

SECTION V – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The key common terms and conditions of the NCDs / term sheet are as follows:

Issuer	Edelweiss Financial Services Limited
Type of instrument	Secured, redeemable, non-convertible debentures
Seniority	Senior
Nature of the Instrument	Secured, redeemable, non-convertible debentures
Mode of the Issue	Public Issue
Lead Manager	Equirus Capital Private Limited
Debenture Trustee	Beacon Trusteeship Limited
Depositories	NSDL and CDSL
Registrar	KFin Technologies Limited
Tranche II 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 II 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 upto ₹ 4,000 million (“ Tranche II Issue Limit ”) (“ Tranche II Issue ”) which is within the Shelf Limit of ₹10,000 million and is being offered by way of this Tranche II Prospectus dated March 31, 2023 containing <i>inter alia</i> the terms and conditions of Tranche II Issue (“ Tranche II Prospectus ”), which should be read together with the Shelf Prospectus. The Shelf Prospectus and Tranche II Prospectus constitutes the prospectus “ Prospectus ”).
Minimum Subscription	Minimum subscription is 75% of the Base Issue, i.e., ₹ 1,500 million.
Base Issue Size	₹ 2,000 million
Option to Retain Oversubscription Amount	Up to ₹ 2,000 million.
Eligible Investors	Please refer to the section titled “ <i>Issue Procedure – Who can apply?</i> ” on page 160 of this Tranche II Prospectus.
Objects of the Issue	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 38 of this Tranche II Prospectus
Details of Utilization of the Proceeds	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 38 of this Tranche II Prospectus
Interest Rate on each category of investor	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 148 of this Tranche II Prospectus.
Step up/ Step Down Interest rates	NA
Interest type	Fixed
Interest reset process	NA
Frequency of interest payment	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 148 of this Tranche II Prospectus.
Interest payment date	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 148 of this Tranche II Prospectus.
Day count basis	Actual / Actual
Interest on application money	NA
Default Interest rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized 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. Our Company shall pay at least two percent per annum to the debenture holder, 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.
Tenor	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 148 of this

	Tranche II Prospectus.
Redemption Date	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 137 of this Tranche II Prospectus.
Redemption Amount	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 137 of this Tranche II Prospectus.
Redemption Premium/Discount	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 137 of this Tranche II Prospectus.
Face Value	₹ 1,000 per NCD
Issue Price	₹ 1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	NA
Put date	NA
Put price	NA
Call date	NA
Call price	NA
Put notification time	NA
Call notification time	NA
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 NCD) and in multiple of ₹ 1,000 (1 NCD) thereafter
Market Lot / Trading Lot	The market lot will be 1 Debenture (“ Market Lot ”). Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.
Pay-in date	Application Date. The entire Application Amount is payable on Application
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, revalidated vide their letter dated February 6, 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 Acuite Ratings & Research vide their rating letter dated December 07, 2022 with rating rationale dated December 07, 2022 and revalidated vide their letter dated February 13, 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.
Depository	NSDL and CDSL
Modes of payment	Please see “ <i>Issue Structure – Terms of Payment</i> ” on page 138 of this Tranche II Prospectus.
Issuance mode of the Instrument*	In dematerialised form only*
Trading mode of the instrument*	In dematerialised form only*
Tranche II Issue Opening Date	April 6, 2023
Tranche II Issue Closing Date	April 21, 2023
Issue Timing	This Tranche II Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that this Tranche II 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, thereof, subject to relevant approvals. In the event of an early closure or extension of this Tranche II 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 and a regional daily at the place where the registered office of the Company is situated on or before such earlier or extended date of Tranche II Issue closure. Applications Forms for this Tranche II Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be

	permitted by BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Tranche II Issue Closing Date.
Record date	15 (fifteen) days prior to the relevant interest payment date, relevant Redemption Date for NCDs issued under this Tranche II Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on a Sunday or holiday of Depositories, the succeeding working day or a date notified by the Company to the stock exchange shall be considered as Record Date.
Settlement mode of instrument	Redemption
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As mentioned in the Debenture Trust Deed.
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 Schedule 8 of the Deed and disclosed the Shelf Prospectus and this Tranche II Prospectus %	The principal amount of the NCDs to be issued in terms of this Tranche II 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 pari-passu 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 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 II 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. For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the “<i>Terms of the Issue – Security</i>” on page 140 of this Tranche II Prospectus.
Issue/ Transaction documents	The Draft Shelf Prospectus, the Shelf Prospectus, the Tranche I Prospectus, Corrigendum to Tranche I Prospectus and this Tranche II Prospectus read with any notices, corrigenda, addenda thereto, the Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Manager and/or other intermediaries for the purpose of this Tranche II Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement. For further details, please refer to “ <i>Material Contracts and Documents for Inspection</i> ” on page 196 of this Tranche II Prospectus.
Condition precedent to disbursement	Other than the conditions specified in the SEBI NCS Regulations, there are no conditions precedents to disbursement.
Condition subsequent to the disbursement	Other than the conditions specified in the SEBI NCS Regulations, there are no conditions subsequent to disbursement.

Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please refer to the section titled “ <i>Terms of the Issue – Events of Default</i> ” on page 142 of this Tranche II Prospectus.
Creation of recovery expense fund	Our Company has already created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the summary term sheet, the Debenture Trustee shall take necessary actions as mentioned in this Debenture Trust Deed and this Tranche II Prospectus
Deemed date of Allotment	The date on which the Board of Directors/or the Debenture Fund Raising Committee approves the Allotment of the NCDs for this Tranche II 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. 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.
Roles and responsibilities of the Debenture Trustee	Please see section titled “ <i>Terms of the Issue - Trustees for the NCD Holders</i> ” on page 141 of this Tranche II Prospectus.
Risk factors pertaining to the Issue	Please see section titled “ <i>Risk Factors</i> ” on page 54 of this Tranche II Prospectus.
Provisions related to Cross Default Clause	NA
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of this Tranche II Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India, respectively
Working day convention	If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it failing on a non-Working Day. If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest /redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Notes:

* If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed to the Stock Exchange.

*In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. Trading in NCDs shall be compulsorily in dematerialized form.

** The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated, with an option for early closure or extension by such period, as may be decided by the Board of Directors of our Company or the Debenture Fund Raising Committee in compliance with Regulation 33A of SEBI NCS Regulations. In the event of such early closure or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a leading daily national newspaper on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. For further details please refer to the section titled “*General Information*” on page 20 of this Tranche II Prospectus.

**For the list of documents executed/ to be executed, please see “Material Contracts and Documents for Inspection” on page 196 of this Tranche II Prospectus.*

While the NCDs are secured to the tune of 100% of the principal and interest thereon in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Please see “Issue Procedure” on page 159 of this Tranche II Prospectus for details of category wise eligibility and allotment in the Tranche II Issue.

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

Please refer to Annexure D for details pertaining to the cash flows of the Company in accordance with the SEBI Operational Circular.

Specific terms for NCDs

Series	I	II	III	IV*	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Annual	NA	Monthly	Annual	NA	Monthly	Annual	NA	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	8.95%	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	8.94%	8.95%	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	₹1,187.30	₹1,000	₹1,000	₹1,317.00	₹1,000	₹1,000	₹1,618.70	₹1,000	₹1,000
Maturity / Redemption Date (Months 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.*