



INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)

Our Company was incorporated on March 11, 1987, in New Delhi under the Companies Act, 1956, as amended ("Companies Act, 1956") as a public limited company and has obtained certificate of commencement of business on March 21, 1987.

Registered Office : India Habitat Centre, East Court, Core 4 'A', 1st Floor, Lodhi Road, New Delhi – 110003, India; Tel No: +91 (11) 24682206/19; Facsimile: +91 (11) 24682202

Corporate Office: 3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi – 110066, India; Tel No: +91 (11) 26717400/12; Facsimile: +91 (11) 26717416; Website: www.ireda.gov.in

Company Secretary and Compliance Officer: Mr. Surender Suyal; Tel No: +91 (11) 26717430; Facsimile: +91 (11) 26717416; E-mail: cs@ireda.gov.in

PUBLIC ISSUE BY INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED ("COMPANY" OR "ISSUER" OR "IREDA") OF TAX FREE, SECURED, REDEEMABLE, NON-CONVERTIBLE BONDS IN THE NATURE OF DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, HAVING BENEFITS UNDER SECTION 10(15)(iv)(h) OF THE INCOME TAX ACT, 1961, AS AMENDED ("BONDS") FOR AN AMOUNT AGGREGATING UP TO ₹ 500 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 500 CRORES FOR ISSUANCE OF ADDITIONAL BONDS AGGREGATING TO A TOTAL OF UPTO ₹ 1,000 CRORES* ("TRANCHE-I ISSUE") IN THE FISCAL 2014 ("ISSUE"). THIS TRANCHE - I ISSUE IS BEING OFFERED BY WAY OF THIS PROSPECTUS TRANCHE - I, WHICH CONTAINS, INTER ALIA, THE TERMS AND CONDITIONS OF TRANCHE - I ISSUE ("PROSPECTUS TRANCHE - I"), AND SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED FEBRUARY 10, 2014 FILED WITH THE REGISTRAR OF COMPANIES, NATIONAL CAPITAL TERRITORY OF DELHI AND HARYANA ("RoC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"). THE SHELF PROSPECTUS TOGETHER WITH THIS PROSPECTUS TRANCHE - I SHALL CONSTITUTE THE "PROSPECTUS"^a

The Issue is being made under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the "SEBI Debt Regulations") and pursuant to Notification No. 61/2013/F.No.178/37/2013-(ITA.I) dated August 8, 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India ("CBDT Notification"), by virtue of powers conferred on it under section 10(15)(iv)(h) of the Income Tax Act, 1961, as amended (the "Income Tax Act").

* In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised

^aBy virtue of its letter (bearing number IMD/DOF-1/BM/VA/OW/33900/2013) dated December 27, 2013, the Securities and Exchange Board of India ("SEBI") has allowed our Company to undertake the present Issue in pursuance of the Shelf Prospectus and this Prospectus Tranche-I, in terms of section 31 of the Companies Act, 2013. Provided, however companies notified by the CBDT to issue tax free bonds pursuant to the CBDT Notification have been allowed to file a shelf prospectus under section 31 of the Companies Act, 2013 by way of an amendment to SEBI Debt Regulations on January 31, 2014. For further details, please see section titled "Regulations and Policies" on page 77 of the Shelf Prospectus.

GENERAL RISKS

Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Tranche-I Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. Investors are advised to refer to section "Risk Factors" in the Shelf Prospectus and "Material Developments" in this Prospectus Tranche - I before making an investment in this Tranche-I Issue. This Prospectus Tranche - I has not been and will not be approved by any regulatory authority in India, including the SEBI, the Reserve Bank of India ("RBI"), any registrar of companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus Tranche - I contains all information with regard to the Issuer and the Issue which is material in the context of the Issue that the information contained in this Prospectus Tranche - I 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 material facts, the omission of which makes this Prospectus Tranche - I which is to be read with Shelf Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

Brickwork Rating India Private Limited has, vide its letter no. BWR/BNG/RL/2013-14/NS/0226 dated November 19, 2013 and letter dated November 22, 2013, assigned a credit rating of "BWR AAA (SO) [pronounced BWR Triple A (Structured Obligation)] (Outlook: Stable)" to the Bonds and revalidated the rating vide letter no. BWR/BNG/RL/2013-14/NS/0301 dated January 29, 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. Credit Analysis & Research Limited has, vide its letters dated November 20, 2013 and November 27, 2013 assigned a credit rating of "CARE AAA (SO) [Triple A (Structured Obligation)]" to the Bonds and revalidated the rating vide its letter dated January 29, 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. These ratings are not a recommendation to buy, sell or hold securities, and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agency(ies) and should be evaluated independently of any other ratings. For the rationale for these ratings, see "Annexure B – Credit Rating" of the Shelf Prospectus.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated January 21, 2014 was filed with the BSE Limited ("BSE"), being the Designated Stock Exchange and the National Stock Exchange of India Limited ("NSE") pursuant to the regulation 6(2) of the SEBI Debt Regulations on January 22, 2014 and was open for public comments for seven Working Days (as defined hereinafter) i.e. until 5 p.m. on January 29, 2014.

LISTING

The Bonds are proposed to be listed on the BSE and the NSE. We have obtained in-principle listing approvals for the Bonds by letter No. DCS/SP/PI-BOND/18/13-14 dated January 29, 2014 from BSE and letter No. NSE/LIST/228958-P dated January 29, 2014 from NSE. The Designated Stock Exchange for the Issue is BSE.

LEAD MANAGERS TO THE ISSUE

<p>KARVY INVESTOR SERVICES LIMITED 701, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off. Bandra Kurla Complex, Bandra (East), Mumbai- 400 051, India Tel No.: +91 (22) 6149 1500; Facsimile: +91 (22) 6149 1515; Email: ireda2013@karvy.com; Investor Grievance Email: igmbd@karvy.com, cmg@karvy.com; Website: www.karvy.com; Contact Person: Mr. Sumit Singh/Mr. Rohan Menon; Compliance Officer: Mr. V Madhusudhan Rao; SEBI Registration No.: MB/INM000008365</p>	<p>A. K. CAPITAL SERVICES LIMITED 30-39 Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400021 Tel No.: +91 (22) 6754 6500/6634 9300; Facsimile: +91 (22) 6610 0594; Email: iredatfbonds13@akgroup.co.in; Investor Grievance Email: investor.grievance@akgroup.co.in; Website: www.akcapindia.com; Contact Person: Mr. Mandeep Singh / Mr. Lohit Sharma; Compliance Officer: Mr. Vikas Agarwal; SEBI Registration No.: MB/INM000010411</p>	<p>RR INVESTORS CAPITAL SERVICES PRIVATE LIMITED 47, M.M Road, Rani Jhansi Marg, Jhandewalan, New Delhi- 110 055, India Tel No.: +91 (11) 2363 6362/63; Facsimile: +91 (11) 2363 6746; Email: iredataxfree2013@rrfcl.com; Investor Grievance Email: investor@rrfcl.com; Website: www.rrfinc.com/www.rrfcl.com; Contact Person: Mr Anurag Awasthi; Compliance Officer: Mr Ravi Kant Goyal; SEBI Registration No.: MB/INM000007508</p>

REGISTRAR TO THE ISSUE

<p>LINK INTIME INDIA PRIVATE LIMITED C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai 400 078 Tel No.: +91 22 2596 7878; Facsimile: +91 22 2596 0329; Email: ireda.ncd@linkintime.co.in; Investor Grievance Email: ireda.ncd@linkintime.co.in Website: www.linkintime.co.in; Contact Person: Mr. Sachin Achar; SEBI Registration No.: INR000004058</p>

DEBENTURE TRUSTEE

<p>SBICAP TRUSTEE COMPANY LIMITED Apeejay House, 6th Floor Dinshaw Wacha Road, Churchgate, Mumbai- 400020 Tel No.: +022 4302 5555; Facsimile: 022 4302 5500/22040465; Email: corporate@sbicaptrustee.com; Investor Grievance Email: investor.cell@sbicaptrustee.com; Website: www.sbicaptrustee.com; Contact Person: Mr. Ajit Joshi; SEBI Registration No.: IND000000536</p>

ISSUE PROGRAMME**

<p>TRANCHE-I ISSUE OPENS ON February 17, 2014</p>	<p>TRANCHE-I ISSUE CLOSES ON March 10, 2014</p>
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**The Tranche-I Issue shall remain open for subscription from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in at least one leading national daily newspaper with wide circulation. SBICAP Trustee Company Limited has vide its letter no. 3076/STCL/D/2013-14 dated January 6, 2014, given its consent for its appointment as Debenture Trustee to the Issue in accordance with regulation 4(4) of SEBI Debt Regulations and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus, this Prospectus Tranche - I and in all the subsequent periodical communications sent to the holders of the Bonds issued pursuant to this Issue.

A copy of this Prospectus Tranche - I, the Shelf Prospectus, written consents of our Directors, Company Secretary and Compliance Officer, the Auditor, the Chartered Accountant issuing statement of tax benefit, the Legal Advisor, the Lead Managers, the Registrar to the Issue, Escrow Collection Bank(s), Refund Bank, Credit Rating Agencies, the Bankers to the Company, the Debenture Trustee, and the Consortium Members to act in their respective capacities shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana, in terms of the applicable provisions of the Companies Act, 1956 and Section 31 of the Companies Act, 2013 along with the requisite endorsed/certified copies of all requisite documents. For further details please refer to the chapter titled "Material Contracts and Documents for Inspection" beginning on page 93.

TABLE OF CONTENTS

DEFINITIONS AND ABBREVIATIONS	1
CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION	8
FORWARD LOOKING STATEMENTS	10
THE ISSUE	11
GENERAL INFORMATION	15
OBJECTS OF THE ISSUE	23
STATEMENT OF TAX BENEFITS	25
MATERIAL DEVELOPMENTS	30
OTHER REGULATORY AND STATUTORY DISCLOSURES	31
ISSUE STRUCTURE	35
TERMS AND CONDITIONS IN CONNECTION WITH THE BONDS	38
TERMS OF THE ISSUE	40
ISSUE PROCEDURE	61
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	93
DECLARATION	95
ANNEXURE A – KEY FINANCIAL PARAMETERS	96
APPENDIX I – SHELF PROSPECTUS	97

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Prospectus Tranche - I to “our Company” or “we” or “us” or “our” or “IREDA” are to Indian Renewable Energy Development Agency Limited, a public limited company incorporated under the Companies Act, 1956.

This Prospectus Tranche - I uses certain definitions and abbreviations which, unless the context indicates or implies otherwise, have the meaning provided below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Company Related Terms

Term	Description
Articles/ Articles of Association/AoA	Articles of Association of our Company
Auditors / Statutory Auditors	Statutory auditors of our Company being M/s. Gianender & Associates, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company
Corporate Office	Corporate Office of our Company, at 3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi – 110066
Equity Shares	Equity Shares of our Company of face value of ₹1,000 each
“Issuer”, “IREDA”, “we”, “us”, “our”, “our Company” or “the Company”	Indian Renewable Energy Development Agency Limited , a company incorporated under the Companies Act, 1956 and having its registered office at India Habitat Centre, East Court, Core 4 ‘A’, 1st Floor, Lodhi Road, New Delhi – 110003
Memorandum/Memorandum of Association/MoA	Memorandum of Association of our Company
Registered Office	Registered office of our Company, at India Habitat Centre, East Court, Core 4 ‘A’, 1st Floor, Lodhi Road, New Delhi – 110003
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana

Issue Related Terms

Term	Description
AK Capital	A. K. Capital Services Limited
Allotment/ Allot/ Allotted	Issue and allotment of Bonds to successful Applicants pursuant to this Tranche-I Issue
Allotment Advice	The communication sent to the Allottees conveying the details of Bonds allotted to the Allottees in accordance with the Basis of Allotment
Allottee	Successful Applicant(s) to whom Bonds are Allotted pursuant to this Tranche-I Issue
Applicant/ Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of the Shelf Prospectus and Application Form for Tranche-I Issue
Application	An application to subscribe to the Bonds offered pursuant to the Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed under this Prospectus Tranche – I
Application Amount	The aggregate value of the Bonds applied for by the Applicant, as indicated in the Application Form for Tranche-I Issue
Application Form	The form in terms of which an Applicant shall make an offer to subscribe to Bonds and which will be considered as the application for Allotment of Bonds in terms of this Prospectus Tranche – I
Application Supported by Blocked Amount/ASBA/ ASBA Application	The Application (whether physical or electronic) used by an ASBA Applicant to make an Application authorising the SCSB to block the Application Amount in a specified bank account maintained with such SCSB
ASBA Account	An account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount in relation to the Application Form made in ASBA mode
ASBA Applicant	Any applicant who applies for the Bonds through the ASBA process
Base Issue Size	₹ 500 Crores
Basis of Allotment	The basis on which the Bonds will be allotted to successful Applicants under the Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 87
Bond Certificate(s)	Certificate issued to Bondholder(s) pursuant to Allotment, in case the Applicant has Applied for Allotment of Bonds in physical form or in case the Bondholder(s) have opted for rematerialisation of Bonds
Bond Committee	Committee constituted by the Board of Directors in their meeting held on December 23,

Term	Description
	2013
Bondholder(s)	Any person holding Bonds and whose name appears on the beneficial owners list provided by the Depositories (in case of Bonds held in dematerialised form) or whose name appears in the Register of Bondholders maintained by our Company/Registrar to the Issue (in case of Bonds held in physical form)
Bonds	Tax free, secured, redeemable, non-convertible bonds in the nature of debentures of face value of ₹ 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, proposed to be issued by our Company pursuant to the Shelf Prospectus and this Prospectus Tranche – I
Brickwork	Brickwork Rating India Private Limited
CARE	Credit Analysis & Research Limited
Category I (QIBs)*	<ul style="list-style-type: none"> • Public Financial Institutions, scheduled commercial banks, state industrial development corporations, which are authorised to invest in the Bonds; • Provident funds and pension funds with minimum corpus of ₹ 25 crores, which are authorised to invest in the Bonds; • Insurance companies registered with the IRDA; • National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India); • Insurance funds set up and managed by the army, navy or air force of the Union of India or set up and managed by the Department of Posts, India; • Indian multilateral and bilateral development financial institutions; • Mutual funds registered with SEBI; and • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. <p><i>* The MCA has, through its circular (General Circular No. 06/2013) dated March 14, 2013, clarified that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing bank rate, there shall be no violation of Section 372A(3) of the Companies Act, 1956</i></p>
Category II (Domestic Corporates)*	<ul style="list-style-type: none"> • Companies within the meaning of section 2(20) of the Companies Act, 2013; • Statutory bodies/corporations; • Co-operative banks; • Public/ private/ religious trusts; • Limited Liability Partnerships; • Regional rural banks; • Societies registered under the applicable laws in India; • Partnership firms in the name of partners; and • Any other domestic legal entities/ persons as may be permissible under the CBDT Notification and authorised to invest in the Bonds in terms of applicable laws. <p><i>*The MCA has, through its circular (General Circular No. 06/2013) dated March 14, 2013, clarified that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing bank rate, there shall be no violation of Section 372A(3) of the Companies Act, 1956</i></p>
Category III (Domestic High Networth Individuals/HNIs)	The following investors applying for an amount aggregating to more than ₹10.00 lakh in the Tranche-I Issue: <ul style="list-style-type: none"> • Resident Indian Individuals; and • Hindu Undivided Families through the Karta
Category IV (Retail Individual Investors)	The following investors applying for an amount aggregating upto and including ₹10.00 lakh in the Tranche-I Issue <ul style="list-style-type: none"> • Resident Indian Individuals; and • Hindu Undivided Families through the Karta
CBDT Notification	Notification No. 61/2013/F.No.178/37/2013-(ITA.I) dated August 8, 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India
Collection Centres	Collection Centres shall mean those branches of the Bankers to the Issue that are authorised to collect the Application Forms (other than ASBA) as per the Escrow Agreement to be entered into by our Company, Bankers to the Issue, Registrar and Lead Managers
Consolidated Bond Certificate	In case of Bonds applied for in physical form or rematerialized Bonds held in physical form, the certificate issued by our Company to our Bondholder for the aggregate amount of each of the series of Bonds that are rematerialized and held by such Bondholder
Consortium Agreement	Consortium Agreement dated January 21, 2014 among our Company and the Consortium Members
Consortium Members	Lead Managers and Karvy Stock Broking Limited, A. K. Stockmart Private Limited and RR Equity Brokers Private Limited

Term	Description
Credit Rating Agencies	Brickwork and CARE
Debenture Trustee Agreement	Agreement dated January 21, 2014 entered into between the Debenture Trustee and our Company
Debenture Trust Deed	Trust deed to be entered into between the Debenture Trustee and our Company
Debenture Trustee / Trustee	Trustee for the Bondholders in this case being SBICAP Trustee Company Limited
Deemed Date of Allotment	The date on which, the Board of Directors or Bond Committee approves the Allotment of Bonds for this Tranche-I Issue or such date as may be determined by the Board of Directors or Bond Committee and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified for Tranche-I Issue by Prospectus Tranche - I) shall be available from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant, such as his/ her address, bank account details for printing on refund orders and occupation.
Depositories	NSDL and CDSL
Designated Branches	All branches of the SCSBs which shall collect the Application Form used by ASBA Applicants, a list of which is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries in or such other website as may be prescribed by the SEBI from time to time
Designated Date	Date of instructions being given for Application Amounts to be transferred from the Escrow Account(s) to the Public Issue Account or the Refund Account, and the Registrar to the Issue issues instructions to the SCSBs for transfer of funds to the Public Issue Account or unblock such amounts as are liable to be refunded, as appropriate, following which the Board shall Allot the Bonds to successful Applicants
Designated Stock Exchange	BSE
Draft Shelf Prospectus	The draft shelf prospectus dated January 21, 2014 filed by our Company with the Stock Exchanges and SEBI on January 22, 2014, in accordance with the provisions of the SEBI Debt Regulations
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s), in whose favour Applicants (other than ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting an Application for this Tranche-I Issue
Escrow Agreement	Agreement dated January 30, 2014 entered into by our Company, the Lead Managers, the Escrow Collection Bank(s) and the Registrar to the Issue for collection of the Application Amounts and where applicable, refunds of amounts collected from Applicants (other than ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s) / Bankers to the Issue	Banks which are clearing members and registered with SEBI with whom the Escrow Account will be opened, in this case being Kotak Mahindra Bank Limited, State Bank of India, Yes Bank Limited, Axis Bank Limited and IndusInd Bank Limited
Interest Payment Date/ Coupon Payment Date	The date, which is the day falling one year from the Deemed Date of Allotment, in case of the first coupon/ interest payment and the same day every year, until the Redemption Date for subsequent coupon/ interest payment.
Issue	<p>Public issue of tax free, secured, redeemable, non-convertible bonds in the nature of debentures of face value of ₹ 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, for an amount aggregating up to ₹ 500 Crores with an option to retain oversubscription up to ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores* in the Fiscal 2014</p> <p><i>*In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.</i></p>
Issue Agreement	The agreement entered into on January 21, 2014, between our Company and the Lead Managers
Issue Period	The period between the Tranche-I Issue Opening Date and the Tranche-I Issue Closing Date inclusive of both days, during which a prospective investor may submit their Application Forms as specified in the Tranche-I Prospectus
Issue Size	₹ 500 Crores with an option to retain oversubscription up to ₹ 500 crores for issuance of

Term	Description
	additional Bonds aggregating to a total of upto ₹ 1,000 Crores
Karvy	Karvy Investor Services Limited
Lead Managers/ LMs	Karvy, AK Capital and RR Investors
Market Lot	1 (One) Bond
MNRE	Ministry of New and Renewable Energy
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Prospectus Tranche - I	This tranche prospectus dated February 10, 2014 containing the details of Bonds including interest, other terms and conditions, material developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection of the Tranche-I Issue
Public Issue Account	Account opened with the Escrow Collection Bank(s) to receive monies from the Escrow Account(s) and the ASBA Accounts, on the Designated Date
Record Date	Date falling 15 days prior to the relevant Interest Payment Date on which interest amount or the Maturity Date/Redemption Date on which the Maturity Amount is due and payable under this Prospectus Tranche - I. In the event the Record Date falls on a Saturday, Sunday or a Public Holiday in New Delhi or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Working Day shall be considered as the Record Date
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount (excluding application amounts from ASBA Applicants) shall be made
Redemption Amount or Maturity Amount	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date
Redemption Date or Maturity Date	For Tranche I Series IA and Tranche I Series IB, the date, falling 10 years from the Deemed Date of Allotment; for Tranche I Series IIA and Tranche I Series IIB the date falling 15 years from the Deemed Date of Allotment; and for Tranche I Series IIIA and Tranche I Series IIIB, the date falling 20 years from the Deemed Date of Allotment
Refund Bank	IndusInd Bank Limited
Register of Bondholders	Register of Bondholders (in case of Bonds held in physical form) maintained by the Issuer in accordance with the Companies Act, 1956 and as detailed in “ Terms of the Issue – Rights of Bondholders ” on page 56
Registrar Agreement	Agreement dated January 21, 2014 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue or Registrar	Link Intime India Private Limited
Resident Indian Individual	Individual who is a person resident in India as defined under the Foreign Exchange Management Act, 1999
RR Investors	RR Investors Capital Services Private Limited
Self Certified Syndicate Banks or SCSBs	The banks registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, a list of which is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries . A list of the branches of the SCSBs where Application Forms will be forwarded by such Syndicate Members is available at www.sebi.gov.in
Series of Bonds/Series	A series of Bonds, which are identical in all respects including but not limited to terms and conditions, listing and ISIN number (in the event that Bonds in a single Series of Bonds carry the same coupon/ interest rate) and as further stated to be an individual “Series” in this Prospectus Tranche – I
Shelf Limit	The aggregate limit of the Issue being ₹ 1,000 crores* to be issued as per the terms of the Shelf Prospectus, through one or more tranches. * In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book

Term	Description
	<i>building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.</i>
Shelf Prospectus	The shelf prospectus dated February 10, 2014 filed by our Company with the RoC, Stock Exchanges and SEBI pursuant to the provisions of the SEBI Debt Regulations after incorporation of the comments received from the public on the Draft Shelf Prospectus
Specified Cities/ Syndicate ASBA Locations	Application centres at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat where the Syndicate Members shall accept Application Forms under the ASBA process in terms of the SEBI Circular No. CIR/CFD/DIL/1/2011, dated April 29, 2011
Stock Exchanges	BSE and NSE
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Syndicate Member, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the Syndicate Members, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website(s) as may be prescribed by SEBI from time to time
Syndicate Members	Collectively, the Lead Managers, the Consortium Members and their respective affiliate, the sub consortium members, brokers and sub-brokers acting in relation to the Issue
Trading Member	Intermediaries registered as a broker or a sub-broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable bye laws, rules, regulations, guidelines, circulars issued by the relevant Stock Exchanges from time to time
TRS/ Transaction Registration Slip	The acknowledgement or document issued by any of the Syndicate Members, SCSBs or Trading Members of the Stock Exchange(s), as the case may be, to an Applicant upon demand as proof of registration of Application for Bonds.
Tranche Issue	Issue of Bonds as per the terms specified in a Tranche Prospectus
Tranche-I Issue	Public issue of tax free, secured, redeemable, non-convertible bonds in the nature of debentures of face value of ₹ 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, for an amount aggregating up to ₹ 500 Crores with an option to retain oversubscription up to ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores
Tranche-I Issue Closing Date	March 10, 2014* <i>*The Tranche-I Issue shall remain open for subscription from 10 a.m. to 5p.m.(Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue,our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in atleast one leading national daily newspaper with wide circulation</i>
Tranche-I Issue Opening Date	February 17, 2014
Tripartite Agreements	Tripartite agreement dated April 29, 2009 between our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated June 7, 2002 between our Company, NSDL and the Registrar to the Issue
Working Days	All days excluding Sundays or a public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Issue Period and Record Date, where working days shall mean all days, excluding Saturdays, Sundays and public holiday in New Delhi or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
AD	Authorised Dealer
ADB	Asian Development Bank
AFD	Agence Francaise de Development
AGM	Annual General Meeting
AMC	Asset Management Company
AS	Accounting Standards issued by the ICAI
BIFR	Board for Industrial and Financial Reconstruction
Borrowing in Rupees Regulations	FEMA (Borrowing or Lending in Rupees) Regulations, 2000, as amended and supplemented from time to time

Term/Abbreviation	Description/ Full Form
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARE	Credit Analysis & Research Limited
CBDT	Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
Civil Procedure Code	Code of Civil Procedure, 1908, as amended and supplemented from time to time
Companies Act, 1956	Companies Act, 1956, as amended and supplemented from time to time
Companies Act, 2013	Companies Act, 2013, to the extent notified and as amended and supplemented from time to time
CSR	Corporate Social Responsibility
CTS	Cheque Truncation System
Debt Listing Agreement	The debt listing agreement entered into by our Company with the Stock Exchanges
Depository(ies)	CDSL and NSDL
Depositories Act	Depositories Act, 1996, as amended and supplemented from time to time
DP/ Depository Participant	Depository Participant, as defined under the Depositories Act, 1996
DP ID	Depository Participant ID
DRR	Debenture Redemption Reserve
DTC	Direct Tax Code
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended and supplemented from time to time
FEMA 2000	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and supplemented from time to time
FII	Foreign Institutional Investor
FIMMDA	Fixed Income Money Market and Derivative Association of India
Financial Year/ Fiscal/ FY	Period of 12 months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
GDP	Gross Domestic Product
GoI or Government	Government of India
HUFs	Hindu Undivided Families
ICAI	Institute of Chartered Accountants of India
IFSC	Indian Financial System Code
IRDA	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
Income Tax Act	Income Tax Act, 1961, as amended and supplemented from time to time
India	Republic of India
Indian GAAP	Generally accepted accounting principles followed in India
JICA	Japan International Corporation Agency
KFW	Kreditanstalt Fur Wiederaufbau
KYC	Know your customer
LIBOR	London Inter-Bank Offer Rate
LIC	Life Insurance Corporation of India
LLP Act	Limited Liability Partnership Act, 2008, as amended and supplemented from time to time
MCA	Ministry of Corporate Affairs, GoI
MF	Mutual Fund
MICR	Magnetic Ink Character Recognition
MoF	Ministry of Finance, GoI
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NI Act, 1881	Negotiable Instruments Act, 1881
NIB	Nordic Investment Bank
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NSSF	National Small Savings Fund
p.a.	<i>Per annum</i>
PAN	Permanent Account Number
PAT	Profit After Tax
PFI	Public Financial Institution, as defined under section 4A of the Companies Act, 1956 and Section 2(72) of the Companies Act, 2013
PIO	Person of Indian Origin
PMLA	Prevention of Money Laundering Act, 2002
PPP	Public Private Partnership
RBI	Reserve Bank of India

Term/Abbreviation	Description/ Full Form
RBI Act	Reserve Bank of India Act, 1934
Rs. or '₹' or Rupees or Indian Rupees	Lawful currency of India
RTGS	Real Time Gross Settlement
SARFAESI Act, 2002	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India
SEBI Debt Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended and supplemented from time to time
Securities Act	United States Securities Act, 1933, as amended and supplemented from time to time
SIDBI	Small Industries Development Bank of India
Trusts Act	Indian Trusts Act, 1882, as amended and supplemented from time to time
UAN	Unique application number
Venture Capital Funds or VCFs	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus Tranche - I to “**India**” are to the Republic of India and its territories and possessions.

Financial Data

Unless stated otherwise, the financial data of our Company for six months period ended September 30, 2013 and for each year ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 included in this Prospectus Tranche - I has been derived from the audited financial statements of our Company as at and for the six month period ended September 30, 2013 and as at and for the years ended March 31, 2013, 2012, 2011, 2010 and 2009, and has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 and SEBI Debt Regulations. The audited financial statements for the six months period ended on September 30, 2013 and the years ended March 31, 2013, March 31, 2012, March 31, 2011 were audited by M/s. Gianender & Associates, Chartered Accountants, the current Auditors of our Company and for the years ended March 31, 2010 and March 31, 2009 were audited by M/s. S.C.Vasudeva & Co, Chartered Accountants, the previous statutory auditors of our Company. In this Prospectus Tranche - I, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

The current financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular “financial year”, “fiscal year”, and “Fiscal” or “FY”, unless stated otherwise, are to the 12 months period ended on March 31 of that year.

The degree to which the financial statements prepared in accordance with Indian GAAP included in this Prospectus Tranche - I will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus Tranche - I should accordingly be limited.

Currency and Unit of Presentation

In this Prospectus Tranche - I, references to ‘₹’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India and references to ‘US\$’, ‘USD’, and ‘U.S. dollars’ are to the legal currency of the United States of America and references to ‘Euro’, ‘DM’ and ‘€’ are to the legal currency of the European Union and references to ‘Japanese Yen’, ‘JPY’ and ‘¥’ are to the legal currency of Japan.

Industry and Market Data

Any industry and market data used in this Prospectus Tranche - I consists of estimates based on data reports compiled by government bodies, professional organizations and analysts, data from other external sources and knowledge of the markets in which our Company competes. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable but it has not been independently verified by us or its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although our Company believes the industry and market data used in this Prospectus Tranche - I is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data is presented in this Prospectus Tranche - I is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our Company conducts its business, and methodologies and assumptions may vary widely among different market and industry sources.

Exchange Rates

The exchange rates of the US\$, € and ¥ as at and for the six month period ended September 30, 2013 and for the years ended March 31, 2013, 2012, 2011, 2010 and 2009 are provided below:

Currency	Exchange rate into ₹ as at September 30, 2013	Exchange rate into ₹ as at March 28, 2013*	Exchange rate into ₹ as at March 30, 2012**	Exchange rate into ₹ as at March 31, 2011	Exchange rate into ₹ as at March 31, 2010	Exchange rate into ₹ as at March 31, 2009
1 US\$	62.78	54.39	51.16	44.65	45.14	50.95
1 €	84.67	69.54	68.34	63.24	60.56	67.48
1 ¥	0.64	0.58	0.62	0.54	0.48	0.52

Source: www.rbi.org.in

*March 29, 2013 was a holiday and March 30, 2013 and March 31, 2013 were trading holiday; hence, exchange rates for last working day of March, 2013 i.e. March 28, 2013 have been used.

** March 31, 2012 was trading holiday; hence, exchange rates for last working day of March, 2012 i.e. March 30, 2012 have been used.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Prospectus Tranche - I that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek,' 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Prospectus Tranche - I that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- our ability to comply with certain specific conditions prescribed by the Government of India ("GoI") in relation to our business or any changes in laws and regulations applicable to companies in India, including foreign exchange control regulations in India;
- volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/financial institutions;
- limited recourse in the event of default by our borrowers;
- possible contingent liabilities and uninsured losses;
- credit and market risks, affecting our credit ratings and our cost of funds;
- unavailability of financing at commercially acceptable terms, or at all;
- concentration of our exposure to certain sectors, areas and borrowers;
- foreign currency borrowings as well as financing activities, which will expose us to fluctuations on foreign exchange rates;
- we may face asset-liability mismatches, which could affect our liquidity;
- our provisioning norms may not be indicative of the expected quality of our loan portfolio;
- changes in political conditions in India and internationally;
- governmental and regulatory actions that may affect our business or our industry;
- other factors discussed in the Shelf Prospectus, including under "*Risk Factors*" on page 12 of the Shelf Prospectus.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Our Business*" and "*Material Developments*" on page 64 and 114, respectively of the Shelf Prospectus. The forward-looking statements contained in this Prospectus Tranche - I are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, our Company cannot assure Investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

THE ISSUE

The following is a summary of the terms of the Bonds. This section should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Issue Structure*” and “*Terms of the Issue*” on page 35 and 40, respectively, of this Prospectus Tranche - I.

Particulars	Terms and Conditions
Security Name	See “Terms and Conditions in Connection with the Bonds” on page 38
Issuer	Indian Renewable Energy Development Agency Limited
Type of instrument	Tax free secured redeemable non convertible bonds of face value of ₹ 1,000 each, in the nature of debentures, having benefits under section 10(15)(iv)(h) of the Income Tax Act.
Nature of instrument	Secured, redeemable and non convertible Bonds
Seniority	The claims of the Bondholders shall be superior to the claims of any unsecured creditors of our Company and subject to applicable statutory and/or regulatory requirements, rank pari passu inter se to the claims of other secured creditors of our Company having the same security.
Mode of issue	Public issue
Eligible Investors	Please refer to the section titled “ <i>Issue Procedure- Who can apply</i> ” on page 61
Listing	The Bonds shall be listed on the BSE and NSE within 12 Working Days from the Tranche – I Issue Closing Date.
Designated Stock Exchange	BSE Limited
Credit Rating of the instrument	BWR AAA (SO) [pronounced BWR Triple A (Structured Obligation)] (Outlook: Stable)” by Brickwork and “CARE AAA (SO) [Triple A (Structured Obligation)]” by CARE. These credit ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by assigning rating agencies and should be evaluated independently of any other ratings. For the rationale for these ratings, see Annexure B of the Shelf Prospectus.
Issue size	₹ 500 Crores with an option to retain oversubscription up to ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores.
Option to retain over subscription	The Bonds are offered for an amount of ₹ 500 crores with an option to retain oversubscription upto ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores in the Fiscal 2014.
Objects of the Issue	See the section titled “Objects of the Issue” on page 23
Details of utilisation of proceeds	See the section titled “Objects of the Issue” on page 23
Coupon rate	See the section titled “Terms of the Issue – Interest” on page 45
Step up/ step down coupon rates	Not Applicable
Coupon payment frequency	Annual
Coupon payment dates	The date, which is the day falling one year from the Deemed Date of Allotment, in case of the first coupon/ interest payment and the same day every year, until the Redemption Date for subsequent coupon/ interest payment.
Coupon type	Fixed
Coupon Reset Process	Not Applicable
Default interest rate	See the section titled “Terms of the Issue – Events of Default” on page 56
Day count basis	Actual/actual
Interest on Application Amounts	See the section titled “Terms of the Issue – Interest on Application Amounts” on page 46
Tenor	10 years, 15 years and 20 years from the Deemed Date of Allotment
Redemption Dates	For Tranche I Series IA and Tranche I Series IB, the date, falling 10 years from the Deemed Date of Allotment; for Tranche I Series IIA and Tranche I Series IIB the date falling 15 years from the Deemed Date of Allotment; and for Tranche I Series IIIA and Tranche I Series IIIB, the date falling 20 years from the Deemed Date of Allotment
Redemption Amount	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date
Redemption Premium /Discount	Not Applicable
Issue Price (in ₹)	1,000 per Bond
Face Value (in ₹)	1,000 per Bond
Minimum application size	5 bonds (₹ 5000) individually or collectively across all Series of Bonds
Tranche-I Issue Opening Date	February 17, 2014

Particulars	Terms and Conditions
Tranche-I Issue Closing Date	March 10, 2014* <i>*The Tranche-I Issue shall remain open for subscription from 10 a.m. to 5p.m.(Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in atleast one leading national daily newspaper with wide circulation.</i>
Pay-in date	Application Date. Full Application Amount with the Application Form, except ASBA Applications. See “ Issue Procedure – Payment Instructions ” on page 70
Deemed Date of Allotment	The date on which, the Board of Directors or Bond Committee approves the Allotment of Bonds for this Tranche-I Issue or such date as may be determined by the Board of Directors or Bond Committee and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified for Tranche-I Issue by Prospectus Tranche - I) shall be available from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment.
Issuance mode of the Instrument	In dematerialised form or in physical form as specified by the Applicant in the Application Form [#]
Trading mode of the Instrument	In dematerialised form only
Settlement mode of the Instrument	Through various available modes as detailed in the section titled “ Issue Procedure – Payment Instructions ” on page 70
Depositories	NSDL and CDSL
Working Day Convention	See the section titled “ Terms of the Issue – Effect of holidays on payments ” on page 48
Record Date	Date falling 15 days prior to the relevant Interest Payment Date on which interest amount or the Maturity Date/Redemption Date on which the Maturity Amount is due and payable under this Tranche-I Prospectus. In the event the Record Date falls on a Saturday, Sunday or a Public Holiday in New Delhi or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Working Day shall be considered as the Record Date
Security	The Bonds proposed to be issued are secured by a floating first pari-passu charge on present and future receivables of our Company to the extent of amount mobilized under the Issue. Our Company reserves the right to create first pari-passu charge on present and future receivables for its present and future financial requirements.
Transaction Documents	The Shelf Prospectus, this Prospectus Tranche - I read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other security documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Debenture Trust Deed, the Debenture Trustee Agreement, the Escrow Agreement, the Registrar Agreement, Consortium Agreement and the Issue Agreement with the Lead Managers.
Security Cover	Atleast 100% of the outstanding Bonds at any point of time
Conditions Precedent to Disbursement	The conditions precedent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Condition Subsequent to Disbursement	The conditions subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Events of Default	Please refer to the chapter titled “ Terms of the Issue - Events of Default ” on page 56
Provisions related to Cross Default Clause	Please refer to the chapter titled “ Terms of the Issue ” on page 40
Role and Responsibilities of Debenture Trustee	Please refer to the chapter titled “ Terms of the Issue- Debenture Trustees ” on page 58
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing Indian laws. Any dispute between our Company and the Bondholders will be subject to the jurisdiction of competent courts in New Delhi.
Lead Mangers	Karvy, AK Capital and RR Investors
Registrar	Link Intime India Private Limited
Debenture Trustee	SBICAP Trustee Company Limited

[#] In terms of Regulation 4(2) (d) of the SEBI Debt Regulations, our Company will make the public issue of the Bonds in the dematerialized form. However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the Bonds in physical form will fulfill such request. However, trading in Bonds shall be compulsorily in dematerialized form.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and/or regulatory provisions.

In case of Application Form being submitted in joint names, Applicants should ensure that the demat account is also held in the same joint names, and the names appearing in the demat account are in the same sequence in which they appear in the Application Form.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of Bonds pursuant to the Issue.

SPECIFIC TERMS FOR EACH SERIES OF BONDS

Options	Series of Bonds*		
	For Category I, II & III#		
	Tranche I Series IA	Tranche I Series IIA	Tranche I Series IIIA
Coupon Rate (%) p.a.	8.16%	8.55%	8.55%
Annualised Yield (%)	8.16%	8.55%	8.55%
Options	For Category IV#		
	Tranche I Series IB	Tranche I Series IIB	Tranche I Series IIIB
	Coupon Rate (%) p.a.	8.41%	8.80%
Annualised Yield (%)	8.41%	8.80%	8.80%
For Category I, II, III & IV#			
Tenor	10 years	15 years	20 years
Redemption Date	10 years from the Deemed Date of Allotment.	15 years from the Deemed Date of Allotment.	20 years from the Deemed Date of Allotment.
Redemption Amount (₹/ Bond)	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date
Frequency of interest payment	Annual	Annual	Annual
Minimum Application size	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds
In multiples of	1 Bond	1 Bond	1 Bond
Face Value (₹/ Bond)	₹ 1,000.	₹ 1,000.	₹ 1,000.
Issue Price (₹/ Bond)	₹ 1,000.	₹ 1,000.	₹ 1,000.
Modes of interest payment	Through various available modes.**	Through various available modes.**	Through various available modes.**
Put and call option	None.	None.	None.

* Our Company shall Allot Bonds of Tranche I Series IA/Tranche I Series IB(depending upon the category of Applicants)for all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of Bonds.

** For various modes of interest payment, see the section titled "Terms of the Issue – Modes of Payment" on page 54.

In pursuance of the CBDT Notification, and for avoidance of doubt, it is clarified that:

(i) The coupon rates indicated under the Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB Bonds shall be payable only on the Bonds allotted to Category IV investors in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under Category IV.

(ii) In case the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB are transferred by Category IV investors to investors falling under Categories I, Category II or Category III, the coupon rate on such Bonds shall stand at par with coupon rate applicable for Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA, respectively.

(iii) If the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB are sold/ transferred by Category IV investors to other investors falling under Category IV as on the Record Date, the coupon rates on such Bonds shall remain unchanged.

(iv) The Bonds allotted under Tranche I Series IB, Tranche I Series IIB and the Tranche I Series IIIB shall continue to carry the specified interest rate if on the Record Date, such Bonds are held by Category IV Investors;

(v) If on any Record Date, the original Category IV Allottees/ transferee(s) hold the Bonds allotted under Tranche I Series IB, Tranche I Series IIB, Tranche I Series IIIB, Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA for an aggregate face value amount of over ₹ 10 lakhs, then the coupon rate applicable to such Category IV Allottees/transferee(s) on Bonds under Tranche I Series IB, Tranche I Series IIB and Tranche I Series IIIB shall stand at par with coupon rates applicable for Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA, respectively;

(vi) Bonds allotted under Tranche I Series IA, Tranche I Series IIA and Tranche I Series IIIA shall carry coupon rates indicated above until the maturity of the respective Series of Bonds irrespective of Category of holder(s) of such Bonds;

(vii) For the purpose of classification and verification of status of Category IV Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds, allotted under the Tranche-I Issue shall be clubbed and taken together on the basis of PAN.

SBICAP Trustee Company Limited has vide its letter dated January 6, 2014 given its consent for its appointment as Debenture Trustee to the Issue in accordance with regulation 4(4) of SEBI Debt Regulations and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus, this Prospectus Tranche - I and in all the subsequent periodical communications sent to the holders of the Bonds issued pursuant to this Issue.

GENERAL INFORMATION

Our Company was incorporated on March 11, 1987 as a public limited company under the Companies Act, 1956 and received a certificate for commencement of business on March 21, 1987. Pursuant to certificate of registration dated January 23, 2008, issued by RBI, our Company was registered as a systematically important non deposit taking NBFC. Our Company was set up by GoI under the administrative control of MNRE to promote, develop and extend financial assistance for renewable energy and energy efficiency projects. Further, our Company has been notified as a 'Public Financial Institution' by the MCA, through a notification (No. 10/37/94-CL.V) dated October 18, 1995. The President of India holds 100% of the paid up Equity Share capital of our Company, either directly or through nominee shareholders.

Registered Office

India Habitat Centre,
Core 4 'A' East Court, 1st Floor
Lodhi Road, New Delhi - 110003
Tel No: +91 (11) 24682206/19
Facsimile: +91 (11) 24682202

Corporate Office:

3rd Floor, August Kranti Bhawan
Bhikaiji Cama Place, New Delhi – 110066
Tel No: +91 (11) 26717400/12
Facsimile: +91 (11) 26717416

Registration

Details	Registration/Identification number
Registration Number	027265
Corporate Identification Number (CIN)	U40108DL1987GOI027265
RBI registration number	14.000012

For information on changes in our Registered Office, see "*History and Certain Corporate Matters*" on page 85 of the Shelf Prospectus.

Address of the Registrar of Companies

Our Company is registered at the office of:

The Registrar of Companies
National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019
Email: roc.delhi@mca.gov.in

Compliance Officer and Company Secretary

Mr. Surender Suyal
3rd Floor, August Kranti Bhawan
Bhikaiji Cama Place, New Delhi-110 066
Tel No.: +91 (11) 2671 7430
Facsimile: +91 (11) 2671 7416
Email: cs@ireda.gov.in

Investors may contact the Registrar to the Issue or our Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, bond certificate (for Applicants who have applied for Allotment in physical form), demat credit or refund orders.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of Bonds applied for, Series of Bonds applied for, amount paid on application, Depository Participant and the Collection Centre of the Syndicate Members where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Syndicate Member and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA centres, giving full details such as name, address of Applicant, Application Form number, series/option applied for number of Bonds applied for, amount blocked on Application.

All grievances arising out of Applications for the Bonds made through the Online Stock Exchange Mechanism or through Trading Members may be addressed directly to the relevant Stock Exchange.

Chief Financial Officer

Our Company does not have a designated Chief Financial Officer. The finance functions of our Company are headed by Mr. Satish Kumar Bhargava, whose particulars are provided below.

Mr. Satish Kumar Bhargava
Director (Finance)
3rd Floor, August Kranti Bhawan,
Bhikaiji Cama Place, New Delhi – 110 066
Tel No.: (011) 2671 7400/ 2671 7413
Facsimile: (011) 2671 7416
Email: skbhargava@ireda.gov.in

Lead Managers

Karvy Investor Services Limited

701, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off. Bandra Kurla Complex, Bandra (East), Mumbai- 400 051, India
Tel No.: +91 (22) 6149 1500
Facsimile: +91 (22) 6149 1515
Email: ireda2013@karvy.com
Investor Grievance Email: igmbd@karvy.com,
cmg@karvy.com
Website: www.karvy.com
Contact Person: Mr. Sumit Singh/Mr. Rohan Menon
Compliance Officer: Mr. V Madhusudhan Rao
SEBI Registration No.: MB/INM000008365

A. K. Capital Services Limited

30-39 Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021, India
Tel No.: +91 (22) 6754 6500/6634 9300;
Facsimile: +91 (22) 6610 0594
Email: iredatfbonds13@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akcapindia.com
Contact Person: Mr. Mandeep Singh / Mr. Lohit Sharma
Compliance Officer: Mr. Vikas Agarwal
SEBI Registration No.: MB/INM000010411

RR Investors Capital Services Private Limited

47. M.M Road, Rani Jhansi Marg
New Delhi- 110 055, India
Tel No.: +91 (11) 2363 6362/63
Facsimile: +91 (11) 2363 6746

Email: iredatxfree2013@rrfcl.com
Investor Grievance Email: investors@rrfcl.com
Website: www.rrfinance.com / www.rrfcl.com
Contact Person: Mr. Anurag Awasthi
Compliance Officer: Mr. Ravi Kant Goyal
SEBI Registration No.: INM000007508

Consortium Members

In addition to the Lead Managers, following are the Consortium Members to the Issue:

Karvy Stock Broking Limited

“Karvy House”, 46, Avenue 4, Street No. 1
Banjara Hills, Hyderabad – 500 034
Tel No.: +91 (40) 2331 2454
Facsimile: +91 (40) 6662 1474
Email: ksbldist@karvy.com
Investor Grievance Email: ksblredressal@karvy.com
Website: www.karvy.com
Contact person: Mr. P.B. Ramapriyan
Compliance Officer: Mr. Muthuswamy Iyer N.
SEBI Registration Number:
INB230770138(NSE)/INB010770130(BSE)

A. K. Stockmart Private Limited

30-39 Free Press House, Free Press Journal House,
215, Nariman Point, Mumbai 400 021, India
Tel No.: +91 (22) 6634 9300
Facsimile: +91 (22) 6754 4666
Email: ankit@akgroup.co.in
Investor Grievance Email:
stockmart@akgroup.co.in
Website: www.akcapindia.com
Contact Person and Compliance Officer: Mr. Ankit
Gupta
SEBI Registration No.: NSE – INB231269532
BSE – INB011269538

RR Equity Brokers Private Limited

47, M.M. Road, Rani Jhansi Marg
Jhandewalan, New Delhi-110 055
Tel No.: +91 (11) 2350 8473
Facsimile: +91 (11) 2363 6666
Email: manishagrawal@rrfcl.com
Investor Grievance Email: investors@rrfcl.com
Website: www.rrfinance.com/www.rrfcl.com
Contact person: Mr. Manish Agrawal
SEBI Registration Number: NSE – INB231219636
BSE – INB011219632

Debenture Trustee

SBICAP Trustee Company Limited

Apeejay House, 6th Floor Dinshaw Wachha Road
Churchgate, Mumbai- 400 020
Tel No.: +91 (22) 4302 5555
Facsimile: +91 (22) 4302 5500 / 2204 0465
Email: corporate@sbicaptrustee.com
Investor Grievance Email:
investor.cell@sbicaptrustee.com
Website: www.sbicaptrustee.com
Contact Person: Mr. Ajit Joshi
SEBI Registration No.: IND000000536

SBICAP Trustee Company Limited has by its letter dated January 6, 2014 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf

Prospectus, this Prospectus Tranche - I and in all the subsequent periodical communications sent to the holders of the Bonds issued, pursuant to this Issue pursuant to Regulation 4(4) of the Debt Regulations. Please see Annexure C for the consent letter of the Debenture Trustee.

Registrar to the Issue

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound L.B.S. Marg
Bhandup (West), Mumbai 400 078, Maharashtra, India
Tel No.: +91 (22) 2596 7878
Facsimile: +91 (22) 2596 0329
Email: ireda.ncd@linkintime.co.in
Investor Grievance Id: ireda.ncd@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration No.: INR000004058

Auditors

M/s. Gianender & Associates
Chartered Accountants
Plot No.6, Site 21, Geeta Mandir Marg
New Rajinder Nagar, New Delhi-110 060
Tel No.: +91 (11) 4241 2008
Facsimile: +91 (11) 2874 3942
Email: gka_ma@yahoo.com, info.gianender@gmail.com
Firm Registration No.: 04661N
Contact Person: CA. G.K. Agrawal

M/s. Gianender & Associates, Chartered Accountants, New Delhi, were appointed by the Comptroller and Auditor General of India, as Auditors of our Company for the financial year 2013-14. For further details, please see section titled “***Other Regulatory and Statutory Disclosures***” on page 31.

Escrow Collection Banks/ Bankers to the Issue

Kotak Mahindra Bank Limited

Kotak Towers, Cash Management Services
6th Floor, Zone 3, Building No.21
Infinity Park, Off Western Express Highway
Goregaon Mulund Link Road
Malad (E), Mumbai, Maharashtra – 400 097
Tel No.: +91 (22) 6605 6959
Facsimile: +91 (22) 6646 6540
E-mail: prashant.sawant@kotak.com
Website: www.kotak.com
Contact Person: Mr. Prashant Sawant
SEBI Registration Number: INBI00000927

State Bank of India

Videocon Heritage Building
Ground Floor, Charanjit Rai Marg
Fort, Mumbai 400 001
Tel No.: +91 (22) 2209 4932/ 2209 4927
Facsimile: +91 (22) 2209 4921
E-mail: nib.11777@sbi.co.in, sbi11777@yahoo.co.in
Website: www.statebankofindia.com
Contact Person: Mr. Anil Sawant
SEBI Registration Number: INBI00000038

Yes Bank Limited

India Bulls Finance Centre, Tower 2
8th Floor, Senapati Bapat Marg
Elphinstone (W); Mumbai-400 013
Tel No.: +91 (22) 3347 7374
Facsimile: +91 (22) 2421 4504
Email: dlbtiservices@yesbank.in

Axis Bank Limited

148 Statesman House
Barakhamba Road
New Delhi-110 001
Tel No.: +91 (011) 4742 5100
Facsimile: +91 (011) 2331 1054
Email: ashish.dhall@axisbank.com,

Website: www.yesbank.in
Contact Person: Mr. Alok Srivastava/ Avinash Pawar
SEBI Registration Number: INBI00000935 (*The certificate of SEBI Registration granted to Yes Bank Limited expired on January 9, 2014. Yes Bank Limited vide letter dated October 8, 2013 applied for permanent registration as banker to the issue.*)

amit.mishra@axisbank.com
rajkumar.miglani@axisbank.com
newdelhi.operationshead@axisbank.com
newdelhi.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Ashish Dhall/Amit Mishra/
Rajkumar Miglani
SEBI Registration Number: INBI00000017

IndusInd Bank Limited

Solitaire Park No. 1001, Building No. 10
Ground Floor, Guru Hargovindji Marg
Andheri (E); Mumbai- 400 093
Tel No.: +91 (22) 6772 3901 to 3917
Facsimile: +91 (22) 6772 3998
Email: suresh.esaki@indusind.com
Website: www.indusind.com
Contact Person: Mr Suresh Esaki
SEBI Registration Number: INBI00000002

Refund Bank

IndusInd Bank Limited

Solitaire Park No. 1001, Building No. 10
Ground Floor, Guru Hargovindji Marg
Andheri (E); Mumbai- 400 093
Tel No.: +91 (22) 6772 3901 to 3917
Facsimile: +91 (22) 6772 3998
Email: suresh.esaki@indusind.com
Website: www.indusind.com
Contact Person: Mr Suresh Esaki
SEBI Registration Number: INBI00000002

Self Certified Syndicate Banks

The list of Designated Branches that have been notified by SEBI to act as SCSBs for ASBA process is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> or at such other website as may be prescribed by SEBI from time to time. For more information on the Designated Branches collecting ASBA Applications, see the above mentioned web-link.

Syndicate SCSB Branches

In relation to ASBA Applications submitted to the Lead Managers, Consortium Members, sub-brokers or the Trading Members of the Stock Exchange(s) only in the specified cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Lead Managers, Consortium Members, sub-brokers or the Trading Members of the Stock Exchange(s) is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from the Syndicate Members or the Trading Members of the Stock Exchange(s) only in the Specified Cities, see the above mentioned web-link.

Bankers to the Company

Nordic Investment Bank

Japan International Cooperation Agency

Fabianinkatu 34, 00100 Helsinki
Finland (Mail.P.O.Box 249,00171,Helsinki)
Tel No.: +358 (10) 618 001
Facsimile: +358 (10) 618 0719
Email: taina.ulkonieni@nib.int
Contact Person: Mrs. Taina Ulkonieni
Website: www.nib.int

Union Bank of India

Lodhi Colony, Branch F-1, Khanna Market
Lodhi Colony, New Delhi
Tel No.: +91 (11) 2461 6901
Facsimile: +91 (11) 2461 6901
Email: lodhicolony@unionbankofindia.com
Contact Person: Mr. Ajay Kumar
Website: www.unionbankofindia.com

Bank of India

36, Janpath, 10th Floor, Chanderlok Building, New
Delhi 110 001
Tel No.: +91 (11) 2346 1400
Facsimile: +91 (11) 2376 5123
Email:
LargeCorporateBr.NewDelhi@bankofindia.co.in
Contact Person: Mr. Ravindra Nath
Website: www.bankofindia.co.in

Small Industrial Development Bank of India

Videocon Tower, Ground Floor, E-1, Rani Jhansi
Road, Jhandewalan Extension, New Delhi – 110 005
Tel No.: +91 (11) 2368 2470
Facsimile: +91 (11) 2368 2461
Email: sngowan@sidbi.in
Contact Person: Mr. Sanjay Naveen Gowan
Website: www.sidbi.in

Kfw Bancengruppe

Palmengartenstraze 5-9,60325,Frankfurt
Germany
Tel No.: 0049 69 7437 7634
Facsimile : 0049 69 7437 3514
Email : andrea.grajcar@kfw.de
Contact Person: Andrea Grajcar
Website : www.kfw.de

State Bank of Hyderabad

Core -6, SCOPE Complex
Lodhi Road, New Delhi – 110 003
Tel No.: 011 4715 7927
Facsimile : 011 2436 5907
Email : scopecomplex@sbhyd.co.in
Contact Person: Mrs. Bindu Acharya
Website : www.sbhyd.com

Legal Advisor to the Issue

2nd Floor, Dr. Gopal Das Bhawan
28 Barakhamba Road, New Delhi 110 001
Tel No.: +91 (11) 4768 5500
Facsimile: +91 (11) 4768 5555
Email: id_oso_rep@jica.go.jp
Contact Person: Ms. Aditi Puri
Website: www.jica.go.jp

French Development Agency

1-A, Janpath, New Delhi – 110075
Tel No.: +91 (11) 23793747
Facsimile: +91 (11) 23793738
Email: afdnewdelhi@afd.fr
Contact Person: Ms. Aude Flogny
Website: www.afd.fr

Vijaya Bank

Ansals Chamber –II, 6 Bhikaji Cama Place, New
Delhi 110066
Tel No.: +91 (11) 26170154
Facsimile: +91 (11) 26194796
Email: del.bhikajicamaplace6020@vijayabank.co.in
Contact Person: Mr. Shailesh Kumar
Website: www.vijayabank.com

Oriental Bank of Commerce

Harsha Bhawan, E Block Connaught Place
New Delhi
Tel No.: +91 (11) 2431 8625
Email : bm0007@obc.co.in
Contact Person : Mr. R Kirthivasan
Website : orientalbankofcommerce.com

Dena Bank

E-13/29, Harsha Bhawan
Connaught Place, New Delhi
Tel No.: +91 (11) 2341 4553
Facsimile : +91(11) 4351 8294
Email : cbbdel@denabank.co.in
Contact Person: Mr. K.V. Singh
Website : denabank.co.in

J Sagar Associates

Vakils House
18, Sprott Road
Ballard Estate
Mumbai- 400 001
Tel No.: +91 (22) 4341 8500
Facsimile: +91 (22) 6656 1515

Credit Rating Agencies

Brickwork Ratings India Private Limited

29/2 & 32/3, III floor, Raj Alkaa Park
Bannerghatta Road
Bangalore 560 076
Tel No.: +91 (80) 4040 9940
Facsimile: +91 (88) 4040 9941
Email: info@brickworkratings.com
Contact Person: Ms. Sharada Shivaram
Website: www.brickworkratings.com
SEBI Registration Number: IN/CRA/005/2008 *(The renewal of the SEBI registration granted vide certificate dated January 5, 2011 is valid till February 6, 2014. Brickwork has made an application to SEBI for grant of certificate of permanent registration on December 16, 2013.)*

Credit Analysis and Research Limited

13th Floor, E-1 Block, Videocon Tower, Jhandewalan
Extension, New Delhi – 110 055
Tel No.: +91 (11) 45333200/23716199
Facsimile: +91 (11) 45333238
Email: jasmeeen.kaur@careratings.com
Contact Person: Ms. Jasmeen Kaur
Website: www.careratings.com
SEBI Registration No.: IN/CRA/004/1999

Credit Rating and Rationale

Brickwork Rating India Private Limited has, vide its letter no. BWR/BNG/RL/2013-14/NS/0226 dated November 19, 2013 and letter dated November 22, 2013, assigned a credit rating of “BWR AAA (SO) [pronounced BWR Triple A (Structured Obligation)] (Outlook: Stable)” to the Bonds and revalidated the rating vide letter no. BWR/BNG/RL/2013-14/NS/0301 dated January 29, 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. Credit Analysis & Research Limited has, vide its letters dated November 20, 2013 and November 27, 2013, assigned a credit rating of “CARE AAA (SO) [Triple A (Structured Obligation)]” to the Bonds and revalidated the rating vide its letter dated January 29, 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. These ratings are not a recommendation to buy, sell or hold securities, and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agency(ies) and should be evaluated independently of any other ratings.

For the rationale for these ratings, see “*Annexure B – Credit Rating*” of the Shelf Prospectus.

Expert Opinion

Except the letters dated November 19, 2013, November 22, 2013 and January 29, 2014 issued by Brickwork and letters dated November 20, 2013, November 27, 2013 and January 29, 2014 issued by CARE, in respect of the credit rating of the Issue and the auditor’s report dated December 24, 2013 and statement of tax benefits dated January 9, 2014 issued by M/s. Gianender & Associates, Auditors of our Company, our Company has not obtained any expert opinions.

Minimum Subscription

In terms of the SEBI Debt Regulations, an issuer undertaking a public issue of debt securities may disclose the minimum amount of subscription that it proposes to raise through the issue in the offer document. Our Company has decided not to stipulate any minimum subscription for this Issue.

Underwriting

The Issue is not underwritten.

Issue Programme

ISSUE PROGRAMME	
TRANCHE – I ISSUE OPENS ON	TRANCHE – I ISSUE CLOSES ON*
February 17, 2014	March 10, 2014

**The Tranche-I Issue shall open for subscription from 10.00 a.m. to 5 p.m.(Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in atleast one leading national daily newspaper with wide circulation. For more information, see "Issue Procedure" on page 61.*

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Syndicate Members or the Trading Members of the Stock Exchange(s), as the case maybe, at the centers mentioned in Application Form through the non-ASBA mode or, (ii) in case of ASBA Applications, (a) directly by the Designated Branches of the SCSBs or (b) by the centers of the Syndicate Members or the Trading Members of the Stock Exchange, as the case may be, only at the Specified Cities. On the Tranche-I Issue Closing Date the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the Tranche-I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche-I Issue Closing Date and not later than 3.00 p.m (Indian Standard Time) on the Tranche-I Issue Closing Date. Applicants are cautioned that in the event if a large number of Applications are received on the Tranche-I Issue Closing Date, there may be some Applications which may not uploaded due to lack of sufficient time for uploading. Any such Applications which are not uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Syndicate Members or Trading Members of the Stock Exchange(s) shall be liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise.

OBJECTS OF THE ISSUE

Issue Proceeds

Tranche-I Issue is a public issue by our Company, of tax free, secured, redeemable, non-convertible bonds in the nature of debentures of face value of ₹ 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, for an amount aggregating up to Rs. 500 crores with an option to retain oversubscription up to Rs. 500 crores for issuance of additional Bonds aggregating to a total of upto Rs. 1,000 crores, i.e. up to the Shelf Limit of ₹ 1,000 crores* in Fiscal 2014. The Bonds will be issued in one or more tranches subject to the Shelf Limit, in accordance with the terms and conditions set out in separate Tranche Prospectus(es) for each such tranche. The Issue is being made under the SEBI Debt Regulations and pursuant to CBDT Notification No. 61/2013/F.No.178/37/2013-(ITA.I) dated August 8, 2013, issued by the Central Board of Direct Taxes, Department of Revenue, MoF, GoI, by virtue of powers conferred on it under section 10(15)(iv)(h) of the Income Tax Act.

** In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

Utilisation of Issue Proceeds

The proceeds of Issue may be utilised towards financing renewable energy and energy efficiency projects and augmenting our resource base.

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

In accordance with SEBI Debt Regulations, our Company is required to not utilise the proceeds of the Issue for providing loans to or acquisitions of shares of any person who is a part of the same group as our Company or who is under the same management as our Company or any Subsidiary or Associate Company of our Company. Our Company is a public sector enterprise and, as such, we do not have any identifiable 'group' companies or 'companies under the same management'. Further, the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any acquisition, including by way of a lease, of any property. Issue proceeds from Bonds will not be utilised for any purpose which may be in contravention of RBI Guidelines on bank financing to NBFCs, including those relating to classification as capital market exposure or any other sectors that are prohibited by RBI.

We shall utilise the Issue proceeds only on execution of documents for creation of security as stated in the Shelf Prospectus and Prospectus Tranche-I under "*Terms of the Issue*" on page 40 and on the listing of the Bonds.

Project Cost and Means of Financing

The proceeds of Issue will be utilised towards lending for the renewable energy and energy efficiency projects and augmenting our resource base and not for any specified project.

Interim use of Proceeds

The Board, in accordance with policies formulated from time to time, will have flexibility in deploying the proceeds of the Issue. Pending utilisation of the Issue proceeds for the purposes described above, our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing

securities or inter-corporate loans as may be approved by the Board or its any duly constituted committee. Such investment would be in accordance with the investment policies approved by the Board from time to time.

Issue Expenses

The following are the estimated Issue expenses, proposed to be met from the Issue proceeds:

Particulars	Estimated Issue Expenses (in ₹)	Percentage of Issue Size (%)
Fees payable to Intermediaries		
To the Legal Advisor to the Issue	15,73,040.00	0.02%
To Credit Rating Agencies	42,02,264.00	0.04%
To the Registrar and Depositories	5,82,024.80	0.01%
To the Lead Managers, marketing expenses, brokerage and selling commission	5,02,16,001.12	0.50%
To the Debenture Trustee	28,090.00	-
To the SCSBs	7,500.00	-
To printing and stationery	38,02,650.00	0.04%
Other Miscellaneous Expenses	42,11,375.38	0.04%
Total	6,46,22,945.31	0.65%

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/Consortium Members/ Sub-Consortium Members/Brokers/ Sub-brokers/Trading Members and submitted to SCSBs for blocking the Application Amount of the Applicant, at the rate of ₹ 15 per Application Form procured, as finalised by our Company. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA processing fee.

Monitoring of Utilization of Funds

In terms of the SEBI Debt Regulations, there is no requirement for appointment of a monitoring agency in relation to the use of proceeds of the Issue. The Board shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our financial information for the relevant fiscal commencing from Fiscal 2014, the utilization of the proceeds of the Issue under a separate head along with any details in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

For more information, see “*Issue Procedure - Utilisation of the proceeds of the Issue*” on page 90.

STATEMENT OF TAX BENEFITS

Under the current tax laws, the following possible tax benefits, inter alia, will be available to the Bondholder. This is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the Bond, under the current tax laws presently in force in India. The benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the laws or enactments thereto. The Bondholder is advised to consider in his own case the tax implications in respect of subscription to the Bond after consulting his tax advisor as alternate views are possible. Interpretation of provisions where under the contents of his statement of tax benefit is formulated may be considered differently by Income Tax Authority, Government, Tribunals or Court. We are not liable to the Bondholder in any manner for placing reliance upon the contents of this statement of tax benefits.

A. INCOME TAX

1. Interest from Bond do not form part of Total Income.

- a) In exercise of power 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 vide Notification N. 61/2013.F.No.178/37/2013-(ITA.1) dated 8th August, 2013 authorizes IREDA Limited to issue through a Public/Private Issue, during the financial year 2013-14, tax free, secured, redeemable, non-convertible bonds for the aggregate amount not exceeding Rs. 1,000 crore subject to the conditions as prescribed in the said notification.
 - (i) The tenure of the bonds shall be ten, fifteen or twenty years.
 - (ii) It shall be mandatory for the subscribers of such bonds to furnish their permanent account number to the issuer
 - (iii) There shall be ceiling on the coupon rates based on the reference Government security (G-Sec) Rate.
 - (iv) The reference G-sec rate shall be the average of the base yield of G-sec for equivalent maturity reported by Fixed Income Money Market and Derivative Association of India(FIMMDA) on the daily basis (working day) prevailing for two weeks ending on the Friday immediately preceding the filing of the final Prospectus with the Exchange or Registrar of Companies(ROC) in case of public issue and the issue opening date in case of private placements.
 - (v) The ceiling coupon rate for AAA rated issuers shall be the reference G-sec rate less 55 basis points in case of Retail Individual Investor and reference G-sec less 80 basis points in case of other investor segments, like Qualified Institutional Buyers (QIB's), Corporates and High Networth Individuals.
 - (vi) In case the rating of the issuer entity is AA+, the ceiling rate shall be 10 basis points above the ceiling rate for AAA rated entities as given in the clause (V).
 - (vii) In case the rating of the issuer entity is AA or AA-, the ceiling rate shall be 20 basis points above the ceiling rate for AAA rated entities as given in the clause (V).
 - (viii) These ceiling rates shall apply for annual payment of interest and in case the schedule of interest payments is altered to semi-annual, the interest rates shall be reduced by 15 basis points.
 - (ix) The higher rate of interest, applicable to Retail investors, shall not be available in case the bonds are transferred by Retail investors to non retail investors.
- b) **Issue expense and brokerage:**
 - (i) In the case of private place, the total issue expense shall not exceed 0.25 per cent of the issue size and

in case of public issue it shall not exceed 0.65 per cent of the issue-size.

- (ii) The issue expense would include all expenses relating to the issue like brokerage, advertisement, printing, registration etc.
- c) Section 10(15)(iv)(h) to be read with Section 14A(1) of the Income Tax Act, 1961 provides that in computing the total income of a previous year of any person, interest payable by any public sector company in respect of such bonds or debentures and subject to such conditions, including the condition that the holder of such bonds or debentures registers his name and the holding with that company, as the Central Government may, by notification in the Official Gazette, specify in this behalf shall not be included;

Further, as per Section 14 A(1), no deduction shall be allowed in respect of expenditure incurred by the assessee in relation to said interest as it does not form part of Total Income as per the Income Tax Act.

Section 2(36A) of the Income Tax Act defines “Public Sector Company” as any corporation established by or under any Central, State or Provincial Act or a Government Company as defined in Section 617 of the Companies Act, 1956 (1 of 1956).

- d) Accordingly, pursuant to the aforesaid notification to be read with Section 14A(1) of The Income Tax Act, 1961, interest from bond will be exempt from income tax.
- e) Since the interest Income on these bonds is exempt, no Tax Deduction at Source is required. However interest on application money would be liable for TDS as well as would be subject to tax as per present tax laws.

2. CAPITAL GAIN

- a) Under Section 2 (29A) of the Income Tax Act,1961 read with section 2 (42A) of the Income Tax Act, a listed Bond is treated as a Long Term Capital Asset if the same is held for more than 12 months immediately preceding the date of its transfer.

Under Section 112 of the I.T. Act, capital gains arising on the transfer of Long Term Capital Assets being listed securities are subject to tax at the rate of 20% of Capital Gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the bonds from the sale consideration.

However as per third proviso to Section 48 of Income tax act, 1961 benefits of indexation of cost of acquisition under second proviso of Section 48 of Income tax Act, 1961 is not available in case of bonds and debenture, except capital indexed bonds. Thus, Long Term Capital Gain Tax can be considered at a rate of 10% on listed bonds without indexation.

Securities Transaction Tax (“STT”) is a tax being levied on all transactions in specified securities done on the stock exchanges at rates prescribed by the Central Government from time to time. However, STT is not applicable on transactions in the Bonds.

In case of an individual or HUF, being a resident, where the total income as reduced by the long term capital gains is below the maximum amount not chargeable to tax i.e. Rs.2,00,000 in case of resident individual/HUF, Rs.250,000 in case of resident senior citizens of 60 or more years of age (on any day of the previous year) and Rs.500,000 in case of resident super senior citizens of 80 years or more of age (on any day of the previous year), the long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and at the option of assessee the tax on the balance of such long-term capital gains shall be computed

at the rate of ten per cent in accordance with and the proviso to sub-section (1) of section 112 of the I.T. Act read with CBDT Circular 721 dated September 13, 1995.

A 2% education cess and 1% secondary and higher education cess on the total income tax (including applicable surcharge) is payable by all categories of tax payers.

- b) Short-term capital gains on the transfer of listed bonds, where bonds are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provision of the I.T. Act.

The provisions related to minimum amount not chargeable to tax, surcharge and education cess described at para(a) above would also apply to such short-term capital gains.

- c) Under Section 54 EC of the I.T. Act and subject to the conditions and to the extent specified therein, long term capital gains arising to the bondholders on transfer of their bonds in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

Where the benefit of Section 54 EC of the I.T. Act has been availed on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under Section 80 C of the I.T. Act.

For purpose of availing exemption from tax on Capital Gains, the investment made in the notified bonds by an assessee in any financial year cannot exceed Rs. 50.00 lakh.

- d) As per the provisions of Section 54F of the Income Tax Act, 1961 and subject to conditions specified therein, any long-term capital gains (not being residential house) arising to Bondholder who is an individual or Hindu Undivided Family, are exempt from capital gains tax if the entire net sales considerations is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

Provided that nothing contained above shall apply where the said Bondholder own more than one residential house other than the new asset, on the date of transfer of such original asset or purchase any residential house, other than the new asset, within a period of one year after the date of transfer of such original asset or construct any residential house, other than the new asset, within a period of three years after the date of transfer of such original asset and the income from such residential house other than the one residential house owned on the date of transfer of such original asset, is chargeable under the head Income from House Property. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the Bondholder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which such residential house is purchased or constructed.

- e) Under Section 195 of Income Tax Act, Income Tax shall be deducted from sum payable to Non-Residents on long term capital gain and short term capital gain arising on sale and purchase of bonds at the rate specified in the Finance Act of the relevant year or the rate or rates of the income tax specified

in an agreement entered into by the Central Government under section 90, or an agreement notified by the Central Government under section 90A, as the case may be.

- f) The income by way of short term capital gains or long term capital gains (not covered under Section 10(38) of the Act) realized by Foreign Financial Institutions on sale of security in the Company would be taxed at the following rates as per Section 115AD of the I.T. Act, 1961.

- Short term capital gains- 30% (plus applicable surcharge and education cess)
- Long term capital gains- 10% without cost of indexation (plus applicable surcharge and education cess)

As per section 90(2) of the Act, the provision of the Act would not prevail over the provision of the tax treaty applicable to the non-resident to the extent such tax treaty provisions are more beneficial to the non resident. Thus, a non resident can opt to be governed by the beneficial provisions of an application tax treaty.

- g) However under section 196D, No deduction of tax shall be made from any income, by way of capital gain arising from the transfer of securities referred to in Section 115AD, payable to Foreign Institutional Investors.

3. Bonds held as Stock in Trade

In case the Bonds are held as stock in trade, the income on transfer of bonds would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

4. Taxation on gift

As per section 56(2)(vii) (c) of the I.T. Act, 1961 in case where individual or Hindu undivided Family receives bond from any person on or after 1st October, 2009 –

- A. without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such bonds/debentures or;
- B. for a consideration which is less than the aggregate fair market value of the Bond by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such property as exceeds such consideration;

shall be taxable as the income of the recipient.

Provided further that this clause shall not apply to any sum of money or any property received

- a) from any relative; or
- b) on the occasion of the marriage of the individual; or
- c) under a will or by way of inheritance; or
- d) in contemplation of death of the payer or donor, as the case may be; or
- e) from any local authority as defined in the Explanation to clause (20) of section 10; or
- f) from any fund or foundation or university or other educational institution or hospital or other medical institution or any trusts or institution referred to in clause (23C) of section 10; or
- g) from any trusts or institution registered under section 12AA.

B. WEALTH TAX

Wealth-tax is not levied on investment in bond under section 2(ea) of the Wealth-tax Act, 1957.

C. PROPOSALS MADE IN DIRECT TAX CODE

The Hon'ble Finance Minister has presented the Direct Tax Code Bill, 2010 ("**DTC Bill**") on August 30, 2010. The DTC Bill is likely to be presented before the Indian Parliament in future. Accordingly, it is currently unclear what effect the Direct Tax Code would have on the investors.

For Gianender & Associates
Chartered Accountants
Firm Registration Number: 04661N

(G K Agrawal)
Partner
Membership No.: 081603
Place: New Delhi
Dated January 09, 2014

MATERIAL DEVELOPMENTS

There are no recent material developments in relation to the Issuer since the filing of the Shelf Prospectus with the Stock Exchanges, including in respect of disclosure under the sections titled “Risk Factors”, “Selected Financial Information”, “Capital Structure”, “Industry Overview”, “Our Business”, “Regulations and Policies”, “History and Certain Corporate Matters”, “Our Management”, “Financial Indebtedness”, “Outstanding Litigations”, “Material Developments” and Annexures I, II and III of the Shelf Prospectus. The Issuer further confirms that the Shelf Prospectus and this Prospectus Tranche - I contains all material disclosures which are true and adequate to enable prospective investors to make an informed investment decision in this Tranche – I Issue, and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The CBDT, Department of Revenue, Ministry of Finance, Government of India has, vide the Notification No. 61/2013/F.No.178/37/2013-(ITA.I) dated August 8, 2013, authorised our Company to issue Bonds aggregating to ₹ 1,000 crores. Our Company proposes to raise ₹ 1,000 crores* through a public issue of Bonds in one or more tranches, prior to March 31, 2014. This Tranche I Issue is for an amount aggregating upto Rs. 500 crores with an option to retain oversubscription upto Rs. 500 crores for issuance of additional Bonds aggregating to a total of upto Rs. 1,000 crores, i.e. upto the Shelf Limit.

** In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market.. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

The Board of Directors have, pursuant to a resolution dated August 29, 2013, approved the Issue of the tax free secured redeemable non-convertible bonds in the nature of debentures, by public issue(s) and/or on private placements(s) basis in India to eligible investors, in one or more tranches, in the aggregate amount of up to ₹ 1,000 crores during Fiscal 2014, as allocated in the CBDT Notification, provided that the aggregate amount raised through private placement(s) of Bonds shall not exceed ₹ 300 crores (being 30% of the overall allocated limit for issuance of the Bonds, under the CBDT Notification) during Fiscal 2014 and the aggregate amount raised through public issue(s) of the Bonds shall not exceed the Shelf Limit.

In terms of amendment to SEBI Debt Regulations on January 31, 2014, we shall not make more than four issuances through the Shelf Prospectus.

Eligibility to make the Issue

Our Company and persons in control of our Company have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force.

Consents

Consents in writing of the Directors, Company Secretary and Compliance Officer, Chief Financial Officer (i.e. Director (Finance)), Auditors, Escrow Collection Bank(s), Bankers to the Company, Lead Managers, Consortium Members, Registrar to the Issue, Credit Rating Agencies, Debenture Trustee and Legal Advisors to the Issue, in their respective capacities, have been obtained and will be filed along with a copy of each Tranche Prospectus(es) with the RoC.

Our Company has appointed SBICAP Trustee Company Limited as Debenture Trustee under regulation 4(4) of the SEBI Debt Regulations. The Debenture Trustee has given its consent to our Company for its appointment which is enclosed as Annexure C.

Expert Opinion

Except the letters dated November 19, 2013, November 22, 2013 and January 29, 2014 issued by Brickwork and letters dated November 20, 2013, November 27, 2013 and January 29, 2014 issued by CARE, in respect of the credit rating of the Issue and the auditor's report dated December 24, 2013 and statement of tax benefits dated January 9, 2014 issued by M/s. Gianender & Associates, Auditors of our Company, our Company has not obtained any expert opinions.

Minimum Subscription

For information, see “*Terms of the Issue – Minimum Subscription*” on page 45.

No Reservation or Discount

Pursuant to the CBDT Notification, at least 70% of the allocated limit for raising funds through tax free bonds during Fiscal 2014 shall be raised through public issue, of which 40% shall be earmarked towards investors from Category IV. There is no discount being offered in the Issue, to any category of Investors.

Common Form of Transfer

There will be a common form of transfer for Bonds held in physical form and relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 and other applicable laws will be duly complied with in respect of all transfers of the Bonds and registration thereof. The transfer of Bonds in demat form will be done in accordance with the procedure/rules prescribed by the Depositories and Depository Participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof.

Dividend

The details of dividend declared by our Company is as mentioned below:

Fiscal Year	Total Dividend Declared (₹ in crores)	Rate of Dividend	Dividend Distribution Tax (₹ in crores)
2012-2013	27.50	3.93%	4.67
2011-2012	25.00	3.91%	4.06
2010-2011	20.00	3.39%	3.24

Previous Public or Rights Issues by our Company during last five years

Our Company has not undertaken any public or rights issue of any securities since incorporation.

Commission or Brokerage on Previous Public Issues

Since there was no offering of any of its securities through public issue(s) since incorporation, there was no requirement on our Company to pay any commission or brokerage.

Change in auditors of our Company during last three years

Name	Address	Date of Cessation	Auditor of the Issuer since	Remarks
M/s. Gianender & Associates Chartered Accountants	Site No 21, Plot No. 6, Geeta Mandir Marg, New Rajinder Nagar, New Delhi-110060	Not Applicable	FY 2010-11	Nil
M/s. S.C Vasudeva & Co Chartered Accountants	B-41, Panchsheel Enclave, New Delhi-110017	Appointed by CAG till Fiscal 2009-10	FY 2009-10	Nil

Revaluation of assets

Our Company has not revalued its assets in the last five years.

Utilisation of Issue Proceeds

For information, see “*Issue Procedure - Utilisation of the proceeds of the Issue*” on page 90.

Track record of past public issues handled by the Lead Managers

Details of the track record of the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, has been disclosed on the respective websites of the Lead Managers. The track record of past issues handled by Karvy, AK Capital, and RR Investors are available at www.karvy.com, www.akcapindia.com and www.rrfcl.com/www.rrfinance.com, respectively.

Listing

For information, see “*Terms of the Issue – Listing*” on page 42.

Disclaimer clause of BSE

BSE Limited (“**The Exchange**”) has given vide its letter dated January 29, 2014, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 of for any other reason whatsoever.

Disclaimer clause of NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref.: NSE/LIST/228958-P dated January 29, 2014 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this 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 Exchange 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.”

Disclaimer clause of RBI

Our Company is having valid certificate of registration dated January 23, 2000 issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, RBI does not accept any responsibility or guarantee about the present position as to financial soundness of our Company or correctness of any of the statements or representations made or opinions expressed by our Company and for repayment of deposits or discharge of liabilities by our Company.

Disclaimer in Respect of Jurisdiction

The Issue is being made in India, to Investors from Category I, Category II, Category III and Category IV. The Draft Shelf Prospectus, the Shelf Prospectus and this Prospectus Tranche –I will not, however constitute an offer to sell or an invitation to subscribe for the Bonds offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Shelf Prospectus and this Prospectus Tranche – I comes is required to inform himself or herself about, and to observe, any such restrictions.

Statement by the Board:

- (i) All monies received pursuant to the Tranche –I Issue shall be transferred to a separate bank account other than the bank account referred to in section 40(3) of the Companies Act, 2013;
- (ii) Details of all monies utilised out of the Tranche –I Issue shall be disclosed under an appropriate separate head in the Company’s Balance Sheet, indicating the purpose for which such monies were utilised; and
- (iii) Details of all unutilised monies out of the Tranche-I Issue, if any, shall be disclosed under an appropriate separate head in the Company’s Balance Sheet, indicating the form in which such unutilised monies have been invested.

Mechanism for redressal of investor grievances

Link Intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue, quoting all relevant details including the full name of the sole/first Applicant, Application Form number, Applicant’s Depository Participant (“DP”) ID, Client ID and Permanent Account Number (“PAN”), number of Bonds applied for, date of the Application Form, name and address of the Syndicate Member or Trading Member of the Stock Exchange or Designated Branch of the SCSB, as the case may be, where the Application was submitted, and cheque/draft number and issuing bank thereof, or with respect to ASBA Applications, the ASBA Account number in which an amount equivalent to the Application Amount was blocked. Applicants may contact the Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, interest on Application Amounts or refund or credit of Bonds in the respective beneficiary accounts, as the case may be. Grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB. Grievances relating to the Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchange.

All grievances arising out of applications for the Bonds made through trading members may be addressed directly to the relevant stock exchanges.

ISSUE STRUCTURE

The CBDT has, by the CBDT Notification, authorised our Company to raise the Bonds aggregating to ₹ 1,000.00 crores. Our Company proposes to raise upto ₹ 1,000 crores* through public issue of the Bonds in one or more tranches prior to March 31, 2014.

** In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

The Issue has been authorized by the Board of Directors pursuant to resolution dated August 29, 2013.

The following are the key terms of the Bonds. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in “Terms of the Issue” on page 40.

The key common terms and conditions of the Bonds are as follows:

Particulars	Terms and Conditions
Security Name	See “Terms and Conditions in Connection with the Bonds” on page 38
Issuer	Indian Renewable Energy Development Agency Limited
Type of instrument	Tax free secured redeemable non convertible bonds of face value of ₹ 1,000 each, in the nature of debentures, having benefits under section 10(15)(iv)(h) of the Income Tax Act.
Nature of instrument	Secured, redeemable and non convertible Bonds
Seniority	The claims of the Bondholders shall be superior to the claims of any unsecured creditors of our Company and subject to applicable statutory and/or regulatory requirements, rank pari passu inter se to the claims of other secured creditors of our Company having the same security.
Mode of issue	Public issue
Eligible Investors	Please refer to the section titled “ <i>Issue Procedure- Who can apply</i> ” on page 61
Listing	The Bonds shall be listed on the BSE and NSE within 12 Working Days from the Tranche – I Issue Closing Date.
Designated Stock Exchange	BSE Limited
Credit Rating of the instrument	BWR AAA (SO) [pronounced BWR Triple A (Structured Obligation)] (Outlook: Stable)” by Brickwork and “CARE AAA (SO) [Triple A (Structured Obligation)]” by CARE. These credit ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by assigning rating agencies and should be evaluated independently of any other ratings. For the rationale for these ratings, see Annexure B of the Shelf Prospectus.
Issue size	₹ 500 Crores with an option to retain oversubscription up to ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores.
Option to retain over subscription	The Bonds are offered for an amount of ₹ 500 crores with an option to retain oversubscription upto ₹ 500 crores for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores in the Fiscal 2014.
Objects of the Issue	See the section titled “Objects of the Issue” on page 23
Details of utilisation of proceeds	See the section titled “Objects of the Issue” on page 23
Coupon rate	See the section titled “Terms of the Issue – Interest” on page 45
Step up/ step down coupon rates	Not Applicable
Coupon payment frequency	Annual

Particulars	Terms and Conditions
Coupon payment dates	The date, which is the day falling one year from the Deemed Date of Allotment, in case of the first coupon/ interest payment and the same day every year, until the Redemption Date for subsequent coupon/ interest payment.
Coupon type	Fixed
Coupon Reset Process	Not Applicable
Default interest rate	See the section titled “Terms of the Issue – Events of Default” on page 56
Day count basis	Actual/actual
Interest on Application Amounts	See the section titled “Terms of the Issue – Interest on Application Amounts” on page 46
Tenor	10 years, 15 years and 20 years from the Deemed Date of Allotment
Redemption Dates	For Tranche I Series IA and Tranche I Series IB, the date, falling 10 years from the Deemed Date of Allotment; for Tranche I Series IIA and Tranche I Series IIB the date falling 15 years from the Deemed Date of Allotment; and for Tranche I Series IIIA and Tranche I Series IIIB, the date falling 20 years from the Deemed Date of Allotment
Redemption Amount	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date
Redemption Premium /Discount	Not Applicable
Issue Price (in ₹)	1,000 per Bond
Face Value (in ₹)	1,000 per Bond
Minimum application size	5 bonds (₹ 5000) individually or collectively across all Series of Bonds
Tranche-I Issue Opening Date	February 17, 2014
Tranche-I Issue Closing Date	March 10, 2014* <i>*The Tranche-I Issue shall remain open for subscription from 10 a.m. to 5p.m.(Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in atleast one leading national daily newspaper with wide circulation.</i>
Pay-in date	Application Date. Full Application Amount with the Application Form, except ASBA Applications. See “ Issue Procedure – Payment Instructions ” on page 70
Deemed Date of Allotment	The date on which, the Board of Directors or Bond Committee approves the Allotment of Bonds for this Tranche-I Issue or such date as may be determined by the Board of Directors or Bond Committee and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified for Tranche-I Issue by Prospectus Tranche - I) shall be available from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment.
Issuance mode of the Instrument	In dematerialised form or in physical form as specified by the Applicant in the Application Form [#]
Trading mode of the Instrument	In dematerialised form only
Settlement mode of the Instrument	Through various available modes as detailed in the section titled “Issue Procedure – Payment Instructions” on page 70
Depositories	NSDL and CDSL
Working Day Convention	See the section titled “ Terms of the Issue – Effect of holidays on payments ” on page 48
Record Date	Date falling 15 days prior to the relevant Interest Payment Date on which interest amount or the Maturity Date/Redemption Date on which the Maturity Amount is due and payable under this Tranche-I Prospectus. In the event the Record Date falls on a Saturday, Sunday or a Public Holiday in New Delhi or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Working Day shall be considered as the Record Date
Security	The Bonds proposed to be issued are secured by a floating first pari-passu charge on present and future receivables of our Company to the extent of amount mobilized under the Issue. Our Company reserves the right to create first pari-passu charge on present and future receivables for its present and future financial requirements.

Particulars	Terms and Conditions
Transaction Documents	The Shelf Prospectus, this Prospectus Tranche - I read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other security documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Debenture Trust Deed, the Debenture Trustee Agreement, the Escrow Agreement, the Registrar Agreement, Consortium Agreement and the Issue Agreement with the Lead Managers.
Security Cover	Atleast 100% of the outstanding Bonds at any point of time
Conditions Precedent to Disbursement	The conditions precedent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Condition Subsequent to Disbursement	The conditions subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Events of Default	Please refer to the chapter titled “ <i>Terms of the Issue - Events of Default</i> ” on page 56
Provisions related to Cross Default Clause	Please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 40
Role and Responsibilities of Debenture Trustee	Please refer to the chapter titled “ <i>Terms of the Issue- Debenture Trustees</i> ” on page 58
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing Indian laws. Any dispute between our Company and the Bondholders will be subject to the jurisdiction of competent courts in New Delhi.
Lead Mangers	Karvy, AK Capital and RR Investors
Registrar	Link Intime India Private Limited
Debenture Trustee	SBICAP Trustee Company Limited

In terms of Regulation 4(2) (d) of the SEBI Debt Regulations, our Company will make the public issue of the Bonds in the dematerialized form. However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the Bonds in physical form will fulfill such request. However, trading in Bonds shall be compulsorily in dematerialized form.

In case of Application Form being submitted in joint names, Applicants should ensure that the demat account is also held in the same joint names, and the names appearing in the demat account are in the same sequence in which they appear in the Application Form.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of Bonds pursuant to the Issue.

For further details, see the section titled “Issue Procedure” on page 61.

TERMS AND CONDITIONS IN CONNECTION WITH THE BONDS

Nature of the Bonds

The Bonds being issued are in form of tax free secured redeemable non convertible bonds in the nature of debentures of face value of ₹ 1,000 each, having benefits under section 10(15)(iv)(h) of the Income Tax Act, to be issued by Company in terms of the Shelf Prospectus and this Prospectus Tranche - I.

The terms of each Series of Bonds are set out below:

Options	Series of Bonds*		
	For Category I, II & III#		
	Tranche I Series IA	Tranche I Series IIA	Tranche I Series IIIA
Coupon Rate (%) p.a.	8.16%	8.55%	8.55%
Annualised Yield (%)	8.16%	8.55%	8.55%
Options	For Category IV#		
	Tranche I Series IB	Tranche I Series IIB	Tranche I Series IIIB
	Coupon Rate (%) p.a.	8.41%	8.80%
Annualised Yield (%)	8.41%	8.80%	8.80%
For Category I, II, III & IV#			
Tenor	10 years	15 years	20 years
Redemption Date	10 years from the Deemed Date of Allotment.	15 years from the Deemed Date of Allotment.	20 years from the Deemed Date of Allotment.
Redemption Amount (₹/ Bond)	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date	Repayment of the face value amount of Bonds plus any interest at the applicable coupon/ interest rate that may have accrued on the Maturity Date/Redemption Date
Frequency of interest payment	Annual	Annual	Annual
Minimum Application size	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds	5 Bonds (₹ 5000) individually or collectively across all Series of Bonds
In multiples of	1 Bond	1 Bond	1 Bond
Face Value (₹/ Bond)	₹ 1,000.	₹ 1,000.	₹ 1,000.
Issue Price (₹/ Bond)	₹ 1,000.	₹ 1,000.	₹ 1,000.
Modes of interest payment	Through various available modes.**	Through various available modes.**	Through various available modes.**
Put and call option	None.	None.	None.

* Our Company shall Allot Bonds of Tranche I Series IA/Tranche I Series IB(depending upon the category of Applicants)for all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of Bonds.

** For various modes of interest payment, see the section titled "Terms of the Issue – Modes of Payment" on page 54.

In pursuance of the CBDT Notification, and for avoidance of doubt, it is clarified that:

(i) The coupon rates indicated under the Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB Bonds shall be payable only on the Bonds allotted to Category IV investors in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under Category IV.

(ii) In case the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB are transferred by Category IV investors to investors falling under Categories I, Category II or Category III, the coupon rate on such Bonds shall stand at par with coupon rate applicable for Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA, respectively.

(iii) If the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB are sold/ transferred by Category IV investors to other investors falling under Category IV as on the Record Date, the coupon rates on such Bonds shall remain unchanged.

(iv) The Bonds allotted under Tranche I Series IB, Tranche I Series IIB and the Tranche I Series IIIB shall continue to carry the specified interest rate if on the Record Date, such Bonds are held by Category IV Investors;

(v) If on any Record Date, the original Category IV Allottees/ transferee(s) hold the Bonds allotted under Tranche I Series IB, Tranche I Series IIB, Tranche I Series IIIB, Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA for an aggregate face value amount of over ₹ 10 lakhs, then the coupon rate applicable to such Category IV Allottees/transferee(s) on Bonds under Tranche I Series IB, Tranche I Series IIB and Tranche I Series IIIB shall stand at par with coupon rates applicable for Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA, respectively;

(vi) Bonds allotted under Tranche I Series IA, Tranche I Series IIA and Tranche I Series IIIA shall carry coupon rates indicated above until the maturity of the respective Series of Bonds irrespective of Category of holder(s) of such Bonds;

(vii) For the purpose of classification and verification of status of Category IV Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds, allotted under the Tranche-I Issue shall be clubbed and taken together on the basis of PAN.

Terms of Payment

The entire face value per Bond is payable on Application (except in case of ASBA Applicants). In case of ASBA Applicants, the entire amount of face value of Bonds applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In the event of Allotment of a lesser number of Bonds than applied for, the Company shall refund to the Applicant the excess amount paid on Application, in accordance with the terms of this Prospectus Tranche-I.

TERMS OF THE ISSUE

The Bonds being offered as part of the Issue are subject to the provisions of the SEBI Debt Regulations, applicable regulations of the Companies Act, 2013, the Companies Act, 1956, the Income Tax Act, the CBDT Notification, the terms of the Shelf Prospectus, this Prospectus Tranche - I, the Application Form, the terms and conditions of the debenture trustee agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the GoI, and other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the Bonds.

1. Authority for the Issue

The CBDT has, by virtue of power conferred upon it under section 10(15)(iv)(h) of the Income Tax Act, has issued the CBDT Notification authorising our Company to issue the said Bonds up to an aggregate amount of ₹ 1,000.00 crores during Fiscal 2014.

The Board, at the meeting held on August 29, 2013, approved the Issue of the tax free, secured, redeemable, non-convertible bonds in the nature of debentures, by public issue(s) and/or on private placements(s) basis in accordance with CBDT Notification for an aggregate amount up to ₹ 1,000 Crores during Fiscal 2014.

Our Company proposes to issue the Bonds up to an aggregate amount of ₹ 1,000 crores * through this Issue during Fiscal 2014.

**In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

2. Issue and status of Bonds

- 2.1. Public issue of tax free secured, redeemable, non-convertible bonds of face value of ₹ 1,000 each in the nature of debentures, having benefits under section 10(15) (iv) (h) of the Income Tax Act, for an amount aggregating up to Rs. 500 crores* with an option to retain oversubscription of upto Rs. 500 crores for issuance of additional Bonds aggregating to a total of upto Rs. 1, 000 crores, i.e. upto the Shelf Limit .

**In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹ 300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹ 1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

- 2.2. The Bonds shall be secured pursuant to a Debenture Trust Deed and underlying security documents. The Bondholders are entitled to the benefit of the Debenture Trust Deed and are bound by and are deemed to have notice of all the provisions of the Debenture Trust Deed.

2.3. The Bonds are proposed to be secured by a floating first pari-passu charge on present and future receivables of our Company to the extent of amount mobilized under the Issue. Our Company reserves the right to create first pari-passu charge on present and future receivables for its present and future financial requirements.

2.4. The claims of the Bond holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements.

3. **Form, face value, title and listing etc.**

3.1.1. **Form of Allotment**

The Allotment of the Bonds shall be in a dematerialized form or in physical form as specified by the Applicant in the Application Form. Our Company has made depository arrangements with CDSL and NSDL for the issuance of the Bonds in dematerialized form, pursuant to the tripartite agreement dated April 29, 2009 among our Company, the Registrar and CDSL and the tripartite agreement dated June 7, 2002 among our Company, the Registrar and NSDL (collectively “**Tripartite Agreements**”).

Our Company shall take necessary steps to credit the Depository Participant account of the Applicants with the number of Bonds allotted in dematerialized form. The Bondholders holding the Bonds in dematerialised form shall deal with the Bonds in accordance with the provisions of the Depositories Act, and/or rules as notified by the Depositories from time to time.

3.1.2. The Bondholders may rematerialize the Bonds issued in dematerialised form, at any time after Allotment, in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time.

3.1.3. In case of Bonds held in physical form, whether on Allotment or on rematerialization of Bonds allotted in dematerialised form, our Company will issue one certificate for each Series of Bonds to the Bondholder for the aggregate amount of the Bonds that are held by such Bondholder (each such certificate, a “**Consolidated Bond Certificate**”). In respect of the Consolidated Bond Certificate(s), our Company will, on receipt of a request from the Bondholder within 30 Working Days of such request, split such Consolidated Bond Certificate(s) into smaller denominations in accordance with the applicable regulations/rules/act, subject to a minimum denomination of one Bond. No fees will be charged for splitting any Consolidated Bond Certificate(s) and any stamp duty, if payable, will be paid by the Bondholder. The request to split a Consolidated Bond Certificate shall be accompanied by the original Consolidated Bond Certificate(s) which will, on issuance of the split Consolidated Bond Certificate(s), be cancelled by our Company.

3.1.4. **Manner of allotment**

3.1.4.1 Allotment of the Bonds will be in physical or in dematerialised form as specified by the Applicant in the Application Form, our Company will take requisite steps to credit the demat accounts of all Bondholders who have applied for the Bonds in dematerialised form within 12 Working Days from the Tranche-I Issue Closing Date.

3.1.4.2 Our Company will also issue Letters of Allotment to all Bondholders who have applied for the Bonds in physical form within 12 Working Days from this Tranche-I Issue Closing Date. Subsequent to the payment of the consolidated stamp duty on the Bonds, and upon the issuance of the order from the Collector evidencing the payment of such consolidated stamp duty, our Company and the Registrar shall dispatch Consolidated Bond Certificates to all Bondholders holding Letters of Allotment (in terms of the Register of Bondholders as maintained by the Registrar), no later than three months from the date of Allotment (in accordance with section 113 of the Companies Act, 1956). Upon receipt by Bondholders of such Consolidated Bond Certificates as dispatched by the Registrar and our Company, the Letters of Allotment shall stand cancelled without any further action. Prospective Bondholders should note that

once Consolidated Bond Certificates have been duly dispatched to all Bondholders who had applied for Bonds in physical form, our Company shall stand discharged of any liabilities arising out of any fraudulent transfer of the Bonds purported to be effected through Letters of Allotment.

3.2. **Face Value**

The face value of each Bond is ₹ 1,000.

3.3. **Title**

3.3.1 In case of:

- i) the Bond held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- ii) the Bond held in physical form, the person for the time being appearing in the Register of Bondholders (as defined below) as Bondholder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such persons the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated Bond Certificate issued in respect of the Bonds and no person will be liable for so treating the Bondholder.

3.3.2 No transfer of title of a Bond will be valid unless and until entered on the Register of Bondholders or the register of beneficial owners, maintained by the Depositories and/or our Company or the Registrar to the Issue prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of Bondholders maintained by the Depositories and/or our Company and/or the Registrar to the Issue, as the case may be. In such cases, claims, if any, by the purchasers of the Bonds will need to be settled with the seller of the Bonds and not with our Company or the Registrar to the Issue.

3.4. **Listing**

The Bonds will be listed on the Stock Exchanges i.e. BSE and NSE.

3.5. **Market Lot**

Allotment of the Bonds will be in physical or in dematerialised form as specified by the Applicant in the Application Form. In terms of the SEBI Debt Regulations, the trading of the Bonds shall be in dematerialised form only. Since, the trading of Bonds is in dematerialized form, the tradable lot for the Bonds is one Bond (“**Market Lot**”).

3.6. **Procedure for rematerialisation of Bonds**

Bondholders who wish to hold the Bonds in physical form, after having opted for Allotment in dematerialised form may do so by submitting a request to their Depository Participant, in accordance with the applicable procedure stipulated by the Depository Participant.

3.7. **Procedure for dematerialisation of Bonds**

Bondholders who have been allotted Bonds in physical form and wish to hold the Bonds in dematerialized form may do so by submitting his or her request to his or her Depository Participant in accordance with the applicable procedure stipulated by the Depository Participant.

4. Transfer of the Bonds, issue of Consolidated Bond Certificates, etc.

4.1. Register of Bondholders

Our Company shall maintain at its registered office or such other place, as permitted by section 152A of the Companies Act, 1956 a register of Bondholders containing such particulars of the legal owners of the Bonds. Further, the register of beneficial owners maintained by Depositories for any Bond in dematerialised form under Section 11 of the Depositories Act shall also be deemed to be a register of Bondholders for this purpose.

4.2. Transfers

4.2.1 *Transfer of Bonds held in dematerialised form:*

In respect of Bonds held in the dematerialised form, transfers of the Bonds may be effected, only through the Depositories where such Bonds are held, in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time. The Bondholder shall give delivery instructions containing details of the prospective purchaser's Depository Participant's account to his Depository Participant. If a prospective purchaser does not have a Depository Participant account, the Bondholder may rematerialize his or her Bonds and transfer them in a manner as specified in 4.2.2 below.

4.2.2 *Transfer of Bonds in physical form:*

The Bonds may be transferred in a manner as may be prescribed by our Company for the registration of transfer of Bonds. Purchasers of Bonds are advised to send the Consolidated Bond Certificate to our Company or to such persons as may be notified by our Company from time to time. If a purchaser of the Bonds in physical form intends to hold the Bonds in dematerialised form, the Bonds may be dematerialized by the purchaser through his or her Depository Participant in accordance with the provisions of the Depositories Act and/or rules as notified by the Depositories from time to time.

The payment of stamp duty on transfer of Bonds as well as the execution of instrument of transfer as required under Section 108 of the Companies Act, 1956 has been exempted by Government of India's Notification No. GSR 1294(E) dated December 17, 1986. Our Company will register the transfer of Bonds, provided the Bond Certificate with the details of name, address, occupation, if any, and signature of the transferee on the reverse of the Bond Certificate is delivered to the address of the Registrar mentioned herein, by registered post or by hand delivery. No stamp duty is payable under the said notification on such transfers. Our Company shall on being satisfied and subject to the provisions of the Articles of Association register the transfer of such Bonds in its books.

The Investor(s) should ensure that the transfer formalities are completed prior to the Record Date, failing which the interest and/or Maturity Amount for the Bonds shall be paid to the person whose name appears in the Register of Bondholders maintained by the Depositories. In such cases, any claims shall be settled inter se between the parties and no claim or action shall be brought against our Company or the Lead Managers or the Registrar to the Issue.

4.3. Formalities free of charge

Registration of a transfer of Bonds and issuance of new Consolidated Bond Certificates will be effected without charge by or on behalf of our Company, but on payment (or the giving of such indemnity as our Company may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer, and our Company being satisfied that the requirements concerning transfers of Bonds, have been complied with.

4.4 **Debenture Redemption Reserve (“DRR”)**

Pursuant to Regulation 16 of the SEBI Debt Regulations and section 117C of the Companies Act, 1956, any company that intends to issue debentures needs to create a DRR to which adequate amounts shall be credited out of the profits of our Company until the redemption of the debentures. Further, the MCA has, through its circular dated February 11, 2013, specified that public financial institutions shall create a DRR to the extent of 25% of the value of the debentures issued through public issue. Accordingly, our Company shall create DRR of 25% of the value of Bonds issued and allotted in terms of this Prospectus Tranche - I, or such a percentage as may be required under the applicable law as amended from time to time, for the redemption of the Bonds. Our Company shall credit adequate amounts to the DRR from its profits every year until the Bonds are redeemed. The amounts credited to the DRR shall not be utilized by our Company for any purpose other than for the redemption of the Bonds.

5. **Application Amount**

The Bonds are being issued at par and full amount of face value per Bond is payable on application. In case of ASBA Applicants, the full amount of face value of Bonds applied for will be blocked in the relevant ASBA Account maintained with the SCSB. Eligible Applicants can apply for any amount of the Bonds subject to a minimum application size, as specified in this Prospectus Tranche - I across any of the Series(s) or a combination thereof. The Applicants will be allotted the Bonds in accordance with the Basis of Allotment.

6. **Deemed Date of Allotment**

The date on which, the Board of Directors or Bond Committee approves the Allotment of Bonds for this Tranche-I Issue or such date as may be determined by the Board of Directors or Bond Committee and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified for Tranche-I Issue by Prospectus Tranche - I) shall be available from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment.

7. **Subscription**

7.1. **Period of Subscription**

The Issue shall remain open for the period mentioned below:

Tranche – I Issue Opens on	February 17, 2014
Tranche – I Issue Closes on	March 10, 2014

The Tranche-I Issue shall remain open for subscription from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above with an option for early closure or extension, as may be decided by the Board of Directors or Bond Committee. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in at least one leading national daily newspaper with wide circulation. For further details please refer to “*General Information – Issue Programme*” on page 22.

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges during the Issue Period mentioned above, on all Working Days, i.e., between Monday and Friday, both inclusive, barring public holidays: (i) by the Syndicate Members or Trading Members of the Stock Exchange(s), as the case may be, at the centres mentioned in the Application Form through the non-ASBA mode, or (ii) in case of ASBA Applications, (a) directly by

Designated Branches of SCSBs or (b) by the centres of the Syndicate Members or Trading Members of the Stock Exchange(s), as the case may be, only at the specified cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat) (“**Specified Cities**”), except that on the Tranche-I Issue Closing Date, Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m (Indian Standard Time) or such extended time as may be permitted by the Stock exchanges (after taking into account the total number of Applications received up to the closure of timings for acceptance of Application Forms as stated herein). Applicants may also make their Applications through Direct Online Applications using the online payment facility offered through the Stock Exchange(s) during the Issue Period, subject to such online payment facility being made available by the Stock Exchange(s) prior to the date of filing of this Prospectus Tranche - I by our Company with RoC.

Due to limitation of time available for uploading Applications on the Tranche-I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche-I Issue Closing Date and, no later than 3.00 p.m (Indian Standard Time) on the Tranche-I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche-I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue.

Neither our Company, nor the Syndicate Members or Trading Members of the Stock Exchanges shall be liable for any failure in uploading Applications due to failure in any software/hardware system or otherwise.

7.2. **Underwriting**

The Issue is not underwritten

7.3. **Minimum Subscription**

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. Our Company has decided to set no minimum subscription for the Issue.

8. **Interest**

8.1. **Interest**

For Bondholders falling under Category I, II and III, the Bonds allotted under Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA shall carry interest at the coupon rate of 8.16% p.a., 8.55% p.a. and 8.55% p.a., respectively, payable annually from, and including, the Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable on the “Interest Payment Date”, to the Bondholders as of the relevant Record Date. The effective yield to Category I, II and III Bondholders would be 8.16% p.a., 8.55% p.a. and 8.55% p.a. for the Bonds under Tranche I Series IA, Tranche I Series IIA and Tranche I Series IIIA respectively.

For Bondholders falling under Category IV, the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB shall carry interest at the coupon rate of 8.41% p.a., 8.80% p.a. and 8.80% p.a., respectively, payable annually from, and including, the Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable on the “Interest Payment Date”, to the Bondholders as of the relevant Record Date. The effective yield to Category IV Bondholders would be 8.41% p.a., 8.80% p.a. and 8.80% p.a. for the Bonds under Tranche I Series IB, Tranche I Series IIB and Tranche I Series IIIB respectively.

The coupon rates indicated under the Tranche I Series IB the Tranche I Series IIB and the Tranche I Series IIIB shall be payable only on the Bonds allotted to Category IV investors in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors

falling under Category IV.

In case the Bonds allotted under the Tranche I Series IB , the Tranche I Series IIB and the Tranche I Series IIIB are transferred by Category IV investors to investors falling under Category I, Category II and or Category III, the coupon rate on such Bonds shall stand at par with coupon rate applicable on the Tranche I Series IA , the Tranche I Series IIA and the Tranche I Series IIIA, respectively.

If the Bonds allotted under Tranche I Series IB, the Tranche I Series IIB and the Tranche I Series IIIB are sold/ transferred by Category IV investors to other investors falling under Category IV as on the Record Date, the coupon rates on such Bonds shall remain unchanged.

The Bonds allotted under Tranche I Series IB, Tranche I Series IIB and the Tranche I Series IIIB shall continue to carry the specified coupon rate if on the Record Date, such Bonds are held by Category IV Investors;

If on any Record Date, the original Category IV Allottees/ transferee(s) hold the Bonds allotted under Tranche I Series IB, Tranche I Series IIB,Tranche I Series IIIB,Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA for an aggregate face value amount of over ₹ 10 lakhs, then the coupon rate applicable to such Category IV Allottees/transferee(s) on Bonds allotted under Tranche I Series IB, Tranche I Series IIB and Tranche I Series IIIB shall stand at par with coupon rates applicable on the Tranche I Series IA, the Tranche I Series IIA and the Tranche I Series IIIA, respectively;

Bonds allotted under Tranche I Series IA, Tranche I Series IIA and Tranche I Series IIIA shall carry coupon rates indicated above until the maturity of the respective Series of Bonds irrespective of Category of holder(s) of such Bonds;

For the purpose of classification and verification of status of Category IV Bondholders, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds, allotted under the Tranche-I Issue shall be clubbed and taken together on the basis of PAN.

8.2. Day count convention

Interest on the Bonds shall be computed on an actual/ actual basis for the broken period, if any. Consequently, interest shall be computed on a 365 days-a-year basis on the principal outstanding on the Bonds. However, where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis, on the principal outstanding on the Bonds.

8.3. Interest on Application Amounts

8.3.1. Interest on application monies received which are used towards allotment of Bonds

Our Company shall pay interest on Application Amounts against which Bonds are Allotted to Applicants (except for ASBA Applicants) pursuant to the Issue, subject to deduction of income tax under the provisions of the Income Tax Act, as applicable, from the date of realization of the Application Amount through cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment, at the rate of 8.16% p.a., 8.55% p.a. and 8.55% p.a. on Tranche I Series IA, Tranche I Series IIA and Tranche I Series IIIA respectively for Allottees under Category I, Category II and Category III Portion, and at the rate of 8.41% p.a., 8.80% p.a. and 8.80% p.a. on Tranche I Series IB , Tranche I Series IIB and Tranche I Series IIIB respectively for Allottees under Category IV Portion. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts against which Bonds are Allotted from three Working Days from the date of upload of each Application on the electronic bidding platform of the Stock Exchanges upto one day prior to the Deemed Date of Allotment, at the aforementioned rate.

A tax deduction certificate will be issued for the amount of income tax so deducted.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the applicants. Alternatively, interest warrants will be dispatched along with the Letter(s) of Allotment at the sole risk of the applicant, to the sole/first applicant.

8.3.2. **Interest on application monies received which are liable to be refunded**

Our Company shall pay interest on Application Amounts which is liable to be refunded to the Applicants (other than Application Amounts received after the Tranche-I Issue Closing Date, and ASBA Applicants) pursuant to the Issue, subject to deduction of income tax under the provisions of the Income Tax Act, as applicable, from the date of realization of the Application Amount through cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment, at the rate of 5% per annum. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts which is liable to be refunded to the Applicants from three Days from the date of upload of each Application on the electronic bidding platform of the Stock Exchanges upto one day prior to the Deemed Date of Allotment, at the aforementioned rate. Such interest shall be paid along with the monies liable to be refunded. Interest warrant will be dispatched/credited (in case of electronic payment) along with the letter(s) of refund at the sole risk of the Applicant, to the sole/first Applicant.

A tax deduction certificate will be issued for the amount of income tax so deducted.

Provided that, notwithstanding anything contained hereinabove, our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid Applications or Applications liable to be rejected, and/or (b) applications which are withdrawn by the applicant. See the section titled "*Issue Procedure - Rejection of Applications*" on page 84.

9. **Redemption**

9.1. The face value of the Bonds will be redeemed at par, on the respective Maturity Dates of each of the Bond Series.

9.2. **Procedure for Redemption by Bondholders**

The procedure for redemption is set out below:

9.2.1. ***Bonds held in electronic form:***

No action is required on the part of Bondholders at the time of maturity of the Bonds.

9.2.2. ***Bonds held in physical form:***

No action will ordinarily be required on the part of the Bondholder at the time of redemption, and the Maturity Amount will be paid to those Bondholders whose names appear in the Register of Bondholders maintained by our Company on the Record Date fixed for the purpose of redemption. However, our Company may require the Bond Certificate(s), duly discharged by the sole holder or all the joint-holders (signed on the reverse of the Consolidated Bond Certificate(s)) to be surrendered for redemption on Maturity Date and sent by the Bondholders by registered post with acknowledgment due or by hand delivery to the Registrar to the Issue or our Company or to such persons at such addresses as may be notified by our Company from time to time. Bondholders may be requested to surrender the Bond Certificate(s) in the manner stated above, not more than three months and not less than one month prior to the Maturity Date so as to facilitate timely payment. Our Company shall stand discharged of any liabilities arising out of any fraudulent transfer of the Bonds or non-registration of transfer of Bonds with our Company.

10. Payments

10.1. Payment of Interest on Bonds

Payment of interest on the Bonds will be made to those Bondholders whose name appears first in the Register of Bondholders maintained by the Depositories and/or our Company and/or the Registrar to the Issue, as the case may be as, on the Record Date.

10.2. Record Date

The record date for the payment of interest or the Maturity Amount shall be the date falling 15 days prior to the relevant Interest Payment Date on which interest amount or the Maturity Date/Redemption Date on which the Maturity Amount is due and payable under this Prospectus Tranche - I. In the event the Record Date falls on a Saturday, Sunday or a Public Holiday in New Delhi or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, the succeeding Working Day shall be considered as the Record Date. In case of redemption of Bonds, the trading in the Bonds shall remain suspended between the Record Date and the Redemption Date.

10.3. Effect of holidays on payments

If any Coupon/Interest Payment Date falls on a day that is not a Working Day, the payment shall be made on the immediately succeeding Working Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon/Interest Payment Date. If the Redemption Date/Maturity Date (also being the last Coupon/Interest Payment Date) of any Series of the Bonds falls on a day that is not a Working Day, the redemption proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.

Illustration of cash-flows: To demonstrate the day count convention, please see the following table below, which describes the cash-flow in terms of interest payment and payment of Redemption Amount per Bond for all Categories of Bondholders. **INVESTORS SHOULD NOTE THAT THIS EXAMPLE IS SOLELY FOR ILLUSTRATIVE PURPOSES AND IS NOT SPECIFIC TO THE ISSUE.**

Company Name	Indian Renewable Energy Development Agency Limited
Face Value	₹ 1,000
Issue Date/Date of Allotment (Assumed)	March 20, 2014
Frequency of the Interest payment	Annual
Interest payment date	First interest on March 20, 2015 and subsequent on March 20th every year till maturity
Day Count Convention	Actual/Actual

A. For Category I, II and III investors

Series IA	
Coupon Rate	8.16%
Tenor (no. of years)	10
Aggregate Investment (Rs.)	11,00,000
Redemption Date/Maturity Date	March 20, 2024

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	89,760.00
2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	90,005.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	89,514.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	89,760.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	89,760.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	89,760.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	89,760.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	90,006.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	89,514.00
10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	89,760.00
Redemption of Principal	Wednesday, March 20, 2024		11,00,000.00
Total Cash Flows			19,97,599.00

Series IIA

Coupon Rate	8.55%
Tenor (no. of years)	15
Aggregate Investment (Rs.)	11,00,000
Redemption Date/Maturity Date	March 20, 2029

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	94,050.00
2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	94,307.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	93,792.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	94,050.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	94,050.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	94,050.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	94,050.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	94,308.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	93,792.00

10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	94,050.00
11 th Coupon/Interest Payment Date	Thursday, March 20, 2025	365	94,050.00
12 th Coupon/Interest Payment Date	Friday, March 20, 2026	365	94,050.00
13 th Coupon/Interest Payment Date	Saturday, March 20, 2027	365	94,050.00
14 th Coupon/Interest Payment Date	Monday, March 20, 2028	366	94,050.00
15 th Coupon/Interest Payment Date	Tuesday, March 20, 2029	365	94,050.00
Redemption of Principal	Tuesday, March 20, 2029		11,00,000.00
Total Cash Flow			25,10,749.00

Series IIIA

Coupon Rate	8.55%
Tenor (no. of years)	20
Aggregate Investment (Rs.)	11,00,000
Redemption Date/Maturity Date	March 20, 2034

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	94,050.00
2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	94,307.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	93,792.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	94,050.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	94,050.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	94,050.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	94,050.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	94,308.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	93,792.00
10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	94,050.00
11 th Coupon/Interest Payment Date	Thursday, March 20, 2025	365	94,050.00
12 th Coupon/Interest Payment Date	Friday, March 20, 2026	365	94,050.00
13 th Coupon/Interest Payment Date	Saturday, March 20, 2027	365	94,050.00
14 th Coupon/Interest Payment Date	Monday, March 20, 2028	366	94,050.00

15 th Coupon/Interest Payment Date	Tuesday, March 20, 2029	365	94,050.00
16 th Coupon/Interest Payment Date	Wednesday, March 20, 2030	365	94,050.00
17 th Coupon/Interest Payment Date	Thursday, March 20, 2031	365	94,050.00
18 th Coupon/Interest Payment Date	Saturday, March 20, 2032	366	94,050.00
19 th Coupon/Interest Payment Date	Monday, March 21, 2033	366	94,308.00
20 th Coupon/Interest Payment Date	Monday, March 20, 2034	364	93,792.00
Redemption of Principal	Monday, March 20, 2034		11,00,000.00
Total Cash Flow			29,80,999.00

B. For Category IV investors

Series IB

Coupon Rate	8.41%
Tenor (no. of years)	10
Aggregate Investment (Rs.)	1,00,000
Redemption Date/Maturity Date	March 20, 2024

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	8,410.00
2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	8,433.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	8,387.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	8,410.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	8,410.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	8,410.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	8,410.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	8,433.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	8,387.00
10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	8,410.00
Redemption of Principal	Wednesday, March 20, 2024		1,00,000.00
Total Cash Flows			1,84,100.00

Series IIB

Coupon Rate	8.80%
Tenor (no. of years)	15
Aggregate Investment (Rs.)	1,00,000
Redemption Date/Maturity Date	March 20, 2029

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	8,800.00
2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	8,824.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	8,776.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	8,550.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	8,800.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	8,800.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	8,800.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	8,824.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	8,776.00
10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	8,800.00
11 th Coupon/Interest Payment Date	Thursday, March 20, 2025	365	8,800.00
12 th Coupon/Interest Payment Date	Friday, March 20, 2026	365	8,800.00
13 th Coupon/Interest Payment Date	Saturday, March 20, 2027	365	8,800.00
14 th Coupon/Interest Payment Date	Monday, March 20, 2028	366	8,800.00
15 th Coupon/Interest Payment Date	Tuesday, March 20, 2029	365	8,800.00
Redemption of Principal	Tuesday, March 20, 2029		1,00,000.00
Total Cash Flow			2,31,750.00

Series IIIB	
Coupon Rate	8.80%
Tenor (no. of years)	20
Aggregate Investment (Rs.)	1,00,000
Redemption Date/Maturity Date	March 20, 2034

Cash Flows	Payout Dates	No. of days in Coupon Period	Amount (in ₹)
1 st Coupon/Interest Payment Date	Friday, March 20, 2015	365	8,800.00

2 nd Coupon/Interest Payment Date	Monday, March 21, 2016	367	8,824.00
3 rd Coupon/Interest Payment Date	Monday, March 20, 2017	364	8,776.00
4 th Coupon/Interest Payment Date	Tuesday, March 20, 2018	365	8,550.00
5 th Coupon/Interest Payment Date	Wednesday, March 20, 2019	365	8,800.00
6 th Coupon/Interest Payment Date	Friday, March 20, 2020	366	8,800.00
7 th Coupon/Interest Payment Date	Saturday, March 20, 2021	365	8,800.00
8 th Coupon/Interest Payment Date	Monday, March 21, 2022	366	8,824.00
9 th Coupon/Interest Payment Date	Monday, March 20, 2023	364	8,776.00
10 th Coupon/Interest Payment Date	Wednesday, March 20, 2024	366	8,800.00
11 th Coupon/Interest Payment Date	Thursday, March 20, 2025	365	8,800.00
12 th Coupon/Interest Payment Date	Friday, March 20, 2026	365	8,800.00
13 th Coupon/Interest Payment Date	Saturday, March 20, 2027	365	8,800.00
14 th Coupon/Interest Payment Date	Monday, March 20, 2028	366	8,800.00
15 th Coupon/Interest Payment Date	Tuesday, March 20, 2029	365	8,800.00
16 th Coupon/Interest Payment Date	Wednesday, March 20, 2030	365	8,800.00
17 th Coupon/Interest Payment Date	Thursday, March 20, 2031	365	8,800.00
18 th Coupon/Interest Payment Date	Saturday, March 20, 2032	366	8,800.00
19 th Coupon/Interest Payment Date	Monday, March 21, 2033	366	8,824.00
20 th Coupon/Interest Payment Date	Monday, March 20, 2034	364	8,776.00
Redemption of Principal	Monday, March 20, 2034		1,00,000.00
Total Cash Flow			2,75,750.00

1. For the purpose of illustration, it is assumed that only Sundays are non Working Days

2. The Deemed Date of Allotment is assumed to be March 20, 2014

3. For Cash Flows under Series IB,IIB, IIB it is assumed that on all the Record Dates, the Bondholder falls in the Retail Individual Investor Category / Category IV and the Coupon rate remains unchanged at 8.41%, 8.80% and 8.80% p.a. respectively

Note:

1. Fiscal 2016, Fiscal 2020, Fiscal 2024, Fiscal 2028 and Fiscal 2032, being leap years, interest payable on 2nd Coupon/Interest Payment Date, 6th Coupon/Interest Payment Date, 10th Coupon/Interest Payment Date, 14th Coupon/Interest Payment Date and 18th Coupon/Interest Payment Date has been calculated for 366 days as provided in “Day Count Convention” on page 46.

2. Since the 2nd, 8th and 19th Coupon/Interest Payment Date is falling on a non Working Day, interest is payable on the next Working Day along with interest of one additional day.

3. Since the interest/coupon for an additional day was paid in 2nd, 8th and 19th Coupon/Interest Payment Date, interest for one day is deducted from the interest payable on the 3rd, 9th and 20th Coupon/Interest Payment Date, respectively

4. The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA ‘Handbook on market practices’.

Working Day Convention:

All days excluding Sundays or a public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Issue Period and Record Date, where working days shall mean all days, excluding Saturdays, Sundays and public holiday in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881

- 10.4. Whilst our Company will use the electronic mode for making payments, where facilities for electronic mode of payments are not available to the Bondholder or where the information provided by the Applicant is insufficient or incomplete, our Company proposes to use other modes of payment to make payments to the Bondholders, including through the dispatch of cheques through courier, or registered post to the address provided by the Bondholder and appearing in the Register of Bondholders maintained by the Depositories and/or our Company and/or the Registrar to the Issue, as the case may be as, on the Record Date. Our Company shall pay interest in accordance with applicable laws, over and above the coupon rate of the relevant Bonds, in the event that such payments are delayed beyond a period of eight days after our Company becomes liable to pay such amounts (except if such delays are on account of delay in postal channels of the country).
- 10.5. Our Company's liability to the Bondholders including for payment or otherwise shall stand extinguished from the Maturity Date or on dispatch of the amounts paid by way of principal and/or interest to the Bondholders. Further, our Company will not be liable to pay any interest, income or compensation of any kind accruing subsequent to the Maturity Date.

11. Manner and Mode of Payment

11.1. Manner of Payment:

All payments to be made by our Company to the Bondholders shall be made in any of the following manners:

11.1.1. *For Bonds applied or held in electronic form:*

The bank details will be obtained from the Depositories for payments. Investors who have applied or who are holding the Bond in electronic form, are advised to immediately update their bank account details as appearing on the records of their Depository Participant. Failure to do so could result in delays in credit of the payments to investors at their sole risk and neither the Syndicate Members, Trading Members of the Stock Exchange(s), Escrow Collection Bank(s), SCSBs, Registrar to the Issue, Stock Exchanges nor our Company shall have any responsibility and undertake any liability for such delays on part of the investors.

11.1.2. *For Bonds held in physical form*

The bank details will be obtained from the Registrar to the Issue for effecting payments.

11.2. Modes of Payment

The mode of interest/ refund (except for refunds to ASBA Applicants)/ redemption payments shall be undertaken in the following order of preference:

11.2.1. *Direct Credit*

Applicants having bank accounts with the Refund Banks, as per Demographic Details received from the Depositories, will be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Banks for the same would be borne by our Company.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the process in time.

11.2.2. *NECS*

Through NECS for Applicants having an account at any of the centres notified by the RBI. This mode of payment will be subject to availability of complete bank account details including the Magnetic Ink Character Recognition (“MICR”) code as appearing on a cheque leaf, from the Depositories.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the process in time.

11.2.3. *Real Time Gross Settlement (“RTGS”)*

Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ₹ 2,00,000 (Rupees Two Lakh only), have the option to receive refund through Real Time Gross Settlement (“RTGS”) provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Applicant’s bank which can be mapped with RBI data to obtain the corresponding Indian Financial System Code (“IFSC”). Charges, if any, levied by the applicant’s bank receiving the credit would be borne by the Applicant.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the process in time.

11.2.4. *National Electronic Fund Transfer (“NEFT”)*

Payment of refund shall be undertaken through NEFT wherever the Applicants’ bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever the Applicants have registered their MICR number and their bank account number while opening and operating the beneficiary account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to the Applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrar to the Issue. In the event NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed in this section.

Our Company shall not be responsible for any delay to the Bondholder receiving credit of interest or refund or Maturity Amount so long as our Company has initiated the process in time.

11.2.5. *Cheques or demand drafts*

By cheques or demand drafts made in the name of the Bondholders whose names appear in the Register of Bondholders as maintained by our Company and/or as provided by the Depositories. All cheques or demand drafts as the case may be, shall be sent by registered/speed post/courier at the Bondholder’s sole risk.

11.3. **Printing of bank particulars**

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant’s bank account are mandatorily required to be provided for printing on the orders/warrants. Applications without these details are liable to be rejected. However, in relation to Applications for dematerialised Bonds, these particulars will be taken directly from the Depositories. In case of Bonds held in physical

form either on account of rematerialisation or transfer, the Bondholders are advised to submit their bank account details with the Registrar to the Issue before the Record Date, failing which the amounts will be dispatched to the postal address of the Bondholders. Bank account particulars will be printed on the orders/warrants which can then be deposited only in the account specified.

12. **Special Tax Benefits**

For the details of tax benefits, see the section titled “*Statement of Tax Benefits*” on page 25.

13. **Taxation**

The Bonds are tax free in nature and the interest on the Bonds will not form part of the total income. For further details, see the section titled “*Statement of Tax Benefits*” on page 25.

14. **Security**

The Bonds proposed to be issued are secured by a floating first pari-passu charge on present and future receivables of our Company to the extent of amount mobilized under the Issue. Our Company reserves the right to create first pari-passu charge on present and future receivables for its present and future financial requirements.

15. **Events of default**

- 15.1. The Debenture Trustee at its discretion may, or if so requested in writing by the holders of not less than 75% in principal amount of the Bonds then outstanding or if so directed by a Special Resolution shall (subject to being indemnified and/or secured by the Bondholders to its satisfaction), give notice to our Company specifying that the Bonds and/or any particular Series of Bonds, in whole but not in part are and have become due and repayable at the early redemption amount on such date as may be specified in such notice, among other things, if any of the events listed in 15.2 below occur.
- 15.2. The complete list of events of default shall be as specified in the Debenture Trust Deed.
- 15.3. The early redemption amount payable on the occurrence of an event of default shall be as detailed in the Debenture Trust Deed.
- 15.4. If an event of default occurs which is continuing, the Debenture Trustee may with the consent of the Bondholders, obtained in accordance with the provisions of the Debenture Trust Deed, and with a prior written notice to our Company, take action in terms of the Debenture Trust Deed.
- 15.5. In case of default in the redemption of Bonds, in addition to the payment of interest and all other monies payable hereunder on the respective due dates, our Company shall also pay interest on the defaulted amounts.

16. **Bondholders’ rights, nomination, etc.**

16.1. **Rights of Bondholders**

Some of the significant rights available to the Bondholders are as follows:

- a) The Bonds shall not, except as provided in the Companies Act, 1956, confer on Bondholders any rights or privileges available to members of our Company including the right to receive notices or annual reports of, or to attend and / or vote, at the Company’s general meeting(s). However, if any resolution affecting the rights of the Bondholders is to be placed before the shareholders, such resolution will first be placed before the concerned registered Bondholders for their consideration. In terms of Section 219(2) of the Companies Act, 1956, Bondholders shall be entitled to a copy of

the balance sheet and of every document required by law to be annexed or attached thereto, including the profit and loss account and the auditors' report, on a specific request made to our Company.

- b) The rights, privileges and conditions attached to the Bonds may be varied, modified and/or abrogated with the consent in writing of the Bondholders of at least three-fourths of the outstanding amount of the Bonds or with the sanction of a special resolution passed at a meeting of the concerned Bondholders. However, in the event that such consent or special resolution pertains to modify or vary the terms and conditions governing the Bonds, such consent or resolution shall not be operative against our Company in the event that such consent or resolution is not acceptable to our Company.
- c) The registered Bondholder or in case of joint-holders, the person whose name stands first in the Register of Bondholders shall be entitled to vote in respect of such Bonds, either by being present in person or, where proxies are permitted, by proxy, at any meeting of the concerned Bondholders summoned for such purpose and every such Bondholder shall be entitled to one vote on a show of hands and on a poll, his or her voting rights shall be in proportion to the outstanding nominal value of Bonds held by him or her on every resolution placed before such meeting of the Bondholders.
- d) Bonds may be rolled over with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Bonds or with the sanction of a Special Resolution passed at a meeting of the concerned Bondholders after providing at least 21 days prior notice for such roll-over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the Bonds of all the Bondholders, who have not given their positive consent to the roll-over.

The above rights of Bondholders are merely indicative. The final rights of the Bondholders will be as per the terms of the Shelf Prospectus, Prospectus Tranche - I and Debenture Trust Deed to be executed by our Company with the Debenture Trustee.

Special Resolution for the purpose of this section is a resolution passed at a meeting of Bondholders of at least three-fourths of the outstanding amount of the Bonds, present and voting.

16.2. **Succession**

Where Bonds are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the Bondholder(s) in accordance with the applicable laws. It will be sufficient for our Company to delete the name of the deceased Bondholder after obtaining satisfactory evidence of his death, provided that a third person may call on our Company to register his name as successor of the deceased Bondholder after obtaining evidence such as probate of a will for the purpose of proving his title to the Bonds. In the event of demise of the sole or first holder of the Bonds, our Company will recognize the executors or administrator of the deceased Bondholders, or the holder of the succession certificate or other legal representative as having title to the Bonds only if such executor or administrator obtains and produces probate of will or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The Board of Directors of our Company in their absolute discretion may, in any case, dispense with production of probate of will or letter of administration or succession certificate or other legal representation.

16.3. **Nomination Facility to Bondholder**

- 16.3.1. The sole Bondholder or first Bondholder, along with other joint Bondholders (being individual(s)) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Bond. A person, being a nominee, becoming entitled to the Bond by reason of the death of the Bondholders, shall be entitled to the same rights to which he will be entitled if he were the registered holder of the Bond. Where the nominee is a

minor, the Bondholders may make a nomination to appoint any person to become entitled to the Bond(s), in the event of his death, during the minority. A nomination shall stand rescinded on sale of a Bond by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the Bond is held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the Bondholders. Fresh nominations can be made only in the prescribed form available on request at our Company's administrative office or at such other addresses as may be notified by our Company.

- 16.3.2. The Bondholders are advised to provide the specimen signature of the nominee to our Company to expedite the transmission of the Bond(s) to the nominee in the event of demise of the Bondholders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.
- 16.3.3. Any person who becomes a nominee under any applicable laws shall on the production of such evidence as may be required by our Company's Board, Bond Committee or Committee of Directors, or the Chairman and Managing Director, as the case may be, elect either:
- (a) to register himself or herself as the holder of the Bonds; or
 - (b) to make such transfer of the Bonds, as the deceased holder could have made.
- 16.3.4. Notwithstanding anything stated above, Applicants who are allotted bonds in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bondholder will prevail. If the Bondholders require changing their nomination, they are requested to inform their respective Depository Participant. For Applicants who opt to hold the Bonds in physical form, the Applicants are required to fill in the details for 'nominees' as provided in the Application Form.
- 16.3.5. Further, our Company's Board, Bond Committee or Committee of Directors or the Chairman and Managing Director, as the case may be, may at any time give notice requiring any nominee of the deceased holder to choose either to be registered himself or herself or to transfer the Bonds, and if the notice is not complied with, within a period of 90 days, our Company's Board, Bond Committee or Committee of Directors or the Chairman and Managing Director, as the case may be, may thereafter withhold payment of all interests or other monies payable in respect of the Bonds, until the requirements of the notice have been complied with.

17. **Debenture Trustee**

- 17.1. Our Company has appointed SBICAP Trustee Company Limited to act as the Trustee for the Bondholders. SBICAP Trustee Company Limited has by its letter dated January 6, 2014, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and this Prospectus Tranche - I in all the subsequent periodical communications sent to the holders of the Bonds issued, pursuant to this Issue pursuant to Regulation 4(4) of the SEBI Debt Regulations. Our Company intends to enter into a Debenture Trust Deed with the Debenture Trustee within three months from Tranche-I Issue Closing Date, the terms of which will govern the appointment and functioning of the Debenture Trustee and shall specify the powers, authorities and obligations of the Debenture Trustee. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the Bondholders the principal amount on the Bonds on the relevant Maturity Date and also that it will pay the interest due on Bonds on the rate specified under the Prospectus Tranche - I under which allotment has been made.
- 17.2. The Bondholders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of their agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustee may in their absolute discretion deem necessary or require to be done in the interest of the Bondholders. Any payment made by our Company

to the Debenture Trustee on behalf of the Bondholders shall discharge our Company *pro tanto* to the Bondholders. All the rights and remedies of the Bondholders shall vest in and shall be exercised by the Debenture Trustee without reference to the Bondholders. No Bondholder shall be entitled to proceed directly against our Company unless the Debenture Trustee, having become so bound to proceed, failed to do so.

- 17.3. The Debenture Trustee will protect the interest of the Bondholders in the event of default by our Company in regard to timely payment of interest and repayment of principal and they will take necessary action at our Company's cost. Further, the Debenture Trustee shall ensure that the assets of our Company are sufficient to discharge the principal amount at all time under this Issue.

18. **Miscellaneous**

18.1. **Loan against Bonds**

The Bonds can be pledged or hypothecated for obtaining loans from lending institutions in accordance with the lending policies of the concerned institutions.

18.2. **Lien**

Our Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the Bondholder or deposits held in the account of the Bondholder, whether in single name or joint name, to the extent of all outstanding dues by the Bondholder to our Company.

18.3. **Lien on pledge of Bonds**

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of Bonds if such pledge of Bond is accepted by any bank, institution or others for any loan provided to the Bondholder against pledge of such Bonds as part of the funding.

18.4. **Joint-holders**

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to applicable laws.

18.5. **Sharing of information**

Our Company may, at its option, use its own, as well as exchange, share or part with any financial or other information about the Bondholders available with our Company and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither our Company nor its affiliates nor their agents shall be liable for use of the aforesaid information.

18.6. **Notices**

All notices to the Bondholders required to be given by our Company or the Trustee shall be published in at least one national daily newspaper having wide circulation and/or, will be sent by post/courier to the registered Bondholders from time to time.

18.7. **Issue of duplicate Consolidated Bond Certificate(s)**

If any Consolidated Bond Certificate is mutilated or defaced it may be replaced by our Company against the surrender of such Consolidated Bond Certificates, provided that where the Consolidated Bond Certificates are mutilated or defaced, they will be replaced only if the certificate numbers and the distinctive numbers are legible.

If any Consolidated Bond Certificate is destroyed, stolen or lost then on production of proof thereof to the Issuer's satisfaction and on furnishing such indemnity/security and/or documents as it may deem adequate, duplicate Consolidated Bond Certificate(s) shall be issued.

The above requirement may be modified from time to time as per applicable law and practice.

18.8. Future borrowings

Our Company shall be entitled at any time in the future during the term of the Bonds or thereafter to borrow or raise loans or create encumbrances or avail of financial assistance in any form, and also to issue promissory notes or bonds or any other securities in any form, manner, ranking and denomination whatsoever and to any eligible persons whatsoever and to change its capital structure including through the issue of shares of any class, on such terms and conditions as our Company may deem appropriate, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, subject to the applicable statutory and/or regulatory requirements.

18.9. Jurisdiction

The Bonds, the Debenture Trust Deed and other relevant documents shall be governed by and construed in accordance with the laws of India. For the purpose of this Issue and any matter related to or ancillary to the Issue the Courts of New Delhi, India shall have exclusive jurisdiction.

ISSUE PROCEDURE

This section applies to all Applicants. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involves application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

ASBA Applicants should note that they may submit their ASBA Applications to the Syndicate Members or Trading Members only at the Syndicate ASBA Application Locations, or directly to the Designated Branches of the SCSBs. Applicants other than ASBA Applicants are required to submit their Applications to the Syndicate Members or Trading Members (at the application centres of the Syndicate Members will be mentioned in the Application Form) or make online Applications using the online payment gateway of the Stock Exchanges.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable law or as specified in this Prospectus Tranche - I.

Please note that this section has been prepared based on the circular no. CIR./IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI ("Debt Application Circular"). In terms of the Debt Application Circular SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility ("Direct Online Application Mechanism"). The following Issue procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by the Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the Debt Application Circular to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application. In the event of, and on the date of oversubscription, however, allotments in public issues of debt securities is to be made on a proportionate basis.

In accordance with SEBI letter dated December 27, 2013 bearing no. IMD/DOF-1/BM/VA/OW/33900/2013 it has been clarified that in terms of Section 8 (1) of the Depositories Act, our Company may issue Bonds in physical form to those investors who wish to subscribe in physical form.

Applicants are accordingly advised to carefully read the Shelf Prospectus, this Prospectus Tranche - I, the Application Form and the Abridged Prospectus in relation to any proposed investment in the Bonds. Our Company, the Registrar to the Issue and the Lead Managers shall not be liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date thereof.

The Syndicate Members and our Company shall not be responsible or liable for any errors or omissions on the part of trading members in connection with the responsibility of Trading Members in relation to collection and upload of Applications in this issue on the electronic application platform provided by the relevant stock exchanges. Further the relevant stock exchanges will be responsible for addressing investor grievances arising from applications through Trading Members.

Who can apply?

The following categories of persons are eligible to apply in the Issue.

Category I*

- Public Financial Institutions, scheduled commercial banks, state industrial development corporations, which are authorised to invest in the Bonds;
- Provident funds and pension funds with minimum corpus of ₹ 25 crores, which are authorised to invest in the Bonds;
- Insurance companies registered with the IRDA;
- National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India);
- Insurance funds set up and managed by the army, navy or air force of the Union of India or set up and managed by the Department of Posts, India;
- Indian multilateral and bilateral development financial institutions;
- Mutual funds registered with SEBI; and
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.

Category II*

- Companies within the meaning of section 2(20) of the Companies Act 2013;
- Statutory bodies/corporations;
- Cooperative banks;
- Public/ private/ religious trusts;
- Limited Liability Partnerships;
- Regional rural banks;
- Societies registered under the applicable laws in India;
- Partnership firms in the name of partners; and
- Any other domestic legal entities/ persons as may be permissible under the CBDT Notification and authorised to invest in the Bonds in terms of applicable laws.

* The MCA has, through its circular (General Circular No. 06/2013) dated March 14, 2013, clarified that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing bank rate, there shall be no violation of Section 372A(3) of the Companies Act, 1956.

Category III

The following Investors applying for an amount aggregating to more than ₹ 10 lakhs in the Tranche-I Issue:

- Resident Indian individuals; and
- Hindu Undivided Families through the Karta.

Category IV

The following Investors applying for an amount aggregating to up to and including ₹ 10 lakhs in the Tranche-I Issue:

- Resident Indian individuals; and
- Hindu Undivided Families through the Karta.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory

provisions.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus and this Prospectus Tranche - I.

How to apply?

Availability of the Abridged Prospectus and Application Forms

Please note that there is a single Application Form for ASBA Applicants as well as non-ASBA Applicants.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus and this Prospectus Tranche - I together with Application Forms may be obtained from Registered and Corporate Office of our Company, offices of the Lead Managers, offices of the Consortium Members, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus and this Prospectus Tranche - I and the Application Forms will be available for download on the website of the Stock Exchanges at www.nseindia.com and www.bseindia.com, the websites of the Lead Managers at www.karvy.com, www.akcapindia.com and www.rrfinance.com/www.rrfcl.com respectively. The Shelf Prospectus and Prospectus Tranche-I can also be downloaded from the SEBI website.

Electronic Application Forms will be available on the websites of the Stock Exchanges, the Lead Managers and the Consortium Members. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchanges. In addition, online beneficiary account portals may provide a facility of submitting Application Forms online to their account holders. Trading Members of the Stock Exchanges may also download electronic Application Forms from the websites of the Stock Exchanges.

On a request being made by any Applicant before the Tranche-I Issue Closing Date, physical copies of the Shelf Prospectus, this Prospectus Tranche - I and Application Form can be obtained from the Company’s Registered and Corporate Office, as well as offices of the Lead Managers and the Consortium Members.

Methods of Application

An eligible investor desirous of applying in the Issue can make Applications by one of the following methods:

1. Applications through the ASBA process; and
2. Non-ASBA Applications.

Note – Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility (“**Direct Online Application Mechanism**”). In this regard, SEBI has, through the Debt Application Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. In the event that the Stock Exchanges put in necessary systems, infrastructure and processes in place so as to enable the adoption of the Direct Online Application Mechanism prior to the Tranche-I Issue Opening Date, we shall offer eligible investors desirous of applying in the Issue the option to make Applications through the Direct Online Application Mechanism.

If such systems, infrastructures or processes are put in place by the relevant Stock Exchanges prior to the filing of the Shelf Prospectus or this Prospectus Tranche - I, the methods and procedure for relating to the Direct Online Application Mechanism shall be suitably updated in the Shelf Prospectus or this Prospectus Tranche - I, as the case may be. However, if such systems, infrastructures or processes are put in place by the relevant Stock

Exchanges after filing of the Shelf Prospectus and this Prospectus Tranche - I but prior to the Tranche-I Issue Opening Date, the methods and procedure for relating to the Direct Online Application Mechanism shall be widely disseminated by us through a public notice in a reputed national daily newspaper.

Applications through the ASBA process

Please note that application through ASBA is optional for all categories of Applicants. However, ASBA Applications can be submitted only by Applicants opting for Allotment in dematerialized forms.

Applicants who wish to apply through the ASBA process by filling in physical Application Form will have to select the ASBA mechanism in Application Form and provide necessary details. Applicants can submit their Applications through the ASBA process by submitting the Application Forms to the Designated Branch of the SCSB with whom the ASBA Account is maintained or through the Syndicate Members or Trading Members (ASBA Applications through the Syndicate Members and Trading Members shall hereinafter be referred to as the “**Syndicate ASBA**”), prior to or on the Tranche-I Issue Closing Date. **ASBA Applications through the Syndicate Members and Trading Members is permitted only at the Syndicate ASBA Application Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat).** Kindly note that Application Forms submitted by ASBA Applicants to the Syndicate Members and the Trading Members at the Syndicate ASBA Application Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Syndicate Members or the Trading Members to deposit the Application Form (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Syndicate Members and Trading Members shall, upon receipt of Application Forms from ASBA Applicants, upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained in accordance with the Debt Application Circular. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

ASBA Applications in electronic mode will only be available with such SCSBs who provide such an electronic facility. In case of ASBA Applications in such electronic form, the ASBA Applicant shall submit the Application Form with instruction to block the Application Amount either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA Account held with SCSB, as would be made available by the concerned SCSB.

In case of ASBA Application in physical mode, the ASBA Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB. The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the bidding platform of the stock exchange(s). If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the bidding platform of the stock exchange(s). If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the bidding platform of the stock exchange(s). The Designated Branch of the SCSBs shall stamp the Application Form.

Our Company, Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by SCSBs and Trading Members, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Trading Members in relation to the Issue should be made by Applicants directly to the relevant Stock Exchanges.

ASBA Applicants must note that:

(a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the

Syndicate Members or Trading Members of the stock exchange(s) at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the stock exchange(s) at least one day prior to the Tranche-I Issue Opening Date. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the abridged Prospectus is made available on their websites.

- (b) The Designated Branches of the SCSBs shall accept ASBA Applications directly from ASBA Applicants only during the Issue Period. The SCSB shall not accept any ASBA Applications directly from ASBA Applicants after the closing time of acceptance of Applications on the Tranche-I Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Syndicate Members or Trading Members of the stock exchange(s), as the case may be, after the closing time of acceptance of Applications on the Tranche-I Issue Closing Date. For further information on the Issue programme, please refer to “**General Information**” on page 15 of this Prospectus Tranche - I.

In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Syndicate Members or Trading Members of the stock exchange(s), as the case maybe, if not, the same shall be rejected. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs, if not, the same are liable to be rejected.

Please note that you cannot apply for the Bonds through the ASBA process if you wish to be Allotted the Bonds in physical form.

Non-ASBA Applications

(i) Non- ASBA Applications for Allotment of the Bonds in dematerialised form

Applicants must use the Application Form, which will be serially numbered, bearing the stamp of the relevant Syndicate Members or Trading Member of the stock exchange(s), as the case may be, from whom such Application Form is obtained. Applicants may submit duly filled in Application Forms either in physical or downloaded Application Forms to the Syndicate Members or the Trading Members accompanied by account payee cheques/ demand drafts prior to or on the Tranche-I Issue Closing Date. **APPLICANTS MUST USE ONLY CTS 2010 AND REFRAIN FROM USING NON-CTS 2010 INSTRUMENTS.** The Syndicate Members and Trading Members shall, upload the non-ASBA Application on the online platform of the relevant stock exchanges, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and returning it to the Applicant. This acknowledgment slip shall serve as the duplicate of the Application Form for the records of the Applicant and the Applicant should preserve this and should provide the same for any grievances relating to their Applications.

Upon uploading the Application on the online platform of the Stock Exchanges, the Syndicate Members and Trading Members will submit the Application Forms, along with the payment instruments to the Escrow Collection Banks, which will realise the payment instrument, and send the Application details to the Registrar. The Syndicate Members / Trading Members are requested to note that all payment instruments are required to be banked with only the banking branches of the Escrow Collection Banks, details of which will be available at the websites of the Stock Exchanges (at www.nseindia.com and www.bseindia.com). Accordingly, Applicants are requested to note that they must submit Application Forms to Trading Members who are located in towns/ cities which have at least one banking branch of the Escrow Collection Banks. The Registrar shall match the Application details as received from the online platform of the Stock Exchanges with the Application Amount details received from the Escrow Collection Banks for reconciliation of funds received from the Escrow Collection Banks. In case of discrepancies between the two data bases, the details received from the online platform of the Stock Exchanges will prevail. Upon Allotment, the Registrar will credit the Bonds in the demat accounts of the successful Applicants as mentioned in the Application Form.

Please note that neither our Company, nor the Syndicate Members, nor the Registrar shall be responsible for redressal of any grievances that Applicants may have in regard to the non-ASBA Applications made to the Trading Members, including, without limitation, relating to non-upload of the Applications data. All grievances against Trading Members in relation to the Issue should be made by Applicants to the relevant Stock Exchanges.

(ii) Non- ASBA Applications for Allotment of the Bonds in physical form

Applicants can also apply for Allotment of the Bonds in physical form by submitting duly filled in Application Forms to the Syndicate Members or the Trading Members, along with the accompanying account payee cheques or demand drafts representing the full Application Amount and KYC documents as specified in the sections titled “Issue Procedure – Applications by various Applicant Categories” and “Issue Procedure - Additional instructions specific for Applicants seeking Allotment of the Bonds in physical form” at pages 67 and 80, respectively. The Syndicate Members and Trading Members shall, upon submission of the Application Forms to them, verify and check the KYC documents submitted by such Applicants and upload details of the Application on the online platform of the relevant stock exchanges, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and returning it to the Applicant. This acknowledgment slip shall serve as the duplicate of the Application Form for the records of the Applicant and the Applicant shall preserve this and should provide the same for any queries relating to non-Allotment of Bonds in the Issue.

Upon uploading of the Application details, the Syndicate Members and Trading Members will submit the Application Forms, along with the payment instruments to the Escrow Collection Banks, which will realise the payment instrument, and send the Application Form and the KYC documents to the Registrar. The Registrar shall check the KYC documents submitted and match Application details as received from the online platform of the Stock Exchanges with the Application Amount details received from the Escrow Collection Banks for reconciliation of funds received from the Escrow Collection Banks. In case of discrepancies between the two data bases, the details received from the online platform of the Stock Exchanges will prevail. The Syndicate Members / Trading Members are requested to note that all Applications are required to be banked with only the banking branches of Escrow Collection Banks, details of which will be available at the websites of the Stock Exchanges (at www.nseindia.com and www.bseindia.com). Accordingly, Applicants are requested to note that they must submit Application Forms to Trading Members who are located in towns/ cities which have at least one banking branch of the Escrow Collection Banks. Upon Allotment, the Registrar will dispatch Bond Certificates to the successful Applicants to their addresses as provided in the Application Form. **Please note that, in the event that KYC documents of an Applicant are not in order, the Registrar will withhold the dispatch of Bond Certificates pending receipt of complete KYC documents from such Applicant. In such circumstances, successful Applicants should provide complete KYC documents to the Registrar at the earliest.**

Please note that in such an event, any delay by the Applicant to provide complete KYC documents to the Registrar will be at the Applicant’s sole risk and neither our Company, the Registrar, the Escrow Collection Banks, or the Syndicate Members, will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest on the Application Amounts for such period during which the Bond Certificates are withheld by the Registrar. Further, our Company will not be liable for any delays in payment of interest on the Bonds allotted to such Applicants, and will not be liable to compensate such Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay in payment of interest on the Bonds.

The Syndicate Members or Trading Members are also required to ensure that the Applicants are competent to contract under the Indian Contract Act, 1872 including minors applying through guardians, at the time of acceptance of the Application Forms.

Please note that allotment of Bonds in physical form can be done only if Applicant does not hold any Demat account.

To supplement the foregoing, the mode and manner of Application and submission of Application Forms is illustrated in the following chart.

Mode of Application	To whom the Application Form has to be submitted
ASBA Applications	(i) to the Syndicate Members only at the Syndicate ASBA Application Locations; or (ii) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or

Mode of Application	To whom the Application Form has to be submitted
	(iii) to Trading Members only at the Syndicate ASBA Application Locations.
Non- ASBA Applications	(i) to the Syndicate Members; or (ii) to Trading Members.

Application Size

Applications are required to be for a minimum of such Bonds and multiples of such Bonds thereafter as specified in this Prospectus Tranche - I.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

A mutual fund scheme cannot invest more than 15.00% of its NAV in debt instruments issued by a single company which are rated not below investment grade by a credit rating agency authorised to carry out such activity. Such investment limit may be extended to 20.00% of the NAV of the scheme with the prior approval of the board of trustees and the board of asset management company.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Applications Forms by a mutual fund registered with SEBI for Allotment of the Bonds in physical form must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Commercial Banks, Co Operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co Operative Banks and Regional Rural Banks can apply in this Issue based upon their own investment limits and approvals. Applications by them for Allotment of the Bonds in physical form must be accompanied by certified true copies of (i) any Act/rules under which such Applicant is incorporate (ii) certificate of registration/incorporation (iii) a resolution of the board of directors of such Applicant authorising investments; and (iv) specimen signature authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

In case of Applications for Allotment of the Bonds in physical form made by an Insurance Company, a certified copy of its certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) its Memorandum and Articles of Association; (ii) a power of attorney (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Bonds in physical form in

whole or in part, in either case, without assigning any reason therefor.

Applications by Alternative Investments Funds

Applications made by an Alternative Investments Fund eligible to invest in accordance with the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, for Allotment of the Bonds in physical form must be accompanied by certified true copies of: (i) the SEBI registration certificate of such Alternative Investment Fund; (ii) a resolution authorising the investment and containing operating instructions; and (iii) specimen signatures of authorised persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in whole or in part, in either case, without assigning any reason thereof. Alternative Investment Funds applying for Allotment of the Bonds shall at all time comply with the conditions for categories as per their SEBI registration certificate and the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, as amended.

Applications by Public Financial Institutions authorized to invest in the Bonds

Applications by Public Financial Institutions for Allotment of the Bonds in physical form must be accompanied by certified true copies of (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, Limited Liability Partnerships and bodies corporate registered under applicable laws in India

Applications made by companies, Limited Liability Partnerships and bodies corporate for Allotment of the Bonds in physical form must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; (iii) Certificate of registration; and (iv) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Applications by provident funds and pension funds which are authorized to invest in the Bonds

Applications by provident funds and pension funds which are authorised to invest in the Bonds, for Allotment of the Bonds in physical form must be accompanied by certified true copies of: (i) any Act/rules

under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (iii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Fund

Application made by National Invest Fund for Allotment of the Bonds in physical form must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Bonds in physical form in whole or in part, in either case, without assigning any reason therefor.

Applications by Trusts

Applications made by a trust, settled under the Indian Trusts Act, 1882, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must be accompanied by a (i) certified true copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof; and (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Further, any trusts applying for Bonds must ensure that (a) they are authorised under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in bonds, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in bonds, and (c) applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

Applications cannot be made by:

- a) Minors not applying through their guardians . (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
- b) Persons Resident Outside India and foreign nationals (including Non Resident Indians, Foreign Institutional Investors, Qualified Foreign Investors and Foreign Portfolio Investors);
- c) Overseas Corporate Bodies;
- d) Indian Venture Capital Funds;
- e) Foreign Venture Capital Investors;
- f) Persons ineligible to contract under applicable statutory/ regulatory requirements; and
- g) Any category of investor other than the Investors mentioned under Categories I, II, III and IV.

In case of Applications for Allotment of the Bonds in dematerialised form, the Registrar shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Syndicate Members, SCSBs or the Trading Members, as the case may be.

Nothing in the Shelf Prospectus and this Prospectus Tranche - I constitutes an offer of Bonds for sale in the United States or any other jurisdiction where it is unlawful to do so. The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the Securities Act), or the securities laws of any state of the United States or other jurisdiction and the Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation

S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. The Shelf Prospectus and this Prospectus Tranche - I may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

No offer to the public (as defined under Directive 2003/71/EC, together with any amendments and implementing measures thereto, (the “Prospectus Directive”)) has been or will be made in respect of the Issue or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue or otherwise in respect of the Bonds.

Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions of the bonds and the information contained in the Shelf Prospectus and this Prospectus Tranche - I.

Applications for Allotment of Bonds in the dematerialised form

As per the provisions of the Depositories Act, the Bonds can be held in dematerialised form, i.e., they shall be fungible and be represented by a statement issued through electronic mode. In this context, the Tripartite Agreements have been executed between Company, the Registrar to the Issue and the respective Depositories (CDSL/NSDL) for offering depository option to the Bondholders, for issue and holding the Bonds in dematerialized form.

- a) All Applicants can seek Allotment in dematerialised mode or in physical form. Applications made for receiving Allotment in the dematerialised form without relevant details of his or her depository account are liable to be rejected.
- b) An Applicant applying for the Bonds must have at least one beneficiary account with either of the Depository Participants of either of the Depositories, prior to making the Application.
- c) The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s identification number) in the Application Form.
- d) Allotment to an Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- e) Names in the Application Form should be identical to those appearing in the account details in the Depositories. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depositories.
- f) If incomplete or incorrect details are given under the heading ‘Applicant’s Depository Account Details’, in the Application Form, it is liable to be rejected.
- g) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with his or her Depository Participant.
- h) Bonds in electronic form can be traded only on the stock exchange having electronic connectivity with the Depositories. BSE and NSE, where the Bonds are proposed to be listed have electronic connectivity with the Depositories.
- i) The trading of the Bonds shall be in dematerialised form only.

Payment instructions

Payment mechanism for ASBA Applicants

An ASBA Applicant shall specify details of the ASBA Account in the Application Form. ASBA Applications submitted to the Syndicate Members or Trading Members of the Stock Exchange(s) at the Specified Cities will be uploaded onto the electronic platform of the Stock Exchange(s) and deposited with the relevant branch of the SCSB at the specified city named by such SCSB to accept such ASBA Applications from the Members of the

Syndicate or Trading Members of the Stock Exchange(s), as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). The relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the ASBA Application Form. ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Syndicate Members or Trading Members of the Stock Exchange(s), as the case may be, at the Specified Cities or to the Designated Branches of SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount will remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount to the Public Issue Account(s), or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved and upon receipt of intimation from the Registrar, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. In the event of Allotment of a lesser number of Bonds than applied for, the excess amount paid on Application shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 12 (twelve) Working Days of the Tranche-I Issue Closing Date.

Payment mechanism for non ASBA Applicants

The Issuer shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Applicants (except for ASBA Applicants) shall draw cheques or demand drafts. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form. Cheques or demand drafts for the Application Amount received from Applicants would be deposited by the Members of the Syndicate and Trading Members, as the case may be, in the Escrow Accounts.

The Escrow Collection Banks will act in terms of this Prospectus Tranche - I and the Escrow Agreement. The Escrow Collection Banks, for and on behalf of the Applicants, shall maintain the monies in the Escrow Account until the creation of security for the Bonds. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by Allotment of the Bonds from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account maintained with the Bankers to the Issue, provided that the sums received in respect of the Issue will be kept in the Escrow Account and the Issuer will have access to such funds only after creation of security for the Bonds. The amount representing the Applications that have been rejected shall be transferred to the Refund Account. Payments of refund to the Applicants shall be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus Tranche - I.

Accordingly, the Issuer shall open and maintain the escrow account with the Escrow Collection Bank(s) in connection with all application monies received from the Applicant, ("**Escrow Account**"). All application monies received from the Applicants shall be deposited in the Escrow Account maintained with each Escrow Collection Bank. Upon creation of security as disclosed in the Debenture Trust Deed, the Escrow Collection Bank(s) shall transfer the monies from the Escrow Accounts to the Public Issue Account.

The RBI has issued standard operating procedure in terms of paragraph 2(a) of RBI circular number DPSS.CO.CHD.No./133 / 04.07.05 / 2013-14 dated July 16, 2013 ("**RBI Circular**"), detailing the procedure for processing CTS 2010 and Non-CTS 2010 instruments in the three CTS grid locations. As per the RBI Circular, processing of Non-CTS cheques shall be done only on three days of the week.

In accordance with SEBI Circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 the time between issue closure and listing is 12 days. In order to enable compliance with the above timelines, investors are advised to use CTS cheques or use ABSA facility to make payment. Investors using Non-CTS cheques are cautioned that applications using such cheques are liable to be rejected due to any clearing delays beyond 6 working days from the date of closure of the issue, in terms of the aforesaid SEBI Circular.

Neither our Company, nor the Lead Managers or Escrow Collection Banks shall be liable for any delay in clearance of CTS 2010 and non-CTS 2010 cheques pursuant to the RBI Circular.

Payment into Escrow Account

Each Applicant (except for ASBA Applicants) shall draw a cheque or demand draft for the Application Amount as per the following terms:

- a) The payment instruments from all resident Applicants shall be payable into the Escrow Accounts drawn in favour of “Escrow Account IREDA Public Issue”.
- b) All Applicants would be required to pay the full Application Amount for the number of Bonds applied for, at the time of the submission of the Application Form.
- c) The Applicants shall, with the submission of the Application Form, draw a payment instrument for the full Application Amount in favour of the Escrow Account and submit the same to Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the Application shall be rejected.
- d) Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and Applications accompanied by such cheques or bank drafts are liable to be rejected.
- e) The monies deposited in the Escrow Accounts will be held for the benefit of the Applicants until the Designated Date.
- f) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts as per the terms of the Escrow Agreement, the Shelf Prospectus and this Prospectus Tranche - I into the Public Issue Account. The Escrow Collection Bank shall also, upon receipt of instructions from the Lead Managers and the Registrar, transfer all amounts payable to Applicants, who have not been allotted Bonds to the Refund Accounts.

Please note that Applications accompanied by Application Amounts in cash/ stock invest/ money orders/ postal orders will not be accepted.

Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Issuer, the Lead Managers, the Escrow Collection Banks and the Registrar to facilitate collections from the Applicants.

The Escrow Collection Banks will act in terms of the Shelf Prospectus, this Prospectus Tranche - I and the Escrow Agreement. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein. It is mandatory for our Company to keep the proceeds of the Issue in an escrow account until the documents for creation of security as stated in the Shelf Prospectus and this Prospectus Tranche - I are executed.

Submission of Application Forms

All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the designated collection banks during the Issue Period.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection banks will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

Applications shall be deemed to have been received by us only when submitted to Bankers to the Issue at their designated branches as detailed above and not otherwise.

Additional information for Applicants

1. Application Forms submitted by Applicants (except for Applicants applying for the Bonds in physical form) whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked (for ASBA Applicants)/ payable (for non-ASBA Applicants) on the submission of Application Form. However, the collection centre of the Syndicate Members or the SCSB or the Trading Member, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Syndicate Member / Trading Member or the relevant Designated Branch, they are liable to be rejected.

Applicants are advised not to submit Application Forms directly to Escrow Collection Banks (unless such Escrow Collection Bank is also an SCSB) and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Tranche-I Issue Opening Date. This advertisement will contain the information as prescribed under the SEBI Debt Regulations. Material updates, if any, between the date of filing of this Prospectus Tranche - I with the RoC and the date of release of this statutory advertisement will be included in the statutory advertisement.

In accordance with Section 30 of the Companies Act, 2013, where an advertisement of any prospectus of a company is published in any manner, it shall be necessary to specify therein the contents of its memorandum as regards the objects, the liability of members and the amount of share capital of the company, and the names of the signatories to the memorandum and the number of shares subscribed for by them, and its capital structure.

Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Prospectus Tranche - I and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Syndicate Members, or the Trading Members, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such Bonds and in multiples of such Bonds thereafter as specified in this Prospectus Tranche - I.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications can be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form)
- (f) Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. Applications can be in single or joint names (not exceeding three names).

- (f) If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the DP account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- (g) Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Syndicate Members at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the Bonds.
- (h) ASBA Applicants utilising physical Application Forms must ensure that the Application Forms are completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Prospectus Tranche - I and in the Application Form.
- (i) If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (j) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (k) Applications for all the Series of the Bonds may be made in a single Application Form only.
- (l) All Applicants are required to tick the relevant box of the "Mode of Application" in the Application Form, choosing either the ASBA or Non-ASBA mechanism.
- (m) ASBA Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch; otherwise the Application is liable to be rejected.
- (n) It shall be mandatory for subscribers to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction.
- (o) Where minor applicant is applying through guardian, it shall be mandatory to mention the PAN of the minor in the Application.

We shall Allot Bonds under Tranche I Series IA/ Tranche I Series IB (depending upon the category of Applicants) to all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of Bonds applied for.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE BONDS IN DEMATERIALIZED FORM SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM ARE EXACTLY THE SAME AS THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF PERSON WHOSE NAME APPEARS FIRST IN THE DEPOSITORY ACCOUNT AND SIGNATURE OF ONLY THIS

PERSON WOULD BE REQUIRED IN THE APPLICATION FORM. THIS APPLICANT WOULD BE DEEMED TO HAVE SIGNED ON BEHALF OF JOINT HOLDERS AND WOULD BE REQUIRED TO GIVE CONFIRMATION TO THIS EFFECT IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID and PAN provided by them in the Application Form, the Registrar will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds (for non-ASBA Applicants), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Syndicate Members nor the Trading Members, nor the Registrar, nor the Escrow Collection Banks, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants applying for Allotment of the Bonds in dematerialized form may note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Syndicate Members, the Trading Members or the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, and the Syndicate Members shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar except in relation to the Issue.

By signing the Application Form, Applicants applying for the Bonds in dematerialised form would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund orders/ Allotment Advice would be mailed at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Escrow Collection Banks, Registrar nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Prospectus Tranche - I, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund orders/Allotment Advice, the Demographic Details obtained from the Depository of the Applicant shall be used.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.

Electronic registration of Applications

- (a) The Syndicate Members, SCSBs and Trading Members will register the Applications using the on-line facilities of the Stock Exchanges. The Lead Managers, our Company, and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the

Applications accepted by the SCSBs and Trading Members, (ii) the Applications uploaded by the SCSBs and the Trading Members, (iii) the Applications accepted but not uploaded by the SCSBs or the Trading Members, (iv) with respect to ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) with respect to ASBA Applications accepted and uploaded by the Syndicate Members at the Syndicate ASBA Application Locations for which the Application Amounts are not blocked by the SCSBs.

- (b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of the Syndicate Members, Trading Members and their authorised agents and the SCSBs during the Issue Period. On the Tranche-I Issue Closing Date, the Syndicate Members, Trading Members and the Designated Branches shall upload Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Syndicate Members and Trading Members on a regular basis. Applicants are cautioned that a high inflow of Applications on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for Allotment.
- (c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the Bonds, as available on the website of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period.
- (d) At the time of registering each Application, SCSBs, the Syndicate Members and Trading Members, as the case may be, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Series(s) of Bonds applied, Application Amounts, details of payment instruments (for non – ASBA Applications) and any other details that may be prescribed by the online uploading platform of the relevant stock exchanges.
- (e) A system generated TRS will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the TRS from the SCSBs, the Syndicate Members or the Trading Members, as the case may be. The registration of the Applications by the SCSBs, the Syndicate Members or Trading Members does not guarantee that the Bonds shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (f) The permission given by the relevant Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the relevant Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus Tranche - I; nor does it warrant that the Bonds will be listed or will continue to be listed on the Stock Exchanges.
- (g) In case of apparent data entry error by either the Syndicate Members or the Trading Members, in entering the Application Form number in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Stock Exchanges.
- (h) Only Applications that are uploaded on the online system of the relevant Stock Exchanges shall be considered for Allotment.

General Instructions

Do's

- **Check if you are eligible to apply as per the terms of the Shelf Prospectus, Prospectus Tranche - I, Abridged Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- If the Allotment of the Bonds is sought in dematerialized form, ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta;
- Ensure that Applications are submitted to the Syndicate Members, Trading Members or the Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche-I Issue Closing Date;
- Ensure that the Application Forms (for non-ASBA Applicants) are submitted at the collection centres provided in the Application Forms, bearing the stamp of a Syndicate Members or a Trading Members of the Stock Exchanges, as the case may be;
- Ensure that the Applicant's names (for Applications for the Bonds in dematerialised form) given in the Application Form is exactly in the same order as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form for ASBA Applications;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. In case of Applications for Allotment in physical form, Applicants should submit a self-certified copy of their PAN card as part of the KYC documents. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- Ensure that the Demographic Details (for Applications for the Bonds in dematerialised form) as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a TRS for all your Applications and an acknowledgement as a proof of having been accepted;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the Bonds;
- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Applicants (other than ASBA Applicants) are requested to write their names and Application number

on the reverse of the instruments by which the payments are made;

- All Applicants are requested to tick the relevant column “Category of Investor” in the Application Form; and
- Tick the Series of Bonds in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not pay the Application amount in cash, by money order, postal order, stock invest;
- Do not send the Application Forms by post; instead submit the same to the Syndicate Members and Trading Members or the SCSBs (as the case may be) only;
- Do not submit Application Forms directly to the Escrow Collection Banks (unless such Escrow Collection Bank is also an SCSB), the Issuer, or to the Registrar to the Issue;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not fill up the Application Form such that the Bonds applied for exceeds the Issue size and/or investment limit or maximum number of Bonds that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the Bonds under applicable law or your relevant constitutional documents or otherwise;
- Do not make an Application of the Bonds on multiple copies taken of a single Application Form.
- Do not submit the Application Forms without the Application Amount for number of Bonds applied for; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Additional instructions specific for ASBA Applicants

Do's

- Before submitting the physical Application Form with the Syndicate Member at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- For ASBA Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Syndicate Members at the Syndicate ASBA Application Locations and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar or Trading Members;

- For ASBA Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar or the Syndicate Members or Trading Members.
- Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch, or to the Syndicate Members at the Syndicate ASBA Application Locations, or to the Trading Members, as the case may be;
- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form; and
- Ensure that you receive an acknowledgement from the Designated Branch or the concerned Syndicate Member, or the Trading Member, as the case may be, for the submission of the Application Form.
- In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications

Don'ts

- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts shall not be accepted under the ASBA process;
- Do not submit the Application Form with a Syndicate Member at a location other than the Syndicate ASBA Application Locations;
- Do not send your physical Application Form by post. Instead submit the same with a Designated Branch or a Syndicate Member at the Syndicate ASBA Application Locations, or a Trading Member, as the case may be; and
- Do not submit more than five Application Forms per ASBA Account.

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Syndicate Members or the Trading Members of the Stock Exchange(s), as the case maybe, at the centers mentioned in Application Form through the non-ASBA mode or, (ii) in case of ASBA Applications, (a) directly by the Designated Branches of the SCSBs or (b) by the centers of the Syndicate Members or the Trading Members of the Stock Exchange, as the case may be, only at the Specified Cities. On the Tranche-I Issue Closing Date the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the Tranche-I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche-I Issue Closing Date and not later than 3.00 p.m (Indian Standard Time) on the Tranche-I Issue Closing Date. Applicants are cautioned that in the event if a large number of Applications are received on the Tranche-I Issue Closing Date, there may be some Applications which may not be uploaded due to lack of sufficient time for uploading. Any such Applications which are not uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Syndicate Members or Trading Members of the Stock Exchange(s) shall be liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise.

Additional instructions specific for Applicants seeking Allotment of the Bonds in physical form

Any Applicant who wishes to subscribe to the Bonds in physical form shall undertake the following steps:

- **Please complete the Application Form in all respects, by providing all the information including PAN and Demographic Details. However, do not provide the Depository Participant details in the Application Form.** The requirement for providing Depository Participant details shall be mandatory only for the Applicants who wish to subscribe to the Bonds in dematerialised form.
- Please provide the following documents along with the Application Form:
 - (a) Self-attested copy of the PAN card or proof of identification in case of Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by Applicants residing in the State of Sikkim;
 - (b) Self-attested copy of your proof of residence. Any of the following documents shall be considered as a verifiable proof of residence:
 - ration card issued by the GoI; or
 - valid driving license issued by any transport authority of the Republic of India; or
 - electricity bill (not older than three months); or
 - landline telephone bill (not older than three months); or
 - valid passport issued by the GoI; or
 - voter's identity card issued by the GoI; or
 - passbook or latest bank statement issued by a bank operating in India; or
 - registered lease and license agreement or agreement for sale or rent agreement or flat maintenance bill; or
 - AADHAR letter.
- Self-attested copy of a cancelled cheque of the bank account to which the amounts pertaining to payment of refunds, interest and redemption, as applicable, should be credited.

In absence of the cancelled cheque, our Company may reject the Application or it may consider the bank details as given on the Application Form at its sole discretion. In such case our Company, Lead

Managers and Registrar shall not be liable for any delays/ errors in payment of refund and/ or interest.

The Applicant shall be responsible for providing the above information accurately. Delays or failure in credit of the payments due to inaccurate details shall be at the sole risk of the Applicants and neither the Lead Managers nor our Company shall have any responsibility and undertake any liability for the same. Applications for Allotment of the Bonds in physical form, which are not accompanied with the aforestated documents, may be rejected at the sole discretion of our Company.

In relation to the issuance of the Bonds in physical form, please note the following:

1. An Applicant has the option to seek Allotment of Bonds in either dematerialised or physical mode. No partial Application for the Bonds shall be permitted and is liable to be rejected.
2. In case of Bonds that are being issued in physical form, our Company will issue one certificate to the holders of the Bonds for the aggregate amount of the Bonds for each of the Series of Bonds that are applied for (each such certificate a “**Consolidated Bond Certificate**”).
3. **Any Applicant who provides the Depository Participant details in the Application Form shall be Allotted the Bonds in dematerialised form only. Such Applicant shall not be Allotted the Bonds in physical form.**
4. Our Company shall dispatch the Consolidated Bond Certificate to the address of the Applicant provided in the Application Form.

All terms and conditions disclosed in relation to the Bonds held in physical form pursuant to rematerialisation shall be applicable *mutatis mutandis* to the Bonds issued in physical form.

Consolidated list of documents required for various categories

For the sake of simplicity we hereby provide the details of documents required to be submitted by various categories of Applicants (who have applied for Allotment of the Bonds in dematerialised form) while submitting the Application Form:

Type of Investors	Documents to be submitted with application form (in addition to the documents required for applications for Allotment of Bonds in physical form)
Public financial institutions, commercial banks, cooperative banks and regional rural banks authorized to invest in the Bonds, companies within the meaning of Section 2(20) of the Companies Act, 2013, and bodies corporate registered under the applicable laws in India and authorized to invest in the Bonds; Limited Liability Partnerships; Indian multilateral and bilateral development financial institutions, Alternative Investment Funds and state industrial development corporations, companies, bodies corporate and societies registered under the applicable laws in India and authorized to invest in the Bonds	The Application must be accompanied by certified true copies of: <ul style="list-style-type: none"> • Any Act/ Rules under which they are incorporated • Board Resolution authorizing investments • Specimen signature of authorized person
Insurance companies registered with the IRDA	The Application must be accompanied by certified copies of <ul style="list-style-type: none"> • Any Act/Rules under which they are incorporated • Registration documents (i.e. IRDA registration) • Resolution authorizing investment and containing operating instructions (Resolution) • Specimen signature of authorized person

Type of Investors	Documents to be submitted with application form (in addition to the documents required for applications for Allotment of Bonds in physical form)
Provident Funds, Pension Funds and National Investment Fund	<p>The Application must be accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • Any Act/Rules under which they are incorporated • Board Resolution authorizing investments • Specimen signature of authorized person
Mutual Funds	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • SEBI registration Certificate and trust deed (SEBI Registration) • Resolution authorizing investment and containing operating instructions (Resolution) • Specimen signature of authorized person
Applicants through a power of attorney under Category II	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • A certified copy of the power of attorney or the relevant resolution or authority, as the case may be • A certified copy of the memorandum of association and articles of association and/or bye laws and/or charter documents, as applicable, must be lodged along with the Application Form. • Specimen signature of power of attorney holder/authorized signatory as per the relevant resolution.
Resident Indian individuals under Categories III and IV	N.A.
HUF through the Karta under Categories III and IV	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • Self-attested copy of PAN card of HUF. • Bank details of HUF i.e. copy of passbook/bank statement/cancelled cheque indicating HUF status of the applicant. • Self-attested copy of proof of Address of karta, identity proof of karta.
Power of Attorney under Category II and Category III	<ul style="list-style-type: none"> • The Application must be also accompanied by certified true copies of the power of attorney has to be lodge with the Application Form
Trusts	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • The registered instrument for creation of such trust. • A power of attorney, if any, in favour of one or more trustees thereof. • Such other documents evidencing registration thereof under applicable statutory/regulatory requirements

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, see the section titled “Issue Procedure – Methods of Application” at page 63.

OTHER INSTRUCTIONS

Joint Applications

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 and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be assumed to have given confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the Bonds for the same or different Series of Bonds, subject to a minimum Application size as mentioned in this Prospectus Tranche –I and in multiples of one Bond (Rs. 1,000) thereafter, for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, multiple Applications by the same Applicant belonging to Category IV aggregating to a value exceeding ₹ 10,00,000 shall be grouped in Category III, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be a multiple Application. Moreover, a separate Application can be made in respect of each scheme of a Mutual Fund and such Applications will not be treated as multiple Applications.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the Bonds in dematerialised form. In this context:

- (i) Tripartite Agreements dated April 29, 2009 and June 7, 2002, between us, the Registrar and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- (ii) It may be noted that Bonds in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL or CDSL. Each of the Stock Exchanges has connectivity with NSDL and CDSL.
- (iii) Interest or other benefits with respect to the Bonds held in dematerialised form would be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- (iv) The trading of the Bonds shall be in dematerialized form only.

For further information relating to Applications for Allotment of the Bonds in dematerialised form, see the sections titled “Issue Procedure – Methods of Application” and “Issue Procedure – General Instructions” on pages 63 and 76, respectively.

Communications

All future communications in connection with Applications made in the Issue should be addressed to the Registrar quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or the Registrar in case of any Pre-Issue related problems. In case of Post-Issue related problems such as non-receipt of Allotment Advice/ credit of Bonds in depository's beneficiary account/ refund orders, etc., applicants may contact our Compliance Officer as well as the contact persons of our Company/Lead Managers or Registrar. Please note that Applicants who have applied for the Bonds through Trading Members should contact the Stock Exchanges in case of any Post-Issue related problems, such as non-receipt of Allotment Advice / credit of Bonds in depository's beneficiary account/ refund orders, etc.

Revision of Application

Applicants may revise/modify their Application details during the Issue Period, as allowed/permitted by the relevant Stock Exchanges, by submitting a written request to a Syndicate/Trading Member of the relevant Stock Exchanges/Designated Branch of an SCSB, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Tranche-I Issue Closing Date.

Rejection of Applications

The Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Number of Bonds applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without payment of the Application Amount;
- In case of partnership firms, the application forms must be submitted in the name of individual partners and accompanied by the PAN of the partnership firm rather than the PAN of the partner himself;
- Applications submitted without payment of the full Application Amount. However, our Company may allot Bonds upto the full value of the Application Amount paid, in the event that such Application Amounts exceed the minimum Application Size as specified in this Prospectus Tranche - I;
- In case of Applicants applying for Allotment in physical form, date of birth of the sole/ first Applicant not mentioned in the Application Form;
- Investor Category in the Application Form not being ticked;
- In case of Applications for Allotment in physical form, bank account details not provided in the Application Form;
- Signature of the Applicant missing;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor not applying through their guardians;
- Applications by stock invest or accompanied by cash/money order/postal order;
- Applications made without mentioning the PAN of the Applicant;
- GIR number mentioned in the Application Form instead of PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications submitted directly to the Escrow Collection Banks (if such Escrow Collection Bank is not an SCSB);
- ASBA Applications submitted to the Members of Syndicate or a Trading Members at locations other than the Syndicate ASBA Application Locations or at a Designated Branch of a SCSB where the ASBA

- Account is not maintained, and ASBA Applications submitted directly to an Escrow Collecting Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- For Applications for Allotment in dematerialised form, DP ID, Client ID and PAN mentioned in the Application Form do not match with the Depository Participant ID, Client ID and PAN available in the records with the depositories;
 - In case of Applicants applying for the Bonds in physical form, if the address of the Applicant is not provided in the Application Form;
 - Copy of KYC documents not provided in case of option to hold Bonds in physical form;
 - Application Forms from ASBA Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant;
 - Applications for an amount below the minimum Application size;
 - ASBA Applications not having details of the ASBA Account to be blocked;
 - Applications (except for ASBA Applications) where clear funds are not available in Escrow Accounts as per final certificates from Escrow Collection Banks;
 - Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
 - Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
 - Non- ASBA Applications accompanied by more than one payment instrument;
 - Applications not uploaded on the terminals of the Stock Exchanges;
 - Applications for Allotment of Bonds in dematerialised form providing an inoperative demat account number;
 - In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
 - With respect to ASBA Applications, the ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;
 - Persons Resident Outside India and foreign nationals (including Non Resident Indians, Foreign Institutional Investors , Qualified Foreign Investors and Foreign Portfolio Investors);
 - SCSBs making an ASBA Application (a) through an ASBA Account maintained with its own self or (b) through an ASBA account maintained through a different SCSB not in its own name, or (c) through an ASBA Account maintained through a different SCSB in its own name, which ASBA Account is not utilised for the purpose of applying in public issues;
 - Where PAN details in the Application Form and as entered into the bidding platform of the Stock Exchanges, are not as per the records of the Depositories; and
 - In case of Applicants applying for the Bonds in physical form, if the address of the Applicant is not provided in the Application Form.

For further instructions regarding Application for the Bonds, Applicants are requested to read the Application Form.

Allotment Advice/ Refund Orders

In case of Applications other than those made through the ASBA process, the unutilised portion of the Application Amounts will be refunded to the Applicant within 12 (twelve) Working Days of the Tranche-I Issue Closing Date through any of the following modes:

- i. **Direct Credit** – Applicants having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- ii. **NECS** – Payment of refund would be done through NECS for Applicants having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be

subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds through this mode will be done for Applicants having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).

- iii. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant’s bank has been assigned the Indian Financial System Code (“**IFSC**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- iv. **RTGS** – If the refund amount exceeds ₹ 200,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the refund bank(s) for the same would be borne by us. Charges, if any, levied by the Applicant’s bank receiving the credit would be borne by the Applicant.
- v. For all other Applicants (not being ASBA Applicants), refund orders will be despatched through speed post/ registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/ first Applicants and payable at par at places where Application are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

In the case of Applicants other than ASBA Applicants, applying for the Bonds in dematerialised form, the Registrar will obtain from the Depositories the Applicant’s bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their Depository Participants. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay will be at the Applicant’s sole risk and neither our Company, the Registrar, the Escrow Collection Banks, or the Syndicate Members, will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

In case of ASBA Applicants, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 (twelve) Working Days of the Tranche-I Issue Closing Date.

Our Company and the Registrar shall credit the allotted Bonds to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret/ Refund Orders by registered post/speed post/ordinary post at the Applicant’s sole risk, within 12 Working Days from the Tranche-I Issue Closing Date . We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT.

Further,

- a) Allotment of Bonds in the Issue shall be made within a time period of 12 Working Days from the Tranche-I Issue Closing Date ;
- b) Credit to dematerialised accounts will be given within two Working Days from the Date of Allotment;
- c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the applicants within 12 Working Days from the Tranche-I Issue Closing Date , for the delay beyond 12 Working Days; and

- d) Our Company will provide adequate funds to the Registrar for this purpose.

Retention of oversubscription

Our Company is making a public issue of the Bonds aggregating upto ₹ 500 crore with an option to retain oversubscription upto ₹ 500 crore for issuance of additional Bonds aggregating to a total of upto ₹ 1,000 Crores* in the Fiscal 2014.

** In terms of the CBDT Notification, in addition to the tranche(s) of public issue, our Company may also, at its discretion, raise funds through issue of Bonds on a private placement basis in one or more tranches during the process of the present Issue, for an amount not exceeding ₹300 crores, i.e. upto 30% of the allocated limit for raising funds through the issue of Bonds during the Fiscal 2014, wherein suitable amounts shall be earmarked for subscription by Sovereign Wealth Funds, Pension and Gratuity Funds without the requirement of book building procedure, provided that in the event of any non-response, our Company shall be free to offer the un-subscribed amount through book building route under private placement in domestic market. Our Company shall ensure that Bonds issued through the public issue route and private placement route shall together not exceed ₹1,000 crores. In case our Company raises funds through private placements during the process of the present Issue, the Shelf Limit for the Issue shall get reduced by such amount raised.*

Grouping of Applications and allocation ratio

For the purposes of the Basis of Allotment:

- a) Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, (“**QIB Portion**”);
- b) Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Corporate Portion**”);
- c) Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net Worth Individual Portion**”); and
- d) Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Investor Portion**”).

For removal of doubt, the terms “**QIB Portion**”, “**Corporate Portion**”, “**High Net Worth Individual Portion**” and “**Retail Individual Investor Portion**” are individually referred to as a “**Portion**” and collectively referred to as “**Portions**”.

For the purposes of determining the number of Bonds available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of Bonds to be allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription as mentioned in this Prospectus Tranche - I.

Allocation ratio

Reservations shall be made for each of the Portions in the below mentioned basis:

QIB Portion	Corporate Portion	High Net Worth Individual Portion	Retail Individual Investor Portion
10% of the Issue Size	20% of the Issue Size	30% of the Issue Size.	40% of the Issue Size.

Basis of Allotment

- a) Allotments in the first instance:

- i) Applicants belonging to the Category I, in the first instance, will be allocated Bonds upto 10% of the Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the electronic Application platform of the relevant Stock Exchanges);
- ii) Applicants belonging to the Category II, in the first instance, will be allocated Bonds upto 20% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the electronic Application platform of the relevant Stock Exchanges);
- iii) Applicants belonging to the Category III, in the first instance, will be allocated Bonds upto 30% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the electronic Application platform of the relevant Stock Exchanges);
- iv) Applicants belonging to the Category IV, in the first instance, will be allocated Bonds upto 40% of Issue Size on first come first serve basis (determined on the basis of date of upload of the Applications on the electronic Application platform of the relevant stock exchanges).

Allotments in consultation with the Designated Stock Exchange, shall be made on a first- come - first serve basis determined on the basis of the date of the upload of each Application into the electronic system of the Stock Exchanges, in each Portion, as described above.

- (b) Under subscription

If there is any under subscription in any Portion (while other Portions are oversubscribed), priority in Allotments will be given in the following order (in decreasing order of priority):

- i) Category IV Portion;
- ii) Category III Portion;
- iii) Category II Portion; and
- iv) Category I Portion.

Within each Portion, priority in Allotment will be given on a first-come-first-serve basis, based on the date of the upload of each Application into the electronic Application platform of the relevant Stock Exchanges.

- (c) For all Portions, all Applications uploaded on the same day on the electronic Application platform of the relevant Stock Exchanges would be treated at par with each other.
- (d) Minimum allotments of one Bond would be made in case of each valid Application.
- (e) Allotments in case of oversubscription:

In case of an oversubscription in any of the Portions, Allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full Allotment of Bonds to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Bonds to the Applicants on the date of oversubscription (based on the date of upload of each Application on the electronic Application platform of the relevant stock exchanges, in each Portion). For each portion, on the date of oversubscription, the method of proportionate allotment is as described below:

1. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer,
2. If the process of rounding off to the nearest integer results in the actual allocation of Bonds being higher than the Issue size, not all applicants will be allotted the number of Bonds arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference;

3. In the event, there are more than one Applicant whose entitlement remains equal after the manner of distribution referred to above, our Company will ensure that the basis of allotments is finalised by draw of lots in a fair and equitable manner.

(f) Applicants applying for more than one Series of Bonds:

If an Applicant has applied for more than one Series of Bonds, and in case such Applicant is entitled to allocation of only a part of the aggregate number of Bonds applied for, the Series-wise allocation of Bonds to such Applicants shall be in proportion to the number of Bonds with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate, in consultation with the Lead Managers, the Registrar and the Designated Stock Exchange.

All decisions pertaining to the basis of allotment of Bonds pursuant to the Issue shall be taken by our Company in consultation with the Lead Managers, the Registrar and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Prospectus Tranche – I. Any other queries/issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

We shall Allot Bonds under Tranche I Series IA/Tranche I Series IB (depending upon the category of Applicants) to all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of Bonds applied for.

Our Company has the discretion to close the Issue early irrespective of whether any of the Portion(s) are fully subscribed or not. Our Company shall allot Bonds with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Investor Withdrawals and Pre-closure

Withdrawal of Applications during the Issue Period

Withdrawal of ASBA Applications

ASBA Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to the Syndicate Member, Trading Member or Designated Branch of an SCSB, as the case may be, through whom the ASBA Application had been made. In case of ASBA Applications submitted to the Syndicate Members or Trading Members at the Syndicate ASBA Application Locations, upon receipt of the request for withdrawal from the ASBA Applicant, the relevant Syndicate Members or Trading Member, as the case may be, shall undertake requisite actions, including deleting details of the withdrawn ASBA Application Form from the electronic platform of the relevant stock exchanges. In case of ASBA Applications submitted directly to a Designated Branch of an SCSB, upon receipt of the request for withdrawal from an ASBA Applicant, the relevant Designated Branch shall undertake requisite actions, including deleting details of the withdrawn ASBA Application Form from the electronic platform of the relevant stock exchanges and un-blocking of the funds in the ASBA Account directly.

Withdrawal of non – ASBA Applications

Non-ASBA Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to the Syndicate Member or Trading Member, as the case may be, through whom the Application had been made. Upon receipt of the request for withdrawal from the Applicant, the relevant Syndicate Member or Trading Member, as the case may be, shall undertake requisite actions, including deleting details of the withdrawn Application Form from the electronic platform of the relevant stock exchanges.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw an Application after the Tranche-I Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment. The Registrar to the Issue will delete the withdrawn Application from the electronic file provided by the Stock Exchanges and issue instruction to the SCSB for unblocking the ASBA Account (in case of ASBA Applications).

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Tranche-I Issue Closing Date. Our Company shall allot Bonds with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure or extension is published on or before such early date of closure or the Tranche-I Issue Closing Date, as applicable, through advertisement(s) in atleast one leading national daily newspaper with wide circulation. For further details please refer to “General Information - Issue Programme” on page 22.

Utilisation of Application Amounts

The sums received in respect of the Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of the proceeds of the Issue

- (a) All monies received pursuant to the Issue of Bonds to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.
- (c) Details of all unutilised monies out of issue of Bonds, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) We shall utilize the Issue proceeds only upon creation of security as stated in this Prospectus Tranche - I, receipt of the listing and trading approval from the Stock Exchanges.
- (e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property.

For more information (including with respect to interim use of the Issue proceeds), see “*Objects of the Issue*” on page 23.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 2013, which is reproduced below:

“*Any person who:*

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him,*

or to any other person in a fictitious name.

shall be liable for action under section 447”

Listing

The Bonds will be listed on the Stock Exchanges i.e. BSE and NSE. Our Company had applied for an in-principle approval to the Stock Exchanges for permission to deal in and for an official quotation of our Bonds. We have obtained in-principle listing approvals for the Bonds by letter No. DCS/SP/PI-BOND/18/13-14 dated January 29, 2014 from BSE and letter No. NSE/LIST/228958-P dated January 29, 2014 from NSE. The Designated Stock Exchange for the Issue is BSE. The application for listing of the Bonds will be made to the Stock Exchanges at an appropriate stage.

If permissions to deal in and for an official quotation of our Bonds are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus Tranche - I. If such money is not repaid within eight days after our Company becomes liable to repay it, our Company and every officer in default will on and from such expiry of eight days be liable to repay the money, with interest at the rate of 15% p.a. as prescribed under Section 73 of the Companies Act, 1956. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 12 Working Days from the Tranche-I Issue Closing Date .

For the avoidance of doubt, it is hereby clarified that in the event of non subscription to any one or more of the Series of Bonds, such Bonds with Series of Bonds shall not be listed.

Undertaking by the Issuer

We undertake that:

- a) the complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Trading Members) shall be attended to by us expeditiously and satisfactorily;
- b) we shall take necessary steps for the purpose of getting the Bonds listed within the specified timelines i.e., within 12 Working Days of the Tranche-I Issue Closing Date;
- c) the funds required for dispatch of refund orders/ allotment advice/ certificates by registered post shall be made available to the Registrar by the Company;
- d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the Bonds are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the Bonds duly certified by our Auditors, to the Debenture Trustee at the end of each half year;
- f) we shall disclose the complete name and contact details of the Debenture Trustee in our annual report;
- g) we shall provide a compliance certificate to the Debenture Trustee in respect of compliance with the terms and conditions of issue of Bonds as contained in the Shelf Prospectus and this Prospectus Tranche - I; and
- h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

Filing of this Prospectus Tranche - I with the RoC

A copy of this Prospectus Tranche - I will be filed with the RoC, in accordance with sections 56 and 60 of the Companies Act, 1956 and section 31 of Companies Act, 2013

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Prospectus Tranche - I) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at India Habitat Centre, East Court, Core 4 'A', 1st Floor, Lodhi Road, New Delhi - 110003, from 10.00 a.m. to 4.00 p.m., from the date of this Prospectus Tranche - I until the date of closure of the Issue.

MATERIAL CONTRACTS

1. Issue Agreement dated January 21, 2014, between our Company and the Lead Managers.
2. Agreement dated January 21, 2014, between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated January 21, 2014 between our Company and the Debenture Trustee for the Bondholders.
4. Agreement dated January 21, 2014, between our Company and the Consortium Members.
5. Escrow Agreement dated January 30, 2014, between our Company, the Lead Managers, the Registrar to the Issue and the Escrow Collection Bank(s).
6. Tripartite Agreement dated April 29, 2009, between CDSL, our Company and the Registrar to the Issue.
7. Tripartite Agreement dated June 7, 2002 between NSDL, our Company and the Registrar to the Issue.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. CBDT Notification No. 61/2013/F.No.178/37/2013-(ITA.I) dated August 8, 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India authorising our Company to issue the said Bonds up to an aggregate amount of ₹ 1,000.00 crores during Fiscal 2014.
3. Certified copy of Board resolution dated August 29, 2013 approving the Issue.
4. Shareholders' resolution dated September 26, 2013, under section 180 (1) (c) of the Companies Act, 2013 on the borrowing limit.
5. Letter(s) dated November 19, 2013, November 22, 2013 and January 29, 2014 by Brickwork assigning credit rating of 'BWR AAA (SO) [pronounced BWR Triple A (Structured Obligation)] (Outlook: Stable)' to the Bonds and letter(s) dated November 20, 2013, November 27, 2013 and January 29, 2014 by CARE assigning credit rating of "CARE AAA (SO) [Triple A (Structured Obligation)]" to the Bonds.
6. SEBI letter dated December 27, 2013 bearing no. IMD/DOF-1/BM/VA/OW/33900/2013, permitting our Company to issue Bonds in physical form to those investors who wish to subscribe in physical form.
7. Consents of each of the Directors, Chief Financial Officer (i.e. Director (Finance), Company Secretary and Compliance Officer, Lead Managers, Legal Advisors to the Issue, Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Company, the Debenture Trustee for the Bonds, Consortium Members and the Credit Rating Agencies to include their names in this Prospectus Tranche - I, in their respective capacities.
8. Consent of the Auditors, for inclusion of their name and the report on the financial statements including the annexures and notes thereto, in the form and context in which they appear in this Prospectus Tranche - I and their statement on tax benefits mentioned herein.
9. The statement of tax benefit report dated January 9, 2014, prepared by our Auditors.
10. Auditor's report dated December 24, 2013 on Financial Information, prepared in accordance with the accounting standards generally accepted in India for the six months period ended September 30, 2013 and Fiscal 2013, 2012, 2011, 2010 and 2009.
11. Annual Reports of our Company for the last five Fiscals and for half year period ended September 30, 2013.

12. In-principle listing approval from BSE, through letter no. DCS/SP/PI-BOND/18/13-14 dated January 29, 2014.
13. In-principle listing approval from NSE, through letter no. NSE/LIST/228958-P dated January 29, 2014.
14. Due Diligence Certificate dated February 10, 2014 filed by the Lead Managers with SEBI.
15. Letter dated October 25, 2013 from Ministry of New and Renewable Energy, Government of India ensuring that our Company will comply with its payment obligations in respect of the Bonds in a timely manner.
16. Memorandum of Understanding dated March 25, 2013 between our Company and MNRE.
17. Letter dated January 13, 2014 of CARE for use and inclusion of information from the report titled Renewable Energy Sources, July 2013

Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the Bondholders, in the interest of our Company in compliance with applicable laws.

DECLARATION

We, the undersigned Directors of the Company, certify that all applicable legal requirements in connection with the Issue, including under the Companies Act 1956, the Companies Act, 2013, to the extent applicable, the SEBI Debt Regulations, and all relevant guidelines issued by SEBI, GoI and any other competent authority in this behalf, have been duly complied with and that no statement made in this Prospectus Tranche - I contravenes such applicable legal requirements. We further certify that this Prospectus Tranche - I which is to be read with Shelf Prospectus does not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that all statements in this Prospectus Tranche - I are true and correct in all material respects.

Signed by the Board of Directors

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1. Mr. Debashish Majumdar
Chairman and Managing Director

 2. Mr. Kuljt Singh Popli
Director (Technical)

 3. Mr. Satish Kumar Bhargava
Director (Finance)

 4. Dr. Mohmmad Yousuf Khan
Independent Director

 5. Dr.Praveen Saxena
Independent Director (Government Nominee)

 6. Mr. Ravinder Pal Batra
Independent Director (Government Nominee)
-

Place: New Delhi

Date: February 10, 2014

ANNEXURE A – KEY FINANCIAL PARAMETERS

The key financial parameters of our Company are as mentioned in the table below:

(₹ In crore)

Particulars	Six month period ended September 30, 2013	Fiscal 2013	Fiscal 2012	Fiscal 2011
Paid up equity share capital	744.60	699.60	639.60	589.60
Net worth	1,853.20	1,688.35	1,457.99	1,264.12
Total Debt (of which)				
Non Current Maturities of				
- Long Term Borrowing	5,482.86	4,916.63	3,959.16	2,398.06
- Short Term Borrowing	-	-	0.02	-
Current Maturities of Long Term Borrowing	262.41	176.55	184.68	77.13
Net Fixed Assets	38.79	40.30	43.21	40.81
Non Current Assets	6,237.48	5,851.00	4,712.32	3,280.94
Cash and Cash Equivalents	8,48.93	114.83	613.89	204.55
Current Investments	-	-	-	-
Current Assets	961.49	1,186.98	719.15	605.36
Current Liabilities	720.07	558.88	638.71	439.24
Assets under Management	-	-	-	-
Off Balance Sheet Assets	-	-	-	-
Interest Income	433.78	690.21	458.61	365.71
Interest Expense	202.34	335.11	206.06	168.79
Provisioning & Write-offs	0.49	62.03	46.04	22.55
Profit after tax (PAT)	119.87	202.65	173.13	120.46
Gross NPA (%)	3.42	3.86	5.46	5.31
Net NPA (%)	0.70	0.92	2.5	0.79
Tier I Capital Adequacy Ratio (%)	26.22	24.75	28.61	35.38
Tier II Capital Adequacy Ratio (%)	N.A.	N.A.	N.A.	N.A.

Debt - equity ratio of the Issuer

Particulars	Pre Issue (as on September 30, 2013)	Post Issue of Bonds of ₹ 1,000 crores*
TOTAL DEBT		
Total Debt	5,745.27	6,745.27
SHAREHOLDERS' FUNDS		
Share Capital	744.60	744.60
Reserve & Surplus (excluding Revaluation Reserve)	1,108.60	1,108.60
Net Worth	1,853.20	1,853.20
GROSS DEBT/ EQUITY RATIO		
Gross Debt/ Equity Ratio (Total long term debts/ Shareholder's fund)	3.10	3.64

* No effect has been given for changes in equity and debt subsequent to September 30, 2013 except for ₹ 1,000 crore towards proposed Issue of the Bonds, which is assumed to have been fully subscribed.

APPENDIX I – SHELF PROSPECTUS

