

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

MEANT FOR USE OF THE ADDRESSEE ONLY



**Kotak Infrastructure Debt Fund Limited**

CIN: U65910MH1988PLC048450

(A public limited company incorporated under Companies Act, 1956)

Date of Incorporation: 10-AUGUST-1988

**Registered Office:** 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India.

Tel. No. 022-6166 0000, Fax No. 022-6713 2410,

website: [kotak.com/en/investorrelations/governance/subsidiaries.html](http://kotak.com/en/investorrelations/governance/subsidiaries.html)

**Corporate Office:** 5<sup>th</sup> Floor, 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India.

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Issue by Kotak Infrastructure Debt Fund Limited (The “Company” or the “Issuer”) of Secured, Redeemable, Non-Convertible Debentures, with a face value of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each (“Debentures”), for a total issue size of Rs.150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) on Private Placement basis (“Issue”).

#### **BACKGROUND:**

This Disclosure Document is related to the Debentures to be issued by Kotak Infrastructure Debt Fund Limited on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures under this Disclosure Document and creation of security in relation thereto, has been authorised by a resolution passed by the Board of Directors of the Issuer on October 18, 2017 and by the shareholders of the Issuer on November 2, 2017

#### **CREDIT RATING:**

The Debentures proposed to be issued by the Company have been rated “AAA/Stable” by CRISIL and “AAA/Stable” by ICRA vide its letter dated January 9, 2018: CRISIL & January 9, 2018: ICRA respectively. Instruments with this rating are considered to have a very high degree of safety regarding timely servicing of financial obligations. Please refer to **Annexure [I]** of this Disclosure Document for the letter dated January 9, 2018: CRISIL & January 9, 2018: ICRA from the Rating Agency assigning the abovementioned credit rating.

#### **ISSUER’S ABSOLUTE RESPONSIBILITY:**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms, that the information contained in this Disclosure Document contains all the information with regard to the Issuer and which is material in the context of the Issue and as required under Section 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, and that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Disclosure Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

#### **ISSUE SCHEDULE:**

As set out in the Term Sheet annexed hereto as **Annexure [II]**. Please note that the Company reserves the right to change the Issue Schedule including the Deemed Date of Allotment (as defined hereinafter) at its sole discretion, without giving any reasons or prior notice. The Issue shall be open on banking hours on each day during the period covered by the Issue Schedule herein mentioned.

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**LISTING:**

*The Debentures are not proposed to be listed on any recognized stock exchange*

Arranger	Debenture Trustee	Registrar & Transfer Agent
Not Applicable	<b>IDBI Trusteeship Services Limited</b> Asian Building, Ground Floor 17, R Kamani Marg Ballard Estate, Mumbai 400001 Tel: +91 22 4080 7005 Fax: +91 22 6631 1776	<b>Link Intime India Private Limited</b> C – 13, Pannalal Silk Mills compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078,  Tel: 022-2596 3838 Fax: 022-2594 6979

**NOTICE TO INVESTORS AND GENERAL DISCLAIMER:**

This Disclosure is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Kotak Infrastructure Debt Fund Limited (the “**Issuer**”). This Disclosure Document is for the exclusive use of the institutions to whom it is delivered, and it should not be circulated or distributed to third parties. It cannot be acted upon by any person other than to whom it has been specifically addressed. Multiple copies hereof given to the same entity shall be deemed to be offered to the same person. No document in relation to the Issuer or this Issue has been delivered for registration to any authority. Neither this Disclosure Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and a recipient of this Disclosure Document should not consider such receipt a recommendation to purchase any Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Company and its own appraisal of the creditworthiness of the Company as well as the structure of the Issue. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of an investment to the investor's particular circumstances. No person has been authorized to give any information or to make any representation not contained in or incorporated by reference in this Disclosure Document or in any material made available by the Company to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

The Debentures offered pursuant to this Disclosure Document shall be subject to the terms and conditions pertaining to the Debentures outlined hereunder as modified / supplemented by the terms of the Term Sheet and other documents in relation to such issuance. The terms and conditions contained in this Disclosure Document shall be read in conjunction with the provisions (as may be mutually agreed between the issuer and respective debenture holders from time to time) contained in the Term Sheet, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Term Sheet on one hand, and the terms and conditions in the Disclosure Document (and necessary addendums to the Disclosure Document) on the other, the provisions contained in the Term Sheet shall prevail over and override the provisions of the Disclosure Document (and necessary addendums to the Disclosure Document) for all intents and purposes.

The contents of this Disclosure Document are intended to be used only by the Debenture Holders to whom it is issued. It is not intended for distribution to any other person and should not be reproduced by the recipient. No invitation is being made to any persons to whom this Disclosure Document has not been sent. Any application by a person to whom this Disclosure Document has not been sent by the Company shall be rejected without assigning any reason. Invitations, offers and sales of the Debentures shall only be made pursuant to this Disclosure Document. The person who is in receipt of this Disclosure Document shall maintain utmost confidentiality regarding the contents of this Disclosure Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Company. All Debenture Holders are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. It is the

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responsibility of the Eligible Investors to have obtained all consents, approvals or authorizations required by them to participate in the Issue.

This Disclosure Document is issued by the Issuer. The views contained in this Disclosure Document do not necessarily reflect the views of its directors, officers, employees or Affiliates. This Disclosure Document does not purport to contain all the information that any Debenture Holder may require. Further, this Disclosure Document has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect to the best of understanding. All information considered adequate and relevant about the Issue and the Issuer has been made available in this Disclosure Document for the use and perusal of the Debenture Holders and no selective or additional information would be available for a section of Debenture Holders in any manner whatsoever. The Issuer does not undertake to update the Disclosure Document to reflect subsequent events after the date of the Disclosure Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the copy of this Disclosure Document shall be filed with the ROC within the stipulated timelines under the Companies Act, 2013. The Issuer accepts no responsibility for statements made other than in this Disclosure Document or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the Debentures and that anyone placing reliance on any other source of information would be doing so at their own risk.

The person who is in receipt of this Disclosure Document shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential, all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to the Issuer or other parties in connection with the Issue. This Disclosure Document may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Disclosure Document) without retaining any copies hereof. If any recipient of this Disclosure Document decides not to participate in the Issue, that recipient must promptly return this Disclosure Document and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer. The Company does not undertake to update this Disclosure Document to reflect subsequent events after the date of this Disclosure Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Company.

Neither the delivery of this Disclosure Document nor the issue of any Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date thereof.

This Issue is a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. Hence, this Disclosure Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Disclosure Document in any jurisdiction where such action is required. This Disclosure Document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. Persons into whose possession this Disclosure Document comes are required to inform themselves about and to observe any such restrictions. This Disclosure Document is made available to potential investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise.

**GENERAL RISK:**

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does

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SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to statement of Risk Factors contained on Page 9 of this Disclosure Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Debentures or investor's decision to purchase the Debentures.

#### **FORWARD LOOKING STATEMENTS:**

This Disclosure Document contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as aim, anticipate, believe, expect, estimate, intend, objective, plan, project, shall, will, will continue, will pursue or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Issuer 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 the Issuer's expectations include, but are not limited to, the following:

- a) delay or non-receipt of necessary government and other approvals;
- b) regulatory changes pertaining to the industry in India which have an impact on the Issuer's business and durability to respond to them;
- c) the Issuer's ability to successfully implement its strategy, growth and expansion;
- d) competition in the industry in which the Issuer operates in;
- e) the Issuer's ability to respond to technological changes;
- f) the Issuer's exposure to market risks;
- g) the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates,
- h) foreign exchange rates, equity prices and other rates or prices; and
- i) general economic and political conditions in India and globally, which have an impact on the Issuer's business and its ability to respond to them.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Issuer, Registrar, Debenture Holders nor any of their respective Affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

There is no litigation currently outstanding against the Issuer – in light of this, in this Disclosure Document, there are no disclosures pertaining to material litigation. This apart, in respect of other legal proceedings, investigations and cases, which if determined against the Issuer, its subsidiaries or its promoters would, in the opinion of the Issuer, have a material adverse impact on the financial condition or results, business, reputation or intellectual property assets of the Issuer or its subsidiaries, given the size, nature of operations and locational diversity of the Issuer and its subsidiaries, the list of such proceedings, investigations and cases is restricted to material issues.

However, pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the copy of this Disclosure Document shall be filed with the ROC within the stipulated timelines under the Companies Act, 2013 as a post issue condition. It is to be distinctly understood that this Disclosure Document should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI and nor does the SEBI guarantee the adequacy and accuracy of this Disclosure Document.

#### **DISCLAIMER CLAUSE OF RBI**

The Issuer is having a valid certificate of registration dated April 06, 2017, bearing registration no. N-13.02177, issued by the Reserve Bank of India under section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or of the correctness of any of the statements or representations made or opinions expressed by the Issuer and for repayment of deposits / discharge of liabilities by the Issuer.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

Issue of the Debentures have been/will be made in India to investors as specified under clause "Who Can Apply" in this Disclosure Document, who have been/shall be specifically approached by the Company. This Disclosure

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Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. This Disclosure Document does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Maharashtra. Persons into whose possession this Disclosure Document comes are required by the Issuer to inform them about and observe any such restrictions. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

#### **DISCLAIMER IN RESPECT OF RATING AGENCY**

Rating is opinion on credit quality and is not recommendation to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based their rating on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency has paid a credit rating fee, based on the amount and type of bank facilities/instruments.

#### **DISCLAIMER OF THE DEBENTURE TRUSTEE**

The Debenture Trustee or its agents or advisers associated with the Issue does not undertake to review the financial condition or affairs of the Company during the life of the arrangements contemplated by this Disclosure Document / or shall not have any responsibility to advise any investor or prospective investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agent/advisors.

The Debenture Trustee and their agents or advisers associated with the Issue have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Company. Accordingly, the Debenture Trustee associated with the Issue shall have no liability in relation to the information contained in this Disclosure Document or any other information provided by the Company in connection with the Issue.

The Debenture Trustee, *ipso facto* does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the Debenture Holders for the Debentures.

#### **ISSUE OF DEBENTURES IN DEMATERIALISED FORM**

The Debentures will be issued in dematerialised form. The Company has made arrangements with National Securities Depositories Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in dematerialised form. The investor will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act, 1996. The Company shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the investor with its depository participant. The Company will make the allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

#### **FORCE MAJEURE**

The Company reserves the right to withdraw the Issue at any time prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected in respect of the Issue without assigning any reason.

#### **ADDITIONAL ASSUMPTIONS**

Each subscriber, by subscribing to the Debentures, and any subsequent purchaser, by purchasing the Debentures, shall be deemed to have agreed that and accordingly the Company shall be entitled to presume that each of the Debenture Holders:

- (a) has reviewed the terms and conditions applicable to the Debentures as contained in the Disclosure Document and has understood the same, and, on an independent assessment thereof, found the same acceptable for the

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- investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the investment in the Debentures are a suitable investment and that the Debenture Holders can bear the economic risk of that investment;
- (b) has received all the information believed by it to be necessary and appropriate or material in connection with, and for investment in the Debentures;
- (c) has sufficient knowledge, experience and expertise as an investor, to make the investment in the Debentures;
- (d) has not relied on either the Company or any of its Affiliate, associate, holding, Subsidiary or group entities or any person acting in its or their behalf for any information, advice or recommendations of any sort except as regards the accuracy of the specific factual information about the terms of the Debentures set out in this Disclosure Document;
- (e) has understood that information contained in this Disclosure Document is not to be constructed as business or investment advice;
- (f) has made an independent evaluation and judgment of all risks and merits before investing in the Debentures;
- (g) has legal ability to invest in the Debentures and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holders or its assets.

#### DEFINITIONS

Term	Description
Act/Companies Act	The extant provisions of Companies Act, 1956 and/or the Companies Act, 2013 and the rules made thereunder which are in effect from time to time and shall include any other statutory amendment or re-enactment thereof, as applicable.
Affiliate	In relation to any Person and at a given time of determination, shall mean a Subsidiary of that Person or a holding company of that Person or any other Subsidiary of that holding company.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures as was made pursuant to the Issue.
Application Form	The form in which an investor can apply for subscription to the Debentures.
Applicable Law	All applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives, circulars, codes, notices and orders of any Government and any modifications or re-enactments thereof.
Articles/AoA	Articles of Association of the Company.
Asset Cover Ratio	The Company shall maintain the asset cover of 1.00 times during the tenure of the Debentures, as more particularly described in the Debenture Trust Deed
Business Day	Any day of the week (excluding Saturdays, Sundays, any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai.
Coupon Rate/Interest Rate	As set out in Issue Details/Term Sheet.
Debentures	Secured, Redeemable, Non-Convertible Debenture with a face value of [Rs. 10,00,000/- each (Rupees Ten Lacs only) each to be issued on a private placement basis pursuant to this Disclosure Document.
Debenture Holder	Person(s) who is / are, from time to time, holder(s) of the Debentures (including their respective transferees from time to time) and in case the Debentures (or any series / tranche of Debentures) are in dematerialized / electronic form, shall mean the person(s) who is / are, from time to time, owner(s) of the Debentures in electronic / dematerialized form and whose name(s) is / are entered / listed in the list of beneficial owner(s) maintained by a Depository
Debenture Trust Deed	The debenture trust cum mortgage and or hypothecation deed to be executed as and if applicable by between the Issuer and the Debenture Trustee pursuant to which the Debentures shall be issued.
Debenture Trustee Agreement	The debenture trustee agreement dated November 28, 2017 executed by and between the Company and the Debenture Trustee for the appointment of IDBI Trusteeship Services Limited as a debenture trustee in respect of all the debentures to be issued pursuant to the terms of the Debenture Trust Deed.
Deed of Hypothecation	The deed of hypothecation to be executed (as and if applicable) by the Company in favour of the Debenture Trustee, for the purposes of creating a first ranking <i>pari passu</i> hypothecation over the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the holders of the Debentures issued pursuant to this Disclosure Document.

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Deemed Date of Allotment	Date of allotment of the Debentures.
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Disclosure Document	This Disclosure Document through which the Debentures are being offered for private placement.
DRR/Debenture Redemption Reserve	Debenture redemption reserve created and maintained in accordance with the provisions of the Act.
Event of Default	Events of default as set out in the Debenture Trust Deed and shall additionally mean any event or circumstances described as an event of default under this Disclosure Document.
Final Settlement Date	Date on which the Secured Obligations have been irrevocably discharged in full and the Debentures have been redeemed by the Company in full.
Government	Government includes the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government, any authority or private body exercising powers conferred by Applicable Law and any court or tribunal of competent jurisdiction or other judicial or quasi-judicial body, and shall include, without limitation, [a stock exchange] and any regulatory body.
Hypothecated Assets	Shall have the meaning as defined under Clause 2 (k)(2) of the Form No. PAS 4 of this Disclosure Document.
Infrastructure Debt Fund-Non-Banking Financial Company/ IDFC-NBFC	Shall have the meaning as ascribed to the term in the RBI NBFC Master Directions 2016.
Issue	This private placement of the Debentures.
Immovable Property	Shall have the meaning as defined under Clause 2 (k) (1) of the FORM PAS 4 of this Disclosure Document.
Issuer / Company / KIDFL	Kotak Infrastructure Debt Fund Limited, a public limited company incorporated under the Companies Act.
Majority Debenture Holders	Debenture Holders of an amount representing not less than three-fourth in value of the nominal amount then outstanding of such Debentures.
Minimum Security Cover	Asset Cover Ratio of 1.00 to be maintained in respect of Debentures outstanding.
Mortgage Property	As defined under the Debenture Trust Deed.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
PAN	Permanent Account Number as allotted under the Income Tax Act, 1961.
Payments	All payments to be made by the Company in relation to the Debentures including payment of the Redemption Amount, interest payable at the Interest Rate, the [Redemption Premium (if any)], default interest (wherever applicable), additional interest (if any) liquidated damages, commitment charges, remuneration of the Debenture Trustee and all fees, costs, charges, expenses and other monies payable by the Company under the Transaction Documents including for creation, preservation and realization of the Security, including legal fees and all other monies, amounts whatsoever.
Person	Any individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term "Persons" shall be construed accordingly.
RBI NBFC Master Directions 2016	Shall mean the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as may be amended/ updated/supplemented from time to time.
Redemption Amount	The amount to be paid by the Company to the Debenture Holder(s) at the time of redemption of the Debentures (including any amount payable on account of any early redemption) to be calculated in the manner set out in this Disclosure Document and shall include principal amounts, interest and other amounts, if any, in respect of the Debentures as per this Disclosure Document.
Registered Office	27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India.
ROC	Registrar of Companies.
SEBI	Securities and Exchange Board of India constituted under The Securities and Exchange Board of India Act, 1997 (as amended from time to time).
SEBI Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities)

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	Regulations, 2008 issued by SEBI, as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
Secured Obligations	In relation to the Debentures, shall mean: <ol style="list-style-type: none"> <li>(a) all of the Company's obligations and liabilities under or in respect of the Debentures under the relevant Transaction Documents including the redemption/ repayment of the principal amount of the Debentures, payment of interest in relation thereto, default interest (where applicable), additional interest (if any),</li> <li>(b) all monies due and payable to the Debenture Trustee including the remuneration payable to the Debenture Trustee and/or the receiver in terms of and pursuant to the Debenture Trustee Agreement, the Debenture Trust Deed, and the Deed of Hypothecation; and</li> <li>(c) all fees, costs, charges and expenses and other monies payable hereunder or under any of the Transaction Documents including for creation, preservation and enforcement of the Security.</li> </ol>
Security	Any or all of the under: <ol style="list-style-type: none"> <li>(a) First pari passu registered Mortgage on the Immovable Property (if any) of the Company to be created under the Debenture Trust Deed within 60 days from the Deemed Date of Allotment;</li> <li>(b) First <i>pari passu</i> charge in the nature of hypothecation over the Hypothecated Asset to be created under the Deed of Hypothecation within 60 days from the Deemed Date of Allotment;</li> <li>(c) Any other security created by the Company in relation to the Debentures, pursuant to terms of the Debenture Trust Deed.</li> </ol>
Share Capital	Share Capital means equity share capital of the Company and include preference share capital issued/to be issued by the Company.
Subsidiary	shall mean in relation to a company, be any Person: <ol style="list-style-type: none"> <li>(i) which is controlled, directly or indirectly, by the company;</li> <li>(ii) more than half the issued share capital of which is beneficially owned, directly or indirectly by the company; or</li> <li>(iii) which is a Subsidiary of another Subsidiary of the company.</li> </ol>
Term sheet	The term sheet containing the detailed terms and conditions of the Issue as set out in Annexure [II] hereto.
Transaction Documents	The documents executed in relation to the issue of the Debentures and shall include this Disclosure Document, the Debenture Trust Deed, the Debenture Trustee Agreement and any other document that may be designated by the Debenture Trustee as a Transaction Document.
Trustee/Debenture Trustee	Trustees for the Debenture Holders being IDBI Trusteeship Services Limited.

#### ABBREVIATIONS USED

Abbreviation	Description
AFC	Asset Finance Company
BSE	BSE Limited
BL	Bank Loan
CC	Cash Credit
CDSL	Central Depository Services Limited
COD	Commencement Operations Date
CRISIL	Credit Rating Information Services of India Limited
DP	Depository Participant
DP- ID	Depository Participant Identity Number
FI	Financial Institutions
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investor
FY	Financial Year
GDP	Gross Domestic Product
ICRA	Information and Credit Rating Agency of India Limited
IDF	Infrastructure Debt Fund
IDF-NBFC	Infrastructure Debt Fund – Non-Banking Financial Company



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Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory Development Authority of India
Issuer / Company / KIDFL	Kotak Infrastructure Debt Fund Limited
KMBL	Kotak Mahindra Bank Limited
KYC	Know Your Customer
MUV	Multi Utility Vehicle
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NCD	Non-Convertible Debentures and/or Subordinated Debt Bonds in the nature of Promissory Note(s) and/or Debenture(s) ('Bonds') (Tier II capital)
NPAs	Non-Performing Assets
NRI(s)	Non-Resident Indian(s)
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
PPP	Public Private Partnerships
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlements
WC DL	Working Capital Demand Loan
ZCB	Zero Coupon Bonds

## RISK FACTORS

### Internal Risk Factors

#### 1. Operational and System Risk

The Company is faced with operational and system risk as a result of a range of factors viz. improper authorizations, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, the security risk in terms of handling information technology related products involves certain risks like data loss, confidentiality, and business continuity and network security.

#### 2. Contingent liabilities of the Company as on September 30, 2017- Nil

### External Risk Factors

(Capitalised terms used in this section (External Factors) but not defined herein, shall have the meaning ascribed to such terms in the RBI NBFC Master Directions, 2016)

#### 1. Any lending or investment activity is exposed to risk arising from the risk of default and non-payment by borrowers and other counterparties and possibility of delayed/ lower than expected recovery from sale of security/ termination payments.

IDF-NBFCs are permitted to provide invest in post COD infrastructure projects that have completed at least one year of satisfactory commercial operations that are (i) PPP projects and are a party to a Tripartite Agreement with the Concessionaire and the Project Authority for ensuring a compulsory buy-out with termination payment; (ii) non-PPP projects and PPP projects without a Project Authority, in sectors where there is no Project Authority.

In this context, PPP describes a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. PPP involves a contract between a public-sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project. PPP projects with a project authority, are required to enter into a Tripartite Agreement with the Project Authority and the IDF-NBFC. The Tripartite Agreement required to be entered into between an IDF-NBFC, the relevant Project Authority and the Concessionaire, provides *inter alia* for the following (i) take over a portion of the debt of the Concessionaire availed from senior lenders, (ii) a default by the Concessionaire, shall trigger the process

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for termination of the agreement between Project Authority and Concessionaire, (iii) the Project Authority shall redeem the bonds issued by the Concessionaire which have been purchased by IDF-NBFC, from out of the termination payment as per the Tripartite Agreement and other Agreements referred to therein (compulsory buy-out), (iv) the fee payable by IDF-NBFC to the Project Authority as mutually agreed upon between the two.

However, in spite of the aforesaid credit enhancement measures, a delay in payment or non-payment of part or all of the termination payment by the relevant Project Authority pursuant to the provisions of the applicable Tripartite Agreement, and/ or any change in the value of security (in respect of PPP projects without a project authority and non-PPP projects) due to market and other factors, could adversely affect the Company's business and future financial condition.

**2. The fiscal benefits to IDF-NBFCs could be withdrawn in the future, or additional or increased levies, taxes or fees could be imposed on IDF-NBFCs.**

The Government of India, in order to achieve multiple objectives (including but not limited to providing a solution to the asset liability mismatch issues of banks), has put in place a policy framework for the smooth functioning of IDFs in India. Along with the policy framework, the government has provided certain fiscal benefits to IDF-NBFCs. For instance, any income of an IDF-NBFC is exempt from tax. In case of withdrawal of any or all of these benefits or increased taxes, fees (including but not limited to any fee payable to a concession authority) or any other levies being imposed, such scenarios could adversely impact the financial position of the Company. The Company could be adversely affected, in the event of an amendment or change to any of Applicable Law concerning IDFCs resulting in any of these benefits ceasing to be made available to the Company.

**3. Market Risk (Product Demand)**

The Company provides loans for infrastructure projects. The overall demand for the Company's products is linked to macro-economic parameters like GDP growth, and overall demand for credit. Any adverse movement in these factors will have an adverse impact on the business of the Company. The performance may also be affected by political/ economic developments and natural disasters like earthquake, flood, drought, etc. These factors may affect the finance industry as well as the recovery of dues from the customers.

The Company's performance and the quality and growth of its assets are dependent on the overall growth of the Indian economy and global markets. A slowdown in the Indian economy and the global markets could affect its business, including its ability to grow its asset portfolio, the quality of its assets, and its ability to implement its strategy. India's economy and the global markets could be affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general downtrend in the Indian and the world economy.

**4. Market Risk (Competition)**

While the regulatory guidelines in respect of IDF-NBFCs provide for a number of conditions, including with respect to eligibility of sponsor(s), minimum capital infusion, minimum credit rating prior to application to RBI, restrictions on shareholding of the sponsor, etc., it is possible that there could be a larger number of applicants at a later point in time, and if approved, an increased number of competitors in the IDF-NBFC space. Significantly increased competition could result in a lower than expected market-share in future years for the Company.

While there are several sectors/ sub-sectors currently eligible for refinance by IDF-NBFCs, expansion of business across sectors would depend on various factors relating to specific sectors, including but not limited to changing government policies, market dynamics and sectoral credit risks. While suitable portfolio diversification would remain a key objective, the possibility of concentration of risk towards a set of specific sectors cannot be ruled out, for the reasons specified above.

**5. The Company's ability to sustain itself is primarily dependent on the availability of suitable eligible projects to lend to in future.**

IDF-NBFCs are permitted to invest only in infrastructure projects, which have completed at least one year of satisfactory commercial operation. There are currently a large number of operational infrastructure projects

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in India. In addition, a large number of infrastructure projects, currently under construction, are also expected to become operational over the next few years. The Company believes that this market is sufficient for several players, including refinancers which are not IDF-NBFCs. However, in case the government reduces the number of eligible sectors or partially or completely discontinues the practice of bidding out projects, and/ or the state governments also do not approve IDF related policies, it could lead to a risk of non-availability of eligible projects for IDF-NBFCs after refinancing eligible projects that are currently operational and expected to become operational in the next few years. If opportunities for the Company to lend to such projects become limited, the Company's business, future financial performance and results of operations could be adversely affected.

**6. Interest Rate / Liquidity Risk**

The economic value of the Company's assets and liabilities are affected by variations in market interest rate. Further, the liquidity risk is the potential inability of the Company to meet its liabilities as they become due.

**7. Legal, Statutory and Policy Risk**

The Company is regulated by RBI and is required to comply with statutory enactment's including the Companies Act, The RBI Act, 1934 and the regulations, guidelines and prudential norms issued by RBI thereunder including but not limited to the RBI NBFC Master Directions, 2016, SEBI Regulations, as applicable, and other Applicable Laws and regulations.

The policy and institutional framework in the infrastructure sector have been continuously evolving and the reform process is an on-going phenomenon. The growth of the infrastructure industry in India, which directly impacts the Company, is dependent on the establishment of stable government policies and prudent regulation. Infrastructure development in India has historically been the preserve of the Central and State Governments, and has been constrained by various factors such as shortages of public funding, political considerations and issues of transparency and accountability. The pace of regulatory change in some infrastructure sectors has not been as rapid as that of other sectors. The precise nature and pace of policy and regulatory change may have an impact on the Company's growth and financial results.

**8. Change in Management Personnel**

Turnover of key management personnel and impact on day to day working of the Company



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## SECTION A: ISSUER INFORMATION

### a. NAME AND ADDRESS OF THE FOLLOWING:

#### i. NAME AND ADDRESS OF THE REGISTERED OFFICE:

Name:	Kotak Infrastructure Debt Fund Limited
Corporate Identification Number:	U65910MH1988PLC048450
Registered office:	27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
Corporate Office:	5th Floor, 27 BKC, C – 27, G - Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
Date of Incorporation:	10-AUGUST-1988
Telephone No:	022 – 61660000
Fax No:	022 – 67132410
Website:	<a href="http://kotak.com/en/investorrelations/governance/subsidiaries.html">kotak.com/en/investorrelations/governance/subsidiaries.html</a>
Email:	kidfl.treasury@kotak.com

#### ii. HEAD ACCOUNTS/COMPLIANCE OFFICER:

Name:	Mr. Ankur Sharma
Address:	5th Floor, 27 BKC, C – 27, G - Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
Tel. No:	022 – 61660000
Fax No:	022 – 67132410
Email:	ankur.a.s@kotak.com
Investor Grievance Email:	ankur.a.s@kotak.com

#### iii. CFO:

Name:	Mr. Manoj Gupta
Address:	27BKC Plot No C-27 “G” Block Bandra Kurla Complex Bandra (East) Mumbai 400 051
Tel. No:	022 – 62185305
Fax No:	022 – 67134210
Email:	gupta.manoj@kotak.com

#### iv. ARRANGER:

As mentioned in the applicable Term Sheet.

#### v. DEBENTURE TRUSTEE:

Name:	IDBI Trusteeship Services Limited
Address:	Asian Building, Ground Floor, 17 R. Kamani Marg, Ballard Estate, Mumbai – 400 001.
Tel. No:	022 – 4080 7000
Fax No:	022 – 6631 1776
Email:	vaibhavi@idbitrustee.com

#### vi. REGISTRAR TO THE ISSUE:

Name:	Link Intime India Private Limited
Address:	C – 101, 247 Park, L.B.S. Marg,

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	Vikhroli (W), Mumbai – 400 083.
Tel. No:	022 – 4918 6000
Fax No:	022 – 4918 6060
Email:	<a href="mailto:bonds.helpdesk@linkintime.co.in">bonds.helpdesk@linkintime.co.in</a>
Website:	<a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

vii. CREDIT RATING AGENCIES:

Name:	CRISIL Limited.
Address:	CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400 076
Tel. No:	022 – 33423000
Fax No:	022-4040 5800
Email:	<a href="mailto:sonica.gupta@crisil.com">sonica.gupta@crisil.com</a>
Website:	<a href="http://www.crisil.com">www.crisil.com</a>
Name:	ICRA Limited.
Address:	1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi - 110 001
Tel. No:	011-23357 9540
Fax No:	011 – 2335 7014
Email:	<a href="mailto:akshay.jain@icraindia.com">akshay.jain@icraindia.com</a>
Website:	<a href="http://www.icra.in">www.icra.in</a>

viii. AUDITORS:

Name:	S.R. Batliboi & Associates LLP (Reg No. 101049W/E300004)
Address:	14 <sup>th</sup> Floor, Ruby Tower, 29, Senapati Bapat Marg, Dadar, Mumbai, Maharashtra 400028
Tel. No:	022 – 61920000
Fax No:	022 – 61921000
Email:	<a href="mailto:sarvesh.warty@in.ey.com">sarvesh.warty@in.ey.com</a> ; <a href="mailto:Adityea.ghai@in.ey.com">Adityea.ghai@in.ey.com</a>
Website:	<a href="http://ey.com">http:// ey.com</a>

b. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES AND LINE OF BUSINESS:

i. OVERVIEW:

The Company was incorporated under the name of Komaz Financial Services Ltd on 10th August 1988 and it obtained the certificate of Commencement of Business on 23<sup>rd</sup> February 1989. The erstwhile Komaz Financial Services was renamed as Kotak Forex Brokerage Ltd. with effect from 13<sup>th</sup> March 2001. On 25<sup>th</sup> June 2017, Kotak Forex Brokerage Ltd. was renamed to Kotak Infrastructure Debt Fund Limited.

The Company has been issued a certificate of registration no. N-13.02177 dated April 06, 2017 by the RBI to operate as an IDF-NBFC.

As an IDF-NBFC, the Company's principal activity is to provide funding to companies in relation to Infrastructure Projects undertaken by them, to help refinance a part of their debt liabilities. This process involves, in the case of PPP projects, execution of Tripartite Agreement(s) with the relevant Project Authority and such Infrastructure Project company, subject to such company having satisfactorily completed the construction of the relevant Infrastructure Project, and having satisfactorily operated it for at least one year from the completion of construction. The Company would also be entitled to credit protection in its capacity as a senior lender holding a first charge on

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*pari passu* basis over the assets as offered as security. Further, in the case of PPP projects, the Company has a further advantage over other existing senior lenders of the relevant Infrastructure Project company (that is, the Concessionaire), by being higher in priority in terms of entitlement to termination payments to be made by the Project Authority, upon termination of the concession agreement.

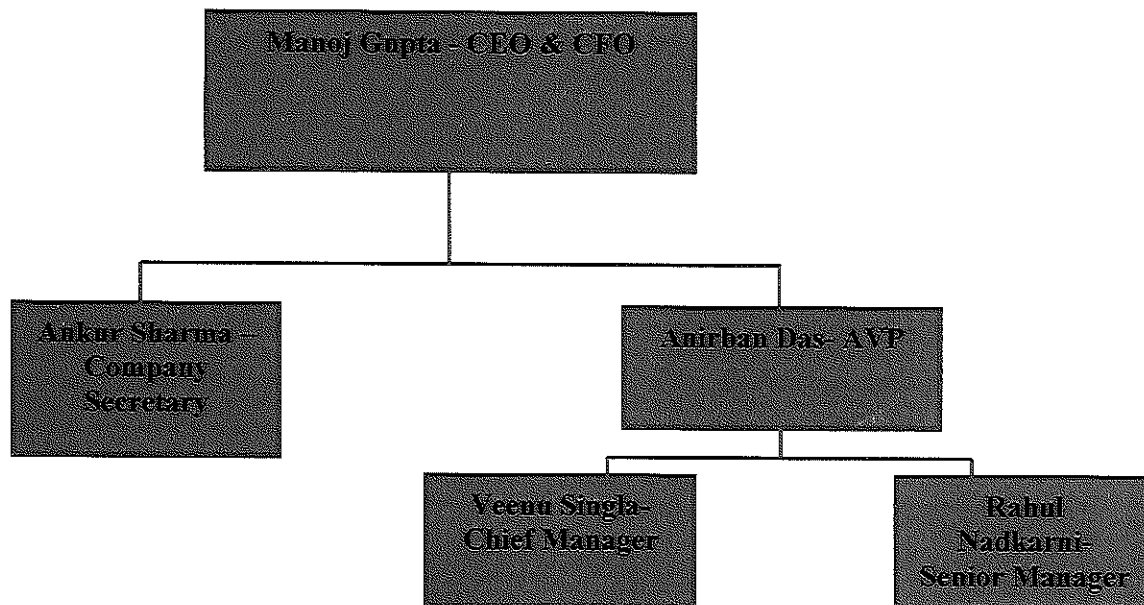
RBI has notified certain flexibility in refinancing by IDF-NBFCs vide its notification No. RBI/2014-15/600 DNBR (PD) CC.No.035/03.10.001/2014-15 dated May 14, 2015 (now consolidated in the RBI NBFC Master Directions 2016).

The CBDT has, vide notification no. 84/2015/F.No.133/43/2015-TPL dated October 20, 2015, effected changes (with retrospective effect from May 14, 2015) to Rule 2F of the Income Tax Rules to extend the scope of permissible investments which may be undertaken by an IDF to avail the exemption available under Section 10(47) of the Income Tax Act. Accordingly, an IDF may undertake investments in re-financing or take-out financing of Infrastructure Projects which have completed at least one year of satisfactory commercial operations that are: (a) public private partnership projects and are a party to a tripartite agreement with the concessionaire and the project authority for ensuring compulsory buy out and termination payment; (b) non-public private partnership projects and public private partnership projects without a project authority, in sectors where there is no project authority. This amendment has been effected to bring Rule 2F of the Income Tax Rules, 1962 in conformity with certain changes brought vide RBI notification No. RBI/2014-15/600 DNBR (PD) CC.No.035/03.10.001/2014-15 dated May 14, 2015 (now consolidated in the RBI NBFC Master Directions 2016), in relation to permissible investments of an IDF.



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ii. CORPORATE STRUCTURE:



**Brief particulars of the management of the Company:**

Mr. Manoj Gupta has been appointed Chief Executive Officer of the company with effect from 02-May-2017 as approved by the Board of Directors of the company. He is Chartered Accountant (CA) by profession. He has been associated with Kotak Mahindra Group since February 2007.

iii. KEY OPERATIONAL AND FINANCIAL PARAMETERS FOR THE LAST THREE AUDITED YEARS:

Rs. in Lakhs

Parameters	As at March 31, 2017 (Audited)	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)
Net Worth	30,993.84	65.49	75.12
Total Debt	-	-	-
Of which – Non Current Maturities of Long Term Borrowing	-	-	-
- Short Term Borrowing	-	-	-
- Current Maturities of Long Term Borrowing	-	-	-
Net Fixed Assets	-	-	0.20



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Parameters	As at March 31, 2017 (Audited)	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)
Non- Current Assets	0.86	19.65	14.26
Cash and Cash Equivalents	30,963.47	47.56	60.26
Current Investments	-	-	-
Non-Current Investments	-	-	-
Current Assets (incl Loans & Adv)	31,005.32	53.33	92.56
Non-Current Assets (incl Loans & Adv and DTA)	0.86	14.26	19.85
Current Liabilities	12.34	02.10	11.89
Non-Current Liabilities	-	-	25.39
Assets Under Management	-	-	-
Off Balance Sheet Assets	-	-	-
Interest Income	815.46	4.05	7.16
Interest Expense	2.30	0.48	1.10
Provisioning & Write-offs	-	-	-
Profit Before Tax	505.35	-09.63	-28.21
PAT	338.35	-09.63	-28.21
Gross NPA(%)	-	-	-
Net NPA(%)	-	-	-
Tier I Capital Adequacy Ratio (%)	N.A.	N.A.	N.A.
Tier II Capital Adequacy Ratio (%)	N.A.	N.A.	N.A.

*GROSS DEBT-EQUITY RATIO PRIOR TO AND AFTER ISSUE:*

The debt equity ratio as on September 30, 2017 is Nil. The debt equity ratio is expected to be 0.50:1 by March 31, 2018.

iv. PROJECT COST AND MEANS OF FINANCING:

Not Applicable

c. BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION AND DETAILS OF ACTIVITIES

BRIEF HISTORY OF THE COMPANY

The Company was incorporated under the name of Komaz Fiancial Services Ltd on 10th August 1988 and it obtained the certificate of Commencement of Business on 23<sup>rd</sup> February 1989. The erstwhile Komaz Financial Services was renamed as Kotak Forex Brokerage Ltd. with effect from 13<sup>th</sup> March 2001. On 25<sup>th</sup> June 2017, Kotak Forex Brokerage Ltd. was renamed to Kotak Infrastructure Debt Fund Limited.

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The current shareholding composition is as follows:

Sr. No.	Particulars	Total No of Equity Shares	Total Shareholding as % of total no of equity shares
1	Kotak Mahindra Bank Limited (along with KMBL nominees)	9,30,00,000	30
2	Kotak Securities Limited	9,30,00,000	30
3	Kotak Mahindra Capital Company Limited	6,20,00,000	20
4	Kotak Investment Advisor Limited	6,20,00,000	20

DETAILS OF ACTIVITIES: Refer Section A (b)(i)

DETAILS OF BRANCHES / OFFICES

Sr.No.	Branch / Office Address	City	State
1	Kotak Infrastructure Debt Fund Limited, 5 <sup>th</sup> Floor, 27 BKC, C-27, G Block Bandra Kurla Complex, Bandra East, Mumbai - 400 051.	Mumbai	Maharashtra

i. SHARE CAPITAL OF THE COMPANY AS ON SEPTEMBER 30, 2017:

Share Capital	Rs.
Authorized Share Capital	310,75,00,000
Issued, Subscribed and Paid-up Equity Share Capital	310,70,00,000
31,00,00,000 Equity Shares of Rs.10/- each	310,00,00,000
Non-Cumulative Redeemable Preference Shares of Rs. 5,00,000/- each	70,00,000

ii. CAPITAL STRUCTURE AS ON SEPTEMBER 30, 2017 AND FOR THE LAST FIVE YEARS:

Quarter End/ Year End	Date of Allotment	Rs.	Particulars
30.09.2017	No change	3107000000	
30.06.2017	No change	3107000000	
31.03.2017	No change	3107000000	
31.12.2016	20.10.2016	3059000000	30,59,00,000 Equity Shares issued at issue price of Rs.10/- each at par
30.09.2016	No change	480000000	

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Quarter End/ Year End	Date of Allotment	Rs.	Particulars
30.06.2016	No change	48000000	
31.03.2016	No change	48000000	
31.12.2015	No change	48000000	
30.09.2015	No change	48000000	
30.06.2015	No change	48000000	
31.03.2015	No change	48000000	
31.12.2014	No change	48000000	
30.09.2014	No change	48000000	
30.06.2014	No change	48000000	
31.03.2014	No change	48000000	
31.12.2013	No change	48000000	
30.09.2013	No change	48000000	
30.06.2013	No change	48000000	
31.03.2013	No change	48000000	
31.12.2012	No change	48000000	14 Preference Shares of FV Rs.500,000/- issued each at par
30.09.2012	No change	41000000	

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i. EQUITY SHARE CAPITAL HISTORY OF THE COMPANY AS ON SEPTEMBER 30, 2017:

Quarter End/ Year End	Date of Allotment	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash etc)	Nature of Allotment	Cumulative		
							No of equity shares	Equity Share Capital (₹)	Equity Share Premium (₹)
31-03-1998	16-02-1998	70	10	10	Cash	Subscribers to the Memorandum & Articles of Association	70	700	--
31.03.2001	05-03-2001	749930	10	10	Cash	Equity Shares issued to Kotak Mahindra Finance Ltd.	750000	7500000	--
31-03-2004	16-02-2004	1000000	10	10	Cash	Equity Shares issued to Kotak Mahindra Finance Ltd.	1750000	17500000	--
30-06-2007	27-04-2007	750000	10	10	Cash	Equity Shares issued to Kotak Securities Ltd.*	2500000	25000000	--
31-03-2008	29-03-2008	500000	10	10	Cash	Equity Shares issued to Kotak Securities Ltd.*	3000000	30000000	--
31-03-2010	30-03-2010	400000	10	10	Cash	Equity Shares issued to Kotak Securities Ltd.*	3400000	34000000	--
30-09-2010	29-09-2010	360294	10	10	Cash	Equity Shares issued to Kotak Mahindra Bank Ltd.	3760294	37602940	--
30-09-2010	29-09-2010	339706	10	10	Cash	Equity Shares issued to Kotak Securities Ltd.*	4100000	41000000	--
31-12-2016	20-10-2016	8390000	10	10	Cash	Equity Shares issued to Kotak Mahindra Bank Ltd.	9300000	93000000	--
31-12-2016	20-10-2016	9300000	10	10	Cash	Equity Shares issued to Kotak Securities Ltd.	9300000	18600000	--
31-12-2016	20-10-2016	6200000	10	10	Cash	Equity Shares issued to Kotak Mahindra Capital Company Ltd.	6200000	24800000	--
31-12-2016	20-10-2016	6200000	10	10	Cash	Equity Shares issued to Kotak Investment Advisors Ltd.	6200000	31000000	--

Note:\* Equity Shares held by Kotak Securities Ltd. were subsequently bought by Kotak Mahindra Bank Ltd. in total on 26-03-2014.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

- ii. DETAILS OF ACQUISITION OR AMALGAMATION IN THE LAST 1 YEAR:  
None
- iii. DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 YEAR:  
None
- d. DETAILS OF THE SHAREHOLDING OF THE COMPANY AS ON THE SEPTEMBER 30, 2017:
- i. SHAREHOLDING PATTERN OF THE COMPANY AS ON SEPTEMBER 30, 2017:

Sr. No.	Particulars	Total No of Equity Shares	No of Shares in physical form	Total Shareholding as % of total no of equity shares
1	Kotak Mahindra Bank Limited (along with KMBL nominees)	9,30,00,000	-	30
2	Kotak Securities Limited	9,30,00,000	-	30
3	Kotak Mahindra Capital Company Limited	6,20,00,000	-	20
4	Kotak Investment Advisor Limited	6,20,00,000	-	20

Notes: Shares pledged or encumbered by promoters (if any): [Nil]

- ii. LIST OF TOP TEN HOLDERS OF EQUITY SHARES OF THE COMPANY AS ON SEPTEMBER 30, 2017:

Sr. No.	Name of the Shareholders	Total No of Equity Shares	No of Shares in physical form	Total Shareholding as % of total no of equity shares
1	Kotak Mahindra Bank Limited (along with KMBL nominees)	9,30,00,000	-	30
2	Kotak Securities Limited	9,30,00,000	-	30
3	Kotak Mahindra Capital Company Limited	6,20,00,000	-	20
4	Kotak Investment Advisor Limited	6,20,00,000	-	20

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

e. DETAILS REGARDING THE DIRECTORS OF THE COMPANY:

i. DETAILS OF CURRENT DIRECTORS OF THE COMPANY:

Name	Designation	DIN	Date of Birth	Address	Director of the Company since	Details of Other Directorships
Mr. Dipak Gupta	Director	00004771	13/2/1961	Flat No. 32, A-wing, Tanna Residency, 392, Veer Savarkar Marg, Opp. Siddivinayak Temple, Mumbai - 400025	20-10-2016	<ul style="list-style-type: none"> <li>• Kotak Mahindra Bank Limited</li> <li>• Kotak Mahindra Life Insurance Company Limited</li> <li>• Kotak Mahindra Capital Company Limited</li> <li>• Kotak Investment Advisors Limited</li> <li>• Kotak Mahindra (UK) Limited</li> <li>• Kotak Mahindra Inc.</li> <li>• Kotak Mahindra Investments Ltd.</li> </ul>
Mr. K.V.S. Manian	Director	00031794	05/10/1961	31/32, Solitaire, Central Avenue Road, Santacruz (West), Mumbai - 400054	20-10-2016	<ul style="list-style-type: none"> <li>• Kotak Mahindra Capital Company Limited</li> <li>• Kotak Securities Limited</li> <li>• Kotak Mahindra Investments Ltd</li> </ul>
Mr. Arvind Kathpalia	Director	02630873	19-3-1958	Flat No. 24 12 <sup>th</sup> Floor Sonmarg, 67B Napean Sea Road, Mumbai 40006	20-10-2016	NIL
Mr. Uday Phadke	Director	00030191	19-11-1950	1102, 11 <sup>th</sup> Floor, Hari Mangal Manor, Telang Road, Matunga (East), Mumbai 400019.	04-07-2017	IDFC AMC Trustee Company Limited

Names of current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: None 

ii. DETAILS OF CHANGE IN DIRECTORS SINCE LAST THREE YEARS:

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Name	Designation	DIN	Date of Appointment/Resignation	Director of the Company since (in case of resignation)
Mr. Uday Kotak	Chairman	00007467	30-03-2016	23-02-2001
Mr. Dipak Gupta	Director	00004771	30-03-2016	02-03-2000
Mr. Mohan Sheno	Director	01603606	16-01-2015	01-10-2009
Mr. K.V. S. Manian	Director	00031794	30-03-2016	16-01-2015
Mr. Chetan Desai	Director	03506544	21-10-2016	29-03-2016
Mr. Himanshu Vasa	Director	00286017	21-10-2016	29-03-2016
Mr. Devang Gheewalla	Director	07480378	21-10-2016	29-03-2016
Mr. Dipak Gupta	Director	00004771	20-10-2016	
Mr. Arvind Kathpalia	Director	02630873	20-10-2016	
Mr. K.V. S. Manian	Director	00031794	20-10-2016	
Mr. Uday Phadke	Independent Director	00030191	04-07-2017	

f. DETAILS REGARDING THE AUDITORS OF THE COMPANY:

i. DETAILS OF THE AUDITORS OF THE COMPANY:

Name	Address	Auditor Since
S.R. Batliboi & Associates LLP	14 <sup>th</sup> Floor, Ruby Tower, 29, Senapati Bapat Marg, Dadar, Mumbai, Maharashtra 400028	June 30, 2017

ii. Details of change in auditor since last three years:

As per second provision to Section 139(2) of the Companies Act, a transition period of three years from the commencement of the Act was provided to appoint a new auditor if the existing auditor's firm had completed two terms of five consecutive years. Consequently, the transition period of three years was concluded June 29, 2017 and M/s. V.C. Shah & Co., Chartered Accountants, Mumbai, retired on the conclusion of ensuing Twenty Ninth Annual General Meeting (AGM). Subsequently S.R. Batliboi & Associates LLP was appointed as Auditor since June 30, 2017.

g. DETAILS OF BORROWINGS OF THE COMPANY, AS ON SEPTEMBER 30, 2017

- i. DETAILS OF SECURED LOAN FACILITIES: None
- ii. DETAILS OF UNSECURED LOAN FACILITIES: None
- iii. DETAILS OF NCD's OUTSTANDING AS ON SEPTEMBER 30, 2017: None
- iv. LIST OF TOP 10 DEBENTURE HOLDERS (AS ON SEPTEMBER 30, 2017): None
- v. THE AMOUNT OF CORPORATE GUARANTEE ISSUED: None

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

- vi. DETAILS OF COMMERCIAL PAPER OUTSTANDING AS ON SEPTEMBER 30, 2017: None
- vii. DETAILS OF REST OF THE BORROWING (HYBRID DEBT LIKE FCCB, OPTIONALLY CONVERTIBLE DEBENTURES) AS ON SEPTEMBER 30, 2017: None
- viii. DETAILS OF ALL DEFAULTS AND DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE COMPANY, IN THE PAST 5 YEARS: None
- ix. DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN/DEBT SECURITIES ISSUED WHERE TAKEN/ISSUED (i) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (ii) AT A PREMIUM OR DISCOUNT, OR (iii) IN PURSUANCE OF AN OPTION: The Issuer has not issued any debt securities: (i) for consideration other than cash, whether in whole or part or (ii) in pursuance of an option.
- x. The Issuer has issued the following securities at a discount as at September 30, 2017: Nil
- xi. The Issuer has issued the following securities at a premium as at September 30, 2017: Nil.

**h. DETAILS OF PROMOTERS OF THE COMPANY:**

- i. DETAILS OF PROMOTER HOLDING IN THE COMPANY AS ON SEPTEMBER 30, 2017:

Sr. No.	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total shareholding as % of total no of equity shares	No of shares pledged	% of shares pledged with respect to shares owned
1	Kotak Mahindra Bank Limited (along with KMBL nominees)	9,30,00,000	-	30	-	-
2	Kotak Securities Limited	9,30,00,000	-	30	-	-
3	Kotak Mahindra Capital Company Limited	6,20,00,000	-	20	-	-
4	Kotak Investment Advisor Limited	6,20,00,000	-	20	-	-
		<b>31,00,00,000</b>		<b>100%</b>		

**i. ABRIDGED AUDITED FINANCIAL INFORMATION FOR LAST THREE YEARS:**

The detailed Profit and Loss statement, Balance Sheet and Auditor's Report is available at:



Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

<http://ir.kotak.com/annual-reports>

j. LATEST AUDITED/ LIMITED REVIEW HALF YEARLY FINANCIAL INFORMATION:

**Kotak Infrastructure Debt Fund Limited**

**Balance Sheet as at September 30, 2017 (Unaudited & Provisional) & Balance Sheet as at March 31, 2017 (Audited)**

<b>EQUITY AND LIABILITIES</b>	<b>As at 30th September 2017 Rs. in lakhs</b>	<b>As at 31st March 2017 Rs. in lakhs</b>	<b>As at 31st March 2016 Rs. in lakhs</b>
<b>1. Shareholders' Funds</b>			
(a) Share Capital	31070	31070	480.00
(b) Reserves and Surplus	586.78	(76.16)	(414.51)
<b>2. Non-current Liabilities</b>			
(a) Long-Term Borrowings	-	-	-
(b) Other Long Term Liabilities	-	-	-
(c) Long-Term Provisions	41	0	-
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	-	-	-
(b) Trade Payables	13.11	1.75	2.06
(c) Other Current Liabilities	6.91	0.19	0.03
(d) Short-Term Provisions	48.19	10.40	-
<b>TOTAL</b>	<b>31765.37</b>	<b>31006.18</b>	<b>67.59</b>

<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	0.29	-	-
(b) Intangible Assets	-	-	-
(c) Non-Current Investments	15044.15	-	-
(d) Deferred Tax Assets (net)	-	-	-
(e) Long-Term Loans and Advances	5017.44	6.09	14.26
(f) Other non-current assets	-	-	-
<b>2. Current Assets</b>			
(a) Current Investments	11553.24	-	-
(b) Trade Receivables	20.15	-	1.50
(c) Cash and Bank Balances	125.50	460.42	47.56
(d) Short-Term Loans and Advances	4.49	4.95	2.42
(e) Other current assets	0.09	0.42	1.86

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TOTAL	31765.37	31006.18	67.59
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**Statement of Profit and Loss**

	For the period ended 30th September 2017 Rs. in lakhs	For the year ended 31st March 2017 Rs. in lakhs	For the year ended 31st March 2016 Rs. in lakhs
<b>REVENUE</b>			
Revenue from Operations	370.14	3	11.12
Other Income	437.14	816.12	4.59
<b>TOTAL REVENUE</b>	<b>807.28</b>	<b>819.12</b>	<b>15.71</b>
<b>EXPENSES</b>			
Employee Benefits Expense	109.86	-	11.07
Interest and Finance Costs	0.01	2.30	0.48
Depreciation and Amortisation expense	0.10	-	0.08
Other Expenses	34.36	311.47	13.71
<b>TOTAL EXPENSES</b>	<b>144.33</b>	<b>313.77</b>	<b>25.34</b>
<b>Profit before Tax</b>	<b>662.95</b>	<b>505.35</b>	<b>(09.63)</b>
<b>Tax Expense:</b>			
Current Tax			
- Pertaining to profit for the current year	-	167	-
- Adjustment of tax relating to earlier periods	-	-	-
Deferred Tax	-	-	-
<b>Profit for the Year</b>	<b>662.95</b>	<b>338.35</b>	<b>(09.63)</b>

**k. ANY MATERIAL EVENT/DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE OR SUBSEQUENT TO THE ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST/ CONTINUE TO INVEST IN THE DEBT SECURITIES:**

Please refer to 'RISK FACTORS' on Page No. 9 of this Disclosure Document.

**l. NAME OF THE DEBENTURE TRUSTEE:**

The Debentures are being issued on a private placement basis. IDBI Trusteeship Services Limited has given their consent to the Issuer vide their letter dated November 15, 2017 to be appointed as Debenture Trustee on behalf of and for the benefit of the Debenture Holders in relation to the Issue.

**m. RATING RATIONALE (S) ADOPTED BY THE RATING AGENCIES:**

The Issuer has obtained a Long-Term Rating from Rating Agencies.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Credit ratings to be obtained by the company are as follows:

Credit Rating	Rating Agency	Term
AAA/Stable	CRISIL	Long Term (Non - Convertible Debentures and Bonds)
AAA/Stable	ICRA	Long Term (Non - Convertible Debentures and Bonds)

KIDFL's long term borrowing program for Non-Convertible Debentures and Bonds has been assigned "AAA/Stable" by CRISIL and AAA/Stable" by ICRA. This has been reassigned vide their letter dated January 09, 2018: CRISIL & January 09, 2018, 2017: ICRA

Rating Symbols:

CRISIL AAA/Stable                      Very High degree of safety regarding timely payment of financial obligations on the instrument.

The rating rationale of CRISIL & ICRA has been attached as Annexure [I] with this document and shall form an integral part of this document.

n. **SECURITY BACKED BY A GUARANTEE OR LETTER OF COMFORT:** None

o. **CONSENT LETTER FROM THE DEBENTURE TRUSTEE:** Please refer Annexure [III]: Debenture Trustee's consent letter dated November 15, 2017.

p. **NAMES OF THE RECOGNISED STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED:**

Unlisted

q. **OTHER DETAILS:**

i. **Creation of Debenture Redemption Reserve (DRR) as stipulated in the Debenture Trust Deed/Companies Act, 2013/SEBI Guidelines:**

No DRR is required in case of privately placed debentures for NBFCs registered with RBI under Section 45 IA as per the Companies Act and the rules thereunder, as amended from time to time.

ii. **Issue/instrument specific regulations:**

The Debentures being offered are being issued on private placement basis and shall be subject, *inter alia*, to the terms of this Disclosure Document, Term Sheet, the Application Form, the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act including the relevant notified rules thereunder, [the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the applicable RBI guidelines.

The shareholders resolution passed at the Extraordinary General Meeting of the Company held on November 2, 2017 & the Board Resolution dated October 18, 2017 authorize the issuances of Non-Convertible Debentures.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Names and Designations of the officials authorized to issue the offer document as per the Board Resolution is as follows:

Sr. No.	Signatories	Designation
1	Mr. Dipak Gupta	Director
2	Mr. KVS Manian	Director
3	Mr. Arvind Kathpalia	Director
4	Mr. Manoj Gupta	CEO & CFO
5	Mr. Ankur Sharma	Company Secretary

### iii. Procedure for Applications

Applications for the Debentures must be made in the prescribed Application Form, which would be attached with the Term Sheet and must be completed in block letters in English by investors. Unless stated otherwise in the Term Sheet, completed application forms must be submitted as mentioned above. The issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below.

Unless stated otherwise in the Term Sheet, cheques / drafts may be drawn on any bank which is situated and is a member or sub-member of the Banker's Clearing House located at Mumbai, Calcutta, Chennai or New Delhi. Investors in centers which do not have any bank which is a member or sub-member of the Banker's Clearing House located at the abovementioned centers, will be required to make payments only through drafts payable at Mumbai or through Account Transfers or any other mode of transfer, at the cost of the investor.

The Issuer assumes no responsibility for any applications / cheques / drafts lost in mail or transit.

### iv. Eligible investors/Who can apply:

In case of Debenture issued by way of Non-Convertible Debentures and/or Subordinated Debt Bonds in the nature of Promissory Note(s) and/or Debenture(s) ('Bonds') (Tier II capital).

Only eligible investors who have been addressed through a communication directly by the Company can apply. No person who has not received a direct communication from the Company may apply in this Issue. Individual investors who are not covered under exemptions clauses of the Acceptance of Public Deposit Rules of RBI as applicable to NBFCs are not eligible to apply. There are no transfer restrictions in relation to the Debentures.

The following categories of investors may apply for the Bonds (not an exhaustive list), subject to fulfilling their respective investment norms by submitting all the relevant documents along-with the application form:

- (a) Provident/ Superannuation/ Gratuity/ Pension Funds
- (b) Banks
- (c) Insurance Companies
- (d) Mutual Funds
- (e) Eligible Financial Institutions
- (f) Eligible Foreign Institutional Investors
- (g) Eligible Foreign Portfolio Investors
- (h) Companies
- (i) Other Government and Non-government agencies authorized to invest in these bonds as per present and relevant government guidelines
- (j) Any other investor authorized to invest in the Debentures.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in the issue of Debentures.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

**Note:** Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

**v. Objects of the Issue:**

The 'Main Objects' clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the issue and also the activities which the Company has been carrying out till date.

Further, the proceeds raised by the Issuer pursuant to this Disclosure Document shall be parked in such accounts/ places as may be permitted under Applicable Law from time to time, and will be utilised by the Issuer towards re-financing or takeout financing of Infrastructure Projects based on public private partnerships and/or non-public private partnerships (or such other projects that may be permitted by the RBI from time to time) in accordance with Applicable Law, and for such other purposes, including towards other financing activities and general business purposes of the Issuer, in compliance with relevant regulatory guidelines, and in such a manner that may be permitted by the RBI or under Applicable Law from time to time.

**vi. Application by Banks / FIs / FIIs / FPIs/ Corporate Bodies / Companies / Statutory Corporations / Trusts / Mutual Funds / Insurance Companies:**

The following is an indicative list of documents to accompany an application:

(a) Applications by Banks / eligible Foreign Institutional Investors/Foreign Portfolio Investors.

The application must be accompanied by copies of (i) Board Resolution authorizing investments and containing operating instructions or letter of authorization, if applicable or Power of Attorney, if applicable and (ii) specimen signatures of authorized signatories. (iii) Registration certificate as may be applicable.

(b) Applications by Corporate Bodies / Eligible Financial Institutions /Companies / Statutory Corporations / Trusts

The applications must be accompanied by copies of (i) Memorandum and Articles of Association / Trust Deed / proof of constitution, as may be applicable (ii) Resolution authorizing investment and containing operating instructions; (iii) Specimen signatures of authorized signatories; (iv) Necessary certificate for claiming exemption from deduction of tax at source on interest on application money.

(c) Application made by Mutual Funds / Insurance Companies

The application must be accompanied by copies of (i) SEBI registration certificate / IRDA registration certificate, as may be applicable. (ii) the Authorised Signatories list containing operating instructions along with the specimen signatures and Power of Attorney forwarded by the custodian of the Mutual Fund/Insurance Company. (iii) Application Form shall clearly indicate the name of the concerned scheme for which application is being made.

**vii. Application under Power of Attorney:**

A certified true copy of the Power of Attorney or the relevant authority, as the case may be, along with the names and specimen signatures of all authorized signatories must be lodged along with the submission of the completed Application Form. Further modifications / additions in the Power of Attorney or authority should be delivered to the Issuer at the Mumbai/ Registered Office.

**viii. Permanent Account Number - PAN No.:**

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

The applicants should mention the Permanent Account Number allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned in the prescribed application form. Applications which are not in compliance with the above requirement shall be liable to be rejected.

**ix. KYC (Know Your Customer):**

The applicants should submit the required KYC documents as prescribed by RBI along with the applications forms. Applications which are not in compliance with the above requirement shall be liable to be rejected.

**x. Option to Subscribe:**

The Company has made arrangements for issue and holding of Debentures in dematerialized form.

**xi. Impersonation:**

Any person who:

- (a) makes in a fictitious name, an application to the Company for acquiring, or subscribing for any Debentures therein, or
- (b) otherwise induces the Company to allot or register any transferor of Debentures therein to him or any other person in a fictitious name, shall be punishable under the extant laws.

**xii. Basis of Allotment:**

The Issuer has the sole and absolute right to allot the Debentures to any applicant.

**xiii. Procedure and Time of Schedule for Allotment and Issue of Certificates**

Debentures would be allotted by such persons as are authorized by the Board of Directors of the Company from time to time. The Issuer will execute and dispatch / credit to the DP account of the allottee, the Letters of Allotment/ Allotment advice in favour of the allottee's or Refund Letter along with refund amount, not later than 2 (Two) Business Days after receipt of completed Application Form or the Deemed Date of Allotment, whichever is later. After completion of all legal formalities, the Issuer will issue the Debentures certificate(s) / credit the DP account of the allottees against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment or such extended period, subject to obtaining the approvals, if any.

**xiv. Issue of Allotment Letter(s) / Refund Order(s) and Interest in case of delay in Dispatch**

The Issuer will execute and dispatch/ credit to the DP account of the allottee, the Letters of Allotment / Allotment advice in favour of the allottee's or Refund Letter along with refund amount, not later than 2 (Two) Business Days after receipt of completed Application Form or the Date of Allotment, whichever is later. After completion of all legal formalities, the Issuer will issue the Debentures certificate(s) / credit the DP account of the allottee's against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment or such extended period subject to obtaining the approvals, if any. It is clarified that upon the Allotment of Debentures, the Company shall ensure that initially, the dematerialized letter of allotment is credited to the DP account of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment. Thereafter, upon the execution and registration of the Debenture Trust Deed, the DP accounts of the Debenture Holders shall be credited with the Debentures.

The Issuer agrees that it shall pay interest in accordance with provisions of the Companies Act, SEBI Regulations (as applicable), if there is a delay in dispatch of Allotment Letters / Refund Orders. The payment will be subject to deduction of tax at source at the rates prescribed under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof.

**xv. Dispatch of Refund Orders:**

The Company shall ensure dispatch of Refund Orders by Registered Post / Courier / Hand Delivery and adequate funds for the purpose shall be made available.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

**xvi. Purchase of Debentures:**

The Company will have a right to purchase, consolidate and re-issue its own debentures issued under this Disclosure Document in accordance with the terms of the Applicable Law.

**xvii. Loss of Letters of Allotment / Certificates / Interest cheques / Refund cheques**

Loss of Letter of Allotment / Certificates / Interest cheques / Refund cheques should be intimated to the Company along with request for duplicate issue. Relevant statute and any other conditions as may be prescribed by the Company would govern the duplicate issue.

**xviii. Trustees for the Debenture holders:**

The Company has appointed IDBI Trusteeship Services Limited as Trustees to this issue of Debentures. All the rights and remedies of the Debenture holders shall vest in and shall be exercised by the appointed Trustee without referring to the Debenture Holders. All investors are deemed to have irrevocably given their authority and consent to IDBI Trusteeship Services Limited to act as their Trustees and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Company to the Trustees on behalf of the Debenture Holders shall discharge the Company *pro tanto* to the Debenture Holders.

Resignation / Retirement of trustees shall be as per terms of the Debenture Trust Deed entered into between the Company and the Debenture Trustee.

**xix. Register of Debenture holders:**

The Company shall maintain Register of Debenture holders containing necessary particulars at its Registered Office in accordance with the provisions of the Applicable Law.

**xx. Future Borrowings:**

The Issuer shall be entitled, from time to time, to make further issue of debentures, other debt securities (whether senior, *pari passu* or junior to the Debentures) and other instruments and securities to any person or persons including to the public or a section of the public and / or members of the Issuer and / or to raise further loans, advances and / or avail further financial and / or guarantee facilities from financial institutions, banks and / or any other person (s) without any further approval from or notice to the Debenture holders / Debenture Trustees.

**xxi. Notices:**

The notices, communications and writings to the Debenture holder(s) required to be given by the Issuer shall be deemed to have been given if sent by Registered Post / Courier / Hand delivery to the address of the Debenture holder(s) registered with the Company.

All notices, communications and writings to be given by the Debenture holder(s) shall be sent by Registered Post / Courier / Hand delivery to the Issuer at the Registered Office / Mumbai office of the Company or to such persons at such address as may be notified by the Issuer, from time to time and shall be deemed to have been received on actual receipt.

**xxii. Issuer shall submit the following disclosures to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:**

- (a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities,
- (b) Copy of last three years' audited Annual Reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any.

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

**FORM NO. PAS-4**

PRIVATE PLACEMENT OFFER LETTER [Pursuant to section 42 and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

**1. GENERAL INFORMATION**

- (a) Name, address, website and other contact details of the company: Refer Section A (*Issuer Information*)
- (b) Date of incorporation of the company: August 10, 1988
- (c) Business carried on by the company with details of the branches: Refer Section A, Point b (*Brief Summary of the Business/ Activities and Line of Business*)
- (d) Brief particulars of the management of the company: Refer Section A, Point (b)(ii) (*Corporate Structure*)
- (e) Names, addresses, DIN and occupations of the directors: Refer Section A, Point (e)(i) (*Details regarding the Directors of the Company*)
- (f) Management's perception of risk factors: Refer 'Risk Factors' on Pages 9-11
- (g) Details of Default:

Sr. No	Particulars	Amount	Duration of default	Present Status
i)	Statutory Dues			There are no defaults in repayments of statutory dues, dues to banks, financial institutions and debenture holders
ii)	Debentures and Interest Thereon			
iii)	Deposits and Interest Thereon			
iv)	Loan from any Bank or financial institution and Interest Thereon			

- (h) Names, designation, address and phone number, email ID of the nodal/compliance officer of the company: Refer Section A, Point (a)(iii).

**2. PARTICULARS OF THE OFFER**

- (a) Date of Board Resolution: October 18, 2017.
- (b) Date of resolution passed in the extra ordinary general meeting, authorizing the offer of securities: November 02, 2017.
- (c) Kinds of securities offered and class of security: Please refer to the 'Issue Details' hereinbelow.
- (d) Price at which the security is being offered including the premium: Please refer to the 'Issue Details' hereinbelow.
- (e) Name and address of the valuer who performed valuation of the security offered:N.A
- (f) Amount to be raised by way of securities: Please refer to the 'Issue Details' hereinbelow.
- (g) Terms of raising of securities: Please refer to the 'Issue Details' hereinbelow.
- (h) Proposed time schedule of the offer letter: Please refer to the 'Issue Details' hereinbelow.
- (i) Purposes and objects of the offer: Purpose of the offer is mentioned in the issue details and for objects of the offer kindly refer point q (v).
- (j) Contribution made by the Promoters or Directors to the current offer or furtherance to object: None
- (k) Principle terms of assets charged/to be charged as security:

Any or all of the under





Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

1. First mortgage and *pari passu* charge in favour of the Debenture Trustee acting for the benefit of Debenture Holders over the Company's identified immoveable property ("Immovable Property").
2. First *pari passu* charge by way of hypothecation in favour of the Debenture Trustee acting for the benefit of Debenture Holders in respect of the Company's right, title and interests in the Moveable Properties comprising of:
  - i. Receivables;
  - ii. other book debts of the Company (except the ones excluded from the definition of the Receivables)
  - iii. other current assets of the Company (except the ones excluded from the definition of the Receivables); and
  - iv. other long term and current investments (excluding any strategic investments of the Company in the nature of equity shares, preference shares & venture capital units or any receivables therefrom);

(collectively "Hypothecated Assets")

3. Any other security created by the Company in relation to the Debentures

(the aforesaid 1, 2 and 3 are collectively referred to as "Security"]

The Company shall maintain the Asset Cover Ratio as set out in the Term Sheet till the Final Settlement Date.

### 3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATIONS ETC.

- (a) **Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons:** There is no financial or other material interest of the directors, promoters or key managerial personnel in the offer.
- (b) **Details of Litigation or Legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action:** There is no Litigation or Legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the company during the last three years immediately preceding the year of the circulation of the offer letter.
- (c) **Remuneration of directors (during the current year and last three FY):** No remuneration is paid to any of the directors.
- (d) **Details of the related party transactions entered during the last three FY immediately preceding the year of circulation of offer letter including loans made or, guarantees given or securities provided:**

	Amount (Rs. In Lakhs) 2016-2017
<b>I. Holding Company</b> -Kotak Mahindra Bank Limited	
Transactions during the year :	
<b>FINANCE</b>	
Equity Shares Issued	8890.00
Fixed Deposits Placed	31,094.75

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Fixed Deposits Repaid	209.00
Interest Received on Fixed Deposits	814.54
Corporate Bond purchased	-
Corporate Bond matured	-
Interest Received on Corporate Bond	-
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Demat Charges	0.01
Service Charges Received	-
Expense reimbursements paid	-
Licence Fees paid	-
Referral Fees Income	-
IPA Fees paid	-
ARD fees	-
Bank Charges	-
Employee Liability transfer out	-
Employee Liability transfer in	-
Asset transferred out	-
Balance outstanding as at the year end :	
<b>FINANCE</b>	
Balance in current account	2.38
Term Deposits Placed	30960.75
Interest accrued on Term Deposits placed	40.17
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Service charges payable	-
Service charges receivable	-
Referral Fees payable	-
Demat Charges Payable	-
Deposit towards appointment of Director	-
<b>II. Fellow Subsidiaries</b>	
Transactions during the year :	
<b>FINANCE</b>	
Equity Shares Issued	
-Kotak Securities Ltd	9300.00
Equity Shares Issued	
-Kotak Investment Advisors Ltd	6200.00
Equity Shares Issued	
-Kotak Mahindra Capital Co. Ltd	6200.00
Interest paid on Inter Corporate Deposits	
-Kotak Mahindra Investments Ltd.	2.30
Documentation charges paid	
-Kotak Mahindra Investments Ltd.	0.03

\* Excludes provision for gratuity and accumulated compensated absences

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

	<b>Amount</b>
	<b>(Rs. In Lakhs)</b>
	<b>2015-2016</b>
<b>I. Holding Company</b>	
-Kotak Mahindra Bank Limited	
Transactions during the year :	
<b>FINANCE</b>	
Equity Shares Issuance	-
Fixed Deposits Placed	45.52
Fixed Deposits Repaid	4.00
Interest Received on Fixed Deposits	0.76
Corporate Bond purchased	-
Corporate Bond matured	-
Interest Received on Corporate Bond	-
Purchase of debenture	-
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Demat Charges	0.01
Licence Fees paid	3.60
Referral Fees	0.25
Expense Reimbursement to Companies	0.97
Brokerage Income	7.72
Bank Charges	-
Employee Liability transfer out	13.49
Employee Liability transfer in	-
Asset transferred in	-
Asset transferred out	1.32
Fixed Asset transferred out	0.12
Balance outstanding as at the year end :	
<b>FINANCE</b>	
Balance in current account	1.29
Term Deposits Placed	45.52
Interest accrued on Term Deposits placed	0.11
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Service charges payable	-
Brokerage Receivable	0.66
Referral Fees Receivable	.29
Demat Charges Payable	-
<b>II. Fellow Subsidiaries</b>	
Transactions during the year :	
<b>FINANCE</b>	
Interest paid on Debentures	0.48
-Kotak Mahindra Capital Co. Ltd	-

\* Excludes provision for gratuity and accumulated compensated absences

	<b>Amount</b>
	<b>(Rs. In Lakhs)</b>
	<b>2014-2015</b>
<b>I. Holding Company</b>	
-Kotak Mahindra Bank Limited	

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Transactions during the year :	
<b>FINANCE</b>	
Equity Shares Issuance	-
Fixed Deposits Placed	10.00
Fixed Deposits Repaid	21.50
Interest Received on Fixed Deposits	1.36
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Demat Charges	0.01
Service Charges Received	-
Expense reimbursements paid	3.08
Expense reimbursements received	-
License Fees paid	14.40
Arranger fees	-
Referral Fees	-
IPA Fees paid	-
Employee Liability transfer out	-
Employee Liability transfer in	-
Asset transferred in	-
Balance outstanding as at the year end :	
<b>FINANCE</b>	
Balance in current account	0.07
Term Deposits Placed	4.00
Interest accrued on Term Deposits placed	0.08
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Service charges payable	-
Brokerage Income	5.77
Outstanding Payable	(0.06)
Demat Charges Payable	-
<b>II. Fellow Subsidiaries</b>	
Transactions during the year :	
<b>FINANCE</b>	
Interest Accrued but not Due on Debentures	2.96
-Kotak Mahindra Capital Co. Ltd	-
Debenture Outstanding	10.00
-Kotak Mahindra Capital Co. Ltd	
<b>INVESTMENTS</b>	
<b>OTHER SECURITIES</b>	
<b>OTHER RECEIPTS &amp; PAYMENTS</b>	
Interest on Debentures	
-Kotak Mahindra Capital Co. Ltd	1.10

- (e) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualification or adverse remark: Nil
- (f) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so section-wise details thereof for the company and all of its subsidiaries: Nil

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

- (g) **Details of acts of material frauds committed against company in the last three years, if any, and if so, the action taken by the company:** There are no material frauds committed against the company during the last three years.

#### 4. FINANCIAL POSITION OF THE COMPANY

- (a) The capital structure of the company as on December 31, 2017 :

Particulars	No. of Securities	Description	Aggregate Nominal Value		
Authorised Capital	31,00,56,014	310,050,000 Equity Shares of Rs.10 each 6014 Preference Shares of Rs.500,000 each	610,75,00,000		
Issued Capital	31,00,00,014	310,000,000 Equity Shares of Rs.10 each 14 7.50% Preference Shares of Rs.500,000 each	310,70,00,000		
Subscribed Capital	31,00,00,014	310,000,000 Equity Shares of Rs.10 each 14 7.50% Preference Shares of Rs.500,000 each	310,70,00,000		
Paid up Capital	31,00,00,014	310,000,000 Equity Shares of Rs.10 each 14 7.50% Preference Shares of Rs.500,000 each	310,70,00,000		
Size of the present offer	Nil				
Paid up capital	After the Offer		310,70,00,000		
Share premium Account	Before the Offer		Nil		
	After the Offer		Nil		
Details of the existing share capital of Company	Date of Allotment	Number of Shares allotted	Face Value of the shares allotted	Price	Form of consideration
	16-02-1998	70	10	700	cash
	05-03-2001	749930	10	749930	cash
	16-02-2004	1000000	10	10000000	cash
	27-04-2007	750000	10	7500000	cash
	29-03-2008	500000	10	5000000	cash
	30-03-2010	400000	10	4000000	cash
	29-09-2010	700000	10	7000000	cash
	30-12-2012	14	500000	7000000	cash
	20-10-2016	305900000	10	3059000000	cash
Total					

- (b) **Profits of the company, before and after making provision for tax, for the three financial years** – Please refer to Section A, Point (b)(iii) (*Key Operational and Financial Parameters for the last three Audited Years*)
- (c) **Dividends declared by the company in respect of the said three FY; interest coverage ratio for last three years:** There are no dividend declared in the last three years for the company.

The Interest Coverage Ratio is as below:-

Particulars	FY 2016-17	FY 2015-16	FY 2014-15
Interest Coverage Ratio	NA	NA	NA

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

- (d) A Summary of the financial position of the company as in the three audited balance sheet: refer Section A, Point (b)(iii) (Key Operational and Financial Parameters for the last three Audited Years)
- (e) Audited Cash Flow Statement for the three years:

Particulars	2016-17	
	Amount (Rs. in lakhs)	Amount (Rs. in lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	505.35	
Adjustments for :		
Depreciation	-	
Filing Fees	229.54	
Stamping Expenses	79.63	
Interest on Borrowings	2.30	
Interest on Fixed Deposits	(814.54)	
Investments Written Off	-	
<b>Operating Profit before Working Capital Changes</b>	<b>2.28</b>	
(Increase) / Decrease in Trade Receivables	1.50	
(Increase) / Decrease in Trade Payables	(0.16)	
(Increase) / Decrease in Other Current Liabilities	0.15	
(Increase) / Decrease in Provisions	-	
(Increase) / Decrease in Long Term Loans & Advances	-	
(Increase) / Decrease in Short Term Loans & Advances	0.74	
(Increase) / Decrease in Other Long Term Liabilities	-	
(Increase) / Decrease in Other Current Assets	1.74	
<b>Cash Flow used in Operations</b>	<b>6.25</b>	
Income Taxes paid / Refund Received	(143.35)	
<b>Cash Flows used in Operating Activities (A)</b>		<b>(137.11)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of Fixed Assets	-	
Fixed Deposits (Placed) / Redeemed (net)	(30915.23)	
Interest on Fixed Deposits	774.48	
<b>Cash Flows used in Investing Activities (B)</b>		<b>(30140.75)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issues of Share Capital	30590.00	
Filing Fees	(229.54)	
Stamping Expenses	(79.63)	
Repayment of Debentures	-	
Interest on Borrowings	(2.30)	
<b>Cash Flows from Financing Activities (C)</b>		<b>30278.53</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A + B + C)</b>		<b>0.68</b>
<b>Cash &amp; Cash Equivalents At The Beginning Of The Year</b>		<b>2.03</b>

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Particulars	2016-17	
	Amount (Rs. in lakhs)	Amount (Rs. in lakhs)
Cash & Cash Equivalents At The End Of The Year		2.71

Particulars	2015-16	
	Amount (Rs. in lakhs)	Amount (Rs. in lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	(9.63)	
Adjustments for :		
Depreciation	0.08	
Interest on Debentures	0.48	
Profit On Sale of Fixed Assets	-	
Interest on Fixed Deposits	(3.16)	
<b>Operating Profit before Working Capital Changes</b>	<b>(12.23)</b>	
(Increase) / Decrease in Trade Receivables	6.98	
(Increase) / Decrease in Trade Payables	(4.57)	
(Increase) / Decrease in Other Current Liabilities	(4.51)	
(Increase) / Decrease in Provisions	(13.14)	
(Increase) / Decrease in Long Term Loans & Advances	0.95	
(Increase) / Decrease in Short Term Loans & Advances	0.96	
(Increase) / Decrease in Other Long Term Liabilities	(2.96)	
(Increase) / Decrease in Other Current Assets	18.63	
<b>Cash used in Operations</b>	<b>(9.90)</b>	
Income Taxes paid	4.44	
<b>Cash Flows used in Operating Activities (A)</b>		<b>(5.46)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Fixed Assets	0.12	
Fixed Deposits (Placed) / Redeemed	14.20	
Interest on Fixed Deposits	3.13	
<b>Cash Flows used in Investing Activities (B)</b>		<b>17.45</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Debentures	(10.00)	
Interest on Debentures	(0.48)	
<b>Cash Flows from Financing Activities (C)</b>		<b>(10.48)</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A + B + C)</b>		<b>1.50</b>
<b>Cash &amp; Cash Equivalents At The Beginning Of The Year</b>		<b>0.53</b>
<b>Cash &amp; Cash Equivalents At The End Of The Year</b>		<b>2.03</b>

Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.

Particulars	2014-2015	
	Amount (Rs. in lakhs)	Amount (Rs. in lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	(28.21)	
Adjustments for :		
Depreciation	0.24	
Interest on Debentures	1.10	
Profit On Sale of Fixed Assets	-	
Interest on Fixed Deposits	(6.17)	
<b>Operating Profit before Working Capital Changes</b>	<b>(33.04)</b>	
(Increase) / Decrease in Trade Receivables	0.85	
(Increase) / Decrease in Trade Payables	3.33	
(Increase) / Decrease in Other Current Liabilities	(1.32)	
(Increase) / Decrease in Provisions	4.21	
(Increase) / Decrease in Long Term Loans & Advances	-	
(Increase) / Decrease in Short Term Loans & Advances	0.65	
(Increase) / Decrease in Other Long Term Liabilities	0.99	
(Increase) / Decrease in Other Current Assets	(5.46)	
<b>Cash generated used in Operations</b>	<b>(31.08)</b>	
Income Taxes paid	(0.16)	
<b>Net Cash generated used in Operating Activities (A)</b>		<b>(31.24)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Fixed Assets	-	
Fixed Deposits (Placed) / Redeemed	17.17	
Interest on Fixed Deposits	6.17	
<b>Net Cash used in Investing Activities (B)</b>		<b>23.34</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Debentures	-	
Interest on Debentures	(1.10)	
<b>Net Cash from Financing Activities (C)</b>		<b>(1.10)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A + B + C)</b>		<b>(9.00)</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>9.53</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>0.53</b>



**Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.**

- (f) Any change in accounting policies during the last three years and their effect on the profits and reserves of the Company: Nil

## **SECTION B**

### **a. SUMMARY TERM SHEET DETAILING BRIEF INFORMATION PERTAINING TO THE TERMS OF THE ISSUE**

Please refer to the Term Sheet as annexed hereto as Annexure [II].

#### **Minimum Subscription / Ticket Size:**

##### **Minimum Ticket Size for single investor:**

The minimum subscription amount for a single investor shall be Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) and in multiples of Rs. 10,00,000/- (Rupees Ten Lakhs) thereafter.

##### **Minimum Subscription for overall Issue:**

In terms of the clarification issued by SEBI (Ref. No. SEBI/MRD/SE/AT/46/2003) on December 22, 2003, the minimum subscription clause is not applicable to privately placed debt securities.

#### **Issue Schedule:**

The Issuer reserves the right to close the issue earlier from the aforesaid date or change the issue time table including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription at the commencement of banking hours and close at the close of banking hours on the date specified in the Term Sheet.

The Debentures shall be subject to the terms and conditions outlined hereunder as modified / supplemented by the terms of the Term Sheet in relation to such series and other documents in relation to the Issue. The terms and conditions contained in this Disclosure Document shall be read in conjunction with the provisions (as may be mutually agreed between the Issuer and respective Debenture Holders from time to time) contained in the Term Sheet, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the Term Sheet on one hand, and the terms and conditions in the Disclosure Document on the other, the provisions contained in the Term Sheet shall prevail over and override the provisions of the Disclosure Document for all intents and purposes.

#### **Settlement mode of the Instrument:**

The payment of the redemption amount of the Debentures will be made by the Company to the registered Debenture Holders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Debenture holders as on the record date. In the event of the Company not receiving any notice of transfer, before the record date, the transferee(s) for the Debenture(s) shall not have any claim against the Company in respect to the amount so paid to the registered Debenture holders.

The Debentures held in the dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company to the registered Debenture holders whose name appears in the Register of Debenture holders. Such payment will be a legal discharge of the liability of the Company towards the Debenture holders. On such payment being made, the Company will inform NSDL/CDSL and accordingly, the depository account of the Debenture holders with NSDL/CDSL will be debited.

The Company's liability to the Debenture holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further, the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

The interest as well as the redemption payments shall be made through instruments payable at par at Mumbai or through RTGS / ECS / transfer instructions.

**Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.**

**Depository Arrangement:**

The Company has made depository arrangements with NSDL/CDSL for the Debentures. The investors will hold the debentures in dematerialized form and deal with the same as per the provisions of the Depositories Act, 1996 / Rules, as may be notified by NSDL /CDSL from time to time.

Investors should mention their Depository Participant's name, DP-ID and beneficiary account number in the appropriate place in the application form. Debentures allotted to successful allottee(s) having depository account shall be credited to their depository account against surrender of letter of allotment.

The Company will not be able to credit the depository account of the investors until all the required depository details are provided. Any cost of rematerialization, if requested for by the Debenture Holder(s) shall be borne by the respective Debenture Holder(s).

**Record Date:**

The record date for determining eligibility for interest / principal payments shall be seven working days (both dates exclusive) before the relevant interest / principal payment date. Interest / Principal Amount will be paid to the person whose name appears in the Register of Debenture holders as sole / first Debenture holder or as per the list of beneficiaries provided by the Depository as on the record date. In case of delay in lodgment of the instrument of transfer, all claims on interest / principal shall be inter-se between the transferor and transferee.

**Transaction Documents:**

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

- (a) Letter appointing Trustees to the Debenture Holders and / or Debenture Trustee Agreement;
- (b) Debenture Trust Deed;
- (c) Rating Agreement with CRISIL/ ICRA;
- (d) Tripartite Agreement between the Issuer; Registrar and NSDL/CDSL for issue of Debentures in dematerialized form;
- (e) Letter appointing Registrar and MoU entered into between the issuer and the Registrar;
- (f) Deed of Hypothecation as and if applicable;

**Conditions precedent to Disbursement:**

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

- (a) **Submission of completed Application Form:** All applications duly completed and unless stated otherwise in the Term Sheet, should mention the mode of transfer, which can be a direct RTGS or transfer instruction from the respective investor's account to KIDF account or else to be accompanied by Account Payee Cheques / drafts, to be submitted at the Registered / Mumbai offices of the Company.
- (b) **Right to Accept / Reject Applications:** The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms that are not complete in any respect may be rejected at the sole and absolute discretion of the Issuer.
- (c) **Mode of Pay-In:** Unless stated otherwise in the Term Sheet, all cheques / drafts / transfers/ RTGS (Real Time Gross Settlement System) must be made payable to "Kotak Infrastructure Debt Fund Limited".
- (d) **Rating Letter:** Rating letter(s) from the aforesaid Rating Agency shall not be more than one month old from the issue opening date;
- (e) **Submission of other documents:** (i) Letter from the Debenture Trustee conveying their consent to act as trustee for the Debenture Holder(s);

**Condition Subsequent to Disbursement**

- (a) **Deemed Date of Allotment:** The Deemed Date of Allotment shall be as set out in the Issue Details/ Term Sheet.
- (b) **Events of Default and Security Enforcement Event**

**Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.**

- (a) If the Company makes default in payment of moneys due in respect of principal or interest owing upon the Debentures in accordance with the terms and conditions contained in the Schedule and the Term Sheet.
- (b) If a petition for winding up of the Company has been admitted and has not been contested by the Company for a period of 365 days from the date of such admission, or if an order of a Court of competent jurisdiction is made for winding-up of the Company, or an effective resolution is passed by the shareholders of the Company for the winding up of the Company otherwise than in pursuance of a scheme of amalgamation or reconstruction and duly carried into effect;
- (c) If a distress, execution or other process is initiated by any Court of competent jurisdiction upon the Mortgaged Premises or any part thereof and is not withdrawn or discharged, satisfied or paid out within 365 days or such extended period as may be agreed to in writing by the Trustees from the date of levy or enforcement of such distress, execution or other process and the Charged Assets reduces below the Assets Cover Ratio;
- (d) If the Company shall, without the consent of the Trustees, cease to carry on its business or give notice of its intention to do so;
- (e) If the Company shall, without the consent of the Trustees, sell the Mortgaged Premises and/or Charged Assets or any part thereof otherwise than in the ordinary course of business and the Charged Assets reduces below the Assets Cover Ratio;
- (f) If the Company at any point of time fails to observe or perform any of its covenants, conditions or provisions contained in this Schedule or the Term Sheet(s);
- (g) If the Company, without the previous notice in writing of the Trustee, makes or attempts to make any alteration in the provisions of its Memorandum and/or Articles of Association which might, in the opinion of the Trustees, detrimentally affect the interest of the Debenture holders and thereafter, upon demand by the Trustee, the Company refuses or neglects or is unable to rescind such alteration.

**Role and responsibilities of Debenture Trustee:**

The role and responsibility of Debenture Trustee shall be as per Applicable Laws and as more particularly mentioned in the Debenture Trustee Agreement and Debenture Trust Deed and any supplemental/modified deed executed from time to time

**Governing Law and Jurisdiction:**

The Debentures are governed by and will be construed in accordance with the Indian law. The Issuer and Issuer's obligations under the Debentures shall, at all the times, be subject to the directions of RBI and other applicable regulations from time to time. The parties submit to the exclusive jurisdiction of the courts in Mumbai, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

**b. OTHER TERMS OF ISSUE**

**Succession:**

In the event of the demise of a Registered Debenture holder or the first holder in the case of joint holders, the Issuer will recognize the executor or administrator of the deceased Debenture holder or the holder of succession certificate or other legal representative of the deceased Debenture holder as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate unless such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter and delivers a copy of the same to the Issuer. The Issuer may at its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased debentures holder on production of sufficient documentary proof or indemnity. In case the Debentures are held by a person other than an individual, the rights in the Debentures shall vest with the successor acquiring interest therein, including a liquidator or such any other person appointed as per the applicable laws.

**Mode of Transfer:**

The Issuer will not register any transfer of the Debentures to any NRIs, FIIs, FPIs or any person not resident in India, unless appropriate regulatory approvals are obtained, if required. The Issuer shall not be duty bound to take interest or trust in or over the Debentures, on record.

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Transfer of debentures in dematerialized form would be in accordance to the rules / procedures as prescribed by NSDL/CDSL.

**Rights of Debenture Holders:**

The Debenture holders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Debentures shall not confer upon the holders the right to receive notice or to attend and vote at the general meetings of the Company. The Debentures shall be subjected to other usual terms and conditions incorporated in the Debenture certificate(s) that will be issued to the allottee(s) of such Debentures by the Company as per the Memorandum and Articles of Association of the Company. The Debenture holders will not be entitled to any of the rights and privileges available to the shareholders.

**Tax Deduction at Source:**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source on the interest payable on the debentures. Tax exemption certificate / document / form under section 193 of the Income Tax Act, 1961, if any, must be lodged at the Mumbai / Registered Office, at least seven working days before the relevant interest payment becoming due.

**c. ISSUE DETAILS**

Sr.No	Particulars	
1.	<b>Security Name</b>	Kotak Infrastructure Debt Fund Ltd 7.9500% NCD February 17, 2023
2.	<b>Issuer</b>	Kotak Infrastructure Debt Fund Limited
3.	<b>Type of Instrument</b>	Secured, Redeemable, Non Convertible Debentures
4.	<b>Nature of Instrument</b>	Secured
5.	<b>Mode of Issue</b>	Private Placement
6.	<b>Eligible Investors</b>	For details kindly refer page no. 28 of Shelf Disclosure Document
7.	<b>Listing</b>	Unlisted
8.	<b>Rating of The instrument</b>	CRISIL AAA/Stable & ICRA AAA/Stable
9.	<b>Total Issue Size (Nos)</b>	1500 nos.
10.	<b>Total Issue Size (Amount Rs)</b>	Rs.150,00,00,000/-
11.	<b>Option to retain oversubscription (Amount)</b>	N.A.
12.	<b>Objects of the Issue</b>	For details kindly refer page no. 29 of Shelf Disclosure Document
13.	<b>Details of the utilization of the Proceeds</b>	<p>The 'Main Objects' clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the issue and also the activities which the Company has been carrying out till date.</p> <p>Further, the proceeds raised by the Issuer pursuant to this Disclosure Document shall be parked in such accounts/ places as may be permitted under Applicable Law from time to time, and will be utilised by the Issuer towards re-financing or takeout financing of Infrastructure Projects based on public private partnerships and/or non-public private partnerships (or such other projects that may be permitted by the RBI from time to time) in accordance with Applicable Law, and for such other</p>

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		purposes, including towards other financing activities and general business purposes of the Issuer, in compliance with relevant regulatory guidelines, and in such a manner that may be permitted by the RBI or under Applicable Law from time to time.																		
14.	<b>Initial Coupon Rate payable on the nominal value of the issue</b>	7.9500 p.a.% Floating, linked to FBIL 1Y T-bill benchmark (i.e. FBIL 1Y T-bill as on Jan 18, 2018 plus 1.46% i.e. 6.49%+1.46%)																		
15.	<b>Rate reset</b>	Annually on below reset dates. <b>Spread to remain constant at 1.46%</b> over FBIL 1Y T-bill benchmark  Coupon Rate applicable shall be FBIL 1Y T-Bill benchmark plus 1.46 % as on below mentioned dates.																		
16.	<b>Rate reset dates</b>	<table border="1"> <thead> <tr> <th>S.No</th> <th>Rate Reset Date</th> <th>FBIL benchmark rate publishing date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan 19, 2019</td> <td>Jan 18, 2019</td> </tr> <tr> <td>2</td> <td>Jan 19, 2020</td> <td>Jan 18, 2020</td> </tr> <tr> <td>3</td> <td>Jan 19, 2021</td> <td>Jan 18, 2021</td> </tr> <tr> <td>4</td> <td>Jan 19, 2022</td> <td>Jan 18, 2022</td> </tr> <tr> <td>5</td> <td>Jan 19, 2023</td> <td>Jan 18, 2023</td> </tr> </tbody> </table> <p>Rate Reset would be on 19<sup>th</sup> Jan of each year. Benchmark rate applicable would be as published one day preceding to Reset date.</p> <p>If incase the benchmark publishing date is scheduled /unscheduled holiday ,than rate published preceding working day for FBIL 1Y T-Bill benchmark shall be considered as benchmark rate..</p>	S.No	Rate Reset Date	FBIL benchmark rate publishing date	1	Jan 19, 2019	Jan 18, 2019	2	Jan 19, 2020	Jan 18, 2020	3	Jan 19, 2021	Jan 18, 2021	4	Jan 19, 2022	Jan 18, 2022	5	Jan 19, 2023	Jan 18, 2023
S.No	Rate Reset Date	FBIL benchmark rate publishing date																		
1	Jan 19, 2019	Jan 18, 2019																		
2	Jan 19, 2020	Jan 18, 2020																		
3	Jan 19, 2021	Jan 18, 2021																		
4	Jan 19, 2022	Jan 18, 2022																		
5	Jan 19, 2023	Jan 18, 2023																		
17.	<b>Effective Yield to Maturity</b>	Not applicable																		
18.	<b>Step Up/Step Down Coupon Rate</b>	N.A.																		
19.	<b>Coupon Payment Frequency</b>	Annually and on Maturity																		
20.	<b>Interest Payment date (scheduled date)</b>	Jan 19, 2019, Jan 19, 2020, Jan 19, 2021, Jan 19, 2022, Jan 19, 2023 February 17, 2023																		
21.	<b>Final Interest Payment date (scheduled date)</b>	February 17, 2023																		
22.	<b>Coupon Type</b>	Floating																		
23.	<b>Coupon Reset Process (incl rates, spread, effective date, interest rate cap and floor etc)</b>	Annually on above reset dates mentioned in Sr.no.20. Spread to remain constant.  Coupon Rate applicable shall be FBIL 1Y T-Bill benchmark as on applicable reset dates plus 1.46% on below mentioned dates.  If incase the below reset dates are scheduled																		

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		/unscheduled holiday , preceding working day FBIL 1Y T-Bill benchmark would be considered as reset rate.  Rates applicable shall be as published on these dates
24.	<b>Day Count Basis</b>	Actual/Actual (Refer Note 2)
25.	<b>Interest on Application Money</b>	N.A.
26.	<b>Interest on Application Money Payment Date</b>	N.A.
27.	<b>Default Interest Rate</b>	2% p.a. over the applicable coupon rate for the defaulting period
28.	<b>Face Value (Nominal Value) per Debenture</b>	Rs.10,00,000/-
29.	<b>Paid up value of security (per security as of date)</b>	Rs.10,00,000/-
30.	<b>Units Subscribed</b>	1500 Nos
31.	<b>Total nominal value of units subscribed</b>	Rs. 150,00,00,000 (Rupees One Hundred and Fifty Crore Only)
32.	<b>Total paid up value of units subscribed</b>	Rs. 150,00,00,000 (Rupees One Hundred and Fifty Crore Only)
33.	<b>Issue Price per Debenture</b>	Rs.10,00,000/-
34.	<b>Discount at which security is issued and the effective yield as a result of such discount</b>	N.A
35.	<b>Tenure</b>	1855 days
36.	<b>Redemption Date</b>	February 17 , 2023
37.	<b>Redemption Amount (Principal)</b>	Rs. 150,00,00,000 (Rupees One Hundred & Fifty Crore Only)
38.	<b>Redemption Premium/Discount</b>	N.A
39.	<b>Redemption Premium per unit</b>	N.A
40.	<b>Put Option &amp; Call Option Date</b>	N.A.
41.	<b>Put / Call option Time</b>	N.A.
42.	<b>Put /Call option Price</b>	N.A.
43.	<b>Minimum Application and in multiples of Debt Securities thereafter</b>	3 debentures and 1 debenture thereafter
44.	<b>Issue Opening</b>	January 19, 2018
45.	<b>Issue Closing</b>	January 19, 2018
46.	<b>Subscription Date</b>	January 19, 2018
47.	<b>Actual / Deemed date of allotment</b>	January 19, 2018
48.	<b>Issuance mode of the Instrument</b>	Demat only
49.	<b>Trading mode of The Instrument</b>	Demat only
50.	<b>Settlement mode of the Instrument</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document
51.	<b>Depository</b>	NSDL
52.	<b>Business Day Convention</b>	Refer Note 3
53.	<b>Security</b>	Refer note 4
54.	<b>Asset Cover Ratio</b>	The Company shall maintain minimum asset cover of 1.00 times during the tenure of the Debentures ("Asset Cover Ratio").
55.	<b>Events of Default</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document.
56.	<b>Provisions related to Cross Default Clause</b>	N.A.
57.	<b>Transaction Documents</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document.
58.	<b>Condition Precedent to Disbursements</b>	Refer Section 'B' of Summary Term sheet of Shelf

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		Disclosure Document.
59.	<b>Condition subsequent to Disbursements</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document.
60.	<b>Record Date</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document.
61.	<b>Role and responsibility of Debenture Trustee</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document.
62.	<b>Latest Audited Half Yearly financial information as on 31<sup>st</sup> March 2017</b>	For details kindly refer page no 25 of Shelf Disclosure Document .
63.	<b>Governing Law and Jurisdiction</b>	Refer Section 'B' of Summary Term sheet of Shelf Disclosure Document
64.	<b>Arranger</b>	N.A
65.	<b>Trustee</b>	IDBI Trusteeship Services Limited

**Notes:**

1. Application money, if any, once received by the company cannot be withdrawn by the Applicant.
2. Computation of Interest-Day count convention for calculation of interest shall be - (Actual /Actual) – The denominator for the calculation shall be either 365 (if the calculation period does not contain 29th February) or 366 (if the calculation period includes 29th February), where the calculation period is upto one year. Where a calculation period of longer than one year is involved, two or more calculations are made: interest is calculated for each full year, counting forwards from the beginning of the calculation period. 366 days shall be used as the denominator, where the calculation period includes 29th February. The numerator will be equal to the actual number of days from and including the last interest / coupon payment date, to one day prior to the next interest / coupon payment date (i.e. excluding the value date of the interest / coupon payment).
3. Payment convention:  
If the due date for payment of interest in respect of a relevant tranche/series falls on a day that is not a Business Day, then the due date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future interest payments in respect of such relevant tranche/series would be as per the schedule originally stipulated in the relevant Disclosure Document. In other words, the subsequent interest payment schedule would not be disturbed merely because the payment date in respect of one particular interest payment has been postponed earlier because of it having fallen on non-Business Day. If the date for performance of any event or the maturity date/ redemption date in respect of a relevant tranche/series falls on a day that is not a Business Day, then the due date in respect of the performance of such event or the maturity date in respect of such relevant tranche/series shall be paid on the immediately preceding Business Day.
4. The Debenture shall be secured in terms of the registered Debenture Trust Deed and / or the Deed of Mortgage and or Hypothecation (as and if applicable) to be executed within a period of (sixty) days from the Deemed Date of Allotment and any supplemental/modified deed executed from time by way of any one or all of the following
  - (a) First pari passu registered Mortgage on the Immovable Property of the Company; and or
  - (b) First pari-passu charge in the nature of hypothecation over the Hypothecated Assets.
  - (c) Any other security created by the Company in relation to the Debentures, including by way of mortgage over Mortgaged Property, in favour of the Debenture Trustee.
5. Record Date: The record date for determining eligibility for interest / principal payments shall be seven working days (both dates exclusive) before the relevant interest / principal payment date. Interest / Principal will be paid to the person whose name appears in the Register of Debenture holders as sole / first Debenture holder as per the list of beneficiaries provided by the Depository as on the record date.
6. In case of delay in creation of Debenture Trust Deed and charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of 2% p.a. over the Coupon Rate till these conditions are complied with at the option of the investor.
7. Redemption/Interest proceeds shall be paid to the beneficial owner who is holder of the security as per the records of the Depository seven working days prior to the due date for redemption, whichever is earlier.
8. Redemption / interest proceeds shall be payable at par at Mumbai on due date.
9. Tax exemption certificates, if applicable, in respect of non-deduction of tax at source on interest on application money must be submitted along with the application form.

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10. Tax exemption certificate / document / form under section 193 of the Income Tax Act, 1961, if any, must be lodged at the Corporate / Registered Office, at least three working days before the relevant interest payment becoming due.
11. In case of oversubscription of bonds, the decision of Kotak Infrastructure Debt Fund Limited for allocation / allotment of bonds will be final and binding on investors / arrangers.
12. If incase during the tenor of the instrument, FBIL 1 year T Bill benchmark is discontinued, benchmark & spread shall be mutually decided at the subsequent rate reset date.
13. FBIL T-Bill is published daily. Working days are Monday to Friday. If benchmark publishing date falls on Saturday / Sunday/ Scheduled holiday or Unscheduled holiday, then preceding working day rates shall be applicable.





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**ILLUSTRATION OF BOND CASH FLOWS (PER DEBENTURE):**

<b>Initial Coupon Rate Payable</b>	7.9500 p.a.% Floating, linked to FBIL 1Y T-bill benchmark  (i.e. FBIL 1Y T-bill as on Jan 18, 2018 plus 1.4600% i.e.6.4900%+0.1.4600%)
<b>Coupon Type</b>	Floating

Cash flows (Per Debenture with Face Value of Rs. 1000000)	Date	Amount (in Rs.)	No. of days
Interest Payment	Saturday, January 19, 2019	79500.00	365
Interest Payment	Sunday, January 19, 2020	79500.00	365
Interest Payment	Tuesday, January 19, 2021	79500.00	366
Interest Payment	Wednesday, January 19, 2022	79500.00	365
Interest Payment	Thursday, January 19, 2023	79500.00	365
Interest Payment	Friday, February 17, 2023	6316.44	29
Principal Repayment	Friday, February 17, 2023	1000000.00	1855

\*All Illustrative Coupon Calculations have been done on the basis of Initial Coupon Rate

**d. MATERIAL CONTRACTS AND AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS:**

MR. MANOJ GUPTA HAS BEEN APPOINTED CHIEF EXECUTIVE OFFICER OF THE COMPANY WITH EFFECT FROM 02-MAY-2017 AS APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY.

**SECTION C**

**DISCLOSURES PERTAINING TO WILFUL DEFAULT**

- (a) Name of the bank declaring the entity as a willful defaulter: NIL
- (b) The year in which the entity is declared as a willful defaulter: NIL
- (c) Outstanding amount when the entity is declared as a willful defaulter: NIL
- (d) Name of the entity declared as a willful defaulter: NIL
- (e) Steps taken, if any, for the removal from the list of willful defaulters: NIL
- (f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: NIL

**DECLARATION BY THE DIRECTORS:**

The Company and each of the directors of the Company hereby confirm and declare that:



**Disclosure Document issued in conformity with private placement offer letter as per PAS-4 (Pursuant to section 42 of Companies Act, 2013 read with rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time.**

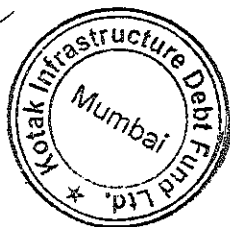
- (a) The Company has complied with the provisions of the Act and the rules made thereunder;
- (b) The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in the Offer Letter.

I am authorized by the Board of Directors of the Company vide resolution dated October 18, 2017 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to his form.

**Signed for and on behalf of Kotak Infrastructure Debt Fund Limited**

*Ankur Sharma*

**Authorised Signatory**



**Date: January 19, 2018**

**Place: Mumbai**

**Attachments to the Information Memorandum:**

Long Term Debt Rating letters from CRISIL & ICRA dated January 09, 2018 & January 09, 2018 respectively

Consent letter from the trustees dated November 15, 2017

Term Sheet

**Annexure [I]: CRISIL & ICRA Rating Rationale**

**Annexure [II]: Term sheet**

**Annexure [III]: Consent Letter of Debenture Trustee**