

IFCI FACTORS LIMITED

MASTER LETTER OF OFFER FOR [VOLUNTARY PREMATURE REDEMPTION OF SECURED, REDEEMABLE, LISTED, NON- CONVERTIBLE TAXABLE BONDS]

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

IFCI FACTORS LIMITED

Registered Office : 10th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110019

Contact Person : Mr. Smit Kumar, Company Secretary and
Mr. Manish Jain, Chief Finance Officer

Telephone Numbers : 011-41732805, 011-41732816

Fax Number : 46521436

Email id : smitkumar@ifcifactors.com
manishjain@ifcifactors.com

REGISTRAR [TO THE PREMATURE REDEMPTION]

Link Intime India (P) Ltd.

Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083

Telephone No.: 022 - 4918 6270. Toll Free No. 1800 1020 878

Fax No.: 022 - 4918 6060

Email id: bonds.helpdesk@linkintime.co.in, amit.dabhade@linkintime.co.in

Website: <https://web.linkintime.co.in>

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A. DEFINITIONS & ABBREVIATIONS:

TERM	DESCRIPTION
Business Day	Any day (other than a Saturday or a Sunday) on which the scheduled commercial banks are open in Delhi
Premature Redemption	The premature redemption of the Secured, Redeemable, Listed, Non- Convertible taxable Bonds by the Company in accordance with the terms of this Master Letter of Offer pursuant to the Board Resolution dated 23 rd February, 2022.
Calculation date	The date on which the price is calculated for the premature redemption of Secured, Redeemable, Listed, Non- Convertible taxable Bonds
Date of Tender	Date of tender shall mean in the event of bonds are held in dematerialized form, the date on which the bonds are submitted to DP for surrender to the Company
Form	The acknowledgement cum acceptance form is available on the website of the Company
Master Letter of Offer	This master letter of offer containing the terms and conditions of the premature redemption
Limit	Premature redemption of all the Secured, Redeemable, Listed, Non-Convertible taxable Bonds issued through ISIN – INE494M09031
Registrar to the Premature Redemption	Link Intime India (P) Ltd.
SEBI	Securities and Exchange Board of India
Record Date	The date of closure of register of Bonds for payment of Redemption amount.
Redemption date	6 th April, 2022
Series for redemption	ISIN – INE494M09031

Board /Board of Directors	The Board of Directors or Committee thereof.
Bond(s)/NCD(s) /Debenture(s)	Secured, Redeemable, Listed, Non- Convertible taxable Bonds of Rs. 10,00,000/- each of IFCI FACTORS LIMITED issued through Private Placement route .
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
DEPOSITORY	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
DP	Depository Participant
ITLS/Trustee	Vistra ITCL (India) Limited 805, Kailash Building 26, Kasturba Gandhi Marg Connaught Place New Delhi 110001 Tel: +91 2226593644 Sanjay.Dodti@vistra.com ; itclcomplianceofficer@vistra.com
NSDL	National securities Depositories Limited
NEFT	National Electronic Funds Transfer
PAN	Permanent Account Number
RTGS	Real Time Gross Settlement
RS./INR	Indian National Rupee
SEBI	The Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time
TDS	Tax deducted at source
The Companies Act/The Act	The Companies Act 2013 as amended from time to time.

B. INTRODUCTION

IFCI Factors Limited (*hereinafter referred to as “the Company”*) had issued through private placement Secured, Redeemable, Listed, Non- Convertible taxable Bonds (*hereinafter referred to as “Bond”*) in the nature of promissory notes of Rs. 10,00,000 each for cash at par aggregating to Rs. 17 Crore under ISIN INE494M09031.

Following is the summary details of the Secured, Redeemable, Listed, Non- Convertible taxable Bonds which are being offered for premature redemption/Purchase:

Option	ISIN – INE494M09031
Interest Payment	Annual
Face Value (INR)	10,00,000/- each
Coupon Rate	10.25%
Tenor	10 years
Repayment Date	28 th March, 2023 (at PAR at the end of 10 th Year from deemed date of allotment)
Redemption Amount	10,00,000/- each at par plus interest accrued till date of payment.
ISIN Number	INE494M09031

The Company has decided to provide additional/voluntary exit opportunity to the bond holders and has accordingly decided to implement a premature redemption scheme in accordance with the terms of this Master Letter of Offer.

The Board of Directors of the Company at its meeting held on 23rd February, 2022 have approved the premature redemption of the bonds.

Please note that this Master Letter of Offer for premature redemption of bonds shall be available on the website of the company: <https://www.ifcifactors.com>.

Investors may please note that the price at which bonds shall be bought back on 6th April, 2022 (Date of redemption) is included in this Letter of Offer.

C. SPECIAL ATTENTION OF THE BOND HOLDERS IS DRAWN TO THE FOLLOWING FEATURES OF THE PREMATURE REDEMPTION

1. VOLUNTARY PARTICIPATION

The Bond holders have the right but not the obligation to tender all or some of the bonds held by them in the premature redemption subject to the conditions mentioned in the Master Letter of Offer, at the sole discretion of the Bond holder.

2. THE PREMATURE REDEMPTION PERIOD

The bond holders can tender their documents on any day (other than on a Saturday or a Sunday), during the working hours till 21th March, 2022 (Record Date) for settlement on 6th April, 2022 (Date of redemption).

3. PRICE

Special attention of the bond holders is drawn to the price at which the premature redemption of the bonds shall take place. The price of the bonds will be at par in a manner as described in the section "Pricing" on page no 7 of this Master letter of offer.

In case the bond holders tender their bonds held by them in the premature redemption scheme in part or in full, such bond holders shall lose their right to all future interests and redemption premium on the bonds tendered, including all monies that would have been received had the bonds been held to Maturity.

The Company has not guaranteed that this is the best price for bond holders and the bond holder should exercise his judgement to premature redemption prior to applying for premature redemption.

D. PREMATURE REDEMPTION SCHEDULE

Last Date of tender- latest by 21th March, 2022 5.00 P.M.

Date of Settlement - 6th April, 2022

E. THE SERIES FOR WHICH PREMATURE REDEMPTION OFFER IS BEING MADE:

Series	Secured, Redeemable, Listed, Non- Convertible taxable Bonds of Rs. 10,00,000/- each of IFCI Factors Ltd through Private Placement route
ISIN number	INE494M09031

F. PRICING

The Pricing is shown in the following table:

IFCI FACTORS LIMITED (PREMATURE REDEMPTION)	
Deemed Date of allotment of Bonds	Series – ISIN – INE494M09031
Within 7 days from issue closing i.e. March 22, 2022 (as mentioned in Summary Term Sheet of Disclosure Document)	INR 10,00,000 /- per Bond (At par) plus interest accrued till date of payment.

Note: The actual amount received by the investor shall be the clean price along with interest accrued till the date of settlement.

G. DISCLAIMER CLAUSE OF THE COMPANY

A COPY OF THIS MASTER LETTER OF OFFER HAS NOT BEEN SUBMITTED TO THE SEBI. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE COMPANY TO MEET THE REQUIREMENT OF PREMATURE REDEMPTION OR FOR THE CORRECTNESS OF THE STATEMENTS MADE FOR OPINIONS EXPRESSED IN THE MASTER LETTER OF OFFER.

H. REGISTRAR TO THE PREMATURE REDEMPTION

The Company has appointed the following as the Registrar to the Premature Redemption:-

Link Intime India (P) Ltd.

Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083

Telephone No.: 022 - 4918 6270. Toll Free No. 1800 1020 878

Fax No.: 022 - 4918 6060

Email id: bonds.helpdesk@linkintime.co.in, amit.dabhade@linkintime.co.in

Website: <https://web.linkintime.co.in>

Bond holders are requested to submit their duly signed forms and requisite documents by registered post or by courier to the Registered Office of the Company (10th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019) or Soft Copies of the signed forms to the email ID: smitkumar@ifcifactors.com, super scribing the envelope as "**IFCI FACTORS LIMITED PREMATURE REDEMPTION.**"

I. PROCESS AND METHODOLOGY FOR THE PREMATURE REDEMPTION

1. The premature redemption is being made pursuant to this Mater letter of offer.
2. The bonds shall be redeemed at a price which is determined in this Master Letter of Offer.
3. The payment of the consideration shall be made through NEFT/RTGS (*subject to the availability of all information for crediting the funds*).

J. PROCEDURE FOR TENDERING BONDS AND SETTLEMENTS

1. The premature redemption is open to all bond holders of the Company, as on the date of record date, who own bonds of the Company for the ISIN – INE494M09031 (offered for premature redemption) at the time of tender of such bonds.
2. This Master letter of Offer and form outlining the terms and conditions of the premature redemption are available at the website of the Company **www.ifcifactors.com**. We are also sending across both the documents via email/speed post to the bond holders as on 24th February, 2022.
3. Bond holders may send the form duly signed requisite documents (by all the holders in case the bonds are in joint names) to the Company along with copy of Depository Participant (DP) instruction slip and other relevant documents as specified in the Master

Letter of offer. Each bond holder shall submit only one form irrespective of the number of folios he/she holds.

4. The Company may not accept any bonds offered for premature redemption where a notification has been received by the Company relating to any restraint order of a court for transfer/disposal or in case of loss of bond.

5. If the sole bond holder is deceased, the form must be signed by the legal representative of the deceased and submitted along with the certified or attested true copy of succession certificate.

6. In case of any lacunae and/or defect, incomplete information, late receipt or modifications in the document/Form submitted, the form will liable to be rejected.

7. Non receipt of the Master Letter of offer shall not invalidate the offer for premature redemption in any way.

8. Bonds once tendered for premature redemption cannot be withdrawn.

9. In case all the bonds tendered for redemption are accepted by the Company then the consideration shall be directly paid to the bond holder as specified earlier, irrespective of the receipt of the form. Bond holders are requested to ensure that at the time of submission or providing instruction to the depository participant for the redemption, the receipt slip provided by the DP should be timely stamped.

10. Bonds held in the demat form to the extent not accepted for premature redemption will be returned to the beneficial owner to the credit of the beneficial owner's depository account with their respective depository participant. In case there is difference in the details provided in the form and those received electronically, the details received electronically shall prevail.

K. TAXATION

The investors are advice to consult their own tax consultant with regard to this transaction.

L. METHOD OF SUBMISSION

1. Bonds holder of the Company who wish to tender their bond for premature redemption should surrender the bonds to the Company through their DP and deliver the following document:-

- a. The Form duly signed (by the all holders in case the bonds are in joint names) in the same order in which they hold bonds;
- b. Copy of the delivery instruction/counterfoil issued by the bondholder to their DP for submitting the bonds tendered duly acknowledged by the DP. Copy of the delivery instructions should be duly endorsed by the DP of bondholder.
- c. In case of non-receipt of the aforesaid documents, but the receipt of the bonds with NSDL/CDSL as the case may be, the Company may deem the premature redemption offer to have been accepted by the bond holder as per the terms and conditions as mentioned in Master Letter of Offer and use demographic details of the applicant as available from the depositories. In case on non-availability of the valid demographic details from the depositories, the payment shall be kept in abeyance and shall be paid only after the receipt of the original documents. In such case, the Company/Registrar shall not be responsible for delay in the payment and no interest shall be paid for the delayed period.

M. DESIGNATED OFFICER

The Company has designated the following Officer for the redemption of the bonds.

Contact Person : Mr. Smit Kumar / Mr. Manish Jain
Telephone No. : 011-41732805, 011-41732816
Fax No. : 46521436
Email id : smitkumar@ifcifactors.com

The designated officer can be contacted on any business day between 9:30 am to 5:00 pm.

Any change modification or amendment in any terms of the premature redemption or any other matter or information provided in this Master letter of offer shall be appropriately communicated to the bond holders either by way of separate communication or by announcement of the same on the website of the Company and/or the Registrar subject to applicable Act, Rules, Regulations and Compliances.