



“IIFCL Tax Free Secured Redeemable Non Convertible Bonds - Tranche I” (TERM SHEET)

Issuer	INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED
Issue Size	Rs. 500 cr (Base Issue Size) with option to retain oversubscription upto the shelf limit (being Rs. 2500 cr)
Issue Opening Date	3 rd October 2013
Issue Closing Date	31 st October 2013
Rating	“AAA” by CARE, ICRA, IRRPL & BWR
Minimum Application	Rs.5000 & in multiples of 1 bond thereafter
Face Value of Bond	Rs.1000
Listing	Proposed to be listed in BSE
Interest on successful application	Respective coupon rates
Interest on refund	5% p.a.
Registrar to the issue	M/s Karvy Computershares Pvt. Ltd
Interest payment	Payable Annually Only
Issuance	Both in dematerialized form as well as in physical form as specified by the Applicant in the Application Form

Coupon Rates:

	Series of Bonds		
	For Category I, II & III		
Options	Tranche – I Series 1A	Tranche – I Series 2A	Tranche – I Series 3A
Tenure (years)	10	15	20
Interest rate (%) p.a.	8.01%	8.38%	8.50%
	For Category IV only		
	Tranche – I Series 1B	Tranche – I Series 2B	Tranche – I Series 3B
Options			
Interest rate (%) p.a.	8.26%	8.63%	8.75%

Category wise Allocations

Category I	Category II	Category III	Category IV
Upto 15% of Overall Issue Size*	Upto 20% of Overall Issue Size*	Upto 25% of Overall Issue Size*	Upto 40% of Overall Issue Size*
QIB	Corporate	Individuals & HUF applying more than Rs. 10 Lakh	Individuals & HUF applying upto Rs. 10 Lakh

***Allotments of Bonds will be on a first come-first serve basis, on the basis of the date of upload of Applications on the electronic platform of the Stock Exchange.**

HIGHLIGHTS OF TAX BENEFITS

- In exercise of the powers conferred by item (h) of sub-clause (iv) of clause (15) of Section 10 of the Income Tax Act, 1961 (43 of 1961) the Central Government authorizes IIFCL to issue during the FY 2013-14, Tax Free, Secured, Redeemable, Non-convertible Bonds.
- The income by way of interest on these Bonds is fully exempt from Income Tax and shall not form part of Total Income as per provisions under section 10 (15) (iv) (h) of I.T. Act, 1961.
- There will be no deduction of tax at source from the interest, which accrues to the bondholders in these bonds irrespective of the amount of the interest or the status of the investors.
- Wealth Tax is not levied on investment in Bond under section 2(ea) of the Wealth-tax Act, 1957

Who Can Apply

Category I	<ul style="list-style-type: none">• Public financial institution as defined in Section 4A of the Companies Act,• Alternative Investment Fund eligible to invest under the SEBI (Alternative Investment Funds) Regulations, 2012, as amended• Scheduled commercial bank,• Mutual fund, registered with SEBI,• Multilateral and bilateral development financial institutions,• State industrial development corporations,• Insurance companies registered with the Insurance Regulatory and Development Authority,• Provident funds with a minimum corpus of Rs. 2500.00 lakh,• Pension funds with a minimum corpus of Rs. 2500.00 lakh,• The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the Gol, published in the Gazette of India,• Insurance funds set up and managed by the army, navy, or air force of the Union of India, and Insurance funds set up and managed by the Department of Posts, India,
Category II	<ul style="list-style-type: none">• Companies within the meaning of section 2(20) of the Companies Act, 2013, Limited Liability Partnerships registered under the provisions of the LLP Act, statutory corporations, trust, partnership firms in the name of the firm, cooperative banks, regional rural banks and legal entities registered under applicable laws in India and authorised to invest in Bonds
Category III	<p>The following investors applying for an amount aggregating to more than Rs. 10.00 lakh across all Series of Bonds in each Tranche Issue</p> <ul style="list-style-type: none">• Resident Individual Investors• Hindu Undivided Families applying through the Karta
Category IV	<ul style="list-style-type: none">• The following investors applying for an amount aggregating up to and including Rs. 10.00 lakh across all Series of Bonds in each Tranche Issue• Resident Individual Investors• Hindu Undivided Families through the Karta