

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME

TRANCHE PLACEMENT MEMORANDUM

Tranche SPM 122022/01

Private and Confidential—For Private Circulation Only  
Tranche Placement Memorandum for Issue of Secured Rated  
Listed Redeemable Non-Convertible Rupee Bonds on a  
private placement basis  
December 23, 2022



**Kotak Infrastructure Debt Fund Limited**

**CIN: U65910MH1988PLC048450**

RBI Registration Number: B-13.01356 PAN

Number: AAACK5934A

(Incorporated on: August 10, 1988, in Mumbai, a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

Registered Office: 27 BKC, C27, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051 Tel: 022-43360000 Corporate

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

Tel: 022 62185358/62185356/6218 5357/62185352 Fax: 022 62215400

Website:

<https://kidfl.kotak.com>

Compliance Officer: Ms Agam Sandha,

Contact details of Compliance Officer:

022-62185307 e-mail:

agam.sandha@kotak.com

Tranche Placement Memorandum for Tranche No.SPM122022/01 under Shelf Placement Memorandum dated 12<sup>th</sup> December 2022

Type of Placement Memorandum: Private Placement

Private Placement of upto 1200 (One Thousand Two Hundred ) Secured, Rated, Listed, Redeemable Rupee Bonds ("Tranche 1 Bonds") of the face value of Rs.10,00,000/- (Rupees Ten Lakh only) each for cash aggregating upto Rs.120,00,00,000/- (Rupees One Hundred and Twenty Crores only) issued under the Shelf Placement Memorandum dated 12<sup>th</sup> December 2022 as amended / supplemented from time to time.

This Tranche Placement Memorandum is issued in terms of and pursuant to the Shelf Placement Memorandum dated 12<sup>th</sup> December 2022. All the terms, conditions, information and stipulations contained in the Shelf Placement Memorandum are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same. This Tranche Placement Memorandum must be read in conjunction with the Shelf Placement Memorandum and the Private Placement Offer Cum Application Letter. All capitalised terms used but not defined herein shall have the meaning ascribed to them in the Shelf Placement Memorandum.

This Tranche Placement Memorandum contains details of this Tranche of private placement of Tranche SPM122022/01 Bonds and any material changes in the information provided in the Shelf Placement Memorandum, as set out herein. Accordingly, set out below are the updated particulars / changes in the particulars set out in the Shelf Placement Memorandum, which additional / updated information/ particulars shall be read in conjunction with other information / particulars appearing in the Shelf Placement Memorandum. All other particulars appearing in the Shelf Placement Memorandum shall remain unchanged.

## Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME

### CREDIT RATING

Details of credit rating along with latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue:

Date of Rating Letters: December 13, 2022 by CRISIL Ratings Limited and December 15, 2022 by ICRA Limited  
Date of Press Release of Ratings: December 13, 2022 by CRISIL Ratings Limited and December 15, 2022 by ICRA Limited  
Press Release and Rating Rationale: June 30, 2022 by CRISIL Ratings Limited and August 2, 2022 by ICRA Limited

### SECTION I

#### UPDATED FINANCIAL INFORMATION

Any changes in Section F (Financial Information) of the Shelf Placement Memorandum:

##### A. Gross Debt: Equity Ratio of the Company

Before the Issue	1.06:1
After the Issue	1.31:1

B. A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the issue opening date, as applicable.

##### Standalone Audited Financial Statement

None

##### Consolidated Audited Financial Statement

As on even date, the Issuer does not have any subsidiary. The standalone and consolidated financial information would be the same and the Financial Information as disclosed above shall apply.

##### C. Unaudited financial information for stub period.

[Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors.]

None

##### D. Any other changes

None

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME

SECTION II

OTHER MATERIAL CHANGES

Any other material changes in the information contained in the Shelf

Placement Memorandum: None

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

SECTION III

SUMMARY TERM SHEET FOR TRANCHE 122022/01 BONDS

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	Kotak Infrastructure Debt Fund Limited 7.97% Rupee Bonds 17 <sup>th</sup> February 2028	
Issuer	Kotak Infrastructure Debt Fund Limited	
Type of Instrument	Secured, Rated, Listed, Redeemable, Rupee Bonds. The Bonds are non-convertible in nature.	
Nature of Instrument	Secured	
Seniority	Senior	
Mode of Issue	Private placement	
Eligible Investors	Please refer paragraph "Who can apply" of the Shelf Placement Memorandum	
Details of Arrangers (if any)	Name of the Arranger :Kotak Mahindra Bank Limited Regd Address: 27 BKC, G Block, 5th Floor, Bandra East, Mumbai 400051 Name of contact person: Mrs. Shalini Wadhwa E-mail: shalini.wadhwa@kotak.com Tel No: 022-61661524 Website: <a href="http://www.kotak.com">www.kotak.com</a>	
Details of Credit Rating Agency/ies	CRISIL Ratings Limited CRISIL House, Hiranandani Business Central Avenue, Park, Powai, Mumbai - 400076	ICRA Limited B-710 Statesman House, 148, Barakhamba Road, New Delhi 110001
Details of Underwriter (if any)	Not Applicable	
Details of Guarantor (if any)	Not Applicable	
Listing	The Tranche 122022/01 Bonds are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd within a maximum period of 4 (Four) trading days from the Issue Closing Date.  In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing the Tranche 122022/01 Bonds beyond 4 (Four) trading days from the Issue Closing Date, the Company shall (i) make payment to the Bond Holders of 1% (One Percent) per annum over the Coupon Rate for the period of delay till the listing of such Tranche 122022/01 Bonds, to the Bond Holder(s); and (ii) be permitted to utilize the issue proceeds of its subsequent two privately placed issuances of securities only after having received final listing approval from BSE	
Rating of the Instrument	CRISIL AAA/Stable by CRISIL Limited ICRA AAA/Stable by ICRA Limited	

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Issue Size	The aggregate size of the issue is for upto Rs.310,00,00,000/- (Rupees Three Hundred and Ten Crores only) out of which this Issue of Tranche 122022/01 Bonds is for upto Rs. 120,00,00,000/- (Rupees One Hundred and Twenty Crores only).	
Base Issue and Green Shoe Option	Base Issue: Rs.10,00,00,000 (Rupees Ten Crores Only) Green Shoe: Rs.110,00,00,000 (Rupees One Hundred and Ten Crores Only) Total Issue: Rs.120,00,00,000 (Rupees One Hundred and Twenty Crores Only)	
Tranche Size	Base Issue: Rs.10,00,00,000 (Rupees Ten Crores Only) Green Shoe: Rs.110,00,00,000 (Rupees One Hundred and Ten Crores Only) Total Issue: Rs.120,00,00,000 (Rupees One Hundred and Twenty Crores Only)	
Minimum Subscription	Rs.1,00,00,000/- (Rupees One Crore Only)	
Option to retain oversubscription (Amount)	Not Applicable	
Objects of the Issue / Purpose for which there is requirement of funds  The Issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".	The proceeds of the issue after meeting the expenditures of and related to the issue of such Bond if any, will be used (but not restricted to) for various re-financing or takeout financing of Infrastructure Project in accordance with Applicable Law, and for such other purposes including towards financing/lending and investing activities of the Company, to repay debts of the Company and for business operations of the Company including capital expenditure, short term/long term working capital requirements and general corporate purposes of the Company 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. Further, the issue proceeds may be utilized / invested as may be approved from time to time in the ordinary course of business, in fixed deposits with banks, mutual funds units, etc	
Details of the utilization of the Proceeds.	Details of Utilisation	% Range
	Various re-financing or takeout financing/financing/Lending and Investing Activities	upto 100%
	Repay debts of the Company	upto 100%
	Business operations and General corporate purposes	upto 50%
	Further, pending utilisation, the issue proceeds may be utilized / invested as may be approved from time to time in the ordinary course of business, in fixed deposits with banks, mutual funds units, t-bills and other money market instruments etc.	
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	The proceeds of the Issue will not be utilised for providing loans to any group company.	
Coupon Rate	7.97%p.a.	
Step Up/Step Down Coupon Rate	Not Applicable	
Coupon Payment Frequency	Annually and on Maturity	
Coupon Payment Dates	28 <sup>th</sup> December 2023 28 <sup>th</sup> December 2024 28 <sup>th</sup> December 2025 28 <sup>th</sup> December 2026 28 <sup>th</sup> December 2027 17 <sup>th</sup> February 2028	
Coupon Type	Fixed	

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	Not Applicable
Day Count Basis	Actual/ Actual
Interest on Application Money	Interest at the respective Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Tranche 122022/01 Bonds for the period starting from and including the date of realization of application money in the Issuer's bank account up to one day prior to the Deemed Date of Allotment.
Default Interest Rate	In case of default in payment of Coupon and/ or redemption of the principal amount of the Bonds on the respective due dates, additional interest of at least 2% (Two Percent) per annum over and above the Coupon Rate shall be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid.  Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the Bond Holders, over and above the Coupon Rate, till the execution of the Trust Deed.
Tenor	1877 Days
Redemption Date	17 <sup>th</sup> February 2028
Redemption Amount	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Bond
Redemption Premium/ Discount	Not Applicable
Issue Price	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Bond
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Rollover Option	Not Applicable
Face Value	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Bond
Minimum Application and in multiples of Debt securities thereafter	10 Bonds and in multiples of 1 Bond thereafter.
Issue Timing	10.30am to 11.30 am
Issue/ Bid Opening Date	27 <sup>th</sup> December 2022
Issue/ Bid Closing Date	27 <sup>th</sup> December 2022
Date of earliest closing of the issue, if any.	Not Applicable
Pay-in Date	28 <sup>th</sup> December 2022
Deemed Date of Allotment	28 <sup>th</sup> December 2022

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	<p>The pay-in of subscription monies for the Bonds shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant Clearing Corporation, in accordance with the procedure and timelines prescribed in the Electronic Book Mechanism Guidelines and the Operational Guidelines of the EBP:</p> <p>For amounts payable by the Issuer to any Bond Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ Demand Draft (DDs)/ electronic clearing services (ECS)/credit through RTGS / NEFT system/funds transfer to the specified bank account of the Bond Holder shall be the mode of settlement</p>
Depository(ies)	NSDL and CDSL
Business Day	Means any day of the week (excluding Saturdays, Sundays and 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 and "Business Days" shall be construed accordingly.
Business Day Convention	<p>If the Due Date for payment of interest in respect of Tranche 122022/01 Bonds falls on a day that is not a Business Day, then the due date in respect of such payment of interest shall be on the immediately succeeding Business Day; however, the dates of the future interest payments in respect of such Tranche 122022/01 Bonds would be as per the schedule originally stipulated in the relevant Tranche Placement Memorandum. 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</p> <p>If the date for performance of any event or the Maturity Date/ Redemption Dates(s) in respect of such Tranche 122022/01 Bonds 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/ Redemption Dates(s) in respect of such Tranche 122022/01 Bonds shall be paid on the immediately preceding Business Day.</p>
Disclosure of Interest/Dividend / redemption dates	Please see the section on 'Coupon Rate' and 'Redemption Date' above.
Record Date	The date which will be used for determining the Bond Holder(s) who shall be entitled to receive the amounts due on any due date, which shall be the date falling 7 (Seven) (both dates excluding) working days prior to any due date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in Note 1 to the 'Summary Term Sheet' under the Shelf Placement Memorandum.

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

<p>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Shell Placement Memorandum.</p>	<p><u>Description of Security</u> The Bonds being issued under the Disclosure Documents shall be / have been secured by any or all of the following: (i) First pari passu registered Mortgage on the Immovable Property of the Company created under the Trust Deed; (ii) First pari passu charge in the nature of hypothecation over the Hypothecated Asset created under the Deed of Hypothecation; (iii) Any other security created by the Company in relation to the Bonds, including by way of mortgage over any immovable property, in favour of the Trustee. "Minimum Security Cover" shall mean the Security Cover Ratio of one time that is to be maintained in respect of the Tranche 122022/01 Bonds outstanding under this Tranche.</p> <p><u>Security Cover and its maintenance</u> (a) The Company shall, at all times, until the Final Settlement Date, ensure that the Security Cover Ratio is maintained at or above the Minimum Security Cover at all times throughout the tenure of the Bonds i.e. it is never less than the Minimum Security Cover. (b) Without prejudice to the generality of this provision, the Company shall, until and including September 30, 2022, for every Security Cover Testing Date, be obligated to furnish to the Trustee, on or before the 45th day following the relevant Security Cover Testing Date, a certificate from independent chartered accountant in such form and manner as may be stipulated by the Trustee, containing details and book value of the Security existing as on the Security Cover Testing Date so as to evidence that the Security Cover Ratio is being maintained at or above the Minimum Security Cover. On and from October 1, 2022, and until the Final Settlement Date, the Company shall furnish a certificate from a statutory auditor, on every Security Cover Testing Date, containing details and book value of the Security existing as on the Security Cover Testing Date so as to evidence that the Security Cover Ratio is being maintained at or above the Minimum Security Cover.</p> <p>The Company agrees that the Security Cover Ratio shall be tested every quarter on the Security Cover Testing Date, and in the event the Minimum Security Cover is not met on the Security Cover Testing Date, the Company shall provide additional security ("Additional Security") within 90 (Ninety) days of the Security Cover Testing Date and notify the Trustee in writing of the same, which notice shall include a description of such assets being provided as Additional Security. Such notice shall always be accompanied with a written confirmation by an independent chartered accountant addressed to the Trustee that the Security Cover Ratio for the Bonds shall be reinstated at or above the Minimum Security Cover, on providing such Additional Security. The Company may, at its discretion, also bring the Security Cover Ratio to the stipulated level i.e., at or above the Minimum Security Cover, by reducing its debt without providing any Additional Security. The serving of such notice mentioned above and acknowledgement thereof shall effectuate such addition of the assets mentioned in the said notice to the Hypothecated Assets, without any further act, deed or writing and the charge in the nature of Hypothecation shall ipso facto extend to the Additional Security. It is clarified that any Additional Security so provided under this Clause will constitute and shall be deemed always to have constituted a part of the Hypothecated Assets. The description of the assets comprising the Additional Security specified by the Company to the Trustee in its letter(s) addressed to the Trustee shall be deemed to be the description of the assets which are to form part of the Hypothecated Assets pursuant to this Clause.</p> <p><u>Release of Mortgage Property</u> Notwithstanding anything contained in the Transaction Documents, in the event that: (i) the Company has at least provided one alternative Mortgage Property with a clear, marketable and mortgageable title and created and perfected a first ranking pari-passu mortgage and charge over such property in such manner and form as acceptable to the Trustee and by signing, executing, delivering, registering all such deeds, writings, acts, forms as may be necessary in this regard, and (ii) the Security is of a value greater than that required for the maintenance of the Security Cover Ratio as per the confirmation provided by the independent chartered accountant in accordance</p>
--	--



Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

with the Trust Deed with respect to the immediately preceding Security Cover Testing Date, the Company shall be entitled to require the Trustee to release the other Mortgage Property/ies or any part thereof such that the Security remaining after such release would be sufficient for maintenance of the Security Cover Ratio at or above the Minimum Security Cover ("Released Mortgage Property"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in the Trust Deed describing the Mortgage Property/ies to be released, which letter shall be duly acknowledged by the Bond Trustee ("Release Request Letter of Mortgage").

The Trustee shall effectuate such release by re-assigning or re-conveying to the Company (at the cost of the Company) or to such other Person as the Company may request, the Mortgage Property or such part thereof (as per the Release Request Letter of Mortgage) freed and discharged from the trusts and Security hereby created. The Trustee shall not be required to provide notice to or obtain consent from the Bond Holders for such release, so long as no Event of Default has occurred and is continuing, and the Company has not defaulted in making payment of the Secured Obligation(s) and an independent chartered accountant confirms to the Trustee in writing that the Security Cover Ratio shall be maintained at or above the Minimum Security Cover post such release. The Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release. Provided that no such release shall be done unless and until the mortgage has been created and perfected as a condition precedent in this regard as required in terms of the Trust deed.

Released Mortgage Property shall not be construed to be part of the Security and the Company shall be entitled to deal with the same in the manner it deems fit.

Release of Excess Hypothecated Assets

Notwithstanding anything contained in the Transaction Documents, in the event that the Hypothecated Assets are of a book value greater than that required for the maintenance of the Security Cover Ratio (basis the certificate issued by the independent chartered accountant in accordance with the Deed of Hypothecation in respect of the immediately preceding Security Cover Testing Date), the Company shall be entitled to require the Trustee to release the excess Hypothecated Assets such that the Hypothecated Assets remaining after such release would be sufficient for maintenance of the Security Cover Ratio at or above the Minimum Security Cover ("Released Assets"). The Company shall, for such release, issue a letter to the Trustee substantially in the format set out in the Deed of Hypothecation describing the Hypothecated Assets to be released, which letter shall be duly acknowledged by the Trustee ("Release Request Letter").

The Trustee shall effectuate such release by acknowledging the Release Request Letter and shall also, if requested by the Company execute all such documents as may be required for such release. The Trustee shall not be required to provide notice to or obtain consent from the Bond Holders for such release, so long as no Event of Default has occurred and is continuing, the Company has not defaulted in making payment of the Secured Obligations and an independent chartered accountant of the Company confirms to the Trustee in writing that the Security Cover Ratio shall be maintained at or above the Minimum Security Cover post such release. The

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

	<p>Trustee shall not be liable for any consequences for having acted in terms hereof and having made such release.</p> <p>The Released Assets shall not be construed to be a part of the Security and the Company shall be entitled to deal with the Released Assets in the manner it deems fit.</p> <p><u>Creation and Perfection</u></p> <p>The Company shall execute Trust Deed and Deed of Hypothecation prior to listing of the Bonds and perfect the same by filing requisite forms with ROC within 30 (Thirty) days, or such other time as permitted under Applicable Law, of creation of charge. The Company shall register the Trust Deed with the relevant sub-registrar of assurances within 30 (Thirty) days, or such other time as permitted under Applicable Law</p> <p>The Issuer shall cooperate with the Trustee to enable it to make necessary filings in connection with the perfection of Security with the CERSAI, within the timelines as specified under Applicable Law from the date of creation of security over the Security.</p> <p><u>Due Diligence</u></p> <p>The Trustee shall exercise independent due diligence to ensure that the Security is free from any encumbrances in accordance with the applicable circulars / notifications issued by the SEBI including under the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time).</p> <p>The Bonds shall be considered to be secured only in the event the Hypothecated Assets, and the Mortgage created as Security are registered with the relevant ROC, relevant sub-registrar of assurances, or CERSAI or Depositories, as applicable or is independently verifiable by the Trustee.</p>
Transaction Documents	The Shelf Placement Memorandum, Tranche Placement Memorandum, Deed of Hypothecation, Trust Deed, Trustee Agreement and the Private Placement Offer Cum Application Letter, as amended from time to time, and any other document that may be designated by the Bond Trustee as a Transaction Document
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> <li>(i) The Issuer shall deliver to the Bond Trustee, a certified true copy of the Issuer's constitutional documents, registration certificate and certificate of incorporation, as amended up-to-date;</li> <li>(ii) The Issuer shall deliver to the Bond Trustee, consent letter from the Bond Trustee conveying their consent to act as Bond Trustee for the Bond Holder(s);</li> <li>(iii) The Issuer shall deliver to the Trustee, a certified true copy of the resolution of the Board of Directors authorising the issue of Bonds and also the execution of the necessary documents in that behalf;</li> <li>(iv) The Issuer shall obtain the in-principle approval for listing the Bonds on the WDM segment of the Stock Exchange;</li> <li>(v) The Issuer shall deliver to the Trustee, a copy of the rating letters in relation to the Bonds issued by the Rating Agencies;</li> <li>(vi) Due Diligence Certificate with respect to the Bonds.</li> </ul> <p>Such other Conditions Precedent as set out in the Transaction Documents.</p>

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Conditions Subsequent to Disbursement	(i) Filing of the relevant documents required to be filed with inter alia, the ROC, CERSAI, the sub-registrar of assurances the return of allotment within the timelines specified under the Act and the rules made thereunder; (ii) Completion of listing of the Bonds on the WDM segment of the Stock Exchange; (iii) Credit of the Bonds in the demat account(s) of the allottees; Such other Conditions Subsequent as set out in the Transaction Documents.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As per Note 2 of the Shelf Placement Memorandum.
Creation of recovery expense fund	Details and purpose of the recovery expense fund:  The Company shall create and maintain a recovery expense fund in the manner as specified in the SEBI Circular dated October 22, 2020 vide reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and as may be supplemented or amended from time to time, and inform the Trustee about the same.  The Company has created Recovery Expense Fund as per the provisions of the said circular and has informed the Trustee about the same.  The recovery expense fund may be utilized by the Trustee upon occurrence of an Event of Default, for taking appropriate legal actions to enforce the Security in accordance with the relevant SEBI circulars.
Conditions for breach of covenants (as specified in Trust Deed)	As set out under the head "All covenants of Issue" and "Events of Default" in the Shelf Placement Memorandum.
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Trustee	To oversee and monitor the overall transaction for and on behalf of the Bond Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
Risk factors pertaining to the Issue	As per the "Risk Factors" mentioned in Section O in the Shelf Placement Memorandum.
Governing Law and Jurisdiction	The Bonds and the Transaction Documents shall be governed by and construed in accordance with the laws of India. For all matters which cannot be determined by way of arbitration between the Company and the Trustee in the manner set out in the Trust Deed, the courts and tribunals at Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Document(s) and that accordingly, any suit, action or proceedings arising out of or in connection with the Transaction Document(s) may be brought in such courts.
Due Diligence Certificate	The Issuer shall submit the due diligence certificate provided by the Trustee, to BSE in accordance with the applicable SEBI regulations, including but not limited to the SEBI circular dated November 03, 2020 (bearing reference no SEBI/HO/MIRSD/CRADT/CIR/P/2020/218). Such due diligence certificate will be annexed to relevant Tranche Placement Memorandum for each Tranche/ Series.
Mode of bidding in the issue	Open Bidding
Manner of settlement	Through Clearing Corporation as per the details set out below
Settlement cycle	Settlement shall be on T+1 day
Manner of allotment	Uniform Price (Fixed Rate bidding)
Minimum Bid Lot	Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples of Rs.10,00,000/- (Rupees Ten Lakhs Only) thereafter.

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Terms and conditions of trustee agreement including fees charged by trustees(s), details of security to be created and	Please refer to Annexure VI of the Shelf Placement Memorandum.		
process of due diligence carried out by the trustee			
Terms of raising of securities	Duration, if applicable:	Refer section on 'Tenor' and 'Redemption Date' above	
	Rate of Interest:	Refer section on 'Coupon Rate' above	
	Mode of Payment	Refer section on 'Settlement mode of the Instrument' above	
	Mode of Repayment	Refer section on 'Settlement mode of the Instrument' above	
The Issuer shall maintain hundred percent security cover sufficient to discharge the principal amount at all times for the non-convertible securities issued. The Company shall provide a half-yearly certificate regarding maintenance of hundred percent security cover including compliance with all the covenants, in respect of listed non-convertible securities, by the statutory auditor, along with the half-yearly financial results.			

General Notes:

- if there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change shall be disclosed by the Company.
- The list of documents which has been executed in connection with the issue and subscription of debt securities is annexed with this Tranche Placement Memorandum.
- While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of the Disclosure Documents, in favour of Trustee, it is the duty of the Trustee to monitor that the Security is maintained.

Illustration of Cashflows

Name of the Issuer	Kotak Infrastructure Debt Fund Limited
Face Value (per security)	Rs.10,00,000/- (Rupees Ten Lakhs Only) per Bond
Deemed Date of Allotment	28 <sup>th</sup> December 2022
Tenure and Redemption Date	Tenure: 1877 Days Redemption Date: 17 <sup>th</sup> February 2028
Coupon Rate	7.97%p.a.
Frequency of the interest payment with specified dates	Annually and on Maturity 28 <sup>th</sup> December 2023 28 <sup>th</sup> December 2024 28 <sup>th</sup> December 2025 28 <sup>th</sup> December 2026 28 <sup>th</sup> December 2027 17 <sup>th</sup> February 2028
Day Count Convention	Actual/Actual

\*Since \_\_\_\_\_ would be falling on \_\_\_\_\_, interest payment due on that day will be made on the next working day (as per SEBI's Operational Circular). All other interest calculations remain same

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential  
For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

Illustration of Cash Flows per Bond:

Cash flows	Date	No of days in coupon period / principal period	Denominator (No. of days) for Coupon calculation	Amount in Rs. Per Bond of Rs 10 lakhs
First Coupon	28 <sup>th</sup> December 2023	365	365	79,700.00
Second Coupon	28 <sup>th</sup> December 2024	366	366	79,700.00
Third Coupon	28 <sup>th</sup> December 2025	365	365	79,700.00
Fourth Coupon	28 <sup>th</sup> December 2026	365	365	79,700.00
Fifth Coupon	28 <sup>th</sup> December 2027	365	365	79,700.00
Final Coupon	17 <sup>th</sup> February 2028	51	365	11,136.16
Principal	17 <sup>th</sup> February 2028			10,00,000.00

Tranche Placement Memorandum

Tranche Placement Memorandum Date: December 23, 2022

Private & Confidential For Private Circulation Only

THIS TRANCHE PLACEMENT MEMORANDUM HAS BEEN PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECTION 42 OF THE COMPANIES ACT, 2013, THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AS MAY BE AMENDED FROM TIME TO TIME

MANNER OF SETTLEMENT

- The eligible investors should complete the funds pay-in to the designated bank account of the Indian Clearing Corporation Limited (ICCL) by 10:30 am on T+1 day
- The participants must ensure to do the funds pay-in from the same bank account which is updated by them in the EBP Platform while placing the bids
- The Designated Bank Accounts of ICCL are as under:

<b>Name of Bank</b>	HDFC BANK
<b>IFSC Code</b>	HDFC0000060
<b>Account number</b>	ICCLEB
<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LIMITED

<b>Name of Bank</b>	ICICI Bank Ltd.
<b>IFSC Code</b>	ICIC0000106
<b>Account number</b>	ICCLEB
<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LTD

<b>Name of Bank</b>	YES BANK
<b>IFSC Code</b>	YESB0CMSNOC
<b>Account number</b>	ICCLEB
<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LTD

- In the event of the issue getting withdrawn, the funds refund would be initiated on T+1 day.
- In case of mismatch in the bank account details between bidding platform and the bank account from which payment is done by the eligible investors, the payment would be returned back by the EBP. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing EBP Platform as per the Operating Guidelines of the EBP.
- Securities Settlement: Depositories will credit the securities to the demt account of the respective investor.

For Kotak Infrastructure Debt Fund Limited

*(Signature)* Veena

Authorised Signatory

Name:

Title:

Date: 23-12-2022



Encl:

1. Disclosure prescribed under PAS-4 of Companies (Prospectus and allotment of securities) Rules, 2014
2. Due Diligence Certificate for Tranche [-] Bonds issued by the Trustee
3. Press Release for Credit Rating and Rating Rationale
4. List of documents executed in relation to the issue