

**INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED**

Registered Office : The IL&FS Financial Centre, Bandra-Kurla Complex

Bandra (East), Mumbai 400 051

Tel : 022-2653 3333 Fax : 022-2653 3042

Website: [www.ilfsindia.com](http://www.ilfsindia.com)

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**Issue of 250,000 Secured Redeemable Non-Convertible Debentures (Debentures/ NCDs) of the face value of ₹ 1,000 each for cash, aggregating to ₹ 250 million, with an option to retain over subscription of upto ₹ 250 million under 2012 Series III, on a Private Placement basis**

**General Risks:**

For taking an investment decision, investors must rely on their own examination of the issue and this Document, including the risks involved. The issue has not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document

**Issuer's Absolute Responsibility:**

INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED (“**Issuer**” or “**Company**” or “**IL&FS**”), having made all reasonable inquiries, accepts responsibility for, and confirms that this “Information Memorandum” or “Offer Document” contains all information with regard to the Issuer and this “Issue”, which is material in the context of this issue, that the information contained in this Information Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference, if any) contains all information that is material in the context of this Issue and issue of the debentures described and proposed to be issued hereunder, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made not misleading. No person has been authorized to give any information or to make any representation not contained in or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto

This Information Memorandum has been prepared by the Issuer for providing the information in connection with the proposed issue of debentures as described in this Information Memorandum

**Listing:**

The Debentures are proposed to be listed on the Wholesale Debt Market segment of Bombay Stock Exchange Limited (“BSE” or the “Stock Exchange”). The Issuer is in process of obtaining the “in-principle” approval from the BSE, for listing the Debentures offered under this Issue Memorandum

**Note:** This document of private placement is neither a prospectus nor a statement in lieu of a prospectus. This is only an information brochure intended for private use and should not be construed to be a prospectus and/or an invitation by the Issuer to the public for subscription to the Debentures under any law for the time being in force

**(I) ISSUER INFORMATION**

- |      |                         |   |
|------|-------------------------|---|
| (1)  | Name of the Company     | Infrastructure Leasing & Financial Services Limited   |
| (2)  | Registered Office       | The IL&FS Financial Centre<br>Plot No.C-22, G Block, Bandra Kurla Complex,<br>Bandra East, Mumbai 400 051   |
| (3)  | Corporate Office        | Same as above   |
| (4)  | Compliance Officer      | Mr Avinash Bagul<br>Chief Operating Officer & Company Secretary   |
| (5)  | Chief Financial Officer | Mr Manu Kochhar<br>Group Chief Financial Officer  |
| (6)  | Arrangers to the Issue  | There are no arrangers for this issue of debentures.<br>If the Company opts to avail the services of<br>Arrangers the details of the arrangers would be<br>informed stock exchange separately |
| (7)  | Debenture Trustees      | The Company proposes to appoint Centbank<br>Financial Services Limited as Debenture Trustee<br>for all the Debentures Series proposed to be issued<br>under this Information Memorandum       |
| (8)  | Registrar to the Issue  | Not applicable as the issue is on a private<br>placement basis  |
| (9)  | Credit Rating Agency *  | “[ICRA]AAA (Stable)” by ICRA Limited and<br>‘CARE AAA’ by Credit Analysis & Research<br>Limited   |
| (10) | Auditors to the Issue   | Not applicable as the issue is on a private<br>placement basis  |

\* *The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. The ratings are based on established criteria and methodologies by the Ratings Agencies. The rating may be subject to revision or withdrawal at any time by the rating agency on the basis of new information*

## **(II) OBJECT OF THE ISSUE AND THE AUTHORITY THEREOF**

The Company is in the business of infrastructure development and the proposed issue is to augment the long-term resources requirement of the Company for its business activities including refinancing of the existing debt. The Debentures are being issued pursuant to the resolution passed by the Board of Directors of the Company at their meeting held on August 30, 2012, and subject to the provisions of the Companies Act, 1956 and the Memorandum and Articles of Association of the Company

The present issue is within the general borrowing limits in terms of the resolution passed at the Annual General Meeting of the Shareholders of the Company held on August 11, 2008 under Section 293(1)(d) of the Companies Act, 1956. The borrowings being made by the Company by way of issue of debentures under this Information Memorandum, including the monies already borrowed by the Company, will be within the limits approved by the Members of the Company

## **(III) BRIEF HISTORY OF ISSUER COMPANY**

### **(1) Background**

IL&FS has been initially promoted by erstwhile Unit Trust of India (UTI) – India’s first Mutual Fund institution, Central Bank of India (CBI) – one of the leading Nationalised Banks, and Housing Development Finance Corporation Limited (HDFC) – a Premier Housing Finance Institution

At present, the Institutional shareholders of IL&FS include, State Bank of India, Life Insurance Corporation of India, ORIX Corporation, Japan, Abu Dhabi Investment Authority

IL&FS is a professionally managed organisation with the Board of Directors comprising of nominees of the Institutional Shareholders and Independent Directors

### **(2) Business Re-organization**

Over the years, considerable efforts had been undertaken to streamline various business operations of IL&FS Group (comprising of IL&FS and its major Subsidiaries & Affiliates) including divestment of non-core businesses and activities, agglomeration of co-generic initiatives and skill-sets, and re-positioning of key personnel, with the objective of domiciling the businesses in entities with a singular regulatory supervision, as well as to create an enabling framework to grow businesses both organically and inorganically and realise value over a period of time

IL&FS undertook a process of business re-organisation in order to create entities each of which would be able to operate under a singular regulatory paradigm to the extent practicable. Accordingly, the Company undertook Re-organisation through two Schemes of Arrangement under Sections 391 to 394 of the Companies Act, 1956

(A) First Scheme of Arrangement : With the approval of the Hon'ble High Court of Bombay to the first Scheme of Arrangement dated September 28, 2007, the Company has demerged its business activities as :

- (a) All Financial Services Business including lending, syndication and advisory have been domiciled in IL&FS Financial Services Limited
- (b) All Capital Market related activities have been domiciled in IL&FS Securities Services Limited
- (c) Portfolio related activities have been domiciled in IL&FS Portfolio Management Services Limited

(B) Second Scheme of Arrangement : In line with the IL&FS Group Strategy, to enable IL&FS Financial Services Limited (IFIN) to meet the external challenges from the financial services environment, the entire financial services activities and specified assets as well as liabilities thereto have been transferred to IFIN through the second Scheme of Arrangement. The Hon'ble High Court, Bombay provided its approval for the second Scheme of Arrangement for transfer of specified assets and liabilities pertaining to financial services activities to IFIN on April 11, 2008

As a result of the foregoing, IL&FS emerged as the Holding Company of the Group carrying on the following businesses, in addition to infrastructure development :

- Exposure to Group Companies and
- Real Estate Assets

**(3) Corporate Structure**

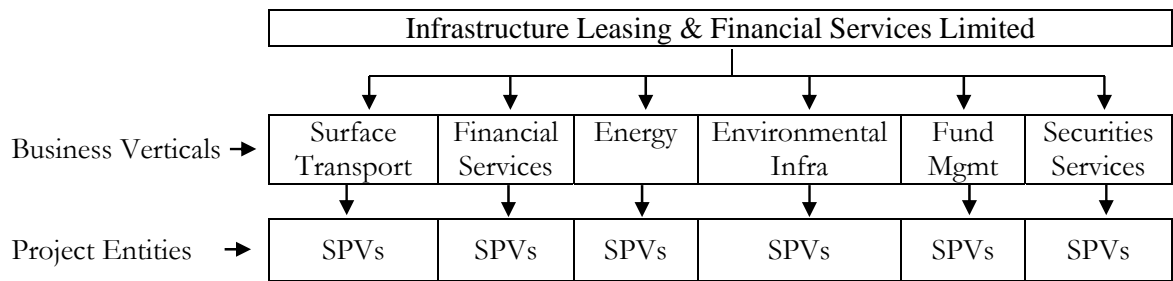
The Company has been continuously adapting to the dynamics of the business environment, and over the years, has evolved a robust structure for development and implementation of wide array of infrastructure projects. In order to implement infrastructure projects in a focussed manner as well as to attract and retain talent needed to foster the initiatives in their respective fields, the Company has created various business verticals, viz :

- (a) Surface Transport
- (b) Financial Services
- (c) Energy
- (d) Environmental Infrastructure
- (e) Fund Management
- (f) Securities Services

The business vertical entities in turn act as holding or operating entities for development and implementation of various projects of their respective sectors

The foregoing structure has been successful in enabling the Company to induct strategic or PE investors in the sector specific business verticals or in the downstream SPVs and thereby creating and enhancing the value of the respective business verticals

A schematic representation of structure of IL&FS is provided as below :



**(4) Core Investment Company**

Pursuant to the completion of the re-organisation, the Company had emerged as a Holding Company with its main business activities comprising of investing in and lending to the Group Companies. In FY 2011, the Reserve Bank of India issued a framework for Core Investment Companies. Accordingly, the Company made an application to register itself as a Systemically Important Non Deposit Accepting Core Investment Company. The Reserve Bank of India has registered the Company as Core Investment Company, on September 11, 2012

#### (IV) FINANCIAL INFORMATION

(₹ Million)

Parameters For Financial Entities	Upto Latest HY Sep 2012	FY 2012	FY 2011	FY 2010
Networth ( <i>Note I</i> )	27,176.79	24,535.06	21,672.16	24,884.99
Total Debt	65,814.92	59,712.20	49,943.00	38,690.63
of which				
• Non-Current Maturities of Long Term Borrowing	53,644.60	51,961.90	35,023.12	30,466.85
• Short Term Borrowing	10,796.26	4,820.26	9,398.43	4,105.20
• Current Maturities of Long Term Borrowing	1,374.06	2,930.04	5,521.45	4,118.58
Net Fixed Assets ( <i>Note II</i> )	3,741.33	3,756.30	3,794.47	9,643.54
Non-Current Assets	85,399.34	79,638.52	66,625.73	50,197.25
Cash and Cash Equivalents	6,341.32	3,942.11	4,934.98	4,627.51
Current Investments ( <i>Note III</i> )	36.00	36.00	36.00	-
Current Assets ( <i>Note IV</i> )	7,850.49	6,845.48	5,805.82	7,221.04
Current Liabilities	3,041.48	2,429.86	2,094.01	3,262.18
Assets Under Management	-	-	-	-
Off Balance Sheet Assets	-	-	-	-
Interest Income ( <i>Note V</i> )	5,651.72	7,048.61	5,700.67	6,368.96
Interest Expense	3,144.09	5,079.92	3,611.10	3,169.74
Provisioning & Write-offs	389.14	-503.13	3,112.18	610.01
PAT	2,449.88	3,474.55	2,402.30	1,944.42
Gross NPA %	0%	0%	0%	0.21%
Net NPA %	0%	0%	0%	0.19%
Tier I Capital Adequacy Ratio % ( <i>Note VI</i> )	38.55%	41.79%	58.00%	NA
Tier II Capital Adequacy Ratio %	NA	NA	NA	NA

#### Notes :

- (i) HY Sep 2012 Networth includes 2% Redeemable Cumulative Preference Shares ₹ 50 million and FY 2010 Networth includes Revaluation reserve ₹ 5,130.65 million
- (ii) FY 2010 Net Fixed Asset Includes Revaluation reserve ₹ 5,130.65 million
- (iii) Current Investment represents Current portion of Long Term Investments
- (iv) Current Assets includes Current portion of Long Term Loans and Advances
- (v) Interest income includes interest, dividend and business centre income
- (vi) The Company was registered as a Systemically Important Non Deposit Taking Non-Banking Finance Company (NBFC-ND-SI). The Reserve Bank of India (RBI) has issued a framework for Core Investment Company (CIC). The Company had applied with the RBI for registration as a Systemically Important Non Deposit Taking Core Investment Company (CIC-ND-SI). The RBI vide its letter dated September 11, 2012 has registered the Company as a CIC-ND-SI. The Company is required to maintain Capital Ratio and not Capital Adequacy Ratio as applicable to NBFC-ND-SI

## GROSS DEBT : EQUITY RATIO

Before the issue of debt securities ( <i>as at Sept 30, 2012</i> )	2.43
After the issue of debt securities	2.77

## (V) CAPITAL STRUCTURE

The authorised share capital of the Company is ₹ 3,000,000,000/- (Rupees Three Billion) divided into 150,000,000 equity shares of ₹ 10/- each, and 150,000,000 redeemable cumulative preference shares of ₹ 10/- each. The break-up of Share Capital of the Company as on **September 30, 2012** is as provided below :

(₹)

### AUTHORISED

150,000,000 Equity Shares of ₹ 10 each	1,500,000,000
150,000,000 Redeemable Cumulative Preference Shares of ₹ 10 each	1,500,000,000
<b>Total</b>	<b>3,000,000,000</b>

### ISSUED

118,059,489 Equity Shares of ₹ 10 each	1,180,594,890
5,000,000 Redeemable Cumulative Preference Shares of ₹ 10 each	50,000,000
<b>Total</b>	<b>1,230,594,890</b>

### SUBSCRIBED

118,059,489 Equity Shares of ₹ 10 each	1,180,594,890
5,000,000 Redeemable Cumulative Preference Shares of ₹ 10 each	50,000,000
<b>Total</b>	<b>1,230,594,890</b>

### PAID UP

115,333,663 Equity Shares of ₹ 10 each fully paid up	1,153,336,630
2,725,826 Equity Shares of ₹ 10 each, paid up to the extent of ₹ 1 each	2,725,826
5,000,000 Redeemable Cumulative Preference Shares of ₹ 10 each	50,000,000
<b>Total</b>	<b>1,206,062,456</b>



(A) **Equity Share Capital History**

Date of General Meeting	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of allotment
AGM – Aug 24, 2006	1,787,426	10	85.06	Conversion of Warrants Series A issued at a premium of ₹ 75.06 per shares on March 31, 2008
AGM – Aug 24, 2006	1,787,426	10	85.06	Conversion of Warrants Series B issued at a premium of ₹ 75.06 per shares on March 31, 2009
AGM – Aug 24, 2006	1,787,426	10	85.06	Conversion of Warrants Series C issued at a premium of ₹ 75.06 per shares on March 31, 2010
AGM – Aug 11, 2008	1,362,912	10	201.44	Conversion of partly paid-up shares into fully paid-up at a premium of ₹ 191.44 per share on December 31, 2010
AGM – Aug 11, 2008	1,362,912	10	201.44	Conversion of partly paid-up shares into fully paid-up at a premium of ₹ 191.44 per share on December 30, 2011
AGM – Aug 11, 2008	1,362,912	10	201.44	Conversion of partly paid-up shares into fully paid-up at a premium of ₹ 191.44 per share on December 31, 2012
<b>Total</b>	<b>116,696,575</b>			

(B) **Partly Paid Shares**

Date of Allotment	No of Equity Shares	Face Value (₹)	Nature of Allotment
June 30, 2009 \$	1,362,912	10	Preferential allotment of equity shares of ₹ 10 each to IL&FS Employees Welfare Trust on payment of call money @ ₹ 1 per equity share
June 30, 2010 \$	1,362,912	10	- do -
June 30, 2011 \$	1,362,912	10	- do -
June 29, 2012	1,362,914	10	- do -

*\$ These shares have been converted into fully paid equity shares of ₹ 10 each on payment of final call money of ₹ 9 towards face value and ₹ 191.44 towards premium, on December 31, 2010, December 30, 2011 and December 31, 2012 respectively*

**(C) Preference Share:**

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of allotment
July 5, 2012	5,000,000	10	10	Preferential allotment to ORIX Corporation, Japan

**(VI) HISTORY OF EQUITY SHARE CAPITAL:**

(A) The history of equity share capital of the Company for the last five years is provided as **Annexure I**

(B) Shareholding Pattern as on December 31, 2012 :

Fully Paid Equity Shares :

No.	Name of Shareholder	Shares	In Demat	%
1	Life Insurance Corporation of India	29,921,511	29,921,511	25.64
2	ORIX Corporation, Japan	27,204,758	27,204,758	23.31
3	IL&FS Employees' Welfare Trust	13,207,277	11,844,365	11.32
4	Abu Dhabi Investment Authority	13,094,327	13,094,327	11.22
5	Housing Development Finance Corporation Limited	12,387,194	12,387,194	10.61
6	Central Bank of India	9,843,386	9,843,386	8.44
7	State Bank of India	8,237,967	8,237,967	7.06
8	UTI-Unit linked Insurance Plan – UTI Asset Management Co Pvt Ltd	946,000	946,000	0.81
9	India Discovery Fund	803,390	803,390	0.69
10	Bay Capital Investment Managers Private Limited – A/c PMS Client Account	314,791	314,791	0.27
11	Others - Individuals	735,974	684,874	0.63
	<b>Total</b>	<b>116,696,575</b>	<b>116,645,475</b>	<b>100.00</b>

Partly Paid Equity Shares : Paid up to the extent of ₹ 1 each

<u>Name of Shareholder</u>	<u>Number</u>	<u>%</u>
IL&FS Employees Welfare Trust	1,362,914	100.00

Fully Paid Redeemable Cumulative Preference Equity Shares ₹ 10 each :

<u>Name of Shareholder</u>	<u>Number</u>	<u>%</u>
ORIX Corporation, Japan	5,000,000	100.00

- (C) List of top ten Shareholders as on December 31, 2012 : List of top ten Shareholders holding fully paid up equity share capital of the Company as on December 31, 2012 is provided below :

<u>No.</u>	<u>Shareholder</u>	<u>Shares</u>	<u>In Demat</u>	<u>%</u>
1	Life Insurance Corporation of India	29,921,511	29,921,511	25.64
2	ORIX Corporation, Japan	27,204,758	27,204,758	23.31
3	IL&FS Employees' Welfare Trust	13,207,277	11,844,365	11.32
4	Abu Dhabi Investment Authority	13,094,327	13,094,327	11.22
5	Housing Development Finance Corporation Limited	12,387,194	12,387,194	10.61
6	Central Bank of India	9,843,386	9,843,386	8.44
7	State Bank of India	8,237,967	8,237,967	7.06
8	UTI-Unit linked Insurance Plan – UTI Asset Management Co Pvt Ltd	946,000	946,000	0.81
9	India Discovery Fund	803,390	803,390	0.69
10	Bay Capital Investment Managers Private Limited – A/c PMS Client Account	314,791	314,791	0.27

- (D) Details of the current Directors of the Company : The details of the current Directors of the Company is enclosed as **Annexure II**

(E) Details of changes in Directors since last three years :

No	Name, Designation and DIN	Date of Appointment	Date of Resignation	Remarks
1	Mr Gopi K Arora Director 00017824	07-Jul-04	04-Nov-09	Ceased as Director on his demise on November 5, 2009
2	Mr Makoto Inoue Director 01359663	22-Apr-09	29-Mar-11	@
3	Mr Hideo Ichida Alternate Director 02564114	22-Apr-09	29-Mar-11	@
	Director	24-May-11	05-Nov-12	@
4	Mr Harukazu Yamaguchi	24-May-11	05-Nov-12	@
	Alternate Director 03535391	21-Nov-12	--	Nominee of ORIX Corporation, Japan
5	Mr Ramnath Pradeep Director 02608230	22-Apr-09	16-Sep-10	Resigned as Director on attaining his superannuation
6	Mr KA Somayajulu Director 02535927	23-Nov-11	--	Nominee of Central Bank of India
7	Mr Jaithirth Rao Director 00025289	30-Aug-12	--	Independent Director
8	Mr Yuki Oshima Director 01006479	21-Nov-12	--	Nominee of ORIX Corporation, Japan

@ Change in the Nomination by ORIX Corporation, Japan due to internal re-organisations at ORIX

(F) Details of the Auditors of the Company :

Name & Address of the Auditors	Auditors since
Deloitte Haskins & Sells Chartered Accountants India Bulls Finance Centre, Tower 3, 32nd Floor Senapati Bapat Marg, Worli, Mumbai 400 013	FY 2007

(G) Details of Borrowings of the Company : The details of borrowing by the Company as on September 30, 2012 is provided below :

(a) Details of Secured Loan Facilities :

Lender's Name	Type of Facility	Amt Sanctioned (USD)	Principal Amt O/s (₹ million)	Repayment Date / Sch	Security
Asian Development Bank	Term Loan	\$ 50.4	1,956.84	15-Dec-12 to 15-Dec-27	*
Banks	On Demand	NA	3.61		*
IBRD	Term Loan	\$ 31.13	403.92	15-Nov-12 to 15-May-16	*
IL & FS USAID	Term Loan	\$ 25.00	652.50	01-Feb-13 to 01-Feb-27	*
<b>Total</b>			<b>3,016.88</b>		

\* Note : Includes ₹ 2,360.77 million guaranteed by the Government of India and ₹ 652.50 million guaranteed by United States Agency for International Development (USAID)

(b) Details of Unsecured Loan Facilities :

(₹ million)

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt O/s	Repayment Date / Sch
IL&FS Transportation Networks Ltd	Covered Warrant	1,193.00	1,193.00	25-Mar-31
IL&FS Transportation Networks Ltd	Covered Warrant	250.00	250.00	26-Mar-42
IL&FS Transportation Networks Ltd	Covered Warrant	250.00	250.00	31-Mar-44
Marico Ltd	ICD / STD	100.00	100.00	21-Dec-12
Marico Ltd	ICD / STD	100.00	100.00	12-Jul-13
Dahej Harbour & Infrastructure Ltd	ICD / STD	180.00	180.00	19-Jul-13
Dahej Harbour & Infrastructure Ltd	ICD / STD	62.50	62.50	08-Aug-13
Dahej Harbour & Infrastructure Ltd	ICD / STD	14.58	14.58	12-Aug-13
Dahej Harbour & Infrastructure Ltd	ICD / STD	10.72	10.72	16-Aug-13

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt O/s	Repayment Date / Sch
Procam International Ltd	ICD / STD	10.00	10.00	23-Sep-13
Procam International Ltd	ICD / STD	0.10	0.10	18-Nov-13
Procam International Ltd	ICD / STD	5.00	5.00	08-Oct-12
Procam International Ltd	ICD / STD	6.50	6.50	29-Oct-12
Procam International Ltd	ICD / STD	5.00	5.00	11-Feb-13
Procam International Ltd	ICD / STD	5.00	5.00	05-Jul-13
JBF Industries Ltd	ICD / STD	150.00	150.00	16-Jul-14
JBF Industries Ltd	ICD / STD	50.00	50.00	23-Jul-14
IL&FS Investment Managers Ltd	ICD / STD	10.00	10.00	15-Jul-13
IL&FS Investment Managers Ltd	ICD / STD	200.00	200.00	18-Jul-13
South Coast Infrastructure Development Co of Andhra Pradesh Pvt Ltd	ICD / STD	6.38	6.38	09-Sep-13
Small Industries Development Bank of India	ICD / STD	500.00	500.00	11-Jan-13
Small Industries Development Bank of India	ICD / STD	500.00	500.00	11-Feb-13
Small Industries Development Bank of India	ICD / STD	250.00	250.00	15-Mar-13
Small Industries Development Bank of India	ICD / STD	250.00	250.00	25-Mar-13
Small Industries Development Bank of India	ICD / STD	1,000.00	1,000.00	13-Sep-13
The Karur Vysya Bank Ltd	Term Loan	500.00	500.00	28-Mar-14
KFW LOAN (PORTION - I) # (Euro in million)	Term Loan	€ 8.50	534.69	30-Dec-15 to 30-Jun-15
KFW LOAN (PORTION - II) # (Euro in million)	Term Loan	€ 34.50	1,620.43	30-Dec-12 to 30-Jun-17
KFW LOAN (PORTION - III) # (Euro in million)	Term Loan	€ 11.00	556.32	30-Dec-12 to 30-Jun-20
<b>Total</b>		<b>5,662.78</b>	<b>8,320.22</b>	

# Guaranteed by the Government of India

(c) Details of Non-Convertible Debentures :

Debenture Series	Tenor/ Period of Maturity (Months)	Coupon %	Amount (₹ million)	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured
<b>Secured *</b>							
1999 Series I	180	Floating	18.60	15-Jun-99	15-Jun-14	AAA	Secured
2001 Series IX A	120-180	6.30 - 7.20	17.03	Various	Various	AAA	Secured
2001 Series IX B	180	8.1	9.00	20-Feb-03	20-Feb-18	AAA	Secured
2001 Series XI	180	9	174.50	Various	Various	AAA	Secured
2002 Series XI	120-180	7.00 - 8.05	121.05	Various	Various	AAA	Secured
2003 Series III	120	6.00 - 6.25	19.09	Various	Various	AAA	Secured
2005 Series VI	84-180	7.80 - 10.50	307.55	Various	Various	AAA	Secured
2006 Series V	120	9.25	1,013.90	22-Dec-06	22-Dec-16	AAA	Secured
2006 Series VIII	84	10.5	884.40	21-Mar-07	21-Mar-14	AAA	Secured
2007 Series II	120	10.5	615.60	11-Jun-07	11-Jun-17	AAA	Secured
2008 Series IX	120	12.2	1,400.00	15-Dec-08	15-Dec-18	AAA	Secured
2008 Series VII	24-60	7.50-11.50	24.82	Various	Various	AAA	Secured
2009 Series III	60	9	1,500.00	09-Jul-09	09-Jul-14	AAA	Secured
2009 Series IV	84	9.25	2,451.00	17-Aug-09	17-Aug-16	AAA	Secured
2009 Series VI-A	120	9.15	500.00	02-Mar-10	02-Mar-20	AAA	Secured
2009 Series VI-B	120	9.2	500.00	22-Mar-10	22-Mar-20	AAA	Secured
2009 Series XVI	120	9.2	3,000.00	05-Mar-10	05-Mar-20	AAA	Secured
2010 Series IX	120	9.7	3,250.00	22-Feb-11	22-Feb-21	AAA	Secured
2010 Series V	180	8.96	3,500.00	20-May-10	20-May-25	AAA	Secured
2010 Series VI	300	9.35	1,500.00	17-Aug-10	17-Aug-35	AAA	Secured
2010 Series VII	36-120	9.2	1,456.80	Various	Various	AAA	Secured
2010 Series VIII	60	9.95	1,500.00	14-Feb-11	14-Feb-16	AAA	Secured
2010 Series X	60	9.95	250.00	25-Feb-11	25-Feb-16	AAA	Secured
2010 Series XI	60	9.95	250.00	01-Mar-11	01-Mar-16	AAA	Secured
2011 Series I	120	9.68	1,500.00	25-Jul-11	25-Jul-21	AAA	Secured
2011 Series II	84	9.75	1,500.00	11-Aug-11	11-Aug-18	AAA	Secured
2011 Series III	72	9.8	750.00	16-Sep-11	16-Sep-17	AAA	Secured
2011 Series IV	96	9.78	750.00	16-Sep-11	16-Sep-19	AAA	Secured
2011 Series IX	120	9.85	2,100.00	12-Mar-12	12-Mar-22	AAA	Secured
2011 Series V	36-60	10	494.80	Various	Various	AAA	Secured
2011 Series VI	60	9.97	3,000.00	28-Sep-11	28-Sep-16	AAA	Secured
2011 Series VII	84-120	9.98	3,000.00	Various	Various	AAA	Secured
2011 Series VIII	120	9.82	2,900.00	24-Jan-12	24-Jan-22	AAA	Secured
2012 Series I	120	9.8	3,900.00	30-May-12	30-May-22	AAA	@
<b>Unsecured</b>							
2001 Series V	217	7.5	68.54	30-Mar-02	30-Apr-20	AAA	Unsecured
2006 Series I	120	9.40 - 9.50	980.00	Various	Various	AAA	Unsecured
2005 Series I	120	7.6	100.00	07-Jun-05	07-Jun-15		Unsecured
2004 Series VI	120	7.25	1,000.00	31-Mar-05	30-Apr-15		Unsecured

\* All secured borrowings obtained by the Company are covered under the *pari-passu* charge on the common pool of assets of the Company, excluding specified immovable properties, moveable assets within the property, specific investments, capital work-in-progress, prepaid and deferred expenses, advance taxes (net) and MAT Credit Entitlement

@ Security creation for the NCD Series is underway

(d) Details of Non-Convertible Debentures :

<b>Name of Debenture Holders</b>	<b>Amount (₹ Million)</b>
Life Insurance Corporation of India	5,400.00
Postal Life Insurance	3,030.00
General Insurance Corporation of India	2,000.00
Army Group Insurance Fund	1,900.00
Ruralpostal Life Insurance Fund	1,860.00
Metlife India Insurance Co Ltd.	1,250.00
National Insurance Company Ltd	1,250.00
HDFC Standard Life Insurance Co Ltd	900.00
The New India Assurance Co Ltd	650.00
Bajaj Allianz Life Insurance Co Ltd	650.00

(e) Details of Corporate Guarantee issued by the Company :

<b>Name of the Counterparty</b>	<b>Amount (₹ Million)</b>
West Gujarat Expressway Limited	166.20
IL&FS Securities Services Limited	200.00
IL&FS Transportation Networks Limited	681.49
<b>Total</b>	<b>1,047.69</b>

(f) Details of Commercial Paper :

<b>Maturity Date</b>	<b>O/s Amount (₹ Million)</b>
26-Nov-12	1,250.00
03-Dec-12	1,000.00
14-Dec-12	500.00
18-Dec-12	1,000.00
13-Mar-13	750.00
25-Mar-13	750.00
28-Mar-13	750.00
13-May-13	100.00
16-May-13	500.00
27-May-13	150.00
27-Jun-13	500.00
10-Jul-13	1,000.00
22-Jul-13	150.00
02-Sep-13	100.00
<b>Total *</b>	<b>8,500.00</b>



- (g) Details of Rest of the borrowings by the Company : The details of rest of the borrowings by the Company including hybrid debt like FCCBs, Optionally Convertible Debentures, Preference Shares etc., as on September 30, 2012 is provided below :

Party Name ( <i>in case of Facility</i> ) /Instrument Name	Type of Facility / Instrument	Amount Issued (₹ Mn)	Principal Amt O/s (₹ Mn)	Repayment Date/Sch.	Credit Rating	Secured / Unsecured	Security
Redeemable Cumulative Preference Shares	Preference Share	50.00	50.00	05-Jul-32	NA	NA	NA

- (h) Details of defaults and/or delay in payment 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 5 (Five) years :

There have been no defaults or delays in interest payment or principal repayments on loans, debt securities

- (i) There has been no outstanding borrowing by way of issue of debt securities issued for consideration other than cash, whether in whole or part, at a premium or discount or in pursuance of an option

## (V) MATERIAL CONTRACTS INVOLVING FINANCIAL OBLIGATION

The contracts referred to below (*not being contracts entered into the ordinary course of business carried on by the Company*) which are or may be deemed material have been entered into by the Company.

Copies of these contracts together with the copies of these documents referred to below may be inspected at the Registered Office of the Company between 10:00 am and 12:00 noon on any working day of the Company

## MATERIAL DOCUMENTS

- (i) Memorandum and Articles of Association of the Company as amended from time to time
- (ii) Copy of certificate of Incorporation of the Company dated September 3, 1987

- (iii) Copy of certificate of Commencement of Business dated October 13, 1987
- (iv) Audited Accounts of the Company for the years ended March 31, 2012, 2011, 2010, 2009 and 2008 and the Auditors' Report thereon
- (v) Certified true copy of Board Resolution dated August 30, 2012, authorizing mobilisation of funds including by way of issuance of debentures on a private placement basis
- (vi) Certified true copy of the Resolution of the Members of the Company passed at the Annual General Meeting of the Company held on August 11, 2008 authorising borrowing powers under Section 293 (1)(d) of the Companies Act 1956
- (vii) Certified true copy of the Resolution of the Members of the Company passed at the Annual General Meeting held on August 30, 2012, appointing Messrs Deloitte Haskins and Sells, Chartered Accountants as Statutory Auditors of the Company
- (viii) Copy of letter from ICRA Limited dated January 16, 2013 assigning "[ICRA] AAA(Stable)" and copy of letter dated January 15, 2013 from Credit Analysis & Research Limited assigning 'CARE AAA' for the Debentures to be issued by the Company under this document
- (ix) Copy of tripartite agreement dated July 30, 2001 between the Company, Link Intime India Private Limited (erstwhile Intime Spectrum Registry Limited) and National Securities Depository Limited
- (x) Copy of tripartite agreement dated July 25, 2001 between the Company, Link Intime India Private Limited (*erstwhile Intime Spectrum Registry Limited*) and Central Depository Services (India) Limited
- (xi) Investment Agreement dated December 16, 1992 between IL&FS and ORIX Corporation, Japan
- (xii) Share Purchase Agreement dated June 15, 2006 between IL&FS Employees Welfare Trust, Abu Dhabi Investment Authority and IL&FS

## (VI) INFORMATION RELATING TO THE TERMS OF OFFER

### (i) GENERAL TERMS OF THE ISSUE

The terms and conditions pertaining to the issue for private placement of Debentures aggregating to ₹ 250 million with an option to retain over subscription to the extent of ₹ 250 million, is at the sole discretion of the Company. Participation and subscription is subject to the completion of the application form and submission of all relevant documents to the Company along with the subscription money

### (ii) DEEMED DATE OF ALLOTMENT

The Deemed Date of Allotment is January 21, 2013

### (iii) INTEREST ON THE COUPON BEARING DEBENTURES

- (a) **Interest Rate** : Debentures shall carry interest at a fixed coupon rate from the corresponding deemed date of allotment

The interest shall be subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income tax Act, 1961, or any other statutory modification or re-enactment thereof, for which a certificate will be issued by the Company

- (b) **Computation of Interest** : Interest for each of the interest periods shall be computed on an actual/actual days in a year basis on the principal outstanding on the Debentures at the coupon rate

- (c) **Payment of Interest** : The interest will be payable to the beneficiaries as per the list of beneficiaries provided by the Depositories viz, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the record date

### (iv) INTEREST ON APPLICATION MONEY

In case of interest on application money, interest at the applicable coupon rate/ implicit yield (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) will be paid on the application money. Such interest shall be paid from the date of realisation of the cheque(s)/ demand draft(s) up to but not including the deemed date of allotment. The respective interest payment instruments along with the letters of allotment/ refund orders, as the case may be, will be dispatched by registered post to the sole/ first applicant, at the sole risk of the applicant

**(v) TAX DEDUCTION AT SOURCE (TDS)**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/ document must be lodged by the debenture holders at the office of the Company at least 30 days before the interest payment becoming due. Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money, should be submitted along with the application form

**(vi) REDEMPTION**

The debentures issued under 2012 Series III are redeemable on January 21, 2020

**(vii) TRANSFERABILITY**

The Debenture issued/ to be issued under this Memorandum will be freely transferable and transmittable

**(viii) PAYMENT ON REDEMPTION**

Payment of the redemption amount of the Debentures will be made by the Company to the beneficiaries as per the beneficiary list provided by the Depository as on the record date

The Debentures shall be taken as discharged on payment of the redemption amount by the Company to the beneficiaries as per the beneficiary list. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders. On such payment being made, the Company will inform Depositories (NSDL/CDSL) and accordingly the accounts of the Debenture holders with NSDL/ CDSL will be adjusted

The Company's liability to the debenture holder in respect of all their rights including for payment or otherwise shall cease and stand extinguished after maturity in all events save and except the Debenture holder's right of redemption as stated above

On the Company dispatching the payment instrument towards payment of the redemption amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished

**(ix) EFFECT OF HOLIDAYS**

Should any of dates defined above or elsewhere in this Document, excepting the deemed date of allotment, fall on a Saturday, Sunday or a public holiday, the next working day shall be considered as the effective date(s). The Company's liability to the debenture holder in respect of all their rights including for payment or otherwise shall cease and stand extinguished after maturity in all events save and except the Debenture Holder's right of redemption as stated above

**(x) LETTER OF ALLOTMENT AND DEBENTURE CERTIFICATE IN DEMAT MODE**

The Company will make allotment of Debentures to investors in due course after verification of the application forms, the accompanying documents and on realisation of the application money. The allotted Debentures at the first instance will be credited in dematerialised form on Letter of Allotment ISIN (LOA ISIN) within seven days of the date of allotment. The Company will instruct the Depositories (NSDL/CDSL) to convert the said LOA ISIN to Secured Debenture ISIN immediately after the receipt of confirmation of registration of charge from the Registrar of Companies

**(xi) RIGHT TO ACCEPT OR REJECT APPLICATIONS**

The Company is entitled at its sole and absolute discretion to accept or reject an application, in part or in full, without assigning any reason thereof. An application form, which is not complete in all respects, shall be liable to be rejected. Any application, which has been rejected, would be intimated by the Company along with a refund warrant

**(xii) RECORD DATE**

The record date for the payment of interest or the buyback amount or the maturity amount shall be 15 days prior to the date on which such amount is due and payable

**(xiii) RIGHT OF COMPANY TO PURCHASE & RE-ISSUE DEBENTURES**

The Company will have the power exercisable at its absolute discretion from time to time to purchase some or all of the Debentures held by the Debenture holder at any time prior to the specified date(s) of redemption. Such buy-back of Debentures may be at par or at premium/discount to the par value at the sole discretion of the Company. In the event of the Debentures being so purchased and/or redeemed before maturity in any circumstances whatsoever, the Company shall have the right to re-issue the Debentures under Section 121 of the Companies Act, 1956

**(xiv) FUTURE BORROWINGS**

The Company shall be entitled, from time to time, to make further issue of Debentures and or such other instruments to the public, members of the Company and/or avail of further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) on the security or otherwise of its properties without the consent of Debenture holders

**(xv) RIGHTS OF DEBENTURE HOLDERS**

The Debenture holder will not be entitled to any rights and privileges of Shareholders other than those available to them under applicable statutory provisions

The Debentures shall not confer upon the Debenture holder the right to receive notice, or to attend and vote at the general meetings of Shareholders of the Company

**(xvi) TRUSTEES**

Centbank Financial Services Limited (*a wholly owned subsidiary of Central Bank of India*), Bajaj Bhavan, 1<sup>st</sup> Floor, Opp. Inox Multiplex, Nariman Point, Mumbai 400 021 has provided in-principle approval to act as the Debenture Trustee for the holders of the Debentures to be issued under this Offer Document (hereinafter referred to as "Trustees")

The debenture holders shall, without any further act or deed, be deemed to have irrevocably given their consent to the appointment of the Trustees by the Company. The Debenture-holders shall, without further act or deed, also be deemed to have already given their consent to and authorised the Trustees, or any of their Agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Trustees may in their absolute discretion deem necessary or required to be done in the interest of the Debenture-holders. All rights and remedies under the Debenture Trust Deed(s) and/or other security documents shall vest in and be exercised by the Trustees without having it referred to the Debenture-holders

**(xvii) DEBENTURES IN DEMATERIALISED FORM**

The Company has made requisite arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to issue the Debentures in dematerialised form to all successful applicants. All provisions relating to issue, allotment, transfer, transmission, etc. in respect of dematerialisation and re-materialisation of the Debentures will be as prescribed under the Depositories Act, 1996 and the rules enacted by the Depositories ie, NSDL/CDSL would be applicable to these Debentures

**(xviii) MODIFICATION OF RIGHTS**

The Debenture holders' rights, privileges, terms and conditions attached to the Debentures under any series may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures under the series who hold at least three-fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders under the series, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures which are not acceptable to the Company

**(xix) NOTICES**

The notices to the Debenture holders required to be given by the Company or the Trustees shall be deemed to have been given if sent by ordinary post or through Courier services to the sole/first allottee or sole/first registered holder of the Debentures, as the case may be. The Company also reserves the right to send such notices in electronic form to the mail addresses registered with the Depositories ie, NSDL and CDSL. All notices to be given by Debenture holders shall be sent by registered post or through electronic mail or by hand delivery to the Company at its Registered Office

**(xx) KYC COMPLIANCE**

The applications that do not conform to the KYC Norms issued by Reserve Bank of India for Banks, NBFCs and Financial Institutions are liable for rejection. The documents required to be produced are provided in the application form

**(xxi) HOW TO APPLY**

Applications for the Debentures must be in the prescribed form, and must be completed in block letters in English

**(xxii) DEBENTURE REDEMPTION RESERVE**

The Companies is registered with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India (Amendment) Act, 1997. All India Financial Institutions and the Non-Banking Finance Companies issuing Debentures on a private placement basis need not maintain any Debenture Redemption Reserve (DRR). Since the Company is registered with RBI under Section 45-IA, it is exempted from maintaining the DRR

**(xxiii) WHO CAN APPLY?**

Only the Eligible Investors who are specifically addressed through a communication directly are eligible to apply for the Debentures. No other person may apply

“Eligible Investors”, *inter-alia*, includes to the following category of investors who may invest in the Debentures proposed to be issued hereunder:

- (a) Public Financial Institutions (as defined under Section 4A of the Companies Act);
- (b) Non-Banking Financial Companies
- (c) Commercial Banks
- (d) Companies;
- (e) Foreign Institutional Investors including any sub-account thereof registered with SEBI under the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.;
- (f) Mutual Funds
- (g) Insurance Companies
- (h) Retiral Funds and
- (i) Others



## **COMMERCIAL BANKS**

*Certified true copies of:*

- GOI Notification / Certificate of Incorporation / Memorandum & Articles of Association
- Resolution authorising investment and containing operating instructions
- Identification of authorized signatories should be based on photographs and signature cards duly attested by the company
- Copy of the Telephone Bill (not more than two months old)
- Power of Attorney granted to its Managers, Officers or Employees to transact business on its behalf
- Copy of PAN Allotment Letter / Copy of Pan Card

## **CORPORATE BODIES / COMPANIES / FIs**

*Certified true copies of:*

- Memorandum & Articles of Association / Constitution / Bye-laws
- Resolution authorising investment and containing operating instructions
- Identification of authorized signatories should be based on photographs and signature cards duly attested by the company
- Copy of PAN allotment letter / Copy of PAN Card
- Copy of the Telephone Bill (Not more than two months old)
- Power of Attorney granted to its Managers, Officers or Employees to transact business on its behalf

## **MUTUAL FUNDS**

*Certified true copies of:*

- SEBI Registration Certificate
- Resolution authorising investment and containing operating instructions
- Client Power Of Attorney
- Custodian Power Of Attorney
- Copy of PAN Allotment Letter / Copy of Pan Card
- Identification of authorized signatories should be based on photographs and signature cards duly attested by the company
- Copy of the Telephone Bill (Not more than two months old)

## **INSURANCE COS**

*Certified true copies of:*

- IRDA Registration Certificate
- Resolution authorising investment and containing operating instructions
- Identification of authorized signatories should be based on photographs and signature cards duly attested by the company
- Copy of the Telephone Bill (Not more than two months old)
- Power of Attorney granted to its Managers, Officers or Employees to transact business on its behalf
- Copy of PAN Allotment Letter / Copy of Pan Card

## **RETIRAL FUNDS**

*Certified true copies of:*

- Trust Deed
- Resolution authorising investment and containing operating instructions
- Identification of authorized signatories should be based on photographs and signature cards duly attested by the company
- Copy of the Telephone Bill (Not more than two months old)
- Power of Attorney granted to its Managers, Officers or Employees to transact business on its behalf
- Income tax Recognition Certificate & Copy of EPFO Recognition Certificates for PF trusts
- Copy of PAN Allotment Letter

**(xxiii) SUCCESSION**

In the event of demise of the Debenture holder, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate or other legal representative as having title to the Debentures, unless such executor or administrator obtains probate of letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a competent Court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognise such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity

**(xxiv) OPTION TO ISSUE FURTHER DEBENTURES**

The Company reserves the option to issue and allot Debentures of the Company other than stated in this Document

**(xxv) GOVERNING LAW**

The Debentures are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts in the city of Mumbai

**(xxvi) UNDERTAKING BY THE COMPANY**

The Company hereby undertakes that :

- (i) the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily
- (ii) that all steps for completion of the necessary formalities for listing and commencement of trading at the stock exchange where the securities are proposed to be listed will be taken within a reasonable time on finalisation of date of allotment
- (iii) that the Company shall disclose the complete name and address of the Debenture Trustee in its Annual Report
- (iv) that the Company shall provide a compliance certificate to the Debenture Trustees (on a yearly basis) in respect of compliance with the terms and conditions of issue of Debentures as contained in this Document

- (v) that necessary cooperation with the credit rating agency (ies) shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding

#### **XVI DISCOUNT ON THE OFFER PRICE**

The debentures are issued for cash at par and not at a discount or at a premium to the offer price

#### **XVII SERVICING BEHAVIOUR OF THE EXISTING DEBTS**

The Company is discharging all its liabilities in time and would continue doing so in future as well. The Company has been paying regular interest and principal amount on redemption

#### **XVIII PERMISSION AND CONSENT FROM THE CREDITORS**

The Debenture Trustee shall in future provide consent to the Company to create *pari-passu* charge for and on behalf of the Debenture holders, as provided in Sub-Clause XVI of **Clause VI** pertaining to Information Relating to Debenture Trustees

#### **XIX NAME OF DEBENTURE TRUSTEE**

Centbank Financial Services Limited  
Bajaj Bhavan, 1<sup>st</sup> Floor, Opp Inox Multiplex  
Nariman Point, Mumbai 400 021

The Company proposes to appoint Centbank Financial Services Limited to act as Trustees for the Debenture holders. The in-principle consent of the Debenture Trustee in writing has been obtained

#### **XX RATING RATIONALE ADOPTED BY RATING AGENCIES**

“[ICRA] AAA (Stable)” by ICRA Limited dated January 16, 2013 and ‘CARE AAA’ by Credit Analysis & Research Limited dated January 15, 2013

*The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. The ratings are based on established criteria and methodologies by the Ratings Agencies. The rating may be subject to revision or withdrawal at any time by the rating agency on the basis of new information*

## XXI LISTING OF DEBENTURES

The Company shall get the debentures listed on the Wholesale Debt Market (WDM) segment of the Bombay Stock Exchange Limited

## XXII SUMMARY TERM SHEET

Security Name	9.10% Secured Redeemable Non-Convertible Debentures of ₹ 1000 each issued for cash at par
Issuer	Infrastructure Leasing & Financial Services Limited
Type of Instrument	Secured Redeemable Non-Convertible Debenture
Seniority	Senior
Mode of Issuance	Private Placement
Eligible Investor	As provided under heading Eligible Investors in the Information Memorandum
Listing	The Debentures are proposed to be listed on the Wholesale Debt Market segment of the Bombay Stock Exchange Limited
Rating	“[ICRA]AAA (Stable)” by ICRA Limited and ‘CARE AAA’ by Credit Analysis & Research Limited
Issue Size	250,000 NCDs of ₹ 1000 each aggregating to ₹ 250 million with an option to retain over subscription to the extent of ₹ 250 million
Option to retain over subscription	Upto ₹ 250 million
Objects of the Issue	To augment the long-term resources requirement of the Company for its business activities including refinancing of the existing debt
Coupon Rate	Coupon on the NCDs will paid @ 9.10% per annum annually
Coupon Type	Fixed Coupon of 9.10% per annum
Step-up/Step-down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon Payment Date	On January 21st, each year, till the redemption of NCDs
Coupon Reset Process	Not applicable
Day Count Basis	Actual / Actual
Interest on Application Money	Interest on application, if any, will be paid @ 9.10% pa from the date of realisation of money to one day prior to the date of allotment or deemed

	date of allotment
Default Interest Rate	2% (two per cent) over and above the coupon rate of this issue for the period of default, if any
Redemption Date	The NCD will be redeemed at the end of 7 years from the date of allotment ie, on January 21, 2020
Redemption Premium/ Discount	None
Issue Price	The NCDs are issued at par
Discount at which security is issued and effective yield	None
Put Option Date & Price	None
Call Option Date & Price	None
Put Notification Time	Not applicable
Call Notification Time	Not applicable
Face Value	₹ 1000/- (Rupees One Thousand) per Debenture
Minimum application	A minimum of 1000 debentures and in multiple of 1000 debenture thereafter
<b><u>Issue Timing</u></b>	
Issue Opening Date	January 21, 2013
Issue Closing Date	January 21, 2013
Pay-in Date	January 21, 2013
Deemed Date of Allotment	January 21, 2013
Issuance Mode of the Instrument	In dematerialised form only
Trading Mode of the Instrument	The Debentures will be traded in dematerialised form in the market lot of ₹ 1 lakh or as may be notified by the Stock Exchange from time to time, in the anonymous, order driven system of the stock exchanges in a separate trading segment
Settlement Mode	Settlement by way of RTGS/ Fund Transfer
Depository	NSDL and CDSL
Record Date	Fifteen (15) days prior to each coupon payment date, principal repayment date, Put or Call Payment date
Security	The Secured Debentures issued by the Company under this Document, would be secured by creation of <i>pari-passu</i> , charge on the Common Pool of assets of the Company with a cover of 1.25 times, and on the terms and conditions as may be agreed with the Debenture Trustee and as defined in the Debenture Trust Deed
Transaction Documents	The Investors willing to subscribe to the

	debentures are required to fill and submit to the Company, the application form in the enclosed format along with documents specified for each category of Investor
Conditions ( <i>Precedent &amp; Subsequent</i> )	Not applicable
Events of default	There have been no events of defaults till date
Provisions related to cross default	Not applicable
Role & Responsibility of Debenture Trustee	The Trustees will exercise all and such powers as may in their absolute discretion deem necessary or required to be done to protect the interest of the Debenture-holders. All rights and remedies under the Debenture Trust Deed(s) and/or any other security documents shall vest in and be exercised by the Trustees without having it referred to the debenture holders
Governing Law & Jurisdiction	The Debentures are governed by the existing Indian laws. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts in the city of Mumbai

**For Infrastructure Leasing & Financial Services Limited**

**Authorised Signatory**

**Date : January 16, 2013**

Date of Allotment	No of Shares	Face Value	Issue Price	Consideration (cash/ other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Shares	Equity Share Capital	Premium/ Eq. Share	
Mar 31, 2008	1,787,426	10	85.06	Cash	Preferential	109,032,987	1,090,329,870	75.06	
Mar 31, 2009	1,787,426	10	85.06	Cash	Preferential	110,820,413	1,108,204,130	75.06	
Jun 30, 2009	1,362,912	10	201.44	Cash	Preferential	112,183,325	1,121,833,250	191.44	
Mar 31, 2010	1,787,426	10	85.06	Cash	Preferential	113,970,751	1,139,707,510	75.06	
Jun 30, 2010	1,362,912	10	201.44	Cash	Preferential	115,333,663	1,153,336,630	191.44	
Jun 30, 2011	1,362,912	10	201.44	Cash	Preferential	116,696,575	1,166,965,750	191.44	
Jun 30, 2012	1,362,914	10	20.144	Cash	Preferential	118,059,489	1,180,594,890	191.44	

Notes :

- (1) At the Annual General Meeting of the Company held on August 24, 2006, the Members of the Company have approved issuance of 5,362,278 warrants of ₹ 1 each to IL&FS Employees Welfare Trust (IL&FS EWT) in three series 1,787,426 warrants each. The warrants conferred a right to IL&FS EWT to subscribe to equal number of equity shares of ₹ 10 each to IL&FS EWT
- (2) At the Annual General Meeting of the Company held on August 11, 2008, the Members of the Company have approved issuance of 5,451,650 equity shares of ₹ 10 each to IL&FS EWT on a preferential basis and authorised the Board of Directors or the Committee thereof to decide the terms and conditions of allotment of equity shares to IL&FS EWT. Accordingly, the Committee of Directors of the Company have approved allotment of equity shares to IL&FS EWT in four equal instalments as partly paid shares of ₹ 1 each on allotment and these partly paid shares shall be convertible into fully paid shares on payment final call money by IL&FS EWT

**Details of Directors of the Company:**
**List of Board of Directors of the Company as on December 31, 2012**

<b>Name, Designation &amp; DIN</b>	<b>Age (yrs)</b>	<b>Address</b>	<b>Director of the Company since</b>	<b>Details of Other Directorship</b>
Mr Ravi Parthasarathy Chairman 00002392	60	The IL&FS Financial Centre, Plot C- 22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	July 6, 1989	<u>Public Limited Companies :</u> IL&FS Cluster Development Initiatives Ltd IL&FS Education & Technology Services Ltd IL&FS Energy Development Co Ltd IL&FS Financial Services Ltd IL&FS Infrastructure Development Corporation Ltd IL&FS Maritime Infrastructure Company Ltd IL&FS Skills Development Corporation Ltd IL&FS Investment Managers Ltd IL&FS Transportation Networks Ltd IL&FS Capital Advisors Ltd Reliance Haryana SEZ Ltd  <u>Foreign Companies :</u> Elsamex S.A. IL&FS Global Financial Services Pte Ltd Strategic India Infrastructure Fund Pte Ltd IL&FS Global Financial Services (ME) Ltd IL&FS Global Financial Services (UK) Ltd IL&FS Wind Power Management Pte Ltd



Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Hari Sankaran Vice Chairman & Managing Director 00002386	51	The IL&FS Financial Centre, Plot C- 22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	June 16, 1998	<u>Public Limited Companies :</u> IL&FS Energy Development Co Ltd IL&FS Education & Technology Services Ltd IL&FS Environmental Infrastructure & Services Ltd IL&FS Financial Services Ltd IL&FS Infrastructure Development Corp Ltd IL&FS Maritime Infrastructure Co Ltd IL&FS Renewable Energy Ltd IL&FS Transportation Networks Ltd IL&FS Engineering & Construction Co Ltd Gujarat International Finance Tec-City Co Ltd Mangalore SEZ Ltd Road Infrastructure Development Co of Rajasthan Ltd Tamil Nadu Water Investment Company Ltd  <u>Foreign Companies :</u> IL&FS Singapore Asset Management Co Pte Ltd Elsamex SA Land Registration Systems, Inc. Philippines

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	<u>Details of Other Directorship</u>
Mr Arun Kumar Saha Joint Managing Director & CEO 00002377	59	The IL&FS Financial Centre, Plot C- 22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	February 1, 1995	<p><u>Public Limited Companies :</u>  IL&amp;FS Capital Advisors Ltd  IL&amp;FS Energy Development Company Ltd  IL&amp;FS Financial Services Ltd  IL&amp;FS Infrastructure Development Corp Ltd  IL&amp;FS Investment Managers Ltd  IL&amp;FS Technologies Ltd  IL&amp;FS Transportation Networks Ltd  IL&amp;FS Township &amp; Urban Assets Ltd  IL&amp;FS Securities Services Ltd  IL&amp;FS Trust Co Ltd  IL&amp;FS Infrastructure Asset Management Ltd  ISSL Settlement &amp; Transaction Services Ltd  Maytas Properties Ltd  Noida Toll Bridge Co Ltd</p> <p><u>Private Limited Companies :</u>  Development Investment Trustee Co Pvt Ltd</p> <p><u>Foreign Companies :</u>  Elsamex SA  IL&amp;FS India Realty Fund-II LLC Mauritius  IL&amp;FS Maritime Offshore Pte Ltd  Instituto Técnico de la Vialidad y del Transporte, S.A.  ITNL International Pte Ltd  Maytas Properties ME FZE, Sharjah, UAE  Se7en Factor Corporation, Seychelles</p> <p><u>Alternate Director of :</u>  Jubilee Hills Landmark Project Private Ltd</p>

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Dinesh Kumar Mehrotra Director 00142711	59	Yogakshema, 7th Floor, (West Wing), Jeevan Bima Marg, Nariman Point, Mumbai-400021	May 2, 2006	<u>Public Limited Companies/ Corporations :</u> Life Insurance Corporation of India LIC Housing Finance Ltd LIC Card Services Ltd LIC Nomura Mutual Fund Asset Mgmt. Co Ltd LIC HFL Asset Management Co Ltd LIC Pension Fund Ltd ITC Ltd Tata Steel Ltd  <u>Foreign Companies :</u> Kenindia Assurance Co. Ltd, Nairobi LIC (Lanka) Ltd LIC (International) B.S.C. Bahrain Life Insurance Corporation (Nepal) Ltd Life Insurance Corp of India (Singapore) Pte Ltd
Mr Sushobhan Sarker Director 00088276	58	Yogakshema, 7th Floor, (West Wing), Jeevan Bima Marg, Nariman Point, Mumbai-400021	January 31, 2007	<u>Public Limited Companies/ Corporations :</u> Life Insurance Corporation of India Corporation Bank Ltd LIC Housing Finance Ltd LIC HFL Trustee Company Pvt Ltd LIC HFL Core Homes Ltd General Insurance Corporation of India Larsen & Toubro Ltd L&T Infrastructure Development Projects Ltd  <u>Foreign Companies :</u> Life Insurance Corporation (Lanka) Ltd Saudi Indian Company of Co-operating Insurance Life Insurance Corp of India (Singapore) Pte Ltd  <u>Alternate Director of :</u> Kenindia Assurance Company Ltd, Nairobi

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Yoshihiko Miyauchi Director 00991171	77	ORIX Corporation, Global Business & Alternative Investment HQ, International Business Department, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo-1056135, Japan	March 23, 1993	ORIX Corporation ORIX Baseball Club., Ltd. ORIX USA Corporation and Subsidiaries ORIX Capital Markets, LLC SHOWA SHELL SEKIYU K.K. ACCESS Co., Ltd. Nippon Venture Capital Co., Ltd Yasuda EMP Ltd Fram Holdings, Inc.
Mr Yuki Oshima Director 01006479	65	ORIX Corporation, Global Business & Alternative Investment HQ, International Business Department, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo-1056135, Japan	November 21, 2012	IL&FS Securities Services Ltd ORIX Auto Infrastructure Services Ltd OAIS Auto Financial Services Ltd ORIX USA Corporation ORIX Taiwan Corporation ORIX Taiwan Asset Management Co ORIX Auto Leasing Taiwan Corporation ORIX Enterprise Corporation Chaina Railway Leasing Co., Ltd Bonafied Landmark Realty & Development Corp.

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	<u>Details of Other Directorship</u>
Mr Keki Minoos Mistry Director 00008886	58	Housing Development Finance Corporation Ltd, Ramon House, 169, Backbay Reclamation, Mumbai - 400020	February 1, 2001	<u>Public Limited Companies :</u> Housing Development Finance Corporation Ltd HDFC Bank Ltd HDFC Asset Management Co Ltd HDFC Standard Life Insurance Co Ltd HDFC ERGO General Insurance Co Ltd Gruh Finance Ltd Sun Pharmaceutical Industries Ltd The Great Eastern Shipping Co Ltd Greatship (India) Ltd Next Gen Publishing Ltd Shrenuj & Company Ltd Torrent Power Ltd Bombay Stock Exchange Ltd India Value Fund Advisors Pvt Ltd  <u>Foreign Companies :</u> Griha Investments, Mauritius
Mr Sanjeev Doshi Director 02237584	39	Abu Dhabi Investment Authority, Corniche Street No. 211, Next to Abu Dhabi Chamber of Commerce and Industry, PO Box - 3600, Abu Dhabi, United Arab Emirates	July 11, 2008	EFG-Hermes Holding SAE
Mr KA Somayajulu Director 02535927	59	Central Bank of India, Central Office, Chander Mukhi, 14th Floor, Nariman Point, Mumbai - 400021	November 23, 2011	Centbank Financial Services Ltd

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Santosh Balachandra Nayar Director 02175871	58	State Bank of India, SBI Bhavan, 19th Floor, Madame Cama Road, Nariman Point, Mumbai - 400021	May 5, 2008	Nil
Mr Sunil Behari Mathur Director 00013239	68	A 10/10 Vasant Vihar, Off-Poorvi Marg, New Delhi-110057	January 30, 2005	<u>Public Limited Companies :</u> Axis Bank Ltd Chalamandalam MS General Insurance Co Ltd DCM Shriram Industries Ltd Havells India Ltd HDIL Limited HOEC Ltd IDFC Trustee Company Ltd ITC Limited National Collateral Management Services Co Ltd National Stock Exchange of India Ltd UltraTech Cement Ltd Mindha Corporation Ltd  <u>Private Limited Companies :</u> Munich Re India Services Pvt Ltd Janlakshmi Financial Services Pvt Ltd JM Financials Asset Construction Pvt Ltd India Mortgage Guarantee Corporation Ltd

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Ravindra Chandra Bhargava Director 00007620	78	"220, Sector 15 A, Noida, Dist Ghaziabad	August 20, 1990	<u>Public Limited Companies :</u> Dabur India Ltd Grasim Industries Ltd Idea Cellular Ltd Kokoyu Camlin Ltd Maruti Suzuki India Ltd Polaris Software Lab Ltd Thomson Press Ltd Ultra Tech Cement Co Ltd  <u>Private Limited Companies :</u> RCB Consulting Pvt Ltd  <u>Foreign Companies :</u> Taj Asia Ltd
Mr Michael Pinto Director 00021565	69	405, Shalaka, M Karve Road, Opp Cooperage Football Ground, Mumbai - 400021	July 7, 2004	<u>Public Limited Companies :</u> Ashoka Buildcon Ltd Gateway Distriparks Ltd SCI Forbes Ltd Star Paper Mills Tolani Shipping Company Ltd  <u>Private Limited Companies :</u> Gateway Distriparks (Kerala) Pvt Ltd Principal Trustee Company Pvt Ltd

Name, Designation & DIN	Age (yrs)	Address	Director of the Company since	Details of Other Directorship
Mr Jaithirth Rao Director 00025289	60	306/307, Panchsheel Plaza Estate Private Limited, 3rd Floor, Hughes Road, Next to Dharam Plaza, Mumbai 0 400 007	August 30, 2012	Details of Directorships of Mr Rao are awaited
Mr Makoto Shioda Alternate Director to Mr Yoshihiko Miyauchi 02158375	56	The IL&FS Financial Centre, Plot No C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	April 22, 2009	<u>Public Limited Companies :</u> ORIX Auto Infrastructure Services Ltd OAIS Auto Financial Services Ltd  <u>Private Limited Companies :</u> For She Travels & Logistics Pvt Ltd  <u>Alternate Director of :</u> IL&FS Securities Services Ltd
Mr Harukazu Yamaguchi Alternate Director to Mr Yuki Oshima 03535391	59	ORIX Corporation, Global Business & Alternative Investment HQ, International Business Department, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo-1056135, Japan	November 21, 2012	Asia Strategic Capital Fund GP, Ltd Orient Infrastructure Asset Managers Ltd ORIX (China) Investment Co., Ltd ORIX Investment & Management Pvt Ltd ORIX-ECB (Cayman) Inc. Bonafacio Landmark Realty & Development Corp Federal Land ORIX Corporation IL&FS Singapore Asset Management Co Pte Ltd Nassim Park Developments Pte Ltd ORIX Risingsun Properties II, Inc ORIX Risingsun Properties, Inc. ORIX-UOL Investments Pte Ltd

The Company does not have any information with regard to appearance of names of its Directors in the ECGC and/or RBI's defaulters list