

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.