



IDFC FIRST Bank Limited

FAQs on Redemption of Tranche 3 - Long-Term Infrastructure Bonds issued by IDFC Limited (Now transferred to IDFC FIRST Bank Limited)

1. Which Tranche of the Long-Term Infrastructure Bonds (“LTIBs”) issued by IDFC Limited during financial year 2011-12 is due for Redemption?

Redemption of bonds means payment of the amount of bonds by the company to the final bond holder. When bonds are redeemed, liability on account of debentures is discharged by the company. Redemption of these bonds are to be paid lump-sum at maturity along with interest.

Tranche-3 of LTIBs is due for Redemption and the same consists of **2 series** namely:

ISIN	Series No.	Rate of Interest
INE092T08CO1 (<i>Old No. INE043D07AK2</i>)	Series 1 Bonds	8.43%, Non-cumulative Bonds (Annual)
INE092T08CP8 (<i>Old No. INE043D07AL0</i>)	Series 2 Bonds	8.43%, Cumulative Bonds

2. What is the maturity date of the LTIBs?

The LTIBs issued by IDFC Limited under Tranche-3 is maturing on **March 31, 2022** *i.e. 10 years from the Deemed Date of Allotment.*

3. Who will pay the redemption amount on maturity?

It may be noted that pursuant to the approval granted by Ministry of Finance, Department of Financial Services, Government of India vide its letter dated August 7, 2015 for transfer of LTIBs to the demerged entity viz. IDFC Bank Limited and the Demerger Order dated June 25, 2015 issued by the Hon’ble High Court of Madras, with effect from October 01, 2015 all assets and liabilities of the lending businesses including LTIBs (“Financing Undertaking”) of IDFC Limited were transferred / demerged to IDFC Bank Limited (now known as IDFC FIRST Bank Limited) (hereinafter referred to as “IDFC FIRST Bank” or “the Bank”). Accordingly, all the bondholders of LTIBs issued by IDFC Limited became bondholders of IDFC FIRST Bank Limited.

4. What will be the last date for payment of interest on LTIBs?

As per the terms of Prospectus dated March 12, 2012, **no interest shall be payable** by on LTIBs **after the maturity date** of the said Bonds i.e. **Thursday, March 31, 2022**.

5. What is the face value per Bond?

The face value is Rs. 5000/- per Bond.

6. How much amount is payable on redemption?

The redemption amount varies for each series. The Bondholder may refer the Bond Certificate/Demat account for details of the Series that is being held. The maturity amount per Bond are as follows:

Series No.	Amount payable on Redemption
Series 1 Bonds	Rs. 5,000 per Bond + Interest: Rs. 421.50 per Bond (Interest at 8.43% p.a.)
Series 2 Bonds	Rs. 11,230 per Bond (Interest: Rs.6,230 per bond + Principal: Rs. 5,000 per bond) (8.43% compounded annually payable at maturity)

*The Redemption and Interest amount is gross of TDS. Further, TDS, as applicable, may be deducted from the maturity proceeds. Kindly refer **FAQ No. 11** and **11.A.** for **Important Instructions regarding TDS.***

7. How the redemption amount will be paid on maturity date?

The redemption amount shall **primarily** be paid through **NACH** (*National Automated Clearing House*) or any other electronic mode of payment to all the Bondholders (*Physical and Demat*) subject to availability of complete bank account details including the bank account number (confirming CTFS), IFSC Code, Magnetic Ink Character Recognition (“MICR”) code as appearing on a cheque leaf.

8. Is there an alternative mode for payment of Redemption amount?

In case payment of redemption amount is unsuccessful through NACH or any other electronic mode on maturity date / Bank account details are not available or are invalid, the Bank shall issue **Warrants / Demand Drafts** in the name of Bondholders, whose names appear in the **Register of Bondholders** as maintained by our **RTA (“KFin Technologies**

Private Limited”) and/or as provided by the **Depositories (“NSDL and CDSL”)** and the same shall be **sent by registered / speed post at the Bondholder’s sole risk.**

The Bank shall not be responsible for any delay to the Bondholder receiving credit of Maturity Amount, so long as the Bank has initiated the process in time. **No interest will be accrued/ payable on LTIBs after the Maturity Date.**

9. How to update the requisite information pertaining to any mismatch / change in name, address, bank account details etc. of Bondholders?

FOR PHYSICAL CERTIFICATE BONDHOLDER(S):

The Original Bond Certificate is **NOT** required to be surrendered for receiving redemption amount and during the course of maturity process.

The **Bank Account** details can be **updated** with our RTA, **KFin Technologies Private Limited (“KFin”)** by visiting the link <https://ris.kfintech.com/clientservices/diy/> or by providing a duly signed request letter alongwith a cancelled cheque* and mentioning the beneficiary folio number on the reverse side of the said Cheque, **and forward to KFin**

** The cancelled cheque is required to make direct electronic payment of maturity amount to your bank account. However, you need to keep the bank account active failing which the direct credit will not be successful. Also, while cancelling the cheque, please ensure not to strike or overwrite on the account number or IFSC Code.*

In case of change of name and/or address, kindly attach authenticated identity and address proof viz., self-attested Voters’ ID / Passport / Aadhar Card / Latest Bank Statement or Passbook (*not older than 3 months and 1st page copy*) / Latest Electricity Bill or Landline Telephone Bill (*not older than 3 months*) / duly attested Gazette notification copy or attested Marriage Certificate along with signature by Bank Manager and PAN card copy.

The **templates for updation** / change of Bank mandate, Name & Address are available in the **‘Investors’** tab of the Bank’s website at www.idcfirstbank.com.

For updation of Bank Account details and/or name and/or address, an **e-mail** shall be send to the RTA on einward.ris@kfintech.com along with scan copies of requisite documents, or **alternatively** the Bond holder may **write** to KFin Technologies Private Limited (Unit: IDFC FIRST Bank Limited – Bonds), Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India, providing the correct details / information with respective self-attested supporting document(s) as mentioned aforesaid.

FOR DEMAT BONDHOLDER(S):

Demat Account status should be kept '**Active**' before the Record Date fixed for Redemption of Tranche 3 - LTIBs, **with updated bank account details.**

Respective **Depository Participants** may be approached for **Demat Account activation, Bank account or any other updation** to enable us to transfer amount on the maturity date.

*We earnestly request all the Bondholders to support the 'GREEN Initiative', by **registering /updating your e-mail address** with your **Depository Participant (Demat Bondholder)** or our RTA, **KFin Technologies Private Limited (Physical Certificate Bondholders)** or **Bank**, for receiving all communications electronically.*

10. Does the bondholder require to submit any documents for receiving redemption amount?

On receipt of intimation from the Bank/RTA regarding Redemption of Tranche 3 - LTIBs, the bondholder is expected to verify the name, address, bank account, IFSC Code / MICR code mentioned therein.

The Bondholder do not have to submit any documents to receive the redemption amount if the name, address, bank account, IFSC Code / MICR code details available are correct. Further, **the Physical Bondholders are NOT required to surrender Original Bond Certificate for receiving redemption amount and during the course of maturity process.**

In case of Demat Bondholding, the bonds will be debited from the account of the bondholder automatically by way of debit corporate action by the Bank.

11. What is the treatment of TDS on interest paid to Physical Bondholders?

i. Resident Bondholders:

For **Series 2** Bondholders, the interest payment will be subject to **TDS** at **7.5%** for cases where the **interest payments upon redemption exceed Rs 5,000/-**. Even for bonds held in other series, when the aggregate interest pay-out for all holdings held by the investor exceed Rs 5,000/- upon redemption, TDS will apply.

Where TDS is applicable, but the Bondholder **does not** have a **valid PAN**, then the **TDS rate will increase to 20%**. Hence, we request you to **update PAN details with RTA.**

W.e.f October 1, 2021, where TDS is applicable, but the Bondholder **does not** link his PAN with Aadhaar, then the **TDS rate will increase to 20%**. Hence, we request you to link your PAN with Aadhaar.

Further, if the Bondholder qualifies as a **“Specified Person”** within the meaning of Section 206AB of the Income tax Act, 1961, even then the TDS rate will increase to 20%. **“Specified Person”** is a person who has failed to file his tax returns in each of the prior two years for which the return filing timeline has expired and also has been subject to TDS and/ or tax collection at source in excess of Rs 50,000 in each of these two years.

TDS will not be applicable if the Bondholder submits a valid **Form 15G/H to the RTA**.

If the **Bondholder submits Tax officer’s order under Section 197 specifying NIL / lower TDS rate to the RTA**, then **TDS as per rates specified in the order will apply**.

ii. Non-Resident Bondholders:

TDS at 31.2% would **apply** on the **interest pay-out**. Further, in case a Bondholder submits **Tax officer’s order under Section 197 / 195 specifying NIL / lower TDS rate to RTA**, then **TDS as per rates specified in the order will apply**.

11.A. What is the treatment of TDS on interest paid to Demat Bondholders?

i. Resident Bondholders:

TDS will not apply.

ii. Non-Resident Bondholders:

TDS at 31.2% would **apply** on the **interest pay-out**. Further, in case a Bondholder submits **Tax officer’s order under Section 197 / 195 specifying NIL / lower TDS rate to RTA**, then **TDS as per rates specified in the order will apply**.

12. Whom should be contacted or reached out, in case of any queries or clarification of the Bondholders?

In case of any queries, the Bondholder may contact our RTA, KFin Technologies Private Limited (Unit: IDFC FIRST Bank Limited – Bonds), Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India or dial in the **Toll Free No.: 1800 309 4001** or send an E-mail at inward.ris@kfintech.com. Alternatively, you can reach out to Bank on **Toll Free No.: 1800 266 0404** or sending an e-mail to ig@idfcfirstbank.com.

This Redemption of Tranche 3 - LTIBs shall be governed by the Terms & Conditions as set out in the Prospectus. The Bondholders may also visit the 'Investors' tab on the Bank's website at www.idfcfirstbank.com for referring the Frequently Asked Questions ("FAQs") or any other information on the Redemption / Maturity of Bonds.