

**PRIVATE PLACEMENT OFFER LETTER DATED MAY 08, 2014**

Issued in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 issued vide Notification No. LAD-NRO/GN/2013-14/11/6063 dated June 12, 2013, as amended



**INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED**

**Registered Office:** The IL&FS Financial Centre, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

**Tel.:** (022) 26533333; **Fax:** (022) 26533042

**E-mail:** secretarialbkc@ilfsindia.com; **Website:** www.ilfsindia.com

**CIN:** U65990MH1987PLC044571

**ISSUE OF UPTO 1,84,624 NON-CONVERTIBLE REDEEMABLE CUMULATIVE PREFERENCE SHARES (NCRCPs 2013 SERIES IV) (“NCRCPs”/ “RCPS”/ “PREFERENCE SHARES”) OF FACE VALUE OF RS.7,500/- EACH FOR CASH AT A PREMIUM OF RS.5,000/- PER NCRCPs AGGREGATING TO RS.2,307.80 MILLION ON A PRIVATE PLACEMENT BASIS BY INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED (“IL&FS” OR THE “ISSUER” OR THE “COMPANY”)**

**LISTING**

The NCRCPs are proposed to be listed on BSE Limited (“BSE”). The Issuer has obtained the “in-principle” approval from the BSE for listing of the NCRCPs offered under this Private Placement Offer Letter.

**SOLE ARRANGER TO THE ISSUE**



**A.K. Stockmart Private Limited**

30-39, Free Press House, 3rd Floor

Free Press Journal Marg, 215 Nariman Point

Mumbai - 400021

Tel.: (022) 67546500, 66349300; Fax: (022) 67544666

E-mail: stockmart@akgroup.co.in

CIN: U67120MH2006PTC158932

**REGISTRAR TO THE ISSUE**



**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound

LBS Marg, Bhandup (West)

Mumbai - 400078

Tel.: (022) 25963838 Fax: (022) 2594696

E-mail: isrl@linkintime.co.in

CIN: U67190MH1999PTC118368

**ISSUE SCHEDULE\***

Issue Opening Date	May 08, 2014
Issue Closing Date	May 16, 2014
Pay-in Dates	May 08, 2014 to May 16, 2014
Deemed Date of Allotment	May 16, 2014

\* The Issuer reserves its sole and absolute right to modify (pre-poner/ postpone) the above issue schedule without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by the Issuer.

Instruments offered through this Private Placement Offer Letter are Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs) and not Bonds/ Debentures. The NCRCPs are riskier than bonds/ debentures and shall not carry any guaranteed dividend 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 purposes of the redemption

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## **I. DISCLAIMER**

### **1. DISCLAIMER OF THE ISSUER**

This Private Placement Offer Letter is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus & Allotment of Securities) Rules, 2014 and Securities and Exchange Board of India (Issue & Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 issued vide Notification No. LAD-NRO/GN/2013-14/11/6063 dated June 12, 2013, as amended. This Private Placement Offer Letter does not constitute an offer to public in general to subscribe or otherwise acquire the NCRCPs to be issued by Infrastructure Leasing & Financial Services Limited (the “Issuer”/ the “Company”/ “IL&FS”). This Private Placement Offer Letter is for the exclusive use of the addressee and it should not be circulated or distributed to third party(ies). This Issue is made strictly on a private placement basis. Apart from this Private Placement Offer Letter, no offer document or prospectus has been prepared in connection with the offering of this Issue or in relation to the Issuer

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Private Placement Offer Letter 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 Private Placement Offer Letter 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 Private Placement Offer Letter 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 Private Placement Offer Letter (*including the documents incorporated by reference, if any*) contains all information that is material in the context of this Issue and issue of the NCRCPs 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 Private Placement Offer Letter or in any material made available by the Issuer to any potential investor pursuant hereto

This Private Placement Offer Letter is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the NCRCPs issued by the Issuer. This Private Placement Offer Letter has been prepared to give general information regarding the Issuer to parties proposing to invest in this issue of NCRCPs and it does not purport to contain all the information that any such party may require

The Issuer believes that the information contained in this Private Placement Offer Letter is true and correct as of the date hereof. The Issuer does not undertake to update this Private Placement Offer Letter to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with the Issuer. However, the Issuer reserves its right for providing the information at its absolute discretion. The Issuer accepts no responsibility for statements made in any advertisement or any other material and anyone relying on such information or any other source of information would be doing so at his own risk and responsibility

In pursuance of sub-section (8) of section 42 of The Companies Act, 2013, the Issuer shall not release any public advertisements and shall not utilise any media, marketing or distribution channels or agents to inform the public at large about such an offer, where the term 'public advertisements' shall include notices, brochures, pamphlets, circulars, show cards, catalogues, hoardings, placards, posters, insertions in newspapers, pictures, films, or any other print medium, radio, television programmes through any electronic medium, mass communications or e-mails, internet websites including social networking websites, publicity through telephone or mobile etc.

Prospective subscribers must make their own independent evaluation and judgment before making the investment. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, or purchase the NCRCPs. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the NCRCPs under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the NCRCPs. Nothing in this Private Placement Offer Letter should be construed as advice or recommendation by the Issuer or by the Sole Arranger to the Issue to subscribers to the NCRCPs. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of the NCRCPs and matters incidental thereto

## **2. 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 Private Placement Offer Letter 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 Private Placement Offer Letter. This Private Placement Offer Letter shall also be filed with SEBI as per extant provisions. The NCRCPs have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Private Placement Offer Letter. It is to be distinctly understood that this Private Placement Offer Letter 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 Private Placement Offer Letter. However SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Private Placement Offer Letter





### **3. DISCLAIMER OF THE SOLE ARRANGER TO THE ISSUE**

It is advised that the Issuer has exercised requisite due-diligence to ensure complete compliance of prescribed disclosure norms in this Private Placement Offer Letter. The role of the Sole Arranger to the Issue in the assignment is confined to marketing and placement of NCRCPs on the basis of this Private Placement Offer Letter as prepared by the Issuer. The Sole Arranger has neither scrutinized/ vetted nor has it done any due-diligence for verification of the contents of this Private Placement Offer Letter. The Sole Arranger shall use this Private Placement Offer Letter for the purpose of soliciting subscription from a particular class of eligible investors in the NCRCPs to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this Private Placement Offer Letter by the Sole Arranger should not in any way be deemed or construed that the Private Placement Offer Letter has been prepared, cleared, approved or vetted by the Sole Arranger; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Private Placement Offer Letter; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. The Sole Arranger or any of its directors, employees, affiliates or representatives does not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Private Placement Offer Letter

### **4. DISCLAIMER OF THE STOCK EXCHANGE**

As required, a copy of this Private Placement Offer Letter shall be submitted to BSE Limited (*hereinafter referred to as "BSE"/ "Stock Exchange"*) for seeking listing of the NCRCPs. It is to be distinctly understood that such submission of the Private Placement Offer Letter with BSE or hosting the same on the website of BSE should not in any way be deemed or construed that the Private Placement Offer Letter 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 Private Placement Offer Letter; 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.

## II. DEFINITIONS/ ABBREVIATIONS

Allotment/ Allot/ Allotted	The issue and allotment of NCRCPs to the successful Applicants in the Issue
Allottee	A successful Applicant to whom the NCRCPs are allotted pursuant to the Issue, either in full or in part
Applicant/ Investor	A person who makes an offer to subscribe the NCRCPs pursuant to the terms of this Private Placement Offer Letter and the Application Form
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCRCPs and which will be considered as the application for Allotment of NCRCPs in the Issue
Articles	Articles of Association of Infrastructure Leasing & Financial Services Limited as originally framed or as altered from time to time or applied in pursuance of any previous company law or of the Companies Act, 2013
AS	Accounting Standards of auditing or any addendum thereto for companies or class of companies referred to in sub-section (10) of section 143 of the Companies Act, 2013
Associate Company	A Company in which the Issuer has a significant influence, but which is not a subsidiary company of Issuer having such influence and includes a Joint Venture Company. Significant influence means control of at least 20% of total share capital, or influencing of business decisions under an agreement or shareholding, as the case may be
Preference Shareholders/ Holder(s) of NCRCPs	Any person or entity holding the NCRCPs and whose name appears in the list of Beneficial Owners provided by the Depositories from time to time
Beneficial Owner(s)	Holder(s) holding NCRCPs in dematerialized form (Beneficial Owner of the NCRCPs as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	Collective body of the Directors of IL&FS or Committee(s) thereof, unless otherwise specified
NCRCPs/ Preference Shares	Non-Convertible Redeemable Cumulative Preference Shares (under RCPS 2013 Series IV) of face value of Rs.7,500/- each being issued at a premium of Rs.5,000/- per NCRCPs aggregating to Rs.2,307.80 million, through private placement route under the terms of this Private Placement Offer Letter by Infrastructure Leasing & Financial Services Limited in pursuance of Securities and Exchange Board of India (Issue & Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013
BSE	BSE Limited being the stock exchange on which, the NCRCPs of the Issuer are proposed to be listed. BSE shall be the designated stock exchange for the Issue
Record Date	Reference date for payment of dividend/ repayment of principal as the case may be
CAR	Capital Adequacy Ratio
CARE	Credit Analysis and Research Limited
CDSL	Central Depository Services (India) Limited
CIC	Core Investment Company
CIN	Corporate Identity Number

Dividend Payment Dates	The dates on which the dividend on the CRCPS is due for payment to the holders of NCRCPs until the Redemption Date as specified in this Private Placement Offer Letter
Deemed Date of Allotment	The cut-off date declared by the Company from which all benefits under the NCRCPs including dividend shall be available to the holders of NCRCPs. The actual allotment of NCRCPs (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment
Depository	A depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A Depository participant as defined under Depositories Act
Private Placement Offer Letter	Private Placement Offer Letter dated May 8, 2014 for private placement of Non-Convertible Redeemable Cumulative Preference Shares (under RCPS 2013 Series IV) of face value of Rs.7,500/- each being issued at a premium of Rs.5,000/- per NCRCPs aggregating to Rs.2,307.80 million by Infrastructure Leasing & Financial Services Limited
DP	Depository Participant
EPS	Earnings Per Share
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors
Financial Year/ FY	Period of twelve months ending March 31, of that particular year
Issuer/ Company/ IL&FS	Infrastructure Leasing & Financial Services Limited, incorporated on September 03, 1987 as a Public Limited Company under the provisions of the Companies Act, 1956 and having its registered office at The IL&FS Financial Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 and bearing CIN - U65990MH1987PLC044571
Independent Director	An Independent Director referred to in Sub-section (6) of Section 149 of the Companies Act, 2013
IT Act	The Income Tax Act, 1961, as amended from time to time
KMP	Key Managerial Personnel
Listing Agreement	Listing agreement to be entered into between the Issuer and the Stock Exchange where the NCRCPs are proposed to be listed in the form as may be specified by SEBI from time to time
Memorandum/ Memorandum of Association	Memorandum of association of IL&FS as originally framed or as altered from time to time in pursuance of any previous company law or of the Companies Act, 2013
NSDL	National Securities Depository Limited
NRI	Non Resident Indians
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number

Private Placement	The present offer of NCRCPs or invitation to subscribe NCRCPs by the Issuer (other than by way of public offer) through issue of this Private Placement Offer Letter, in pursuance of section 42 of the Companies Act, 2013 without prejudice to the provisions of section 26 of the Companies Act, 2013, to a select group of persons (not more than 49* investors) on such conditions including the form and manner of private placement as prescribed under the Companies Act, 2013 * in pursuance of sub-clause (iv) of clause (2) of point (A) of Annex to Circular No.DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013, issued by the Reserve Bank of India
PAT	Profit After Tax
PBIT	Profit Before Interest and Tax
GIR	General Index Number
NBFC	Non-Banking Financial Company, as defined under RBI guidelines
Qualified Institutional Buyer(s)	Qualified Institutional Buyers as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Rupees/ Rs/ INR	Indian National Rupee or lawful currency of India
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
ROC	Registrar of Companies, Mumbai
Registrar / R&T Agent	Link Intime India Private Limited, the Registrar & Transfer Agent for the Issuer
SEBI	Securities and Exchange Board of India established under Section 3 of Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 issued vide Notification No. LAD-NRO/GN/2013-14/11/6063 dated June 12, 2013, as amended
TDS	Tax Deducted at Source
The Companies Act, 1956	The Companies Act, 1956, as amended and in force
The Companies Act, 2013	The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, as applicable
The Companies Act	The Companies Act, 1956, as amended and/or The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, as applicable
The Act	The Companies Act, 2013, as amended from time to time
The Issue/ The Offer	Private Placement of upto 1,84,624 Non-Convertible Redeemable Cumulative Preference Shares (issued under RCPS 2013 Series IV) of face value of Rs.7,500/- each at a premium of Rs.5,000/- per NCRCPs aggregating to Rs.2,307.80 million, to be issued by Infrastructure Leasing & Financial Services Limited under the terms of this Private Placement Offer Letter
YTM	Yield to Maturity



### **III. MANAGEMENT'S PERCEPTION OF RISK FACTORS**

Investors should carefully consider all the information disclosed in this Private Placement Offer Letter, including the risks and uncertainties described below, and the financial information of the Issuer, before making a decision to invest in NCRCPs. Additional risks and uncertainties not known to the Issuer or that it currently believes to be immaterial may also have an adverse effect on the business, financial condition and prospects of the Issuer. If any of the following or any other risks actually occur, business, financial condition and prospects of the Issuer may be adversely affected and the price and value of the investment made by the Investors in the NCRCPs could decline such that they may lose all or part of their investment

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence have not been disclosed in such risk factors. The numbering/ sequencing of risk factors has been done to facilitate the ease of reading and reference, and does not in any manner indicate the importance hierarchy of one risk factor over the other

Investors should not invest in the Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their own tax, financial and legal advisors about the particular consequences of an investment in the NCRCPs

#### **(A) RISKS RELATING TO THE BUSINESS OF THE ISSUER**

1. The competitive efficiency of the Issuer is dependent on its ability to maintain the effective cost of funds to the lowest. If the Issuer is unable to do so, it could have a material adverse effect on the business, financial condition and the operational results
2. The business of raising resources and lending to group companies may lead to asset liability mismatches at times, which could affect the liquidity and consequently have a materially adverse effect on the business, financial performance of the Issuer
3. The Issuer is susceptible to the volatility in interest rates and it may get adversely affected due to the fluctuation in interest rates
4. The Issuer takes advantage of certain regulatory norms such as exposure limits, tax benefits etc as a Core Investment Company. If these regulatory norms undergo change, it may adversely affect the operations, prospects and profitability of the Issuer
5. Majority of the group companies of the Issuer are engaged in operations in infrastructure sector. Infrastructure projects involve high risk and long gestation periods. Operations of the Issuer would largely depend upon performance of its group companies

6. Any downgrading of the credit rating of the Issuer or India's sovereign rating by the rating agency could have a negative impact on the business of the Issuer
7. Deployment the proceeds of the Issue are based on management estimates and have not been independently appraised by any bank or financial institution. Further, the Issuer has not entered into any definitive arrangements to utilise the proceeds of the Issue towards the Objects of the Issue

**(B) RISKS RELATING TO INDIA**

8. The economic, political, and other factors which are beyond the control of the Issuer may have an adverse impact on its business, financial condition and prospects
9. Issuer's ability to raise capital outside India may be constrained by Indian law

**(C) RISKS RELATING TO INVESTMENT IN NCRCPS**

10. NCRCPS are riskier than bonds/ debentures and may not carry any guaranteed coupon or dividend and can be redeemed only out of the distributable profits of the Issuer or out of the proceeds of a fresh issue of preference shares, if any, by the Issuer for the purposes of the redemption
11. For taking an investment decision, investors must rely on their own examination of the Issue and this Private Placement Offer Letter, including the risks involved
12. There has been no established public market for the NCRCPS and it may not develop in the future and the price of the NCRCPS may be volatile
13. There is no guarantee that the NCRCPS will be listed or will remain listed on the Stock Exchange throughout the tenure of NCRCPS
14. Changes in tax laws may affect the return/ YTM on the NCRCPS
15. A downgrade in the rating of the NCRCPS may affect the price of the NCRCPS



#### IV. ISSUER INFORMATION

Name of the Issuer	Infrastructure Leasing & Financial Services Limited
Registered & Corporate Office	The IL&FS Financial Centre, Plot No. C -22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 Tel : +91 22 26533333 Fax : +91 22 26533042 Website : <a href="http://ilfsindia.com">ilfsindia.com</a> Email : <a href="mailto:secretarialbkc@ilfsindia.com">secretarialbkc@ilfsindia.com</a> CIN : U65990MH1987PLC044571
Compliance Officer	Mr. Avinash Bagul Chief Operating Officer & Company Secretary Infrastructure Leasing & Financial Services Limited The IL&FS Financial Centre, Plot No. C -22, G Block Bandra-Kurla Complex, Bandra East, Mumbai 400 051 Tel.: (022) 26593405; Fax: (022) 2653 3042 E-mail: <a href="mailto:avinash.bagul@ilfsindia.com">avinash.bagul@ilfsindia.com</a>
Chief Financial Officer	Mr. Manu Kochhar Group Chief Financial Officer Infrastructure Leasing & Financial Services Limited The IL&FS Financial Centre, Plot No. C -22, G Block Bandra-Kurla Complex, Bandra East, Mumbai 400 051 Tel.: (022) 2653 3333; Fax: (022) 2653 3042 E-mail: <a href="mailto:manu.kochhar@ilfsindia.com">manu.kochhar@ilfsindia.com</a>
Registrar to the Issue	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West), Mumbai - 400078 Tel.: (022) 2596 3838 Fax: (022) 2594 6969 E-mail: <a href="mailto:isrl@linkintime.co.in">isrl@linkintime.co.in</a> U67190MH1999PTC118368
Credit Rating Agency	Credit Analysis & Research Limited 4th Floor, Godrej Coliseum, Somaiya Hospital Road Off Eastern Express Highway, Sion (East) Mumbai – 400 022 Tel.: (022) 67543456; Fax: (022) 67543457 E-mail: <a href="mailto:care@careratings.com">care@careratings.com</a>



Auditor of the Issuer  
(for FY 2013-14)

Deloitte Haskins & Sells LLP  
*Chartered Accountants*  
Firm Registration No.: 117366W/ W-100018  
India Bulls Finance Centre, Tower 3, 32nd Floor  
Senapati Bapat Marg, Elphinstone West,  
Mumbai – 400 013  
Tel.: (022) 6185 4000; Fax: (022) 6185 4501/ 4601

Sole Arranger to the Issue

A.K. Stockmart Private Limited  
30-39, Free Press House, 3rd Floor  
Free Press Journal Marg, 215 Nariman Point  
Mumbai – 400 021  
Tel.: (022) 67546500, 66349300; Fax: (022) 67544666  
E-mail: [stockmart@akgroup.co.in](mailto:stockmart@akgroup.co.in)  
CIN: U67120MH2006PTC158932





## V. DETAILS OF DIRECTORS OF THE ISSUER

### 1. CURRENT DIRECTORS OF THE ISSUER

The composition of the Board of Directors of the Issuer as on date of this Private Placement Offer Letter is as under:

No	Name, Designation and DIN	Age (in years)	Address	Director of the Company since	Other Directorships
1.	Mr Ravi Parthasarathy <i>Chairman</i> DIN: 00002392	62	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051	July 06, 1989	<p><b>Public Limited Companies:</b></p> <ol style="list-style-type: none"> <li>1. IL&amp;FS Cluster Development Initiatives Ltd.</li> <li>2. IL&amp;FS Education &amp; Technology Services Ltd.</li> <li>3. IL&amp;FS Energy Development Co. Ltd</li> <li>4. IL&amp;FS Financial Services Ltd.</li> <li>5. IIDC Ltd.</li> <li>6. IL&amp;FS Maritime Infrastructure Company Ltd.</li> <li>7. IL&amp;FS Skills Development Corporation Ltd.</li> <li>8. IL&amp;FS Investment Managers Ltd.</li> <li>9. IL&amp;FS Transportation Networks Ltd.</li> <li>10. IL&amp;FS Capital Advisors Ltd.</li> <li>11. Reliance Haryana SEZ Ltd.</li> </ol> <p><b>Foreign Companies:</b></p> <ol style="list-style-type: none"> <li>1. Elsamex S.A.</li> <li>2. IL&amp;FS Global Financial Services Pte Ltd.</li> <li>3. Strategic India Infrastructure Fund Pte Ltd.</li> <li>4. IL&amp;FS Global Financial Services (ME) Ltd.</li> <li>5. IL&amp;FS Global Financial Services (UK) Ltd.</li> <li>6. IL&amp;FS Wind Power Management Pte Ltd.</li> </ol>

2.	Mr Hari Sankaran <i>Vice Chairman &amp; Managing Director</i> DIN: 00002386	53	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051	June 16, 1998	<p><b>Public Limited Companies:</b></p> <ol style="list-style-type: none"> <li>1. IL&amp;FS Energy Development Co Ltd.</li> <li>2. IL&amp;FS Education &amp; Technology Services Ltd.</li> <li>3. IL&amp;FS Environmental Infrastructure &amp; Services Ltd.</li> <li>4. IL&amp;FS Financial Services Ltd.</li> <li>5. IIDC Ltd.</li> <li>6. IL&amp;FS Maritime Infrastructure Co Ltd.</li> <li>7. IL&amp;FS Renewable Energy Ltd.</li> <li>8. IL&amp;FS Transportation Networks Ltd.</li> <li>9. Gujarat International Finance Tec-City Co Ltd.</li> <li>10. Mangalore SEZ Ltd.</li> <li>11. Road Infrastructure Development Co of Rajasthan Ltd.</li> </ol> <p><b>Foreign Companies:</b></p> <ol style="list-style-type: none"> <li>12. Elsamex SA</li> <li>13. Land Registration Systems, Inc. Philippines</li> </ol>
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3.	Mr Arun Kumar Saha <i>Joint Managing Director &amp; Chief Executive Officer</i> DIN: 00002377	61	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051	February 01, 1995	<p><b>Public Limited Companies:</b></p> <ol style="list-style-type: none"> <li>1. IL&amp;FS Capital Advisors Ltd.</li> <li>2. IL&amp;FS Energy Development Company Ltd.</li> <li>3. IL&amp;FS Financial Services Ltd.</li> <li>4. IIDC Ltd.</li> <li>5. IL&amp;FS Investment Managers Ltd.</li> <li>6. IL&amp;FS Technologies Ltd.</li> <li>7. IL&amp;FS Transportation Networks Ltd.</li> <li>8. IL&amp;FS Township &amp; Urban Assets Ltd.</li> <li>9. IL&amp;FS Securities Services Ltd.</li> <li>10. IL&amp;FS AMC Trustee Ltd.</li> <li>11. IL&amp;FS Trust Co Ltd.</li> <li>12. Hill County Properties Ltd.</li> <li>13. Noida Toll Bridge Co Ltd.</li> <li>14. ISSL Market Services Ltd.</li> </ol> <p><b>Foreign Companies:</b></p> <ol style="list-style-type: none"> <li>1. Elsamex SA</li> <li>2. IL&amp;FS India Realty Fund-II LLC Mauritius</li> <li>3. IL&amp;FS Maritime Offshore Pte Ltd.</li> <li>4. Instituto Técnico de la Vialidad y del Transporte, S.A.</li> <li>5. ITNL International Pte Ltd.</li> <li>6. Maytas Properties ME FZE, Sharjah, UAE</li> <li>7. Maytas Infra Saudi Arabia Co, Saudi Arabia</li> <li>8. Se7en Factor Corporation, Seychelles</li> </ol>
4.	Mr Vijay Kumar Sharma <i>Director</i> DIN: 02449088	55	Life Insurance Corporation of India Yogakshema, 7th Floor, West Wing, Jeevan Bima Marg, Mumbai - 400021	August 29, 2013	<ol style="list-style-type: none"> <li>1. Life Insurance Corporation of India</li> <li>2. Life Insurance Corporation (Lanka) Ltd.</li> <li>3. LIC Pension Fund Ltd</li> <li>4. ACC Ltd.</li> <li>5. ICICI Bank Ltd.</li> </ol>
5.	Mr Supratim Bandyopadhyay <i>Director</i> DIN: 03558215	55	Life Insurance Corporation of India Yogakshema, 6th Floor, East Wing, Jeevan Bima Marg, Mumbai - 400021	August 29, 2013	None
6.	Mr Eswar Kotikalpudi <i>Director</i> DIN: 06433771	57	Central Bank of India, Chandermukhi, Nariman Point, Mumbai - 400051	August 29, 2013	None

7.	Mr Yoshihiko Miyauchi <i>Director</i> DIN: 00991171	78	ORIX Corporation, Global Business & Alternative Investment HQ, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo- 1056135, Japan	March 23, 1993	<ol style="list-style-type: none"> <li>1. ORIX Corporation, Japan</li> <li>2. ORIX Baseball Club. Ltd.</li> <li>3. ORIX USA Corporation</li> <li>4. ACCESS Co. Ltd.</li> <li>5. Nippon Venture Capital Co Ltd.</li> <li>6. Yasuda Makoto &amp; Co Ltd.</li> <li>7. Fram Holdings, Inc.</li> </ol>
8.	Mr Hiroshi Nishio <i>Director</i> DIN: 06827537	54	ORIX Corporation, Global Business & Alternative Investment HQ, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo- 1056135, Japan	March 04, 2014	<ol style="list-style-type: none"> <li>1. IL&amp;FS Securities Services Ltd.</li> <li>2. ORIX Auto Infrastructure Services Ltd.</li> <li>3. ORIX Auto Financial Services Ltd.</li> <li>4. ORIX Australia Corp Ltd.</li> <li>5. ORIX Polska SA</li> <li>6. ORIX Aviation Systems Ltd.</li> <li>7. ORIX Leasing Singapore Ltd.</li> <li>8. Lanka ORIX Leasing PLC</li> </ol>
9.	Mr Sanjeev Doshi <i>Director</i> DIN: 02237584	41	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	None
10.	Mr Sunil Behari Mathur <i>Director</i> DIN: 00013239	69	A 10/10 Vasant Vihar, Off-Poorvi Marg, New Delhi - 110057	January 30, 2005	<p><b>Public Limited Companies:</b></p> <ol style="list-style-type: none"> <li>1. Axis Bank Ltd.</li> <li>2. Chalamandalam MS General Insurance Co. Ltd.</li> <li>3. DCM Shriram Industries Ltd.</li> <li>4. Havells India Ltd.</li> <li>5. HDIL Ltd.</li> <li>6. Hindustan Oil Exploration Co Ltd.</li> <li>7. IDFC Trustee Company Ltd.</li> <li>8. ITC Ltd.</li> <li>9. National Collateral Management Services Co Ltd.</li> <li>10. National Stock Exchange of India Ltd.</li> <li>11. UltraTech Cement Ltd.</li> <li>12. Mindas Corporation Ltd.</li> </ol> <p><b>Private Limited Companies:</b></p> <ol style="list-style-type: none"> <li>1. Munich Re India Services Pvt. Ltd.</li> <li>2. Janlakshmi Financial Services Pvt. Ltd.</li> <li>3. India Mortgage Guarantee Corp Pvt Ltd.</li> </ol>

11.	Mr Harish H Engineer <i>Director</i> DIN: 01843009	65	B-11 Sea Face Park 50, Bulabhai Desai Road, Mumbai - 400 026	March 4, 2014	1. The Federal Bank Ltd. 2. Navin Fluorine International Ltd.
12.	Mr Ravindra Chandra Bhargava <i>Director</i> DIN: 00007620	79	220, Sector 15 A, Noida, District Guatam Budh Nagar, Uttar Pradesh	August 20, 1990	<b>Public Limited Companies:</b> 1. Dabur India Ltd. 2. Grasim Industries Ltd. 3. Idea Cellular Ltd. 4. Maruti Suzuki India Ltd. 5. Polaris Financial Technology Ltd. 6. Thomson Press Ltd. 7. Ultra Tech Cement Co. Ltd. <b>Private Limited Companies:</b> 1. RCB Consulting Pvt. Ltd. <b>Foreign Companies:</b> 1. Taj Asia Ltd.
13.	Mr Michael Pinto <i>Director</i> DIN: 00021565	70	405, Shalaka, M Karve Road, Opp Cooperage Football Ground, Mumbai - 400021	July 07, 2004	<b>Public Limited Companies:</b> 1. Ashoka Buildcon Ltd. 2. Gateway Distriparks Ltd. 3. SCI Forbes Ltd. 4. Star Paper Mills Ltd. 5. Tolani Shipping Co. Ltd. 6. Snowman Logistics Ltd. 7. Essar Ports Ltd. 8. Essar Shipping Ltd.  <b>Private Limited Companies:</b> 1. Gateway Distriparks (Kerala) Pvt. Ltd. 2. Principal Trustee Company Pvt. Ltd.
14.	Mr Jaithirth Rao <i>Director</i> DIN: 00025289 (as of March 31, 2014)	61	306/307, Panchsheel Plaza Estate Pvt. Ltd., 3rd Floor, Hughes Road, Next to Dharam Plaza, Mumbai - 400007	August 30, 2012	<b>Public Limited Companies:</b> 1. Va Tech Wabag Ltd.  <b>Private Limited Companies:</b> 2. Rao Properties Pvt. Ltd. 3. Juris Realty Pvt. Ltd. 4. Fostima Integrated Learning Resources Pvt. Ltd. 5. Home First Finance Pvt. Ltd. 6. Value & Budget Housing Corporation Pvt. Ltd. 7. Jurimatrix Services India Pvt. Ltd.
15.	Mr Makoto Shioda <i>Alternate Director to</i> <i>Mr. Yoshibiko Miyauchi</i> DIN: 02158375	58	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai - 400051	April 22, 2009	<b>Public Limited Companies:</b> 1. ORIX Auto Infrastructure Services Ltd 2. OAIS Auto Financial Services Ltd  <b>Alternate Director of:</b> 1. IL&FS Securities Services Ltd.

16.	Mr Harukazu Yamaguchi <i>Alternate Director to Mr. Hiroshi Nishio</i> DIN: 03535391	51	ORIX Corporation, Global Business & Alternative Investment HQ, World Trade Centre Building, 2-4-1, Hamamatsu-cho, Minato-ku, Tokyo- 1056135, Japan	March 04, 2014	<ol style="list-style-type: none"> <li>1. Bonafacio Landmark Realty &amp; Development Corp</li> <li>2. DI Investment Partners Ltd.</li> <li>3. Federal Land ORIX Corporation</li> <li>4. IL&amp;FS Singapore Asset Management Co Pte Ltd.</li> <li>5. Lanka ORIX Leasing Co. PLC</li> <li>6. Maithan Ispat Ltd.</li> <li>7. EnTie Commercial Bank Co Ltd.</li> <li>8. Nassim Park Development Pte Ltd.</li> <li>9. OMLF Servicer Corporation</li> <li>10. OPP Pvt. Ltd.</li> <li>11. ORIX Australia Corporation Ltd.</li> <li>12. ORIX Glorious Stars (SPV AMC) Inc</li> <li>13. ORIX Hotels International Pvt. Ltd.</li> <li>14. ORIX Leasing Egypt SAE</li> <li>15. ORIX Metro Leasing &amp; Finance Corporation</li> <li>16. ORIX Polska SA</li> <li>17. Saudi ORIX Leasing Co.</li> <li>18. ORIX Leasing Pakistan Ltd</li> <li>19. ORIX Risingsun Properties II, Inc.</li> <li>20. ORIX Risingsun Properties, Inc</li> </ol>
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The Issuer is not aware of appearing of the names of its' the current Directors in the RBI's defaulter list or ECGC's default list

## 2. CHANGES IN DIRECTORS OF THE ISSUER SINCE LAST THREE YEARS

The changes in the Board of Directors of the Issuer during the last three years are as under:

No	Name Designation and DIN	Date of Appointment	Date of Resignation	Remarks
1	Mr Hideo Ichida <i>Director</i> DIN: 02564114	May 24, 2011	November 5, 2012	Change in the nomination by ORIX Corporation, Japan due to re-organization at ORIX
2	Mr Harukazu Yamaguchi <i>Alternate Director</i> DIN: 03535391	May 24, 2011	November 5, 2012	Nominee of ORIX Corporation, Japan
		November 21, 2012	28-February-2014	
		March 04, 2014	Continuing	
3	Mr K A Somayajulu <i>Director</i> DIN: 02535927	November 23, 2011	May 17, 2013	Resigned as Director on attaining his superannuation
4	Mr Jaithirth Rao <i>Director</i> DIN: 00025289	August 30, 2012	Continuing	Independent Director
5	Mr Yuki Oshima <i>Director</i> DIN: 01006479	November 21, 2012	February 28, 2014	Nominee of ORIX Corporation, Japan
6	Mr D K Mehrotra <i>Director</i> DIN: 00142711	May 02, 2006	May 23, 2013	Resigned as Director on attaining his superannuation
7	Mr Sushobhan Sarker <i>Director</i> DIN: 00088276	January 31, 2007	May 23, 2013	Resigned pursuant to the internal rules of LIC
8	Mr S B Nayar <i>Director</i> DIN: 02175871	May 05, 2008	July 16, 2013	Resigned on his appointment as Chairman of IFCI
9	Mr V K Sharma <i>Director</i> DIN: 02449088	August 29, 2013	Continuing	Nominee of Life Insurance Corporation of India
10	Mr S Bandyopadhyay <i>Director</i> DIN: 03558215	August 29, 2013	Continuing	Nominee of Life Insurance Corporation of India
11	Mr K Eswar <i>Director</i> DIN: 06433771	August 29, 2013	Continuing	Nominee of Life Insurance Corporation of India
12	Mr Keki M Mistry <i>Director</i> DIN: 00008886	February 01, 2001	December 5, 2013	Resigned as Director due to his other commitments
13	Mr Harish Engineer <i>Director</i> DIN: 01843009	March 04, 2014	Continuing	Nominee of Housing Development Finance Corp. Ltd.
14	Mr Hiroshi Nishio <i>Director</i> DIN: 06827437	March 04, 2014	Continuing	Nominee of ORIX Corporation, Japan

### 3. KEY MANAGERIAL PERSONNEL\*

The following are the Key Managerial Personnel of IL&FS as on date of this Private Placement Offer Letter :

#	Name, Designation, Age & Qualifications	Address	Associated with Issuer since
1	Mr. Ravi Parthasarathy <i>Chairman</i> Age : 61 years B Sc, MBA	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	1988
2	Mr. Hari Sankaran <i>Vice Chairman &amp; Managing Director</i> Age : 53 years BA, MA	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	1990
3	Mr. Arun K Saha <i>Joint Managing Director &amp; CEO</i> Age : 61 years M.Com, ACA, ACS	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	1988
4	Mr. Vibhav Kapoor <i>Group Chief Investment Officer</i> Age : 58 years BA, MBA	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	2002
5	Mr. R. C. Bawa <i>Chief Executive Officer</i> Age : 60 years MA, PGPM & IR	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	2008
6	Mr. Shahzaad Dalal <i>Chief Executive Officer</i> Age : 55 years B.Com, MBA	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	2009
7	Mr. K. Ramchand <i>Chief Executive Officer</i> Age : 59 years BE, PGDP, DCM	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	2008
8	Mr. Manu Kochhar <i>Group Chief Financial Officer</i> Age: 53 years BA, CA	The IL&FS Financial Centre, Plot No.C-22, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051	1990

\* The KMP are as disclosed in the Annual Report of the Issuer for FY 2013





#### 4. INTEREST OF PROMOTERS & DIRECTORS, LITIGATION ETC

- (a) The Directors or Key Managerial Personnel or the Institutional Shareholders of the Company do not have any financial or other material interest in the issue of NCRCPs and thus there shall be no effect which is different from the interests of other persons
- (b) Infrastructure Leasing & Financial Services Limited (hereinafter referred to as “the Company/ IL&FS/ Issuer/ Issuer Company”) was incorporated on September 03, 1987 as a Public Limited Company under the provisions of the Companies Act, 1956. IL&FS was initially promoted by erstwhile Unit Trust of India, Central Bank of India and Housing Development Finance Corporation Limited. The current institutional shareholders of the Issuer include, Life Insurance Corporation of India, Housing Development Finance Corporation Limited, Central Bank of India, State Bank of India, ORIX Corporation, Japan and Abu Dhabi Investment Authority
- (c) The Issuer is a professionally managed organization with its Board of Directors comprising of nominees of the Institutional Shareholders and Independent Directors
- (d) Since the Issuer has a number of institutional Shareholders (*majority of which being Government Undertakings/ Government sponsored institutions*), it is not feasible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the Government or a statutory authority against the Institutional Shareholders of the Issuer
- (e) Since the Issuer is professionally managed by the Board of Directors and does not have any identifiable Promoter, disclosure of litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against Promoters of the Issuer during the last three years immediately preceding the year of the circulation of the Private Placement Offer Letter, shall not be applicable.

## 5. REMUNERATION OF DIRECTORS

### (A) WHOLE-TIME DIRECTORS

The remuneration paid to the Whole-time Directors comprises of – remuneration, benefits, allowances and performance linked incentives etc. During the last three years, the Whole-time Directors received a remuneration of Rs 638.06 million, excluding current year :

<b>Financial Year</b>	<b>(Rs Million)</b>
2014-15 <i>(Provisional)</i> *	114.04
2013-14	224.25
2012-13	219.28
2011-12	195.24

*\* The figures provided are provisional*

### (B) NON-EXECUTIVE DIRECTORS

The Non-Executive/ Non Whole-time Directors of the Company are entitled to a (i) sitting fees of Rs.10,000/- (Rupees Ten Thousand) per meeting of the Board and Committee thereof and (ii) commission as may be decided by the Remuneration Committee of the Board. The following table provides the details of remuneration paid by the Company to the Non-Executive Directors :

<b>Financial Year</b>	<b>(Rs Million)</b>
2013-14	10.76
2012-13	10.27
2011-12	10.34

The Issuer has not paid any sitting fees or commission during the year FY 2014-15, as no meetings of either Board of Directors or any Committee thereof has taken place so far in the current fiscal

## 6. RELATED PARTY TRANSACTIONS

Details transactions entered by the Company with the related parties during the last three financial years immediately preceding the year of circulation of the Private Placement Offer Letter including with regard to loans advanced, guarantees given or securities provided, are furnished as under:

### A. HOLDING COMPANIES

As on March 31, 2014, the Equity Shareholding of the Company is held by the following entities :

No.	Name of Shareholder	Number of shares held	%age of shares held
1.	Life Insurance Corporation of India	29,921,511	25.34
2.	ORIX Corporation, Japan	27,204,758	23.04
3.	IL&FS Employees' Welfare Trust & Others	16,106,165	13.65
4.	Abu Dhabi Investment Authority	13,094,327	11.09
5.	Housing Development Finance Corporation Ltd	11,587,194	9.81
6.	Central Bank of India	9,843,386	8.34
7.	State Bank of India	8,237,967	6.98
8.	UTI-Unit linked Insurance Plan – UTI Asset Management Co. Pvt. Ltd.	946,000	0.80
9.	India Discovery Fund	803,390	0.68
10.	Bay Capital Investment Managers Private Ltd. – A/c PMS Client Account	314,791	0.27
	<b>Total</b>	<b>118,059,489</b>	<b>100.00</b>

The Company has not entered into any transaction with its institutional holding companies with respect to any loan, advance, guarantee given or security provided, during the last three financials years.

### B. SUBSIDIARIES, ASSOCIATES, JOINT VENTURES, AFFILIATES, COMPANIES PROMOTED/ CO-PROMOTED BY IL&FS

The list of Subsidiaries, Associates, Joint Ventures, Affiliates and Companies Promoted or Co-promoted by the Company as on March 31, 2014 is enclosed as **Annexure I**

Details of transactions entered into by the Company with the Related Parties during the last three financials years, and the nature of such transactions, is provided as under :

**(a) For FY 2012-13**

(Rs Million)

Nature of transaction	Institutional share holders	Subsidiary Companies	Associate Companies	Joint Venture Companies	Other Enterprises	KMP
Investments made	-	6,570.84	229.68	302.09	-	-
Investments matured/ sold	-	3,300.18	-	-	-	-
Loans advanced	-	120,797.32	4,927.52	700.00	-	1.35
Repayment of loans	-	115,984.32	4,017.03	581.08	-	143.15
Assignment of loans repaid	-	4,140.00	-	-	-	-
Loans taken	-	22,014.99	31.83	346.30	-	-
Loans repaid	-	23,143.44	34.33	434.44	-	-
Contingent liabilities	-	2425.48	1,935.25	-	-	-
Purchase of assets	-	5.99	3.60	-	-	-
Sale of assets	-	-	-	-	-	0.10

**(b) For FY 2011-12**

(Rs Million)

Nature of transaction	Institutional share holders	Subsidiary Companies	Associate Companies	Joint Venture Companies	Other Enterprises	KMP
Investments made	-	8,507.50	1,105.99	875.00	-	-
Investments matured/ sold	1,907.14	3,066.00	-	-	-	-
Loans advanced	-	85,832.50	5,596.39	-	-	123.85
Repayment of loans	-	84,579.40	2,659.74	305.00	-	32.23
Loans taken	1,000.00	15,538.39	94.19	763.16	-	6.88
Loans repaid	-	17,053.74	97.19	788.04	-	5.00
Purchase of assets	-	0.18	-	-	-	-
Sale of assets	-	12.10	0.06	-	-	-

**(c) For FY 2010-11**

(Rs Million)

Nature of transaction	Subsidiary Companies	Associate Companies	Enterprises over which KMP has significant influence	Entities over which IL&FS has		KMP
				Control	Significant Influence	
Investments made	5,550.84	5,271.22	-	1,346.22	-	-
Investments matured/ sold	5,690.20	2,846.77	0.63	417.62	-	-
Loans advanced	49,426.32	11,458.91	-	-	-	3.31
Repayment of loans	50,608.98	4,187.78	1,166.69	-	-	92.82

Other than disclosed above, the Issuer has not entered into any transactions with the related parties during the last three financials years

**C. SUBSIDIARY OF A HOLDING COMPANY OF WHICH THE COMPANY IS ALSO A SUBSIDIARY**

The Company is not a subsidiary of any holding company



## VI. DETAILS OF AUDITOR OF THE ISSUER

### 1. CURRENT AUDITOR OF THE ISSUER

Details of the Auditor of the Issuer for financial year 2014-15 are as under:

Name of Statutory Auditor	Firm Registration Number	Address & Contact Details	Auditor since
Deloitte Haskins & Sells LLP	117366W	India Bulls Finance Centre Tower 3, 32nd Floor Senapati Bapat Marg, Worli Mumbai - 400013 Tel.: (022) 6185 4000 Fax : (022) 6185 4501/ 4601	FY 2006-2007

### 2. CHANGE IN AUDITOR OF THE ISSUER DURING LAST THREE YEARS

There has been no change in the Auditor of the Issuer during the last three years

## VII. BRIEF SUMMARY OF BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

### (1) BACKGROUND

Infrastructure Leasing & Financial Services Limited was incorporated on September 03, 1987 as a public limited company under the provisions of the Companies Act, 1956

IL&FS was initially promoted by erstwhile Unit Trust of India, Central Bank of India and Housing Development Finance Corporation Limited

At present, the institutional shareholders of IL&FS include, Life Insurance Corporation of India, Housing Development Finance Corporation Limited, Central Bank of India, State Bank of India, ORIX Corporation, Japan and 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) CORPORATE STRUCTURE

The Issuer 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.

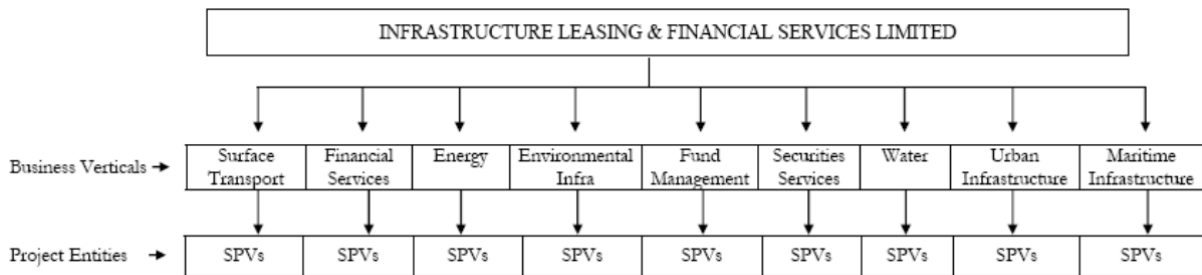
In order to implement infrastructure projects in a focussed manner as well as to attract and retain talent needed to foster the initiatives in their respective fields, the Issuer has created various business verticals, viz :

- (a) Surface Transport
- (b) Financial Services
- (c) Energy
- (d) Environmental Infrastructure
- (e) Fund Management
- (f) Securities Services
- (g) Water
- (h) Urban Infrastructure
- (i) Maritime Infrastructure

These business verticals 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 IL&FS to induct strategic or private equity investors in the sector specific business verticals or in the downstream special purpose vehicles and thereby creating and enhancing the value of the respective business verticals.

A schematic representation of corporate structure of IL&FS is given as under:



## (3) CORE INVESTMENT COMPANY

The Issuer has emerged as a holding company with its main business activities comprising of investing in and lending to its group companies. In FY 2010-11, the Reserve Bank of India issued a framework for Core Investment Companies and accordingly IL&FS got registered itself as a “Systemically Important Non Deposit Accepting Core Investment Company” on September 11, 2012

**(4) KEY OPERATIONAL & FINANCIAL PARAMETERS OF THE ISSUER FOR THE LAST 3 AUDITED YEARS (STANDALONE)**

(Rs Million)

#	Parameters	FY 2013	FY 2012	FY 2011
		(Audited)	(Audited)	(Audited)
1.	Share Capital ( <i>Paid-up</i> )	1,218.33	1,154.70	1,141.07
2.	Reserves & Surplus	26,215.30	23,380.36	20,531.09
3	Networth ( <i>Note i</i> )	27,433.63	24,535.06	21,672.16
4	Total Debt, of which	65,121.54	59,712.20	49,943.00
	• Non-Current Maturities of Long Term Borrowing	55,990.61	51,961.90	35,023.12
	• Short Term Borrowing	5,379.60	4,820.26	9,398.43
	• Current Maturities of Long Term Borrowing	3,751.33	2,930.04	5,521.45
5	Net Fixed Assets	3,699.06	3,756.30	3,794.47
6	Non-Current Assets	90,321.36	79,638.52	66,625.73
7	Cash and Cash Equivalents	6,691.62	3,942.11	4,934.98
8	Current Investments ( <i>Note ii</i> )	36.00	36.00	36.00
9	Current Assets ( <i>Note iii</i> )	4,088.68	6,845.48	5,805.82
10	Current Liabilities	2,946.75	2,429.86	2,094.01
11	Assets Under Management	-	-	-
12	Off Balance Sheet Assets	-	-	-
13	Interest Income ( <i>Note iv</i> )	8,999.54	7,048.61	5,700.67
14	Interest Expense ( <i>Note v</i> )	6,580.16	5,278.51	3,803.43
15	Provisioning & Write-offs	638.85	-503.13	3,112.18
16	PAT	3,527.91	3,474.55	2,402.30
17	Gross NPA %	0%	0%	0%
18	Net NPA %	0%	0%	0%
19	Tier I Capital Ratio % ( <i>Note vi</i> )	42.01%	41.79%	58.00%

Notes:

- (i) Net-worth for FY 2013 includes Redeemable Cumulative Preference Shares of Rs.50 million
- (ii) Current Investment represents Current portion of Long Term Investments
- (iii) Current Assets includes Current portion of Long Term Loans and Advances
- (iv) Interest income includes interest, dividend and business centre income
- (v) Interest Expense includes Interest cost, Other Borrowing cost and Finance charges
- (vi) The Company has been registered as a Systemically Important Non Deposit Taking Non-Banking Finance Company (NBFC-ND-SI). The Reserve Bank of India (RBI) vide its Notification No. RBI/2010-11/354 DNBS (PD) CC.No. 206/03.10.001/2010-11 dated January 5, 2011, has issued a framework for Core Investment Companies (CIC). The Company has obtained the Certificate of Registration from the RBI as a Systemically Important Non Deposit Taking Core Investment Company (CIC-ND-SI) on September 11, 2012 vide certificate number N-13.02030. On registering as a CIC-ND-SI, the Capital Adequacy and Concentration Norms under the extant Non-Banking Financial (Non Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are no longer applicable to the Company. The Company is required to maintain Capital Ratio and not Capital Adequacy Ratio as applicable to NBFC-ND-SI

**(5) GROSS DEBT / EQUITY RATIO OF THE ISSUER** (on standalone basis)

Before the issue of NCRCPs ( <i>as at March 31, 2014</i> ) (times)	2.13
After the issue of NCRCPs (times)	2.07

After considering the preference share capital as part of the network

**(6) PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS**

The Company, being a Core Investment Company, is involved in the activities of investing in and lending to its Group Companies. As stated in the objects of the issue, the funds so mobilised by the Issuer shall be used for meeting the general corporate purposes and to augment the long-term resource requirement for its business activities, including refinancing of the existing debt. There is no project being executed by the Issuer for which the funds are being raised by way of issuance of NCRCPs by this Private Placement Offer Letter

**VIII BRIEF HISTORY OF ISSUER SINCE INCORPORATION, DETAILS OF ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS**

**(1) BRIEF HISTORY**

Infrastructure Leasing & Financial Services Limited (“IL&FS”) was incorporated on September 03, 1987 as a public limited company under the provisions of the Companies Act, 1956

IL&FS was initially promoted by the erstwhile Unit Trust of India, Central Bank of India and Housing Development Finance Corporation Limited

At present, the Institutional Shareholders of IL&FS include, Life Insurance Corporation of India, Housing Development Finance Corporation Limited, Central Bank of India, State Bank of India, ORIX Corporation, Japan and 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

IL&FS 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, IL&FS has created various business verticals, viz:

- (a) Surface Transport
- (b) Financial Services
- (c) Energy
- (d) Environmental Infrastructure
- (e) Fund Management
- (f) Securities Services
- (g) Water
- (h) Urban Infrastructure
- (i) Maritime Infrastructure

These business verticals 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 IL&FS to induct strategic or private equity investors in the sector specific business verticals or in the downstream special purpose vehicles and thereby creating and enhancing the value of the respective business verticals.

## (2) CAPITAL STRUCTURE :

(A) The Capital Structure of the Company as on March 31, 2014 is provided below :

(Rs Million)

Particulars	Amount
<b>SHARE CAPITAL</b>	
<b>(a) Authorized Share Capital</b>	
i. 350,000,000 Equity Shares of face value of Rs.10/- each	3,500.00
ii. 5,000,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.10/- each	50.00
iii. 860,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.7,500/- each	6,450.00
<b>Total Authorized Share Capital</b>	<b>10,000.00</b>
<b>(b) Issued Share Capital</b>	
i. 118,059,489 Equity Shares of face value of Rs.10/- each	1,180.59
ii. 5,000,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.10/- each	50.00
iii. 800,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.7,500/- each	6,000.00
<b>Total Issued Share Capital</b>	<b>7,230.59</b>

Particulars	Amount
<b>(c) Subscribed &amp; Paid-up Share Capital</b>	
i. 118,059,489 Equity Shares of face value of Rs.10/- each	1,180.59
ii. 5,000,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.10/- each	50.00
iii. 615,376 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.7,500/- each	4,615.32
<b>Total Subscribed &amp; Paid-up Share Capital</b>	<b>5,845.91</b>

- (B) The Subscribed & Paid-up Share Capital of the Company after the proposed issue of NCRCPs, (assuming that the issue of NCRCPs is fully subscribed) shall stand as under :

(Rs Million)

Subscribed & Paid-up Share Capital	
118,059,489 Equity Shares of face value of Rs.10/- each	1,180.59
5,000,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.10/- each	50.00
800,000 Non-Convertible Redeemable Cumulative Preference Shares of face value of Rs.7,500/- each	6,000.00
<b>Total Subscribed &amp; Paid-up Share Capital</b>	<b>7,230.59</b>

- (C) Share Premium Account :

(Rs Million)

Share Premium Account before the issue ( <i>as on March 31, 2014</i> )	7,503.74
Share Premium Account after the issue *	8,426.86

\* assuming that the issue of NCRCPs is fully subscribed

### (3) EQUITY SHARE CAPITAL HISTORY FOR LAST FIVE YEARS

Sl. No.	Date of Allotment	No. of Equity Shares allotted	Face Value of Equity Shares (in Rs)	Issue Price of Equity Shares (in Rs)	Nature/ form of consideration	Cumulative Equity Share Premium (Rs Mn)	Cumulative Paid-up Equity Share Capital (Rs Mn)
1.	31.03.2010	1787426	10	85.06	Cash	3,442.39	1,139.71
2.	30.06.2010	1362912	10	201.44	Cash	3,703.21	1,153.34
3.	30.06.2011	1362912	10	201.44	Cash	3,964.13	1,166.97
4.	30.06.2012	1362914	10	201.44	Cash	4,225.05	1,180.60

**(4) NON-CONVERTIBLE REDEEMABLE CUMULATIVE PREFERENCE SHARE HISTORY FOR THE LAST FIVE YEARS:**

Sl. No.	Date of Allotment	No. of Shares allotted	Face Value of Pref. Shares (in Rs)	Issue Price of Shares (in Rs)	Nature/ form of consideration	Cumulative Share Premium (Rs Mn)	Cumulative Paid-up Pref. Share Capital (Rs Mn)
1.	05.07.2012	5,000,000	10	10	Cash	-	50.00
2.	14.03.2014	240,000	7,500	12,500	Cash	1,200.00	1,850.00
3.	25.03.2014	355,016	7,500	12,500	Cash	2,975.08	4,512.62
4.	28.03.2014	20,360	7,500	12,500	Cash	3,076.88	4,665.32

**(5) DETAILS OF EQUITY SHARES ALLOTTED FOR CONSIDERATIONS OTHER THAN CASH**

Sl. No.	Date of Allotment	No. of Equity Shares allotted	Face Value of Equity Shares (Rs)	Issue Price of Equity Shares (Rs)	Consideration	Aggregate Paid-up value and share premium (Rs Mn)
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The Company has not made any allotment of equity shares for consideration other than cash in the last one year preceding the date of this Private Placement Offer Letter.

**(6) CHANGES IN AUTHORISED CAPITAL**

Sl. No.	Date of change (AGM/ EGM)	Particulars of change
1.	EGM - October 24, 2011	The Preference Share Capital of the Company comprising of Rs.100 per Preference Share was sub-divided into Preference Shares of Rs.10 each
2.	EGM - March 14, 2014	The Authorised Share Capital of the Company was enhanced from Rs.3.00 billion to Rs.10 billion, comprising of equity shares of aggregate face value of Rs.3.50 billion of and preference shares of face value of Rs.6.50 billion The Preference Share Capital of Rs.6.50 billion of face value of Rs.10 each, reclassified as : (i) 5,000,000 preference shares of face value of Rs.10 each and (ii) 860,000 preference shares of face value of Rs.7,500 each

**(7) DETAILS OF ANY ACQUISITION OR AMALGAMATION OF THE ISSUER IN THE LAST 1 YEAR**

None

**(8) DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION OF THE ISSUER IN THE LAST 1 YEAR**

The Company has not undertaken any reorganisation of its business or reconstruction of its capital during the last one year

**(9) SHAREHOLDING PATTERN**

(a) The shareholding pattern of the Company as on March 31, 2014 is provided below:

No.	Name of Shareholder	Number of shares held	Number of shares held in demat form	%age of shares held
1.	Life Insurance Corporation of India	29,921,511	29,921,511	25.34
2.	ORIX Corporation, Japan	27,204,758	27,204,758	23.04
3.	IL&FS Employees' Welfare Trust	15,394,066	14,031,152	13.05
4.	Abu Dhabi Investment Authority	13,094,327	13,094,327	11.09
5.	Housing Development Finance Corporation Limited	11,587,194	11,587,194	9.81
6.	Central Bank of India	9,843,386	9,843,386	8.34
7.	State Bank of India	8,237,967	8,237,967	6.98
8.	UTI-Unit linked Insurance Plan – UTI Asset Management Co Pvt. Ltd.	946,000	946,000	0.80
9.	India Discovery Fund	803,390	803,390	0.68
10.	Bay Capital Investment Managers Private Limited – A/c PMS Client Account	314,791	314,791	0.27
11.	Others - Individuals	712,099	660,999	0.60
	<b>Total</b>	<b>118,059,489</b>	<b>116,645,475</b>	<b>100.00</b>

- (b) The details of top 10 equity shareholders of the Company as on March 31, 2014 is provided below :

No.	Name of shareholder	Number of shares held	Number of shares held in demat form	%age of shares held
1.	Life Insurance Corporation of India	29,921,511	29,921,511	25.34
2.	ORIX Corporation, Japan	27,204,758	27,204,758	23.04
3.	IL&FS Employees' Welfare Trust	15,394,066	14,031,152	13.05
4.	Abu Dhabi Investment Authority	13,094,327	13,094,327	11.09
5.	Housing Development Finance Corporation Limited	11,587,194	11,587,194	9.81
6.	Central Bank of India	9,843,386	9,843,386	8.34
7.	State Bank of India	8,237,967	8,237,967	6.98
8.	UTI-Unit linked Insurance Plan – UTI Asset Management Co Pvt Ltd	946,000	946,000	0.80
9.	India Discovery Fund	803,390	803,390	0.68
10.	Bay Capital Investment Managers Private Limited – A/c PMS Client Account	314,791	314,791	0.27

**(10) PROMOTERS' SHAREHOLDING**

IL&FS is professionally managed by the Board of Directors of the Company and does not have any identifiable Promoter and hence the details with regard to Promoter Shareholding shall not be applicable

**(11) CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF OBJECTS OF THE ISSUE**

The Promoters or the Directors of the Company have not made any contribution and shall not be subscribing to the present Issue of NCRCPs

(12) **BORROWINGS**

(A) **SECURED LOAN FACILITIES**

These loans are secured by way of guarantee by the Government of India and guaranteed by United States Agency for International Development (USAID):

Lender's name	Type of facility	Amount sanctioned (USD Mn)	Principal amount outstanding (Rs Mn)	Repayment date/schedule
Asian Development Bank (ADB)	Term Loan	Sanctioned \$ 100 mn, Drawn \$ 50.4	1,776.01	15-Jun-14 to 15-Dec-27
International Bank for Reconstruction and Development (IBRD)	Term Loan	Sanctioned \$ 200 mn, drawn \$ 31.13	263.29	15-May-14 to 15-May-16
Floating Rate Notes Guaranteed by USAID	Term Loan	\$ 25.00	585.00	01-Aug-14 to 01-Feb-27
<u>Loan from Banks</u>				
Jammu & Kashmir Bank Ltd	--	--	200.00	19-Mar-17
	--	--	800.00	19-Mar-18
	--	--	1,000.00	24-Dec-18
State Bank of Bikaner & Jaipur	--	--	125.00	27-Mar-19
	--	--	125.00	27-Mar-18
State Bank of Travancore	--	--	2,000.00	23-Nov-15
Bank of Maharashtra	--	--	1,000.00	03-Jun-16
Bank Cash Credit	--	--	39.19	
<b>Total</b>			<b>7,913.50</b>	

**(B) UNSECURED LOAN FACILITIES**

(Rs Million)

Lender's name	Type of Facility	Amount Sanctioned	Principal amount outstanding	Repayment date/schedule
IL&FS Transportation Networks Ltd.	Covered Warrant	1,193.00	1,193.00	25-Mar-31
		250.00	250.00	26-Mar-42
		250.00	250.00	31-Mar-44
KFW Loan (Portion-I)# (Euro in million)	Term Loan	€ 8.50	540.56	30-Dec-15 - 30-Jun-45
KFW Loan (Portion-II) # (Euro in million)	Term Loan	€ 34.50	1,237.12	30-Jun-14 - 30-Jun-17
KFW Loan (Portion-III) # (Euro in million)	Term Loan	€ 11.00	457.02	30-Jun-14 - 30-Jun-20
<b>Total</b>			<b>4,723.70</b>	

# Guaranteed by the Government of India

**(C) NON-CONVERTIBLE DEBENTURES**

Details of Redeemable Non-Convertible Debentures issued and outstanding as on March 31, 2014 are as under:

Debenture Series	Tenor/ Period of Maturity (Months)	Coupon %	Amount (Rs Mn)	Date of Allotment	Date of Redemption	Credit Rating
<b>SECURED *</b>						
1999 Series I	180	Floating	18.60	15-Jun-99	15-Jun-14	AAA
2001 Series IX A	120-180	7.20	1.80	Various	Various	AAA
2001 Series IX B	180	8.10	9.00	20-Feb-03	20-Feb-18	AAA
2001 Series XI	180	9.00	174.50	Various	Various	AAA
2002 Series XI	180	7.20 -8.05	29.05	Various	Various	AAA
2005 Series VI	84-180	7.80 -10.5	307.25	Various	Various	AAA
2006 Series V	120	9.25	1,013.90	22-Dec-06	22-Dec-16	AAA
2007 Series II	120	10.50	615.60	11-Jun-07	11-Jun-17	AAA
2008 Series IX	120	12.20	1,400.00	15-Dec-08	15-Dec-18	AAA
2008 Series VII	24-60	9.00-11.50	23.18	Various	Various	AAA
2009 Series III	60	9.00	1,500.00	09-Jul-09	09-Jul-14	AAA
2009 Series IV	84	9.25	2,451.00	17-Aug-09	17-Aug-16	AAA
2009 Series VI-A	120	9.15	500.00	02-Mar-10	02-Mar-20	AAA
2009 Series VI-B	120	9.20	500.00	22-Mar-10	22-Mar-20	AAA
2009 Series XVI	120	9.20	3,000.00	05-Mar-10	05-Mar-20	AAA
2010 Series IX	120	9.70	3,250.00	22-Feb-11	22-Feb-21	AAA
2010 Series V	180	8.96	3,500.00	20-May-10	20-May-25	AAA
2010 Series VI	300	9.35	1,500.00	17-Aug-10	17-Aug-35	AAA

2010 Series VII	120	9.20	250.00	24-Dec-10	24-Dec-20	AAA
2010 Series VIII	60	9.95	1,500.00	14-Feb-11	14-Feb-16	AAA
2010 Series X	60	9.95	250.00	25-Feb-11	25-Feb-16	AAA
2010 Series XI	60	9.95	250.00	01-Mar-11	01-Mar-16	AAA
2011 Series I	120	9.68	1,500.00	25-Jul-11	25-Jul-21	AAA
2011 Series II	84	9.75	1,500.00	11-Aug-11	11-Aug-18	AAA
2011 Series III	72	9.80	750.00	16-Sep-11	16-Sep-17	AAA
2011 Series IV	96	9.78	750.00	16-Sep-11	16-Sep-19	AAA
2011 Series IX	120	9.85	2,100.00	12-Mar-12	12-Mar-22	AAA
2011 Series V	36-60	10.00	494.80	10-Oct-11	Various	AAA
2011 Series VI	60	9.97	3,000.00	28-Sep-11	28-Sep-16	AAA
2011 Series VII	84-120	9.98	3,000.00	05-Dec-11	Various	AAA
2011 Series VIII	120	9.82	2,900.00	24-Jan-12	24-Jan-22	AAA
2012 Series I	120	9.80	3,900.00	30-May-12	30-May-22	AAA
2012 Series II	120	9.40	1,000.00	19-Dec-12	19-Dec-22	AAA
2012 Series III	84	9.10	465.00	21-Jan-13	21-Jan-20	AAA
2012 Series IV	300	9.30	500.00	24-Jan-13	24-Jan-38	AAA
2013 Series I-A	587 Days	11.50	200.00	23-Aug-13	02-Apr-15	AAA
2013 Series I-B	36	11.25	1,000.00	23-Aug-13	23-Aug-16	AAA
2013 Series I-C	60	11	2,000.00	23-Aug-13	23-Aug-18	AAA
2013 Series I-D	24-60	10.5-10.9	1,600.00	26-Aug-13	Various	AAA
2013 Series II-A	60-120	9.90-9.95	2,000.00	04-Feb-14	Various	AAA
2013 II Series B	84-120	9.90	1,000.00	13-Feb-14	Various	AAA
<b>UNSECURED</b>						
2001 Series V	217	7.50	68.54	30-Mar-02	30-Apr-20	AAA
2006 Series I	120	9.40-9.50	980.00	Various	Various	AAA
2005 Series I	120	7.60	100.00	07-Jun-05	07-Jun-15	Unrated
2004 Series VI	120	7.25	1,000.00	31-Mar-05	30-Apr-15	Unrated

\* All secured borrowings obtained by the Company are covered under pari-passu charge on all the assets, 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

#### (D) TOP 10 DEBENTURE HOLDERS

List of top 10 debenture holders as on March 31, 2014 is as provided below :

(Rs Million)

Name of Debenture Holders	Face Value Amount
Life Insurance Corporation of India	6,400.00
Postal Life Insurance Fund A/C SBI FMPL	2,450.00
General Insurance Corporation of India	2,450.00
Postal Life Insurance Fund A/C UTI AMC	2,370.00
SBI Employees Provident Fund	2,200.00
CBT EPF -05-B-DM	2,004.05
State Bank of India Employees' Pension Fund	2,000.00
Army Group Insurance Fund	1,900.00
CBT EPF PF-11-B-DM	1,853.00
CBT EPF -05-C-DM	1,824.69



**(E) DETAILS OF CORPORATE GUARANTEE ISSUED BY THE COMPANY**

Details of corporate guarantee issued by Company as on March 31, 2014 is as provided below :

(Rs Million)

Name of the Counterparty	Amount
West Gujarat Expressway Limited	166.20
<b>Total</b>	<b>166.20</b>

**(F) DETAILS OF COMMERCIAL PAPER**

The total face value of commercial papers outstanding as on March 31, 2014 and its breakup is provided in the following table :

(Rs Million)

Maturity Date	Outstanding Face Value amount
04-Aug-14	250.00
05-Aug-14	810.00
06-Aug-14	250.00
08-Aug-14	1,500.00
12-Aug-14	430.00
12-Sep-14	1,500.00
22-Sep-14	250.00
31-Oct-14	250.00
07-Nov-14	150.00
25-Nov-14	250.00
27-Nov-14	250.00
01-Dec-14	250.00
<b>Total *</b>	<b>6,140.00</b>

\* includes unexpired discount amounting to Rs.255.51 million

**(G) OTHER BORROWINGS**

The details of rest of the borrowings by the Company including hybrid debt like Foreign Currency Convertible Bonds (“FCCBs”), Optionally Convertible Debentures, Preference Shares etc., as on March 31, 2014, is as provided below :

- (a) Inter Corporate Deposits (“ICDs”)/ Short Term Deposits (“STDs”):**  
As of March 31, 2014, the borrowing by way of unrated ICDs/ STDs aggregate to Rs.796 million

- (b) **Preference Shares** : Details of preference shares issued and outstanding as on March 31, 2014 is as given below :

(Rs Million)

Description of the instrument	Amount issued	Principal amount outstanding	Repayment date/ schedule	Credit rating
Non-Convertible Redeemable	50.00	50.00	05-Jul-32	Unrated
Cumulative Preference Shares	1,800.00	1,800.00	14-Mar-21	CARE AAA (RPS)
	2,662.62	2,662.62	25-Mar-21	
	152.70	152.70	28-Mar-21	

(H) **TOP 10 NCRCPs HOLDERS**

The top 10 holders of Non-Convertible Redeemable Cumulative Preference Shares as on March 31, 2014, on a cumulative basis for all outstanding NCRCPs is as provided below :

(Rs Million)

Name of holders of NCRCPs	Face value amount
L&T Infrastructure Finance Co Ltd.	1,200.00
Azim Hasham Premji	600.00
HDFC Asset Management Co Ltd.	240.00
Shree Cement Ltd.	210.00
ICICI Securities Primary Dealership Ltd.	180.00
Wipro Enterprises Ltd.	150.00
International Tractors Ltd.	150.00
HDFC Ergo General Insurance Co Ltd.	117.00
A.K. Capital Finance Pvt. Ltd.	102.00
Hindustan Composites Ltd.	90.00

**(13) DETAILS OF DEFAULT(S) AND/OR DELAY(S) IN PAYMENTS OF ANY KIND OF STATUTORY DUES, DEBENTURES/ DEBT SECURITIES AND INTEREST THEREON, DEPOSITS AND INTEREST THEREON, LOANS FROM ANY BANK OR FINANCIAL INSTITUTION AND INTEREST THEREON AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE ISSUER**

- (a) The Issuer has not defaulted on payment of any kind of statutory dues to the Government of India, State Government(s), statutory/ regulatory bodies, authorities, departments etc, since inception
- (b) The main constituents of the Issuer's borrowings are generally in form of non-convertible debentures, commercial paper, external commercial borrowings ("ECBs"), loans from banks and financial institutions, assistance from multilateral and bilateral financing agencies etc. In respect of such borrowings, the Issuer certifies that:
  - (i) it has serviced all the principal and interest liabilities on all its borrowings on time and there has been no instance of delay or default; and
  - (ii) it has not affected any kind of roll-over or restructuring against any of its borrowings in the past.
- (c) The Issuer has not defaulted on any of its payment obligations arising out of any corporate guarantee issued by it to any counterparty including its subsidiaries, joint venture entities, group companies etc in the past

**(14) 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 PRIVATE PLACEMENT OFFER LETTER AGAINST THE COMPANY**

There has been no inquiry, inspection or investigation initiated or conducted against the Company or its subsidiaries under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of Private Placement Offer Letter. Further there was no prosecution filed, fines imposed, compounding of offences against the Company in the last three years immediately preceding the year of circulation of Private Placement Offer Letter, except as detailed in **Annexure-II**

**(15) 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**

There has been no act of material fraud committed against the Company in the last three years immediately preceding the year of circulation of Private Placement Offer Letter

**(16) OUTSTANDING BORROWINGS/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, AT A PREMIUM OR DISCOUNT, OR IN PURSUANCE OF AN OPTION**

The Issuer has not issued any debt securities or agreed to issue any debt securities or availed any borrowings for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception

**(17) MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE**

There has been no material event, development or change having implications on the financials/ credit quality of the Issuer (e.g. any material regulatory proceedings against the Issuer/ Promoters of the Issuer, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest/ continue to invest in the NCRCPs of the Issuer

**IX. AUDITED FINANCIAL INFORMATION OF THE ISSUER**

**ABRIDGED VERSION OF LATEST FINANCIAL INFORMATION AND AUDITED STANDALONE FINANCIAL INFORMATION (*PROFIT & LOSS ACCOUNT, BALANCE SHEET & CASH FLOW STATEMENT*) FOR LAST 3 YEARS AND AUDITOR'S QUALIFICATIONS**

**(A) BALANCE SHEET**

(Rs Million)

As on	31.03.2013	31.03.2012	31.03.2011
	(Audited)	(Audited)	(Audited)
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Fund:</b>			
Share Capital	1,218.33	1,154.70	1,141.07
Reserves and Surplus	26,215.30	23,380.36	20,531.09
<b>Non-Current Liabilities:</b>			
Long Term Borrowings	55,990.61	51,961.90	35,023.12
Deferred Tax Liabilities (Net)	344.00	307.00	401.00
Other Long Term Liabilities	2,208.83	1,260.45	1,069.33
Long Term Provisions	4,755.86	4,106.34	4,026.01
<b>Current Liabilities:</b>			
Current maturities of Long Term Debt	3,751.33	2,930.04	5,521.45
Short Term Borrowings	5,379.60	4,820.26	9,398.43
Trade Payables	414.52	342.77	164.47
Other Current Liabilities	2,532.23	2,087.10	1,929.54
Short Term Provisions	2,026.11	1,867.49	1,991.49
<b>Total</b>	<b>104,836.72</b>	<b>94,218.41</b>	<b>81,197.00</b>
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
<b>Fixed Assets</b>			
Tangible Assets (Net)	2,888.94	2,970.11	3,059.18
Intangible Assets (Net)	21.28	28.54	38.19
Capital Work in Progress	788.84	757.65	697.10
Non-Current Investments	64,429.44	59,428.70	50,343.51
Long Term Loans and Advances	24,725.84	21,399.96	16,039.56
Other Non-Current Assets	1,166.08	859.82	242.66
<b>Current Assets:</b>			
Current Portion of Long Term Investments	36.00	36.00	36.00
Current Portion of Long Term Loans and Advances	2,014.06	2,428.67	879.38
Trade Receivables	515.72	707.75	97.62
Cash and Cash Equivalents	6,691.62	3,942.11	4,934.98
Short Term Loans & Advances	1,192.21	1,227.78	4,637.85
Other Current Assets	366.69	431.32	190.97
<b>Total</b>	<b>104,836.72</b>	<b>94,218.41</b>	<b>81,197.00</b>

**(B) STATEMENT OF PROFIT & LOSS**
*(Rs Million)*

For the year/ half year	2012-2013	2011-2012	2010-2011
	(Audited)	(Audited)	(Audited)
<b>INCOME</b>			
Revenue from Operations	12,596.28	9,740.45	10,157.18
Other Income	1,181.46	1,134.10	1,338.10
<b>Total Revenue</b>	<b>13,777.74</b>	<b>10,874.55</b>	<b>11,495.28</b>
<b>EXPENSES</b>			
Employee Benefit Expense	1,075.06	869.06	807.35
Finance Costs	6,580.16	5,278.51	3,803.42
Other Operating and Administrative Expenses	936.39	810.93	970.23
Depreciation and Amortization Expense	124.37	123.13	118.80
Amount set aside for Investment Valuation/ Write-off	7.88	(722.86)	76.50
Contingent Provision against Standard Assets	1.47	17.12	35.68
Provisions & Contingencies	629.50	202.61	3,000.00
<b>Total Expenses</b>	<b>9,354.83</b>	<b>6,578.50</b>	<b>8,811.98</b>
<b>Profit Before Tax</b>	<b>4,422.91</b>	<b>4,296.05</b>	<b>2,683.30</b>
Tax Expense:			
- Current Tax	(858.00)	(915.50)	(578.00)
- Mat Credit Entitlement	-	-	494.00
- Deferred Tax (Net)	(37.00)	94.00	(197.00)
<b>Net Profit for the period</b>	<b>3,527.91</b>	<b>3,474.55</b>	<b>2,402.30</b>
<b>Earnings Per Share (Face Value Rs.10 per Share):</b>			
- Basic	30.44	30.34	21.23
- Diluted	29.97	29.59	20.46

**(C) CASH FLOW STATEMENT**
*(Rs Million)*

For the year/ half year	2012-2013	2011-2012	2010-2011
	(Audited)	(Audited)	(Audited)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>PROFIT BEFORE TAX</b>	<b>4,422.91</b>	<b>4,296.05</b>	<b>2,683.30</b>
<b>Adjustments for:</b>			
Depreciation	124.37	123.13	118.80
Amount set aside for Investment Valuation/ Write off	7.88	(722.86)	359.34
Contingent Provision against Standard Assets	1.47	17.12	35.68
Provisions and Contingencies	629.50	202.61	3,000.00
Provision for Employee Benefits (Net)	79.98	(92.14)	20.13
Provision for Mark-to-Market on Derivatives	(60.27)	9.75	47.58
Net Profit on Sale of Long Term Investments	(3,657.25)	(2,869.95)	(5,087.70)
Loss/ (Profit) on sale of Own Assets (Net)	1.56	(68.65)	(173.87)
<b>Total</b>	<b>1,550.15</b>	<b>895.06</b>	<b>1,003.26</b>
<b>Adjustments for changes in:</b>			
Increase in Other Current and Non-Current Assets	(783.51)	(1,784.55)	175.13
Decrease/ (Increase) in Trade Receivables	184.15	(610.13)	204.78
Increase in Trade Payables	71.75	178.30	926.18
Increase in Other Current and Non-Current Liabilities	1,393.49	992.40	(467.14)
Increase/ (Decrease) in Short Term Borrowings (Net)	-	-	5,202.18
<b>Total</b>	<b>2,416.04</b>	<b>(328.92)</b>	<b>7,044.39</b>
Payment of Taxes	(1,459.73)	(1,035.29)	(647.91)
	956.31	(1,364.21)	6,396.48
Increase/ (Decrease) in Short Term Borrowings (Net)	559.34	(4,578.16)	-
Loans Disbursed (Net)	(1,553.68)	(3,348.26)	2,699.56
<b>Net Cash Used in Operating Activities</b>	<b>(38.03)</b>	<b>(9,290.63)</b>	<b>9,096.04</b>

<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in Subsidiaries	(6,403.76)	(8,507.74)	(15,201.14)
Investment in Other Long Term Investments	(847.04)	(4,135.82)	(6,227.35)
Proceeds from sale of Investments in Subsidiaries	6,327.13	4,454.72	3,783.25
Proceeds from sale of Other Non-Current Investments	733.81	2,679.69	7,378.69
Increase in Advance towards Investments	(1,262.43)	(57.00)	(5,097.00)
Increase/ Decrease in Deposits with Banks	-	-	477.16
Purchase of Fixed Assets	(70.27)	(125.73)	(244.86)
Proceeds from Sale of Fixed Assets	1.57	109.42	319.43
<b>Net Cash used in Investing Activities</b>	<b>(1,520.99)</b>	<b>(5,582.46)</b>	<b>(14,811.82)</b>
<b>(C) CASH FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings	9,744.09	20,103.07	12,575.77
Repayment of Long Term Borrowings	(4,894.09)	(5,755.70)	(5,729.82)
Proceeds from Issue of Equity Shares (including Securities Premium)	274.55	274.55	274.55
Proceeds from Issue of Preference Shares	50.00	-	-
Share issue expenses paid	-	-	-
Dividend on Equity Shares	(866.02)	(741.70)	(620.09)
Dividend on Preference Shares	-	-	-
<b>Net Cash Generated from Financing Activities</b>	<b>4,308.53</b>	<b>13,880.22</b>	<b>6,500.41</b>
<b>(D) Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>2,749.51</b>	<b>(992.87)</b>	<b>784.63</b>
<b>(E) Cash and Cash Equivalent at the beginning of the period</b>	<b>3,942.11</b>	<b>4,934.98</b>	<b>4,147.51</b>
<b>Cash and Cash Equivalent at the end of the period</b>	<b>6,691.62</b>	<b>3,942.11</b>	<b>4,932.14</b>

**(D) OTHER FINANCIAL PARAMETERS**

(Rs Million)

For the financial year	2012-13	2011-12	2010-11
	Audited	Audited	Audited
Dividend declared on equity shares (%age)	65%	75%	80%
Dividend declared on NCRCPs*	2%	-	-
Interest Coverage Ratio (Cash profit after tax plus interest paid/ interest paid) (times)	1.65	1.59	2.48

\* For FY 2012-13, the dividend has been declared and paid on 5,000,000 NCRCPs of Rs.10/- each fully paid up





**(E) CHANGES IN ACCOUNTING POLICIES DURING THE LAST THREE YEARS AND THEIR EFFECT ON THE PROFITS AND THE RESERVES OF THE COMPANY**

There has been no change in the accounting policies of the Issuer affecting its profits and the reserves during last three financial years

**(F) AUDITOR'S QUALIFICATIONS**

There has been no qualification, reservation or adverse remark of the auditor of the Company in the last five financial years immediately preceding the year of circulation of Private Placement Offer Letter

## XI. SUMMARY TERM SHEET

Issuer	Infrastructure Leasing & Financial Services Limited (“IL&FS”/ the “Company”/ the “Issuer”)
Security/ Instrument	Non-Convertible Redeemable Cumulative Preference Shares (“NCRCPs”) under NCRCPs 2013 Series IV
Total Issue Size	184,624 NCRCPs of Face Value of Rs.7,500/- each to be issued at a premium of Rs.5,000/- per NCRCPs (i.e at an issue price of Rs.12,500/- per NCRCPs) aggregating to Rs.2,307.80 million, on a Private Placement basis
Objects of Issue	The proposed issue of NCRCPs is being made by the Issuer to (i) meet the general corporate purposes; and (ii) augment the long-term resource requirement of the Company for its business activities, including refinancing of the existing debt
Utilization of Issue Proceeds	The Issuer shall utilize the proceeds of the Issue solely for meeting the Objects of the Issue as stated in this Private Placement Offer Letter. The expenses of the present issue would also be met from the proceeds of the Issue. The proceeds of the Issue after meeting all expenses of the Issue shall be used by the Issuer for meeting the Objects of the Issue
Mode of Issue	Private Placement
Seniority / Status of holder(s) of NCRCPs	<p>The claims of holder(s) of NCRCPs shall be subordinated to the claims of all secured and unsecured creditors but senior to the claims of the equity shareholders and shall rank pari-passu amongst themselves and with other preference shareholders of the Issuer</p> <p>In pursuance of clause (2) of section 43 of the Companies Act, 2013, the NCRCPs shall carry a preferential right with respect to (a) payment of dividend calculated at a fixed rate, which may either be free of or subject to income tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium</p>
Issuance & Trading	In demat mode only
Rating	“CARE AAA (RPS)” by CARE
Face Value	Rs. 7,500/- per NCRCPs
Premium on Issue	Rs. 5,000/- per NCRCPs
Issue Price	Rs. 12,500/- per NCRCPs
Tenor	7 years from the Deemed Date of Allotment
Put & Call Option	None
Redemption	At the end of 7 years from the Deemed Date of Allotment
Redemption Date	May 16, 2021
Rate of Dividend	15.99% p.a. on the Face Value of NCRCPs
Yield (XIRR)	9.40% p.a. on the Issue Price in respect of each NCRCPs
Settlement Mode	Settlement by way of RTGS/ Fund Transfer or any other electronic mode offered by the Banks
Dividend Type	Cumulative

Dividend Payment *	Dividend Payment Date	Dividend for the period		No. of Days	Amount Per NCRCPs (Rs.)
		From and including	Upto and including		
	30-June-15	16-May-14	31-Mar-15	320	1051.40
	30-June-16	01-Apr-15	31-Mar-16	366	1199.25
	30-June-17	01-Apr-16	31-Mar-17	365	1199.25
	30-June-18	01-Apr-17	31-Mar-18	365	1199.25
	30-June-19	01-Apr-18	31-Mar-19	365	1199.25
	30-June-20	01-Apr-19	31-Mar-20	366	1199.25
	16-May-21	01-Apr-20	15-May-21	410	1347.10
	* The dividend payment dates, dividend for the period, number of days and amount per NCRCPs are illustrative only and the same are subject to “Day Count Convention” and “Effect of Holidays” as detailed elsewhere in this Private Placement Offer Letter				
Redemption Premium	Rs. 5,000/- per NCRCPs				
Redemption Amount	Face value amount of Rs.7,500/- per NCRCPs plus Redemption Premium of Rs.5,000/- per NCRCPs plus any Dividend accrued but not paid on any previous Dividend Payment Date(s) as well the Dividend accrued upto the Redemption Date				
Transfer	The NCRCPs shall be freely transferrable subject to guidelines laid down by SEBI, RBI, Depositories and Memorandum and Articles of Association of the Issuer. However, subject to the condition that no Body Corporate holds more than one half of the total share capital of the Company either at its own or together with one or more of its subsidiary companies				
Mode of Redemption	<p>In pursuance of Clause 6 of Rule 9 of the Companies (Share Capital &amp; Debentures) Rules, 2014, the Company shall redeem the NCRCPs as per terms specified in this Private Placement Offer Letter or as varied after due approval of holder(s) of NCRCPs under Section 48 of the Companies Act, 2013</p> <p>In pursuance of Section 55 of the Companies Act, 2013, the NCRCPs shall be redeemed out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption</p> <p>The redemption premium payable on redemption of NCRCPs shall be paid out of the profits of the Company or out of the Securities Premium Account, before the NCRCPs are redeemed</p>				

	<p>If the Company is not in a position to redeem the NCRCPs or to pay Dividend on the NCRCPs in accordance with the terms of issue, it may, with the consent of the holder(s) of three-fourths in value of such NCRCPs, and with the approval of the Tribunal on a petition made by it in this behalf, issue further redeemable preference shares equal to the amount due, including the Dividend thereon, in respect of the unredeemed NCRCPs, and on the issue of such further redeemable preference shares, the un-redeemed NCRCPs shall be deemed to have been redeemed, provided that the Tribunal shall, while giving approval, order the redemption forthwith of NCRCPs held by such persons who have not consented to the issue of further redeemable preference shares. The issue of further redeemable preference shares or the redemption of NCRCPs shall not be deemed to be an increase or reduction, as the case may be, in the share capital of the Company</p> <p>In pursuance of section 24 of the Companies Act, 2013, all powers relating to all other matters relating to Private Placement Offer Letter, return of allotment, redemption of NCRCPs and any other matter specifically provided in the Companies Act, 2013, shall be exercised by the Central Government, the Tribunal or the Registrar of Companies, Mumbai, as the case may be</p>
Capital Redemption Reserve	<p>In pursuance of Section 55 of the Companies Act, 2013, in the event that the Issuer decides to redeem the NCRCPs otherwise than out of proceeds realized from issuance of fresh shares, ie, out of profits of the Company which would otherwise be available for dividend, the Company shall, out of such profits, transfer a sum equal to the nominal amount of the NCRCPs to be redeemed, to the Capital Redemption Reserve Account, and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company</p> <p>The Capital Redemption Reserve Account may also be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares</p>
Listing	Proposed to be listed on the BSE Ltd.
Change in Tax Laws	<p>In the event of any change in tax laws as applicable at the time of allotment on account of which, the Dividend/ Redemption Premium received by the holder(s) of NCRCPs becomes subject to any additional tax to the account of the holder(s) of NCRCPs, the Issuer shall declare and pay such additional amounts as Dividend/ Redemption Premium such that the total amount received by the holder(s) of NCRCPs as Dividend/ Redemption Premium in relation to the NCRCPs less the tax payable on account of the change in applicable tax laws is equivalent to the Rate of Dividend as has been set out for the NCRCPs. For the purpose of computation of tax amount, the Issuer shall draw reference from the applicable tax rate prescribed for such dividend for all classes of investors</p>

Additional Covenants	<p>(a) Delay in Listing : In case delay in listing of NCRCPS beyond 20 days from the Deemed Date of Allotment, the Company shall pay an additional 1.00% p.a. over the Rate of Dividend on the face value of NCRCPS for the defaulting period i.e., the period from expiry of 30 days from the Deemed Date of Allotment till day prior to the actual listing of NCRCPS on the Stock Exchange</p> <p>(b) Delay/ Default in payment of Dividend Amount : In the event of delay/ default in the payment of Dividend on the due date(s), the Issuer shall pay additional Dividend at the rate of 2.00% p.a. over the Rate of Dividend on the face value of NCRCPS for the delayed period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid</p> <p>(c) Delay/ default in payment of Redemption Amount : In the event of delay/ default in payment of Redemption Amount on the due date(s), the Issuer shall pay additional Dividend at the rate of 2.00% p.a. over the Rate of Dividend on the face value of NCRCPS, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid</p> <p>The rates mentioned above are independent of each other</p>
Day Count Basis	<p>Actual/ Actual” basis</p> <p>All Dividend, penal amounts, interest on application money, delay/ default interest shall be computed on an “actual/actual basis”. Where the period for which such amounts are to be calculated (start date to end date) includes February 29, Dividend shall be computed on 366 days-a-year basis</p>
Interest on Application Money	<p>The Issuer shall pay interest on application money at the Rate of Dividend (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) to the applicants on the face value of NCRCPS applied for, for the period starting from and including the date of realization of application money in Issuer’s bank account upto but excluding the Deemed Date of Allotment, if applicable</p>
Depositories	NSDL and / or CDSL
Registrar	Link Intime India Private Limited
Governing Law and Jurisdiction	<p>The NCRCPS are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the exclusive jurisdiction of the courts and tribunals at city of Mumbai, Maharashtra</p>
Record Date	15 days prior to each Dividend Payment date and Redemption Date

<p>Business Days / Working Days</p>	<p>Business Days/ Working Days shall be all days (<i>excluding Saturdays, Sundays and public holidays</i>) on which commercial banks are open for business in the city of Mumbai (Maharashtra) except with reference to Issue Schedule and Record Date, where Business Days/ Working Days shall mean all days, excluding Saturdays, Sundays and public holidays in Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881</p>
<p>Business Day Convention</p>	<p>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</p> <p>If the Redemption Date 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 along with Dividend accrued on the NCRCPs until but excluding the date of such payment.</p> <p>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</p>
<p>Rights of holder(S) of NCRCPs</p>	<p>In pursuance of clause (2) of section 47 of the Companies Act, 2013, every member of a Company and holding any NCRCPs 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 NCRCPs 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 NCRCPs 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 NCRCPs. However in case where the dividend in respect of the NCRCPs have not been paid for a period of two years or more, such holder(s) of NCRCPs shall have a right to vote on all the resolutions placed before the Company</p> <p>In pursuance of Section 230 of the Companies Act, 2013, where at a meeting, majority of persons representing three-fourths in value of the creditors, or class of creditors or members or class of members, as the case may be, voting in person or by proxy or by postal ballot, agree to any compromise or arrangement and if such compromise or arrangement is sanctioned by the Tribunal by an order, the same shall be binding on the Company, all the creditors, or class of creditors or members or class of members, as the case may be, or, in case if the Company is being wound up, on the liquidator and the contributories of the Company</p> <p>An order made by the Tribunal inter-alia providing for where the compromise or arrangement provides for conversion of NCRCPs into equity shares, such holders of NCRCPs shall be given an option to either obtain arrears of dividend in cash or accept equity shares equal to the value of the dividend payable</p>

Investors who are eligible to apply	Scheduled Commercial Banks, Co-operative Banks, Regional Rural Banks, Insurance Companies, Mutual Funds, Companies and Bodies Corporate, Resident Individual Investors, Hindu Undivided Families through Karta, Partnership firms in the name of the firm, Limited Liability Partnerships, Public Financial Institutions as defined in Section 2(72) of the Companies Act, 2013, Alternative Investment Funds registered with SEBI, Societies registered under the Societies Registration Act, 1860, Private Trust/ Public Charitable Trusts, Statutory Corporations/ Undertakings established by Central/ State legislature (subject to compliance with their respective investment norms, eligibility norms and rules/ regulations/ guidelines laid down by Government of India, RBI or any other statutory body/ regulator, from time to time)	
Investors who are not eligible to apply	Minors without a guardian name, Foreign Portfolio Investors, Qualified Foreign Investors, Foreign Nationals, Non-Resident Indians, Persons resident outside India, Venture Capital Funds, Overseas Corporate Bodies, Foreign Institutional Investors, Multilateral and Bilateral Financial Institutions, Person ineligible to contract under applicable statutory/ regulatory requirements	
Sole Arranger to the Issue	A.K. Stockmart Private Limited	
Issue Schedule	Issue Opening Date	May 08, 2014
	Issue Closing Date	May 16, 2014
	Pay-in Date	May 08, 2014 to May 16, 2014
	Deemed Date of Allotment	May 16, 2014

\* The Issuer reserves its sole and absolute right to modify (pre-pone/ postpone) the above issue schedule without giving any reason(s) whatsoever or prior notice. In such a case, investors shall be intimated about the revised time schedule by the Issuer. The Issuer also reserves the right to keep multiple Deemed Date(s) of Allotment at its sole and absolute discretion without any notice. In case if the Issue Closing Date/ Pay in Dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Dividend Payment Date(s) and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer.

**XII. TERMS OF OFFER (DETAILS OF SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR)**

**PRIVATE PLACEMENT OF 184,624 NON-CONVERTIBLE REDEEMABLE CUMULATIVE PREFERENCE SHARES (UNDER NCRCPs 2013 SERIES IV) (“NCRCPs”/ “RCPS”/ “PREFERENCE SHARES”) OF FACE VALUE OF RS.7,500/- EACH FOR CASH AT A PREMIUM OF RS.5,000/- PER NCRCPs AGGREGATING TO RS.2,307.80 MILLION**

**(1) ISSUE SIZE**

Infrastructure Leasing & Financial Services Limited (“IL&FS” or the “Issuer” or the “Company”) proposes to raise to Rs.2,307.80 million through issue of 184,624 Non-Convertible Redeemable Cumulative Preference Shares (under RCPS 2013 Series IV) (“NCRCPs”/ “RCPS”/ “Preference Shares”) of face value of Rs.7,500/- each for cash at a premium of Rs.5,000/- per NCRCPs (the “Issue”)

**(2) ELIGIBILITY TO COME OUT WITH THE ISSUE**

The Issuer or the person in control of the Issuer, or its Promoters, have not been restrained or prohibited or debarred by SEBI/ any other Government authority from accessing the securities market or dealing in securities and such direction or order is in force

**(3) REGISTRATION AND GOVERNMENT APPROVALS**

The Company can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority(ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time

The Issuer shall abide by all the applicable provisions under the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Issue & Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, Securities Contracts (Regulation) Act, 1956, rules, regulations, guidelines, circulars issued thereunder and also such other guidelines as may be issued from time to time by the Government of India, Reserve Bank of India and the Stock Exchange in this regard and as may be applicable



**(4) AUTHORITY FOR THE ISSUE**

The NCRCPs are being issued is subject to the provisions of the Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, The Companies Act, 1956, as amended and in force and the Memorandum and Articles of Association of the Company

Further, the issue of NCRCPs is being made pursuant to:

- (a) the special resolution passed by the Shareholders of the Company at the Extra Ordinary General Meeting held on March 14, 2014, and
- (b) the resolution passed the Board of Directors of the Company at their meeting held on August 29, 2013

The Company can issue the NCRCPs in pursuance of the above approvals and no further approval from any Government Authority is required for the present Issue

**(5) OBJECTS OF THE ISSUE**

The Company is in registered as Systemically Important Non Deposit Accepting Core Investment Company engaged in the activities of lending to and investing in the IL&FS Group companies. The proposed issue Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs) is being made by IL&FS for meeting the general corporate purposes and augmenting long-term resource requirement for its business activities, including refinancing of the existing debt

**(6) UTILISATION OF ISSUE PROCEEDS**

The funds being raised by the Issuer through the present Issue of NCRCPs are not meant for financing any particular project. The Issuer shall utilise the proceeds of the Issue for meeting the general corporate purposes and augmenting long-term resource requirement for the business activities of the Issuer, including refinancing of the existing debt. The Issuer is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. The Issuer Company is managed by professionals under the supervision and control of the Board of Directors. The Management of the Issuer shall ensure that the proceeds of the Issue after meeting all Issue expenses shall be utilized solely for meeting the 'Objects of the Issue' as stated in this Private Placement Offer Letter

The Application Money received in pursuance of the Issue, pending allotment, shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than for (a) adjustment against allotment of NCRCPs or (b) repayment of monies where the Company is unable to allot the NCRCPs



The Issuer undertakes that proceeds of the present Issue shall not be used for any purpose in contravention of the regulations/ guidelines/ norms issued by the RBI/ SEBI/ Ministry of Corporate Affairs/ Stock Exchange etc

The main objects clause of the Memorandum of Association of the Issuer permits it to undertake its existing activities as well as the activities for which the funds are being raised through the present Issue

**(7) MINIMUM SUBSCRIPTION**

In terms of the SEBI Regulations, the Issuer may decide the amount of minimum subscription which it seeks to raise through issue of Non-Convertible Redeemable Preference Shares and disclose the same in the offer document. The Issuer has decided not to stipulate any minimum subscription for the present Issue and therefore the Issuer shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size

**(8) UNDERWRITING**

The present Issue of NCRCPs is not underwritten

**(9) NATURE OF INSTRUMENT**

The securities are to be issued in the form of Non-Convertible Redeemable Cumulative Preference Shares under RCPS 2013 Series IV

**(10) SENIORITY/ STATUS OF HOLDER(S) OF NCRCPs**

The claims of holder(s) of NCRCPs shall be subordinated to the claims of all secured and unsecured creditors but senior to the claims of the equity shareholders and shall rank *pari-passu* amongst themselves and with other preference shareholders of the Issuer

In pursuance of clause (2) of section 43 of the Companies Act, 2013, the NCRCPs shall carry a preferential right with respect to (a) payment of dividend calculated at a fixed rate, which may either be free of or subject to income tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium

**(11) RIGHTS OF THE HOLDER(S) OF NCRCPs**

In pursuance of clause (2) of section 47 of the Companies Act, 2013, every member of a Company and holding any NCRCPs 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 NCRCPs 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 NCRCPs 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 NCRCPs. However in case where the dividend in respect of the NCRCPs have not been paid for a period of two years or more, such holder(s) of NCRCPs shall have a right to vote on all the resolutions placed before the Company

In pursuance of Section 230 of the Companies Act, 2013, where at a meeting, majority of persons representing three-fourths in value of the creditors, or class of creditors or members or class of members, as the case may be, voting in person or by proxy or by postal ballot, agree to any compromise or arrangement and if such compromise or arrangement is sanctioned by the Tribunal by an order, the same shall be binding on the Company, all the creditors, or class of creditors or members or class of members, as the case may be, or, in case if the Company is being wound up, on the liquidator and the contributories of the Company

An order made by the Tribunal inter-alia providing for where the compromise or arrangement provides for conversion of NCRCPs into equity shares, such holders of NCRCPs shall be given an option to either obtain arrears of dividend in cash or accept equity shares equal to the value of the dividend payable

**(12) FACE VALUE, ISSUE PRICE, EFFECTIVE YIELD FOR INVESTOR**

Each NCRCPs has a face value of Rs.7,500/- and is issued at premium of Rs.5,000/- (*i.e. the NCRCPs are issued at a issue price of Rs.12,500/- per NCRCPs*). The NCRCPs shall be redeemable at the end of seven years from the allotment, at a premium of Rs.5,000/- per NCRCPs. The NCRCPs shall carry a dividend at the rate of 15.99% p.a. on the face value of NCRCPs. The effective yield (YTM) for the investors shall be 9.40% on the Issue Price of NCRCPs

**(13) TERMS OF PAYMENT**

The full face value of the NCRCPs applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand draft(s)/ bank funds transfer/ RTGS for the full issue price of NCRCPs applied for

Face Value per NCRCPs	Premium on Issue per NCRCPs	Issue price payable on application per NCRCPs
Rs.7,500/-	Rs.5,000/-	Rs.12,500/-

**(14) ALLOTMENT OF NCRCPs**

All benefits on the NCRCPs including payment of dividend will accrue to the holder(s) of NCRCPs from and including May 16, 2014 which shall be the Deemed Date of Allotment. All benefits relating to the NCRCPs will be available to the investors from the Deemed Date of Allotment. The actual allotment of NCRCPs may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion

The Issuer shall allot the NCRCPs within 60 days from the date of receipt of the Application Money for such NCRCPs and if the Issuer is not able to allot the NCRCPs within such period, it shall repay the Application Money to the subscribers within 15 days from the date of completion of 60 days and if the Issuer fails to repay the application money within the aforesaid period, it shall be liable to repay such money with interest at the rate of 12% p.a. from the expiry of the 60th day, provided that monies received on application shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than for (a) adjustment against allotment of NCRCPs or (b) repayment of monies where the Issuer is unable to allot the NCRCPs

No fresh offer or invitation of NCRCPs shall be made by the Issuer unless the allotment with respect to the present Issue has been made or the present Issue has been withdrawn or abandoned by the Issuer

**(15) LETTERS OF ALLOTMENT/ NCRCPs CERTIFICATES/ REFUND ORDERS/ ISSUE OF LETTERS OF ALLOTMENT**

The beneficiary account of the investors with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within two working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a NCRCPs certificate

**(16) ISSUE OF NCRCPs CERTIFICATES**

Subject to the completion of all statutory formalities within time frame prescribed in the relevant regulations/ act/ rules etc, the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investors would be replaced with the number of NCRCPs allotted. The NCRCPs since issued in dematerialized form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The NCRCPs shall be allotted in dematerialized form only

## **(17) DEPOSITORY ARRANGEMENTS**

The Issuer has appointed M/s Link Intime India Private Limited (Address: C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078; Tel.: (022) 25963838; Fax: (022) 2594696; E-mail: [isrl@linkintime.co.in](mailto:isrl@linkintime.co.in)) as Registrars & Transfer Agent for the present Issue. The Issuer has made necessary depository arrangements with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) for issue and holding of NCRCPs in dematerialised form. In this context the Issuer has signed two tripartite agreements as under:

- Tripartite Agreement dated July 30, 2001 between the Issuer, NSDL and the Registrar for dematerialization of the securities offered under the present Issue
- Tripartite Agreement dated July 25, 2001 between the Issuer, CDSL and the Registrar for dematerialization of the securities offered under the present Issue

Investors can hold the NCRCPs only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time

## **(18) PROCEDURE FOR APPLYING FOR DEMAT FACILITY**

- (a) Applicant(s) should have/ open a Beneficiary Account with any Depository Participant of NSDL or CDSL
- (b) The applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form
- (c) If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of NCRCPs shall be held in abeyance till such time satisfactory demat account details are provided by the applicant
- (d) The NCRCPs shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the NCRCPs to the applicant’s Depository Account will be provided to the applicant by the Depository Participant of the applicant
- (e) Dividend or other benefits with respect to the NCRCPs would be paid to those holder(s) of NCRCPs whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of dividend or other benefits, till such time the beneficial owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the dividend or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation

- (f) Applicants may please note that the NCRCPs shall be allotted and traded on the Stock Exchange only in dematerialized form

**(19) FICTITIOUS APPLICATIONS**

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the NCRCPs, or otherwise induced a body corporate to allot, register any transfer of NCRCPs therein to them or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to 5 years

**(20) MARKET LOT**

The market lot will be one NCRCPs (“Market Lot”). Since the NCRCPs are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of NCRCPs

**(21) TRADING OF NCRCPs**

The marketable lot for the purpose of trading of NCRCPs shall be 1 (one) NCRCPs of face value of Rs.7,500/- each. Trading of NCRCPs would be permitted in demat mode only in standard denomination of Rs.7,500/- and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case of trading in NCRCPs which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI

**(22) MODE OF TRANSFER OF NCRCPs**

The NCRCPs shall be freely transferrable in accordance with the rules/ procedures as prescribed by the SEBI/ RBI/ NSDL/ CDSL/ Depository Participant of the transferor/ transferee, Memorandum and Articles of Association of the Issuer and any other applicable laws and rules notified in respect thereof subject to the condition that no Body Corporate shall hold more than one half of the total share capital of the Company either at its own or together with one or more of its subsidiary companies

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of NCRCPs held in electronic form. The seller should give delivery instructions containing details of the buyer’s DP account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, dividend shall be paid/ redemption will be made to the person, whose name appears in the 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 Issuer



Transfer of NCRCPs to and from NRIs/ OCBs, in case they seek to hold the NCRCPs and are eligible to do so, will be governed by the then prevailing guidelines of RBI

**(23) BASIS OF ALLOCATION / ALLOTMENT**

The Issuer reserves the right to reject any/ all applications at its sole discretion, without assigning any reason whatsoever and follow a basis of allocation/ allotment at its sole and absolute discretion. Broadly the basis of allocation/ allotment shall be as under:

- (a) Beginning from the issue opening date and until the day immediately prior to the issue closing date, full and firm allotment shall be made against all valid applications for the NCRCPs on a first-come-first-served basis, subject to the limit of the Issue size. If and to the extent, the Issue is fully subscribed prior to the issue closing date, no allotments shall be accepted once the Issue is fully subscribed
- (b) Allotment on first-come-first-served basis, shall be executed on “day-priority basis”. In case of oversubscription over and above the issue size, the allotment of such valid applications received on the closing day shall be on pro rata basis to the applicants in the ratio in which they have applied regardless of class of investors. If the proportionate allotment of NCRCPs to such applicants is not a minimum of one NCRCPs or in multiples of one NCRCPs (which is the market lot), the decimal would be rounded off to the next higher whole number if that decimal is 0.5 or higher and to the next lower whole number if that decimal is lower than 0.5. All successful applicants on the issue closing date would be allotted the number of NCRCPs arrived at after such rounding off

**(24) COMMON FORM OF TRANSFER**

The Issuer undertakes that it shall use a common form/ procedure for transfer of NCRCPs issued under terms of this Private Placement Offer Letter

**(25) INTEREST ON APPLICATION MONEY**

- (a) In respect of Investors who get Allotment of NCRCPs in the Issue, interest on Application Money shall be payable at the Rate of Dividend (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of NCRCPs for the period starting from and including the date of realization of Application Money in Issuer’s Bank Account upto but excluding the Deemed Date of Allotment. Such interest on Application Money shall be paid by the Issuer to the relevant Applicants within 15 days from the Deemed Date of Allotment

- (b) In respect of applications, which are valid but rejected on account of oversubscription, interest on refunded money shall be payable at 15 per cent per annum (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) (excluding the valid rejections) for the period starting from and including the date of realization of Application Money in Issuer's Bank Account upto but excluding the Deemed Date of Allotment. The refund amounts together with interest thereon shall be paid by the Issuer to the relevant Applicants within 15 days from the Deemed Date of Allotment
- (c) No interest on Application Money will be payable in respect of applications which are invalid and rejected for not being in accordance with the terms of this Private Placement Offer Letter

**(26) DIVIDEND ON THE NCRCPs**

The NCRCPs shall carry dividend at the rate of 15.99% p.a. (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) from, and including, the Deemed Date of Allotment (ie, May 16, 2014) payable annually on June 30st, every year till final maturity (ie, on May 16, 2021), to the holder(s) of NCRCPs (the "Holders" and each, a "Holder") as of the relevant Record Date

The dividend payable on any Dividend Payment Date will be paid to the holder(s) of NCRCPs whose names appear in the List of Beneficial Owners given by the Depository to the Company as on the Record Date

The mechanism for calculation of dividend and the Dividend Payment Dates are set out as under:

Dividend Payment Date*	Dividend for the period*		No. of Days*	Amount Per NCRCPs (Rs.)*
	From and including	Upto and including		
30-June-15	16-May-14	31-Mar-15	320	1051.40
30-June-16	01-Apr-15	31-Mar-16	366	1199.25
30-June-17	01-Apr-16	31-Mar-17	365	1199.25
30-June-18	01-Apr-17	31-Mar-18	365	1199.25
30-June-19	01-Apr-18	31-Mar-19	365	1199.25
30-June-20	01-Apr-19	31-Mar-20	366	1199.25
16-May-21	01-Apr-20	15-May-21	410	1347.10

\* The dividend payment dates, dividend for the period, number of days and amount per NCRCPs are illustrative only and the same are subject to "Day Count Convention" and "Effect of Holidays" as detailed elsewhere in this Private Placement Offer Letter



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.

In case the Deemed Date of Allotment is revised (pre-poned/ postponed) then the above Dividend Payment Dates may also be revised pre-poned/ postponed) accordingly by the Issuer at its sole & absolute discretion.

## **(27) DIVIDEND POLICY**

As per provisions of the Companies Act, 2013, the Issuer can pay dividends on recommendation by its Board of Directors and approval by majority of its Shareholders at the Annual General Meeting. The dividends may be paid out of profits of the Issuer 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 and shall be subject to the provisions of the Companies Act, 2013 and the Articles of Association of the Issuer. The Articles of Association also give the Board of Directors, the discretion to declare and pay interim dividends without shareholders' approval at an annual general meeting

The declaration and payment of dividend shall be governed by the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Issuer and would depend on a number of other factors, including the performance, financial results, capital requirements and availability of surplus, contractual restrictions of the Issuer and other factors considered relevant by the Board of Directors of the Company. The Issuer has not been prohibited or restricted from payment of dividends by virtue of any default of its contractual obligations or otherwise

The Issuer shall pay dividend to the holder(s) of NCRCPs in accordance with the terms of this Issue and applicable laws. 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

To the extent permissible under applicable laws, if there are no profits or general reserves available at the Company's disposal to declare dividend, which is required to be paid in respect of the NCRCPs on the Redemption Date, then an amount equal to the sum of: (i) all accrued and unpaid dividends due in respect of the NCRCPs; and (ii) dividend due on the NCRCPs on the last due date; shall be paid to the holders of NCRCPs along with the Redemption Amount. Once the NCRCPs are redeemed, the holders of NCRCPs will have no further claims for the accrued but unpaid dividend.

## **(28) DAY COUNT CONVENTION**

Dividend for each of the dividend periods shall be computed as per "Actual/Actual" day count convention on the face value amount of NCRCPs outstanding at the Rate of Dividend rounded off to the nearest Rupee as per the Fixed Income Money Market and Derivatives Association ("FIMMDA") handbook on market practices. Where the period for which such amounts are to be calculated (start date to end date) includes February 29, dividend shall be computed on 366 days-a-year basis

**(29) CHANGE IN TAX LAWS**

In the event of any change in tax laws as applicable at the time of allotment on account of which, the Dividend/ Redemption Premium received by the holder(s) of NCRCPs becomes subject to any additional tax to the account of the holder(s) of NCRCPs, the Issuer shall declare and pay such additional amounts as Dividend/ Redemption Premium such that the total amount received by the holder(s) of NCRCPs as Dividend/ Redemption Premium in relation to the NCRCPs less the tax payable on account of the change in applicable tax laws is equivalent to the Rate of Dividend as has been set out for the NCRCPs. For the purpose of computation of tax amount, the Issuer shall draw reference from the applicable tax rate prescribed for such dividend for all classes of investors

**(30) RECORD DATE**

The 'Record Date' for the NCRCPs shall be 15 days prior to each Dividend Payment date and Redemption Date. In case of redemption of NCRCPs, trading in NCRCPs shall remain suspended between the Record Date and the Redemption Date. Dividend payment and redemption shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the Dividend Payment Date, the transferees for the NCRCPs shall not have any claim against the Issuer in respect of dividend so paid to the registered holders of NCRCPs

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

**(31) DEDUCTION OF TAX AT SOURCE**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of dividend payable on the NCRCPs

Dividend payable subsequent to the Deemed Date of Allotment of NCRCPs will be treated as "Interest on Securities" as per Income Tax Rules. Holder(s) of NCRCPs desirous of claiming exemption from deduction of income tax at source on the dividend payable on NCRCPs should submit tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, at least 15 days before the dividend payment date. Such certificate may be sent to the Operations Department of IL&FS at its Registered Office. With effective from June 1, 2008, tax is not deductible at source under the provisions of section 193 of Income Tax Act, 1961, if the following conditions are satisfied:

- (a) interest is payable on any security issued by a Company
- (b) such security is in dematerialized form
- (c) such security is listed in a recognised stock exchange in India

Present Issue of NCRCPs fulfill all the above conditions and therefore, no TDS will be deducted on the dividend payable. However, if the present act changes subsequently, the applicability of TDS will be governed at the time of payment of dividend on the NCRCPs. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

**(32) PUT & CALL OPTION**

Neither the holder(s) of NCRCPs shall have any right to exercise Put Option nor the Issuer shall have right to exercise Call Option to redeem the NCRCPs, in whole or in part, prior to the scheduled Redemption Date

**(33) REDEMPTION**

The Redemption Amount of the NCRCPs (ie, face value amount of Rs.7,500/- per NCRCPs plus Redemption Premium of Rs.5,000/- per NCRCPs plus any dividend accrued but not paid on any previous Dividend Payment Date(s) as well the dividend accrued upto the Redemption Date) shall be paid by the Issuer on the Redemption Date ie, May 16, 2021. The NCRCPs will not carry any obligation, for dividend or otherwise, after the Redemption Date. The NCRCPs shall be taken as discharged on payment of the Redemption Amount by the Issuer on the Redemption Date to the registered holder(s) of NCRCPs whose name appear in the Register of holder(s) of NCRCPs on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the holder(s) of NCRCPs.

If the Redemption Date 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 along with Dividend accrued on the NCRCPs upto but excluding the date of such payment.

**(34) MODE OF REDEMPTION**

In pursuance of Clause 6 of Rule 9 of the Companies (Share Capital & Debentures) Rules, 2014, the Company shall redeem the NCRCPs as per terms specified in this Private Placement Offer Letter or as varied after due approval of holder(s) of NCRCPs under Section 48 of the Companies Act, 2013

In pursuance of Section 55 of the Companies Act, 2013, the NCRCPs shall be redeemed out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption

The redemption premium payable on redemption of NCRCPs shall be paid out of the profits of the Company or out of the Securities Premium Account, before the NCRCPs are redeemed

If the Company is not in a position to redeem the NCRCPs or to pay Dividend on the NCRCPs in accordance with the terms of issue, it may, with the consent of the holder(s) of three-fourths in value of such NCRCPs, and with the approval of the Tribunal on a petition made by it in this behalf, issue further redeemable preference shares equal to the amount due, including the Dividend thereon, in respect of the unredeemed NCRCPs, and on the issue of such further redeemable preference shares, the unredeemed NCRCPs shall be deemed to have been redeemed, provided that the Tribunal shall, while giving approval, order the redemption forthwith of NCRCPs held by such persons who have not consented to the issue of further redeemable preference shares. The issue of further redeemable preference shares or the redemption of NCRCPs shall not be deemed to be an increase or reduction, as the case may be, in the share capital of the Company

In pursuance of section 24 of the Companies Act, 2013, all powers relating to all other matters relating to Private Placement Offer Letter, return of allotment, redemption of NCRCPs and any other matter specifically provided in the Companies Act, 2013, shall be exercised by the Central Government, the Tribunal or the Registrar of Companies, Mumbai, as the case may be

**(35) CAPITAL REDEMPTION RESERVE ACCOUNT**

In pursuance of Section 55 of the Companies Act, 2013, in the event that the Issuer decides to redeem the NCRCPs otherwise than out of proceeds realized from issuance of fresh shares, ie, out of profits of the Company which would otherwise be available for dividend, the Company shall, out of such profits, transfer a sum equal to the nominal amount of the NCRCPs to be redeemed, to the Capital Redemption Reserve Account, and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company

The Capital Redemption Reserve Account may also be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares

**(36) SECURITIES PREMIUM ACCOUNT**

In pursuance of Clauses (1) and (2) of Section 52 of the Companies Act, 2013, the aggregate amount of the premium received on issue of NCRCPs shall be transferred to “Securities Premium Account” and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall, apply as if the Securities Premium Account were the paid-up share capital of the Company. The Securities Premium Account may be applied by the Company in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company

**(37) EVENT OF DEFAULT**

If the Issuer commits a default in making payment of any instalment of dividend or redemption of NCRCPs on the respective due dates, the same shall constitute an “Event of Default” by the Issuer

**(38) ADDITIONAL COVENANTS**

- (a) Delay in Listing :** In case delay in listing of NCRCPs beyond 20 days from the Deemed Date of Allotment, the Company shall pay an additional 1.00% p.a. over the Rate of Dividend on the face value of NCRCPs for the defaulting period i.e., the period from expiry of 30 days from the Deemed Date of Allotment till day prior to the actual listing of NCRCPs on the Stock Exchange
- (b) Delay/ Default in payment of Dividend Amount :** In the event of delay/default in the payment of Dividend on the due date(s), the Issuer shall pay additional Dividend at the rate of 2.00% p.a. over the Rate of Dividend on the face value of NCRCPs for the delayed period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid
- (c) Delay/ default in payment of Redemption Amount :** In the event of delay/default in payment of Redemption Amount on the due date(s), the Issuer shall pay additional Dividend at the rate of 2.00% p.a. over the Rate of Dividend on the face value of NCRCPs, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid

The rates mentioned above are independent of each other

**(39) SETTLEMENT/ PAYMENT ON REDEMPTION**

Payment of dividend and redemption amount shall be made by way of cheque(s)/ dividend/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ RTGS/ Fund Transfer/ NECS/ NEFT or any other electronic mode offered by the banks in the name of the holder(s) of NCRCPs whose name appear on the List of Beneficial Owners given by Depository to the Issuer as on the Record Date

The NCRCPs shall be taken as discharged on payment of the Redemption Amount by the Issuer on the Redemption Date to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant as on Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the holder(s) of NCRCPs. On such payment being made, the Issuer shall inform NSDL/ CDSL/ Depository Participant and accordingly the account of the holder(s) of NCRCPs with NSDL/ CDSL/ Depository Participant shall be adjusted



The Issuer's liability to the holder(s) towards all their rights including for payment of dividend or otherwise shall cease and stand extinguished from the Redemption Date in all events. Further the Issuer will not be liable to pay any dividend, interest or compensation from the respective Redemption Date. On the Issuer's dispatching/ crediting the amount to the Beneficiary(ies) as specified above in respect of the NCRCPs, the liability of the Issuer shall stand extinguished

**(40) BUSINESS DAYS/ WORKING DAYS**

Business Days/ Working Days shall be all days (*excluding Saturdays, Sundays and public holidays*) on which commercial banks are open for business in the city of Mumbai (Maharashtra) except with reference to Issue Schedule and Record Date, where Business Days/ Working Days shall mean all days, excluding Saturdays, Sundays and public holidays in Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881

**(41) BUSINESS DAY CONVENTION/ EFFECT OF HOLIDAYS**

Should any of date(s) defined in this Private Placement Offer Letter, excepting the Deemed Date of Allotment, fall on a day which is not a Business Day, the next Business Day shall be considered as the effective date(s).

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 Date 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 along with Dividend accrued on the NCRCPs upto but excluding the date of such payment.

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.

**(42) LIST OF BENEFICIAL OWNERS**

The Issuer shall seek from the Depository, a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of dividend or repayment of principal amount, as the case may be.

**(43) SUCCESSION**

In the event of the demise of the sole/first holder of the NCRCPs or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased holder of NCRCPs, or the holder of succession certificate or other legal representative as having title to the NCRCPs. The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains

probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the NCRCPs standing in the name of the deceased holder of NCRCPs on production of sufficient documentary proof or indemnity

Where a non-resident Indian becomes entitled to the NCRCPs by way of succession, the following steps have to be complied:

- (a) Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCRCPs were acquired by the NRI as part of the legacy left by the deceased holder
- (b) Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be on a non-repatriation basis

#### **(44) WHO CAN APPLY**

The following classes of investors are eligible to apply for this private placement of NCRCPs:

- (a) Scheduled Commercial Banks;
- (b) Co-operative Banks;
- (c) Regional Rural Banks;
- (d) Insurance Companies;
- (e) Mutual Funds;
- (f) Companies and Bodies Corporate;
- (g) Resident Individual Investors;
- (h) Hindu Undivided Families through Karta;
- (i) Partnership firms in the name of the firm;
- (j) Limited Liability Partnerships;
- (k) Public Financial Institutions as defined in Section 2(72) of the Companies Act, 2013;
- (l) Societies registered under the Societies Registration Act, 1860;
- (m) Private Trust/ Public Charitable Trusts;
- (n) Statutory Corporations/Undertakings established by Central/ State legislature
- (o) Alternate Investment Funds registered with SEBI;

The eligibility of the above classes of investors is subject to compliance with their respective investment norms, eligibility norms and applicable rules/regulations/ guidelines laid down by Government of India, RBI or any other statutory body/ regulator, from time to time

In pursuance of sub-clause (b) of clause (1) of rule 14 of The Companies (Prospectus and Allotment of Securities) Rules, 2014, only such person to whom the Company sends a Private Placement Offer Letter accompanied by an Application Form serially numbered and addressed specifically to such person, either in writing or in electronic mode, shall be eligible to apply for the NCRCPs and no other person shall be allowed to apply for the NCRCPs and any application not conforming to this condition shall be treated as invalid

This Private Placement Offer Letter is addressed solely for the use of the person to whom it has been sent by the Company for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the NCRCPs offered herein, and it is not to be reproduced or distributed to any other person

**(45) WHO ARE NOT ELIGIBLE TO APPLY FOR NCRCPs**

This Issue is not being offered to the following classes of investors and any application from such investors will be deemed an invalid application and rejected:

- (a) Minors without a guardian name;
- (b) Foreign Portfolio Investors;
- (c) Qualified Foreign Investors;
- (d) Foreign Nationals;
- (e) Non-Resident Indians;
- (f) Persons resident outside India;
- (g) Venture Capital Funds;
- (h) Overseas Corporate Bodies;
- (i) Foreign Institutional Investors;
- (j) Multilateral and Bilateral Financial Institutions;
- (k) Person ineligible to contract under applicable statutory/ regulatory requirements

**(46) DOCUMENTS TO BE SUBMITTED BY THE APPLICANTS ALONGWITH APPLICATION FORM**

The applicants are required to mandatorily submit the following documents along with the Application Form:

- (a) Commercial Banks: Certified true copies of:
  - GOI Notification/ Certificate of Incorporation/ Memorandum & Articles of Association;
  - Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account;
  - 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.



- (b) Insurance Companies : Certified true copies of:
- IRDA Registration Certificate;
  - Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account;
  - 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.
- (c) Mutual Funds : Certified true copies of:
- SEBI Registration Certificate;
  - Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account;
  - 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).
- (d) Companies / Bodies Corporate / Financial Institutions / Public Financial Institutions : Certified true copies of:
- Certificate of Incorporation and Memorandum & Articles of Association;
  - Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account;
  - 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.
- (e) Resident Individual Investors : Certified true copy of any one of the following for ID proof:
- Passport;
  - PAN Card;
  - Voter's Identity Card;
  - Driving License;
  - Identity Card (subject to the Company's satisfaction);
  - Letter from a recognized public authority or public servant verifying the identity and residence of the customer (subject to the satisfaction of Company);
  - Confirmation / Letter from the bank (subject to the satisfaction of the Company).

Certified true copies of any one of the following for address proof:

- Telephone Bill (Not more than two months old);
- Bank account statement (Not more than three months old);
- Letter from any recognized Public authority;
- Electricity bill (not more than two months old);
- Passport / Voter's Identity Card/ Driving License.

(f) Hindu Undivided Family : Certified true copies of:

- Declaration from the Karta specifying name, date of birth, address and relationship with Karta of each member of the HUF;
- Proof of Identification and Proof of Address of Karta;
- Prescribed Joint Hindu Family Letter signed by all adult co-partners;
- PAN Card of Karta and HUF.

(g) Partnership Firms : Certified true copies of:

- Registration certificate, if registered;
- Partnership deed;
- Power of Attorney granted to a partner or an employee of the firm to transact business on its behalf;
- Any officially valid document identifying the partners and the persons holding the Power of Attorney and their addresses;
- Telephone bill in the name of firm/partners (not more than two months old);
- Photograph of all partners operating the account;
- PAN card of firm and partners.

(h) Trusts / Foundations : Certified true copies of:

- Certificate of registration, if registered;
- Power of Attorney granted to transact business on its behalf;
- Any officially valid document to identify the trustees, settlors, beneficiaries and those holding Power of Attorney, founders/managers/ directors and their addresses;
- Resolution of the managing body of the foundation / association;
- Telephone bill (not more than two months old);
- Photograph of operating trustees;
- PAN card of Trust and trustees.

(i) Alternate Investment Funds registered with SEBI : Certified true copies of:

- SEBI registration certificate
- Resolution authorizing investment and containing operating instructions;
- 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*)

(j) Societies Registered under The Societies Registration Act, 1860 : Certified true copies of:

- Act/ Rules under which the Society is incorporated

- Resolution authorizing investment
- 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*)

**(47) HOW TO APPLY**

This being a private placement offer, only the investors who are established/ resident in India and who have been specifically addressed through this Private Placement Offer Letter and Application Form are eligible to apply.

All Application Forms duly completed by the applicants, together with remittance of Application Money through cheque(s)/ bank funds transfer/ electronic transfer of funds through RTGS/NEFT, must be delivered before the closing of the issue to the specified branches of Bankers to the Issue named herein or to the Sole Arranger to the Issue.

Applicants may make remittance of Application Money through either of following two modes:

1.	Cheque(s)/ may be drawn in favour of “Infrastructure Leasing & Financial Services Ltd.” and marked “A/c Payee Only” payable at par at any of the CBS branches of the Collecting Bankers to the Issue as per details given hereunder:	
	Name of the Banker	Yes Bank Limited
	Credit into Current A/c No.	000181000003322
2.	Electronic transfer of funds through RTGS/NEFT mechanism/ bank funds transfer for credit as per details given hereunder:	
	Name of Beneficiary	Infrastructure Leasing & Financial Services Ltd
	Name of the Banker	Yes Bank Limited
	Credit into Current A/c No.	000181000003322
	IFSC Code	YESB0000001
	Branch Name	Worli
	Branch Address	First Floor, Next to City Bakery, Moti Mahal Building, Dr A .B .Road, Worli, Mumbai 400 018

It is to be distinctly noted that in pursuance of sub clause (d) of clause (2) of Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, remittance of Application Money for subscription to NCRCPs shall be made from the bank account of the person/ entity subscribing to the NCRCPs. In case of monies payable on subscription to NCRCPs to be held by joint holders, the remittance of Application Money shall be made from the bank account of the person whose name appears first in the Application Form.

**In case of remittance of application money vide Electronic mode/ Bank transfer/ Cheques/ DD, the applicants are required to submit a self- attested copy of their bank account statement reflecting debit for the application money. The bank statement must contain name of Applicant, account number, name and branch of the bank**

Application Forms complete in all respects (along with all necessary documents as detailed in this Private Placement Offer Letter) must be submitted before the last date indicated in the issue schedule or such extended time as decided by the Issuer, at any of the designated collection centres, accompanied by the subscription amount by way of cheque(s)/ demand draft(s)/ bank funds transfer/ electronic transfer of funds through RTGS/NEFT for the full issue price of NCRCPs applied for. Applicants are advised to write their names and application serial number on the reverse of the instruments by which the payments are made. Please note that remittance of application monies by way of cash, outstation cheques, money orders, postal orders and stockinvest shall not be accepted

The Issuer assumes no responsibility for any applications/ cheques/ demand drafts lost in transit/ mail. Detailed instructions for filling up the Application Form and list of collection centres are provided elsewhere in this Private Placement Offer Letter.

Applications for the NCRCPs must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. Remittance of Application Money for subscription to NCRCPs should also be made from the same bank account of the applicant as mentioned in the Application Form.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A(5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first applicant. All communications will be addressed to the first named applicant whose name appears in the Application Form at the address mentioned therein. All applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

For further instructions, please read Application Form carefully.

***For further instructions about how to make an application for applying for the NCRCPs and procedure for remittance of Application Money, please refer to the Summary Term Sheet and the Application Form.***

**(48) FORCE MAJEURE**

The Issuer reserves the right to withdraw the Issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

**(49) APPLICATIONS UNDER POWER OF ATTORNEY**

A certified true copy of the power of attorney or the relevant authority as the case may be along-with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along-with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication

**(50) APPLICATION BY MUTUAL FUNDS**

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made

**(51) ACKNOWLEDGEMENTS**

No separate receipts shall be issued for the Application Money. However, Bankers to the Issue/ Sole Arranger receiving the duly completed Application Form shall acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. Applications shall be deemed to have been received by the Issuer only when submitted to Bankers to the Issue at their designated branches or on receipt by the Registrar as detailed above and not otherwise

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

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the Application Money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of NCRCPs applied for is less than the minimum application size;
- b. Number of NCRCPs applied for exceeding the issue size;

- c. Application Money received not being from the bank account of the person/ entity subscribing to the NCRCPs or from the bank account of the person/ entity whose name appears first in the Application Form, in case of joint holders;
- d. Bank account details of the Applicants not given;
- e. Details for issue of NCRCPs in dematerialized form not given;
- f. PAN/ GIR and IT Circle/Ward/District not given;
- g. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any NCRCPs applied for is/ are not allotted in full, the excess application monies of such NCRCPs will be refunded, as may be permitted.

**(53) PAN/GIR NUMBER**

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1971 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided

**(54) SIGNATURES**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

**(55) NOMINATION**

As per Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any holder of NCRCPs of the Company may, at any time, nominate, any person as his nominee in whom the NCRCPs shall vest in the event of his death. On the receipt of the nomination form, a corresponding entry shall forthwith be made in the relevant register of holders of NCRCPs, maintained by the Company. Where the nomination is made in respect of the NCRCPs held by more than one person jointly, all joint holders shall together nominate any person as nominee. The request for nomination shall be recorded by the Company within a period of two months from the date of receipt of the duly filled and signed nomination form. In the event of death of the holder of NCRCPs or where the NCRCPs are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either (a) to register himself as holder of the NCRCPs or (b) to transfer the NCRCPs, as the deceased holder of NCRCPs could have done.

If the person being a nominee, so becoming entitled, elects to be registered as holder of NCRCPs himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased holder(s) of NCRCPs. All the limitations, restrictions and provisions of the Companies Act, 2013 relating to the right to transfer and the registration of transfers of NCRCPs shall be applicable to any such notice or transfer as aforesaid as if the death of the holder of NCRCPs had not occurred and the notice or transfer were a transfer signed by that holder of NCRCPs, as the case may be.

A person, being a nominee, becoming entitled to any NCRCPs by reason of the death of the holder shall be entitled to the same interest and other advantages to which he would have been entitled to if he were the registered holder of NCRCPs except that he shall not, before being registered as a holder of NCRCPs in respect of such NCRCPs, be entitled in respect of these NCRCPs to exercise any right conferred by the membership in relation to meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the NCRCPs, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all interest or other moneys payable in respect of the NCRCPs, until the requirements of the notice have been complied with.

A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of NCRCPs who has made the nomination, by giving a notice of such cancellation or variation, to the Company in prescribed form. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the Company.

Where the nominee is a minor, the holder of NCRCPs making the nomination, may appoint a person in a prescribed form, who shall become entitled to the NCRCPs of the Company, in the event of death of the nominee during his minority.

## **(56) REGISTER OF MEMBERS**

In pursuance of clause 4 of rule 9 of the Companies (Share Capital and Debentures) Rules, 2014, the Company shall maintain a Register of Members under section 88 of the Companies Act, 2013 which shall contain the particulars in respect of the holders of NCRCPs.

## **(57) NOTICES**

All notices required to be given by the Issuer to the holders of NCRCPs shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the NCRCPs and/ or if published in one All India English & Hindi daily newspapers.

All notices required to be given by the holders of NCRCPs, including notices referred to under “Payment of Dividend” and “Payment on Redemption” shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

**(58) JOINT HOLDERS**

Where two or more persons are holders of any NCRCPs, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to provisions contained in the Companies Act

**(59) DISPUTES & GOVERNING LAW**

The NCRCPs are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the exclusive jurisdiction of the courts and tribunals at city of Mumbai, Maharashtra

**(60) TRANSACTION DOCUMENTS**

The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:

- (a) Rating Agreement with CARE;
- (b) Tripartite Agreement between the Issuer; Registrar and NSDL for issue of NCRCPs in dematerialized form;
- (c) Tripartite Agreement between the Issuer, Registrar and CDSL for issue of NCRCPs in dematerialized form;
- (e) Letter appointing Registrar and MoU entered into between the Issuer and the Registrar;
- (f) Application made to BSE for seeking its in-principle approval for listing of NCRCPs;
- (g) Listing Agreement with BSE;
- (h) Letter appointing Sole Arranger to the Issue.

**(61) CONDITIONS PRECEDENT TO SUBSCRIPTION OF NCRCPs**

The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:

- (a) Rating letter from CARE not being more than one month old from the issue opening date;
- (b) Making an application to BSE for seeking its in-principle approval for listing of NCRCPs



**(62) CONDITIONS SUBSEQUENT TO SUBSCRIPTION OF NCRCPs**

The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer Letter:

- (a) Ensuring that the payment made for subscription to the NCRCPs is from the bank account of the person/ entity subscribing to the NCRCPs and keeping record of the bank accounts from where payments for subscriptions have been received. In case of subscription to the NCRCPs to be held by joint holders, monies should be paid from the bank account of the person/entity whose name appears first in the Application Form;
- (b) Maintaining a complete record of private placement offers in Form PAS-5 and filing the such record along with Private Placement Offer Letter in Form PAS-4 with the Registrar of Companies, Mumbai with fee as provided in Companies (Registration Offices and Fees) Rules, 2014, within a period of thirty days of circulation of the Private Placement Offer Letter and also filing the same with Securities & Exchange Board of India;
- (c) Filing a return of allotment of NCRCPs with complete list of all holder(s) of NCRCPs in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, Mumbai within thirty days of the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014;
- (d) Credit of demat account(s) of the allottee(s) by number of NCRCPs allotted within two working days from the Deemed Date of Allotment;
- (e) Making listing application to BSE within 15 days from the Deemed Date of Allotment of NCRCPs and seeking listing permission within 20 days from the Deemed Date of Allotment of NCRCPs;

Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter

**(63) INVESTOR RELATIONS AND GRIEVANCE REDRESSAL**

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavours to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of NCRCPs applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at the Registered Office address of the Issuer

The Issuer shall ensure that it is registered with the SCORES platform or such other electronic platform/system of SEBI as may be mandated from time to time, in order to handle investor complaints electronically



The Issuer has designated a Compliance Officer who may be contracted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ NCRCPs certificate(s) in the demat account, non-receipt of refund order(s), dividend warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Private Placement Offer Letter

The Compliance Officer shall be responsible for:

- (a) ensuring conformity with the regulatory provisions applicable to the Issuer in form and spirit and liaise with authorities such as SEBI, Stock Exchange, Depositories etc;
- (b) liaising with the authorities such as SEBI, Stock Exchange, Depositories, Registrar of Companies etc., investors and holders of NCRCPs with respect to compliance/handling of various clauses, rules, regulations and other directives of such authorities and investor service and complaints related matters;
- (c) ensuring the correctness, authenticity and comprehensiveness of the information, statements and reports filed by the Issuer under the applicable provisions either electronically or in any other manner;
- (d) monitoring email ID of grievance redressal division as designated by the Issuer for the purpose of registering complaints by investors; and
- (e) periodically reviewing the complaints lodged under the SCORES platform or such other electronic platform as may be prescribed in this regard

### **XIII CREDIT RATING FOR THE NCRCPs**

Credit Analysis & Research Limited (“CARE”) has reaffirmed a rating of **"CARE AAA (RPS)"** [Pronounced Triple A (Redeemable Preference Shares)] to the NCRCPs of the Company of face value aggregating to Rs.10 billion vide its letter dated May 07, 2014. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of rating letter and rating rationale from CARE is enclosed elsewhere in this Private Placement Offer Letter

Other than the credit rating mentioned hereinabove, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the NCRCPs offered for subscription under the terms of this Private Placement Offer Letter

The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency. The rating obtained is subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc

#### **XIV STOCK EXCHANGES WHERE NCRCPs ARE PROPOSED TO BE LISTED**

The NCRCPs are proposed to be listed on the BSE Limited (“BSE”). The Issuer has obtained the in-principle approval of BSE for listing of NCRCPs offered under the terms of this Private Placement Offer Letter

The Company shall make listing application to BSE within 15 days from the Deemed Date of Allotment of the NCRCPs and seek listing permission within 20 days from the Deemed Date of Allotment of NCRCPs. In case of delay in listing of NCRCPs beyond 20 days from the Deemed Date of Allotment, the Company shall pay penal interest at the rate of 1.00% p.a. over the Rate of Dividend on the Issue Price of NCRCPs from the expiry of 30 days from the Deemed Date of Allotment till the listing of NCRCPs to the holders of NCRCPs

In connection with listing of NCRCPs with BSE, the Issuer hereby undertakes that:

- (a) it shall comply with the conditions of listing as specified in the Listing Agreement for the NCRCPs;
- (b) the credit rating obtained for the NCRCPs shall be periodically reviewed by the credit rating agency and any revision in the rating shall be promptly disclosed by the Issuer to BSE;
- (c) any change in credit rating shall be promptly disseminated to the holder(s) of NCRCPs in such manner as BSE may determine from time to time;
- (d) The Issuer and BSE shall disseminate all information and reports on the NCRCPs including compliance reports filed by the Issuer regarding the NCRCPs to the holders of NCRCPs and the general public by placing them on their websites;
- (e) The Issuer shall, till the redemption of NCRCPs, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to BSE within the timelines as mentioned in the Listing Agreement, as amended from time to time;
- (f) The Issuer shall implement the prescribed disclosures and follow its obligations in letter and spirit taking into consideration the interest of all stakeholders;
- (g) The Issuer shall ensure that the filings, reports, statements and documents which are event based or are filed periodically shall contain all the relevant information that will enable the holders of NCRCPs to track the performance of the Issuer over regular intervals of time and provide sufficient information to enable investors to assess the current status of the Issuer;

## **XV. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER**

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the registered office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

### **A. MATERIAL CONTRACTS**

- (a) Copy of letter appointing Sole Arranger to the Issue.
- (b) Copy of letter appointing Registrars and copy of MoU entered into between the Issuer and the Registrars.

### **B. DOCUMENTS**

- (a) Memorandum and Articles of Association of the Issuer as amended from time to time;
- (b) Special resolution passed by the Shareholders of the Company at the Extra Ordinary General Meeting held on March 14, 2014 authorising present Issue of NCRCPs;
- (c) Resolution passed the Board of Directors of the Company at their meeting held on August 29, 2013 authorising present Issue of NCRCPs;
- (d) Letter dated March 07, 2014, from BSE conveying its in-principle approval for listing of NCRCPs;
- (e) Letter from CARE dated May 07, 2014 reaffirming the credit rating for the NCRCPs including the Rating Rationale of CARE, while assigning rating to the NCRCPs offered under the Issue;
- (f) Tripartite Agreement dated July 30, 2001 between the Issuer, NSDL and Registrars for dematerialization of the securities offered under the present Issue;
- (g) Tripartite Agreement dated July 25, 2001 between the Issuer, CDSL and Registrars for dematerialization of the securities offered under the present Issue;

## **(XVI) DECLARATION**

The Company undertakes that this Private Placement Offer Letter contains full disclosures in accordance with Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 issued vide Notification No. LAD-NRO/GN/2013-14/11/6063 dated June 12, 2013, as amended

The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder. It is to be distinctly understood that compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or repayment of redemption amount, is guaranteed by the Government of India

The Company undertakes that the monies received under the Issue shall be utilized only for the purposes and 'Objects of the Issue' indicated in the Private Placement Offer letter

The Issuer accepts no responsibility for the statements made otherwise than in the Private Placement Offer Letter or in any other material issued by or at the instance of the Issuer and that any one relying on such information from any other source would be doing so at his own risk

The undersigned has been authorized by the Committee of Directors of the Company vide its approval dated April 30, 2014, to sign this Private Placement Offer Letter and declare that all the requirements of the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, Securities Contracts (Regulation) Act, 1956, rules, regulations, guidelines and circulars issued thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this Private Placement Offer Letter 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 Promoter subscribing to the Memorandum of Association and Articles of Association of the Company

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Private Placement Offer Letter

For and on behalf of the Board of Directors of  
Infrastructure Leasing & Financial Services Limited



Avinash Bagul  
Chief Operating Officer &  
Company Secretary

Place: Mumbai  
Date: May 08, 2014

**Enclosures:**

- a. Copy of special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on March 14, 2014 authorising present Issue of NCRCPs;
- b. Copy of resolution passed the Board of Directors of the Company at their meeting held on August 29, 2013 authorising present Issue of NCRCPs;
- c. Copy of letter dated May 07, 2014 from Credit Analysis & Research Limited reaffirming a rating of "CARE AAA (RPS)" to the issue of NCRCPs by the Company

**List of Subsidiaries of IL&FS and their business activities**

**SUBSIDIARIES – DIRECT**

#	Name of the Company	Engaged in the activities of
1	Avash Logistic Park Pvt Limited	Development logistics park
2	Chhattisgarh Highway Development Company Limited	Development of road infrastructure
3	IIDC Limited	Project development
4	IL&FS Academy of Applied Development	Social infrastructure
5	IL&FS Airports Limited	Development of airport and allied infrastructure
6	IL&FS Education & Technology Services Limited	
7	IL&FS Energy Development Company Ltd	Power generation and transmission from renewable and nonrenewable sources
8	IL&FS Environmental Infrastructure & Service Limited	Environmental Infrastructure and waste management services
9	IL&FS Financial Services Limited	Financial Services including fund based and non-fund based activities
10	IL&FS Investment Managers Limited	Fund Management
11	IL&FS Maritime Infrastructure Company Limited	Maritime Infrastructure development
12	IL&FS Paradip Refinery Water Limited	Water supply to Indian Oil Corporation, Paradip, Orissa
13	IL&FS Portfolio Management Services Ltd	Portfolio Management Services
14	IL&FS Securities Services Limited	Capital market related activities
15	IL&FS Township & Urban Assets Limited	Development of townships and urban infrastructure
16	IL&FS Transportation Networks Limited	Surface transportation infrastructure development
17	IL&FS Trust Company Limited	Trustee services
18	IL&FS Water Limited	Water infrastructure including water supply, water re-use, treatment of effluent, sewage and desalination projects
19	Jharkhand Accelerated Road Development Company Limited	Road infrastructure development
20	Khambhat Port Limited	Maritime Infrastructure development
21	MP Toll Roads Limited	Road infrastructure development
22	Sealand Warehousing Pvt Limited	Development of warehousing facilities
23	Tamil Nadu Water Investment Company Limited	Investment holding Company

**SUBSIDIARIES - INDIRECT**

#	Name of the Company	Engaged in the activities of
1	Andhra Pradesh Expressway Ltd	Road infrastructure development
2	Apptex Manpower Development Services Limited	Manpower Training and development
3	Apptex Marketing Services & Solutions Limited	Marketing Services
4	Badarpur Tollway Operations Management Limited	Road infrastructure development
5	Baleshwar Kharagppur Expressway Limited	Road infrastructure development
6	Barwa Adda Expressway Limited	Road infrastructure development
7	Bhojpur Biomass Power Company Limited	Power generation from biomass
8	Bhutan Education City Pvt Limited	Development of education city
9	Charminar Robopark Limited	Parking infrastructure development
10	Chenani Nashri Tunnelway Limited	Development of Tunnel way
11	CriticalL Paradigm Gestlat BPO Pvt Limited	Business process outsourcing services
12	Cuddalore Solar Power Pvt Limited	Solar Power generation
13	Dehradun Rural Development Initiative Limited	Rural development
14	East Delhi Waste Processing Company Pvt Limited	Waste to energy projects
15	East Hyderabad Expressway Limited	Road infrastructure development
16	Elsamex SA	Construction & Maintenance of Roads
17	Futureage Infrastructure India Limited	Development of parking facilities
18	GIFT Parking Facilities Limited	Development of parking facilities
19	GRICL Rail Bridge Development Company Ltd	Railway bridge development
20	Gujarat Integrated Maritime Complex Pvt Limited	Maritime infrastructure development
21	Gujarat Road & Infrastructure Company Limited	Construction & Maintenance of toll roads in Gujarat State
22	Hazaribagh Ranchi Expressway Limited	Road infrastructure development
23	IIML Advisors LLC	Advisory services
24	IIML Asset Advisors Limited	Advisory services
25	IIML Fund Managers (Singapore) Pte Limited	Fund management
26	IPL USA LLC	Investment holding Company
27	IL&FS AMC Trustee Limited	Asset Management Company
28	IL&FS Asian Infrastructure Managers Limited	Fund Management
29	IL&FS Broking Services Pvt Limited	Institutional broking service s
30	IL&FS Capital Advisors Limited	Corporate advisory services
31	IL&FS Cluster Development Initiative Limited	Development of clusters for small scale industries
32	IL&FS Global Financial Services (HK) Limited	Financial services
33	IL&FS Global Financial Services (ME) Limited	Financial services

34	IL&FS Global Financial Services (UK) Limited	Financial services
35	IL&FS Global Financial Services Pte Limited	Financial services
36	IL&FS Hydro Energy Limited	Hydro power generation
37	IL&FS Infra Asset Management Limited	Asset Management Company
38	IL&FS Investment Advisors LLC	Fund Management
39	IL&FS Kamal International Container Terminals Limited	Development of container terminals
40	IL&FS Maritime International FZE	Maritime infrastructure
41	IL&FS Nepal Infrastructure Development Company Pvt Limited	Infrastructure development
42	IL&FS Prime Terminals FZC	Development of container terminals
43	IL&FS Rail Limited	Development of metro rail projects
44	IL&FS Renewable Energy Limited	Power generation from renewable sources
45	IL&FS Skills Development Corporation Limited	Skill development
46	IL&FS Solar Power Limited	Development of solar power projects
47	IL&FS Urban Infrastructure Managers Limited	Fund management
48	IL&FS Wind Farms Limited	Wind power generation
49	IL&FS Wind Power Investment Pte Limited	Investment holding Company for wind assets
50	IL&FS Wind Power Management Pte Limited	Investment management Company for managing wind assets
51	IL&FS Wind Power Services Limited	Wind power services
52	IMICL Dighi Maritime Limited	Maritime services
53	India Tourist & Heritage Village Pvt Limited	Investment holding Company
54	Integrated Waste Management & Urban Services Company (Tamil Nadu) Limited	Waste management services
55	ISSL Market Services Limited	Capital market related services
56	ISSL Settlement & Transaction Services Limited	Transaction and settlement services
57	ITNL Africa Projects Limited	Development, implementation, maintenance, operation and management of surface transportation infrastructure projects
58	ITNL International JLT	Project Management & Consultancy
59	ITNL International Pte Limited	Holding Company for offshore investments
60	ITNL Offshore Pte Limited	Company incorporated for CNY bonds
61	ITNL Road Infrastructure Development Company Limited	Road infrastructure development
62	Jaipur Rural Development Initiative Limited	Rural development
63	Jharkhand Road Projects Implementation Company Limited	Road infrastructure development
64	Kanak Resources Management Limited	Municipal solid waste management
65	Karyavattom Sports Facilities Limited	Development of sports infrastructure and facilities



66	Khandke Wind Energy Private Limited	Wind power generation
67	Khed Sinnar Expressway Limited	Road infrastructure development
68	Kiratpur Ner Chowk Expressway Limited	Road infrastructure development
69	Lalpur Wind Energy Pvt Limited	Wind Power generation
70	Maritime International Offshore Pte Limited	Development of maritime infrastructure
71	Moradabad Bareilly Expressway Limited	Road infrastructure development
72	MP Border Checkpost Development Company Limited	Development border check post in the state of Madhya Pradesh
73	Nakhatrana Biomass Energy Limited	Power generation from biomass
74	Nana Layja Power Company Limited	Power generation
75	North Karnataka Expressway Limited	Road infrastructure development
76	Patiala Bio Power Company Limited	Power generation from bio sources
77	Porto Novo Maritime Limited	Maritime infrastructure activities
78	Pune Sholapur Road Development Company Limited	Road infrastructure development
79	Rajsamand Rural Development Initiative Limited	Rural development activities
80	Rapid MetroRail Gurgaon Limited	Metrorail development
81	Rapid MetroRail Gurgaon South Limited	Metrorail development
82	Ratedi Wind Power Ltd	Wind power generation
83	Rohtas Bio Energy Limited	Power generation from bio sources
84	Sabarmati Capital One Limited	Development of financial centre
85	Sabarmati Capital Two Limited	Development of financial centre
86	Sealand Ports Pvt Limited	Maritime infrastructure development
87	Sharjah General Services LLC	Management & Operations of facilities
88	Shendra Green Energy Limited	Power generation from renewable sources
89	Sikar Bikaner Highway Limited	Road infrastructure development
90	Tadas Wind Energy Pvt Limited	Wind power generation
91	Unique Waste Processing Company Limited	Waste processing for waste to energy projects
92	Vansh Nimay Infraprojects Limited	Public transport activities
93	Vaspeth Wind Energy Limited	Wind power generation
94	West Gujarat Expressway Limited	Road infrastructure development
95	Wind Urja India Pvt Limited	Wind power generation
96	Alcantarilla Fotovltanica SA	Maintenance and operations of systems for Generation of electricity by photovoltaic technology
97	Antenea Seguridad Y Medico Ambieenete SA	Maintaining of security and health during execution of works
98	Area De Servicio Coiros SL	Construction & maintenance of service area at Coiros
99	Area de Servicio Punta Umbria SL	Construction and exploitation of Gas station in Punta Umbria
100	Beasolarta, SLU	Operation and management of alternative and renewable energies
101	CIESM Intevia SA	Laboratory of Investigation and testing

102	Conservacion Sde Infraestructuras De Mexico SD DE CV	Maintenance of roads and buildings
103	Control 7, S. A	Laboratory investigations and testing
104	Elsamex Brasil LTDA	Consulting, engineering and technical services and maintenance, conservation works
105	Elsamex India Private Limited	Maintenance of roads and buildings
106	Elsamex International, SL	Construction and maintenance of roads and buildings
107	Elsamex LLC, USA	Road construction and maintenance
108	Elsamex Maintenance Services Limited	Construction, supervision, consulting, operations and maintenance of infrastructure projects
109	Elsamex Portugal S.A	Maintenance of roads and buildings
110	ESM Mantenimiento Integral, S.A. DE C.V	Maintenance of roads and buildings
111	Grusamar Albania SHPK	Consultancy services
112	Grusamar India Limited	Conducting feasibility studies including detailed engineering and pre-bid studies, conducting quality control and technical audit for projects
113	Grusamar Ingenieria Y Consulting, SL	Project control and surveillance of quality
114	Grusumar Engenharia & Consultoria Brasil LTDA	Engineering services
115	Inteval-Gestao Integral Rodoviaria S.A	Maintenance of roads and buildings
116	Mantenimiento Y Conservacion De Vialidades, S.A. DE C.V	Maintenance of roads and buildings
117	Senalizacion Viales E Imagen, SA	Sign boards
118	Yala Construction Company Private Limited	Construction activities

**Compounding Application - Unitech Machines Limited :**

**(a) Background :**

- (i) Unitech Machines Ltd (UML) had approached IL&FS in January 1990 for subscribing upto ₹ 2 mn to its equity shares. IL&FS accepted the offer subject to obtaining the requisite approvals. Accordingly, IL&FS submitted an application dated February 18, 1991 u/s 372 of the Act to the Department of Company Affairs, Government of India (DCA) for its approval
- (ii) The DCA called for additional information from IL&FS. However, only part of the information could be submitted to DCA due to non-co-operation of UML. Thereafter, IL&FS withdrew its application from the DCA vide letter dated February 27, 1992
- (iii) Subsequently, IL&FS demanded refund of the amount of ₹ 2 mn from UML. Surprisingly, UML conveyed that it had already issued and allotted the shares. Thereafter, UML confirmed that the offer of IL&FS was subject to its obtaining the Central Government approval and also admitted its negligence in allotment of the shares. However, since the allotment was made, IL&FS was deemed to have violated provisions of Section 372 of the Act
- (vi) IL&FS and UML settled the dispute by executing a Compromise Agreement wherein the unilateral issue and allotment of 200,000 Equity Shares issued by UML in favour of IL&FS was cancelled, the name of IL&FS was deleted from UML's Register of Members and IL&FS was refunded the entire amount of advance of ₹ 2 mn. This was duly informed by IL&FS to the Registrar of Companies, Maharashtra, (RoC)
- (vii) Due to unilateral action on the part of UML in allotting shares to IL&FS, IL&FS had exceeded the investment limit prescribed under the Act and hence criminal case was filed by the RoC in 1992 stating alleged violation of Section 372 by IL&FS. IL&FS was under the impression that in view of the Compromise Settlement, refund of the amount subscribed due to cancellation of allotment by UML and specific communication to RoC to this effect, RoC had withdrawn the complaint pending before the Court. Hence, it did not take any steps to move compounding application u/s 621(A) of the Act

**(b) Application for Compounding :**

- (i) During 2012, IL&FS received summons under Criminal Procedure Code in respect of the criminal case filed by RoC. Since it was a 20 year old matter and had involved legal proceedings earlier, IL&FS was advised against going for further litigation in this regard. In view of this, compounding application was filed with the intention to amicably resolve the matter by paying compounding charges as determined by the Regional Director, Ministry of Corporate Affairs, Government of India
- (ii) The Regional Director, Western Region, Mumbai resolved the matter by passing an Order on IL&FS's application for compounding filed u/s 621A of the Companies Act 1956 (the Act) requesting payment of compounding fees
- (iii) Pursuant to the compounding of the alleged contraventions of Section 372(4) of the Act, the Additional Chief Metropolitan Magistrate, Mumbai dismissed the criminal complaint filed by RoC