

Serial No. _____
Addressed to: _____

INFORMATION MEMORANDUM

L&T Metro Rail (Hyderabad) Limited

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: 24th August, 2010

Registered Office: 4th Floor, Cyber Towers, Hitec City, Madhapur,
Hyderabad – 500081, Telengana

Telephone No.: +91-040- 6729- 5500

Website: www.ltmmetro.in

**Information Memorandum for issue of Debentures on a Private Placement Basis Dated
October 31, 2015**

Issue of 2500 (Two Thousand Five Hundred), Unsecured Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each, aggregating up to Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores Only) on a private placement basis (the "Issue").

Background

This Information Memorandum is related to the Debentures to be issued by L&T Metro Rail (Hyderabad) Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through a resolution passed by the shareholders of the Issuer on March 12, 2015, and the Board of Directors of the Issuer on February 16, 2015 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated March 12, 2015, in accordance with provisions of the Companies Act 2013, the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit for amounts up to 1000,00,00,000/- (Rupees One Thousand Crores Only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by ICRA Limited ("ICRA") or "Rating Agency". The Rating Agency has vide its letter dated June 11, 2015 read together with its letters dated July 2, 2015 and October 29, 2015 assigned a rating of 'Provisional [ICRA] AA (SO)' in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the Rating Agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the letters dated June 11, 2015, July 2, 2015 and October 29, 2015 from ICRA assigning the credit rating abovementioned and the letter dated June 11, 2015, July 2, 2015 and October 29, 2015 issued by ICRA disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue Opens on: **November 2, 2015**

Issue Closing on: **November 2, 2015**

Deemed Date of Allotment: **November 2, 2015**

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The Issuer reserves the right to change the Issue Schedule including the Decreed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market segment of the Bombay Stock Exchange ("BSE").

Sole Arranger

Citigroup Global Markets

India Private Limited

1202, 12th Floor,

First International Financial Centre,

G-Block, Bandra Kurla Complex,

Bandra East, Mumbai 400 051, India

Contact Person: Mr. Rohan Dayal

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E-mail: rohan.dayal@citi.com

Registrar & Transfer

Agent

**Sharepro Services (India) Pvt
Limited**

BP ID No- IN200043

Samitha Warehousing Complex

Bldg no. 13 A B, 2nd Floor,

Off. Saki Naka Telephone

Exchange, Andheri –Kurla Road,

Sakinaka, Mumbai – 400072

Debenture Trustee

SBICAP Trustee Company Ltd.

Apeejay House, 6th Floor

3, Dinshaw Waccha Road, Churchgate,

Mumbai 400 020,

Maharashtra, India

Contact Person: Mr Ajit Joshi

Tel: +91 22 4302 5555

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Email: corporate@sbicaptrustee.com

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SECTION I: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any governmental authority and any modifications or re-enactments thereof.
Application Form	The form used by the recipient of this Disclosure Document and/or the Private Placement Offer Letter, to subscribe to the Debentures, which is annexed to this Information Memorandum and marked as Annexure IV.
Arranger / Sole Arranger	Citigroup Global Markets India Private Limited
Board/Board of Directors	The board of directors of the Issuer
Business Day	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)) on which banks are open for general banking business in Mumbai and Hyderabad and "Business Days" shall be construed accordingly.
CDSL	Central Depository Services (India) Limited.
Concession Agreement	Shall mean the concession agreement dated September 4, 2010 entered into by and between GoAP and the Company whereby the GoAP had awarded the Project to the Company on design, build, finance, operate and transfer basis and Transit Oriented Development in and around the selected metro stations including parking and circulation areas as specified therein and any amendments made thereto in accordance with the provisions therein.
Concession Period	The Concession Period of the Project is 35 years, with an option for extension of the concession period further by another 25 years.
Debentures / NCDs	2500 (Two Thousand Five Hundred) Unsecured Rated, Listed, Redeemable, Non-Convertible Debentures bearing a face value of Rs. 10,00,000 (Rupees Ten Lakhs only) each, aggregating to Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores only).
Debenture Holders / Investors	The holders of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time.
Decmed Date of Allotment	November 02, 2015
Debenture Trustee	SBICAP Trustee Company Limited
Debenture Trustee Agreement	Agreement executed/ to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures and to record certain terms and conditions relating thereto.
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by

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(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

	the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time with whom the Company has made arrangements for dematerialising the Debentures, being CDSL and NSDL.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of L&T Metro Rail (Hyderabad) Limited unless otherwise mentioned.
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.
Due Date	Any date on which the Debenture Holders are entitled to any payments in relation to the Debentures, whether for redemption on maturity or towards Coupon.
EFT	Electronic Fund Transfer.
Escrow Account	Account opened with the Escrow Bank pursuant to the Concession Agreement
Escrow Bank	State Bank of India
Financial Year/ FY	The financial year of the Company used for the purposes of accounting.
GAAP	Generally Accepted Accounting Principles.
GoAP	Government of Andhra Pradesh Pursuant to the Andhra Pradesh Reorganisation Act, 2014, erstwhile undivided State of Andhra Pradesh was reorganised and the State of Telangana (hereinafter referred to as "GoTS") was formed with effect from June 2, 2014. Since the Project is situate in territory of the GoTS, the appropriate Government/ Government Authority for the Project and for any matters in relation thereto shall now be GoTS instead of GoAP.
Issue Closing Date	November 02, 2015
Issue Opening Date	November 02, 2015
Issuer/ Company	L&T Metro Rail (Hyderabad) Limited
Majority Debenture Holders	Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to more than 75% (Seventy Five per cent) of the value of the nominal amount of the Debentures for the time being outstanding.
N.A	Not Applicable
NCD Maturity Date / Maturity Date/ Redemption Date	November 02, 2035 being 20 (Twenty) years from the Deemed Date of Allotment, or such other date on which the final payment of the Debentures becomes due and payable as herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
Project	The scope of this Project shall include, development of the Hyderabad metro rail, to be executed of a design, build, finance, operate and transfer basis and Transit Oriented Development (as defined in the Concession Agreement) in an around the selected metro stations including parking and circulation areas and the development of the depot development as further specified in the

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nor a Statement in Lieu of Prospectus)

	Concession Agreement.
Promoter/L&T IDPL	L&T Infrastructure Development Projects Limited
Private Placement Offer Letter	Shall mean the offer letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and attached herewith as Annexure VII to this Information Memorandum.
RBI	Reserve Bank of India
Rating Agency	ICRA Limited
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 7 (Seven) calendar days prior to any Due Date. Provided that in the event of the exercise of the Promoter Put Option, the Debenture Holder, on the Due Date, shall be the Promoter.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Sharepro Services (India) Pvt Limited
ROC	Registrar of Companies
Rs./Rupees	Indian National Rupee
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued by SEBI, as amended from time to time.
Senior Lenders	Shall have the meaning assigned to such term in the Concession Agreement
TDS	Tax Deducted at Source
The Companies Act/ the Act	The Companies Act, 1956 or the Companies Act, 2013 (as may be applicable), as amended from time to time.
Issue	Private Placement of 2500 (Two Thousand Five Hundred) Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores only).
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures and as more particularly defined in Section 7.1 hereof.
WDM	Wholesale Debt Market

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SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

The Issuer has mandated Citigroup Global Markets India Private Limited, to act as an arranger for the Debentures and to distribute either itself and/or through its affiliates this Information Memorandum to identified potential Investors.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum/ Disclosure Document to be filed or submitted to the SEBI for its review and/or approval. However pursuant to the provisions of Section 42 of the Companies Act 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Company undertakes to file the Private Placement Offer Letter with SEBI and the Registrar of Companies (through the online portal provided by the Ministry of Corporate Affairs) within 30 days from the Deemed Date of Allotment as per the provisions of the Companies Act, 2013 and the applicable rules thereunder.

This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI Circulars governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum 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.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. 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 such investment to such Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the



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information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer Letter are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum, and the contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and/or the Arranger and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum are intended to be used only by those Investors to whom it is distributed. 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 other than those to whom Application Forms along with this Information Memorandum and being issued have been sent. Any application by a person to whom the Information Memorandum has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum 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 us or other parties in connection with the Issue. This Information Memorandum 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 Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum decides not to participate in the Issue, that recipient must promptly return this Information Memorandum 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 Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum, nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create

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any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum 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 Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum 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. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum. However the Company undertakes to file this Information Memorandum and/or the Private Placement Offer Letter with the Registrar of Companies (through the online portal provided by the Ministry of Corporate Affairs) and SEBI within 30 days from the Deemed Date of Allotment as per the provisions of the Companies Act, 2013 and the rules thereunder.

2.4 DISCLAIMER CLAUSE OF THE SOLE ARRANGER

The Issuer has authorised the Sole Arranger to distribute this Information Memorandum in connection with the placement of the Debentures proposed to be issued under this Issue.

Nothing in this Information Memorandum constitutes an offer of securities for sale in the United States or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.

The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in this Information Memorandum and/or the Private Placement Offer Letter.

Each person receiving this Information Memorandum acknowledges that such person has not relied on the Sole Arranger, nor any person affiliated with the Sole Arranger, in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Debentures. The Sole Arranger: (a) has no obligations of any kind to any potential Investor under or in connection with any Transaction Document; (b) is not acting as trustee or fiduciary for the potential Investor; and (c) is under no obligation to conduct any "know your customer" or other procedures in relation to any person on behalf of any potential Investor. Neither the Sole Arranger nor their affiliates or their respective officers, directors, partners, employees, agents, advisors or representatives is responsible for: (a) the adequacy, accuracy, completeness and/ or use of any information (whether oral or written) supplied by the Issuer or any other Person in or in connection with any Transaction Document including this Information Memorandum; (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Transaction Document; or (c) any determination as to whether any information provided or to be provided to any finance party is non-public information the use of which may be regulated or prohibited by Applicable Law or regulation or otherwise.

The only role of the Sole Arranger with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. Without limiting the foregoing, the Sole Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger is not responsible for preparing, clearing, approving, scrutinizing or vetting this Information Memorandum and/or the Private Placement Offer Letter, nor is the Sole Arranger responsible for doing any due-diligence for verification of the truth, correctness or completeness of the contents of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger shall be entitled to rely on the truth, correctness and completeness of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger is authorised to deliver copies of this Information Memorandum on behalf of the Issuer to potential Investors which are considering participation in the Issue and shall use this Information Memorandum for the purpose of soliciting subscription(s) from potential Investors in the Debentures. It is to be distinctly understood that the aforesaid use of this Information Memorandum and/or the Private Placement Offer Letter by the Sole Arranger should not in any way be deemed or construed to mean that the Information Memorandum and/or the Private Placement Offer Letter has been prepared, cleared, approved, scrutinized or vetted by the Sole Arranger. Nor should the contents of this Information Memorandum and/or the Private Placement Offer Letter in any manner be deemed to have been warranted, certified or endorsed by the Sole Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Information Memorandum and/or the Private Placement Offer Letter.

(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

The potential Investor should carefully read and retain this Information Memorandum. However, the potential Investors are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and the potential Investors should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures. This Information Memorandum is not intended to be (and should not be used as) the basis of any credit analysis or other evaluation and should not be considered as a recommendation by the Sole Arranger that any recipient participates in the Issue or advice of any sort. It is understood that each recipient of this Information Memorandum will perform its own independent investigation and credit analysis of the proposed financing and the business, operations, financial condition, prospects, creditworthiness, status and affairs of the Issuer, based on such information and independent investigation as it deems relevant or appropriate and without reliance on the Sole Arranger or on this Information Memorandum.

The Sole Arranger has not independently verified the contents of this Information Memorandum. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Sole Arranger or any of their officers as to the adequacy, completeness or reasonableness of the information contained herein or of any further information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto.

Distribution of this Information Memorandum and/or the Private Placement Offer Letter does not constitute a representation or warranty, express or implied by the Sole Arranger that the information and opinions herein will be updated at any time after the date of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger does not undertake to notify any recipient of any information coming to the attention of the Sole Arranger after the date of this Information Memorandum and/or the Private Placement Offer Letter. No responsibility or liability or duty of care is or will be accepted by the Sole Arranger for updating or supplementing this Information Memorandum and/or the Private Placement Offer Letter nor for providing access to any additional information as further information becomes available.

Neither the Sole Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Information Memorandum or in any other information or communications made in connection with the Debentures.

The Sole Arranger is acting for the Company in relation to the Issue of the Debentures and not on behalf of the recipients of this Information Memorandum and/or the Private Placement Offer Letter. The receipt of this Information Memorandum and/or the Private Placement Offer Letter by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger to that recipient, nor to constitute such a recipient a customer of the Sole Arranger. The Sole Arranger is not responsible to any other person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures.

Each recipient of this Information Memorandum and/or the Private Placement Offer Letter acknowledges that:

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- (a) each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- (b) such recipient has not relied on the Sole Arranger in connection with its investigation of the accuracy of such information or its investment decision.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to Investors as specified under the clause titled "Eligible Investors" of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts and tribunals at either Mumbai or Hyderabad. Provided however, that any disputes arising out of the Promoter Support Undertaking and the Option Agreement will be subject to the jurisdiction of the courts in Chennai. This Information Memorandum 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.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings 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 is 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 have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 DISCLAIMER IN RESPECT OF DEBENTURE TRUSTEE

The Trustee does not guarantee the terms of payment regarding the Debenture Issue as stated in this Disclosure Document and shall not be held liable for any default in the same. Neither the Trustee nor any of its affiliates / representatives make any representations or assume any responsibility for the accuracy of the information given in this Disclosure Document.

2.8 ISSUE OF DEBENTURES IN DEMATERIALIZED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer 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.

SECTION 3: AUTHORISATION LETTER

Date: October 31, 2015

To: Citigroup Global Markets India Private Limited (the "Arranger")

Dear Sirs:

Issue of Unsecured Rated Listed Redeemable Non-Convertible Debentures on a Private Placement basis (the "Debentures")

L&T Metro Rail (Hyderabad) Limited (the "Company" or the "Issuer"), refers to the information memorandum dated October 31, 2015 (the "Information Memorandum") in connection with the Debentures proposed to be issued by the Issuer.

The Issuer confirms that, as at the date of this letter, the factual information contained in the Information Memorandum is true and accurate and no factual information has been omitted that renders such information contained in the Information Memorandum untrue or inaccurate in any material respect and any financial forecasts and projections contained in any part of the Information Memorandum have been prepared on the basis of recent historical information and assumptions believed by the Issuer to be fair and reasonable. All expressions of opinion, statements and estimates set forth and reflected in the Information Memorandum have been made by the Issuer after due and proper consideration. In addition, the Issuer is not aware of any information not contained in the Information Memorandum, the omission of which would lead to the Information Memorandum being inaccurate, untrue or misleading in any material respect. The Issuer further confirms that it is in compliance and shall comply with all applicable laws and regulations in relation to the proposed issue of the Debentures.

The Issuer authorises the Arranger and/or its affiliates to deliver copies of the Information Memorandum to those specified persons identified by the Company/Arranger from whom the Arranger proposes to seek participation in the Debentures. The Issuer agrees to indemnify and hold the Arranger, its affiliates and each of its and their officers, employees, representatives, and agents harmless from and against any and all losses, liabilities, damages, claims, costs or expenses which may be imposed on or incurred by the Arranger or its affiliates, officers, employees, representatives, and agents as a result of any inaccurate, untrue or misleading statement contained in the Information Memorandum or caused by an omission of any material fact which is necessary to make any of the statements contained in the Information Memorandum not misleading.

This letter and all claims arising in connection with it are governed by, and are to be construed in accordance with, Indian law. The Issuer submits to the jurisdiction of the courts and tribunals at either Mumbai or Hyderabad for the resolution of any dispute arising in connection with this letter.

Yours faithfully,

For and on behalf of

L&T Metro Rail (Hyderabad) Limited

Authorised Signatories

Name:

Title:



SECTION 4: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Information Memorandum for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have a simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures. Potential investors should perform their own independent investigation of the financial condition and affairs of the Company, and their own appraisal of the creditworthiness of the Company. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations with respect to the Debentures. Potential investors should thereafter reach their own views prior to making any investment decision.

These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a Material Adverse Effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but the inability of the Company, as the case may be, to pay principal or other amounts on or in connection with any Debentures may occur for other reasons and the Company does not represent that the statements below regarding the risks of holding any Debentures are exhaustive.

4.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential investors should be aware that receipt of the principal amount, redemption premium and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations

under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

4.2 THE SECONDARY MARKET FOR THE DEBENTURES MAY BE ILLIQUID.

The Company intends to list the Debentures on the WDM segment of the BSE. The Company cannot provide any guarantee that the Debentures will be frequently traded on the Stock Exchange and that there would be any market for the Debentures. It is not possible to predict if and to what extent a secondary market may develop for the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. Further, the Company may not be able to issue any further Debentures, in case of any disruptions in the securities market.

4.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned a credit rating of "Provisional (ICRA) AA (SO)" to the Debentures. In the event of deterioration in the financial health of the Company, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on re-valuation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. The rating is not a recommendation to purchase, hold or sell the Debentures in as much as the ratings do not comment on the market price of the Debentures or its suitability to a particular investor. There is no assurance either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the Rating Agency. In the event of deterioration in the rating of the Debentures, the investors may have to incur loss on revaluation of their investment.

4.4 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

4.5 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

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4.6 **MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS**

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise. If the Issuer fails to comply with environmental, employee-related, health and safety laws and regulations or any other local laws or regulations in India, it may adversely affect the Issuer's business and results of operations

4.7 **LEGALITY OF PURCHASE**

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

4.8 **POLITICAL AND ECONOMIC RISK IN INDIA**

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

4.9 **REVENUE RISK**

The Company's ability to fulfil its obligations under the Debentures is dependent on the revenues being realised from the project. The Company is a special purpose vehicle and its sources of revenue are the fare revenues, income from Transit Oriented Development, and non-fare revenues like advertising & parking as per the Concession Agreement. The revenues projected presents, to the best of management's knowledge and belief, the company's expected financial position based on information currently available. Financial projections require the exercise of judgement and are subject to uncertainties. The ability of the Company to meet its obligations to pay any amounts due to Debenture Holders under the Debentures will therefore ultimately be dependent upon the aforementioned sources of revenue. If there is a shortfall in either the fare revenues or the revenue from Transit Oriented Development or non-fare revenues, the Company may not

have sufficient funds to make payments on the Debentures, and the Debenture Holders may incur a loss on the Debentures.

4.10 RISK OF DELAYS

The timely completion of the project is dependent on complete right of way being made available to the Company along with necessary permits and applicable approvals by the Government. In case of any delay in handing over the land or granting necessary approvals, Commercial Operations Date of the project could be delayed. This may lead to insufficient funds to make payments on the Debentures, and the Debenture Holders may incur a loss on the Debentures.

4.11 BENEFIT OF RESTRICTIVE COVENANTS AND RIGHTS FOR EXISTING LENDERS

Certain of the Issuer's loan agreements contain covenants which restrict certain activities and require the Issuer to obtain lenders' consents before, among other things, undertaking new projects, issuing new securities, declaring dividends in the event of non-payment and making certain investments beyond the approved amount. They also allow those lenders to sell assets of certain value in the event of non-payment of their dues. Such provisions are common in loan agreements with Indian lenders and are generally imposed on Indian borrowers, including the Issuer, with little or no variation. The Issuer's loan agreements also require it to maintain certain financial ratios. Should the Issuer be in breach of any financial or other covenants contained in any of its financing agreements, the Issuer may be required to immediately repay its borrowings either in whole or in part, together with any related costs. The Issuer may be forced to sell some or all of the assets in its portfolio if it does not have sufficient cash or credit facilities to make repayments. Furthermore, the Issuer's financing arrangements may contain cross default provisions which could automatically trigger defaults under other financing arrangements, in turn magnifying the effect of an individual default.

SECTION 5: FINANCIAL STATEMENTS

Set out in **Annexure V** hereto

for [signature]

SECTION 6: REGULATORY DISCLOSURES

The Information Memorandum is prepared in accordance with the provisions of the SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required to be disclosed as per Schedule I of the SEBI Debt Listing Regulations.

6.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the BSE:

- (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) Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories;
- (e) Certified true copy of the resolution passed by the Company held on March 12, 2015, authorising the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 14000,00,00,000/- (Rupees Fourteen Thousand Crores Only);
- (f) Certified true copy of the resolution passed by the Company at the Annual General Meeting held on March 12, 2015, authorising the Company to issue non-convertible debentures for the current financial year borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 1000,00,00,000/- (Rupees One Thousand Only);
- (g) An undertaking from the issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the Designated Stock exchange, where the debt securities have been listed, within five working days of execution of the same;
- (h) Any other particulars or documents that the recognized stock exchange may call for as it deems fit;
- (i) An undertaking that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained.

6.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the Deemed Date of Allotment:

- (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.
- (e) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No.SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within two working days of their specific request.

6.3 Issuer Information

Name	: L&T Metro Rail (Hyderabad) Limited
Registered Office of the Issuer	: 4 th Floor Cyber Towers, Hitec City, Madhapur, Hyderabad - 500081, Telengana
Corporate Office of the Issuer	: 4 th Floor, Cyber Towers, Hitec City, Madhapur, Hyderabad - 500081, Telengana
Compliance Officer of the Issuer	: Mr. Ashish Malhotra, Company Secretary & Head - Legal
CFO of Issuer	: Mr Jayaraman Ravi Kumar
Registration Number	: NIL
Corporate Identification Number	: U45300AP2010PLC070121
Email	: J.Ravikumar@ltmetro.com
Website of the Issuer	: www.ltmetro.in
Trustee to the Issue Address	: SBICAP Trustee Company Limited : Apeejay House, 6 th Floor, 3 Dinshaw Wachha Road, Churchgate, Mumbai 400 020, Maharashtra, India
Arranger to the Issue	: Citigroup Global Markets India Private Limited

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Address	: 1202, 12 th Floor, First International Financial Centre, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, India
Registrar of the Issue Address	: Sharepro Services (India) Pvt Limited : BP ID No- IN200043 : Samitha Warehousing Complex : Bldg no. 13 A B, 2nd Floor, : Off. Saki Naka Telephone Exchange, : Andheri -Kurla Road, : Sakinaka, Mumbai - 400072
Credit Rating Agency of the Issue Address	: ICRA Limited : 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi-110 001.
Auditors of the Issuer Address	: M/s M.K. Dandekar & Co : Chartered Accountants, No 244, (Old No 138), Angappa Naicken Street, 2 nd Floor, Chennai - 600001, Tamil Nadu

6.4 A brief summary of business / activities of the Issuer and its line of business

(a) Overview

L&T Metro Rail (Hyderabad) Limited is a special purpose vehicle formed for the development of Hyderabad Metro Rail Project in three high density corridors of Hyderabad City spanning 71.16 Km. The Project is being developed under DBFOT (Design, Build, Finance, Operate and Transfer) basis on a public partnership mode.

The shareholding pattern of L&T MRHL is as follows:

L&T Infrastructure Development Projects Limited	: 99%
Larsen & Toubro Limited	: 1%

The three corridors constituting the Rail System are: Corridor-I: Miyapur - L.B Nagar with a length of 28.87 Km. and 27 Stations; Corridor-II: Jubilee Bus Station (JBS) - Falaknuma with a length of 14.78 Km. and 16 Stations; and Corridor-III: Nagole- Shilparamam with a length of 27.51 Km. and 23 Stations. Each corridor has an independent Depot at Miyapur, Falaknuma and Nagole respectively for the maintenance and overhaul of the Rail System.

All the three Corridors pass through highly congested and busy traffic routes in Hyderabad city, with very high vehicular and pedestrian movement. A brief overview of the Corridors and the chainage details of the Station locations are as given in the following sections.

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	Section	Length (Km.)	Stations
Corridor 1	Miyapur-L. B. Nagar	28.87	27
Corridor 2	Jubilee Bus stand –Falaknuma	14.78	16
Corridor 3	Nagole – Shilparamam	27.51	23
	Total	71.16	66

Bid Criteria:

Government of Andhra Pradesh (GoAP), through Hyderabad Metro Rail Limited (HMRL) had earlier conducted the bidding process in 2008. However, the bids were subsequently cancelled in early 2009. GoAP invited global bids through fresh pre-qualification. Bidding was re-initiated in late 2009. The bid was resubmitted on 14th July, 2010. L&T Ltd. was declared the successful bidder quoting the lowest Grant. GoAP accepted L&T's bid asking for Grant of 1458 Crores. L&T Ltd had requested GoAP to accept L&T MRHL as the entity which shall undertake and perform obligations and exercise the rights of the selected bidder, including the obligation to enter into the Concession Agreement.

Project Cost and Means of Finance

The Project Cost envisaged for the proposed is given in the following table:

Cost Component	Amount (Crores)
EPC Cost	12395
Interest During Construction	2467
Project Management Consultancy	534
Contingency	180
Pre-operative Expenses/ IE / SPV Supervision/ Development Cost/Other Miscellaneous Costs	272
DSRA	497
Safety Fund	30
Project Capital	16375

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The Project Cost is proposed to be funded as follows:

Promoters' Contribution		
Equity	2439	
Mezzanine Debt/Unsecured Loans	1000	
Total Equity		3439
Equity Support (Grant)		1458
Senior Debt		11478
Total		16375

Sources of Revenue:

Under the provisions of the Concession Agreement, in addition to the fare revenues, the Issuer is entitled to commercially develop the Parking & Circulation (P&C) areas adjacent to 25 Stations and at the three Depots and also collect advertising and parking revenues.

The revenue stream for the Project shall comprise of

- Fare revenues from the metro rail system
- Revenues from Transit Oriented Development of the P&C and Depot areas
- Non-fare revenues like advertising, parking, etc.

Fare Revenues:

L&T Metro Rail (Hyderabad) Limited is authorised to demand, collect and appropriate Fare from Users of the Rail System in accordance with the Concession Agreement and the Fare Notification. The Government shall issue the Fare Notification as a Conditions Precedent to the Appointed Date.

The fare structure for the Hyderabad Metro is as follows and has been specified in Schedule R of the Concession Agreement.

1	Upto 2	8
2	More than 2 and up to 6	10
3	More than 6 and up to 10	12

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4	More than 10 and up to 14	14
5	More than 14 and up to 18	16
6	More than 18	19
7	Unlimited use for the day	40

This fare shall be effective till 31st March, 2015 and shall be revised subsequently as per the provisions of the Concession Agreement. The basic fares shall be increased as provided in the Concession Agreement. The basic fares shall be increased, annually without compounding, by 5% for a period of 15 successive years commencing from April 1, 2014. The first increase of 5% shall take effect on April 1, 2015, and the last and fifteenth such increase shall be effected on April 1, 2029. In addition, the applicable basic fare shall be revised annually with effect from April 1 each year to reflect the variation in Wholesale Price Index (WPI) between the week ending on January 31, 2009 and the week ending on or immediately after January 31 of the year in which such revision is undertaken, but such revision shall be restricted to 60% of the increase in WPI.

Transit Oriented Development:

L&T Metro Rail (Hyderabad) Limited is entitled to undertake Transit Oriented Development (TOD) over the parking and circulation areas. The cumulative permissible built up area at all the stations shall be restricted to 6 million sq. ft. In addition, the Concessionaire shall use not more than 20% of the floor area of each Station (excluding any area forming part of or constructed over, the parking and circulation areas) for shops and/or kiosks and paid services needed for commuters.

In the event that any of the lands earmarked for parking and circulation and consequently for Transit Oriented Development is not made available to the Concessionaire, the Government shall earmark alternative sites of comparable size and potential for Transit Oriented Development. The different types of commercial activity possible are development of Mall, High Street Retail, Commercial Office Space, Hospitality, Warehousing and Leisure & Entertainment are the options possible at the sites. The basement of the land parcels can be used for Parking and Warehousing.

Depot Development

There will be 3 Depots for the Rail System, one for each Corridor. Depot-I shall be located at Miyapur and shall have 99 acres of land. Depot-II shall be located at Falaknuma and shall have 17 acres of land. Depot-III shall be located at Nagole and shall have 96 acres of land. The cumulative permissible built up area to be utilised for Real Estate Development at the three Depots shall be restricted to a maximum of 12.5 million sq. ft., excluding the basement. The basement may also be used for Real Estate Development and its area shall be in addition to the aforesaid 12.5 million sq. ft.

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The development of 12.5 million sq. ft. of space at the depot has been assumed beginning the fifth year of construction of the Rail System. The development has been assumed to be phased over a period of 15 years from the Appointed Date. The financing arrangement for this purpose will be done separately. The financial projections for this Project does not include the financials of Depot development.

Non-Fare Revenues

Advertising revenues and parking revenues are the other sources of revenue available for the Project.

(b) Corporate Structure

The shareholding pattern of L&T MRHL is as follows:

L&T Infrastructure Development Projects Limited : 99%
Larsen & Toubro Limited : 1%

(c) Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis.

Parameters		FY 2015	FY 2014	FY 2013	FY 2012
Networth		1969.9	1152.3	530.3	436.0
Total Debt		4539.0	2571.7	1236.7	-
Comprising of	Non Current Maturities of Long Term Borrowing	4539.0	2571.7	1236.7	-
	Short Term Borrowing	-	-	-	-
	Current Maturities of Long Term Borrowing	-	-	-	-
Net Fixed Assets		6485.4	3236.9	1228.3	265.0
Non Current Assets		7082.2	3833.8	1842.1	436.1
Cash and Cash Equivalents		60.4	17.1	28.5	7.4
Current Investments		10.0	13.0	7.0	-
Current Assets		19.1	41.1	44.3	13.7
Current Liabilities		522.8	147.4	118.5	13.5
Revenue		5.5	3.1	1.6	0.5
EBIDTA		(13.8)	(0.2)	1.3	0.4
EBIT		(13.8)	(0.2)	1.3	0.4
Interest		-	-	-	-
PAT		(14.1)	(0.2)	1.3	0.4

Parameters	FY 2015	FY 2014	FY 2013	FY 2012
Dividend Amounts	-	-	-	-
Current Ratio	0.0x	0.3x	0.4x	1x
Interest Coverage Ratio	NA	NA	NA	NA
Gross Debt/Equity Ratio	2.3	2.2	2.3	-
Debt Service Coverage Ratio	NA	NA	NA	NA

(d) **Gross Debt: Equity Ratio of the Company:**

Before the issue of debt securities (as on September 30, 2015)	73.9%:26.1%
After the issue of debt securities	74.7%:25.3%

(e) **Project cost and means of financing, in case of funding new projects**

The Project Cost envisaged for the proposed Project is given in the following table:

EPC Cost	12395
Interest During Construction	2467
Project Management Consultancy	534
Contingency	180
Pre-operative Expenses/ IE / SPV Supervision/ Development Cost/Other Miscellaneous Costs	272
DSRA	497
Safety Fund	30
Project Capital	16375

The Project Cost is proposed to be funded as follows:

Promoters' Contribution		
Equity	2439	
Mezzanine	1000	

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Debt/Unsecured Loans		
Total Equity		3439
Equity Support (Grant)		1458
Senior Debt		11478
Total		16375

6.5 **Brief history of Issuer since its incorporation giving details of its following activities:**

The Company was awarded the Concession Agreement to provide a rail system for 71.16 km on elevated structures in three corridors of Hyderabad on Design, Build, Finance, Operate and Transfer ("DBFOT") basis on a public private partnership mode. The Concession Agreement was signed on September 4, 2010 between L&T MRHL and GoAP for a period of 35 years (further renewable for 25 years) including construction period of 5 years.

Financial Closure for the project was achieved on March 1, 2011 by executing the financial documents with 10 consortium banks and State Bank of India has been appointed as the Escrow Bank and Lenders' Agent. After handing over 90.8% land, Appointed Date was declared as July 5, 2012 by GoAP. The Company has taken over the project site and has commenced the construction works on the site.

A brief summary of the timelines is given below:

Milestone	Date
Signing of the Concession Agreement	4 th September, 2010
Appointed date	5 th July, 2012
Financial Closure date	1 st March, 2011
Construction Start Date	5 th July, 2012
Scheduled Project Completion Date	6 th July, 2017
End of Concession period	30 th September, 2047

(a) **Details of Share Capital as on last quarter end i.e : 30th September, 2015**

Share Capital	Rs.
Authorised Share Capital	2439,00,00,000
Issued, Subscribed and Paid-up Share Capital	2021,39,76,060

(b) **Changes in its capital structure as on last quarter end i.e. 30th September, 2015 , for the last five years:**

Date of Change (AGM/EGM)	Authorized Share Capital (Amount in Rs.)	Particulars
11 th February 2011 - EGM	Rs. 2439,00,00,000	Increased from Rs. 10,00,00,000 to Rs. 2439,00,00,000

(c) **Equity Share Capital History of the Company as on last quarter end i.e. 30th September, 2015, for the last five years:**

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment	Cumulative		
						No. of Equity Shares	Equity Share Capital (Rs.)	Equity Share Premium
01.09.10	10000	10/-	10/-	Cash	Subscribers	10000	100000	-
01.11.10	40000	10/-	10/-	Cash	Rights Issue	50000	500000	-
31.03.11	343949605	10/-	10/-	Cash	Rights Issue	343999605	3439996050	-
31.01.12	93000001	10/-	10/-	Cash	Rights Issue	436999606	4369996060	-
07.11.12	31000000	10/-	10/-	Cash	Rights Issue	467999606	4679996060	-
22.03.12	62000000	10/-	10/-	Cash	Rights Issue	529999606	5299996060	-
28.09.13	236316900	10/-	10/-	Cash	Rights Issue	766316506	7663165060	-
18.12.13	107758100	10/-	10/-	Cash	Rights Issue	874074606	8740746060	-
06.03.14	181323000	10/-	10/-	Cash	Rights Issue	1055397606	10553976060	-
25.03.14	100000000	10/-	10/-	Cash	Rights Issue	1155397606	11553976060	-
14.08.14	214000000	10/-	10/-	Cash	Rights Issue	1369397606	13693976060	-
28.10.14	217000000	10/-	10/-	Cash	Rights Issue	1586397606	15863976060	-
16.02.15	190000000	10/-	10/-	Cash	Rights Issue	1776397606	17763976060	-
25.03.15	205000000	10/-	10/-	Cash	Rights Issue	1981397606	19813976060	-
27.07.15	400000000	10/-	10/-	Cash	Rights Issue	19813976061	2021397606	-

(d) **Details of any Acquisition or Amalgamation in the last 1 (one) year**

NA

(e) **Details of any Reorganization or Reconstruction in the last 1 (one) year**

NA

6.6 **Details of the shareholding of the Company as on the latest quarter end, i.e. 30th September 2015:**

(a) **Shareholding pattern of the Company as on last quarter end, i.e. 30th September 2015:**

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Sr. No.	Particulars (Name(s) of the Shareholder(s))	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total No. of equity shares
1.	Larsen and Toubro Limited	2,02,13,980	2,02,13,980	1%
2.	L&T Infrastructure Development Projects Limited	200,11,83,620	200,11,83,620	99%
3.	Krishnamurthy Venkatesh & L&T Infrastructure Developments Projects Limited	1		
4.	Venkatesan Subramanya Thiruvarur & L&T Infrastructure Developments Projects Limited	1		
5.	Pullela Ravi Shankar & L&T Infrastructure Developments Projects Limited	1		
6.	J. Ravikumar & L&T Infrastructure Developments Projects Limited	1		
7.	KM. Manoj & L&T Infrastructure Developments Projects Limited	1		
8.	Government of Andhra Pradesh	1		
	Total	202,13,97,606	202,13,97,600	100%

Notes: Shares pledged or encumbered by the promoters (if any): 51% in favour of Senior Lenders of the Project.

(b) List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. 30th September 2015:

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
1	L&T Infrastructure Developments Projects Limited	200,11,83,620	200,11,83,620	99.00%
2	Larsen & Toubro Limited	2,02,13,980	2,02,13,980	1.00%

6.7 Following details regarding the directors of the Company:

(a) Details of current directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other directorship
Yeshwant Moreshwar Dcosthalee Director DIN: 00001698	06/09/1946 69 Years	1001, Prabhu Kutir, 15, Altamount Road, Mumbai, 400026, Maharashtra.	01/11/2010	1. L&T Finance Holdings Limited 2. L&T Finance Limited 3. L&T Infrastructure Finance Company Limited. 4. L&T General Insurance Company Limited 5. I&T Mutual Fund Trustee Limited 6. I&T Infra Debt Fund Limited 7. L&T Infra Investment Partners Advisory Private Limited 8. YOG Entertainment Private Limited 9. Larsen & Toubro Public Charitable Trust 10. Mathura Foundation (Public). 11. Vrindavan Trust (Private) 12. Saraswati Foundation (Private)
Sushoben Sarker Additional Director DIN: 00088276	29/05/1954 61 Years	National Insurance Academy, 25, Balcwadi, Baner Road, PO NIA Pune - 411045	16/02/2015	1. Larsen & Toubro Limited 2. L&T Infrastructure Development Projects Limited 3. Corporation Bank
Vivek Bhaskar Gadgil	08/05/1948 67 Years	EF2 Casa XS, Manapakkam	01/09/2010	1. Hyderabad International Trade Expositions Limited

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Managing Director DIN: 00240803		Road, Manapakkam, Chennai, 600116, Tamil Nadu.		2. L&T Infocity Limited
Krishnamurthy Venkatesh Director DIN: 00240086	30/01/1957 58 Years	ECC Apartments, 36-C, B.N.Reddy Road, T.Nagar, Chennai, 600017, Tamil Nadu.	24/08/2010	1. L&T Shipbuilding Limited 3. International Scaport Dredging Limited 3. L&T Infrastructure Development Projects Limited 4. Feedback Infra Private 5. L&T Infrastructure Development Projects Lanka Private Limited
Ajit Rangnkar Pandurang Independent Director DIN: 01676516	21/01/1947 68 Years	Plot No 35, Prasashan Nagar, Road No. 72, Jubilee Hills, Hyderabad, 500033, Telangana.	11/02/2011	T-Hub Foundation
Sheela Bhide Independent Director DIN: 01843547	12/06/1948 67 Years	B-1/8, Vasant Vihar, New Delhi, New Delhi, 110057, Delhi.	11/02/2011	1. Suryoday Micra Finance Pvt. Limited 2. Gati-Kintetsu Express Private Limited 3. Gati Ltd 4. Rane Holdings Ltd 5. The Bombay burmah Trading Corporation Limited
Nallamilli Venkat Satyanarayana Reddy Nominee Director DIN: 01414254	05/06/1956 59 Years	503, Padmaja Complex, West Marredpally, Secunderabad, 500003, Telangana.	31/03/2012	1. Hyderabad Metro Rail Limited 2. Urban Mass Transit Company Limited 3. Hyderabad Bicycling Club

Names of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: **NIL**

(b) **Details of change in directors since last three years:**

Name, Designation and DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Suresh Narsappa Talwar, Director, DIN: 00001456	28th October 2014	11/02/2011	Resigned
Sushoben Sarker Director, DIN: 00088276	16 th February, 2015		Appointment

6.8 **Following details regarding the auditors of the Company:**

(a) **Details of the auditor of the Company:**

Name	Address	Auditor since
M/s Sharp & Tannan	Chartered Accountants, Parsn Manere, Block A -4, 3 rd Floor, 602, Chennai – 600 006	1 st September 2010 to 3 rd August, 2011
M/s M.K. Dandekar & Co,	Chartered Accountants, No. 244, (Old No. 138), Angappa Naicken Street, 2 nd Floor, Chennai – 600 001, Tamilnadu.	4 th August 2011

(b) **Details of change in auditor since last three years: NA**

6.9 **Details of borrowings of the Company, as on the latest quarter end, i.e. September 30, 2015:**

(a) **Details of Secured Loan Facilities:**

Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding		Repayment Date / Schedule
			FB	NFB	
SBI	RTL	3,100.00	507.61	930.09	Structured quarterly repayment commencing from September 2018 as per Common Loan Agreement
Canara	RTL	3,000.00	1236.01	153.66	
IOB	RTL	2,000.00	793.63	123.12	
Syndicate	RTL	1,000.00	309.97	166.91	
Indian Bank	RTL	750.00	148.97	192.10	
SBH	RTL	500.00	200.95	26.44	
J&K	RTL	500.00	238.45	-	
PSB	RTL	350.00	107.94	51.23	
SBP	RTL	153.00	72.98	-	
SBM	RTL	125.00	59.61	-	
TOTAL		11,478			

Handwritten initials/signature

(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

(b) Details of Unsecured Loan Facilities: (insert as per Issuer info)

Sr. No.	Name of the Facility provider	Amount (in Rs.)	Rate of Interest	Terms of Repayment
1	L&T Infrastructure Development Projects Limited	80 crores	As per the Bank Rate	Within two months from the date of Receipt

(c) Details of Non Convertible Debentures:

Sr. No.	Arranger	Instrument	Amount (in Rs.)	Rate of Interest	Terms of Repayment
1	Yes Bank Limited	Rated, Unsecured, Listed Redeemable Non-Convertible Debentures	Rs. 250.00 Crore	5% per annum payable semi-annually till 18 th June 2018; Issuer to pay one-time payment of Rs. 1,63,196 per debenture (of face value Rs. 10,00,000) on 18 th June, 2018; Post 18 th June 2018, the coupon rate would be revised to the 9.81% per annum payable semi-annually	20 Years from the date of allotment with Put and Call option at the end of 10 th year and at the end of 5years thereafter.

(d) List of Top 10 Debenture Holders (as on September 30, 2015) :

Sr. No.	Name of Debenture Holders	Amount (in Rs. crores)
1.	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CORPORATE BOND FUND	100
2.	SBI MAGNUM INCOME FUND*	90
3.	L&T MUTUAL FUND TRUSTEE LIMITED - L&T RESURGENT INDIA CORPORATE BOND FUND*	25
4.	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE EQUITY SAVINGS FUND	25
5.	SBI CORPORATE BOND FUND	10

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debenture issues) details have been provided.

- (c) The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued.

NA.

- (f) Details of Commercial Paper: The total Face Value of Commercial Papers Outstanding as on the latest quarter end, i.e. September 30, 2015 :

NA.

- (g) Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September 30, 2015 :

NA.

- (h) Details of all default/s and/or 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:

NA.

- (i) 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:

NA.

6.10 Details of Promoters of the Company:

- (a) Details of Promoter Holding in the Company as on the latest quarter end, i.e. September 30, 2015 :

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.	Larsen & Toubro Limited	2,02,13,980	20,213,980	1.00%	10,309,129	51%
2.	L&T Infrastructure Developments Projects Limited	2,001,183,620	2,001,183,620	99.00%	1,020,603,647	51%

- 6.11 **Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.**

Note: Financial Information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009 as amendment from time to time, for furnishing/ publishing its half yearly /annual result

Please refer to Annexure V of this Information Memorandum

- 6.12 **Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any.**

Please refer to Annexure V of this Information Memorandum

- 6.13 **Any material event / development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.**

As on the date hereof, there is no material event / development or change having implications on the financials / credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

- 6.14 **The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities.**

SBICAP Trustee Company Limited has been appointed by the Issuer to act as the debenture trustee in respect of the Debentures. SBICAP Trustee Company Limited has vide its consent letter dated June 12, 2015 agreed to act as the debenture trustee in respect of the Issue, which consent letter is annexed hereto as Annexure III.

- 6.15 **The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.**

The rating letter dated June 11, 2015 read together with its letters dated July 2, 2015 and October 29, 2015, issued by the Rating Agency, whereby the Rating Agency has assigned a rating of "Provisional [ICRA] AA (SO)" in respect of this Issue has been annexed to this Information Memorandum as Annexure II.

The letter dated June 11, 2015 read together with its letters dated July 2, 2015 and October 29, 2015, whereby the Rating Agency has disclosed the rating rationale in respect of the rating of "Provisional [ICRA] AA (SO)" assigned by the Rating

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Agency to this Issue, has also been annexed to this Information Memorandum as Annexure II.

The Issuer further states that there is no credit rating assigned to the Debentures by any other credit rating agency, which has not been accepted by the Issuer.

- 6.16 **If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

NA.

- 6.17 **Copy of consent letter from the Debenture Trustee shall be disclosed.**

The consent letter issued by the Debenture Trustee, whereby the Debenture Trustee has agreed to act as a debenture trustee in respect of this Issue has been annexed to this Information Memorandum as Annexure III.

- 6.18 **Names of all the recognised stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange.**

The Debentures are proposed to be listed on the WDM segment of the BSE.

- 6.19 **Other details:**

- (a) **DRR Creation – Relevant regulations and applicability**

As per Section 71 of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures.

- (b) **Issue / instrument specific regulations – relevant details (Companies Act, RBI guidelines, etc.)**

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act, the SEBI Debt Listing Regulations and the applicable RBI guidelines.

- (c) **Application process**

The application process for the Issue is as provided in Section 8 of this Information Memorandum.

- 6.20 **A statement containing particulars of the dates of, and parties to all material contracts, agreements:**

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer
2	Board Resolution dated February 16, 2015 authorizing issue of Debentures offered under the terms of this Disclosure Document
3	Shareholder Resolution dated March 12, 2015 authorizing the borrowing by the Company.
4	Shareholder Resolution dated March 12, 2015 authorizing the issue of non-convertible debentures by the Company.
5	Copies of Annual Reports of our Company for the last three financial years
6	Credit rating letter from the Rating Agency
7	Letter from SBICAP Trustee Company Ltd giving its consent to act as Debenture Trustee
8	Letter for Register and Transfer Agent
9	Certified true copy of the certificate of incorporation of the Company
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the National Securities Depository Limited/CDSL
11	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.

6.21 Details of Debt Securities Sought to be Issued

Under the purview of current document, the Issuer intends to raise an amount of Rs. 250,00,00,000/- (Rupees Two Hundred and Fifty Crores Only) by issue of Unsecured Rated Listed Redeemable Non-Convertible Debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in SECTION 7: of this Information Memorandum.

6.22 Issue Size

The aggregate issue size for the Debentures is of Rs 250,00,00,000/- (Rupees Two Hundred and Fifty Crores Only).

6.23 Utilization of the Issue Proceeds

The Debentures are being issued by the Issuer in the form of subordinated debt and shall not be redeemed any time prior to the repayment in full of the Senior Lender (unless otherwise permitted). The Issuer shall use the proceeds from the issue of the Debentures to part finance the cost of the Project, to meet other Issue related expenses and to repay an existing debt of Rs. 80 crores due to L&T IDPL.

6.24 Issue Details

Security Name	9.81% L&T MRIIL NOVEMBER 2035
Issuer	L&T Metro Rail (Hyderabad) Limited
Promoter/L&T	L&T Infrastructure Development Projects Limited

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IDPL	
Type of Instrument	Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument	Unsecured
Seniority	Subordinated
Mode of Issue	Private Placement
Eligible Investors	As mentioned in paragraph 8.24
Listing	Proposed to be listed on the WDM of the BSE within a maximum period of 20 (Twenty) calendar days from the Deemed Date of Allotment. In case of a delay by the Issuer in listing the Debentures beyond 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall make payment to the Debenture Holders of penal interest calculated on the face value of the Debentures at the rate of 1% p.a. over the Coupon Rate from the expiry of 30 (Thirty) days from the Deemed Date of Allotment till the listing of the Debentures.
Rating of the Instrument	Provisional AA (SO) by ICRA
Issue Size	Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only)
Option to retain oversubscription	No
Objects of the Issue	To raise subordinated debt to the extent of Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only).
Details of the utilization of the Proceeds	The proceeds of the Issue will be deposited into the Escrow Account and be used to part finance the cost of the Project and refinance Rs. 80,00,00,000/- (Rupees Eighty Crores Only) of L&T IDPL debt
Coupon Rate	Coupon shall be payable at 5.0% (Five Decimal Point Zero Percent) until November 02, 2018 with an additional one-time payment of Rs.1,63,195/- per each Debenture, payable on the sixth Coupon Payment Date being November 02, 2018. Coupon shall be revised to 9.81% (Nine Decimal Point Eight One Percent) with effect from November 02, 2018 until the Maturity Date.
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Semi-annual
Coupon payment dates	May 02 and November 02 of each year, with the final Coupon Payment being on the Maturity Date.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual / Actual
Interest on Application	Interest shall be payable on all application monies received at the Coupon Rate payable at applicable Coupon Rate compounded semi-

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Money	annually from the date of receipt of subscription amount in relation to the Debentures by the Company until the Deemed Date of Allotment and the same shall be paid to the Debenture holder in accordance with the terms of the Debenture Trust Deed.
Default Interest Rate	In the event of a payment default of the amounts due under this Issue (whether by way of acceleration, at maturity or otherwise), the Issuer shall pay an additional 2% (Two Percent) per annum over and above the applicable Coupon Rate on the outstanding principal amount of the Debentures, calculated from the date of the occurrence of the default until such default is cured or the Debentures are redeemed pursuant to such default, as applicable. In all other cases of an Event of Default, the Issuer shall pay an additional 0.50% (Zero Decimal Point Five Percent) per annum over and above the applicable Coupon Rate.
Tenor	20 (Twenty) years from the Deemed Date of Allotment.
Redemption Date	November 02, 2035 – being the date falling at the expiry of 20 (Twenty) years from the Deemed Date of Allotment.
Redemption Amount	The face value of the Debentures, plus the accrued Coupon, plus Default Interest (if any) payable under the Transaction Documents on the Redemption Date.
Redemption Premium/Discount	N.A.
Issue Price	At par, i.e. Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture.
Discount at which security is issued and the effective yield as a result of such discount	NA
Put Option Date	Shall mean the date(s) falling at the expiry of the 10 th (Tenth) year and the 15 th (Fifteenth) year from the Deemed Date of Allotment being November 02, 2025 and November 02, 2030 respectively.
Put Option Price	Amount equivalent to the face value of all the Debentures being redeemed and interest, due and payable and other unpaid interests as on the date of the Put Notice.
Call Option Date	@@Shall mean the date(s) falling at the expiry of the 10 th (Tenth) year and 15 th (Fifteenth) year, from the Deemed Date of Allotment being November 02, 2025 and November 02, 2030, respectively.
Call Option Price	Amounts equivalent to the face value of all the Debentures and interest, due and payable and other unpaid interests as on the date of the Call Notice.
Put Notification Time	The Debenture Trustee shall (acting on the instructions of each Debenture Holder) provide notice in writing to the Issuer at least 60 (sixty) calendar days prior to the relevant Put Option Date. Upon receipt of the notice, the Issuer shall compulsorily redeem the Debentures identified in the notice on the relevant Put Option Date by making payment into the Debenture Collection and Payout Account, the outstanding face value of the Debentures (identified in

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<p>Call Notification Time</p>	<p>the notice) and accrued Coupon in relation thereto.</p> <p>In the event if the Issuer is desirous of exercising the Call Option, the Issuer shall provide notice to the Debenture Holders (with a copy marked to the Debenture Trustee) in relation to exercise of the Call Option at least 60 (sixty) calendar days prior to the relevant Call Option Date.</p> <p>Upon issuance of the notice, the Issuer shall compulsorily redeem the Debentures (or part thereof) identified in the notice on the relevant Call Option Date by making payment into the Debenture Collection and Payout Account, the outstanding face value of the said Debentures (or part thereof as identified in the notice) and accrued Coupon in relation thereto.</p>
<p>Accelerated Put Option</p>	<p>The Debenture Trustee (acting on the instructions of each Debenture Holder seeking to exercise the Accelerated Put Option) shall have the right, but not an obligation, to require the Issuer to buy the Debentures from such Debenture Holders in full or in part any time during the Tenor by giving 30 thirty calendar days' notice if any of the Accelerated Put Events occur and upon such exercise of the Accelerated Put Option by the Debenture Trustee, the Issuer shall be under an obligation to redeem the said Debentures:</p> <p>Accelerated Put Events shall include <i>inter alia</i>:</p> <ul style="list-style-type: none"> (a) Material breach of terms of this term sheet including failure to repay the Debentures on the due date(s). (b) Issuer is in breach of material covenants and the same has not been cured within a period of 60 (Sixty) Business Days. (c) Winding up proceedings against the Issuer. (d) The Promoter losing management control of the Issuer and/or failing to maintain at least 51% shareholding in the Issuer during the tenure of the Debentures. (e) Credit Rating of the Debentures is downgraded below "AA (-) (SO)". (f) Failure to make payment of the Coupon on the Coupon Payment Date(s). (g) Failure of the Issuer to satisfy the payment of the Debentures on any Due Date. (h) Any loans availed of by the Issuer from any bank or financial institution and/or any debentures issued by the Issuer are accelerated or are otherwise declared to be immediately due and payable as a result of an event of default howsoever described where such acceleration or declaration could have a material impact on the ability of the Issuer to discharge its

	<p>obligations under the terms of the Transaction Documents.</p> <ul style="list-style-type: none"> (i) Termination of the Concession Agreement by the GoAP arising on the occurrence of a Concessionaire Default (as defined in the Concession Agreement) or by the Issuer. (j) Any material information given by the Company in this Information Memorandum and the warranties given by it to the Debenture Trustee / Debenture Holders is untrue, incomplete, incorrect or misleading in any material respect. (k) If the Company voluntarily or compulsorily goes into liquidation or has a receiver appointed in respect of all its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any law providing protection as a relief undertaking. (l) The Company is unable to and has admitted in writing its inability to pay all its acknowledged debts as they mature. (m) A receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company. (n) If a petition is filed for the winding up of the Company and the same is admitted, and such petition is not dismissed or stayed within a period of 90 (Ninety) Business Days of such petition being admitted. (o) The Issuer repudiates a Transaction Document to which it is a party or evidences an intention to repudiate Transaction Documents to which it is a party.
<p>Promoter Put Option</p>	<p>The Debenture Trustee (acting on the instructions of each Debenture Holder) shall have the right to require the Promoter to purchase the Debentures from the said Debenture Holders, on the occurrence of any of the following event(s) :</p> <ul style="list-style-type: none"> (a) A Put Notice has been issued by the Debenture Trustee to the Company and monies sufficient to redeem the Debentures on the relevant Put Option Date are not available in the Debenture Collection and Payout Account on the day being 5 (Five) calendar days prior to the Put Option Date; or (b) A Call Notice has been issued by the Debenture Trustee to the Company and monies sufficient to redeem the Debentures on the relevant Call Option Date are not available in the Debenture Collection and Payout Account on the day being 5 (Five) calendar days prior to the Call Option Date; or (c) If monies sufficient to redeem the Debentures on the Maturity Date are not available in the Debenture Collection

	<p>and Payout Account on the day being 5 (Five) calendar days prior to the Maturity Date; or</p> <p>(d) An Accelerated Put Option Notice has been issued by the Debenture Trustee to the Company and monies sufficient to redeem the Debentures on the Accelerated Put Option Date are not available in the Debenture Collection and Payout Account on the day being 5 (Five) calendar days prior to the Accelerated Put Option Date.</p> <p>The Promoter shall, subject to applicable law, purchase the Debentures as per the terms of the Option Agreement on or prior to the Put Option Date or the Call Option Date or the Maturity Date or the Accelerated Put Option Date as applicable.</p>
Promoter Support Undertaking	The Company shall furnish an irrevocable and unconditional undertaking from I.&T IDPL, to fund any Coupon shortfall, for every coupon period, in the Subordinated Debt Service Sub-Account 3 (Three) calendar days before every Coupon Payment Date. The Promoter shall ensure that the Company is funded in order to be able to meet its Coupon payment obligations and to do all such acts so as to ensure the Company is able to discharge the Coupon, which obligation shall continue till the Coupon is paid on the relevant Coupon Payment Date(s).
Subordinated Debt Service Sub-Account	The Issuer shall open a sub-account within the main Escrow Account for the purpose of servicing the Debentures.
Debenture Collection and Payout Account	Separate no-lien bank account opened by the Issuer and operated by the Debenture Trustee for receipt of funds from the Escrow Account and payment thereof to the Debenture Holders on the respective Due Dates.
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs Only)
Minimum Application and in multiples of ___ Debt Securities thereafter	10 and in Multiples of 1 thereafter
Issue Timing	<p>Issue Opening Date: November 02, 2015</p> <p>Issue Closing Date: November 02, 2015</p> <p>Pay-in Date: November 02, 2015</p> <p>Deemed Date of Allotment: November 02, 2015.</p> <p>All documentation being the Information Memorandum, Board Resolution, Rating Letter and the Appointment of Trustees to be completed and made available to the Sole Arranger, 1 (One) business day prior to Issue Opening Date.</p>
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only

Settlement mode of the Instrument	Cheque / NEFT/ RTGS
Depository(ies)	NSDL and CDSL
Business Day Convention	In case any Coupon Payment Date falls on a day which is not a Business Day the payment to be made on such Due Date shall be made on the next Business Day, except where the Redemption Date/or the due date for the performance of any event falls on a day which is not a Business Day, in which case all payments to be made on the Redemption Date (including accrued Coupon), or the due date in respect of the performance of such event shall be made on the immediately preceding Business Day.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date shall be the date falling 7 (Seven) calendar days prior to any Due Date. It is clarified however that, in the event of the exercise of the Promoter Put Option, the Debenture Holder, on the relevant Due Date, shall be the Promoter.
Transaction Documents	Shall be as set out in Clause 7.1 below
Conditions Precedent to Disbursement	<p>The initial Debenture Holders shall subscribe to the Debentures subject to the following conditions being met:</p> <ol style="list-style-type: none"> 1. Execution of the Information Memorandum, the Promoter Support Undertaking and the Option Agreement. 2. The Rating Agency issuing the provisional rating letter assigning the rating 'AA 'SO'' to the Debentures.
Conditions Subsequent to Disbursement	<ol style="list-style-type: none"> 1. Execution of the remaining Transaction Documents within 60 days from the Deemed Date of Allotment. 2. Filing of the relevant documents inter alia private placement offer letter, return of allotment etc. with the ROC within the timelines specified under the rules under the Companies Act, 2013. 3. Completion of listing of Debentures on the stock exchange within 20 days from the Deemed Date of Allotment. 4. The Issuer shall also obtain a legal opinion on the enforceability of the Transaction Documents. 5. The final rating of the Rating Agency being received within 60 days from the Deemed Date of Allotment. 6. Issuer shall also get the Debentures rated by a second accredited rating agency within 60 days from the Deemed Date of Allotment.

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	7. The Transaction Documents to which the Company is a party having been submitted to the GoAP and are approved.
Events of Default	As per Clause 12 of the Debenture Trust Deed
Provisions related to Cross Default Clause	As per Clause 12 of the Debenture Trust Deed
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Covenants	As per Clause 9 of the Debenture Trust Deed.
Representations and Warranties	As per Clause 7 of the Debenture Trust Deed.
Illustration of Bond Cash Flows	Kindly refer to Annexure VI of this Information Memorandum.
Governing Law and Jurisdiction	The Debentures and the Debenture Trustee Agreement and the Debenture Trust Deed will be governed by and construed in accordance with the laws of India and the parties submit to the jurisdiction of the courts in either Mumbai or Hyderabad. The Promoter Support Undertaking and the Option Agreement will be governed by and construed in accordance with the laws of India and the parties thereto submit to the jurisdiction of the courts in Chennai.

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**");

- (a) Debenture Trustee Agreement, which will confirm the appointment of SBICAP Trustee Company Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");
- (b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");
- (c) Option Agreement, to be executed between the Debenture Trustee and the Promoter, in relation to the put option provided by the Promoter to the Debenture Holder(s) ("**Option Agreement**");
- (d) Promoter Support Undertaking, which shall set out the obligations of the Promoter to fund the shortfall in the Coupon Amounts under this Issue ("**Promoter Support Undertaking**");
- (e) The Supplementary Escrow Agreement dated March 1, 2011 entered into by an between the Company, Senior Lenders, the Lender's Agent and the Escrow Bank as further amended by the amendment agreement dated December 28, 2012 ("**Supplementary Escrow Agreement**"); and
- (f) Amendment Agreement to the Supplementary Escrow Agreement dated March 1, 2011 executed between the Debenture Trustee, Senior Lenders, the Escrow Bank and the Lenders' Agent and the Issuer and dated August 31, 2015 ("**Amendment Agreement**");
- (g) This Information Memorandum;
- (h) The Escrow Agreement dated March 1, 2011, entered into by and between the Company, GoAP, the Escrow Bank and the Lenders' Agent ("**Escrow Agreement**");
- (i) Such other document as agreed to between the Issuer and the Debenture Trustee.

The Issuer shall ensure that all Transaction Documents shall be executed by it on or prior to the Issue Closing Date.

7.2 Representations and Warranties of the Issuer

The representations and warranties of the Issuer shall be in accordance with Clause 7 of the Debenture Trust Deed.

7.3 Covenants of the Issuer

The covenants of the Issuer shall be in accordance with Clause 9 of the Debenture Trust Deed.



(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

7.4 Events of Default

The Events of Default of the Issuer shall be in accordance with Clause 12 of the Debenture Trust Deed.

7.5 Consequences of Events of Default

Upon the happening of an Event of Default, the Debenture Trustee shall be entitled to exercise any and all remedies in accordance with the terms contained in the Transaction Documents.



SECTION 8: OTHER INFORMATION AND ISSUE PROCEDURE

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, the Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of the Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debentures shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and the Applicable Laws. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and the Applicable Laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. It is clarified however that, in the event of the exercise of the Promoter Put Option, the Debenture Holder, on the relevant Due Date, shall be the Promoter. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/NEFT /RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the relevant Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by cheque / NEFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Trustee for the Debenture Holder(s)

The Issuer has appointed SBICAP Trustee Company Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/ intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf

of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of the principal and Coupon thereon and the Debenture Trustee will take necessary action, subject to and in accordance with the Transaction Documents, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, consistently fails to do so. The Transaction Documents shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to Applicable Law, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any rights and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) of or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Information Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

For the avoidance of doubt, any amendment to the terms and conditions of the Debentures or the Transaction Documents will require the consent of the Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders.

8.7 Right to accept or reject Applications

The Board of Directors of the Issuer reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holders through registered post, recognised overnight courier service, hand delivery or by facsimile transmission addressed to such Debenture Holder at its/his registered address or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognised overnight courier service, hand delivery or by facsimile transmission to the Issuer/Debenture Trustee or to such persons at such address/ facsimile number as may be notified by the Issuer/Debenture Trustee from time to time through suitable communication. Provided however, that in case of a notice delivered by facsimile, the party delivering such notice shall also deliver a copy of the same by hand, registered mail/speed post (postage prepaid), recognised overnight courier service. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 3 (Three) Business Days after posting; (b) 1 (One) Business Day after delivery by recognised overnight courier service, if sent for next business day delivery (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission or (d) in the case of personal delivery, at the time of delivery.

8.9 Issue Procedure

Only eligible investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemption warrants.

An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed "Account Payee Only". Cheque(s) or demand draft(s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located at New Delhi. If permitted, the applicant may transfer payments required to be made in any relation by NEFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

8.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

8.11 Fictitious Application

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over-subscription, priority will be given to potential Investors on a first come first

serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The Application Form should be submitted along with cheque(s)/draft(s) favouring "L&T Metro Rail (Hyderabad) Limited", crossed "Account Payee Only" should be tendered through the Sole Arranger. The entire amount of Rs. 10,00,000/- (Rs. Ten Lakhonly) per Debenture is payable along with the making of an application. Applicants can alternatively remit the application amount through RTGS on the Pay-in Date. The RTGS details of the Issuer are as under:

Beneficiary Name : L&T Metro Rail (Hyderabad) Limited
IFSC Code : SBIN0013039
Bank Account No. : 31646069956

8.14 Eligible Investors

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:

- (a) Non-banking finance companies
- (b) Provident Funds and Pension Funds
- (c) Corporates
- (d) Banks
- (e) Qualified Foreign Investors
- (f) Foreign Institutional Investors
- (g) Foreign Portfolio Investors
- (h) Insurance Companies
- (i) Investment holding companies of high net worth individuals
- (j) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

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.

8.15 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details maintained with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the R&T Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For Allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/its DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/its demographic details given in the Application Form *vis-a-vis* those with his/its DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, till such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.16 Depository Arrangements

The Issuer shall make necessary arrangement with NSDL and CDSL for issue and holding of Debenture in dematerialised form.

8.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of all monies payable in respect of the Debentures.

8.18 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 signature(s) of all the authorised signatories of the potential Investor and the tax exemption certificate/document of the potential Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with the memorandum and articles of association and/or bye-laws along with other constitutional documents of such applicant must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed Application Form.

8.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple applications, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Form duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of

- (a) SEBI registration certificate;
- (b) Resolution authorising the investment and containing operating instructions;
- (c) Specimen signature of the authorised signatories.

8.20 Documents to be provided by potential Investors

Potential Investors need to submit the following documents, as applicable

- (a) Memorandum and articles of association or other constitutional documents;
- (b) Resolution authorising investment;
- (c) Certified true copy of the Power of Attorney;
- (d) Specimen signatures of the authorised signatories duly certified by an appropriate authority;
- (e) SEBI registration certificate (for Mutual Funds);
- (f) Copy of PAN card to be submitted;

(g) Application Form (including RTGS details).

8.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque / NEFT/RTGS.

8.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative (being the liquidator) of the Debenture Holder appointed by a competent court.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.23 Mode of Payment

All payments must be made through cheque(s)/ demand draft(s)/NEFT/RTGS as set out in the Application Form.

8.24 Effect of Holidays

In case any Due Date falls on a day which is not a Business Day the payment to be made on such Due Date shall be made on the next Business Day, except where the Redemption Date falls on a day which is not a Business Day, in which case all payments to be made on the Redemption Date (including accrued Coupon), shall be made on the immediately preceding Business Day.

8.25 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. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agent of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non deduction of tax at source on interest on application money, should be submitted along with the Application Form.

8.26 Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, within a maximum of 7 (Seven) Business days from the Deemed Date of Allotment.

8.27 Deemed Date of Allotment

All the benefits under the Debentures, will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is November 02, 2015 by which date the Investors would be intimated of Allotment.

8.28 Record Date

The Record Date will be 7 (Seven) calendar days prior to any Due Date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) Business Days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from the applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which Allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the monies to the extent of such excess, if any.

8.30 Interest on Application Money

Interest shall be payable on all application monies received at the Applicable Coupon Rate per annum compounded semi-annually from the date of realisation of the application monies by the Issuer till the Deemed Date of Allotment and the same shall be paid to the relevant Investors on the Redemption Date of the Debentures.

8.31 PAN

Every applicant should mention its Permanent Account Number ("PAN") allotted under the Income Tax Act, 1961, on the Application Form and attach a self attested copy as evidence. Application Forms without PAN will be considered as incomplete and are liable to be rejected.

8.32 Payment on Redemption

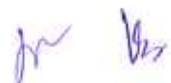
Payment on redemption will be made by way of cheque / NEFT / RTGS in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the relevant Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. It is clarified however that, in the event of the exercise of the Promoter Put Option, the Debenture Holder, on the relevant Due Date, shall be the Promoter. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

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

(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorisations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

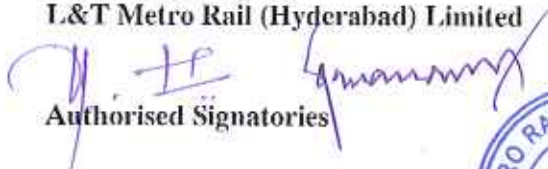


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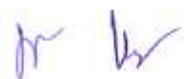
SECTION 9: DECLARATION

The Issuer declares that all the relevant provisions in the regulations/guidelines issued by SEBI and other Applicable Laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations/guidelines issued by SEBI and other Applicable Laws, as the case may be. The information contained in this Information Memorandum is as applicable to privately placed debt securities and subject to information available with the Issuer. The extent of disclosures made in the Information Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

**For and on behalf of
L&T Metro Rail (Hyderabad) Limited**


Authorised Signatories





ANNEXURE I: TERM SHEET

As per Clause 6.24 above

ANNEXURE II: RATING LETTER AND RATING RATIONALE

for *Dr*



CONFIDENTIAL

Ref. No. ICRA/SFR/HYD/15-16/2488R

October 29, 2015

Mr. J Ravi Kumar
Chief Financial Officer
L&T Metro Rail (Hyderabad) Limited
4th Floor, Quadrant 3&4,
Cyber Towers, Madhapur,
Hyderabad - 500 081

Dear Sir,

Re: ICRA Credit Rating for the NCD Programme of L&T Metro Rail (Hyderabad) Limited.

Please refer to your mail dated October 21, 2015 for re-validating your rating for the Long-term Borrowing Programme of Rs. 750 crore.

We confirm that the "Provisional [ICRA]AA(SO)" rating with a Stable outlook, assigned to the captioned NCD programmes of your company and last communicated to you vide our letter dated July 02, 2015 stands. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The letters "SO" in parenthesis suffixed to a rating symbol stand for Structured Obligation. An SO rating, is specific to the rated issue, its terms and its structure. SO ratings do not represent ICRA's opinion on the general credit quality of the issuers concerned.

The rating is based on the strength of Sponsor Support Undertaking (SSU) and Put option provided on the NCDs by L&T Infrastructure Development Projects Limited (IDPL; rated [ICRA]AA Stable).

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref. ICRA/SFR/HYD/15-16/2488 dated June 11, 2015.

With kind regards,

Yours sincerely,
for ICRA Limited

(K Ravichandran)
Senior Vice President & Co-Head, Corporate Ratings

(Raghunath T)
Senior Analyst

Building No. 8, 2nd Floor,
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RATING • RESEARCH • INFORMATION



VALIDITY OF THE RATING IS SUBJECT TO COMPLIANCE WITH THE TERMS
OF THE STRUCTURED OBLIGATION

CONFIDENTIAL

Ref No: ICRA/SFR/IIYD/15-16/2488

Date: Jun 11, 2015

Mr. J Ravi Kumar
Chief Financial Officer,
L&T Metro Rail (Hyderabad) Limited,
4th Floor, Quadrant 3&4,
Cyber Towers, Madhapur,
Hyderabad - 500 081.

Dear Sir,

Re: **ICRA Provisional Rating for proposed Rs. 1000 crore NCD programme of L&T Metro Rail (Hyderabad) Limited (MRHL)**

Please refer to your Rating Requisition Form and the subsequent Rating Agreement for carrying out the rating of the aforesaid debt programme. The Rating Committee of ICRA, after due consideration, has assigned rating of Provisional [ICRA]AA(SO) to the proposed NCDs to be issued under the captioned debt programme. The rating carries a Stable outlook.

Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For the long term ratings modifiers {"+" (plus) / "-" (minus)} can be used with the rating symbols for the categories [ICRA]AA to [ICRA]C. The modifiers reflect the comparative standing within the category. The letters "SO" in parenthesis suffixed to a rating symbol stand for Structured Obligation. An SO rating, is specific to the rated issue, its terms and its structure. SO ratings do not represent ICRA's opinion on the general credit quality of the issuers concerned.

The rating is based on the strength of Sponsor Support Undertaking (SSU) and Put option provided on the NCDs by L&T Infrastructure Development Projects Limited (IDPL; rated [ICRA]AA Stable).

Please note that the provisional rating is subject to fulfilment of all conditions under the structure as mentioned to ICRA, the Issuer providing an independent legal opinion on the transaction from an external legal counsel, and the executed documentation being in line with the drafts shared with ICRA.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as "Provisional [ICRA]AA(SO) (Stable)". We would appreciate if you can sign on the duplicate copy of this letter and send it to us within 10 days from the date of this letter as confirmation about the use of the assigned rating. Any intimation by you about the above ratings to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you.

The rating is subject to MRHL ensuring compliance with the structure submitted to ICRA and the conditions / payment mechanism mentioned in Annexure 1. The final rating will be assigned after the transaction documentation—as vetted by ICRA—is executed. The rating is specific to the terms and conditions of the proposed debt programme as was indicated to us by you and any change in the terms or size of the proposed debt programme would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the debt programme rated, as above, the same must be

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email : info@icraIndia.com

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RATING • RESEARCH • INFORMATION



brought to our notice before the issue of the programme. If there is any such change after the rating is assigned by us and confirmed to use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you. The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instrument to be issued by you.

You are required to forthwith inform us about any default or delay in repayment of interest or principal amount of the debt programme rated, as above, or any other debt instruments/ borrowing. You are also required to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s).

If the debt programme rated, as above, is not issued/ availed by you within a period of 2 months from the date of the letter communicating the rating, the same would stand withdrawn unless revalidated before expiry of the 2 months.

You are required to inform us immediately as and when the borrowing limit for the instrument/loan facility rated, as above, or as prescribed by the regulatory authority (ics) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,

For ICRA Limited

A handwritten signature in black ink, appearing to read 'K Ravichandran', is written over a horizontal line.

K Ravichandran
Senior Vice President

A handwritten signature in black ink, appearing to read 'T. Raghunath', is written over a horizontal line.

Raghunath T
Senior Analyst

Two sets of handwritten initials in blue ink are located in the bottom right corner of the page. The first set appears to be 'm' and the second set appears to be 'w'.



Annexure 1

The rating assigned by ICRA is based on the transaction structure contained in the term sheet / Information Memorandum and the conditions mentioned herein –

Issuer:	L&T Metro Rail (Hyderabad) Limited (MRHL/ Issuer) would issue listed, unsecured and redeemable non-convertible debentures (NCDs) of Face Value of upto Rs. 1000 crore.
Sponsor/ Parent:	L&T Infrastructure Development Projects Ltd (IDPL/ Sponsor)
Debenture Trustee:	IDBI Trusteeship Services Limited (Trustee)
Coupon Payment:	The coupon on the NCDs is fixed and would be payable on a semi-annual basis.
Maturity Date:	NCDs would have a tenure of 20 years from the deemed date of allotment. The principal amount on the NCDs would be payable in one bullet instalment on the scheduled maturity date.
Issuer Put/ Call Option on the NCDs:	At the end of 10 years and 15 years from the deemed date of allotment.
Sponsor Support:	Sponsor support is available to the Trustee through two distinct sources: a) Sponsor Support Undertaking (SSU) for meeting coupon payment b) Put Option from the Sponsor (for NCD redemption) The Sponsor's obligation under the above would be unconditional and irrevocable. It would cover all payments that may fall due on the NCDs.
Letter of Comfort from Larsen & Toubro Limited	Larsen & Toubro Limited (L&T) through a Letter of Comfort (LOC) shall confirm that it shall ensure that IDPL is operated and maintained in such a manner so as to meet its entire obligation to bond holders under the transaction documents in timely manner.
Compliance:	MRHL shall ensure that all the terms & conditions of the transaction structure (including execution of the transaction documents and opening the necessary bank accounts), as stated herein are complied with, within 90 days from the transaction execution. MRHL shall send the final draft version of the transaction documents to ICRA at least two working days prior to their execution. Once the transaction documents are executed, the Trustee shall confirm to ICRA about the same.
NCD Sub Account and Debenture Collection & Payout Account:	A separate no-lien account (Debenture Collection & Payout Account) would be opened by the Issuer. Proceeds lying in this account can be used either for servicing the debt payment of the NCD investors, or for investing in the permitted list of securities (Permitted Investments), as per the terms of the transaction. Proceeds from the NCD Sub Account (under the overall Escrow Account) would be moved to the Debenture Collection & Payout Account for meeting the NCD payment. If the same does not happen due to any reason, the Sponsor would be obligated to directly fund the Debenture Collection & Payout Account (for the

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	coupon payment). Proceeds realised from the Sponsor on exercise of Put option on the Sponsor would directly come into the account of the NCD investors.								
Accelerated Put Event:	<p>Accelerated Put Event would include the following:</p> <ul style="list-style-type: none"> • Breach of any representation or warranty by the Issuer • Cross-default by the Issuer on its other debt • Winding up/ Insolvency proceedings being initiated against the Issuer • Breach of any covenant • Sponsor diluting its shareholding in the Issuer to a level below 51% during the tenure of the NCDs • Sponsor ceasing to maintain management control over the Issuer during the tenure of the NCDs 								
Rating Downgrade Event:	Rating of the NCDs gets downgraded to a level below [ICRA]AA-(SO) or non-continuation of the rating assigned to the NCDs due to any reason.								
Consequences of Accelerated Put Event/ Rating Downgrade Event:	Upon occurrence of any Accelerated Put Event/ Rating Downgrade Event, the Trustee would have the right to accelerate the NCDs. If the Trustee exercises this right, the due date of payment on the NCDs would be 30 days from the date the acceleration notice is sent by the Trustee.								
Payment Mechanism:	<p>The payment mechanism for the transaction is given in detail below.</p> <p>For scheduled interest payment (T is the due date of interest payment)</p> <table border="1"> <tr> <td>T-5</td> <td>Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Debenture Trustee (Trustee) would mandatorily invoke the Sponsor Support Undertaking (SSU) on the same day and ask the Sponsor to fund the requisite amount in the NCD Sub Account by T-3.</td> </tr> <tr> <td>T-3</td> <td>Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account.</td> </tr> <tr> <td>T-1</td> <td>If the funds cannot be transferred from the NCD Sub Account to the Debenture Collection & Payout Account (as mentioned above) due to any reason, the Sponsor would fund the requisite amount in the Debenture Collection & Payout Account on this day.</td> </tr> <tr> <td>T</td> <td>Payment of funds lying in Debenture Collection & Payout Account to the NCD investors.</td> </tr> </table> <p>The Sponsor would also be obligated to pay under the SSU, even if the Trustee doesn't invoke the SSU by sending a demand notice to the Sponsor due to any reason.</p>	T-5	Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Debenture Trustee (Trustee) would mandatorily invoke the Sponsor Support Undertaking (SSU) on the same day and ask the Sponsor to fund the requisite amount in the NCD Sub Account by T-3.	T-3	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account.	T-1	If the funds cannot be transferred from the NCD Sub Account to the Debenture Collection & Payout Account (as mentioned above) due to any reason, the Sponsor would fund the requisite amount in the Debenture Collection & Payout Account on this day.	T	Payment of funds lying in Debenture Collection & Payout Account to the NCD investors.
T-5	Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Debenture Trustee (Trustee) would mandatorily invoke the Sponsor Support Undertaking (SSU) on the same day and ask the Sponsor to fund the requisite amount in the NCD Sub Account by T-3.								
T-3	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account.								
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T	Payment of funds lying in Debenture Collection & Payout Account to the NCD investors.								

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For scheduled principal redemption (T is the due date of principal redemption)	
T-5	Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T-5	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.
T	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).

The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

For Put option exercise on the Issuer/ Call option exercise by the Issuer (T is the Put/ Call Option Settlement Date)

T-60	Date on which the Put/ Call Option notification is provided by the Trustee/ Issuer if either party decides to exercise the option
T-5	Date by which Issuer has to fund the option proceeds in the NCD Sub Account. If the same does not happen, the Debenture Trustee (DT) would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T-5	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.

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T	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).
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The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

On occurrence of Accelerated Put Event / Rating Downgrade Event

If the NCDs get accelerated, all amounts due under the NCDs (including interest accrued if any) would become due and payable after a period of 30 days from the date acceleration notice is sent by Trustee.

T	Date on which the NCDs stand accelerated
T+25	Date by which Issuer has to fund the option proceeds in the NCD Sub Account. If the same does not happen, the Debenture Trustee (DT) would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T+30.
T+25	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T+30.
T+30	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.
T+30	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).

The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

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**L&T METRO RAIL (HYDERABAD) LIMITED**

NCDs backed by Sponsor Support Undertaking and Put option from L&T Infrastructure Development Projects Limited

Instrument	Face Value (Rs. crore)	Tenure	Rating
NCDs	1000.0	20 years	Provisional [ICRA]AA(SO) Stable

Contacts

Kalpesh Gada
(91) 22 61 143445
kalpesh@icraindia.com

Vibhor Mittal
(91) 22 61 143440
vibhorm@icraindia.com

Raghunath T
(91) 44 45964340
raghunath.t@icraindia.com

Website:www.icra.in**Rating**

Rating of Provisional [ICRA]AA(SO) [pronounced as Provisional ICRA Double A (Structured Obligation)] has been assigned to NCDs with an aggregate face value of upto Rs. 1000 crore¹ to be issued by L&T Metro Rail (Hyderabad) Limited (MRHL/ Issuer), as mentioned in the table above¹. The rating assigned carries a stable outlook.

The rating for the NCDs is based on the strength of Sponsor Support Undertaking (SSU) and Put option on the NCDs provided by L&T Infrastructure Development Projects Limited (IDPL/Sponsor; rated [ICRA]AA (Stable)). The rating also factors the payment mechanism designed to ensure timely payment on the rated NCDs as per the terms of the transaction.

Key Features

- The NCDs would have a scheduled tenor of 20 years from the deemed date of allotment. The principal amount on the NCDs would be payable in one bullet instalment on the maturity date. The coupon amount would be payable on a semi-annual basis. The NCDs would also carry Issuer Put/Call option at the end of 10 years and 15 years from the deemed date of allotment.
- IDPL's obligations under the SSU and the Put option taken together would cover all Issuer obligations that may arise on the rated NCDs, as per the terms of the transaction documents.
- The payment mechanism is designed to ensure timely payment to the NCD investors, as per the terms of the transaction. The NCDs would be deemed to be extinguished pursuant to the settlement of the Put option by the Sponsor.
- This issuance is towards the mezzanine debt requirements of the company which constitutes 20% of the envisaged equity component of Rs. 3,439 crore and grant of Rs. 1,458 crore. (Total Project Cost of Rs. 16,375 crore; D:E ratio of 70:30).

¹ 100 lakh = 1 crore = 10 million

¹ For complete rating scale and definitions, please refer ICRA's website (www.icra.in) or other ICRA Rating Publications

Issue Details

The key issue details are summarised in the table below.

Table 1: Key transaction details

Issuer/ Company:	L&T Metro Rail (Hyderabad) Limited (MRHL/ Issuer) would issue listed, unsecured and redeemable non-convertible debentures (NCDs) of Face Value of upto Rs. 1000 crore.
Sponsor/ Parent:	L&T Infrastructure Development Projects Ltd (IDPL/ Sponsor)
Debenture Trustee:	SBICAP Trustee Company Limited (Trustee)
Issue Amount:	Rs. 1000.0 crore
Coupon Payment:	The coupon on the NCDs is fixed and would be payable on a semi-annual basis.
Maturity Date:	NCDs would have a tenure of 20 years from the deemed date of allotment. The principal amount on the NCDs would be payable in one bullet installment on the scheduled maturity date.
Issuer Put/ Call Option on the NCDs:	At the end of 10 years and 15 years from the deemed date of allotment.
Sponsor Support:	<p>Sponsor support is available to the Trustee through two distinct sources:</p> <ol style="list-style-type: none"> Sponsor Support Undertaking (SSU) for meeting coupon payment Put Option from the Sponsor (for NCD redemption) <p>The Sponsor's obligation under the above would be unconditional and irrevocable. It would cover all payments that may fall due on the NCDs.</p>
Letter of Comfort from Larsen & Toubro Limited:	Larsen & Toubro Limited (L&T) through a Letter of Comfort (LOC) would confirm that it shall ensure that IDPL is operated and maintained in such a manner so as to meet its entire obligation to bond holders under the transaction documents in a timely manner.
NCD Sub Account and Debenture Collection & Payout Account:	<p>A separate no-lien account (Debenture Collection & Payout Account) would be opened by the Issuer. Proceeds lying in this account can be used either for servicing the debt payment of the NCD investors, or for investing in the permitted list of securities (Permitted Investments), as per the terms of the transaction.</p> <p>Proceeds from the NCD Sub Account (under the overall Escrow Account) would be moved to the Debenture Collection & Payout Account for meeting the NCD payment. If the same does not happen due to any reason, the Sponsor would be obligated to directly fund the Debenture Collection & Payout Account (for the coupon payment). Proceeds realised from the Sponsor on exercise of Put option on the Sponsor would directly come into the account of the NCD investors.</p>
Accelerated Put Event:	<p>Accelerated Put Event would include the following:</p> <ul style="list-style-type: none"> Breach of any representation or warranty by the Issuer

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	<ul style="list-style-type: none"> • Cross-default by the Issuer on its other debt • Winding up/ Insolvency proceedings being initiated against the Issuer • Breach of any covenant • Sponsor diluting its shareholding in the Issuer to a level below 51% during the tenure of the NCDs • Sponsor ceasing to maintain management control over the Issuer during the tenure of the NCDs
Rating Downgrade Event:	Rating of the NCDs gets downgraded to a level below [ICRA]AA-(SO) or non-continuation of the rating assigned to the NCDs due to any reason.
Consequences of Accelerated Put Event/ Rating Downgrade Event:	Upon occurrence of any Accelerated Put Event/ Rating Downgrade Event, the Trustee would have the right to accelerate the NCDs. If the Trustee exercises this right, the due date of payment on the NCDs would be 30 days from the date the acceleration notice is sent by the Trustee.

Payment Mechanism

The payment mechanism for the transaction is given in detail below.

For scheduled interest payment (T is the due date of interest payment)

T-5	Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Debenture Trustee (Trustee) would mandatorily invoke the Sponsor Support Undertaking (SSU) on the same day and ask the Sponsor to fund the requisite amount in the NCD Sub Account by T-3.
T-3	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account.
T-1	If the funds cannot be transferred from the NCD Sub Account to the Debenture Collection & Payout Account (as mentioned above) due to any reason, the Sponsor would fund the requisite amount in the Debenture Collection & Payout Account on this day.
T	Payment of funds lying in Debenture Collection & Payout Account to the NCD investors.

The Sponsor would also be obligated to pay under the SSU, even if the Trustee doesn't invoke the SSU by sending a demand notice to the Sponsor due to any reason.

For scheduled principal redemption (T is the due date of principal redemption)

T-5	Date by which Issuer has to fund the NCD Sub Account. If the same does not happen, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T-5	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.
T	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).

The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

For Put option exercise on the Issuer/ Call option exercise by the Issuer (T is the Put/ Call Option Settlement Date)

T-60	Date on which the Put/ Call Option notification is provided by the Trustee/ Issuer if either party decides to exercise the option
T-5	Date by which Issuer has to fund the option proceeds in the NCD Sub Account. If the same does not happen, the Debenture Trustee (DT) would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T-5	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T.
T	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.
T	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).

The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

On occurrence of Accelerated Put Event / Rating Downgrade Event

If the NCDs get accelerated, all amounts due under the NCDs (including interest accrued if any) would become due and payable after a period of 30 days from the date acceleration notice is sent by Trustee.

T	Date on which the NCDs stand accelerated
T+25	Date by which Issuer has to fund the option proceeds in the NCD Sub Account. If the same does not happen, the Debenture Trustee (DT) would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T+30.
T+25	Date on which the Trustee would move the funds from the NCD Sub Account to the Debenture Collection & Payout Account. If the funds cannot be transferred due to any reason, the Trustee would mandatorily exercise the Put Option on the Sponsor and ask the Sponsor to fund the requisite amount directly in the account of the NCD investors on T+30.
T+30	Date by which the Sponsor would be obligated to deposit the Put option proceeds directly into the account of the NCD investors, if the Put option is exercised on the Sponsor by the Trustee.
T+30	Payment of funds lying in the Debenture Collection & Payout Account to the NCD investors (in case the required monies are available in the Issuer's Debenture Collection & Payout Account and Promoter Put Option is not exercised).

The onus of ensuring the timely payment of Put option proceeds directly into the account of the NCD investors is on the Sponsor (Sponsor would get the account details of the NCD investors from the R&T Agent to do so, if required).

The payment mechanism for the transaction is designed to ensure that all payments under the NCDs (either in the normal course or otherwise) are fully covered by SSU (for coupon payment) or Put option (for NCD redemption) from the Sponsor (IDPL). Proceeds from the Sponsor (if the Issuer does not pay and recourse on the Sponsor is required) would be available before the due date of payment on the NCDs. The NCDs would be deemed to be extinguished pursuant to the settlement of the Put option by the Sponsor and the rating will be withdrawn.

Sponsor Support Undertaking/ Put option from the Sponsor

The NCDs would be backed by SSU/ Put option on the NCDs from the Sponsor (rated [ICRA] AA stable in the long-term). IDPL's obligations under the SSU/ Put option would be unconditional and irrevocable. The rating for the NCDs is based on the strength of the SSU/ Put option on the NCDs from the Sponsor and the payment mechanism for the transaction designed to ensure timely payment on the NCDs.

The Sponsor would further undertake that pursuant to the exercise of the Put Option on the Sponsor, it would deposit requisite funds in the account of the NCD investors on the option settlement date, even if the NCDs cannot be transferred to the Sponsor due to any technical reason.

Legal Opinion

ICRA expects MRHL to obtain legal opinion on the following issues:

- Sponsor's obligation under the Put option/ SSU is unconditional, irrevocable, legally valid and binding obligation of the Sponsor.
- The Stamp duty paid for execution of the transaction documents is adequate

Key Transaction Documentation

The following are the key transaction documents expected to be executed:

- Information Memorandum
- Debenture Trustee Agreement for appointment of the Trustee
- Debenture Trust Deed between the Issuer and the Trustee
- Escrow Account Agreement between Escrow Bank, the Issuer and the Lender's Agent
- Supplementary Escrow Account Agreement between the Escrow Bank, the Issuer, Lender's Agent and the Trustee
- Sponsor Support Undertaking between the Sponsor and the Trustee
- Put Option Agreement between the Sponsor and the Trustee

About the Issuer

L&T MRHL, a Special-Purpose Vehicle (SPV), was incorporated to undertake the implementation of the Hyderabad Metro Rail Project. The SPV is promoted by L&T Infrastructure Development Projects Limited (L&T IDPL) (99%) and L&T Limited (1%). The Concession Agreement was signed between GoAP and L&T MRHL on the 4th September, 2010. The project has been awarded to L&T MRHL on a long term Concession of 35 years, with an option for extension of the concession period further by another 25 years. The Project is being developed in Public Private Partnership (PPP) mode on Design, Build, Finance, Operate and Transfer (DBFOT) basis.

The Hyderabad Metro Rail Project is proposed to be developed along three Corridors spanning 71.16 Km. in length. The brief details of the Corridors are as given under:

	Section	Length (Km)	Stations (no)
Corridor 1	Miyapur- LB Nagar	28.87	27
Corridor 2	JBS - Falaknuma	14.78	16
Corridor 3	Nagole - Shilparamam	27.51	23
	Total	71.16	66

The SPV is entitled to commercially develop the Parking & Circulation areas adjacent to 25 Stations (57 acres equivalent) and at the three Depots as per CA. The scope of this Project shall include, construction and procurement of the Rail System³ and Transit Oriented Development on the Site; and operation and maintenance of the Rail System. The total project cost of Rs 16375 crore is being funded through promoter's contribution of Rs.3439 crore (includes equity of Rs.2439 crore (15% of TPC) and unsecured loans of Rs. 1000 crore (6%)), Grant of Rs. 1458 crore (9%) and remaining through term loans of Rs.11478 crore (70%).

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About the Sponsor

L&T Infrastructure Development Projects Limited (formerly L&T Holdings Limited; rated [ICRA]AA (Stable)/ [ICRA]A1+) was promoted by Larsen & Toubro Limited (L&T) in February 2001 to act as the holding company for the various infrastructure projects that are being developed by L&T. IDPL has promoted and executed several infrastructure projects through public-private partnership, in the field of highways and expressways, bridges, seaports/terminals, power transmission, airport, water supply, wind energy, real estate development, IT and industrial parks. The current investment portfolio of IDPL consists of 20 major projects; among which there are seventeen road/bridge projects, one port project², one power transmission project and one metro project. This apart, IDPL has also developed a 8.7 MW wind power project. All projects, other than the Wind Power project and the Nagpur SEZ project, are being developed in project specific SPVs.

May 2015

² Dhamra Port Company Limited, which was divested to Adani Ports & Special Economic Zone Limited in Q1 FY2014-15, ceased to be part of IDPL's portfolio



ICRA Limited

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for

(This Information Memorandum is neither a prospectus
nor a Statement in Lieu of Prospectus)

ANNEXURE III: LETTER FROM THE DEBENTURE TRUSTEE





No.0038/2015-2016/CL - 1251
Date : 12th June, 2015.

L&T Metro Rail (Hyderabad) Ltd
4th Floor, Cyber Towers, Hitec City, Madhapur
Hyderabad Andhra Pradesh
500081

Attn : Mr. Vinoth Kumar G V - Project Finance

Dear Sir,

Appointment of SBICAP Trustee Company Limited as Debenture Trustee for issue of listed, unsecured, redeemable debentures aggregating to Rs. 1,000 crores

This is with reference to the appointment of SBICAP Trustee Company Limited as Debenture Trustee.

In this connection, we hereby give our consent to act as Debenture Trustee for the above assistance on the following terms :

1) Acceptance Fee	Rs. 1,50,000 plus applicable taxes (for 1st Tranche) and Rs. 1,00,000/- plus applicable taxes (for each subsequent tranches)
2) Annual Service Charges	Rs. 1,50,000/- p.a plus applicable taxes payable yearly in advance on 1st April each year from the date of execution of the documents or date of allotment of Bonds whichever is earlier. The Trusteeship remuneration will be payable by you till the time repayment / redemption of entire bonds and its satisfaction of charges in full.
3) Trust Settlement Fee	Rs. 1,000/- only.
4) Out of Pocket Expenses	On actual basis.

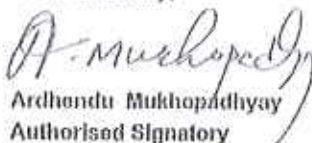
Overdue payment of Annual Services Charges, if any, may carry an interest at 12% (twelve percent) per annum payable from the due date till the date of actual payment.

We request you to kindly contact following officials :


Ardhendu Mukhopadhyay contact no.022 - 43025502 Cell no.8879150002 and/or Deepak Dhondye contact no.022 - 43025514 Cell no.8879150014 for any assistance in future.

We keenly look forward for our association.

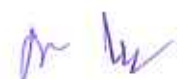
Yours faithfully,


Ardhendu Mukhopadhyay
Authorised Signatory




We accept the above terms
For _____

Authorised Signatory
(signature with stamp)



(This Information Memorandum is neither a prospectus nor a Statement in Lieu of Prospectus)

TAX STATUS NON EXEMPT () EXEMPT () (IF EXEMPT PLEASE SPECIFY)

(IF EXEMPT, PLEASE PROVIDE SUPPORTING DOCUMENTS FROM INCOME TAX AUTHORITIES)

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Information Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the register of debenture holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

Details for Issue of Debentures in Electronic / Dematerialised Form

DEPOSITORY	NSDL () CDSL ()
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

FOR OFFICE USE ONLY	
DATE OF RECEIPT	DATE OF CLEARANCE

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, the Arranger and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of the allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in

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ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

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