



“IIFCL Tax Free Secured Redeemable Non Convertible Bonds”

(TERM SHEET)

Particulars	IIFCL TAX FREE BONDS		
Issue Size	Rs.1500 Cr with an option to retain oversubscription upto the shelf limit(of Rs.9215 crores)		
Issue Opening & Closing Date	26 th December 2012 to 11 th January 2013		
Rating	“AAA” by CARE, ICRA & BWR		
Minimum Application	Rs.5000 & in multiples of 1 bond thereafter (i.e., Rs.1000)		
Series of Bonds	Tranche-1 Series I	Tranche-1 Series II	Tranche-1 Series III
Tenure (in Years)	10	15	20
Coupon - Category I ,II, III & IV	7.19%	7.36%	7.40%
Additional Coupon rate (p.a.) for Category IV	0.50%	0.50%	0.50%
Aggregate Coupon rate for category IV (Retail)	7.69%	7.86%	7.90%
Face Value of Bond	Rs.1000		
Listing	Proposed to be listed in BSE		
Interest on successful application (Non ASBA)	Respective Coupon		
Interest on refund (on Non ASBA Application)	5 % p.a.		
Registrar to the issue	Karvy Computershare Pvt. Ltd		
Mode of Allotment	In Dematerialized as well as in Physical form.		

**The differential rate for Retail Investors shall be applicable only to the 1st allottee. In the event of Sale/Transfer by the original allottee of a retail bond, the subsequent allottee will get the rates of the other investor’s category.*

Category I	Category II	Category III	Category IV
QIB	NII	HNI	Retail
15%	15%	30%	40%

Allotment will be on first come first serve basis

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 2012-13, 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-QIB	Mutual Funds registered with SEBI
	Alternative Investment Funds eligible to invest under SEBI(Alternate Investment Funds) Regulations 2012
	Public Financial Institutions as defined in Section 4 A of the Companies Act, 1956
	Scheduled Commercial Banks
	Multilateral & Bilateral Development Financial Institutions
	Provident Funds & Pension Funds having a corpus of Rs. 25 Crores
	Insurance companies registered with the IRDA;
	National Investment Fund set up by Resolution no. F. No. 2/2/2005 – DDII dated Nov 23rd 2005 of the Govt of India published in the Gazette of India
	Insurance Funds set up & managed by army, navy or air force of the Union of India
	Insurance Funds set up & managed Department of Posts, India.
Category II - NII	Companies & Bodies Corporate Registered under the applicable laws in India & authorised to invest in the Bonds
Category III - HNIs	The following investors applying for Bonds aggregating to a value more than Rs.10 Lakhs (Rs. 0.1 Crores) across all series of bonds in each Tranche Issue
	Resident Indian individuals
	Hindu Undivided Families through the Karta
Category IV - RII	The following investors applying for Bonds aggregating to a value not more than Rs.10 Lakhs (Rs. 0.1 Crores) across all series of bonds in each Tranche Issue
	Resident Indian individuals
	Hindu Undivided Families through the Karta

With reference to the SEBI Circular dated 27th July 2012 - All Debt issue applications must be bidded before getting submitted with the collecting bankers. Kindly ensure to bid applications at RR offices before banking. RR will not be responsible for any non allotment of applications banked without bidding.