

Public Issue of IDFC Ltd Long Term Infrastructure Bonds - Tranche 2

Brief Introduction of the company:

Out of the need for a specialized financial intermediary for infrastructure, IDFC was established in January 1997 in Chennai. Since then, IDFC has been a leading catalyst for providing private sector infrastructure development in India. IDFC is a leading knowledge-driven financial services company in India and plays a central role in advancing infrastructure development in the country. IDFC is a one-stop-shop for all products and services across the infrastructure value chain. Company listed its Equity Shares in India pursuant to an initial public offering in August 2005.

Issue details:

Issuer	Infrastructure Development Finance Company Limited
Nature of Instrument	Secured, Redeemable, Non-Convertible Debentures, having benefits under section 80CCF of the Income Tax act, 1961
Issue Size	₹ 44,000 Million
Issue Opening Date	January 11, 2012
Issue Closing Date	February 25, 2012
Face Value (₹)	₹5,000
Issue Price (₹)	₹5,000
Minimum Application	Two Tranche 2 Bonds and in multiples of one Tranche 2 Bond thereafter.
Rating	" (ICRA)AAA " from ICRA " Fitch AAA(ind) " from Fitch
Security	First part passu floating charge over the Secured Assets and first fixed part passu charge over specified immovable properties of the Company
Security Cover	1.0 time the outstanding Tranche 2 Bonds at any point of time.
Listing	NSE and BSE
Debenture Trustee	IDBI Trusteeship Services Limited
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Lead Managers	ICICI Securities, JM Financial, Karvy Investor Services Ltd , HDFC Bank and IDFC Capital
Co-Lead Managers	RR Investors, SMC Capitals and Bajaj Capital
Registrar	Karvy Computershare Private Limited
Mode of Payment	1. Electronic Clearing Services, 2. At par cheques, 3. Demand drafts
Issuance	Dematerialized form or Physical form as specified by an Applicant in the Application Form.
Lock-in Period	5 years from the Deemed Date of Allotment
Trading	Dematerialized form only following expiry of the Lock-in Period
Deemed Date of Allotment	The Deemed Date of Allotment shall be the date as may be determined by the Board of the Company and notified to the Stock Exchanges.
Maturity Date	10 years from the Deemed Date of Allotment
Buyback Date	Date falling 5 years and one day from the Deemed Date of Allotment
Day Count Convention	Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the Bonds. However, where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis, on the principal outstanding on the Bonds

Cheque/DD's to be drawn in favour of "**IDFC Infra Bonds – Tranche 2**" and crossed A/C Payee.

Issue terms & available Options under the issue of Long Term Infrastructure Bonds Tranche 2 Issue:

Series	1	2
Frequency of Interest payment	Annual	Cumulative
Face Value per Tranche 2 Bond	₹ 5,000	₹ 5,000
Buyback Facility	Yes	Yes
Buyback Amount	Rs. 5,000 per Tranche 2 Bond	Rs. 7,590 per Tranche 2 Bond.
Buyback Intimation Period	The period beginning not before nine months prior to the Buyback Date and ending not later than six months prior to the Buyback Date	The period beginning not before nine months prior to the Buyback Date and ending not later than six months prior to the Buyback Date
Tenor	120 months from the Deemed Date of Allotment	120 months from the Deemed Date of Allotment
Interest Rate	8.70% p.a.	N.A.
Maturity Amount	₹ 5,000 per Tranche 2 Bond	₹ 11,515 per Tranche 2 Bond
Yield on Maturity	8.70%	8.70% compounded annually
Yield on Buyback	8.70%	8.70% compounded annually
Time to Maturity	10 years from the Deemed Date of Allotment	10 years from the Deemed Date of Allotment
Time to Buyback	Date falling five years and one day from the Deemed Date of Allotment	Date falling five years and one day from the Deemed Date of Allotment
Tax Rate (%)	Tax Benefit adjusted rate of return on Maturity (with Tax Benefits up to Rs. 20,000 u/s 80CCF of the Income Tax Act, 1961)	
10.30	10.40%	9.88%
20.60	12.40%	11.23%
30.90	14.80%	12.78%
Tax Rate (%)	Tax Benefit adjusted rate of return on Buyback (with Tax Benefits up to Rs. 20,000 u/s 80CCF of the Income Tax Act, 1961)	
10.30	11.51%	11.08%
20.60	14.80%	13.82%
30.90	18.73%	17.03%

Who Can Apply:

- Indian nationals resident in India, who are not minors, in single or joint names (not more than three)
- Hindu Undivided Families or HUFs, in the individual name of the Karta.

Note: Non-resident investors including NRIs, FIIs and OCBs are not eligible to participate in the Issue.

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