



## SUMMARY TERM SHEET

### DETAILS OF THE INSTRUMENT

Issuer	Indian Railway Finance Corporation Limited ("IRFC" or the "Issuer" or the "Company")
Type of Instrument	Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of Debentures ("Bonds")
Nature of Instrument	Secured
Seniority	Secured Debt
Mode of Issue	Private Placement
Eligible Investors	<b>Qualified Institutional Buyers ("QIBs")</b> <ol style="list-style-type: none"><li>1) Mutual Funds;</li><li>2) Public Financial Institutions specified in Section 2(72) of the Companies Act 2013;</li><li>3) Scheduled Commercial Banks;</li><li>4) State Industrial Development Corporations;</li><li>5) Insurance Companies registered with the Insurance Regulatory and Development Authority;</li><li>6) Provident Funds and Pension Funds with minimum corpus of Rs.25.00 crore;</li><li>7) National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</li><li>8) Insurance funds set up and managed by army, navy or air force of the Union of India;</li><li>9) Alternative Investment Funds, subject to investment conditions applicable to them under the Securities Exchange Board of India (Alternative Investment Funds) Regulations, 2012</li><li>10) Foreign Portfolio Investors ("FPI"), Foreign Institutional Investors ("FII") and sub-accounts (other than a sub account which is a foreign corporate or foreign individual), Qualified Foreign Investors ("QFIs"), not being an individual, registered with SEBI and who is not a resident of USA and is not subject to any taxation laws of the USA</li></ol> <b>Non- QIBs</b> <ol style="list-style-type: none"><li>1) Companies and Bodies Corporate authorized to invest in bonds/debentures;</li><li>2) Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures;</li><li>3) Gratuity Funds and Superannuation Funds;</li><li>4) Provident Funds and Pension Funds with corpus of less than Rs.25.00 crore;</li><li>5) Societies authorized to invest in bonds/ debentures;</li><li>6) Trusts authorized to invest in bonds/ debentures;</li><li>7) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures;</li><li>8) Hindu Undivided Families through Karta;</li><li>9) Limited Liability Partnership;</li><li>10) Partnership firms formed under applicable laws in India in the name of the partners;</li><li>11) Resident Individual Investors</li></ol>
Non-Eligible classes of Investors	<ol style="list-style-type: none"><li>1) Minors without Guardian name (A guardian may apply on behalf of a Minor. However, Applications by Minors must be made through Application Forms that contain the names of both the Minor Applicant and the guardian);</li><li>2) Non-Resident Investors being an individual including NRIs, QFIs (Individual) and FPIs (Individual);</li><li>3) Indian Venture Capital Funds;</li><li>4) Foreign Venture Capital Investors;</li><li>5) Overseas Corporate Bodies;</li><li>6) Persons ineligible to contract under applicable statutory/ regulatory requirements</li></ol>
Listing	The bonds are proposed to be listed on the Wholesale Debt Market (WDM) Segment of NSE and BSE.
Credit Ratings	CARE AAA by CARE, CRISIL AAA/Stable by CRISIL, and "[ICRA] AAA" by ICRA
Base Issue Size	Rs.500 crore
Option to retain over subscription	Rs.2690 crore
Aggregate Issue Size	Rs.3190 crore
Objects of Issue	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for refinancing the funds mobilized from short term sources/ bridge loans availed for funding of acquisition of Rolling Stock (Railway



	Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament
Form of Issuance	Demat only
Trading Mode	Demat Only
Settlement Mode	Payment of Interest and repayment of principal shall be made by way of cheque(s) / Pay Orders / interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism or any other electronic mode offered by the Banks to those bondholders whose names appear on the list of beneficial owners given by the depository to IRFC. These names would be as per the depository's record on the record date fixed by IRFC for the purpose of payment of Interest and payment of Redemption Amount
Bond Series	149 <sup>th</sup> Secured Taxable Private Placement Series
Security Name	N.A.
Face Value	Rs.10,00,000 per bond
Premium on issue	N.A.
Discount on issue	Nil
Premium / Discount on redemption	Nil
Issue Price	Rs.10,00,000 per bond
Redemption Amount	Redeemable at face value of Bonds
Minimum Application	10 Bonds and in Multiples of 1 Bond thereafter
Tenor	3 Years
Put option date	NA
Put option Price	NA
Call option date	NA
Call option Price	NA
Put notification Time	NA
Call notification Time	NA
Redemption/ Maturity	At par at the end of 3 Years
Redemption Date	28 <sup>th</sup> April, 2023
Coupon Rate	6.19% per annum
Coupon Type	Fixed
Step up /Step down coupon rate	N.A.
Coupon Payment frequency	Annual
Coupon Payment dates	First Interest Payment on April 15, 2021, after that on 15 <sup>th</sup> April each year and Final Interest payment will be made on 28 <sup>th</sup> April, 2023 along with final redemption of Bonds.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	None
Day count basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on application money	Interest will be paid to the applicants on the application money for the Bonds at 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) for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Deemed Date of Allotment. Such interest on Application Money shall be paid by the Issuer to the relevant applicants within 15 days from the Deemed Date of Allotment
Deemed Date of Allotment	28 <sup>th</sup> April, 2020



Minimum subscription of debt security	As the current issue of Bonds is being made on Private Placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.
Issue Time Table:	
Issue Opening Date*	24 <sup>rd</sup> April, 2020
Issue Closing Date*	24 <sup>rd</sup> April, 2020
Pay-in-dates*	28 <sup>th</sup> April, 2020
Deemed Date of Allotment*	28 <sup>th</sup> April, 2020
Settlement Cycle	T+2 day (T being the bidding date)
Type of Bidding	Close Bidding
Manner of Allotment	Uniform Yield
No. of Applications	As per the applicable rules
Record Date	15 days prior to each Coupon Payment Date / Redemption Date
Business Day	A Business Day shall be a day on which money market is functioning in Mumbai.
Effect of Holidays	If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Depository	NSDL & CDSL
Security	The Bonds issued by the Company shall be secured by creating first pari-passu charge on the movable assets of the Company comprising of Rolling Stock assets such as wagons, coaches, locomotives etc.
Settlement Mode of the Instrument	Through Clearing Corporation of BSE i.e. ICCL
Mode of Subscription	Successful Bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE-EBP Platform i.e. BSE BOND while placing the bids. The pay-in should be made in the ICCL's Clearing Account as displayed in BSE BOND platform.
Reissuance and consolidation	The Issuer shall have the right to reissuance or consolidate the bonds under the present series in accordance with the applicable law
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: Letter appointing Trustees to the Bondholders; Debenture Trusteeship Agreement; Debenture Deed of Hypothecation; Rating Agreement with CRISIL / CARE / ICRA; Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; Application made to NSE/BSE for seeking its in-principle approval for listing of Bonds; Listing Agreement with NSE/BSE; Letters appointing Arrangers to the Issue.
Conditions precedent to subscription of Bonds	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: Rating letters from the aforesaid rating agencies; Letter from the Trustees conveying their consent to act as Trustees for the Bondholders;
Conditions subsequent to	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Offer



subscription of Bonds	<p>Letter:</p> <p>Ensuring that the payment made for subscription to the Bonds is from the bank account of the person/ entity subscribing to the Bonds and keep record of the bank accounts from where payments for subscriptions have been received;</p> <p>Maintaining a complete record of private placement offers in Form PAS-5 and filing the such record with the Registrar of Companies, National Capital Territory of Delhi &amp; Haryana with fee as provided in Companies (Registration Offices and Fees) Rules, 2014 and with Securities and Exchange Board of India, within a period of thirty days of circulation of the Private Placement Offer Letter;</p> <p>Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, National Capital Territory of Delhi &amp; Haryana within fifteen days of the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014;</p> <p>Credit of Demat Account(s) of the allottee(s) by number of bonds allotted within two working days from the deemed date of allotment.</p> <p>Making listing application to NSE and BSE within 15 days from the deemed date of allotment of bonds and seeking listing permission within 15 days from the deemed date of allotment of bonds.</p> <p>Executing the Debenture / Bond Trust cum Hypothecation Deed in favour of the Trustee within 60 days from the deemed date of allotment of the bonds and submit with NSE and BSE within five working days of the execution of the same for uploading on their website.</p> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter.</p>
Trustees	SBI Caps Trustee Company Limited
Events of Default	<p>If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Issuer.</p> <p>Besides, it would also constitute an "Event of Default" by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Private Placement Offer Letter, Debenture Trusteeship Agreement and Debenture Trust Deed, which in opinion of the Trustees is incapable of remedy.</p>
Remedies	Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Bondholder(s), declare the amounts outstanding to be due and payable forthwith.
Cross Default	Not Applicable
Role and Responsibilities of Trustees	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, the Trust Deed, Private Placement Offer Letter and all other related transaction documents, with due care, diligence and loyalty.</p> <p>The Trustees shall ensure disclosure of all material events on an ongoing basis.</p>
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi
Additional Covenants	<p>Security Creation: In the event of delay in execution of Debenture Trust Deed and / or other Security Document(s), the Issuer shall refund the subscription at the Coupon rate or shall pay penal interest of 2% p.a. over the coupon rate till such conditions are complied with, at the option of the bond holders.</p> <p>Default In Payment: In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but</p>



excluding the date on which such amount is actually paid.

Allotment of Bonds: The Company shall allot the Bonds within sixty days from the date of receipt of the application money for such Bonds and if the Company is not able to allot the Bonds within such period, it shall repay the application money to the subscribers within fifteen days from the date of completion of sixty days and if the Company fails to repay the application money within the aforesaid period, it shall be liable to repay such money with interest at the rate of 12% p.a. from the expiry of the sixtieth day.

Delay in Listing: In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company shall pay penal interest of at least @ 1 % p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.

Refusal for Listing: If listing permission is refused before the expiry of 20 days from the deemed date of allotment, the issuer shall forthwith repay all monies received from the applicants in pursuance of the Private Placement Offer Letter.

\*IRFC reserves its sole & absolute right to modify (pre-pone/postpone) the issue Opening/Closing/Pay-in date(s) and deemed date allotment without giving any reasons or prior notice.

*A. Sankar*

