

EW/Sec/2022/247

December 28, 2022

<p>To, The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001</p> <p>BSE Scrip Code: 532922</p>	<p>To, The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051</p> <p>NSE Symbol: EDELWEISS</p>
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Re: PUBLIC ISSUE BY THE COMPANY OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF ₹ 1,000 EACH (“NCDS” OR “DEBENTURES”) FOR AN AMOUNT OF ₹2,000 MILLION (“BASE ISSUE SIZE”) WITH AN OPTION TO RETAIN OVER-SUBSCRIPTION UP TO ₹2,000 MILLION AGGREGATING UP TO ₹4,000 MILLION, (“TRANCHE I ISSUE LIMIT”) (“TRANCHE I ISSUE”) WHICH IS WITHIN THE SHELF LIMIT OF ₹ 10,000 MILLION AND IS BEING OFFERED BY WAY OF THE TRANCHE I PROSPECTUS DATED DECEMBER 27, 2022 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE (“TRANCHE I PROSPECTUS”), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED DECEMBER 27, 2022 (“SHELF PROSPECTUS”) FILED WITH THE ROC, STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”). THE SHELF PROSPECTUS AND TRANCHE I PROSPECTUS CONSTITUTES THE PROSPECTUS (“PROSPECTUS”). THE TRANCHE I ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE “SEBI NCS REGULATIONS”), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED AND TO THE EXTENT NOTIFIED.

Dear Sir/Madam,

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby inform you that a meeting of the Debenture Fund Raising Committee of the Board of Directors of Edelweiss Financial Services Limited (“**Company**” or “**Issuer**”) was held on December 27, 2022, wherein the Debenture Fund Raising Committee has *inter alia* considered and approved the public issue by the Company of secured, redeemable, non-convertible debentures of the face value of ₹1,000 each (“**NCDS**”) for an amount up to ₹2000 million (“**Base Issue Size**”) with an option to retain oversubscription up to ₹2000 million, aggregating up to ₹4000 million (“**Tranche I Issue Limit**”) (“**Tranche I Issue**”), which is within the shelf limit of ₹10,000 million.

The details as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, are provided as follows:

Issuer	Edelweiss Financial Services Limited
Type of instrument	Secured, redeemable, non-convertible debentures
Mode of the Issue	Public Issue
Issue	Public issue by our Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each for an amount aggregating up to ₹ 10,000 million (“ Shelf Limit ”).

Tranche I Issue Size	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“NCDs”) for an amount of ₹ 2,000 million (“ Base Issue Size ”) with an option to retain oversubscription up to ₹ 2,000 million amounting to up to ₹ 4,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the Shelf Limit of ₹ 10,000 million and is being offered by way of this Tranche I Prospectus dated December 27, 2022 containing <i>inter alia</i> the terms and conditions of Tranche I Issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus. The Shelf Prospectus and Tranche I Prospectus constitutes the prospectus “ Prospectus ”).
Tenor, Coupon, Redemption Amount, Redemption Date, Schedule of Payment of Interest and Principal	Please refer to Annexure A
Credit Ratings	The NCDs proposed to be issued under this Issue have been rated “CRISIL AA-/Negative (pronounced as CRISIL double A minus rating with Negative outlook)” for an amount of ₹ 10,000 million by CRISIL vide their rating letter dated December 02, 2022 and rating rationale dated December 01, 2022 and “ACUITE AA-/Negative (pronounced as ACUITE double A minus)” for an amount of ₹10,000 million by Acuité Ratings & Research vide their rating letter dated December 07, 2022 with rating rationale dated December 07, 2022.
Listing	The NCDs are proposed to be listed on BSE. The NCDs shall be listed within six Working Days from the date of Issue Closure. BSE has been appointed as the Designated Stock Exchange.
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed the Draft Shelf Prospectus and this Tranche I Prospectus %	The principal amount of the NCDs to be issued in terms of this Tranche I Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by way of an exclusive and/or pari passu charge in favor of the Debenture Trustee on the assets of the entities permissible under applicable law and/or the Company including loans and advances, receivables, investments, stock in trade, current & other assets held by the entities permissible under applicable law and/or the Company, created in favour of the Debenture Trustee, and/or over the Pledged Securities in favour of the Debenture Trustee for the benefit of the Debenture holders, except those specifically and exclusively charged in favour of certain existing charge holders as specifically set out in and fully described in the Debenture Trust Deed and/or Securities Pledge Agreement, such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date. For exclusive charge, we undertake that the assets and/or the Pledged Securities on which the charge is proposed to be created are free from any encumbrances. We have received necessary consents from the relevant debenture trustees for ceding <i>pari-passu</i> charge in favour of the Debenture Trustee in relation to the NCDs. The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and/or RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the

	<p>SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Tranche I Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange.</p> <p>For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the “Terms of the Issue – Security” on page 71 of the Tranche I Prospectus.</p>
Deemed date of Allotment	<p>The date on which the Board of Directors/or the Debenture Fund Raising Committee approves the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Board of Directors/ or the Debenture Fund Raising Committee thereof and notified to the Designated Stock Exchange.</p> <p>The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.</p>
Special right / interest / privileges attached to the instrument, and changes thereof	N.A.
Default in payment of interest / principal	<p>The Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialised credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/prescribed under applicable laws.</p> <p>The Company shall pay at least two percent per annum to the debenture holders, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.</p>
Details of any letter or comments regarding payment / non-payment of interest, principal on due dates, or any other matter concerning the security and / or the assets along with it comments thereon, if any	N.A.
Details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issues) and debentures	N.A.

The Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period from January 3, 2023 to January 23, 2023, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Debenture Fund Raising Committee, subject to relevant approvals. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Tranche I Issue closure.

Further, the Debenture Fund Raising Committee has also approved the Shelf Prospectus dated December 27, 2022, (“Shelf Prospectus”) and the Tranche I Prospectus dated December 27, 2022, (“Tranche I Prospectus”) to be filed with the Registrar of Companies, Maharashtra at Mumbai, the Securities and Exchange Board of India and BSE Limited.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Financial Services Limited

Tarun Khurana
Company Secretary

Encl: as above

Annexure A
Specific Terms for NCDs

Series	I	II	III	IV*	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all Series									
Face Value/ Issue Price of NCDs (₹/ NCD)	₹1,000									
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)									
Tenor	24 months	24 months	36 months	36 months	36 months	60 months	60 months	60 months	120 months	120 months
Coupon (% per annum) for NCD Holders in Category I, II, III & IV	9.00%	NA	9.20%	9.60%	NA	9.67%	10.10%	NA	10.00%	10.45%
Effective Yield (per annum) for NCD Holders in Category I, II, III & IV	8.99%	9.00%	9.59%	9.59%	9.60%	10.10%	10.09%	10.10%	10.46%	10.44%
Mode of Interest Payment	Through various mode available									
Amount (₹ / NCD) on Maturity for NCD Holders in Category I, II, III & IV	₹1,000	₹1,188.40	₹1,000	₹1,000	₹1,317.00	₹1,000	₹1,000	₹1,618.30	₹1,000	₹1,000
Maturity / Redemption Date (Years from the Deemed Date of Allotment)	24 months	24 months	36 months	36 months	36 months	60 months	60 months	60 months	120 months	120 months
Put and Call Option	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

*Our Company shall allocate and allot Series IV NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

1. *With respect to Series where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs.*
2. *With respect to Series where interest is to be paid on monthly basis, relevant interest will be paid on the first date of every month on the face value of the NCDs. The last interest payment under annual Series will be made at the time of redemption of the NCDs.*
3. *Subject to applicable tax deducted at source, if any.*
4. *Please refer to Annexure D for details pertaining to the cash flows of the Company in accordance with the SEBI Operational circular.*

All Category of Investors in the proposed Tranche I Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or ECL Finance Limited, Nuvama Wealth & Investment Limited, Edelweiss Retail Finance Limited, Edelweiss Housing Finance Limited and Nuvama Wealth Finance Limited as the case may be, and/or are equity shareholder(s) of the Company as the case may be, on the Deemed Date of Allotment and applying in Series I, Series III, Series IV, Series VI, Series VII, Series IX and/or Series X shall be eligible for additional incentive of 0.20% p.a. provided the NCDs issued under the proposed Issue are held by the investors on the relevant Record Date applicable for payment of respective coupons, in respect of Series I, Series III, Series IV, Series VI, Series VII, Series IX and/or Series X.

For all Category of Investors in the proposed Tranche I Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or ECL Finance Limited, Nuvama Wealth & Investment Limited, Edelweiss Retail Finance Limited, Edelweiss Housing Finance Limited and Nuvama Wealth Finance Limited as the case may be, and/or are equity shareholder(s) of the Company as the case may be, on the Deemed Date of Allotment applying in Series II, Series V and/or VIII, the maturity amount at redemption along with the additional yield would be ₹ 1,192.80 per NCD, ₹ 1,324.10 per NCD and/or ₹ 1,633.05 per NCD respectively provided the NCDs issued under the proposed Issue are held by the investors on the relevant Record Date applicable for redemption in respect of Series II, Series V and/or Series VIII.

The additional incentive will be maximum of 0.20% p.a. for all Category of Investors in the proposed Tranche I Issue, who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or ECL Finance Limited, Nuvama Wealth & Investment Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Nuvama Wealth Finance Limited as the case may be, and/or are equity shareholder(s) of the Company as the case may be, on the deemed date of allotment.

On any relevant Record Date, the Registrar and/or our Company shall determine the list of the Primary holder(s) of this Issue and identify such Investor/ NCD Holders, (based on their DP identification and /or PAN and/or entries in the Register of NCD Holders) and make the requisite payment of additional incentive.

The additional incentive will be given only on the NCDs allotted in this Tranche I Issue i.e., to the Primary holder(s). In case if any NCD is bought/acquired from secondary market or from open market, additional incentive will not be paid on such bought/acquired NCD.

In case the Primary holder(s) sells/gifts/transfer any NCDs allotted in this Tranche I Issue, additional incentive will not be paid on such sold/gifted/transferred NCD except in case where NCDs are transferred to the Joint holder/Nominee in case of death of the primary holder.