form, either in electronic or physical form, to the Applicants and the Application Form will be specifically addressed to such Applicants. In terms of section 42(7) of the Companies Act, 2013, the Company shall maintain complete records of the Applicants to whom the IM and the serially numbered Application Form have been dispatched. The Company will make the requisite filings with the RoC and SEBI within the stipulated time period as required under section 42 of the Companies Act, 2013.

All applications for the CRPS(s) to be issued in pursuance of this IM must be in the prescribed Application Form and be completed in block letters in English language. Application Forms must be accompanied by with UTR confirmation or acknowledgement slip in prescribed format for payment made. The payments made by way of electronic fund transfer/ RTGS will have to be made to the Company's bank account.

The account shall be referred to as the “**Designated Account**”

The Board / Committee of Directors as the case may be, reserves its full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereof. Payment made through cash, cheques, demand drafts, money orders, postal orders and stockinvest WILL NOT be accepted.

IMPORTANT:

PLEASE NOTE FOR APPLICANTS APPLYING THROUGH ELECTRONIC MODE SUCH AS RTGS, THE NAME OF THE APPLICANT AND THE APPLICATION FORM NUMBER MUST BE INCLUDED IN THE RTGS INSTRUCTION SLIP/INSTRUCTION SLIP FOR TRANSFER OF FUNDS.

Basis of Allotment The Issuer reserves the right to reject in full or partly any or all the applications received by it from the investors, without assigning any reason for such rejections.

Investors will be allotted CRPS on a first come first serve basis determined on the basis of the date of Application for each Application Form. If there are multiple applications made by an Investor, all such applications will individually be considered for Allotment on a first-come-first-serve basis.

Application Forms should reach the RTA in physical or electronic form with all other accompanying documents (including the documents referred to the section titled “**Who Can Apply**”) not later than one day from the Date of Application.

Oversubscription

In case of oversubscription over and above the Issue Size, full allotment of the CRPS will be made to the applicants on a first come first serve basis determined on the basis of the Date of Application for each Application Form, up to the date falling one day prior to the date of oversubscription and allotment of CRPS to the applicants on the date of oversubscription (determined on the basis of the Date of Application for each Application Form) will be made on a proportionate basis.

Date of Application:

The Date of Application shall be:

(i) the date of receipt of the physical copy of the Application Form by the RTA, upto 6 p.m. on any given date, and duly acknowledged by the RTA; or

(ii) the date of receipt of the e-mail with electronic copy of the Application Form by the RTA, upto 6 p.m. on any given date; or

(iii) the date of receipt of Application Money in the Designated Account for the purpose of subscribing in the Issue, as confirmed by the UTR Confirmation;

whichever is earlier.

Notwithstanding the above, the Company reserves the right to determine the Basis of Allotment at its sole discretion. For further clarity, please refer to the section titled “**How to Apply**”.

CRPS allotment/Refunds

Allotment of CRPS shall be made on dematerialised basis as provided in the Application Form. Pending Allotment, all monies received for subscription of the CPRS shall be kept by the Company in a separate bank account with a scheduled bank and shall be utilized only for the purposes permitted under the Companies Act, 2013. In case no demat details are provided in the Application Form or such details is incomplete or insufficient, the Issuer reserves the right to hold the Application Money till such details are provided accurately. The Company shall credit the allotted securities to the respective beneficiary account/ dispatch the refund order(s)/ letter(s) of allotment / letter(s) of regret, as the case may be, by Registered Post/ Speed Post or as per extant postal rules at the sole risk of the applicant, within 7 days from the date of closing of the subscription list. If the CRPS is not allotted within 60 days from the date of receipt of the

payments from the Applicants, the Company shall repay such monies to the Applicants within 15 days from the date of completion of the aforesaid 60 days. If the Company fails to repay the payments within the aforesaid period, it shall be liable to repay that money with interest at the rate of 12% per annum from the expiry of the sixtieth day.

Issue of Duplicate CRPS Certificate(s)

In case of CRPS held in physical form, if any CRPS Certificate(s) is/are mutilated or defaced or the pages for recording transfers of CRPS are fully utilised, the same may be replaced by the Company against the surrender of such Certificate(s) and upon payment by the claimant of such costs as may be determined by the Company. Provided, where the CRPS Certificate(s) is/are mutilated or defaced, the same will be replaced as aforesaid, only if the Certificate Number, CRPS Holder Name and the Distinctive Numbers are legible. If any CRPS Certificate(s) is/ are destroyed, stolen or lost, then upon production of proof thereof to the satisfaction of the Company and upon furnishing such indemnity/ security and or other documents, as the Company may deem adequate, duplicate CRPS Certificate(s) shall be issued subject to the charge for the same being borne by the CRPS Holder.

Issue of CRPS Certificate in Demat Form

The Company shall issue the CRPS in dematerialized form and has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the same and shall apply for the ISIN code for the CRPS. Investors shall hold the CRPS in demat form and deal with the same as per the provisions of Depositories Act, 1996 and the rules as notified by NSDL/ CDSL, from time to time. Investors should, therefore mention their DP's name, DP-ID Number and Beneficiary Account Number at appropriate place in the Application Form. The Company shall credit the CRPS allotted to the respective beneficiary accounts of the applicants within two days from the date of allotment. The Applicant(s) has the option to hold the said CRPS in dematerialized or in physical form. Investors who have been allotted the CRPS in dematerialized form can convert the same to physical form at a later date by applying for the same to the Company.

Refunds

The Company shall pay interest on refund of application money along with application money on amount not allotted. Refund orders will be dispatched within seven business days from the date of Allotment. Interest will be paid at the rate of 8.30% p.a. on the refund amount, from and including the date of receipt of the money in the Designated Account till one day prior to Deemed Date of Allotment, subject to applicable tax laws. Furthermore, in the event of withdrawal of the Issue, or failure to obtain the final listing and trading approvals from the BSE, refund orders will be dispatched to the applicants within seven business days from such withdrawal or refusal by the BSE.

Payment of interest on refund of application money is not applicable in case of applications that are rejected on technical grounds (as detailed in this section) or are withdrawn by the applicants.

Dividend rate

The Investors will receive dividend at the rate specified in this IM. Payment will be made by the Company by way of direct credit through Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT) and where such facilities are not available the Company shall make payment of all such amounts by way of cheque(s)/demand draft(s)/dividend warrant(s), which will be dispatched to the CRPS Holder(s) by registered post/ speed post/courier or hand delivery at the sole risk of the CRPS holder.

Payment of Dividend

Payment of dividend on the CRPS(s) will be made to those of the CRPS Holders whose name(s) appear in the Register of CRPS Holder(s) (or to the first holder in case of joint holders) as on the record date fixed by the Company for this purpose and/or as per the list provided by NSDL/CDSL to the Company of the beneficiaries who hold CRPS in demat form on such record date, and are eligible to receive dividend.

Payment will be made by the Company after verifying the bank details of the Investors by way of direct credit through Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT) and where such facilities are not available the Company shall make payment of all such amounts by way of cheque(s)/demand draft(s)/dividend warrant(s), which will be dispatched to the CRPS Holder(s) by registered post/ speed post/courier or hand delivery on or before the Dividend Payment Dates at the sole risk of the CRPS Holder. For holders of CRPS in demat format, payment of dividend shall be directly credited through ECS, RTGS or NEFT to the bank account available from the Depositories' record and where such facilities are not available the Company shall make payment of all such amounts by way of cheque/demand draft.

Computation of dividend

Dividend for each of the dividend periods, shall be computed on the face value of the CRPS at the rate specified in this IM.

Record Date

The record date for payment of dividend or redemption of principal will be 15 calendar days prior to each Dividend Payment Date or the Redemption Dates.

Payment of Redemption

The CRPS shall be redeemed along with the payment of the applicable Redemption Premium in accordance with the provisions set out in the section titled "Terms of the Issue" on page 33 by the Company, on the Redemption Dates. The Company shall pay the principal amount of the CRPS along with the accrued dividend on the Redemption Dates.

Procedure for Redemption

(a) CRPS held in physical form

The CRPS Certificate(s), duly discharged by the sole/all the joint holders (signed on the reverse of the CRPS Certificate(s)) to be surrendered for Redemption should be sent by the CRPS Holder(s) by registered post with acknowledgement due or by hand delivery to the Company/RTA or to such persons at such addresses as may be notified by the Company from time to time atleast 15 days prior to the Redemption Dates.

The Company may, at its discretion, redeem the CRPS without the requirement of surrendering of the certificates by the CRPS Holder(s). Redemption proceeds in the manner stated below will be paid to those CRPS Holders whose names stand in the Register of CRPS Holders maintained by the Company on the record date fixed for the purpose of redemption.

Hence the transferee(s), if any, should ensure lodgment of the transfer documents with the Company/RTA before the record date. In case the transfer documents are not lodged before the record date and the Company dispatches the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against the Company or the RTA. Further, the Company shall not be required to verify the bank account details of each CRPS Holder and make payment of redemption amount by way of direct credit through ECS, RTGS or NEFT and where such facilities are not available the Company shall make payment of all such amounts by way of cheque/demand draft(s) to the first/sole CRPS Holder. Direct credit or dispatch of cheques/pay order etc., in respect of such payment will be made on the Redemption Dates/ or within a period of 30 days from the date of receipt of the duly discharged CRPS Certificate. The Company's liability to the CRPS Holder(s) towards all rights including payment or otherwise shall stand extinguished on and from the respective Redemption Dates in all events and on the Company dispatching the redemption amount to the CRPS Holder(s). The Company will not be liable to pay any dividend, interest, income or compensation of any kind beyond the Redemption Dates. In case of any delay in surrendering the CRPS for redemption, the Company will not be liable to pay any dividend, interest, income or compensation of any kind for the late redemption due to such delay. If the Redemption Dates 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.

(b) CRPS held in Dematerialized Form

In case of the CRPS held in dematerialized form, no action is required on the part of the CRPS Holder(s) at the time of Redemption of the CRPS. The redemption proceeds would be paid by cheque to those CRPS Holder(s) whose name(s) appear on the list of beneficial owners given by the Depositories to the Company. The name(s) would be as per the Depositories' records on the record date fixed for the purpose of Redemption. All such CRPS will be simultaneously redeemed through appropriate debit corporate action. The Company shall compute the redemption amounts to be paid to each of the CRPS Holder(s). The redemption proceeds shall be directly credited through ECS, RTGS or NEFT to the bank account available from the Depositories' record and where such facilities are not available the Company shall make payment of all such amounts by way of cheque/demand draft. The cheque/demand draft for redemption proceeds, will be dispatched by courier or hand delivery or registered post at the address provided in the Application/at the address as notified by the CRPS Holder(s) or at the address with the Depositories' record at the sole risk of the CRPS Holder. Once the redemption proceeds have been credited to the account of the CRPS Holder(s) or the cheque/demand draft for redemption proceeds is dispatched to the CRPS Holder(s) at the addresses provided or available from the Depositories' record, the Company's liability to redeem the CRPS on the date of redemption shall stand extinguished and the Company will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the CRPS(s).

Buy-Back of CRPS

Subject to the provisions of Section 68 and 70, of the Companies Act, 2013 and other applicable regulatory provisions, if any, the Company may from time to time buyback the CRPS(s) at a discount, at par, or at a premium.

Rights of CRPS Holders

The CRPS Holders shall have such rights as specified in the Articles and the Companies Act. In pursuance of sub-section (2) of section 47 of the Companies Act, 2013, every member of a Company and holding any CRPS shall, in respect of such capital, have a right to vote only on resolutions placed before the Company which directly affect the rights attached to his CRPS and, any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the holders of CRPS shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the CRPS. However in case where the dividend in respect of the CRPS have not been paid for a period of two years or more, such holder(s) of CRPS shall have a right to vote on all the resolutions placed before the Company.

Modification of Rights

The rights, privileges, terms and conditions attached to the CRPS may be varied, modified or abrogated in accordance with the provisions of the Companies Act.

Mode of Transfer / Transmission of CRPS

The CRPS issued under the IM shall be transferable freely to all classes of Investors. The CRPS(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act. The provisions relating to transfer and transmission and other related matters in respect of shares of the Company contained in the Articles of the Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable to CRPS) to the CRPS as well. In respect of the CRPS held in certificate form, a suitable instrument of transfer as may be prescribed by the Company may be used for the same. The CRPS held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL/DP of the transferor/transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the record date. In the absence of the same, dividend will be paid/redemption will be made to the person, whose name appears in the Register of CRPS Holders/records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company. The Company confirms that the

forms of transfer as set out hereinabove are common forms of transfer as applicable to all CRPS issued by the Company. Transfer cannot be made to the following persons, among others, as the same is prohibited by applicable law:

- (a) Overseas Corporate Bodies (OCBs);
- (b) Any other person restricted by law to hold the CRPS or any other instrument of like nature; and
- (c) "Person Resident Outside India" As such term is defined in the Foreign Exchange Management Act, 1999

Succession

Where CRPS are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the holder(s) of the said CRPS. It would be sufficient for the Company to delete the name of the deceased CRPS Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on the Company to register his name as successor of the deceased holder after obtaining evidence such as probate of a will for the purpose of proving his title to the CRPS.

In the event of demise of the sole/first holder of the CRPS(s), the Company will recognize the Executors or Administrator of the deceased CRPS Holder, or the holder of the Succession Certificate or other legal representative as having title to the CRPS only if such executor or administrator obtains and produces Probate or Letter of Administration or is the holder of the Succession Certificate or other legal representation, as the case may be, from an appropriate Court in India. The Directors of the Company in their absolute discretion may, in any case, dispense with production of Probate or Letter of Administration or Succession Certificate or other legal representation.

Register of CRPS Holders

CRPS Register means the register of CRPS Holders maintained by the Registrar and Transfer Agent and/or the Company.

Future Capital Raisings and Borrowings

The Company shall be at liberty from time to time during the continuance of the security and/or the credit enhancement to issue at such future dates and in such denomination as it considers advisable, further CRPS and/or to raise further capital, loans, advances and/or avail further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) or entities in any other form, without any approval/consent from or intimation to the CRPS Holders.

Notices

All notices to the CRPS Holder(s) required to be given by the Company shall have and shall be deemed to have been given if sent by ordinary post or by e-mail to the original sole/first allottees of the CRPS(s) or if notification and mandate has been received by the Company, pursuant to the provisions contained herein above, to the sole/first transferees. All notices to be given by the CRPS Holder(s), including notices referred to under "Payment of Dividend" and "Redemption" shall be sent by Registered Post/Courier or by e-mail(s) or by hand delivery to the Company or to such persons at such address as may be notified by the Company from time to time.

Depository arrangement

The Company has entered into depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for issue and holding of the CRPS(s) in dematerialized/ electronic form.

As per the provisions of Depositories Act, 1996, the CRPS issued by the Company can be held in a dematerialized/ electronic form, i.e., not in the form of physical certificate but be fungible and be represented by the statement issued through electronic mode.

In this context:

- (a) Agreements have been signed by the Company with NSDL/CDSL for offering a depository option to the investors
- (b) The Applicant(s) must have at least one beneficiary account with any of the DP of NSDL/CDSL prior to making the application.
- (c) The Applicant(s) must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application Form.
- (d) CRPS(s) allotted to the Applicant(s) will be credited directly to the Applicant's Beneficiary Account with his/their DP.
- (e) Names in the Application Form should be identical to those appearing in the Beneficiary Account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (f) If incomplete/ incorrect details are given under the heading 'Applicant's depository details' in the Application Form, it is liable to be rejected.
- (g) The address, nomination details, bank account details and other details of the applicant as registered with his DP shall be used for all correspondence with the Applicant(s). The Applicant(s) are therefore responsible for the correctness of his demographic details given in Application Form vis-à-vis those with his/their DP. In case information is incorrect or insufficient, the Company would not be liable for losses, if any.
- (h) Dividend/redemption amount/ Redemption Premium with respect to the CRPS held in dematerialized/electronic form would be paid to those CRPS Holders whose names appear on the list of beneficial owners provided by NSDL/ CDSL to the Company as on record date/ Book Closure Date. In case of those CRPS(s) for which the beneficial owner is not identified by the Depository as on the record date, the Company would keep in abeyance the payment of dividend/ redemption amount/ redemption premium, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified.

PLEASE NOTE THAT THE ISSUE OF CRPS SHALL BE IN DEMAT FORM ONLY

Effect of Holidays

Should any of the dates defined above or elsewhere in the IM, excepting the Deemed Date of Allotment and the Redemption Dates, fall on a Saturday, Sunday or a Public Holiday in Mumbai, the next business day shall be considered as the effective date. If any Dividend Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day without any obligation for paying dividend for the intervening period. If the s 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. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

Day Count Convention

Dividend shall be computed on an actual day count convention on the principal outstanding on the CRPS i.e. dividends would be calculated on actual/actual day convention on the principal outstanding on CRPS.

Obligations of Investors

Notwithstanding anything contained hereinabove, every potential investor/investor of the CRPS must read, understand and accept, and shall be deemed to have read, understood and accepted, the terms and conditions

of this IM prior to investing in the CRPS. The Company would presume full knowledge of the contents of this IM and a full understanding of the CRPS, their nature and the applicable terms and conditions on the part of any person holding/buying these CRPS, and no claim to the contrary shall be entertained.

Undertaking by the Company

The Company undertakes that:

1. It shall attend to the complaints received in respect of the Issue expeditiously and satisfactorily;
2. The funds required for making refunds, if any, shall be made available on time; and
3. That necessary co-operation shall be extended to credit rating agency in providing true and adequate information till the debt obligations in respect of the instruments are outstanding.

REGULATIONS AND POLICIES

The regulations set out below are not exhaustive and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice in relation to the CRPS. Laws applicable to the Company in general have not been included below. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Regulations relating to the CRPS

Issuance & Redemption

The provisions of Section 55 of the Companies Act, 2013 govern the issuance of CRPS and the redemption of the CRPS is subject to the conditions set out in the proviso to Section 55 of the Companies Act, 2013.

Payment of Dividend

Dividend payable by the Company in respect of the CRPS for any particular year shall be paid or declared only out of the profits of the Company and shall be subject to the provisions of Section 123 of the Companies Act, 2013 and the Articles of Association of the Company. Further any dividend payout is subject to a dividend distribution tax (to the account of the Company) at an effective rate of 16.995% on the dividend declared, distributed or paid as per the applicable law.

Voting Rights

The CRPS carry no voting rights other than in respect of matters directly affecting the rights attached to the CRPS. In the event any due and payable dividends remain unpaid for a period 2 years prior to the start of any general meeting of the equity shareholders then the CRPS Holders shall have voting rights in respect of all matters placed before the Company at a general meeting of its shareholders in accordance with the provisions of Section 47 of the Companies Act, 2013 and the Articles.

Liquidation Preference

The CRPS shall, on a winding up or repayment of capital, carry a preferential right vis-à-vis equity shareholders to be repaid the amount of capital paid up and shall include any unpaid dividends and any fixed premium (if applicable) in accordance with the provisions of the Companies Act and the Articles of Association of the Company.

Capital Redemption Reserve

Capital redemption reserve account is a reserve created for the redemption of the shares of the Company and in terms of Sections 55 and 69 of the Companies Act, 2013, certain amounts such as required to be transferred to the capital redemption reserve account, such as nominal value of shares purchased by the Company out of free reserves or amounts lying to the credit of the securities premium account of the Company. The capital redemption reserve account may be utilized by the Company, for the issue, as fully paid up, bonus shares to the members of the Company.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION RELATING TO PREFERENCE SHARES

Capitalized terms used in this section have the meaning given to such terms in the articles of association of the Company (“**Articles**”).

The regulations contained in Table 'A' of Schedule I to the Companies Act (Act 1 of 1956) shall apply only in so far as the same are not provided for or are not inconsistent with these Articles and the regulations for the management of the Company and for observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to repeal or alteration or of addition to, its regulations by special resolution, as prescribed by the Companies Act, be such as are contained in these Articles.

Capital and Shares

Increase of Capital

The Share Capital of the Company is as stated in Clause V of the Memorandum of Association, with the power to increase or reduce such Capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the Capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions. The Company is a Public Limited Company within the meaning of Section 3(1) (iv) of the Companies Act, 1956 and shall have a minimum paid-up capital of ₹ 5,00,000/- (₹5 lacs) or such higher amount as may be prescribed.

Preference Shares

Subject to the provisions of Section 80, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may determine.

Reduction of capital

The Share Capital of the Company is as stated in Clause V of the Memorandum of Association, with the power to increase or reduce such Capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the Capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.

Buyback of shares

Subject to the provisions of the Companies Act, 1956 or any other law for the time being in force, the Company may purchase its own shares or other securities as may be specified from time to time.

Issue of Shares with differential voting rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class, (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Companies Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply.

Calls to carry interest

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine.

Voluntary advances of uncalled share capital

The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate, unless the Company in general meeting shall otherwise direct, as may be fixed by the Board.

INSPECTION OF DOCUMENTS

1. Memorandum and Articles of Association of the Company.
2. Certificate of Incorporation.
3. Certificate of Registration.
4. Certified true copy of Resolution passed by the Board of Directors according the approval for issue of CRPS on Private Placement Basis.
5. Certified true copy of the Shareholder's Resolution passed approving the private placement of CRPS.
6. Certified true copy of the Resolution passed by the Committee of Directors authorizing finalization and adoption of this IM.
7. Annual Reports of the Company for last Financial Years and quarterly report for the quarter ending June 30, 2014.
8. Copy of letter dated September 11, 2014 received from CRISIL granting credit rating to the CRPS issued in pursuance of this IM.
9. Copies of the agreements executed with NSDL and CDSL.

The above material documents and contracts will be available for inspection between 9.30 a.m. and 5.00 p.m. on all working days, except Saturdays, Sundays and holidays in Mumbai, till the Issue closing date, at the Administrative Office of the Company mentioned below:

5th Floor,
City - 2 Building,
Plot No 177,
Vidyanagari Marg,
Kalina,
Santacruz (E),
Mumbai 400 098

Confidentiality

The information and data contained herein is submitted to each recipient of this IM on a strictly private and confidential basis. By accepting a copy of this IM, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This IM must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Company. If at any time any such reproduction or disclosure is made and the Company suffers any loss, damage or incurs liability of any kind whatsoever arising out of or in connection with any such reproduction or disclosure, the recipient of this IM breaching the restriction on reproduction or disclosure agrees to hold harmless and indemnify the Company from and against any such loss, damage or liability.

Signed pursuant to the authority granted by the Committee of Directors of the Company at its Meeting held on September 16, 2014.

For L&T Infra Debt Fund Limited

Radhika Parmanandka
Company Secretary

Date: September 18, 2014

Place: Mumbai

DECLARATION

I, Company Secretary, on behalf of the Board of Directors hereby declare and certify that:

- (a) The Company has complied with all relevant provisions of the Companies Act, 2013 and the rules made thereunder;
- (b) The compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- (c) The monies received under the Issue shall be used only for the purposes and objects indicated in the section titled "Terms of the Issue" of the IM (which includes disclosures prescribed under Form PAS-4).

Signed by:

Radhika Parmanandka
Company Secretary

I am authorized by the Committee of Directors, a committee of the Board of Directors of the Company vide resolution number 1 dated September 16, 2014 to sign this IM and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

Radhika Parmanandka
Company Secretary

Date: September 18, 2014
Place: Mumbai