

EDELWEISS FINANCIAL SERVICES LIMITED

Edelweiss Financial Services Limited (the “Company” or “Issuer”) was incorporated at Mumbai on November 21, 1995 as a public limited company with the name ‘Edelweiss Capital Limited’ under the provisions of the Companies Act, 1956. Thereafter, a certificate of commencement of business was issued to our Company by the Registrar Of Companies Maharashtra, at Mumbai. (“RoC”), on January 16, 1996. Subsequently, the name of our Company was changed to ‘Edelweiss Financial Services Limited’ pursuant to a fresh certificate of incorporation issued by the RoC on August 1, 2011. For more information about our Company, please refer “General Information” and “History and Main Objects” on pages 52 and 137 of the Shelf Prospectus.

Registered Office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400 098, Maharashtra, India; **Tel.:** +91 22 4009 4400;

Fax: +91 22 4086 3610; **CIN:** L99999MH1995PLC094641; **PAN:** AAACE1461E; **Website:** www.edelweissfin.com; **Email:** efslncd@edelweissfin.com

Company Secretary and Compliance Officer: Tarun Khurana; **Tel.:** +91 22 4009 4400; **Email:** efslncd@edelweissfin.com

Chief Financial Officer: Sarju Simaria; **Tel.:** +91 22 4009 4400; **Email:** efslncd@edelweissfin.com

PUBLIC ISSUE BY THE COMPANY OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH (“NCDs” OR “DEBENTURES”) FOR AN AMOUNT OF ₹ 2,000 MILLION (“BASE ISSUE SIZE”) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 3,000 MILLION AMOUNTING TO ₹ 5,000 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 NOVEMBER 29, 2021 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE (“TRANCHE I PROSPECTUS”), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED NOVEMBER 29, 2021 (“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”).

THIS TRANCHE I ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 (THE “SEBI NCS REGULATIONS”), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED AND TO THE EXTENT NOTIFIED. THE TRANCHE I ISSUE IS NOT UNDERWRITTEN.

OUR PROMOTERS

(i) Rashesh Shah; **Email:** efslncd@edelweissfin.com; **Tel.:** +91 22 4009 4400, (ii) Venkatchalam Ramaswamy; **Email:** efslncd@edelweissfin.com; **Tel.:** +91 22 4009 4400, (iii) Vidya Shah; **Email:** efslncd@edelweissfin.com; **Tel.:** +91 22 4009 4400, and (iv) Aparna T.C.; **Email:** efslncd@edelweissfin.com; **Tel.:** +91 22 4009 4400. For details of our Promoters, see “Our Promoter” on page 160 of the Shelf Prospectus.

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the Investors is invited to the chapters “Risk Factors” and “Material Developments” on pages 16 and 437 of the Shelf Prospectus, respectively and “Material Developments” on page 27 of this Tranche I Prospectus, before making an investment in such Issue. This Tranche I Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), any registrar of companies or any stock exchange in Indian or do they guarantee the accuracy or adequacy of this document.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, please refer to the section titled “Issue Related Information” on page 43.

CREDIT RATING

The NCDs proposed to be issued under this Tranche I 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 October 22, 2021 and revalidated vide letter dated November 16, 2021 and “ACUITE AA/ Negative (pronounced as ACUITE double A rating with Negative outlook)” for an amount of ₹15,000 million by Acuite vide their rating letter dated October 20, 2021 and revalidated vide letter dated November 17, 2021. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to Annexure A and Annexure B of this Tranche I Prospectus for the rationale of the above rating.

LISTING

The NCDs offered through the Shelf Prospectus and this Tranche I Prospectus are proposed to be listed on BSE Limited (“BSE”) and BSE shall be the Designated Stock Exchange. Our Company has received an ‘in-principle’ approval from BSE vide their letter no. DCS/BM/PI-BOND/017/21-22 dated November 23, 2021.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated November 15, 2021 was filed with the BSE, pursuant to the provisions of the SEBI NCS Regulations and was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange i.e. until 5:00 p.m. on November 23, 2021.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE TO THE ISSUE
 Equirus Capital Private Limited 12 th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai 400 013 Tel.: +91 22 4332 0700 Email: efsln.cd@equirus.com Website: www.equirus.com Contact person: Ankit Jain	 KFIN TECHNOLOGIES PRIVATE LIMITED Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032 Tel.: +91 40 6716 2222 Fax: +91 40 2343 1551 Email: efsln.cdipo@kfintech.com Website: www.kfintech.com Contact Person: M Murali Krishna	 Beacon Trusteeship Limited* 4 C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club Bandra (East), Mumbai 400 051 Tel.: +91 22 26558759 Email: compliance@beacontrustee.co.in Website: www.beacontrustee.co.in Contact Person: Kaustubh Kulkarni

CREDIT RATING AGENCY

 Acuite Ratings & Research Limited 708, Lodha Supremus, Lodha iThink Techno Campus, Kanjurmarg (East), Mumbai 400 042 Tel.: +91 22 4929 4000 Email: chitra.mohan@acuite.in Website: www.acuite.in Contact Person: Chitra Mohan	 CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400076 Tel.: +91 22 3342 3000 Email: crisilratingsdesk@crisil.com Website: www.crisil.com Contact Person: Krishna Sitaraman	STATUTORY AUDITOR S. R. Batliboi & Co. LLP 12 th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West), Mumbai 400 028 Maharashtra, India Tel.: +91 22 6819 8000 Email: srbcs@srb.in Contact Person: Shrawan Jalan
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ISSUE PROGRAMME**

TRANCHE I ISSUE OPENS ON: MONDAY, DECEMBER 6, 2021	TRANCHE I ISSUE CLOSING ON: MONDAY, DECEMBER 27, 2021
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*Beacon Trusteeship Limited under regulation 8 of SEBI NCS Regulations has by its letter dated November 15, 2021 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche I Issue.

** This 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 indicated above, except that this 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, thereof, subject to relevant approvals. In the event of an early closure or extension of this 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 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 I Issue closure. Applications Forms for this Tranche I 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 I Issue Period. On the Tranche I 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 I Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” on page 43.

A copy of the Shelf Prospectus and this Tranche I Prospectus has been filed with the Registrar of Companies, Maharashtra at Mumbai in terms of Section 26 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please refer to the section titled “Material Contracts and Documents for Inspection” on page 111.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Tranche I Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Tranche I Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Tranche I Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

General Terms

Term	Description
Associates	Associate would mean associates of our Company as at and for the relevant financial year/period as applicable.
“EFSL” or “Company” or “the Issuer”	Edelweiss Financial Services Limited, a public limited company incorporated under the Companies Act, 1956, and having its Registered Office at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400 098, Maharashtra, India.
“we” or “us” or “our”	Unless the context otherwise requires, Edelweiss Financial Services Limited together with its Subsidiaries, associates and trusts for the relevant financial year/period as applicable.
Subsidiaries	Subsidiary would mean subsidiaries of our Company as at and for the relevant financial year/period as applicable. For the details of the subsidiaries of our Company, as on September 30, 2021, see “ <i>History and Main Objects</i> ” on page 137 of the Shelf Prospectus.
Trusts	For the details of the trusts of our Company, as on September 30, 2021, see “ <i>History and Main Objects</i> ” on page 137 of the Shelf Prospectus.

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	Articles of Association of our Company
Audit Committee	Audit committee of the Board of Directors
Auditors or Statutory Auditors	The current statutory auditors of our Company, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants
Board or Board of Directors or our Board or our Board of Directors	Board of Directors of our Company or any duly constituted committee thereof.
Corporate Social Responsibility Committee	Corporate social responsibility committee of the Board of Directors
Committee	A committee constituted by the Board, from time to time.
Directors	Directors of the Company
Equity Shares	Equity shares of the Company of face value of ₹ 1 each
ESOPs	Employee stock options
Debenture Fund Raising Committee	Debenture fund raising committee as constituted by the Board of Directors
Independent Director(s)	The independent director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations
IT Strategy Committee	IT strategy committee as constituted by the Board of Directors
KMP / Key Managerial Personnel	Key managerial personnel of our Company as disclosed in this Tranche I Prospectus and appointed in accordance with Key Managerial Personnel, as defined under Section 2(51) of the Companies Act, 2013.
LAP	Loan against property

Term	Description
Loan Book	Loan book of the Company recording relevant entries of the secured and/or unsecured loans advanced by the Company
“MoA” or “Memorandum” or “Memorandum of Association”	Memorandum of association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors
Networth	As defined in Section 2(57) of the Companies Act, 2013, as follows: <i>“Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.”</i>
Preference Shares	Preference shares of the Company having face value of ₹5 each.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018.
Promoters or our Promoter	The promoters of our Company are Rashesh Shah, Venkatchalam Ramaswamy, Vidya Shah and Aparna T.C.
Public Issue 1	Public issue of secured redeemable non-convertible debentures of face value ₹1,000 each aggregating to ₹2,000 million pursuant to the prospectus dated December 17, 2020
Public Issue 2	Public issue of secured redeemable non-convertible debentures of face value ₹1,000 each aggregating to ₹4,000 million pursuant to the prospectus dated March 26, 2021
Public Issue 3	Public issue of secured redeemable non-convertible debentures of face value ₹1,000 each aggregating to ₹ 4,000 million pursuant to the prospectus dated August 9, 2021
H1 Fiscal 2022	Six months and half year ended September 30, 2021
H1 2022 Unaudited Consolidated Financial Results	The unaudited consolidated financial information of the Company for the quarter ended September 30, 2021 and year to date April 1, 2021 to September 30, 2021 prepared by our Company in the manner and format required by the SEBI Listing Regulations
H1 2022 Unaudited Standalone Financial Results	The unaudited standalone financial information of the Company the quarter ended September 30, 2021 and year to date April 1, 2021 to September 30, 2021 prepared by our Company in the manner and format required by SEBI Listing Regulations
H1 2022 Unaudited Financial Results	H1 2022 Unaudited Consolidated Financial Results and H1 2022 Unaudited Standalone Financial Results.
Reformatted Ind AS Financial Information	Reformatted Ind AS Consolidated Financial Information and Reformatted Ind AS Standalone Financial Information
Reformatted Ind AS Consolidated Financial Information	The reformatted consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the reformatted consolidated statement of profit and loss for the year ended 2021, 2020 and 2019 and the reformatted consolidated statement of cash flows for the year ended 2021, 2020 and 2019 and the reformatted consolidated statement of changes in equity for the year ended 2021, 2020 and 2019. Our audited consolidated financial statements as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 form the basis for such Reformatted Consolidated Financial Information
Reformatted Ind AS Standalone Financial Information	The reformatted standalone statement of assets and liabilities of our Company as at March 31, 2021, March 31, 2020 and March 31, 2019 and the reformatted standalone statement of profit and loss for the year ended 2021, 2020 and 2019 and the reformatted standalone statement of cash flows for the year ended 2021, 2020 and 2019 and the reformatted standalone statement of changes in equity for the year ended 2021, 2020 and 2019. Our audited standalone financial statements as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 form the basis for such Reformatted Standalone Financial Information
Registered Office	The registered office of our Company is situated at Edelweiss House, Off C.S.T. Road,

Term	Description
	Kalina, Mumbai 400 098, Maharashtra, India
Risk Committee	Risk Committee of the Board of Directors
RoC/ Registrar of Companies	Registrar of Companies, Maharashtra at Mumbai
Shareholders	The holders of the Equity Shares from time to time
Stakeholders' Relationship Committee	Stakeholders' relationship committee as constituted by the Board of Directors
Total Borrowing(s)/ Total Debt	Debt securities plus borrowings (other than debt securities), subordinated liabilities and deposits

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and this Tranche I Prospectus
Acknowledgement Slip/ Transaction Registration Slip/ TRS	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Acuité/ Acuite	Acuité Ratings & Research Limited
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
"Allotment", "Allot" or Allotted	Unless the context otherwise requires, the allotment of NCDs to the successful Applicants pursuant to this Tranche I Issue
Allottee(s)	The successful Applicant to whom the NCDs are Allotted either in full or part, pursuant to this Tranche I Issue
"Applicant" or "Investor"	Any person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Draft Shelf Prospectus, Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus and the Application Form
"Application" or "ASBA Application"	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to this Tranche I Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of upto ₹ 200,000 which will be considered as the application for Allotment in terms of this Tranche I Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche I Issue
Application Form / ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs in terms of the Shelf Prospectus and this Tranche I Prospectus.
ASBA Account	An account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form by an Applicant and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value upto ₹ 200,000
ASBA Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018
Banker(s) to the Issue	Collectively Public Issue Account Bank, Refund Bank and Sponsor Bank
Base Issue Size	₹ 2,000 million
Basis of Allotment	The basis on which NCDs will be allotted to applicants under the Tranche I Issue and which is described in " <i>Issue Procedure – Basis of Allotment</i> " on page 91.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the websites of the Stock Exchange at

Term	Description
	www.bseindia.com.
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Brokers are available on the website of the Stock Exchange i.e. www.bseindia.com.
CARE	CARE Ratings Limited
CARE Research Report	Industry report titled “ <i>Research Report on BFSI Services Sector</i> ” dated October 22, 2021 prepared by CARE Advisory Research & Training Limited
Category I (Institutional Investors)	- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; - Provident funds and pension funds each with a minimum corpus of ₹250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; - Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; - Resident Venture Capital Funds registered with SEBI; - Insurance companies registered with the IRDAI; - State industrial development corporations; - Insurance funds set up and managed by the army, navy, or air force of the Union of India; - Insurance funds set up and managed by the Department of Posts, the Union of India; - Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements; - National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and - Mutual funds registered with SEBI.
Category II (Non Institutional Investors)	- Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; - Co-operative banks and regional rural banks; - Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; - Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; - Partnership firms in the name of the partners; and - Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). - Association of Persons; and - Any other incorporated and/ or unincorporated body of persons
Category III (High Net Worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in this Tranche I Issue
Category IV (Retail Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10,00,000 across all options of NCDs in this Tranche I Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹ 200,000 in any of the bidding options in this Tranche I Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in this Tranche I Issue, at the Designated CDP Locations in terms of the SEBI Operational Circular
Credit Rating Agencies	Acuité and CRISIL

Term	Description
Debentures / NCDs	Secured Redeemable Non-Convertible Debentures of face value of ₹ 1,000 each
Debenture Holder(s)/ NCD Holder(s)	The holders of the NCDs whose name appears in the database of the Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs and the interest due thereon issued pursuant to this Tranche I Issue. The contents of the Debenture Trust Deed shall be as prescribed by SEBI or any other applicable statutory/regulatory body from time to time.
Debenture Trustee/ Trustee	Trustees for the NCD holders in this case being Beacon Trusteeship Limited
Debenture Trustee Agreement	Agreement dated November 15, 2021 entered into between the Debenture Trustee and the Company wherein the appointment of the Debenture Trustee, is agreed as between our Company and the Debenture Trustee
Deemed Date of Allotment	The date on which the Board/or the Debenture Fund Raising Committee approves the Allotment of NCDs or such date as may be determined by the Board of Directors/or the Debenture Fund Raising Committee and notified to the Designated Stock Exchange. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account detail
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange at www.bseindia.com
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus and this Tranche I Prospectus following which the NCDs will be Allotted in this Tranche I Issue
Designated Intermediaries	Collectively, the Lead Manager, the Lead Brokers, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in this Tranche I Issue
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the ASBA Forms to CRTAs, a list of which, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange.
Designated Stock Exchange	The designated stock exchange for the Issue, being the BSE Limited
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
Draft Shelf Prospectus	The Draft Shelf Prospectus dated November 15, 2021 filed with the Designated Stock Exchange for receiving public comments and with, SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Interest / Coupon Payment Date	Please see section titled “ <i>Terms of the Issue</i> ” on page 50
Issue	Public issue by our Company of secured redeemable non-convertible debentures of face value of ₹1,000 each, aggregating up to ₹10,000 million (“ Shelf Limit ”).
Issue Agreement	The Issue Agreement dated November 15, 2021 entered between the Company and Equirus Capital Private Limited, the Lead Manager
Lead Broker Agreement	Agreement dated November 26, 2021 between our Company, the Lead Managers and the Lead Brokers.
Lead Brokers/ Syndicate Member(s)	Edelweiss Broking Limited, JM Financial Services Limited, Axis Capital Limited, Equirus Securities Private Limited, ICICI Securities Limited, SMC Global Securities Limited, IIFL Securities Limited, RR Equity Brokers Private Limited and Kotak Securities Limited.

Term	Description
Lead Manager	Equirus Capital Private Limited
Market Lot	1 (One) NCD
Members of the Syndicate	Members of the Syndicate includes Lead Manager and Syndicate Member(s)
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
Redemption Amount	Please see the section titled “ <i>Terms of the Issue</i> ” on page 50
“Maturity Date” or “Redemption Date”	Please see the section titled “ <i>Terms of the Issue</i> ” on page 50
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Offer Document	The Draft Shelf Prospectus, Shelf Prospectus, this Tranche I Prospectus and Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers, Public Issue Account and Sponsor Bank Agreement, Lead Broker Agreement and/or other intermediaries for the purpose of this Issue including but not limited to the Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement, the Agreement with the Lead Managers. For further details see the chapter titled “ <i>Material Contracts and Documents for Inspection</i> ” on page 111.
Public Issue Account	A bank account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts on the Designated Date as specified for in this Tranche I Prospectus.
Public Issue Account and Sponsor Bank Agreement	Agreement dated November 26, 2021 entered amongst our Company, the Registrar, the Public Issue Account Bank, the Refund Bank and the Sponsor Bank and the Lead Managers for appointment of the Sponsor Bank in accordance with the SEBI Operational Circular for collection of the Application Amounts from ASBA Accounts and where applicable, refunds of the amounts collected from the Applicants on the terms and conditions thereof.
Public Issue Account Bank	ICICI Bank Limited
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors or the Debenture Fund Raising Committee or such other Committee (as may be authorised by the Board in this regard from time to time) in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date
Recovery Expense Fund	An amount which would be deposited by our Company with the Designated Stock Exchange, equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs.
Refund Account	Account to be opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount
Refund Bank	ICICI Bank Limited
Register of NCD holders	The register of NCD holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar
Registrar Agreement	Agreement dated November 15, 2021 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants

Term	Description
Registrar to the Issue or Registrar	KFIN Technologies Private Limited
Resident Individual	An individual who is a person resident in India as defined in the FEMA
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue
Security	The principal amount of the NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by way of pari-passu/specified charge in favour of the Debenture Trustee on present and future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees, for ceding pari passu charge in favour of the Debenture Trustee in relation to the NCDs. 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 50.
“Self-Certified Syndicate Banks” or “SCSBs”	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Series/Option	Collectively the Series of NCDs being offered to the Applicants as stated in the section titled “ <i>Issue Related Information</i> ” beginning on page 43.
“Specified Cities” or “Specified Locations”	Bidding centres where the Members of the Syndicate shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	A Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value upto ₹ 200,000 and carry out any other responsibilities in terms of the UPI Mechanism Circular and as specified in this Tranche I Prospectus
Stock Exchange	BSE
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries
Syndicate ASBA Application Locations	ASBA Applications through the Lead Manager, Lead Brokers, the Trading Members of the Stock Exchange or the Designated Intermediaries
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
Tenor	Please see “ <i>Terms of the Issue</i> ” on page 50.
Trading Members	Intermediaries registered with a Lead Broker or a sub-broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchange under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchange from time to time and duly registered with the Stock Exchange for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchange.
Tranche I Prospectus	This Tranche I Prospectus containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of this

Term	Description
	Tranche I Issue
Tranche I Issue Closing Date	Monday, December 27, 2021
Tranche I Issue Opening Date	Monday, December 6, 2021
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, Issue Agreement, Registrar Agreement, Debenture Trustee Agreement, Debenture Trust Deed, Tripartite Agreements executed or to be executed by our Company, as the case may be. For further details please see the section titled, “ <i>Material Contracts and Documents for Inspection</i> ” on page 111.
Tripartite Agreements	Tripartite Agreement dated December 17, 2020 entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated December 8, 2020 entered into between our Company, the Registrar to the Issue and CDSL for offering demat option to the NCD Holders.
“UPI” or “UPI Mechanism”	Unified Payments Interface mechanism in accordance with SEBI Operational Circular to block funds for application value upto ₹ 200,000 submitted through intermediaries, namely the Registered Stock brokers, Lead Brokers, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
“UPI Mandate Request” or “Mandate Request”	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment.
Wilful Defaulter(s)	Wilful defaulter means an issuer who is categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.
Working Days	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai, as per the SEBI Operational Circular, however, with reference to payment of interest/redemption amount of NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai.

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/Full Form
“₹”, “Rupees”, “Indian Rupees” or “INR”	The lawful currency of the Republic of India
“US\$”, “USD”, and “U.S. Dollars”	The lawful currency of the United States of America
ACH	Automated Clearing House
AGM	Annual General Meeting
ALM	Asset Liability Management
ALM Guidelines	Guidelines for ALM system in relation to NBFCs
AMC	Asset Management Company
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ASBA	Application supported by blocked amounts

Term/Abbreviation	Description/Full Form
AUM	Assets Under Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
BSE	BSE Limited
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CARE Report	Research Report on BFSI Services Sector – October 22, 2021 prepared by CARE Advisory Research & Training Limited (“ CART ”)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act/ Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
CPC	Code of Civil Procedure, 1908
CRAR	Capital to risk-weighted assets ratio means (Tier I Capital + Tier II Capital)/ Total Risk Weighted Assets *100
CrPC	Code of Criminal Procedure, 1973
CY	Calendar Year
Depositories	CDSL and NSDL
Depositories Act	Depositories Act, 1996
Depository(ies)	NSDL and /or CDSL
DIN	Director Identification Number
“DP” or “Depository Participant”	Depository Participant as defined under the Depositories Act, 1996
DT Circular	Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 issued by SEBI on November 3, 2020, as amended from time to time
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EOW	Economic Offences Wing
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FEMA Regulations / FEMA20 (R)	FEMA (Non-debt Instruments) Rules, 2019, as amended from time to time
FII	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
“Financial Year”, “Fiscal” or “FY” or “for the year ended”	Period of 12 months ended March 31 of that particular year
GDP	Gross Domestic Product
“Government”	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HNI	High Net worth Individual
HFC	Housing Finance Company
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
“Income Tax Act” or “IT Act”	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 and notified by the Ind AS Rules
Ind AS Rules	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended from time to time
India	Republic of India
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology

Term/Abbreviation	Description/Full Form
ITR	Income Tax Returns
KYC	Know Your Customer
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NHB	National Housing Bank
NHB Act	National Housing Bank Act, 1987
NAV	Net Asset Value
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PCR	Provisioning Coverage Ratio
PMLA	Prevention of Money Laundering Act, 2002
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Master Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016
RERA	Real Estate Regulatory Authority
RERAD Act	Real Estate Regulation and Development Act, 2016
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SCRA	Securities Contracts Regulation Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and circulars issued thereunder
SEBI Operational Circular	SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021
Stage 1 Assets	Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk (SICR) since initial recognition or that have low credit risk at the reporting date as defined under Ind AS
Stage 1 Provision	Stage 1 provision are 12-month ECL resulting from default events that are possible within 12 months after the reporting date as defined under Ind AS
Stage 2 Assets	Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment as defined under Ind AS
Stage 2 Provision	Stage 2 provision are lifetime ECL resulting from all default events that are possible over

Term/Abbreviation	Description/Full Form
	the expected life of the financial instrument as defined under Ind AS
Stage 3 Assets	Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS
Stage 3 Provision	Stage 3 provision are lifetime ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
TDS	Tax Deducted at Source
Trademarks Act	Indian Trademarks Act, 1999

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
Hybrid Debt	A capital instrument, which possesses certain characteristics of equity as well as debt
LTV	Ratio of loan to the collateral value
MFI	Microfinance institutions
NPA	Non-Performing Assets
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-MFI	An NBFC-MFI is defined as a non-deposit taking NBFC which extends loans to Micro Finance Sector
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND-SI	Systemically important Non-Deposit taking NBFC
Owned Funds	Paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prudential Norms	Prudential norms as provided under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
MSME	Micro, Small and Medium Enterprises
Tier I Capital	Tier I capital means, owned fund as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier-I capital

Notwithstanding the foregoing, the terms defined as part of “Risk Factors” “Industry Overview”, “Regulations and Policies”, “Summary of Key Provisions of Articles of Association”, “Financial Information” and “Other Regulatory and Statutory Disclosures” on pages 16, 86, 164, 532, 179 and 470, respectively of the Shelf Prospectus shall have the meaning ascribed to them as part of the aforementioned sections. Notwithstanding the foregoing, the terms defined as part of “General Information” and “Statement of Possible Tax Benefits” on pages 52 and 73, respectively shall have the meaning ascribed to them as part of the aforementioned sections in this Tranche I Prospectus.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Tranche I Prospectus, unless otherwise specified or the context otherwise indicates or implies the terms, all references to “Edelweiss Financial Services Limited” and “our Company” are to Edelweiss Financial Services Limited on a standalone basis, while all references to “we”, “us”, “our” are to Edelweiss Financial Services Limited together with its Subsidiaries. Unless stated otherwise, all references to page numbers in this Tranche I Prospectus are to the page numbers of this Tranche I Prospectus.

All references in this Tranche I Prospectus to “India” are to the Republic of India and its territories and possessions. All references to the “Government” or “State Government” are to Government of India, Central or State, as applicable.

Presentation of Financial Information

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Tranche I Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

In accordance with the Road Map for Ind AS implementation, issued by MCA, our Company is required to prepare its financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018. For the purposes of disclosure in the Shelf Prospectus, we have prepared and presented our reformatted Ind AS financial information for the latest Fiscals (in this case, for Fiscal 2021, 2020 and 2019).

Accordingly, our Company’s audited standalone financial statements for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and our Company’s audited consolidated financial statement for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 have been prepared in accordance with IndAS. Our audited standalone financial statements for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and our Company’s audited consolidated financial statement for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 have been audited by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants.

The Reformatted Ind AS Financial Information is included in the Shelf Prospectus and is referred to hereinafter as the “Reformatted Ind AS Financial Information”. The examination reports on the Reformatted Ind AS Financial Information are included in the Shelf Prospectus in the section titled “*Financial Information*” on page 179 of the Shelf Prospectus.

The H1 2022 Unaudited Standalone Financial Results and H1 2022 Unaudited Consolidated Financial Results of our Company have been prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India and Regulation 33 of the SEBI Listing Regulations. The limited review reports on the H1 2022 Unaudited Standalone Financial Results and H1 2022 Unaudited Consolidated Financial Results have been issued by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants. For further details see “*Financial Information*” on page 179 of the Shelf Prospectus.

Unless stated otherwise or unless the context requires otherwise, the financial data on standalone and consolidated basis as at and for the year ended March 31, 2021, March 31, 2020 and March 31 2019 used in the Shelf Prospectus and this Tranche I Prospectus is derived from our Reformatted Ind AS Financial Information. Additionally, unless stated otherwise or unless the context requires otherwise, the financial data as at and for the quarter ended September 30, 2021 and year to date April 1, 2021 to September 30, 2021 used in the Shelf Prospectus and this Tranche I Prospectus, is derived from our Company’s H1 2022 Unaudited Consolidated Financial Results.

Unless stated otherwise and unless the context requires otherwise, the financial data used in this Tranche I Prospectus is on a consolidated basis.

Further, H1 2022 Unaudited Standalone Financial Results and H1 2022 Unaudited Consolidated Financial Results are not indicative of full year results and are not comparable with annual financial information. Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

Unless stated otherwise, macroeconomic and industry data used throughout the Shelf Prospectus has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in the Shelf Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in the Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

Currency and Unit of Presentation

In this Tranche I Prospectus, all references to 'Rupees'/'₹'/'INR'/'₹' are to Indian Rupees, the official currency of the Republic of India.

Except where stated otherwise in this Tranche I Prospectus, all figures have been expressed in 'in millions'. All references to 'million/million/mn.' Refer to one million, which is equivalent to 'ten lakhs' or 'ten lacs', the word 'lakhs/lacs/lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion/bn./billions' means 'one hundred crores'.

Certain figures contained in this Tranche I Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and Market Data

Any industry and market data used in this Tranche I Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources including CARE, available in the public domain and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable, but it has not been independently verified by us, its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe that the industry and market data used in this Tranche I Prospectus is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Tranche I Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

General Risk

Investment in NCDs involve a degree of risk and investors should not invest any funds in NCDs unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section "*Risk Factors*" on page 16 of the Shelf Prospectus. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCDs or Investor's decision to purchase such securities.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Tranche I Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Tranche I Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- We operate in an increasingly competitive financial services industry, which creates significant pricing pressures and may adversely affect our net interest margins, income and market share;
- Performance of the financial and capital markets in India and globally;
- We are involved in certain legal and other proceedings which, if determined against us, could have a material adverse impact on our financial condition;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations;
- Our inability to successfully diversify our portfolio;
- Any disruption in our sources of funding;
- Our inability to obtain or maintain statutory or regulatory approvals and licenses for conducting our business;
- Our reliance on Indian exchanges for a significant portion of our investment banking, wealth management and securities business;
- Performance of the Indian debt and equity markets;
- Occurrence of natural calamities, pandemics, or natural disasters affecting the areas in which our Company has operations; and
- Any increase in the levels of non-performing assets (“NPA”) on our loan portfolio, for any reason; whatsoever, would adversely affect our business and results of operations.

For further discussion of factors that could cause our actual results to differ, see “*Risk Factors*” on page 16 of the Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled “*Industry Overview*”, “*Our Business*” and “*Legal and Other Information*” on pages 86, 113 and 444 of the Shelf Prospectus. The forward-looking statements contained in this Tranche I Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, our Company’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are

expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors, its KMPs and officers, nor any of their respective affiliates or associates or the Lead Manager have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and Lead Manager will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II – INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated in Mumbai as ‘Edelweiss Capital Limited’ on November 21, 1995 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC. Thereafter, our Company was issued a certificate of commencement of business by the RoC, on January 16, 1996. Subsequently, the name of our Company was changed to ‘Edelweiss Financial Services Limited’ pursuant to a fresh certificate of incorporation issued by the RoC on August 1, 2011. The registered office of our Company is situated at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India and our CIN is L99999MH1995PLC094641.

For details of the business of our Company, see “*Our Business*” beginning on page 113 of the Shelf Prospectus.

Registration:

CIN: L99999MH1995PLC094641
LEI: 335800GA1YN8NAGS8V55

Permanent Account Number: AAACE1461E

Registered Office:

Edelweiss Financial Services Limited

Edelweiss House, Off C.S.T. Road,
Kalina, Mumbai 400 098,
Maharashtra, India

Tel: +91 22 4009 4400

Fax: +91 22 4086 3610

Website: www.edelweissfin.com

Email: efslncd@edelweissfin.com

For further details regarding changes to our Registered Office, see “*History and Main Objects*” beginning on page 137 of the Shelf Prospectus.

Registrar of Companies, Maharashtra at Mumbai

100, Everest House
Marine Lines, Mumbai 400 002
Maharashtra, India

Chief Financial Officer:

Sarju Simaria

Edelweiss House, Off C.S.T. Road,
Kalina, Mumbai 400 098,
Maharashtra, India

Tel: +91 22 4009 4400

Fax: +91 22 4086 3610

Email: efslncd@edelweissfin.com

Company Secretary and Compliance Officer:

Tarun Khurana

Company Secretary and Compliance Officer
Edelweiss House, Off C.S.T. Road
Kalina, Mumbai 400 098
Maharashtra, India

Tel: +91 22 4009 4400

Fax: +91 22 4086 3610

Email: efslncd@edelweissfin.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc. as the case may be.

All grievances relating to this Tranche I Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, Series of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Syndicate where the Application was submitted and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism or through Trading Members of the Stock Exchange may be addressed directly to the relevant Stock Exchange.

Lead Manager



Equirus Capital Private Limited

12th Floor, C Wing, Marathon Futurex

N.M. Joshi Marg, Lower Parel

Mumbai 400 013

Tel: +91 22 4332 0700

Fax: +91 22 4332 0750

Email: efsl.ncd@equirus.com

Investor Grievance Email: investorgrievance@equirus.com

Website: www.equirus.com

Contact person: Ankit Jain

Compliance Officer: Parth Pankhaniya

SEBI Registration Number: INM000011286

CIN: U65910MH2007PTC172599

Debenture Trustee



Beacon Trusteeship Limited

4 C&D, Siddhivinayak Chambers,

Gandhi Nagar, Opp. MIG Cricket Club

Bandra (East), Mumbai 400 051

Tel: +91 22 2655 8759

Email: compliance@beacontrustee.co.in

Investor Grievance Email: investorgrievances@beacontrustee.co.in

Website: www.beacontrustee.co.in

Contact Person: Kaustubh Kulkarni

SEBI Registration No: IND000000569

CIN: U74999MH2015PLC271288

Beacon Trusteeship Limited has, pursuant to regulation 8 of SEBI NCS Regulations, by its letter dated November 15, 2021 given its consent for its appointment as Debenture Trustee. A copy of letter from Beacon Trusteeship Limited conveying their consent to act as trustees for the Debenture holders is annexed as *Annexure C* to this Tranche I Prospectus.

All the rights and remedies of the Debenture Holders under this Tranche I Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Tranche I Issue without having it referred to the Debenture Holders. All investors under this Tranche I Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Tranche I Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders to that extent. For details on the terms of the Debenture Trust Deed, please see “*Issue Related Information*” on page 43.

For details on the terms of the Debenture Trust Deed see, “*Issue Related Information*” beginning on page 43.

Lead Brokers to the Tranche I Issue

Edelweiss Broking Limited

2nd Floor, Office No. 201-203,
Zodiac Plaza, Xavier College Road,
Off C G Road, Ahmedabad 380 009
Tel: +91 22 4009 4400
Email: amit.dalvi@Edelweissfin.in /
Prakash.boricha@Edelweissfin.in
Investor Grievance Email: helpdesk@edelweiss.in
Website: www.Edelweissfin.com
Contact Person: Amit Dalvi / Prakash Boricha

Axis Capital Limited

Axis Capital Limited, Axis House,
Wadia International Center, P.B. Marg,
Worli, Mumbai 400 025
Tel: +91 22 4325 3110
Fax: +91 22 4325 3000
Email: vinayak.ketkar@axiscap.in
Website: www.axiscap.co.in
Contact Person: Vinayak Ketkar

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai 400 020
Tel: +91 22 2277 7626
Email: rajat.rawal@icicisecurities.com
Investor Grievance Email:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rajat Rawal

IIFL Securities Limited

7th Floor, Ackruti Centre Point,
Central Road, MIDC, Andheri (E),
Mumbai 400 093
Tel: +91 22 3929 4000/ 4103 5000
Fax: +91 22 2580 6654
Email: cs@iifl.com
Investor Grievance Email:
customergrievances@indianinfoonline.com
Website: www.indianinfoonline.com
Contact Person: Prasad Umarale

JM Financial Services Limited

2, 3 & 4 Kamanwala Chambers, Ground Floor
Sir PM Road, Fort, Mumbai 400 001
Tel: +91 22 6136 3400
Email: Surajit.misra@jmfl.com/ deepak.vaidya@jmfl.com /
sona.verghese@jmfl.com / tn.kumar@jmfl.com
Investor Grievance Email: ig.distribution@jmfl.com
Website: www.jmfinancialservices.in
Contact Person: Surajit Mishra / Deepak Vaidya / T N Kumar /
Sona Verghese

Equirus Securities Private Limited

Marathon Futurex, 21st Floor, A Wing,
N.M. Joshi Marg, Lower Parel, Mumbai 400 013
Tel.: + 91 22 4332 0600
Fax: + 91 22 4332 0601
Email: mahek.gandhi@equirus.com
Investor Grievance Email: admin_equities@equirus.com
Website: www.equirus.com
Contact Person: Mahek Gandhi

SMC Global Securities Limited

17, Netaji Subhash Marg,
Daryaganj, Delhi 110 002
Tel: +91 11 66623300, +919910644949, +918595851823
Fax: +91 11 30126061
Email: skj@smcindiaonline.com, neerajkhanna@smcindiaonline.com
Investor Grievance Email: neerajkhanna@smcindiaonline.com
Website: www.smctradeonline.com
Contact Person: Sushil Joshi, Neeraj Khanna

RR Equity Brokers Private Limited

412-422,
Indraprakash Building 21,
Barakhamba Road,
New Delhi 110001
Tel: +91 11 2335 4802
Fax: +91 11 2332 0671
Email: ipo@rrfcl.com
Investor Grievance Email: Compliance@rrfcl.com
Website: www.rrfinance.com
Contact Person: Jeetesh Kumar

Kotak Securities Limited

4th Floor, 12BKC,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel: +91 22 6218 5470
Email: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta

Public Issue Account Bank, Sponsor Bank and Refund Bank:**ICICI Bank**

Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai 400 020
Tel: +91 22 6681 8911/23/24
Fax: +91 22 2261 1138
Email: sagar.welekar@icicibank.com
Website: www.icicibank.com
Contact Person: Sagar Welekar
SEBI Registration Number: INBI00000004
CIN: L65190GJ1994PLC021012

Registrar to the Issue**KFIN Technologies Private Limited**

Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
Email: efs12.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration Number: INR000000221
CIN: U72400TG2017PTC117649

KFIN Technologies Private Limited, has by its letter dated October 19, 2021, given its consent for its appointment as Registrar to the Issue and for its name to be included in this Tranche I Prospectus, and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche I Issue.

Statutory Auditors**S. R. Batliboi & Co. LLP**

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West), Mumbai 400 028
Maharashtra, India
Tel: + 91 22 6819 8000
Email: srbc@srb.in
Firm Registration Number: 301003E/E300005
Contact Person: Shrawan Jalan

S. R. Batliboi & Co. LLP. has been the statutory auditors of our Company since July 26, 2018.

Credit Rating Agency



Acuite Ratings & Research Limited

708, Lodha Supremus,
Lodha iThink Techno Campus,
Kanjurmarg (East), Mumbai 400 042

Tel: + 91 22 4929 4000

Email: chitra.mohan@acuite.in

Website: www.acuite.in

Contact Person: Chitra Mohan

SEBI Registration No: IN/CRA/006/2011



CRISIL Ratings Limited

CRISIL House,
Central Avenue, Hiranandani Business Park,
Powai, Mumbai 400076

Tel: + 91 22 3342 3000

Email: crisilratingdesk@crisil.com

Website: www.crisil.com

Contact Person: Krishna Sitaraman

SEBI Registration No: IN/CRA/008/15

Credit Rating and Rationale

The NCDs proposed to be issued under the 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 October 22, 2021 and revalidated *vide* letter dated November 16, 2021, and “ACUITE AA/ Negative (pronounced as ACUITE double A rating with Negative outlook)” for an amount of ₹ 15,000 million, by Acuite *vide* their letter dated October 20, 2021 and revalidated *vide* letter dated November 17, 2021. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to *Annexures A and B* of this Tranche I Prospectus for the rationale of the above ratings.

Disclaimer Statement of Acuite Ratings & Research Limited

An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite.

Disclaimer clause of CRISIL

A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com.

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Legal Counsel to the Issue



Khaitan & Co

One World Centre
13th & 10th Floor, Tower 1C,
Senapati Bapat Marg,
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

“Any person who —

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.50 crore or with both.

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to this Tranche I Issue.

Guarantor to the Issue

There are no guarantors to this Tranche I Issue.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date or such time as may be specified by SEBI provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Designated Intermediaries

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchange at

www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in this Tranche I Issue, including details such as postal address, telephone number and email address, are provided on the website of BSE for CRTAs and CDPs, as updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see, “Terms of the Issue” beginning on page 50.

Tranche I Issue Programme*

TRANCHE I ISSUE OPENS ON	Monday, December 6, 2021
TRANCHE I ISSUE CLOSES ON	Monday, December 27, 2021
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or the Debenture Fund Raising Committee approves the Allotment of the NCD General corporate purposes for this Tranche I Issue or such date as may be determined by the Board of Directors/ or the Debenture Fund Raising Committee to the 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.

**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 indicated above, except that this 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 this 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. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchange.*

*Applications Forms for this Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m.(Indian Standard Time) (“**Bidding Period**”) or such extended time as may be permitted by the Stock Exchange, during the Tranche I Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Tranche I 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 the Stock Exchange. It is clarified that the Applications not uploaded on the Stock Exchange(s) Platform would be rejected. 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 I Issue Closing Date*

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under this Tranche I Issue. Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under this Tranche I Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

OBJECTS OF THE ISSUE

Issue Proceeds

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 ₹ 3,000 million amounting to ₹ 5,000 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, which should be read together with the Shelf Prospectus filed with the ROC, Stock Exchanges and SEBI.

The following table details the objects of the Tranche I Issue and the amount proposed to be financed from Net Proceeds:

Sr. No.	Objects of the Tranche I Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of repayment /prepayment of interest and principal of existing borrowings of our Company #	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%

#Our Company shall not utilize the proceeds of the Tranche I Issue towards payment of prepayment penalty, if any.

**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in this Tranche I Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of the Company permits the Company to undertake its existing activities as well as the activities for which the funds are being raised through this Tranche I Issue.

The following table details the objects of this Tranche I Issue and the amount proposed to be financed from Net Proceeds:

Particulars	Estimated amount (₹ in million)
Gross proceeds of the Tranche I Issue	5,000.00
Less: Issue related expenses*	112.70
Net proceeds	4,887.30

**The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to this Tranche I Issue, the number of allottees, market conditions and other relevant factors.*

Purpose for which there is a requirement of funds

As stated in this section.

Funding Plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilization of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of this Tranche I Issue. Our Company will disclose in our Company’s financial statements for the relevant financial year commencing from Fiscal 2022, the utilisation of the proceeds of this Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of this Tranche I Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of this Tranche I Issue. Our Company shall utilize the proceeds of this Tranche I Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchange.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in this Tranche I Issue for general corporate purposes, including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors.

Tranche I Issue expenses

A portion of this Tranche I Issue proceeds will be used to meet Issue expenses. The following are the estimated Issue expenses:

Particulars	Amount (₹ in million)	As percentage of Tranche I Issue proceeds (in %)	As percentage of total expenses of the Tranche I Issue (in %)
Fee Payable to Intermediaries including Registrar to the Tranche I Issue and Debenture Trustees	1.20	0.02%	1.06%
Lead Managers Fee, Selling and Brokerage Commission, SCSB Processing Fee	105.50	2.11%	93.61%
Advertising and Marketing, Printing and Stationery Costs	5.00	0.10%	4.44%
Other Miscellaneous Expenses	1.00	0.02%	0.89%
Grand Total	112.70	2.25%	100.00%

The above expenses are indicative and are subject to change depending on the actual level of subscription to this Tranche I Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Manager/ Members of the Syndicate/ Sub- Members of the Syndicate /Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹ 10 per Application Form procured (inclusive of GST and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. Further, our Company shall pay the Sponsor Bank ₹8 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

Interim use of proceeds

Our Management will have the flexibility in deploying the proceeds received from this Tranche I Issue. Pending utilization of the proceeds out of this Tranche I Issue for the purposes described above. Our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time.

Other Confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of this Tranche I Issue for providing loans to or acquisition of shares of any person or company who is a part of the same group as our Company or who is under the same management as our Company.

Proceeds from this Tranche I Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property. No part of the proceeds from this Tranche I Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, or companies promoted by our Promoter except in ordinary course of business.

No part of the proceeds from this Tranche I Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

All monies received out of this Tranche I Issue shall be credited/ transferred to a separate bank account maintained with a Scheduled Bank as referred to in section 40(3) of the Companies Act 2013.

Details of all monies utilised out of this Tranche I Issue referred above shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised along with details, if any, in relation to all such proceeds of this Tranche I Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of this Tranche I Issue.

Details of all unutilised monies out of this Tranche I Issue, if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.

Our Company confirms that it will not use the proceeds from this Tranche I Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

We shall utilize this Tranche I Issue proceeds only upon execution of Debenture Trust Deed, receipt of the listing and trading approval from the Stock Exchange(s) as stated in this Tranche I Prospectus in the section titled “*Issue Related Information*” beginning on page 43.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

Variation in terms of contract or objects in this Tranche I Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Tranche I Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013.

Benefit / interest accruing to Promoters/Directors out of the object of the Issue

Neither our Promoter nor the Directors of our Company are interested in the Objects of this Tranche I Issue.

MATERIAL DEVELOPMENTS

Except as stated in this Tranche I Prospectus to be read with the Shelf Prospectus, no material developments have taken place in our Company since September 30, 2021, till the date of filing this Tranche I Prospectus, which may have implications on the financials / credit quality at the time of this Tranche I Issue, which may affect this Tranche I Issue or the investor's decision to invest or continue to invest in the debt securities.

- The following are the changes in the Equity Share capital of our Company:

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Capital (₹)
October 12, 2021	Allotment pursuant to ESOP scheme	40,000	1	57.10	Cash	937,642,552	937,642,552	31,460,175,161.00
		18,750		59.05		937,661,302	937,661,302	31,461,263,598.50
		6,000		61.00		937,667,302	937,667,302	31,461,623,598.50
November 25, 2021	Allotment pursuant to ESOP scheme	362,500	1	30.00	Cash	938,029,802	938,029,802	31,472,136,098.50
		484,500		30.45		938,514,302	938,514,302	31,486,404,623.50
		660,975		34.60		939,175,277	939,175,277	31,508,613,383.50
		43,750		48.10		939,219,027	939,219,027	31,510,674,008.50
		1,138,763		57.10		940,357,790	940,357,790	31,574,558,612.80
		730,850		59.05		941,088,640	941,088,640	31,616,984,455.30
		56,250		61.00		941,144,890	941,144,890	31,620,359,455.30
		1,875		189.85		941,146,765	941,146,765	31,620,713,549.05
		2,500		314.40		941,149,265	941,149,265	31,621,497,049.05

- The Company has issued Secured redeemable non-convertible debenture of face value of ₹ 1,000,000 each, aggregating to ₹ 6,500,000,000 on private placement basis on October 4, 2021.
- The Company has divested 61% stake in EGIBL. Pursuant to this divestment, EGIBL is no longer a subsidiary of the Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Shelf Prospectus read with this Tranche I Prospectus contains all information with regard to the Issuer and the issue which is material in the context of the Issue, that the information contained in this Tranche I Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

Authority for the Issue

At the meeting of the Board of Directors of our Company held on October 28, 2021, the Board of Directors approved the issuance of NCDs to the public. Pursuant to such resolution, the present issue through the Shelf Prospectus of NCDs of face value of ₹1,000 each aggregating up to the ₹10,000 million ("**Shelf Limit**"), hereinafter called the "**Issue**" was approved by the Debenture Fund Raising Committee of our Board of Directors in its meeting dated November 15, 2021.

Further, the present borrowing is within the borrowing limits of ₹100,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company by way of postal ballot on September 10, 2014.

The Debenture Fund Raising Committee of our Debenture Fund Raising Committee in its meeting dated November 29, 2021 has approved the Shelf Prospectus and this Tranche I Prospectus.

Prohibition by SEBI / Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or the Promoters and/or our Promoter Group and/or the Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our Company has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

None of our Directors and/or our Promoter have been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Tranche I Prospectus.

The Company, as on date of this Tranche I Prospectus, has not defaulted in:

- a. the repayment of deposits or interest payable thereon; or
- b. redemption of preference shares; or
- c. redemption of debt securities and interest payable thereon; or
- d. payment of dividend to any shareholder; or
- e. repayment of any term loan or interest payable thereon,

in the last three financial years and the current financial year.

No regulatory action is pending against the issuer or its promoters or directors before the Board or the Reserve Bank of India

Willful Defaulter

Our Company, and/or our Directors and/or our Promoters have not been categorised as a wilful defaulter by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months. None of our Whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER(S), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, EQUIRUS CAPITAL PRIVATE LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 29, 2021 WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY THE BOARD. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDs OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE OFFER DOCUMENT CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 1956, COMPANIES ACT, 2013, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

WE CONFIRM THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED NOVEMBER 15, 2021 FILED WITH THE STOCK EXCHANGE. BSE LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.

DISCLAIMER CLAUSE OF BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL DATED NOVEMBER 23, 2021 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR**

B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

DISCLAIMER STATEMENT OF ACUITÉ RATINGS & RESEARCH LIMITED

AN ACUITÉ RATING DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY AND SHOULD NOT BE TREATED AS A RECOMMENDATION OR OPINION THAT IS INTENDED TO SUBSTITUTE FOR A FINANCIAL ADVISER'S OR INVESTOR'S INDEPENDENT ASSESSMENT OF WHETHER TO BUY, SELL OR HOLD ANY SECURITY. ACUITÉ RATINGS ARE BASED ON THE DATA AND INFORMATION PROVIDED BY THE ISSUER AND OBTAINED FROM OTHER RELIABLE SOURCES. ALTHOUGH REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE DATA AND INFORMATION IS TRUE, ACUITÉ, IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED WITH RESPECT TO THE ADEQUACY, ACCURACY OR COMPLETENESS OF THE INFORMATION RELIED UPON. ACUITÉ IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS AND ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OF ANY KIND ARISING FROM THE USE OF ITS RATINGS. ACUITÉ RATINGS ARE SUBJECT TO A PROCESS OF SURVEILLANCE WHICH MAY LEAD TO A REVISION IN RATINGS AS AND WHEN THE CIRCUMSTANCES SO WARRANT. PLEASE VISIT OUR WEBSITE (WWW.ACUIE.IN) FOR THE LATEST INFORMATION ON ANY INSTRUMENT RATED BY ACUITÉ

DISCLAIMER STATEMENT OF CRISIL

A RATING BY CRISIL RATINGS REFLECTS CRISIL RATINGS' CURRENT OPINION ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER THE RATED INSTRUMENT, AND DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY BY CRISIL RATINGS. OUR RATINGS ARE BASED ON INFORMATION PROVIDED BY THE ISSUER OR OBTAINED BY CRISIL RATING S F ROM SOURCES IT CONSIDERS RELIABLE. CRISIL RATINGS DOES NOT GUARANTEE THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH THE RATING IS BASED. A RATING BY CRISIL RATINGS IS NOT A RECOMMENDATION TO BUY / SELL OR HOLD THE RATED INSTRUMENT; IT DOES NOT COMMENT ON THE MARKET PRICE OR SUITABILITY FOR A PARTICULAR INVESTOR. CRISIL RATINGS HAS A PRACTICE OF KEEPING ALL ITS RATINGS UNDER SURVEILLANCE AND RATINGS ARE REVISED AS AND WHEN CIRCUMSTANCES SO WARRANT. CRISIL RATINGS IS NOT RESPONSIBLE FOR ANY ERRORS AND ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER TO THE SUBSCRIBERS / USERS / TRANSMITTERS / DISTRIBUTORS OF ITS RATINGS. CRISIL RATINGS' CRITERIA ARE AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE WEB SITE, WWW.CRISILRATINGS.COM. CRISIL RATINGS OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY.

DISCLAIMER CLAUSE OF CARE ADVISORY RESEARCH & TRAINING LIMITED

THE INDUSTRY REPORT IS PREPARED BY CARE ADVISORY RESEARCH AND TRAINING LIMITED ("CART"). CART HAS TAKEN UTMOST CARE TO ENSURE ACCURACY AND OBJECTIVITY WHILE DEVELOPING THE REPORT BASED ON INFORMATION AVAILABLE IN PUBLIC DOMAIN. HOWEVER, NEITHER THE ACCURACY NOR COMPLETENESS OF INFORMATION CONTAINED IN THE REPORT IS GUARANTEED. CART OPERATES INDEPENDENTLY OF RATINGS DIVISION AND THE REPORT DOES NOT CONTAIN ANY CONFIDENTIAL INFORMATION OBTAINED BY RATINGS DIVISION, WHICH THEY MAY HAVE OBTAINED IN THE REGULAR COURSE OF OPERATIONS. THE

OPINION EXPRESSED IN THIS REPORT CANNOT BE COMPARED TO THE RATING ASSIGNED TO THE COMPANY WITHIN THIS INDUSTRY BY THE RATINGS DIVISION. THE OPINION EXPRESSED IS ALSO NOT A RECOMMENDATION TO BUY, SELL OR HOLD AN INSTRUMENT. CART IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN ANALYSIS/INFERENCES/VIEWS OR FOR RESULTS OBTAINED FROM THE USE OF INFORMATION CONTAINED IN THIS REPORT AND ESPECIALLY STATES THAT CARE (INCLUDING ALL DIVISIONS) HAS NO FINANCIAL LIABILITY WHATSOEVER TO THE USER OF THIS PRODUCT. THE REPORT IS FOR THE INFORMATION OF THE INTENDED RECIPIENTS ONLY AND NO PART OF THE REPORT MAY BE PUBLISHED OR REPRODUCED IN ANY FORM OR MANNER WITHOUT PRIOR WRITTEN PERMISSION OF CART.

DISCLAIMER STATEMENT FROM THE LEAD MANAGER

THE LEAD MANAGER ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS TRANCHE I PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER IN RESPECT OF JURISDICTION

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THE DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THE DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS TRANCHE I PROSPECTUS ISSUED BY OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT HIS / HER / THEIR OWN RISK.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 16 OF THE SHELF PROSPECTUS.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS TRANCHE I PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS TRANCHE I PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS TRANCHE I PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS TRANCHE I PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE

DISCLOSED ON THE STOCK EXCHANGES WEBSITES.

OUR COMPANY DECLARES THAT NOTHING IN THIS TRANCHE I PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites

Name of Lead Manager	Website
Equirus Capital Private Limited	www.equirus.com

Listing

An application will be made to the Stock Exchange for permission to deal in and for an official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Shelf Prospectus and this Tranche I Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange mentioned above are taken within 6 Working Days from the date of closure of this Tranche I Issue.

For the avoidance of doubt, it is hereby clarified that in the event of zero subscription to any one or more of the series, such NCDs with series shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Tranche I Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) the Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Manager, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue; (g) Bankers to Company; (h) CRISIL Ratings Limited; (i) Acuité Ratings & Research Limited; (j) the Debenture Trustee; (k) Lead Brokers to the Issue/ Syndicate Members; (l) Public Issue Account Bank, Refund Bank and Sponsor Bank; (m) CARE Advisory Research & Training Limited in relation to the CARE Report have been obtained from them and the same will be filed along with a copy of the Shelf Prospectus and this Tranche I Prospectus with the ROC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Tranche I Prospectus with the RoC.

Our Company has received the written consent dated November 29, 2021 from S. R. Batliboi & Co. LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Tranche I Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of the reports on statement of possible tax benefits dated November 15, 2021, included in this Tranche I Prospectus, and such consent has not been withdrawn as on the date of this Tranche I Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with the Shelf Prospectus and this Tranche I Prospectus:

Our Company has received the written consent dated November 29, 2021 from S. R. Batliboi & Co. LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Tranche I Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of the reports on statement of possible tax benefits dated November 15, 2021, included in this Tranche I Prospectus, and such consent has not been withdrawn as on the date of this Tranche I Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date or such time as may be specified by SEBI provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus was filed with the Stock Exchange in terms of SEBI NCS Regulations for dissemination on their website. The Draft Shelf Prospectus has also been displayed on the website of the Company and the Lead Manager.

Filing of the Shelf Prospectus and this Tranche I Prospectus with the RoC

Our Company is eligible to file the Shelf Prospectus as per requirements of Regulation 41(1)(c) of SEBI NCS Regulations. A copy of the Shelf Prospectus and copy of this Tranche I Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with the SEBI NCS Regulations, a listed company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Tranche I Issue. Our Company shall, as per the Companies (Share Capital & Debentures)

Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company shall create 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 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 Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued under this Tranche I Issue.

Reservation

No portion of the Issue has been reserved.

Underwriting

The Issue is not underwritten.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

The Debenture Trustee has agreed for one time acceptance fees of Rs. 500,000 (Five Lakhs) and annuity fee of Rs. 7,50,000 (Seven Lakhs and Fifty Thousand) as disclosed in their offer letter bearing reference number 17450/CL/MUM/21-22/DEB/124 dated November 8, 2021.

Terms of carrying out due diligence:

As per the SEBI Circular “SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 titled “*Creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s)*”, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

- (a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document /disclosure document / information memorandum / private placement memorandum, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents

/advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

- (b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed.
- (c) Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.
- (d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.

The Debenture Trustee shall have the power to either independently appoint, or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per DT regulations and circulars issued by SEBI from time to time. This would broadly include the following:

- A Chartered Accountant (“CA”) appointed by Debenture Trustee will conduct independent due diligence as per scope provided, regarding security offered by the Issuer.
- CA will ascertain, verify, and ensure that the assets offered as security by the Issuer is free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.
- CA will conduct independent due diligence on the basis of data / information provided by the Issuer.
- CA will, periodically undertake due diligence as envisaged in SEBI circulars depending on the nature of security.
- On basis of the CA's report / finding Due Diligence certificate will be issued by Debenture Trustee and will be filed with relevant Stock Exchanges.
- Due Diligence conducted is premised on data / information made available to the Debenture Trustee appointed agency and there is no onus of responsibility on Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

While the Debt Security is secured as per terms of the Offer Document and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) “Creation of Security in issuance of listed debt securities and ‘due diligence’ by debenture trustee(s)” dated November 3, 2020; and (ii) “Monitoring and Disclosures by Debenture Trustee(s)” dated November 12, 2020.

The Debenture Trustee undertakes that the NCDs 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.

BEACON TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 29, 2021, AS PER THE FORMAT SPECIFIED IN ANNEXURE A TO THE DT CIRCULAR WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:**
 - A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.**
 - B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
 - C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
 - D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.**
 - E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM.**
 - F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.**

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company has submitted the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure A of the DT Circular.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed NCD Issue.

Issue Related Expenses

The expenses of the Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Lead Brokers, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company.

For estimated breakdown of the total expenses for the Tranche I Issue please see, "*Objects to the Issue*" on page 24.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

- (i) all monies received out of this Tranche I Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act;
- (ii) details of all monies utilised out of this Tranche I Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- (iii) details of all unutilised monies out of this Tranche I Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- (iv) we shall utilize the Tranche I Issue proceeds only upon creation of security as stated in this Tranche I Prospectus in the section titled “*Terms of the Issue*” on page 50 and after (a) permissions or consents for creation of *pari passu* charge have been obtained from the creditors who have *pari passu* charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to each Tranche Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from BSE;
- (v) the Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any property;
- (vi) the Tranche I Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Tranche I Issue proceeds shall be utilised only for the purpose and objects stated in the Shelf Prospectus and Tranche I Issue; and
- (vii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Tranche I Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Public / Rights Issues of Equity Shares in the last three years from the date of this Tranche I Prospectus

Public Issue:

Our Company has undertaken the following debenture public issue prior to the from the date of this Tranche I Prospectus:

Date of Opening	April 1, 2021
Date of Closing	April 23, 2021
Total Issue Size	₹4,000 million
Amount raised in the issue	₹ 2187. 03 million
Date of Allotment	29 April 2021
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of onward lending and for repayment of interest and principal of existing borrowings of our Company and general corporate purposes.

Date of Opening	December 23, 2020
Date of Closing	January 4, 2021
Total Issue Size	₹ 2,000 million
Amount raised in the issue	₹ 2,000 million
Date of Allotment	January 8, 2021
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of onward lending and for repayment of interest and principal of existing borrowings of our Company and general corporate purposes.

Date of Opening	August 17, 2021
Date of Closing	September 6, 2021
Total Issue Size	₹ 4,000 million
Amount raised in the issue	₹ 3,678.24 million
Date of Allotment	September 9, 2021
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of onward lending and for repayment of interest and principal of existing borrowings of our Company and general corporate purposes.

Rights

Our Company has not undertaken any rights issue of equity shares in the last three years.

Public Issue by our Subsidiaries in the last three years from the date of this Tranche I Prospectus:

Our Subsidiary, Edelweiss Finance & Investments Limited, has undertaken one public issuance of debentures in the last three years, the particulars of such issuances are set out below:

Date of Opening	January 23, 2020
Date of Closing	January 31, 2020
Total Issue Size	₹ 2,500 million
Amount raised in the Issue	₹ 2,219.13 million
Date of Allotment	February 5, 2020
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of onward lending and for repayment of interest and principal of existing borrowings of Edelweiss Finance & Investments Limited and general corporate purposes.

Our Subsidiary, ECL Finance Limited, has undertaken public issuances of debentures in the last three years, the particulars of such issuances are set out below:

Date of Opening	May 10, 2019
Date of Closing	May 17, 2019
Total Issue Size	₹ 3,000 million
Amount raised in the Issue	₹ 2,749 million
Date of Allotment	May 23, 2019
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of repayment of interest and principal of existing loans and general corporate purposes.

Date of Opening	November 4, 2019
Date of Closing	November 22, 2019
Total Issue Size	₹ 5,000 million
Amount raised in the Issue	₹ 4,606.80 million
Date of Allotment	November 28, 2019
Net Utilisation of Proceeds	The funds raised through the above issue has been utilized for the purpose of repayment of interest and principal of existing loans and general corporate purposes.

Delay in listing

There has been no delay in the listing of any non-convertible securities issued by our Company.

Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad.

There has been no refusal of listing of any security of our Company during the last three years prior to the date of this Tranche I Prospectus by any Stock Exchange in India.

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on September 30, 2021, our Company has outstanding unlisted, unrated, secured, non-convertible redeemable debentures. For further details see chapter titled “Financial Indebtedness” on page 438 of the Shelf Prospectus.

Our Company has not issued any preference shares as of September 30, 2021.

Further, save and except as mentioned in this Tranche I Prospectus, our Company has not issued any other debentures.

Details of the use of proceeds for on-lending from previous public issue of debt securities

Details regarding lending out of issue proceeds of Previous Issues:

- (i) Loan given by our Company: Except Public Issue 1, Public Issue 2 and Public Issue 3, our Company has not undertaken any prior public issuance of debentures. Further, our Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoter or others out of proceeds from previous public issuance of debentures.
- (ii) Utilisation of Issue Proceeds of the previous Issues by our Company and group companies: Except the Public Issue 1, Public Issue 2 and Public Issue 3, our Company has not undertaken any prior public issuance of debentures. Further, our Company has not provided any loans/advances to its group companies from the proceeds of previous public issue of debentures.

Dividend

Our Company has in place dividend distribution policy prepared in accordance with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 approved by the Board of Directors of our Company. The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

Dividend declared to the Equity Shareholders of our Company over the last three years and six months period ended September 30, 2021 on a standalone basis:

Particulars		Six months period ended September 30, 2021	For the year ended March 31,		
			2021	2020	2019
Equity Share Capital (₹ in Million)		937,60	935.80	934.41	932.67
Face Value Per Equity Share (₹)	(a)	1.00	1.00	1.00	1.00
Interim Dividend on Equity Shares (₹ per Equity Share)	(b)	-	0.90	-	1.10
Interim dividend on Equity Shares (₹ in Million)		-	842.22	-	975.88
Interim Dividend Declared Rate (in %)	(c=b/a)	-	90%	-	110%
Final Dividend on Equity Shares (₹ per Equity Share)	(d)	0.55	-	-	0.30
Final dividend on Equity Shares (₹ in million)		515.27	-	-	266.51
Final Dividend Declared Rate (In %)	(e=d/a)	55%	-	-	30%

Dividend declared to the Equity Shareholders of our Company over the last three years, and six months ended September 30, 2021 on a consolidated basis:

Particulars		Six months period ended September 30, 2021	For the year ended March 31,		
			2021	2020	2019
Equity Shares					
Equity Share Capital (₹ in Million)		937,60	935.80	934.41	932.67
Face Value Per Equity Share (₹)	(a)	1.00	1.00	1.00	1.00
Interim Dividend on Equity Shares (₹ per Equity Share)	(b)	-	0.90	-	1.10
Interim dividend on Equity Shares (₹ in Million)		-	842.22	-	975.88
Interim Dividend Declared Rate (In %)	(c=b/a)	-	90%	-	110%
Final Dividend on Equity Shares (₹ per Equity Share)	(d)	0.55	-	-	0.30
Final dividend on Equity Shares (₹ in million)		515.27	-	-	266.51
Final Dividend Declared Rate (In %)	(e=d/a)	55%	-	-	30%
Preference Shares					
Dividend on Preference Shares (₹ in Million)		-	-	-	-

Revaluation of assets

Our Company has not revalued its assets in the last three years.

Mechanism for redressal of investor grievances

The Registrar Agreement dated November 15, 2021 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchanges or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

KFIN TECHNOLOGIES PRIVATE LIMITED

Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032

Tel: +91 40 6716 2222

Fax: +91 40 2343 1551

Email: efsl2.ncdipo@kfintech.com

Website: www.kfintech.com

Contact Person: M Murali Krishna

SEBI Registration Number: INR000000221

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of the Issue are set out below:

Tarun Khurana

Company Secretary and Compliance Officer
Edelweiss House, Off C.S.T. Road
Kalina, Mumbai 400 098, Maharashtra, India

Tel: +91 22 4009 4400

Fax: +91 22 4086 3759

Email: efslncd@edelweissfin.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, etc.

Details of Auditor to the Issuer:

Name of the Auditor	Address	Auditor since
S. R. Batliboi & Co. LLP, Chartered Accountants	12 th Floor, The Ruby, 29 Senapati Bapat Marg Dadar (West), Mumbai 400 028 Maharashtra, India	July 26, 2018

Change in auditors of our Company during the last three years

There has been no change in the auditors of our Company during the last three years from the date of the Tranche I Prospectus.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement in compliance with Regulation 30(1) of the SEBI NCS Regulations on or before the Tranche I Issue Opening Date of this Issue. The Advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act. Material updates, if any, between the date of filing of Shelf Prospectus and the Tranche I Prospectus with the ROC and the date of the release of the statutory advertisement will be included in the statutory advertisement.

Auditors' Remarks

Other than as disclosed in the chapter titled “*Risk Factors*”, on page 16 of the Shelf Prospectus, there are no reservations or qualifications or adverse remarks in the financial statements of our company in the last three Fiscals immediately preceding this Tranche I Prospectus.

Trading

The Equity shares of our Company are listed on NSE and BSE.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447.”*

Disclaimer in respect of Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Statement of capitalization (Debt to Equity Ratio) of our Company as on September 30, 2021 on a consolidated basis:

(₹ in million)

Particulars	Pre issue as at September 30, 2021	Post issue*
Borrowing/ Debt		
Debt securities	165,004.30	175,004.30
Borrowings (other than debt securities)	76,811.00	76,811.00
Deposits	15.20	15.20
Subordinated Liabilities	15,391.90	15,391.90
Total Borrowing/ Total Debt (A)	257,222.40	267,222.40
Equity		
Equity Share Capital	892.70	892.70
Other Equity	65,299.10	65,299.10
Non-Controlling Interest	11,802.30	11,802.30
Total Equity (B)	77,994.10	77,994.10
Debt/Equity (A/B)	3.30	3.43

*The debt - equity ratio post Issue is indicative on account of the assumed inflow of ₹5,000 million from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

Statement of capitalization (Debt to Equity Ratio) of our Company as on September 30, 2021 on a standalone basis:

(₹ in million)

Particulars	Pre issue as at September 30, 2021	Post issue*
Borrowing/ Debt		
Debt Securities	13,533.75	23,533.75
Borrowings (Other than Debt Securities)	0	0
Total Borrowing/ Total Debt (A)	13,533.75	23,533.75
Equity		
Equity Share Capital	892.71	892.71
Other Equity	42,520.67	42,520.67
Total Equity (B)	43,413.38	43,413.38
Debt / Equity (A/ B)	0.31	0.54

*The debt - equity ratio post Issue is indicative on account of the assumed inflow of ₹5,000 million from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

SECTION III – 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 Private Limited
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 ₹ 3,000 million amounting to up to ₹ 5,000 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 November 29, 2021 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 ”).
Minimum Subscription	₹ 1,500 million
Base Issue Size	₹ 2,000 million
Option to Retain Oversubscription Amount	₹ 3,000 million
Eligible Investors	Please refer to the section titled “ <i>Issue Procedure – Who can apply?</i> ” on page 67.
Objects of the Issue	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 24.
Details of Utilization of the Proceeds	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 24.
Interest Rate on each category of investor	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 57
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 57.
Interest payment date	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 57.
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 57
Redemption Date	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 47.
Redemption Amount	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 47.
Redemption Premium/Discount	See “ <i>Issue Structure - Specific terms for NCDs</i> ” beginning on page 47.
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 the 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 <i>vide</i> their rating letter dated October 22, 2021 and revalidated <i>vide</i> letter dated November 16, 2021, and “ACUITE AA/ Negative (pronounced as ACUITE double A rating with Negative outlook)” for an amount of ₹ 15,000 million, by Acuité <i>vide</i> their letter dated October 20, 2021 and revalidated <i>vide</i> letter dated November 17, 2021.
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 48.
Issuance mode of the Instrument*	In dematerialised form only
Trading mode of the instrument*	In dematerialised form only
Tranche I Issue Opening Date	Monday, December 6, 2021
Tranche I Issue Closing Date	Monday, December 27, 2021
Issue Timing	This 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 indicated above, except that this 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, thereof, subject to relevant approvals. In the event of an early closure or extension of this 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 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 I Issue closure. Applications Forms for this Tranche I 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 I Issue Period. On the Tranche I 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 I Issue Closing Date.
Record date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors and/or Debenture Fund Raising Committee as constituted by the Board of Directors, from time to time in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.

	In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company will be deemed as the 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 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 the Shelf Prospectus and this Tranche I Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by way of <i>pari-passu</i> / specified charge in favour of the Debenture Trustee on an identified immovable property and/or future receivables of our Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of atleast 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees for ceding <i>pari passu</i> charge in favour of the Debenture Trustee in relation to the NCDs. 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 50.
Issue/ Transaction documents	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust 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 I 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 Lead Broker Agreement. For further details, please refer to “ <i>Material Contracts and Documents for Inspection</i> ” on page 111.
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 51.
Creation of recovery expense fund	Our Company undertakes to deposit in the manner as maybe specified by SEBI from time to time the amount in the recovery expense fund and inform the Debenture Trustee regarding the creation of deposit in such fund and inform the Debenture Trustee regarding the deposit 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 Debenture Trust 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 the Debenture Trust Deed and this Tranche I 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 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. 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 51.
Risk factors pertaining to the Issue	Please see section titled “ <i>Risk Factors</i> ” on page 16 of the Shelf Prospectus.
Provisions related to Cross Default Clause	NA
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of this Tranche I 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.*

**For the list of documents executed/ to be executed, please see “Material Contracts and Documents For Inspection” on page 111.*

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.

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

Specific terms for NCDs

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of the Shelf Prospectus and this Tranche I Prospectus.

Participation by any of the above-mentioned Investor classes in this Tranche I Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in

Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on Section 3(c)(7) thereof. This Tranche I Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

The terms of each series of NCDs are set out below:

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	8.75%	NA	8.75%	9.10%	NA	9.15%	9.55%	NA	9.30%	9.70%
Effective Yield (per annum) for NCD Holders in Category I, II, III & IV	8.75%	8.75%	9.10%	9.09%	9.10%	9.54%	9.54%	9.55%	9.70%	9.69%
Mode of Interest Payment	Through various mode available									
Redemption Amount (₹ / NCD) for NCD Holders in Category I, II, III & IV	₹1,000	₹1,182.65	₹1,000	₹1,000	₹1,299	₹1,000	₹1,000	₹1,578.25	₹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 calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.
3. Subject to applicable tax deducted at source, if any.
4. Please refer to Schedule 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 Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 ₹ 1,187.00 per NCD, ₹ 1,305.75 per NCD and/or ₹ 1,592.75 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 Issue, who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 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 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.

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors) , as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in “*Terms of the Issue – Manner of Payment of Interest/ Refund*” on page 61.

Participation by any of the above-mentioned Investor classes in this Tranche I Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Tranche I Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner

whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Operational Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Tranche I Issue.

For further details, see the section titled “*Issue Procedure*” on page 66.

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on October 28, 2021, the Board of Directors approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount up to ₹ 10,000 million. Further, the present borrowing is within the borrowing limits of ₹ 100,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company by way of postal ballot on September 10, 2014.

Principal Terms & Conditions of the Issue

The NCDs being offered as part of this Tranche I Issue are subject to the provisions of the SEBI NCS Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/ the Government of India/ BSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute secured obligations of ours and shall rank *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by way of pari-passu/specified charge in favour of the Debenture Trustee on an identified immovable property and/or future receivables of our Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees for ceding *pari passu* charge in favour of the Debenture Trustee in relation to the NCDs. The NCDs proposed to be issued under this Tranche I and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption.

Our Company is required to obtain permissions or consents from the prior creditors for proceeding with this Issue. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company undertakes, *inter alia*, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the permissions or consent to create second or *pari passu* charge on the assets of the Issuer have been obtained from the earlier creditors.

Our Company has applied to the prior creditors for such permissions or consents and has received such permissions or consents from all prior creditors.

Security

The principal amount of the NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by way of pari-passu/specified charge in favour of the Debenture Trustee on present and future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees, for ceding *pari passu* charge in favour of the Debenture Trustee in relation to the NCDs.

Our Company intends to enter into an indenture/deed with the Debenture Trustee, (“**Debenture Trust Deed**”) terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution and registration of the Debenture Trust Deed within the stipulated timeframe and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the respective Tranche Prospectus(es) and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, a listed company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Tranche I Issue. Our Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882;

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each NCD shall be ₹1,000.

Trustees for the NCD Holders

Our Company has appointed Beacon Trusteeship Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD 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 authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

We and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD 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 NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its

satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of Events of Default:

- (i) default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;
- (ii) default is committed in payment of the principal amount of the NCDs on the due date(s);
- (iii) default is committed in payment of any interest on the NCDs on the due date(s);
- (iv) Default is committed in the performance of any other covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee and such default shall have continued for a period of thirty (30) days after notice in writing thereof been given to the Company by the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee for remedying such default;
- (v) Default is committed if any information given to the Company in the Shelf Prospectus, the respective Tranche Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;
- (vi) Default is committed if the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court;
- (vii) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or suffered any action to be taken for its reorganisation, liquidation or dissolution;
- (viii) Default is committed if any extraordinary circumstances have occurred which makes it impossible for the Company to fulfil its obligations under the Debenture Trust Deed and/or the Debentures; If the Company is unable to pay its debts
- (ix) The Company ceases to carry on its business or gives notice of its intention to do so;
- (x) If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;
- (xi) Default is committed if any of the necessary clearances required or desirable in relation to the Company or the Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of Debenture Holder(s)/ Beneficial Owner(s), have material adverse effect on the Company or the Debentures;
- (xii) Default is committed if the company enters into any arrangement or composition with its creditors or commits any acts of insolvency or winding up of the Company;
- (xiii) If the Company files a petition for reorganisation, arrangement, adjustment, winding up or composition of debts of the Company or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding (other than a proceeding commenced voluntarily by the Company is not stayed, quashed or dismissed);
- (xiv) If the Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors;
- (xv) If it becomes unlawful for the company to perform any of its obligations under any transaction document;
- (xvi) Default is committed if the occurrence of any event or condition which in the Debenture Trustee/ Beneficial Owner(s) reasonable opinion can constitute a material adverse effect;
- (xvii) Any security created at any time, any circumstance or event occurs which is prejudicial to or impairs or imperils or jeopardize or endangers any hypothecated properties or any part thereof or any event occurs which causes the Debenture Deed or any related agreement to become ineffective;
- (xviii) Any security created at any time, without prior written consent of the Debenture Trustee or unless otherwise provided for in the Debenture Trust Deed, the Company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over any of the hypothecated properties; and

Any other event described as an Event of Default in the Disclosure Documents/ Shelf Prospectus, this Tranche I Prospectus and the Transaction Documents. In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on “Standardisation of procedure to be followed by Debenture Trustee(s) in case of ‘Default’ by Issuers of listed debt securities”, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”)/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under

applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration.
2. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.
3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.
4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.
5. The NCDs are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.
6. For the NCDs issued in dematerialized form, the Depositories shall also maintain the upto date record of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial

of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders.

7. Subject to compliance with RBI requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD holders are merely indicative. The final rights of the NCD holders will be as per the terms of the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed.

Nomination facility to NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 (“**Rule 19**”) read with the applicable provisions of the Companies Act, 2013, the sole NCD holder, or first NCD holder, along with other joint NCD Holders’ (being individual(s)), may nominate, in the **Form No. SH.13**, any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder’s death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19 read with the applicable provisions of the Companies Act 2013, any person who becomes a nominee by virtue of the Rule 19 read with the applicable provisions of the Companies Act 2013, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

Since the allotment of NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Jurisdiction

Exclusive jurisdiction for the purpose of this Tranche I Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in this Tranche I Issue

Applicants shall apply in this Tranche I Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in the Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of 1 (one) NCD (“**Market Lot**”). Allotment in this Tranche I Issue to all Allottees, will be in electronic form i.e. in dematerialised form and in multiples of one NCD.

For details of allotment see “*Issue Procedure*” beginning on page 66.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other 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, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer’s DP account to his depository participant.

Please see “*Terms of the Issue - Interest and Payment of Interest*” on page 57 for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non-Individual Investors on the Record Date.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (“**SEBI LODR IV Amendment**”), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Tranche I shall be compulsorily in dematerialized form only.

Title

The NCD Holder(s) for the time being appearing in the record of beneficial owners maintained by the Depository shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company’s shares contained in the Articles of Association of our Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as

having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for rematerialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of the NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the Depository Participant. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Tranche I Issue. NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred except by way of transmission or transposition. However, any trading of the NCDs issued pursuant to this Tranche I shall be compulsorily in dematerialized form only.

Period of subscription

TRANCHE I ISSUE PROGRAMME*	
TRANCHE I ISSUE OPENS ON	Monday, December 6, 2021
TRANCHE I ISSUE CLOSES ON	Monday, December 27, 2021

**This 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 indicated above, except that this 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, thereof, subject to relevant approvals. In the event of an early closure or extension of this 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 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 I Issue closure. Applications Forms for this Tranche I 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 I Issue Period. On the Tranche I 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 I Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 43.*

Applications Forms for this Tranche I will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Tranche I Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Tranche I Closing Date, Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange. It is clarified that the Applications not uploaded on the Stock Exchange Platform would be rejected.

Due to limitation of time available for uploading the Applications on the Tranche I Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Closing Date, there may be some Applications which are not uploaded due to lack of

sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under this Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under this Tranche I will be on a date priority basis in accordance with SEBI Operational Circular.

Interest and Payment of Interest

Series I NCD

In case of Series I NCDs, interest would be paid Annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	8.75%
For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	8.95%

Series I NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months from the Deemed Date of Allotment.

Series II NCD

In case of Series II NCDs, the NCDs shall be redeemed at the end of 24 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III and IV	1,000	1,182.65
For Category I, II, III and IV Investors eligible for additional incentive/premium amount (₹/ NCD)	1,000	1,187.00

Series III NCD

In case of Series III NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series III NCD

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	8.75%
For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	8.95%

Series III NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 36 months from the Deemed Date of Allotment.

Series IV NCD

In case of Series IV NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series IV NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.10%
For Category I, II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	9.30%

Series IV NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 36 months from the Deemed Date of Allotment.

Series V NCD

In case of Series V NCDs, the NCDs shall be redeemed at the end of 36 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III and IV	1,000	₹1,299.00
For Category I, II, III and IV Investors eligible for additional incentive/ premium amount (₹/NCD)	1,000	₹1,305.75

Series VI NCD

In case of Series VI NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VI NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.15%
For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	9.35%

Series VI NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series VII NCD

In case of Series VII NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VII NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.55%
For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	9.75%

Series VII NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series VIII NCD

In case of Series VIII NCDs, the NCDs shall be redeemed at the end of 60 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III and IV	1,000	₹1,578.25
For Category I, II, III and IV Investors eligible for additional incentive/ premium amount (₹/NCD)	1,000	₹ 1,592.75

Series IX NCD

In case of Series IX NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series IX NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.30%
For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	9.50%

Series IX NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

Series X NCD

In case of Series X NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series X NCD:

Category of NCD Holders	Coupon (% p.a.)
Category I, II, III and IV	9.70%

For Category I, Category II, III and IV Investors eligible for additional incentive of 0.20% (p.a.)	9.90%
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Series X NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

All Category of Investors in the proposed Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 Issue who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 ₹ 1,187.00 per NCD, ₹ 1,305.75 per NCD and/or ₹ 1,592.75 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 Issue, who are also holders of NCD(s)/Bond(s) previously issued by our Company, and/ or our group company, ECL Finance Limited, Edelweiss Housing Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Finance & Investments Limited as the case may be, and/or are equity shareholder(s) of Edelweiss Financial Services Limited 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 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 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.

For the 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. For the Series where interest is to be paid on monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Refer to the paragraph on “*Terms of Issue - Manner of Payment of Interest/ Refund*” at page 61.

Payment of Interest will be made to those NCD Holders whose names appear in the register of NCD Holders (or to first holder in case of joint-holders) as on Record Date. With respect to Series I, IV, VII and X 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.

For NCDs subscribed, in respect to Series III, VI and IX, where the interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

If the Deemed Date of Allotment undergoes a change, the interest payment dates, Redemption Dates and other cash flow workings shall be changed accordingly.

These details of payment of interest are subject to and as stated in “*Issue Structure*” on page 43.

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (seven) days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company’s books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialized form.

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, in accordance with the Working Day Convention. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled “Issue Procedure” on page 66, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche I Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention:

Interest shall be computed on an actual / actual basis on the principal outstanding on the NCDs as per the SEBI Operational Circular.

Effect of holidays on payments:

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 falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

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.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Operational Circular is disclosed in Annexure D to this Tranche I Prospectus.

Maturity and Redemption

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amounts to the Applicant at the Applicant's sole risk, and neither the Lead Managers our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

Application Size

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹ 1,000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Tranche I Prospectus.

Manner of Payment of Interest / Refund

The manner of payment of interest / refund in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Manager, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine,

subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of NCDs

In case of NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the NCDs held (“**Consolidated Certificate**”). The Applicant can also request for the issue of NCD certificates in denomination of one NCD (“**Market Lot**”). In case of NCDs held under different Options, by an NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each Option.

It is, however, distinctly to be understood that the NCDs pursuant to this issue shall be traded only in dematerialized form.

In respect of Consolidated Certificates, only upon receipt of a request from the NCD Holder, the Consolidated Certificates would be split into smaller denominations, subject to the minimum of Market Lot. No fee would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate, which would then be treated as cancelled.

Procedure for redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization:

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled.

NCDs held in electronic form:

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialization:

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed

for the purpose of Redemption.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

NCDs held in electronic form:

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Mumbai and/or will be sent by speed post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

Our Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, provided stipulated security cover is maintained on the NCDs and after obtaining the consent of, or intimation to, the NCD Holders or the Debenture Trustee regarding the creation of a charge over such security.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section(1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious

name, shall be liable for action under Section 447 of the Companies Act, 2013.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹20 lakh or with both.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close this Tranche I at any time prior to the Tranche I Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Tranche I Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Tranche I Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Tranche I Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 Working Days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in the SEBI Operational Circular.

Utilisation of Application Amount

The sum received in respect of this Tranche I Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchange as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

- (a) All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
- (c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) Our Company shall utilize the Tranche I Issue proceeds only up on (i) receipt of minimum subscription; (ii)

completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (ii) receipt of listing and trading approval from Stock Exchange and (iii) only upon execution of the documents for creation of security.

- (e) The Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.
- (f) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized and the securities or other forms of financial assets in which such unutilized monies have been invested.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and this Tranche I Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Tranche I Issue Opening Date. This advertisement will be issued in compliance with the Regulation 30(1) of SEBI NCS Regulations and shall contain the information as prescribed in the SEBI NCS Regulations and Section 30 of the Companies Act, 2013.

Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Listing

The NCDs offered through this Tranche I Prospectus are proposed to be listed on the BSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter dated November 23, 2021. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 Working Days of the Tranche I Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of Comfort

This Tranche I is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee shall monitor the utilization of the proceeds of the Tranche I Issue. For the relevant Fiscals commencing from the Fiscal 2022, our Company will disclose in our financial statements, the utilization of the net proceeds of the Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of this Tranche I that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche I Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable law, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Operational Circular, which provides, inter-alia, that for all public issues of debt securities opening on or after October 1, 2018, all Applicants shall mandatorily use the ASBA facility for participating in the Tranche I Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. Further in terms of the SEBI Operational Circular retail individual investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to ₹ 200,000 through the app/web interface of the Stock Exchange or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche I Prospectus.

Please note that this section has been prepared based on the SEBI Operational Circular and the notifications issued by BSE, in relation to the UPI Mechanism, dated December 28, 2020.

Specific attention is drawn to the SEBI Operational Circular which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Tranche I Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Manager are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Tranche I Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE WILL NEED TO APPROACH THE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS TRANCHE I PROSPECTUS, THE TRANCHE I ISSUE OPENING DATE AND THE TRANCHE I ISSUE CLOSING DATE.

THE LEAD MANAGER, THE LEAD BROKERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS/ DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS/ DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS/DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai.

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus, and Application Forms

The copies of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, Abridged Prospectus together with Application Forms may be obtained from our Registered Office, Lead Manager to the Issue, Lead Brokers for marketing of the Tranche I Issue, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus and this Tranche I Prospectus and the Application Forms will be available for download on the website of BSE at www.bseindia.com. A unique application number (“UAN”) will be generated for every Application Form downloaded from

the website of the Stock Exchange i.e. BSE at www.bseindia.com. Hyperlinks to the websites of the Stock Exchange for this facility will be provided on the websites of the Lead Manager and the SCSBs.

In addition, Application Forms would also be made available to all the recognised stock exchanges. Further, Application Forms will also be provided to Trading Members at their request.

Our Company may provide Application Forms for being filled and downloaded at such websites as we may deem fit. The Issuer may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, online demat account portals may also provide the facility of submitting the Application Forms online to their account holders'.

Who can apply?

The following categories of persons are eligible to apply in the Tranche I Issue.

Category I

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II

- Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III

- High Net-worth Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in the Issue

Category IV

- Retail Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Tranche I Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in this Tranche I Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Tranche I Issue.

The Lead Manager and their respective associates and affiliates are permitted to subscribe in this Tranche I Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Manager are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Tranche I Prospectus.

How to apply?

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, Abridged Prospectus, and Application Forms

Please note that there is a single Application Form for, persons resident in India.

Copies of the Abridged Prospectus containing the salient features of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus together with Application Forms and copies of this Tranche I Prospectus may be obtained from our Registered Office, the Lead Manager, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Application Forms will be available

- (i) for download on the website of BSE at www.bseindia.com and the website of the Lead Manager at www.equirus.com and/or www.equirussecurities.com.
- (ii) at the designated branches of the SCSBs and the Syndicate Members at the Specified Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchange. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Method of Application

In terms of the SEBI Operational Circular an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the SEBI Operational Circular, SEBI has mandated issuers to provide, through a recognized Stock Exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“**Direct Online Application Mechanism**”).

All Applicants shall mandatorily apply in this Tranche I Issue through the ASBA process only. Applicants intending to subscribe in this Tranche I Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Syndicate Members at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated

Intermediaries for deposit of the Application Forms. A list of such branches is available at <http://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

For Applicants who submit the Application Form, in physical mode, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to the Issue should be made by Applicants directly to the relevant Stock Exchange.

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. Self-Certified Syndicate Bank (SCSB) or intermediaries (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

- a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.
- b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
- c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹2 Lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

- a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.
- b. The Stock Exchanges have extended their web-based platforms i.e. 'BSEDirect' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹ 2 Lakh. To place bid through 'BSEDirect' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct.
- c. To further clarify the submission of bids through the App or web interface, the Stock Exchange has issued operational guidelines and circulars dated December 28, 2020 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>.

Application Size

Each Application should be for a minimum of 10 NCDs and multiples of one NCD thereof.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 (“**SEBI Circular 2019**”), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees. A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in this Tranche I Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Tranche I Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian Alternative Investments Funds

Applications made by ‘alternative investment funds’ eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) for

Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Tranche I Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefore.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Tranche I Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Manager, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of

authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Systematically Important Non-banking financial companies

Applications made by systematically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) board Resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

The Syndicate Members and their respective associates and affiliates are permitted to subscribe in this Tranche I Issue.

Applications cannot be made by:

- a. Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
- b. Foreign nationals/NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- c. Persons resident outside India and other foreign entities;
- d. Foreign Institutional Investors;
- e. Foreign Portfolio Investors;
- f. Non Resident Indians;
- g. Qualified Foreign Investors;
- h. Overseas Corporate Bodies**;
- i. Foreign Venture Capital Funds; and
- j. Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872.*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Tranche I Issue.*

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant may submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her

bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹2 lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 6 (six) Working Days of the Tranche I Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Tranche I Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Manager or Lead Broker or Trading Members of the Stock Exchange at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Manager or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Lead Manager or Lead Broker or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to NCDs allotted to the successful Applicants to the Public Issue Account(s). The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 Working Days of the Tranche I Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Tranche I Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Tranche I Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche I Issue.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Form do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

1. Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
2. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface.
3. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
4. Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
5. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
6. Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
7. Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
8. The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
9. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
10. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in this Tranche I Issue.
11. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Tranche I Issue period or any other modified closure date of the Tranche I Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
12. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
13. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Tranche I Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Tranche I Issue Closing Date) day till 1 pm

14. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
15. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
16. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
17. The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
18. Post closure of the Tranche I Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Prospectus with ROC

A copy of the Shelf Prospectus and this Tranche I Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Tranche I Issue Opening Date. This advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Instructions for completing the Application Form

1. Applications must be made in the prescribed Application Form.
2. Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
3. Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in the Issue Documents.
4. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
5. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
6. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
7. Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by the Designated Intermediaries, as the

case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

8. Applicants must ensure that their Application Forms are made in a single name.
9. The minimum number of Applications and minimum application size shall be specified in the Tranche Prospectus. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
10. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
11. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.
12. All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
13. Applications for all the series of the NCDs may be made in a single Application Form only.

The series, mode of allotment, PAN, demat account number, etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Syndicate nor the other Designated Intermediaries, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID, PAN and UPI ID provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Syndicate nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Members of the Syndicate or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Syndicate and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by post or e-mail at the address of the Applicants in accordance with the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the four parameters, namely, DP ID, Client ID, PAN and UPI ID then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALIZED FORM

Submission of Applications

Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Operational Circular. ASBA Applications can be submitted through either of the following modes:

- (a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly register such ASBA Applications.
- (b) Physically through the Lead Brokers, Lead Manager, or Trading Members of the Stock Exchange only at the Specified Cities i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Lead Brokers, Lead Manager or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Lead Brokers, Lead Manager or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (c) A UPI Investor making an Application in this Tranche I Issue under the UPI Mechanism, where the Application

Amount is upto ₹2 lakhs, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

A UPI Investor may also submit the Application Form for this Tranche I Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Lead Brokers, Lead Manager or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Lead Brokers, Lead Manager or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Tranche I Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

- (a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Lead Manager and Trading Members of the Stock Exchange at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Tranche I Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Shelf Prospectus and this Tranche I Prospectus is made available on their websites.
- (b) The Designated Branches of the SCSBs shall accept ASBA Applications directly from Applicants only during the Tranche I Issue Period. The SCSB shall not accept any ASBA Applications directly from Applicants after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Manager or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. For further information on the Tranche I Issue programme, please refer to the section titled "*Issue Related Information*" on page 43.
- (c) In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Manager or Lead Broker or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus and the Application Form.
- If the Application is submitted in joint names, the Application Form should contain only the name of the first

- Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applicants must apply for Allotment in dematerialised form and must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
 - The minimum number of Applications and minimum application size shall be specified in this Tranche I Prospectus. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
 - If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
 - Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;
 - Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
 - No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Manager, Lead Broker, Trading Members of the Stock Exchange or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Manager, Lead Broker, Trading Member of the Stock Exchange or the Designated Branch of the SCSBs, as the case may be.
 - Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.
 - All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.
 - ASBA will be the default "Mode of Application" as per the SEBI Operational Circular.
 - Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Manager, Lead Broker, Trading Member of the Stock Exchange in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Lead Manager, Lead Broker, Trading Member of the Stock Exchange, Public Issue Account Banks nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the series of NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

Applicants applying for Allotment in dematerialized form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition (“MICR”) Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants’ sole risk, and neither our Company, the Lead Manager, Trading Members of the Stock Exchange, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchange will bear any responsibility or liability for the same.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Lead Manager, Trading Members of the Stock Exchange, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchange shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche I Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Tranche I Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Tranche I Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants’ verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

D. Joint Applications

If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, subject to a minimum application size of ₹10,000 and in multiples of ₹1,000 thereafter as specified in the Shelf Prospectus and this Tranche I Prospectus. Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under this Tranche I Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN of the sole or the first Applicant is one and the same.

Electronic registration of Applications

- (a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Manager, Lead Broker, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.
- (b) The Stock Exchange will offer an electronic facility for registering Applications for this Tranche I Issue. This facility will be available on the terminals of Syndicate Members and the other Designated Intermediaries during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Syndicate Members and the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Syndicate Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Tranche I Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- (c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Tranche I Issue Period.
- (d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (e) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Syndicate Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.
- (f) The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner

warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche I Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange.

- (g) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- (h) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Tranche I Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Process for investor application submitted with UPI as mode of payment

- (a) Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b) An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- (c) The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.
- (d) Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- (e) The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f) Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- (g) Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- (h) The Sponsor Bank shall initiate a mandate request on the investor
- (i) The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- (j) The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.
- (k) An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
- (l) An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

- (m) For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- (n) The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- (o) Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- (p) The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- (q) The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (r) Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- (s) The allotment of debt securities shall be done as per SEBI NCS Regulations and SEBI Operational Circular.
- (t) The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- (u) Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- (v) Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- (w) Thereafter, Stock Exchange will issue the listing and trading approval.
- (x) Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 the investor shall also be responsible for the following:
 - i. Investor shall check the Tranche I Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
 - vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
 - vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

General Instructions

Do's

1. Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to this Tranche I Issue.
4. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants.
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
6. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Intermediaries, as the case may be.
7. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
8. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during this Tranche I Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.
9. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
10. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange, match with the DP ID, Client ID and PAN available in the Depository database;
11. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN of the HUF should be mentioned in the Application Form and not that of the Karta;
12. Ensure that the Applications are submitted to the Lead Manager, Lead Broker, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche I Issue Closing Date. For further information on the Tranche I Issue programme, please see the section titled "Issue Related Information" on page 43.
13. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
14. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
15. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
16. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
17. Tick the series of NCDs in the Application Form that you wish to apply for.
18. Check if you are eligible to Apply under ASBA;
19. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of ₹ 200,000;
20. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
21. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface
22. Ensure that you give the correct details of your ASBA Account including bank account number/ bank name and branch;
23. Ensure that your Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account

is maintained or with the Lead Manager or Lead Broker or Trading Members of the Stock Exchange at the Specified Cities, and not directly to the Public Issue Account Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue;

24. In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to the Trading Members of the Stock Exchange, ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Lead Manager or Lead Broker or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>);
25. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, in case of an SCSB making an ASBA Application, such ASBA Application should be made through an ASBA Account utilised solely for the purpose of applying in public issues and maintained in the name of such SCSB Applicant with a different SCSB, wherein clear demarcated funds are available.
26. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
27. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form and that your signature in the Application Form matches with your available bank records;
28. Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
29. Ensure that you receive an acknowledgement from the Designated Branch or the concerned Lead Manager or Lead Broker or Trading Member of the Stock Exchange, as the case may be, for the submission of the Application Form.
30. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Operational Circular stipulates the time between closure of the Tranche I Issue and listing at six Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, by money order or by postal order or by stock invest;
3. Do not send Application Forms by post; instead submit the same to the Lead Brokers, sub-brokers, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be;
4. Do not fill up the Application Form such that the NCDs applied for exceeds the Tranche I Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
5. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
6. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
7. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
8. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
9. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
10. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
11. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
12. Do not apply if you are a person ineligible to apply for NCDs under the Tranche I Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA); and
13. Do not make an application of the NCD on multiple copies taken of a single form.

14. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
15. Do not submit the Application Form to the Lead Manager or Trading Members of the Stock Exchange, as the case may be, at a location other than the Specified Cities.
16. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Manager or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities; and
17. Do not submit more than five Application Forms per ASBA Account.
18. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID;
19. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
20. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor and if the Application is for an amount more than ₹ 200,000;

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

1. Tripartite Agreements dated December 8, 2020 and between us, the Registrar to the Issue and CDSL for offering depository option to the Applicants.
2. Tripartite Agreements dated December 17, 2020 and between us, the Registrar to the Issue and NSDL for offering depository option to the Applicants.
3. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
4. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
5. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to the Issue.
6. It may be noted that NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.
7. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
8. The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under the Tranche I Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see “*Issue Procedure*” on page 66.

Communications

All future communications in connection with Applications made in the Tranche I Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue related problems and/or Post-Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as non-receipt of

Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchange.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Statement by the Board:

- a. All monies received pursuant to the Tranche I Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- b. Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
- c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- d. the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;
- e. we shall utilize the Tranche I Issue proceeds only upon creation of security as stated in this Tranche I Prospectus in the section titled "*Terms of the Issue*" on page 50 and after (a) permissions or consents for creation of pari passu charge have been obtained from the creditors who have pari passu charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue amount; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from the Stock Exchanges;
- f. The Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.
- g. The allotment letter shall be issued, or application money shall be unblocked within 15 days from the closure of the Tranche I Issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;

Other Undertakings by our Company

Our Company undertakes that:

- a. Complaints received in respect of the Tranche I Issue will be attended to by our Company expeditiously and satisfactorily;
- b. Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
- c. Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of the Tranche I Issue Closing Date;
- d. Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;
- e. Our Company will forward details of utilisation of the proceeds of this Tranche I Issue, duly certified by the Current Statutory Auditor, to the Debenture Trustee;
- f. Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Tranche I Issue as contained in this Tranche I Prospectus.
- g. We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.
- h. We shall create a recovery expense fund in the manner as may be specified by the Board from time to time and inform the Debenture Trustee about the same.
- i. We undertake that the assets on which charge is created, are free from any encumbrances and in cases where the

assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

- j. Our Company will disclose the complete name and address of the Debenture Trustee in its annual report.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- Applications not being signed by the sole/joint Applicant(s);
- Investor Category in the Application Form not being ticked;
- Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum application size;
- Applications where a registered address in India is not provided for the Applicant;
- In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partners(s);
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian when PAN of the Applicant is not mentioned;
- DP ID and Client ID not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications by OCBs;
- Applications for an amount below the minimum application size;
- Submission of more than five ASBA Forms per ASBA Account;
- Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
- Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;
- Signature of sole Applicant missing or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- Application Forms not being signed by the ASBA Account holder if the account holder is different from the Applicant.
- If the signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB Bank's records where the ASBA Account mentioned in the Application Form is maintained;
- Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;
- ASBA Applications not having details of the ASBA Account to be blocked;
- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
- Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- The UPI Mandate Request is not approved by the Retail Individual Investor;

- SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by any person outside India;
- Applications by other persons who are not eligible to apply for NCDs under the Tranche I Issue under applicable Indian or foreign statutory/regulatory requirements;
- Applications not uploaded on the online platform of the Stock Exchange;
- Applications uploaded after the expiry of the allocated time on the Tranche I Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Draft Shelf Prospectus, Shelf Prospectus and this Tranche I Prospectus;
- Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;
- Applications providing an inoperative demat account number;
- ASBA Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Banker to the Issue (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- Category not ticked;
- Forms not uploaded on the electronic software of the Stock Exchange and/or in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.

Kindly note that ASBA Applications submitted to the Lead Manager, or Trading Members of the Stock Exchange, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Manager, or Trading Members of the Stock Exchange, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please see below “*Issue Procedure-Information for Applicants*”.

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of Applicants submitted to the Lead Manager, Lead Broker and Trading Members of the Stock Exchange at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 5 Working Days of the Tranche I Issue Closing Date.

Retention of oversubscription

Our Company shall have an option to retain over-subscription up to the Tranche I Issue limit.

Basis of Allotment

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchange and determine the valid Application for the purpose of drawing the valid Applications for the purpose of drawing the basis of allocation.

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

- A. Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);
- B. Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”).
- C. Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net-worth Individual Category Portion**”).
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Category Portion**”).

For removal of doubt, the terms “Institutional Portion”, “Non-Institutional Portion”, “High Net-worth Individual Category Portion” and “Retail Individual Category Portion” are individually referred to as “Portion” and collectively referred to as “Portions”.

Allocation Ratio

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
10%	10%	40%	40%

(a) Allotments in the first instance:

- i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated

NCDs up to 40 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange; and

- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40 % of Tranche I Issue Limit on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with the Stock Exchange, in each Portion subject to the Allocation Ratio indicated at the section titled “*Issue Procedure – Basis of Allotment*” at page 91.

As per the SEBI Operational Circular, the allotment in this Tranche I Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

- (b) *Under Subscription*: If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non-Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis. If there is under subscription in the overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges on a particular date exceeds NCDs to be Allotted for each portion respectively.
- (d) Minimum Allotments of 1 (one) NCD and in multiples of 1 (one) NCD thereafter would be made in case of each valid Application to all Applicants.
- (e) *Allotments in case of oversubscription*: In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the Applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchange, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

In case there is oversubscription in Tranche I Issue Limit, however there is under subscription in one or more Portion(s) Allotments will be made in the following order:

- (i) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment
- (ii) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Issue period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is Allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Issue

Period.

(f) *Proportionate Allotments: For each Portion, on the date of oversubscription:*

- i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
- iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

(g) *Applicant applying for more than one Series of NCDs:* If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 10 (ten) Series and in case such Applicant cannot be allotted all the 10 (ten) Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers as may be decided at the time of Basis of Allotment.

(h) *Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications:* The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Tranche I Issue Closing Date.

All decisions pertaining to the basis of allotment of NCDs pursuant to the Tranche I Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Tranche I Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series IV NCDs to all valid applications, wherein the applicants have not indicated their choice of the relevant series of the NCDs.

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date by submitting a request for the same to Designated Intermediaries or the Designated Branch, as the case may be, through whom the Application had been placed. In case of Applications submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange. In case of Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account directly.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Tranche I Issue at any time prior to the Tranche I Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base

Issue Size, i.e. ₹ 1,500 million before the Tranche I Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Tranche I Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue Size, i.e. ₹ 1,500 million before the Tranche I Issue Closing Date.

In the event of such early closure of the Tranche I Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche I Issue Closing Date of the Tranche I Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I Issue have been given.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked or credited only to the bank account from which the subscription was blocked or remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard in the SEBI Operational Circular.

Payment of Refunds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Issuance of Allotment Advice

Our Company shall ensure dispatch of Allotment Advice as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 5 Working Days of the Tranche I Issue Closing Date

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities and approvals for the commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within 5 Working Days from the Tranche I Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Tranche I Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be unblocked in the ASBA Accounts of the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent. per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Tranche I Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Tranche I Issue Period, as allowed/permitted by the Stock Exchange(s), by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Tranche I Issue Closing Date (till 1:00 PM) to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of the proceeds of the Issue

- All monies received out of this Tranche I Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.
- The allotment letter shall be issued or application money shall be refunded within six Working days from this Tranche I Issue Closing Date or such lesser time as may be specified by Securities and Exchange Board, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- Details of all monies unutilised out of the previous issues made by way of public offer, as well as the monies to be raised through this Tranche I Issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Tranche I Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of the Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- Our Company shall utilize proceeds of this Tranche I Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Tranche I Prospectus in “Issue Structure” on page 43.
- Proceeds of this Tranche I Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- Proceeds of this Tranche I Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

Listing

The NCDs proposed to be offered in pursuance of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus will be listed on BSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/017/21-22 dated November 23, 2021. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Tranche I Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within six Working Days of this Tranche I Issue Closing Date.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the Series, such NCDs with Series shall not be listed.

Guarantee/Letter of Comfort

This Tranche I Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Undertaking by our Company

Our Company undertake that:

- a. the complaints received in respect of this Tranche I Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- b. we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. six Working Days from the Tranche I Issue Closing Date;
- c. the funds required for dispatch of allotment advice/ certificates by registered post/ speed post shall be made available to the Registrar to the Issue by our Company;
- d. necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;
- e. we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee;
- f. we shall disclose the complete name and address of the Debenture Trustee in our annual report;
- g. we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in this Tranche I Prospectus;
- h. we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time;
- i. we shall create a recovery expense fund in the manner as maybe specified by the Board from time to time and inform the Debenture Trustee about the same; and
- j. We undertake that the assets on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS DEBENTURES HOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors
Edelweiss Financial Services Limited
Edelweiss House, Off CST Road, Kalina,
Mumbai – 400 098.

Dear Sirs,

Statement of Possible Tax Benefits available to the debenture holders of Edelweiss Financial Services Limited in connection with the proposed public issue of secured redeemable non-convertible debentures of face value of Rs. 1,000/- each (the “Debentures” or the “NCDs”) (hereinafter referred to as the “Issue”)

1. We hereby confirm that the enclosed Annexure, prepared by Edelweiss Financial Services Limited (‘the Company’), provides the possible tax benefits available to the Company and to the debentures holders of the Company under the Income-tax Act, 1961 (‘the Act’) as amended by the Finance Bill, 2021, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23 respectively, presently in force in India. Several of these benefits are dependent on the Company or its debenture holders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its debenture holders may or may not choose to fulfil.
2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its debenture holders will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
5. This report has been issued at the request of the Company for the purpose of inclusion in the offer document in connection with its proposed Issue and should not be used by anyone else or for any other purpose.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No. 102102

Place of Signature: Mumbai

Date: November 15, 2021

Annexure
STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDER(S)

The Annexure is based on the provisions of the Income-tax Act, 1961 (IT Act) as on date, taking into account the amendments made by the Finance Act, 2021 (FA 2021).

This Annexure intends to provide general information on the applicable provisions of the IT Act. However, in view of the nature of the implications, the investors are best advised to consult their respective tax advisors/consultants for appropriate counsel with respect to the specific tax and other implications arising out of their participation in the Portfolio as indicated herein.

Taxability under the IT Act

1. Taxability under various heads of Income

The returns received by the investors from NCD in the form of interest and the gains on the sale/ transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:

- Profits and gains from business;
- Income from capital gains; and
- Income from other sources.

The return from the investment in the form of interest would generally be subject to tax under the head “income from other sources”. Under certain circumstances, depending upon the facts and circumstances of the taxpayer, the interest income may be subject to tax under the head “Profits and gains from business”.

The gains from the sale of the instrument or security may be characterised either as “Profits and gains from business” or as “Capital Gains”. This is discussed in the following paragraph.

“Profit and gains from business” versus “Capital gains”

Gains from the transfer of securities/instruments of the investee companies may be characterised as “Capital Gains” or as “Profits and gains from business” in the hands of an investor, depending upon whether the investments in the NCD is held as ‘investments’ or as ‘stock in trade’. This can vary based on the facts of each investor’s case (taking into account factors such as the magnitude of purchases and sales, ratio between purchases and sales, the period of holding, whether there exists an intention to earn a profit from sale or to earn interest, etc.)

The investors may obtain specific advice from their tax advisors regarding the tax treatment of their investments.

2. Taxation of interest, profits from business and capital gains

Taxation of Interest

Income by way of interest received on debentures, bonds, and other debt instruments held as investments will be charged to tax as under the head “Income from Other Sources” at the rates applicable to the investor after deduction of expenses, if any, allowable under section 57 of the IT Act. These are essentially expenses (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of earning the interest income.

In case of debentures, bonds or other debt instruments held as stock in trade and sold before their maturity, the interest accrued thereon till the date of sale and included in the sale price, may also be charged to tax as “business income” (treatment separately discussed below).

Further, in case of certain specific fixed income securities and certain debt instruments, purchased and held as investments and transferred prior to maturity, the gain from the transfer may also possibly be characterised as “capital gains” (treatment separately discussed below).

The investors may obtain specific advice from their tax advisors regarding the tax treatment of their investments.

Taxation of Profits and gains from business

As discussed above, depending on the particular facts of each case, the investments may, in certain cases, be regarded to

be in the nature of stock in trade and, hence, the gains from the transfer/ sale of such investments would be considered to be in the nature of “Profits and gains from business”.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a ‘net’ basis (that is, net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

The “Profits and gains from business” so computed, as reduced on account of set-off of losses in accordance with Chapter VI of the IT Act and unabsorbed allowances, if any, would go to form part of the gross total income of the investor.

The gross total income would be reduced by deductions, if any, available under Chapter VI-A of the IT Act and the resultant total income would be subject to tax at the tax rates as applicable to the investor (Refer Note 1 and Note 2).

Based on section 145 of the IT Act, the timing of charging any income to tax would depend on the method of accounting followed by the taxpayer consistently (i.e. cash or mercantile).

Investors should obtain specific advice from their tax advisors regarding the manner of computing business income, the deductions available therefrom and the tax to be paid thereon.

Taxation of Capital Gains

As discussed above, based on the particular facts of each case, the investments may, in certain cases, be regarded to be in the nature of capital assets and hence the gains from the transfer/ sale of such investments would be considered to be in the nature of “capital gains”.

As per section 2(14) of the IT Act, the term ‘capital asset’ has been defined to, *inter alia*, mean any securities held by a foreign institutional investor which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992.

- ***Period of holding – long-term & short-term capital assets***

A security (other than a unit) listed on a recognised stock exchange in India or zero-coupon bond (as defined) held for a period of more than 12 months is considered long-term capital asset.

In case of share of an unlisted company and immovable property, it will be considered as a long-term capital asset where it is held for a period of more than 24 months.

Any assets (other than as described above), are considered long-term capital assets where they are held for a period of more than 36 months.

The above assets, where held for a period of not more than 12 months/ 24 months/ 36 months, as the case may be, will be treated as short-term capital assets.

The gains arising from the transfer of long-term capital assets are termed as long-term capital gains.

The gains arising from the transfer of short-term capital assets are termed as short-term capital gains.

Computation of capital gains

Capital gains are computed after reducing from the consideration received from the transfer of the capital asset, the cost of acquisition of such asset and the expenses incurred wholly and exclusively in connection with the transfer.

- ***Nature of transactions and resultant capital gain treatment***

The capital gains tax treatment of transactions is given in Note 4.

The following transactions would attract the “regular” capital gains tax provisions:

- ✓ Transactions of sale of debentures, bonds, listed or otherwise; and
- ✓ Transactions in structured debentures.

- ***Set off of capital losses***

Long-term capital loss of a year can be set off only against long-term capital gains arising in that year and cannot be set off against short-term capital gains arising in that year. On the other hand, short-term capital loss in a year can be set off against both, short-term and long-term capital gains of the same year.

Unabsorbed short-term and long-term capital loss of prior years can be separately carried forward for not more than eight assessment years immediately succeeding the assessment year for which the first loss was computed. Unabsorbed short-term capital loss shall be eligible for set off against short-term capital gains as well as long-term capital gains. However, unabsorbed long-term capital loss shall be eligible to be set off only against long-term capital gains.

- ***Certain deductions available under Chapter VI-A of the IT Act***

Individuals and Hindu Undivided Families would be allowed a deduction in computing total income, inter alia, under section 80C of the IT Act for an amount not exceeding INR 150,000 with respect to sums paid or deposited in the previous year in certain specified schemes.

However, where the individual or HUF exercises the option to be assessed to tax as per provisions of section 115BAC of the IT Act, such individual or HUF shall not be entitled to deduction specified, inter alia, under section 80C of the IT Act.

Further, the option to be assessed to tax in accordance with the provisions of section 115BAC of the IT Act once exercised by an individual or HUF carrying on business or profession for any previous year can be withdrawn only once for a previous year other than the year in which it was exercised and thereafter, such individual or HUF shall never be eligible to exercise the option to be assessed in accordance with the provisions of section 115BAC of the Act except where such individual or HUF ceases to have any income from business or profession, in which case, the option to be assessed to tax as per the provisions of section 115BAC of the IT Act shall be available.

- ***Alternate Minimum Tax (“AMT”)***

The IT Act provides for the levy of AMT to tax investors (other than companies) at the rate of 18.5 per cent (plus applicable surcharge and health and education cess) on the adjusted total income. In a situation where the income-tax computed as per the normal provisions of the IT Act is less than the AMT on “adjusted total income”, the investor shall be liable to pay tax as per AMT. “Adjusted total income” for this purpose is the total income before giving effect to the deductions claimed under section C of chapter VI-A (other than section 80P) and deduction claimed, if any, under section 10AA and deduction claimed, if any, under section 35AD as reduced by the amount of depreciation allowable in accordance with the provisions of section 32 as if no deduction under section 35AD was allowed in respect of the assets on which the deduction under that section is claimed. AMT will not apply to an Individual, HUF, AOP, BOI or an Artificial Juridical Person if the adjusted total income of such person does not exceed INR 20 lakhs¹. Further, the credit of AMT can be further carried forward to fifteen subsequent years and set off in the year(s) where regular income tax exceeds the AMT.

The provisions of AMT also provide that the Foreign Tax Credit (FTC) claimed against AMT liability which exceeds the FTC that would have been allowable while computing income under normal provisions, would be ignored while computing tax credit under AMT.

- ***Minimum Alternative Tax (“MAT”)***

The IT Act provides that where the tax liability of a company (under the regular provisions of the IT Act) is less than 15 per cent of its 'book profit', then the book profit is deemed to be its total income and tax at the rate of 15 per cent (plus applicable surcharge and health and education cess – Refer Note 2) is the MAT payable by the company.

Tax credit is allowed to be carried forward for fifteen years immediately succeeding the assessment year in which tax credit becomes allowable. The tax credit can be set-off in a year when the tax is payable on the total income is in accordance with the regular provisions of the IT Act and not under MAT.

The CBDT vide its Circular no. 29 of 2019 dated 2 October 2019 has clarified that MAT credit is not available to a domestic company exercising option under section 115BAA of the IT Act. The circular further clarifies that there is no

¹ As per sub-section (5) to section 115JC of the IT Act, the provisions of AMT shall not be applicable in case of, *inter alia*, an individual or HUF who has exercised the option to be taxed as per the provisions of section 115BAC of the IT Act.

time limit within which the option under section 115BAA of the IT Act can be exercised and accordingly, a domestic company having accumulated MAT credit may, if it so desires, exercise the option of section 115BAA of the IT Act at a future date, after utilizing the MAT credit against tax payable as per the regime existing prior to the Taxation Laws (Amendment) Act, 2019.

As per the provisions of section 115JB of the IT Act, the amount of income accruing or arising to a foreign company from capital gains arising on transactions in securities or interest, dividend, royalty, or fees for technical services chargeable to tax at the rates specified in Chapter XII of the IT Act, shall be excluded from the purview of MAT, if such income is credited to the Profit and Loss Account and the tax payable on such income under the normal provisions is less than the MAT rate of 15 per cent. Consequently, corresponding expenses shall also be excluded while computing MAT. Further, Explanation 4 to section 115JB of the IT Act clarifies that provisions of MAT will not apply to a foreign company if:

- a) It is a resident of a country with which India has a DTAA and the company does not have a permanent establishment in India in accordance with the provisions of such DTAA; or
- b) it is a resident of a country with which India does not have a DTAA and the foreign company is not required to register under any law applicable to companies.

Further, it is provided that the FTC claimed against MAT liability which exceeds the FTC that would have been allowable while computing income under normal provisions, would be ignored while computing tax credit under MAT.

Also, sub-section 5A to section 115JB, provides that the provisions of section 115JB shall not apply to a person who has exercised the option referred under section 115BAA or section 115BAB of the IT Act.

- ***Taxability of non-resident investors under the tax treaty***

In case of non-resident investor who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement (“DTAA” or “tax treaty”) (which is in force) income-tax is payable at the rates provided in the IT Act, as discussed below, or the rates provided in such tax treaty, if any, whichever is more beneficial to such non-resident investor.

For non-residents claiming such tax treaty benefits, the IT Act mandates the obtaining of a Tax Residency Certificate (“TRC”) from the home country tax authority.

Section 90(5) of the IT Act provides that an assessee to whom a DTAA applies shall provide such other documents and information, as may be prescribed. Further, a notification substituting Rule 21AB of the Income-tax Rules, 1962 (“Rules”) has been issued prescribing the format of information to be provided under section 90(5) of the IT Act, i.e. in Form No 10F. Where the required information² is not explicitly mentioned in the TRC, the assessee shall be required to furnish a self-declaration in Form No 10F and keep and maintain such documents as are necessary to substantiate the information mentioned in Form 10F.

- ***General Anti Avoidance Rules (“GAAR”)***

The General Anti Avoidance Rule (“GAAR”) was introduced in the IT Act by the Finance Act, 2012. The Finance Act, 2015 made the provisions of GAAR applicable prospectively from April 1, 2017. Further, income accruing, arising, deemed to accrue or arise or received or deemed to be received by any person from transfer of investments made up to 31 March 2017 would be protected from the applicability of GAAR.

- ***Widening of taxability of Capital Gains***

In the context of taxation of capital gains, the definitions of “capital asset” and “transfer” are widened with retro-effect

² - Status (individual, company, firm etc) of the taxpayer;

- Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);

- Taxpayer's tax identification number in the country or specified territory of residence (In case there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the taxpayer claims to be a resident);

- Period for which the residential status, as mentioned in the certificate of residence is applicable; and

- Address of the taxpayer in the country or specified territory outside India, during the period for which the certificate is applicable.

from April 1, 1961 specifically with a view to tax, in the hands of non-residents, gains from direct or indirect transfer of assets situated in India.

- **Withholding provisions**

The withholding provisions provided under the Act are machinery provisions meant for tentative deduction of income-tax subject to regular assessment. The withholding tax is not the final liability to income-tax of an assessee. For rate of tax applicable to an assessee, please refer Notes 1 and 2 below.

Sr. No	Scenarios	Provisions
1	Withholding tax rate on interest on NCD issued to Indian residents	➤ Interest paid to residents other than insurance companies will be subject to withholding tax as per section 193 of the IT Act at the rate of 10 per cent. ➤ No tax is required to be deducted on interest paid to an individual or a HUF, in respect of debentures issued by a company in which the public is substantially interested if; • the amount of interest paid to such person in a financial year does not exceed INR 5,000; and • such interest is paid by an account payee cheque ➤ Further, no tax is required to be deducted on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder.
2	Withholding tax rate on interest on NCD issued to Foreign Portfolio Investor (FPI)	➤ Interest on NCD issued to FPI may be eligible for concessional withholding tax rate of 5 per cent under section 194LD of the IT Act. ➤ Interest on NCD issued to FPI may alternatively be eligible for concessional tax rate of 5 per cent under section 194LC(2)(ia) of the IT Act provided specific approval is obtained from Central Government for interest rate. If both sections i.e. 194LC and 194LD of the IT Act are not applicable, then tax deduction should be made as per sections 196D read with section 115AD of the IT Act i.e. at 20 per cent subject to relief under the relevant DTAA, if any. ➤ Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge as applicable. However, where the withholding is done as per the rate of tax provided under the relevant DTAA, the said rate shall not be required to be increased by a surcharge and health and education cess.
3	Withholding tax rate on interest on NCD issued to non-residents other than FPIs	➤ Interest payable to non-resident (other than FPI) would be subject to withholding tax at the rate of 30 per cent/40 per cent as per the provisions of section 195 of the IT Act subject to relief under the relevant DTAA depending upon the status of the non-resident. Alternatively, benefits of concessional rates of 5 per cent under section 194LC of the IT Act could be availed provided specific approval is obtained from the Central Government with respect to the rate of interest. ➤ Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge, as applicable.
4	Withholding tax rate on purchase of 'goods'	➤ As per section 194Q of the IT Act, any sum payable by a 'buyer' to a resident for purchase of 'goods' of the value exceeding INR 50 Lakhs shall be liable to withholding at the rate of 0.1 percent. ➤ Buyer means a person whose total sales, turnover or gross receipts from the

Sr. No	Scenarios	Provisions
		business carried on by him exceeds INR 10 crores in the financial year immediately preceeding the financial year in which the purchase is carried out. ➤ TDS shall not be applicable where; a. Tax is deductible under any of the provisions of the IT Act; or b. Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies ➤ The CBDT has issued Circular No 13 of 2021 dated 30 June 2021 laying down guidelines under section 194Q of the Act. It <i>inter alia</i> provides that TDS under section 194Q of the Act shall not apply to transaction in securities and commodities which are traded through recognised stock exchanges or cleared and settled by the recognised clearing corporation (including exchanges or corporation located in IFSC). ➤ Given that the Circular does not provide clarity in respect of shares/ securities traded off-market, it is advisable that the investors obtain specific advice from their tax advisors regarding the same.

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Notes:**Note 1: Tax rates****Resident Individuals and Hindu Undivided Families**

The individuals and HUFs are taxed in respect of their total income at the following rates:

Slab	Tax rate *
Total income up to Rs 250,000 [#]	Nil
More than Rs 250,000 [#] but up to Rs 500,000 [@]	5 per cent of excess over Rs 250,000
More than Rs 500,000 but up to Rs 1,000,000	20 per cent of excess over Rs 500,000 + Rs 12,500 ^{\$}
Exceeding Rs 1,000,000	30 per cent of excess over Rs 1,000,000 + Rs 112,500 ^{\$}

[@]A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less.”

* plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

[#] for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 250,000 has to be read as Rs 300,000 and for resident senior citizens of eighty years of age and above (“super senior citizen) Rs 250,000’ has to be read as Rs 500,000.

^{\$}Similarly, for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 12,500 has to be read as Rs 10,000 and Rs 112,500 has to be read as Rs 110,000. And for super senior citizen Rs 12,500 has to be read as Nil and Rs 112,500 has to be read as Rs 100,000.

Alternatively, where an individual or a HUF exercises the option to be assessed to tax under the provisions of section 115BAC of the IT Act, the following shall be the rate of tax applicable:

Slab	Tax rate *
Total income up to Rs 250,000	Nil
More than Rs 250,000 but up to Rs 500,000 [@]	5 per cent of excess over Rs 250,000
More than Rs 500,000 but up to Rs 750,000	10 per cent of excess over Rs 500,000 + Rs 12,500
More than Rs 750,000 but up to Rs 1,000,000	15 per cent of excess over Rs 750,000 + Rs 37,500
More than Rs 1,000,000 but up to Rs 1,250,000	20 per cent of excess over Rs 1,000,000 + Rs 75,000
More than Rs 1,250,000 but up to Rs 1,500,000	25 per cent of excess over Rs 1,250,000 + Rs 1,25,000
More than Rs 1,500,000	30 per cent of excess over Rs 1,500,000 + Rs 1,87,500

[@]A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less.”

* plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

Partnership Firms & LLP's

The tax rates applicable would be 30 per cent (plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

Domestic Companies

Type of Domestic company	Base normal tax rate on income (other than income chargeable at special rates)	Base MAT rate
Domestic companies having turnover or gross receipts of less than Rs 400 Cr in FY 2019-20	25 per cent	15 per cent
Domestic manufacturing company set-up and registered on or after 1 March 2016 subject to fulfilment of prescribed conditions (Section 115BA)	25 per cent	15 per cent
Any domestic company (even if an existing company or engaged in non-manufacturing business) has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAA)	22 per cent	Not applicable
Domestic manufacturing company set-up and registered on or after October 1, 2019 and commences manufacturing upto 31 March 2023, has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAB)	15 per cent	Not applicable
Domestic companies not falling under any of the above category	30 per cent	15 per cent

Note 2: Surcharge (as applicable to the tax charged on income)

Non-corporate assessee other than firms and co-operative societies (other than FPIs)

Particulars	Rate of Surcharge
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the Act) does not exceed Rs 2 crore but total income (including dividend income and income under the provisions of section 111A and section 112A of the Act) exceeds Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 2 crore but does not exceed Rs 5 crore	- 25 per cent on tax on income excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act - 15 per cent on tax on dividend income and income under the provisions of section 111A and section 112A of the IT Act
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 5 crore	- 37 per cent on tax on income excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act - 15 per cent on tax on dividend income and income under the provisions of section 111A and section 112A of the IT Act

FPIs (Non – corporate)

Particulars	Rate of Surcharge
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the Act) does not exceed Rs 2 crore but total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the Act) exceeds Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 crore but does not exceed Rs 5 crore	- 25 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 5 crore	- 37 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act

For assesseees other than those covered above

Particulars	Rate of surcharge applicable
Non-corporate taxpayers being firms and co-operative societies	Nil where taxable income does not exceed Rs 1 crore
	12 per cent where income exceeds Rs 1 crore
Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	Nil where taxable income does not exceed Rs 1 crore
	7 per cent where taxable income does not exceed Rs 1 crore but does not exceed Rs 10 crore
	12 per cent where taxable income exceeds Rs 10 crore
Domestic companies availing benefit under section 115BAA and section 115BAB of the IT Act	10 per cent (irrespective of taxable income)
Foreign Companies (including corporate FPIs)	Nil where taxable income does not exceed is equal to or less than Rs 1 crore
	2 per cent where taxable income exceeds Rs 1 crore but does not exceed Rs 10 crore
	5 per cent where taxable income exceeds Rs 10 crore

A health and education cess of 4 per cent is payable on the total amount of tax plus surcharge.

Note 3: Taxability of interest income**1.1 For all Residents (including Indian Corporates)**

In case of residents, where interest income is taxable as ‘income from other sources’ or ‘income from business or profession’ should be chargeable to tax as per the rates given in Note 1 and Note 2 above.

1.2 For Non-residents (other than FPI entities)

In case of non-residents, under the IT Act, the interest income should be chargeable to tax at the rate of 30/ 40 per cent

depending on the status of the non-resident (plus applicable surcharge and health and education cess).

However, the above is subject to any relief available under DTAA and any Covered Tax Agreement (CTA) entered into by the Government of India.

For FPI entities

In case of FPI, interest on NCD may be eligible for concessional tax rate of 5 per cent (plus applicable surcharge and health and education cess) under section 194LD or 194LC of the IT Act. Further, in case where section 194LD or 194LC is not applicable, the interest income earned by FPI should be chargeable tax at the rate of 20 per cent under section 115AD of the IT Act.

However, the above is subject to any relief available under DTAA and any CTA entered into by the Government of India.

Note 4: Regular capital gains tax rates

1. Tax on Long-term Gains

1.1 For all Residents (including Indian Corporates)

Long-term Capital Gains (other than long-term capital gains chargeable under section 112A of the IT Act) will be chargeable to tax under Section 112 of the IT Act, at a rate of 20 per cent (plus applicable surcharge and health and education cess respectively – Refer Note 2) with indexation.

Alternatively, the tax rate may be reduced to 10 per cent without indexation (plus applicable surcharge and health and education cess – Refer Note 2) in respect of listed securities (other than a unit) or zero-coupon bonds (as defined).

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains on listed bonds arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

1.2 For Resident Individuals and HUFs only

Where the taxable income as reduced by long-term capital gains is below the exemption limit, the long-term capital gains will be reduced to the extent of the shortfall and only the balance long-term capital gains will be charged at a rate of 20 per cent with indexation (plus applicable surcharge and health and education cess – Refer Note 2).

Alternatively, the tax rate may be reduced to 10 per cent without indexation (plus applicable surcharge and health and education cess – Refer Note 2) in respect of listed securities (other than a unit) or zero-coupon bonds as defined.

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

1.3 For Non-Resident Individuals

Long-term capital gains (other than long-term capital gains chargeable under section 112A of the IT Act) in case of listed securities will be chargeable under Section 112 of the IT Act at a rate of 20 per cent (plus applicable surcharge and health and education cess – Refer Note 2) with applicable foreign exchange fluctuation benefit or indexation, as the case may be. The tax payable (for other than a listed unit) could alternatively be determined at 10 per cent (plus applicable surcharge and health and education cess – Refer Note 2) without indexation.

The above-mentioned rates would be subject to applicable treaty relief.

1.4 For FPI entities

As per section 115AD of the IT Act, long term capital gains on transfer of NCD by FPI are taxable at 10 per cent (plus applicable surcharge and cess).

The above-mentioned rates would be subject to applicable treaty relief.

2. Tax on Short-term Capital Gains

Short-term capital gains are chargeable to tax as per the applicable general tax rates (discussed in Note 1 and Note 2 above).

In case of FPI, as per section 115AD of the IT Act, short term capital gains on transfer or sale of NCDs are taxable at the rate of 30 per cent (plus applicable surcharge and health and education cess – Refer Note 2).

Note 5: Relevant definitions under the IT Act

“*Securities*” shall have the same meaning as assigned in section 2(h) of the Securities and Contracts (Regulation) Act, 1956, which, *inter alia*, includes:

- shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or a pooled investment vehicle or other body corporate;
- derivative;
- units or any other such instrument issued to the investors under any mutual fund scheme; and
- rights or interest in securities.

For the purpose of section 112 of the IT Act:

- “*Listed securities*” means the securities which are listed on any recognised stock exchange in India.
- “*Unlisted securities*” means securities other than listed securities.

“*Zero coupon bond*” means a bond-

- issued by any infrastructure capital company or infrastructure capital fund or infrastructure debt fund or public sector company or scheduled bank on or after June 1, 2005;
- in respect of which no payment and benefit is received or receivable before maturity or redemption from infrastructure capital company or infrastructure capital fund or infrastructure debt fund or public sector company or scheduled bank; and
- which the Central Government may, by notification in the Official Gazette, specify in this behalf.

Note 6: Amendments in the withholding tax provisions

Section 139A(5A) requires every person from whose income tax has been deducted under the provisions of chapter XVIIIB of the IT Act, to furnish his PAN to the person responsible for deduction of tax at source.

As per provisions of section 206AA of the IT Act, the payer would be obliged to withhold tax at penal rates of TDS in case of payments to investors who have not furnished their PAN to the payer. The penal rate of TDS is 20 per cent or any higher rate of TDS, as may be applicable, plus applicable surcharge and health and education cess.

Section 206AA of the IT Act provides that the provisions shall not apply to non-residents in respect of payment of interest on long-term bonds as referred to in section 194LC and any other payment subject to such conditions as may be prescribed.

Further, the CBDT, vide its notification dated 24 June 2016, has clarified that the provisions of section 206AA shall not apply to non-residents in respect of payments in the nature of interest, royalty, fees for technical services and payment on transfer of capital assets provided the non-residents provide the following information to the payer of such income:

- Name, email-id, contact number;
- Address in the country or specified territory outside India of which the deductee is a resident;

- A certificate of his being resident in any country or specified territory outside India from the government of the other country or specified territory if the law of that country or specified territory provides for issuance of such certificate;
- Tax Identification Number of the deductee in the country or specified territory of his residence and in a case, no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.
- Further, as per section 206AB of the IT Act, with effect from July 1, 2021, payments made to specified persons will be subject to TDS at rate which is higher of the following:
 - twice the rate specified in the relevant provision of the Act; or
 - twice the rate or rates in force; or
 - the rate of 5%
- In cases, where both section 206AA and section 206AB of the IT Act are applicable, taxes shall be deducted at higher of the rate prescribed under both the sections.
- For the purpose of this section, specified person means any person-
 - Who has not filed an income-tax return for two preceding AYs relevant to the previous years immediately prior to the previous year in which the tax is required to be deducted and the prescribed time limit to file the income-tax return has expired;
 - The aggregate amount of TDS is INR 50,000 or more in each of these previous years
 - Other than a non-resident who does not have a permanent establishment in India.

Notes:

- The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures.
- The above statement covers only certain relevant direct tax law benefits and does not cover benefit under any other law.
- The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2022-23 pursuant to the Financial year 2021-22.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the Debentures of the Company.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV - MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098, Maharashtra, India between 10 am to 5 pm on any Working Days from the date of the filing of this Tranche I Prospectus with Stock Exchange.

MATERIAL CONTRACTS

1. Issue Agreement dated November 15, 2021 between our Company and the Lead Manager.
2. Registrar Agreement dated November 15, 2021 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated November 15, 2021 executed between our Company and the Debenture Trustee.
4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Tripartite agreement dated December 8, 2020 among our Company, the Registrar to the Issuer and CDSL.
6. Tripartite agreement dated December 17, 2020 among our Company, the Registrar to the Issuer and NSDL.
7. Public Issue Account and Sponsor Bank Agreement dated November 26, 2021 between our Company, the Lead Managers, Registrar to the Issue and ICICI Bank Limited.
8. Lead Broker Agreement dated November 26, 2021 among our Company, Lead Managers and Lead Brokers.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated November 21, 1995 issued by the RoC.
3. Certificate of commencement of business dated January 16, 1996 issued by the RoC.
4. Fresh certificate of incorporation dated August 1, 2011 issued by the RoC.
5. Share Subscription Agreement dated November 12, 2019 between our Company, Sanaka Growth SPV I Limited and Edelweiss Securities Limited.
6. Shareholders Agreement dated November 12, 2019 between our Company, Sanaka Growth SPV I Limited and Edelweiss Securities Limited.
7. Share Subscription Agreement dated August 14, 2019 between our Company, Kora Master Fund LP and Edelweiss Securities Limited.
8. Shareholders Agreement dated August 14, 2019 between our Company, Kora Master Fund LP and Edelweiss Securities Limited.
9. Share Purchase Agreement dated May 19, 2021 between our Company, PAGAC Ecstasy Pte Ltd and Edelweiss Securities Limited.
10. Amended and Restated Share Purchase Agreement dated October 19, 2020 between our Company, ECAP Equities Limited and Edelweiss Global Wealth Management Limited.
11. Amended and Restated Securities Subscription Agreement dated October 19, 2020 between our Company, Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd, Asia Pragati Strategic Investment Fund and Edelweiss Securities Limited read with amendment agreement dated March 19, 2021.
12. Amended and Restated Investment Agreement dated March 18, 2021 between our Company, Edelweiss Global

Wealth Management Limited, PAGAC Ecstasy Pte Ltd, Asia Pragati Strategic Investment Fund and Edelweiss Securities Limited.

13. Amended and Restated Implementation Agreement dated March 18, 2021 entered between our Company, Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd, Asia Pragati Strategic Investment Fund, Edelweiss Securities Limited, Edelweiss Custodial Services Limited, Edelweiss Alternative Asset Advisors Limited and ECAP Equities Limited.
14. Amended and Restated Shareholders' Agreement dated March 18, 2021 entered between our Company, Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd and Edelweiss Securities Limited.
15. Share Purchase Agreement dated March 12, 2021 between PAGAC Ecstasy I LLC, Kora Investments I LLC ("**Seller**") and Edelweiss Securities Limited.
16. Share Purchase Agreement dated March 17, 2021 between PAGC Ecstasy I LLC, Sanaka Growth SPV I Limited and Edelweiss Securities Limited.
17. Transition Services Agreement dated 19 March, 2021 executed between our Company and Edelweiss Securities Limited.
18. Brand License Agreement dated March 19, 2021 between our Company and Edelweiss Securities Limited.
19. Share Purchase Agreement dated March 17, 2021 between Edelweiss Securities Limited, our Company and Edelweiss Capital Services Limited.
20. Shareholders' Agreement dated March 17, 2021 between Edelweiss Securities Limited, Edelweiss Capital Services Limited and our Company.
21. Share Purchase Agreement dated July 1, 2021 between our Company, Arthur J. Gallagher & Co and Edelweiss Gallagher Insurance Brokers Limited.
22. Copy of shareholders' resolution passed by way of postal ballot on September 10, 2014 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
23. Copy of the resolution passed by the Board of Directors dated October 28, 2021 approving the issue of NCDs.
24. Copy of the resolution passed by the Debenture Fund Raising Committee at its meeting held on November 15, 2021 approving the Draft Shelf Prospectus.
25. Copy of the resolution passed by the Debenture Fund Raising Committee at its meeting held on November 29, 2021 approving the Shelf Prospectus and Tranche I Prospectus.
26. Letter dated October 22, 2021 and revalidated *vide* letter dated November 16, 2021, by CRISIL Ratings Limited assigning a rating of "CRISIL AA-/Negative (pronounced as CRISIL double A minus rating with Negative outlook)" for the Issue with rating rationale.
27. Letter dated October 20, 2021 and revalidated *vide* letter dated November 17, 2021, by Acuité Ratings and Research Limited assigning a rating of "ACUITE AA/ Negative (pronounced as ACUITE double A rating with Negative outlook)" for the Issue with rating rationale.
28. Consents of the Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary and Compliance Officer, Lead Managers, Legal Advisor to the Issue, Credit Rating Agencies, Bankers to the Company, Public Issue Account Bank, Refund Bank, Sponsor Bank, Registrar to the Issue, Lead Broker to this Tranche I Issue and the Debenture Trustee for the NCDs, to include their names in the Shelf Prospectus and the Tranche I Prospectus, in their respective capacities and the NOCs received from Lenders to our Company in relation to the Issue.
29. Consent of CARE Advisory Research & Training Limited dated November 8, 2021 as the agency issuing the industry report titled "*Research Report on BFSI Services Sector*" dated October 22, 2021 forming part of the Industry Overview chapter.

30. Our Company has received the written consent dated November 29, 2021 from S. R. Batliboi & Co. LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Tranche I Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of the reports on statement of possible tax benefits dated November 15, 2021, included in this Tranche I Prospectus, and such consent has not been withdrawn as on the date of this Tranche I Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.
31. The reports on statement of possible tax benefits dated November 15, 2021.
32. Annual Report of our Company for the last three Fiscals.
33. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/017/21-22 dated November 23, 2021.
34. Due Diligence Certificate dated November 29, 2021 filed by the Lead Manager with SEBI.
35. Due Diligence certificate dated November 29, 2021 filed by the Debenture Trustee to the Issue

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, have been complied with and no statement made in this Tranche I Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Tranche I Prospectus are true, accurate and correct in all material respects, are in conformity with Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche I Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Tranche I Prospectus.

Signed by the Directors of the Company

Rashesh Shah
Chairman & Managing Director
DIN: 00008322

Venkatchalam Ramaswamy
Vice Chairman & Executive Director
DIN: 00008509

Himanshu Kaji
Executive Director
DIN: 00009438

Rujan Panjwani
Executive Director
DIN: 00237366

Vidya Shah
Non-Executive, Non-Independent Director
DIN: 00274831

P N Venkatachalam
Independent Director
DIN: 00499442

Navtej S. Nandra
Independent Director
DIN: 02282617

Kunnasagaran Chinniah
Independent Director
DIN: 01590108

Biswamohan Mahapatra
Independent Director
DIN: 06990345

Ashok Kini
Independent Director
DIN: 00812946

Ashima Goyal
Independent Director
DIN: 00233635

Date: November 29, 2021
Place: Mumbai

ANNEXURE A – CRISIL RATING AND RATIONALE

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CONFIDENTIAL

RL/EDELCAPLT/280401/RBOND/1021/19965/99669258/1

November 16, 2021

Ms. Shilpa Gattani

Senior Vice President

Edelweiss Financial Services Limited

Edelweiss House, 11th Floor,

Off C.S.T. Road, Kalina

Mumbai City - 400098

9819031988

Dear Ms. Shilpa Gattani,

Re: CRISIL Rating on the Rs. 1000 Crore Retail Bond of Edelweiss Financial Services Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated October 22, 2021 bearing Ref. no:

RL/EDELCAPLT/280401/RBOND/1021/19965/99669258

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Retail Bond	1000	CRISIL AA-/Negative

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

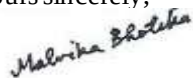
As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Malvika Bhotika

Associate Director - CRISIL Ratings



Nivedita Shibu

Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpline at CRISILratingsdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U67100MH2019PLC326247

CONFIDENTIAL

RL/EDELCAPLT/280401/RBOND/1021/19965/99669258
October 22, 2021

Ms. Shilpa Gattani
Senior Vice President
Edelweiss Financial Services Limited
Edelweiss House, 11th Floor,
Off C.S.T. Road, Kalina
Mumbai City - 400098
9819031988

Dear Ms. Shilpa Gattani,

Re: CRISIL Rating on the Rs. 1000 Crore Retail Bond of Edelweiss Financial Services Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA-/Negative (pronounced as CRISIL double A minus rating with Negative outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

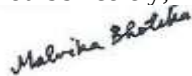
As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Malvika Bhotika
Associate Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpline at CRISILratingsdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U67100MH2019PLC326247

**Details of the Rs.1000Crore Retail Bond of
Edelweiss Financial Services Limited**

	1st tranche		2nd tranche		3rd tranche	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpline at CRISILratings@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U67100MH2019PLC326247

Rating Rationale

October 22, 2021 | Mumbai

Edelweiss Financial Services Limited

'CRISIL AA-/Negative' assigned to Retail Bond

Rating Action

Rs.1000 Crore Retail Bond	CRISIL AA-/Negative (Assigned)
Rs.300 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA- r /Negative (Reaffirmed)
Rs.1500 Crore Non Convertible Debentures	CRISIL AA-/Negative (Reaffirmed)
Rs.500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA-/Negative**' rating to Rs.1000 crore Retail Bonds of Edelweiss Financial Services Limited (EFSL) and reaffirmed its ratings on the other debt instruments at '**CRISIL AA-/CRISIL PP-MLD AA- r/Negative/CRISIL A1+**'.

The rating reaffirmation factors in the group's adequate capitalisation levels, supported by multiple capital raises, and its diversified business profile with presence across lending, asset management, wealth management, broking, asset reconstruction and insurance segments, and demonstrated ability to build significant presence in multiple lines of business - this should support earnings going ahead. The group also maintains adequate liquidity on an ongoing basis.

The continuation of the 'Negative' outlook reflects the challenges on profitability and asset quality that the group has been facing largely on account of stress on its wholesale lending book. The retail lending book was also impacted amid the Covid-19 pandemic. Trends in profitability and asset quality in the medium term will be key monitorables.

Despite the challenging macro environment for non-banks, the group has been able to raise capital from marquee global investors. During the last quarter of fiscal 2021, stake sale of Edelweiss Wealth Management (EWM; comprising wealth management and capital markets business) to PAG (Pacific Alliance Group, Asia-focused alternative investment managers) was concluded with the group receiving Rs 2,366 crore. PAG currently holds 61.5% of the business, while Edelweiss Group holds a 38.5% stake, with an option to increase it to 44%. Earlier, the group raised Rs 1,334 crore (in aggregate) from Caisse de depot et placement du Quebec (CDPQ), Kora Management (Kora; a US-based investment firm), and Sanaka Growth SPV I Ltd (part of Sanaka Capital) between March and November in 2019. These stake sales have helped to absorb asset-side risks and despite business losses in fiscals 2020 and 2021, the networth remained relatively steady at Rs 8,542 crore as on March 31, 2021 (Rs 8,715 crore as on March 31, 2019). With a decline in borrowings, the gearing has also reduced to around 3 times as on March 31, 2021 from around 4 times as on March 31, 2020. The group is also in the process of proceeding with stake sale of the remaining 70% in the Insurance broking venture to Arthur Gallagher, which already holds 30% stake. This transaction is expected to bring in Rs 300-400 crore at the holding company level before December 2021, which should further support capitalisation.

The group has diversified business interests in financial services. Many of the non-lending businesses including the asset reconstruction company (ARC), asset management, and wealth management have scaled up significantly over the years and are contributing a higher share of revenue and profit. These businesses should support the overall earnings profile.

The group also maintains adequate liquidity. The overnight on-balance-sheet liquidity (including cash, liquid investments, and treasury assets) stood at around Rs 2,225 crore, and unutilised bank lines at Rs 325 crore, as on September 30, 2021. The group also has other liquid assets (investments, securities-based lending), that can be accessed if necessary. This stood at around Rs 2,550 crore as on September 30, 2021. The group raised around Rs 7,500 crore in fiscal 2021 and Rs 1,430 crore in first quarter of fiscal 2022 through bank loans, securitisation, structured NCDs as well retail bonds.

As for asset quality, overall reported gross stage III assets in the lending business increased to 7.7% as on March 31, 2021, from 5.3% a year earlier. The increase is attributed to a decline in the loan book to Rs 15,279 crore, from Rs 21,032 crore a year earlier. On an absolute basis, stage III assets stood largely stable at Rs 1,182 crore as on March 31, 2021 (Rs 1,114 crore a year earlier) supported by write-offs and sale to ARCs of Rs 2,047 crore during fiscal 2021. The overall stage III assets ratio, improved to 5.3% as on June 30, 2021 supported by recovery in one large NPA account. Nevertheless, including security receipts held, the stressed assets of the lending book would be higher. The group has also restructured ~2.5% of its portfolio in line with the Reserve Bank of India's (RBI's) August 2020 Resolution Framework for Covid-19-related stress.

While the wholesale book had been witnessing challenges for the last few quarters, the retail book has also seen increased asset quality pressures given the tough macro environment. Stage III assets ratio in the retail book increased to 3.9% as on March 31, 2021, from 1.2% a year earlier. The reported stage III assets ratio in the wholesale book stood at 12.0% as on March 31, 2021. Nevertheless, stage III assets ratio in both wholesale and retail book improved to 8.1% and 2.9% respectively as on June 30, 2021.

With the second wave of the pandemic resulting in intermittent lockdowns and localised restrictions, there has been a dip in collections in some segments given the impact on borrowers' cash flows. This is, however, expected to improve and normalise with easing of lockdowns and pick-up in economic recovery. Any change in the behaviour of borrowers on payment discipline can, however, further affect delinquency levels.

Nevertheless, the group continues to move towards an asset-light model through sell-down of wholesale assets and co-lending arrangements in the retail lending business. In wholesale finance, it is shifting the assets to a fund platform, which will provide completion finance to projects. In this regard, the group has already concluded transactions aggregating over Rs 2,500 crore in the past 18 months. It is in advanced stages of concluding additional transactions.

The increased stress in the loan book and consequent higher provisions, including management overlay, has impacted the group's earnings profile. On a consolidated basis, while the group reported a net profit of Rs 254 crore in fiscal 2021 (loss of Rs 2,044 crore in fiscal 2020), it was primarily due to the one-off gain from stake sale in the wealth management business. Excluding this one-off gain, the group would have reported a net loss in fiscal 2021 as well. During the quarter ended June 30, 2021, the group reported a net profit of Rs 18 crore after reducing wealth management shareholder's profit of Rs 41 crore as compared to loss of Rs 245 crore in quarter ended June 30, 2020.

Improvement in asset quality and profitability will be a key rating sensitivity factor.

Analytical Approach

For arriving at the ratings, CRISIL Ratings has combined the business and financial risk profiles of EFSL, its subsidiaries and associates in the wealth management business. This is because all these entities have significant operational, financial, and managerial linkages and operate under a common Edelweiss brand.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation

Key Rating Drivers & Detailed Description

Strengths:

Adequate capitalisation, supported by multiple capital raises

The Edelweiss group has demonstrated its ability to raise capital from global investors, across businesses, despite the tough macro environment. The group has raised more than Rs 3,700 crore over the past 24 months across the lending, wealth management and asset management businesses. This has helped to maintain the capital position despite elevated credit costs, and absorb asset-side risks. During the first quarter of fiscal 2022, the group plans to raise an additional Rs 300-400 crore through stake sale in its insurance broking business before December 2021; the transaction is pending regulatory approvals.

With the scale-down of the lending business over the past few quarters, borrowings have also come down. With this, coupled with capital raised, the gearing has come down to ~3 times as on June 30, 2021 (~3 times as on March 31, 2021), from ~4 times as on March 31, 2020.

Diversified financial services player, with demonstrated ability to build significant competitive positions across businesses

Edelweiss group is a diversified financial services player with presence across various businesses including asset management, wealth management, life insurance, general insurance, asset reconstruction, alternate assets, broking, investment banking, retail finance and wholesale finance. The group has attained sizeable scale in many of these businesses over a period of time which is likely to lend greater stability to earnings over time.

In the lending business of book size of Rs 14,465 crore as on June 30, 2021 (Rs 15,279 crore as on March 31, 2021), excluding capital deployed in distressed assets credit, the group plans to focus on increasing the granularity of the loan book. As a part of this strategy, it will focus on growing the retail book (53% of total credit book as on June 30, 2021 and March 31, 2021) comprising primarily of mortgage and micro, small and medium enterprises [MSME] loans. Growth in the wholesale credit book is expected to be predominantly through the fund structure.

In the distressed assets segment, Edelweiss ARC is the largest ARC in India, with total securities receipts managed at Rs ~42,300 crore as on June 30, 2021 (Rs ~40,800 crore as on March 31, 2021). From being largely corporate focused, the group has, in the recent past, started focusing on retail and MSME segments. The share of retail is expected to grow over the medium term from less than 5% as of June 30, 2021.

The scale of, and profits from, fee-based businesses has also increased in the past few fiscals. The group has an established franchise in institutional broking and investment banking and an expanding presence in the retail broking, wealth management, and asset management segments.

Assets under advice in the global wealth management business were ~Rs.168,000 crore (Rs 155,000 crore as on March 31, 2021), and assets under management (AUM) in the asset management business stood at ~Rs 92,000 crore (Rs 85,000 crore as on March 31, 2021) [~Rs 62,000 crore of mutual fund assets and ~Rs 30,000 crore of alternate assets] as on June 30, 2021. The group is among the larger players in the alternate assets space.

Further, the life and general insurance businesses are gaining scale and are also expected to break even over the medium term.

Weakness:

Asset quality remains vulnerable

Overall stage III assets ratio rose to 7.7% as on March 31, 2021, compared to 5.3% as on March 31, 2020. The deterioration in asset quality in the last few years was majorly on account of wholesale segment. However, in fiscal 2021, the retail segment has also been adversely impacted on account of the pandemic. Furthermore, the group's weak assets, which include a portion of the security receipts, is higher than that of peers. Nevertheless, during the first quarter of fiscal 2022, overall stage III assets ratio improved to 5.3% due to resolution of one large account during this period.

Despite this, the asset quality of the wholesale book remains vulnerable due to its exposure to the real estate segment and stressed mid-tier borrowers in structured credit. While the group is in the process of gradually running down the wholesale book, this still contributed about 47% of the total loan book as on June 30, 2021 (47% as on March 31, 2021). Also, the wholesale loan book remains concentrated with 10 largest loans constituting 35% of the wholesale portfolio. Nevertheless, the group has reasonable collateral cover for its wholesale loans, and has also built strong recovery capabilities.

Given the current macro environment, asset quality of the exposures to retail credit (retail mortgage, loans against property [LAP] and loans to MSME sectors) has deteriorated in fiscal 2021. However, stage III assets in the retail segment are well below those in the wholesale segment and the retail book has more granular exposure.

Any sharp deterioration in asset quality, specifically in the wholesale lending book, will impact profitability, as well as capitalisation and remains a key rating monitorable.

Lower profitability than peers

Profitability has been lower than those of other large, financial sector groups. It was significantly impacted in the last few quarters owing to higher credit costs.

The group reported a net profit of Rs 254 crore in fiscal 2021 supported by one-off income as compared to a loss of Rs 2,044 crores in fiscal 2020. Consequently, return on assets (annualised) and return on equity (annualised) improved to 0.5% and 3.0%, respectively, in fiscal 2021 (-3.4% and -23.7%, respectively, in fiscal 2020). Further, with continued provisioning, the provision coverage ratio has improved to 47% as on March 31, 2021. During the first quarter of fiscal 2022, the group reported a net profit of Rs 18 crore after reducing wealth management shareholder's profit of Rs 41 crore as compared to loss of Rs 245 crore same period last year.

Around 20% of the capital (equity plus borrowings) is employed in businesses or investments that are either low-yielding or loss-making at this point. The group has a large investment portfolio under its balance sheet management unit (BMU), used for managing liquidity. This largely comprises government securities, fixed deposits, liquid mutual fund units, and corporate bonds, which have a low return on capital employed. Furthermore, the life and general insurance businesses continue to be loss-making, given their long gestation periods. Breaking even of the insurance businesses should benefit group profitability over the medium term.

As the group is diversified, each business vertical contributes to overall profitability. The non-credit business now contributes significantly to the total profit after tax (PAT) given the group's established position in these businesses; this should also support the overall earnings profile. Also, most of the businesses have been reporting profits from the last quarter of fiscal 2021 and gradual improvement in profitability is expected over the medium term.

Liquidity: Adequate

As a policy, the group maintains a liquidity cushion of 9-10% of the balance sheet. There was a liquidity cushion (including cash, liquid investments, and treasury assets) of around Rs 2,225 crore and unutilised bank lines of around Rs 325 crore as on September 30, 2021. The group also has other liquid assets (investments, securities-based lending book), which can be accessed if necessary; these stood at around Rs 2,550 crore. As on September 30, 2021, the overall liquidity was adequate to meet the debt obligation of around Rs 3,621 crore that was due over the next few months until January 31, 2022. The maturity profile of assets and liabilities continue to be well-matched.

Outlook: Negative

The Negative outlook factors in the challenges faced by the Edelweiss Group due to stressed assets in its credit business, especially in its wholesale lending book and the impact of the same on its profitability.

Rating Sensitivity Factors

Upward Factors

- Significant improvement in the group's asset quality with Stage III assets ratio less than 3% on a sustained basis, coupled with reduction in level of stressed assets
- Demonstration of profitability across businesses.

Downward Factors

- Continued pressure on profitability, with losses continuing on a sustained basis (Negative PAT excluding one-off gains)
- Deterioration in asset quality of the Edelweiss group
- Funding access challenges with limited fund-raising by the group
- Lack of progress on planned scale-down of wholesale portfolio

About the Group

Edelweiss Financial Services Limited (EFSL) was previously named as Edelweiss Capital Limited and was incorporated in 1995. The company on a standalone basis is primarily engaged in investment banking services and provides development,

managerial and financial support to the businesses of the Edelweiss group entities.

The Edelweiss group comprised 48 companies as on March 31, 2021. The number of companies has come down from 74 as on March 31, 2016, and is expected to come down further over the next few quarters (subject to requisite approvals). The group had 234 offices (including ten international offices in six locations) in around 136 cities as on June 30, 2021. Furthermore, as a part of streamlining its operating structure, the group has restructured the businesses into three verticals: credit, advisory and insurance.

The group has a presence across various financial services businesses. These businesses include loans to corporates and individuals, mortgage finance, including LAPs and small-ticket housing loans, MSME finance, agricultural credit including commodity sourcing and distribution, institutional and retail equity broking, corporate finance and advisory, wealth management, third-party financial products distribution, alternative and domestic asset management, and life and general insurance. In addition, the BMU focuses on liquidity and asset-liability management.

In fiscal 2021, the group's PAT was Rs 254 crore on total income of Rs 10,849 crore against a net loss of Rs 2,044 crore and total income of Rs 9,603 crore in fiscal 2020. During first quarter of fiscal 2022, the group reported a net profit of Rs 18 crore on total income of Rs 1,649 crore as compared to net loss of Rs 245 crore and total income of Rs 1,920 crore in first quarter of fiscal 2021.

Key Financial Indicators : EFSL (Consolidated)

As on/For period ended June 30	Unit	2021	2020
Total assets	Rs crore	45015	51182
Total income	Rs crore	1649	1920
PAT (before minority interest)	Rs crore	25	-264
PAT (after minority interest)	Rs crore	18	-245
Stage III assets	%	5.3	2.3
Gearing	Times	~3	~4
Return on assets	%	0.04	-0.5

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (INR.Crs)	Complexity Level	Rating Assigned with Outlook
NA	Non-Convertible Debentures^	NA	NA	NA	1500	Simple	CRISIL AA-/Negative
NA	Retail Bond^	NA	NA	NA	1000	Simple	CRISIL AA-/Negative
NA	Commercial Paper Programme	NA	NA	7-365 Days	500	Simple	CRISIL A1+
NA	Long Term Principal Protected Market Linked Debentures^	NA	NA	NA	300	Highly Complex	CRISIL PP-MLD AA-r/Negative

^Yet to be issued

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
ECL Finance Ltd	Full	Subsidiary
Edelweiss Rural & Corporate Services Ltd	Full	Subsidiary
Edelweiss Asset Reconstruction Company Ltd	Full	Subsidiary
Edelweiss Housing Finance Ltd	Full	Subsidiary
Edelweiss Retail Finance Ltd	Full	Subsidiary
Edel Finance Company Ltd	Full	Subsidiary
Edelweiss Asset Management Ltd	Full	Subsidiary

EdelGive Foundation	Full	Subsidiary
Edelweiss Tokio Life Insurance Company Ltd	Full	Subsidiary
Edelweiss General Insurance Company Ltd	Full	Subsidiary
Allium Finance Private Ltd	Full	Subsidiary
Edelcap Securities Ltd	Full	Subsidiary
Edelweiss Securities and Investment Pvt Ltd	Full	Subsidiary
ECap Equities Ltd	Full	Subsidiary
Edel Investments Ltd	Full	Subsidiary
EC Commodity Ltd	Full	Subsidiary
Aster Commodities DMCC	Full	Subsidiary
EC International Ltd	Full	Subsidiary
Edel Land Ltd	Full	Subsidiary
Edelweiss Comtrade Ltd d	Full	Subsidiary
Edelweiss Multi Strategy Fund Advisors LLP	Full	Subsidiary
Edelweiss Gallagher Insurance Brokers Ltd	Full	Subsidiary
Edelweiss Private Equity Tech Fund	Full	Subsidiary
Edelweiss Value and Growth Fund	Full	Subsidiary
India Credit Investment Fund II	Full	Subsidiary
EAAA LLC	Full	Subsidiary
Edelweiss Alternative Asset Advisors Ltd	Full	Subsidiary
Edelweiss Alternative Asset Advisors Pte. Ltd	Full	Subsidiary
Edelweiss Investment Adviser Ltd	Full	Subsidiary
Edelweiss Resolution Advisors LLP	Full	Subsidiary
EW Special Opportunities Advisors LLC	Full	Subsidiary
Edelweiss Trusteeship Company Ltd	Full	Subsidiary
Edelweiss International (Singapore) Pte. Ltd	Full	Subsidiary
Edelweiss Capital Services Ltd	Full	Subsidiary
Edelweiss Securities Limited	Proportionate	Associate
Edelweiss Finance & Investments Limited	Proportionate	Associate

Edelweiss Broking Limited	Proportionate	Associate
Edelweiss Custodial Services Limited	Proportionate	Associate
Edelweiss Financial Services Inc	Proportionate	Associate
Edelweiss Investment Advisors Private Limited	Proportionate	Associate
Edelweiss Securities (Hong Kong) Private Limited	Proportionate	Associate
Edelweiss Financial Services (UK) Limited	Proportionate	Associate
Edelweiss Securities (IFSC) Limited	Proportionate	Associate
ESL Securities Limited	Proportionate	Associate

Annexure - Rating History for last 3 Years

	Current			2021 (History)		2020		2019		2018		Start of 2018
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	500.0	CRISIL A1+	09-09-21	CRISIL A1+	07-09-20	CRISIL A1+	04-10-19	CRISIL A1+	19-03-18	CRISIL A1+	--
			--	27-08-21	CRISIL A1+	25-05-20	CRISIL A1+	20-07-19	CRISIL A1+		--	--
			--	02-08-21	CRISIL A1+		--	29-03-19	CRISIL A1+		--	--
Non Convertible Debentures	LT	1500.0	CRISIL AA-/Negative	09-09-21	CRISIL AA-/Negative		--		--		--	--
Retail Bond	LT	1000.0	CRISIL AA-/Negative	09-09-21	Withdrawn		--		--		--	--
			--	27-08-21	CRISIL AA-/Negative		--		--		--	--
			--	02-08-21	CRISIL AA-/Negative		--		--		--	--
Short Term Debt	ST		--		--		--		--	31-01-18	CRISIL A1+	CRISIL A1+
			--		--		--		--	22-01-18	CRISIL A1+	--
			--		--		--		--	12-01-18	CRISIL A1+	--
			--		--		--		--	08-01-18	CRISIL A1+	--
Short Term Debt Issue	ST		--		--		--		--	31-01-18	Withdrawn	CRISIL A1+
			--		--		--		--	22-01-18	CRISIL A1+	--
			--		--		--		--	12-01-18	CRISIL A1+	--
			--		--		--		--	08-01-18	CRISIL A1+	--
Long Term Principal Protected Market Linked Debentures	LT	300.0	CRISIL PPMLD AA-r /Negative	09-09-21	CRISIL PPMLD AA-r /Negative		--		--		--	--
			--	27-08-21	CRISIL PPMLD AA-r /Negative		--		--		--	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria
Rating Criteria for Banks and Financial Institutions
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation

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ANNEXURE B – ACUTE RATING AND RATIONALE

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Rating Revalidation Letter

Private and Confidential

November 17, 2021

Edelweiss Financial Services Limited

Edelweiss House, OFF. C.S.T Road, Kalina,,
Mumbai, Maharashtra,
India, 400098

Kind Attn.: Mr. Rashesh Shah, Managing Director (Tel. No. 981977224)

Dear Mr. Shah,

Scan this QR Code to verify
authenticity of this rating



Sub.: Credit Rating of Proposed Secured Redeemable Non-Convertible Debenture Issue by Edelweiss Financial Services Limited Aggregating Rs. 1500 Cr

Acuité Ratings & Research Limited has an outstanding rating of 'ACUITE AA' read as [ACUITE double A] with a 'Negative' outlook for the abovementioned debt instrument [see annexure 1]. As per Acuité's rating definition, instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Kindly inform us the details of the NCDs being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors
--------------------	------	----------------------	---------------	-------------	----------------------	---------------------	-----------------	---	---------------------------

Acuité reserves the right to revise the ratings, along with the outlook, at any time, on the basis of new information, or other circumstances which Acuité believes may have an impact on the ratings. Such revisions, if any, would be appropriately disseminated by Acuité as required under prevailing SEBI guidelines and Acuité's policies. Hence lenders / investors are advised to visit <https://www.acuite.in/> to confirm the current outstanding rating. Acuité ratings are not recommendations to buy, sell or hold any security.

Yours truly,
For Acuité Ratings & Research Limited



Suman Chowdhury
Chief Analytical Officer

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Rating Revalidation Letter

ANNEXURE - I

Instrument	Scale	Amount (Rs. Cr)	Ratings
Secured Redeemable Non-Convertible Debentures (Proposed)	Long Term	400.00	ACUITE AA/ Negative
Proposed Secured NonConvertible Debentures	Long Term	1100	ACUITE AA/ Negative
Total Debt		1500	

Rating Revalidation Letter

Private and Confidential

November 17, 2021

Edelweiss Financial Services Limited

Edelweiss House, OFF. C.S.T Road, Kalina,,
Mumbai, Maharashtra,
India, 400098

Kind Attn.: Mr. Rashesh Shah, Managing Director (Tel. No. 981977224)

Dear Mr. Shah,

Scan this QR Code to verify
authenticity of this rating



Sub.: Credit Rating of Proposed Secured Redeemable Non-Convertible Debenture Issue by Edelweiss Financial Services Limited Aggregating Rs. 400 Cr

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Kindly inform us the details of the NCDs being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors
--------------------	------	----------------------	---------------	-------------	----------------------	---------------------	-----------------	---	---------------------------

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For Acuité Ratings & Research Limited



Suman Chowdhury
Chief Analytical Officer

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Rating Revalidation Letter

ANNEXURE - I

Instrument	Scale	Amount (Rs. Cr)	Ratings
Secured NonConvertible Debentures	LongTerm	50.02	ACUITE AA/ Negative
Secured NonConvertible Debentures	LongTerm	12.5	ACUITE AA/ Negative
Secured NonConvertible Debentures	LongTerm	81.92	ACUITE AA/ Negative
Secured NonConvertible Debentures	LongTerm	30.11	ACUITE AA/ Negative
Secured NonConvertible Debentures	LongTerm	9.3	ACUITE AA/ Negative
Secured NonConver tible Debentures	LongTerm	19.13	ACUITE AA/ Negative
Secured NonConvertible Debentures	LongTerm	15.72	ACUITE AA/ Negative
Proposed Secured NonConvertible Debentures	LongTerm	181.3	ACUITE AA/ Negative
Total Debt		400.00	

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Rating Revalidation Letter

Private and Confidential

October 20, 2021

Edelweiss Financial Services Limited

Edelweiss House, OFF. C.S.T Road, Kalina,,
Mumbai, Maharashtra,
India, 400098

Kind Attn.: Mr. Rashesh Shah, Managing Director (Tel. No. 9819772224)

Dear Mr. Shah,

Scan this QR Code to verify
authenticity of this rating



Sub.: Credit Rating of Proposed Secured Redeemable Non-Convertible Debenture Issue by Edelweiss Financial Services Limited Aggregating Rs. 1500 Cr

Acuité Ratings & Research Limited has an outstanding rating of 'ACUITE AA' read as [ACUITE double A] with a 'Negative' outlook for the abovementioned debt instrument [see annexure 1]. As per Acuité's rating definition, instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

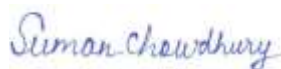
Kindly inform us the details of the NCDs being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors
--------------------	------	----------------------	---------------	-------------	----------------------	---------------------	-----------------	---	---------------------------

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Yours truly,

For Acuité Ratings & Research Limited



Suman Chowdhury
Chief Analytical Officer

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Rating Revalidation Letter

ANNEXURE - I

Instrument	Scale	Amount (Rs. Cr)	Ratings
Secured Redeemable Non-Convertible Debentures (Proposed)	Long Term	400.00	ACUITE AA/ Negative
Proposed Secured NonConvertible Debentures	Long Term	1100	ACUITE AA/ Negative
Total Debt		1500	

Press Release

Edelweiss Financial Services Limited

September 24, 2021

Rating Reaffirmed



Total Facilities Rated*	Rs.1900.00 Cr.
Long Term Facilities Rated	Rs.400.0 Cr.
Long Term Rating	ACUITE AA/ Negative (Reaffirmed)
Long Term Facilities Rated	Rs.1500.0 Cr.
Long Term Rating	ACUITE AA/ Negative (Reaffirmed)

* Refer Annexure for details

Rating Rationale

Acuité has reaffirmed the long term rating of **'ACUITE AA' (read as ACUITE double A)** on the Rs.400.0 Cr. Secured Retail Non-Convertible Debentures of Edelweiss Financial Services Limited (EFSL) and Rs.1500.0 Cr. Secured Retail Non-Convertible Debentures of Edelweiss Financial Services Limited (EFSL). The outlook is **'Negative'**.

The rating reaffirmation reflects Edelweiss Group's established track record in financial services with diversified business profile, adequate capitalization levels and comfortable liquidity profile. The rating considers the significant portion of revenue being generated through the fees and advisory services. This stream of income is steadily growing and provides stable cashflows to the overall earnings profile of the Group. The rating takes cognizance of the Group's strategic intent on downsizing its wholesale book and building its retail mortgage and SME book with focus on the co-origination model which will keep it asset light and provide granularity to loan portfolio. The rating also takes into consideration the group's demonstrated resource raising ability as depicted by monetization of their 51% stake in wealth management business for Rs.2,366 Cr., Rs.1,040 Cr. from CDPQ (Canadian Pension Fund) in the ECL Finance Limited via compulsorily convertible debentures. In the past, the Group has also raised Rs.177 Cr. from KORA Management and Rs.117 Cr. from Sanaka Capital in Edelweiss Global Investment Advisors (EGIA) via compulsory convertible preference shares. PAG's stake in wealth management business increased to 61% post acquisition of stake of KORA Management and Sanaka Capital. Acuité takes note of announcement by the Group in July 2021 of stake sale of 70%, subject to regulatory approvals, in its insurance broking business to existing investor, Gallagher Insurance for consideration of ~Rs.308 Cr. Pursuant to this deal, Gallagher Insurance will have complete ownership of this business.

The rating is partially offset by moderate profitability with profit after tax (excluding minority interest) of Rs.254 Cr. during FY2021 driven by one time gain of about Rs.1,400 Cr. on sale of majority stake in wealth management business to PAG (loss of Rs.2,044 Cr. (excluding minority interest) in FY2020) coupled with declining loan book (Rs.13,144 Cr. (excluding Loan Against Securities portfolio forming part of wealth management business) as on June 30,2021 as against Rs.14,059 Cr. (excluding Loan Against Securities portfolio forming part of wealth management business) as on March 31,2021) and weak asset quality (GNPA of 7.73% as on March 31,2021 as against 5.3% as of March 31,2020). The GNPA stood at 5.3% as on June 30,2021. Furthermore, high concentration in wholesale Credit (Top 20 borrowers accounting for about 27% of overall loan book as on March 31,2021, particularly exposure to real estate developers may build up further pressure on asset quality in the challenging external environment. Acuité takes note of group's strategic focus on reducing its wholesale book through sale of assets to Asset Reconstruction companies including EARCL and AIFs. In this regard, in FY2020, the group launched a USD 425mn corpus last mile Real Estate Financing AIF in partnership with South Korean financial conglomerate Meritz Financial Group, of which one tranche of USD 240mn has already been concluded.

Acuité believes that the ability to curtail asset quality risks in credit business whilst demonstrating sustainable improvement in profitability along with sustainable growth in SME portfolio in the evolving operating environment would remain key rating monitorables.

About the Group:

Headquartered in Mumbai, Edelweiss Financial Services Limited (EFSL), the holding company of Edelweiss Group, was incorporated in 1995 and has diversified its line of operations across various fund based and non-fund based businesses. Edelweiss Group is promoted by Mr. Rashesh Shah and Mr. Venkat Ramaswamy and offers a bouquet of financial services to a diversified client base across domestic and global geographies. Its key line of business includes; Credit (retail and corporate), Asset Management, Asset Reconstruction, Insurance (life and general) and Wealth management including Capital Markets.

The Edelweiss Group comprises Edelweiss Financial Services Limited, 45 subsidiaries, 1 associate and 76 trusts for FY2021. Edelweiss group has a pan India presence with a global footprint extending across geographies with offices in New York, Mauritius, Dubai, Singapore, Hong Kong and UK.

Analytical approach:

Acuité has adopted a consolidated approach on Edelweiss Financial Services Limited (EFSL) along with its 45 subsidiaries, 1 associate (for list of subsidiaries and associate refer Annexure I) and 76 trusts for FY2021, collectively referred to as 'Edelweiss group'. The approach is driven by common promoters, shared brand name, significant operational and financial synergies between the companies.

Acuité has rated secured NCDs as well as perpetual NCDs issued by Edelweiss group companies. It is pertinent to note that, Unsecured Subordinated Non-Convertible Debentures (i.e. Perpetual NCDs) are rated at a lower level vis-à-vis the regular secured debt instruments. This is in view of the significant loss absorption characteristics associated with these perpetual instruments. The issuer may be required to skip/defer the coupon/interest payment in case of certain events such as decline in CAR below regulatory thresholds.

Extent of consolidation: Full

Key Rating Drivers:

Strengths:

• Strong parentage and diversified product offerings

Edelweiss Group is promoted by Mr. Rashesh Shah and Mr. Venkat Ramaswamy, who are seasoned professionals in the financial services industry with over two decades of experience. The promoters are supported by experienced professionals who are into financing, wealth, and asset management businesses. The group has a diverse business profile in financial services with presence in segments such as retail credit (including agri-finance), wholesale lending, warehousing services, asset reconstruction, asset management, wealth management and capital market including stock broking and insurance business. The various verticals of the group as mentioned above are now under the following broad categories i.e. Credit (retail and corporate), Asset Management, Asset Reconstruction, Insurance (life and general) and Wealth management including Capital Markets.

The Group had consolidated loan book of Rs.13144 Cr. (excluding Loan Against Securities portfolio which used to form part of wealth management business) as on June 30,2021 as against 14,059 Cr. (excluding Loan Against Securities portfolio which used to form part of wealth management business) as on March 31,2021, of which retail credit was Rs.6348 Cr. (Rs.6,813 as on March 31,2021) and wholesale credit at Rs.6796 Cr. as on June 30,2021 (Rs.7,246 Cr. as on March 31,2021). The wholesale segment comprised loans to realtors and structured Credit. The Group has been attempting to gradually increase its exposure to retail segment and is in talks with multiple banks for lending under co-origination model. It has taken several steps to reduce its exposure to the wholesale segment and reorient the portfolio toward small and mid-corporate lending segments.

Besides the fund-based activities, Edelweiss Group also has an established franchise in the capital market related business across corporate finance and advisory domains including broking, investment banking, wealth management, and asset management. The group has completed sale

of its majority stake in wealth management business to PAG. As on March 31, 2021, the group had customer assets of about Rs.280,800 Cr. under the advisory vertical (about Rs.207,700 Cr. as on March 31, 2020). Most of the businesses of the group present significant synergies amongst themselves and growth potential both on the assets and liabilities side. The access to a pool of HNIs can be leveraged to create fund-based structures which can be utilized to support the AUM growth of the group.

Acuité believes Edelweiss group's established position in financial services and diversified range of fee and fund-based product offerings will continue to support its business risk profile.

• **Diversified funding profile**

The group's financial flexibility is supported by its demonstrated ability to mobilise resources from diversified set of investors across domestic banks, Institutional investors and lenders, foreign investors and domestic retail investors amongst others. The Group has attracted investments from reputed international investors such as CDPQ (Caisse de dépôt et placement du Québec), and PAG Asia. In the past, the Group also raised capital from KORA Management and Sanaka Capital. In July 2021, the Group announced stake sale of 70%, subject to regulatory approvals, in its insurance broking business to existing investor, Gallagher Insurance for consideration of ~Rs.308 Cr. Pursuant to this deal, Gallagher Insurance will have complete ownership of this business. Of the total borrowings (excluding asset backed borrowings and equity convertible instruments) of Rs.25695 Cr. as on March 31, 2021, 43% is being funded through banks, 26% through retail investors, 11% by mutual funds, and the balance 20% mainly through FIs, PFs, and Insurance. As on June 30, 2021, borrowings stood at Rs.25,912 Cr. and proportion of funding from retail investors rose to 31%. The Group's NCD issuances targeted at the retail investor have been well accepted in the markets, which has helped the Group in increasing its retail funding to Rs.8033 Cr. (31%) as on June 30, 2021 as against Rs.5371 Cr. (11%) as on March 31, 2018. The Group also has large institutional client base in its various funds such as distressed Credit fund, Real estate Credit Fund, Structured debt fund and Infrastructure Fund. The group has also demonstrated its ability to support chunky real estate projects with a need for completion funding by setting up an AIF with South Korea based Meritz Group with a corpus of USD 425 million.

Acuité expects the Group to continue to benefit from diversified funding mix across domestic banks, Institutional investors and lenders, foreign investors and domestic retail investors amongst others.

• **Adequate gearing levels and liquidity buffer**

The Group's networth (including compulsorily convertible debentures and excluding minority interest) stood at Rs.7443 Cr. as on March 31, 2021 (Rs.7233 Cr. as on March 31, 2020). The improvement in the networth was mainly on account of profits reported for FY2021 led by one time gain reported on sale of majority stake in wealth management business. Concomitantly, capital adequacy of the Group improved to 21.50% as on March 31, 2021 (20.76 % as on March 31, 2020). The capital adequacy stood at 20.85% as on June 30, 2021. The group further reduced its borrowings (excluding asset backed borrowings) to Rs.25695 Cr. as on March 31, 2021 as against Rs.33754 Cr. as on March 31, 2020 (Rs.45217 Cr. as on March 31, 2019) translating into improved gearing ratio (reported borrowings/networth) of 3.5 times as on March 31, 2021 from 4.7 times as on March 31, 2020 (5.9 times as on March 31, 2019). The gearing ratio (reported borrowings/networth) stood at 3.5 times as on June 30, 2021.

Further, the Group continued to maintain adequate liquidity buffer over this period and reported liquidity of Rs.5550 Cr. as on June 30, 2021 comprising Rs.5300 Cr. of overnight liquidable and treasury assets and Rs.250 Cr. in bank lines.

Weaknesses:

• **Moderation in profitability indicators**

The Group reported moderate profitability for FY2021 with profit after tax (excluding minority

interest) of Rs.254 Cr. (loss (excluding minority interest) of Rs.2,044 Cr. in FY2020) driven by one time gain of ~Rs.1,400 Cr. reported on sale of majority stake in wealth management business to PAG. Credit costs, though elevated, reduced to Rs.2,073 Cr. during FY2021 from Rs.3562 Cr. during FY2020. The future trend in Credit costs will be linked to the fresh slippages in both the segments i.e. retail as well as wholesale segments. The cost to income ratios (exinsurance) for FY2021 remained stable vis-à-vis FY2020 levels at 56%. Furthermore, NIMs declined to 0.77% of average earning assets in FY2020 as against 3.03% of average earning assets in FY2020 due to degrowth in loan book resulting in decline in interest income along with higher cost of funds due to negative carry of higher liquidity. The Group reported profit after tax (excluding minority interest and including share in associate's profit) of Rs.25 Cr. on total income of Rs.1649 Cr. for Q1FY2022. Acuité notes that the loss of revenues from the wealth management business in the light of its majority stake sale is expected to impact future profitability. Acuité also takes notes of several measures taken by the Group to rationalize cost and improve profitability including co-origination model for building retail portfolio which is expected to reflect in coming quarters.

Acuité believes that Group's ability to sustain improvement in earnings profile in the current operating environment coupled with the intense competition in the retail segment will be key rating monitorable.

• Deterioration in asset quality

Edelweiss Group's key product offerings are spread across two segments i.e. retail segments and wholesale segments. The retail segment (48% of the loan book as on June 30,2021) comprises housing finance, Loan against Property, Construction finance, SME loans, Loan against Securities while the wholesale segment (52% of the loan book as on June 30,2021) comprises Structured Collateralized Credit and Real Estate financing. The Group had loan book of Rs.13,144 Cr. (excluding Loan Against Securities portfolio forming part of wealth management business) as on June 30,2021 against Rs.14,059 Cr. (excluding Loan Against Securities portfolio forming part of wealth management business) as on March 31,2021 and Rs.21,032 Cr. as on March 31, 2020. The decline in the loan book is primarily driven by the management's strategic decision to consciously scale down the exposure to the wholesale segment coupled with subdued disbursements in the Retail segment. While there is decline in loan book, the asset quality witnessed some positive traction with the Group's Gross NPAs (GNPAs) at Rs.770 Cr. (5.3% of loan assets) as on June 30, 2021 as against Rs.1182 Cr. (7.7% of loan assets) as on March 31, 2021 with retail segment at Rs.219 Cr.(2.9% as on June 30,2021) as against Rs.316 Cr. (3.90% as on March 31,2021) and wholesale at Rs.550 Cr. (8.1% as on June 30,2021) as against Rs.866 Cr. (12.0% as on March 31,2021). As on March 31, 2021, top 20 exposures accounted for ~27% of the overall loan book. The group's wholesale segment mostly comprises exposures to real estate developers for their projects. The cash flows of these realtors and the quality of these exposures is linked to the revival in the real estate cycle. The group has already initiated steps to prune its exposure to the wholesale segment through various initiatives such as slowing down fresh sanctions and sell down of existing assets to dedicated funds and ARCs. In FY2020, the group launched a USD 425mn corpus last mile Real Estate Financing AIF in partnership with South Korean financial conglomerate Meritz Financial Group. The first tranche of the USD 240 million corpus is completed. Edelweiss holds 30% stake in this fund and the remaining is held by Meritz Financial Group, a Seoul headquartered conglomerate. Since the group has decided to curtail its exposure to wholesale segment, the retail products like retail mortgage, SME lending, LAS along with smaller ticket lending to mid corporates under the co-origination model with banks are expected to be the drivers of future growth. In the retail segment, SME loans and retail mortgage comprise the key products contributing to ~46% of the overall loan book as on March 31, 2021. The retail portfolio is relatively more granular with a median ticket size of ~1 Cr. for secured SME loan, Rs.15 lakhs for housing loan and 19 lakhs for LAP. With the increasing focus on relatively less risky retail segment, the portfolio is expected to be more granular going forward.

Acuité believes that the Group's ability to attain any significant improvement in asset quality amidst current economic environment will remain a key rating sensitivity.

Rating Sensitivities

- Lower than expected growth in AUM
- Significant spike in Credit costs translating into material reduction in profitability and capital adequacy
- Higher than expected asset quality pressures
- Changes in Regulatory environment
- Significant capital infusion

Material Covenants

Edelweiss Group is subject to covenants stipulated by its lenders/investors in respect of various parameters like capital structure, asset quality among others. As per confirmation received from the Group vide mail dated September 24, 2021, 'the Group is adhering to all terms and conditions stipulated as covenants by all its lenders/investors.'

Liquidity Position: Adequate

EFSL's liquidity profile is supported by the group's centralised treasury operations and adequate liquidity position. The group has demonstrated the ability to raise medium to long term funding from banks/capital markets which should support the Group's ability to plug any possible mismatches. The Group's liquidity profile is supported by funding from diversified base i.e. banks and financial institutions along with capital market instruments like CBLO borrowings, Commercial Papers and NCDs. The Group on a consolidated basis had maintained liquidity buffers of Rs.5550 Cr. (includes bank lines of Rs.250 Cr.) as on June 30, 2021.

Outlook: Negative

Acuite believes that the Edelweiss Group's Credit profile will continue to face pressures over the near to medium term on account of the deterioration of asset quality and profitability. The weakness in the operating environment and a slower than expected economic revival across the country can impinge on the near term performance. Acuite will be closely monitoring the performance of the Group and any further impairment in asset quality or reduction of profitability will impart a strong negative bias to the rating.

The outlook may be revised to Stable in case Edelweiss Group is able to demonstrate significant and sustained improvement in asset quality and profitability.

EFSL- Key financials (Consolidated)

	Unit	FY21 (Actual)	FY20 (Actual)
Total Assets	Rs. Cr.	45,016	53,324
Total Income*	Rs. Cr.	7,015	4,810
PAT (excluding minority interest)	Rs. Cr.	254	(2,044)
Net Worth (including compulsorily convertible debentures and excluding minority interest)	Rs. Cr.	7,443	7,233
Return on Average Assets (RoAA)	(%)	0.52	(3.48)
Return on Average Net Worth (RoNW)	(%)	3.47	(27.46)
Total Debt/Tangible Net Worth (Gearing)	Times	3.7	4.9
Gross NPA	(%)	7.73	5.30
Net NPA	(%)	4.10	4.10

*Total income equals to Total Income net off interest expense

Ratios as per Acuite calculations

EFSL- Key financials (Standalone)

	Unit	FY21 (Actual)	FY20 (Actual)
--	------	------------------	------------------

Total Assets	Rs. Cr.	5,943	3,653
Total Income*	Rs. Cr.	1,625	227
PAT	Rs. Cr.	716	83
Net Worth	Rs. Cr.	4,126	3,455
Return on Average Assets (RoAA)	(%)	14.93	2.22
Return on Average Net Worth (RoNW)	(%)	18.90	2.43
Total Debt/Tangible Net Worth (Gearing)	Times	0.20	0.04
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

*Total income equals to Total Income net off interest expense

Ratios as per Acuite calculations

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Consolidation of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
August 31, 2021	Secured Retail Non-Convertible Debentures	Long Term	50	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	13	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	82	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	30	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	9	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	19	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	16	ACUITE AA/Negative (Reaffirmed)
	Proposed Secured Retail Non-Convertible Debentures	Long Term	181	ACUITE AA/Negative (Reaffirmed)
July 19, 2021	Secured Retail Non-Convertible Debentures	Long Term	50	ACUITE AA/Negative (Reaffirmed)

	Secured Retail Non-Convertible Debentures	Long Term	13	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	82	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	30	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	9	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	19	ACUITE AA/Negative (Reaffirmed)
	Secured Retail Non-Convertible Debentures	Long Term	16	ACUITE AA/Negative (Reaffirmed)
	Proposed Secured Retail Non-Convertible Debentures	Long Term	181	ACUITE AA/Negative (Reaffirmed)
	Proposed Secured Non-Convertible Debentures	Long Term	1500	ACUITE AA/Negative (Assigned)
6-Apr-21	Proposed Secured Non-Convertible Debentures	Long Term	400	ACUITE AA/Negative (Reaffirmed)
04-Mar-21	Proposed Secured Non-Convertible Debentures	Long Term	400	ACUITE AA/Negative (Assigned)

***Annexure – Details of instruments rated**

Lender	ISIN	Name of the Facilities	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Not Applicable	INE532F07BV4	Secured Retail Non-Convertible Debentures	29-Apr-21	9.10	29-Apr-24	50.02	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07BW2	Secured Retail Non-Convertible Debentures	29-Apr-21	Not Available	29-Apr-24	12.5	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07BX0	Secured Retail Non-Convertible Debentures	29-Apr-21	9.16	29-Apr-26	81.92	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07BY8	Secured Retail Non-Convertible Debentures	29-Apr-21	9.55	29-Apr-26	30.11	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07BZ5	Secured Retail Non-Convertible Debentures	29-Apr-21	Not Available	29-Apr-26	9.3	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07CA6	Secured Retail Non-Convertible Debentures	29-Apr-21	9.30	29-Apr-31	19.13	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07CB4	Secured Retail Non-	29-Apr-21	9.70	29-Apr-31	15.72	ACUITE AA/Negative (Reaffirmed)

		Convertible Debentures					
Not Applicable	-	Proposed Secured Retail Non- Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	181.3	ACUITE AA/Negative (Reaffirmed)
Not Applicable	INE532F07CC2	Secured Retail Non- Convertible Debentures	10-Sep-21	8.75	10-Sep-24	400.0	ACUITE AA/Negative (Reaffirmed)
Not Applicable	-	Proposed Secured Retail Non- Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	1100.0	ACUITE AA/Negative (Reaffirmed)

- **The following subsidiaries and associate company of EFSL have been considered for consolidation: As on March 31, 2021**

Sr.No.	Name of Entity	Relationship with EFSL
1	Edelweiss Finance & Investments Limited	Subsidiary
2	ECL Finance Limited	Subsidiary
3	Edelweiss Global Wealth Management Limited (upto March 26,2021)	Subsidiary
4	Edelweiss Gallagher Insurance Brokers Limited	Subsidiary
5	Edelweiss Trustee Services Limited	Subsidiary
6	Edelcap Securities Limited	Subsidiary
7	Edelweiss Asset Management Limited	Subsidiary
8	Ecap Equities Limited	Subsidiary
9	Edelweiss Broking Limited (upto March 26,2021)	Subsidiary
10	Edelweiss Trusteeship Company Limited	Subsidiary
11	Edelweiss Housing Finance Limited	Subsidiary
12	Edelweiss Investment Adviser Limited	Subsidiary
13	EC Commodity Limited	Subsidiary
14	Edel Land Limited	Subsidiary
15	Edelweiss Custodial Services Limited (upto March 26,2021)	Subsidiary
16	Edel Investments Limited	Subsidiary
17	Edelweiss Rural & Corporate Services Limited	Subsidiary
18	Edelweiss Comtrade Limited	Subsidiary
19	Edel Finance Company Limited	Subsidiary
20	Edelweiss Retail Finance Limited	Subsidiary
21	Edelweiss Multi Strategy Fund Advisors LLP	Subsidiary
22	Edelweiss Resolution Advisors LLP	Subsidiary
23	Edelweiss General Insurance Company	Subsidiary
24	Edelweiss Securities (IFSC) Limited (upto March 26,2021)	Subsidiary
25	Edelweiss Securities Limited (upto March 26,2021)	Subsidiary
26	Edelweiss Securities (Hong Kong) Private Limited (upto March 26,2021)	Subsidiary

27	EC International Limited	Subsidiary
28	EAAA LLC	Subsidiary
29	Edelweiss Capital (Singapore) Pte. Limited (upto December 23,2020)	Subsidiary
30	Edelweiss Alternative Asset Advisors Pte. Limited	Subsidiary
31	Edelweiss International (Singapore) Pte. Limited	Subsidiary
32	Edelweiss Investment Advisors Private Limited (upto March 26,2021)	Subsidiary
33	Aster Commodities DMCC	Subsidiary
34	Edelweiss Financial Services (UK) Limited (upto March 26,2021)	Subsidiary
35	Edelweiss Financial Services Inc. (upto March 26,2021)	Subsidiary
36	Edelweiss Alternative Asset Advisors Limited	Subsidiary
37	Edelgive Foundation	Subsidiary
38	Lichen Metals Private Limited (upto March 30,2021)	Subsidiary
39	Edelweiss Private Equity Tech Fund	Subsidiary
40	Edelweiss Value and Growth Fund	Subsidiary
41	Edelweiss Asset Reconstruction Company Limited	Subsidiary
42	EW Special Opportunities Advisors LLC	Subsidiary
43	Edelweiss Tokio Life Insurance Company Limited	Subsidiary
44	Allium Finance Private Limited	Subsidiary
45	ESL Securities Limited (upto March 26,2021)	Subsidiary
46	Edelweiss Securities Limited (from March 27,2021)	Associate

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President - Rating Operations Tel: 022-49294029 mohit.jain@acuite.in Shrey Khandelwal Analyst - Rating Operations Tel: 022-49294072 shrey.khandelwal@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022 - 49294011 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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ANNEXURE C – DEBENTURE TRUSTEE CONSENT LETTER

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Ref no: 17522/BTL/OPR/2021-22

Date: 15th November'2021

Edelweiss Financial Services Limited

Edelweiss House,
Off C.S.T. Road,
Kalina, Mumbai - 400 098

Dear Ma'am/Sir

Sub:

Proposed public issue of secured redeemable non- convertible debentures ("NCDs") for an amount aggregating up to Rs. 1000 crore to be issued in one or more tranches ("Shelf Limit") hereinafter referred to as the ("Issue") of Edelweiss Financial Services Limited ("Company").

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with the BSE Limited and/or The National Stock Exchange of India Limited ("Stock Exchanges") and to be forwarded to Securities and Exchange Board of India ("SEBI"), the Shelf Prospectus and respective Tranche Prospectus(es) to be filed with the Registrar of Companies, Mumbai ("RoC"), Stock Exchanges and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Logo:

BEACON

Name:

Beacon Trusteeship Limited

Address:

4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai – 400 051

Tel:

022-26558759

Fax:

-

Email:

compliance@beacontrustee.co.in

Investor Grievance

Email :

investorgrievances@beacontrustee.co.in

Website:

www.beacontrustee.co.in

Contact Person:

Mr. Kaustubh Kulkarni

SEBI Registration No: IND000000569

CIN

U74999MH2015PLC271288

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

We hereby authorise you to deliver this letter of consent to the ROC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is

publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company; and (iii) any other information in connection thereto.

We confirm that we will immediately inform you and the Lead Managers of any change to the above information until the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by the Company, the Lead Managers and the legal advisors to the Issue in respect of the Issue.

Sincerely,

For Beacon Trusteeship Limited



Authorised Signatory



Name: Ms. Deepavali Vankalu
Designation: Asst. Vice President

CC:

The Lead Manager referred in Prospectus

Equirus Capital Private Limited

12th Floor, C Wing,
Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai 400 013
Maharashtra, India

Annexure A

डिबन्ट्र ट्रास्टी DEBENTURE TRUSTEE भारतीय प्रतिष्ठान और विनिमय बोर्ड SECURITIES AND EXCHANGE BOARD OF INDIA (DEBENTURE TRUSTEE) REGULATIONS, 1962 ००० १७० CERTIFICATE OF REGISTRATION	BEACON TRUSTEESHIP LIMITED 4C & D, SIDDHIVINAYAK CHAMBERS, GANDHI NAGAR, OPP. MCG CRICKET CLUB, BANDRA EAST, MUMBAI - 400051 MAHARASHTRA, INDIA
This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board. IND0000000569	
Date Issued: Mumbai February 12, 2021	 Anupma Chadha ANUPMA CHADHA

Annexure B

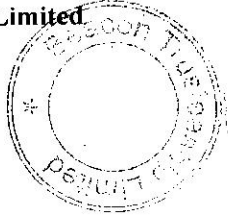
We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

- | | |
|--|-------------------|
| 1. Registration Number | IND000000569 |
| 2. Date of registration | April 11, 2016 |
| Renewal of registration | February 12, 2021 |
| 3. Date of expiry of registration | Permanent |
| 4. If applied for renewal, date of application | NIL |
| 5. Any communication from SEBI prohibiting the entity from acting as an intermediary | NIL |
| 6. Any enquiry/ investigation being conducted by SEBI | NIL |
| 7. Details of any penalty imposed by SEBI | NIL |

Sincerely

For Beacon Trusteeship Limited


Authorised Signatory



Name: Ms. Deepavali Vankalu
Designation: Asst. Vice President - Operations

ANNEXURE D – ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION

2 Years - Annual Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	2 years	2 years
Coupon Rate for all Categories of Investors	8.75%	8.95%
Redemption Date/Maturity Date (assumed)	Sunday, December 31, 2023	Sunday, December 31, 2023
Frequency of the interest payment with specified dates	First interest on December 31, 2022 and subsequently on December 31 every year	First interest on December 31, 2022 and subsequently on December 31 every year
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Saturday, December 31, 2022	Monday, January 2, 2023	365	87.50	89.50
2 nd Coupon	Sunday, December 31, 2023	Friday, December 29, 2023	365	87.50	89.50
Principal / Maturity value	Sunday, December 31, 2023	Friday, December 29, 2023		1,000	1,000

2 Years - Cumulative Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	2 years	2 years
Coupon Rate for all Categories of Investors	NA	NA
Redemption Date/Maturity Date (assumed)	Sunday, December 31, 2023	Sunday, December 31, 2023
Frequency of the interest payment with specified dates	NA	NA
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
Coupon/ Interest Payment	Sunday, December 31, 2023	Friday, December 29, 2023	730	182.65	187.00
Principal / Maturity value	Sunday, December 31, 2023	Friday, December 29, 2023		1,000	1,000

3 Years - Monthly Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	3 years	3 years
Coupon Rate for all Categories of Investors	8.75%	8.95%
Redemption Date/Maturity Date (assumed)	Tuesday, December 31, 2024	Tuesday, December 31, 2024
Frequency of the interest payment with specified dates	First interest on February 1, 2022 and subsequently on the 1 st day of every month	First interest on February 1, 2022 and subsequently on the 1 st day of every month
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Tuesday, February 1, 2022	Tuesday, February 1, 2022	32	7.67	7.85
2 nd Coupon	Tuesday, March 1, 2022	Tuesday, 1 March 2022	28	6.71	6.87
3 rd Coupon	Friday, April 1, 2022	Friday, April 1, 2022	31	7.43	7.60
4 th Coupon	Sunday, May 1, 2022	Monday, May 2, 2022	30	7.19	7.36
5 th Coupon	Wednesday, June 1, 2022	Wednesday, June 1, 2022	31	7.43	7.60
6 th Coupon	Friday, July 1, 2022	Friday, July 1, 2022	30	7.19	7.36
7 th Coupon	Monday, August 1, 2022	Monday, August 1, 2022	31	7.43	7.60
8 th Coupon	Thursday, September 1, 2022	Thursday, September 1, 2022	31	7.43	7.60
9 th Coupon	Saturday, October 1, 2022	Monday, 3 October 2022	30	7.19	7.36
10 th Coupon	Tuesday, November 1, 2022	Tuesday, November 1, 2022	31	7.43	7.60
11 th Coupon	Thursday, December 1, 2022	Thursday, December 1, 2022	30	7.19	7.36
12 th Coupon	Sunday, January 1, 2023	Monday, January 2, 2023	31	7.43	7.60
13 th Coupon	Wednesday, February 1, 2023	Wednesday, February 1, 2023	31	7.43	7.60
14 th Coupon	Wednesday, March 1, 2023	Wednesday, March 1, 2023	28	6.71	6.87
15 th Coupon	Saturday, April 1, 2023	Monday, April 3, 2023	31	7.43	7.60
16 th Coupon	Monday, May 1, 2023	Tuesday, May 2, 2023	30	7.19	7.36
17 th Coupon	Thursday, June 1, 2023	Thursday, June 1, 2023	31	7.43	7.60
18 th Coupon	Saturday, July 1, 2023	Monday, July 3, 2023	30	7.19	7.36
19 th Coupon	Tuesday, August 1, 2023	Tuesday, August 1, 2023	31	7.43	7.60
20 th Coupon	Friday, September 1, 2023	Friday, September 1, 2023	31	7.43	7.60
21 st Coupon	Sunday, October 1, 2023	Tuesday, October 3, 2023	30	7.19	7.36
22 nd Coupon	Wednesday, November 1, 2023	Wednesday, November 1, 2023	31	7.43	7.60
23 rd Coupon	Friday, December 1, 2023	Friday, December 1, 2023	30	7.19	7.36
24 th Coupon	Monday, January 1, 2024	Monday, January 1, 2024	31	7.41	7.58
25 th Coupon	Thursday, February 1, 2024	Thursday, February 1, 2024	31	7.41	7.58
26 th Coupon	Friday, March 1, 2024	Friday, March 1, 2024	29	6.93	7.09
27 th Coupon	Monday, April 1, 2024	Monday, April 1, 2024	31	7.41	7.58
28 th Coupon	Wednesday, May 1, 2024	Thursday, May 2, 2024	30	7.17	7.34
29 th Coupon	Saturday, June 1, 2024	Monday, June 3, 2024	31	7.41	7.58
30 th Coupon	Monday, July 1, 2024	Monday, July 1, 2024	30	7.17	7.34
31 st Coupon	Thursday, August 1, 2024	Thursday, August 1, 2024	31	7.41	7.58
32 nd Coupon	Sunday, September 1, 2024	Monday, September 2, 2024	31	7.41	7.58
33 rd Coupon	Tuesday, October 1, 2024	Tuesday, October 1, 2024	30	7.17	7.34
34 th Coupon	Friday, November 1, 2024	Friday, November 1, 2024	31	7.41	7.58

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
35 th Coupon	Sunday, December 1, 2024	Monday, December 2, 2024	30	7.17	7.34
36 th Coupon	Tuesday, December 31, 2024	Tuesday, December 31, 2024	30	7.19	7.36

3 Years - Annual Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	3 years	3 years
Coupon Rate for all Categories of Investors	9.10%	9.30%
Redemption Date/Maturity Date (assumed)	Tuesday, December 31, 2024	Tuesday, December 31, 2024
Frequency of the interest payment with specified dates	First interest on December 31, 2022 and subsequently on December 31 every year	First interest on December 31, 2022 and subsequently on December 31 every year
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Saturday, December 31, 2022	Monday, January 2, 2023	365	91.00	93.00
2 nd Coupon	Sunday, December 31, 2023	Monday, January 1, 2024	365	91.00	93.00
3 rd Coupon	Tuesday, December 31, 2024	Tuesday, December 31, 2024	366	91.00	93.00
Principal / Maturity value	Tuesday, December 31, 2024	Tuesday, December 31, 2024		1,000	1,000

3 Years - Cumulative Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	3 years	3 years
Coupon Rate for all Categories of Investors	NA	NA
Redemption Date/Maturity Date (assumed)	Tuesday, December 31, 2024	Tuesday, December 31, 2024
Frequency of the interest payment with specified dates	NA	NA
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
Coupon/ Interest Payment	Tuesday, December 31, 2024	Tuesday, December 31, 2024	1,096	299.00	305.75

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Principal / Maturity value	Tuesday, December 31, 2024	Tuesday, December 31, 2024		1,000	1,000

5 Years - Monthly Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	5 years	5 years
Coupon Rate for all Categories of Investors	9.15%	9.35%
Redemption Date/Maturity Date (assumed)	Thursday, December 31, 2026	Thursday, December 31, 2026
Frequency of the interest payment with specified dates	First interest on February 1, 2022 and subsequently on the 1 st day of every month	First interest on February 1, 2022 and subsequently on the 1 st day of every month
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Tuesday, February 1, 2022	Tuesday, February 1, 2022	32	8.02	8.20
2 nd Coupon	Tuesday, March 1, 2022	Tuesday, March 1, 2022	28	7.02	7.17
3 rd Coupon	Friday, April 1, 2022	Friday, April 1, 2022	31	7.77	7.94
4 th Coupon	Sunday, May 1, 2022	Monday, May 2, 2022	30	7.52	7.68
5 th Coupon	Wednesday, June 1, 2022	Wednesday, June 1, 2022	31	7.77	7.94
6 th Coupon	Friday, July 1, 2022	Friday, July 1, 2022	30	7.52	7.68
7 th Coupon	Monday, August 1, 2022	Monday, August 1, 2022	31	7.77	7.94
8 th Coupon	Thursday, September 1, 2022	Thursday, September 1, 2022	31	7.77	7.94
9 th Coupon	Saturday, October 1, 2022	Monday, October 3, 2022	30	7.52	7.68
10 th Coupon	Tuesday, November 1, 2022	Tuesday, November 1, 2022	31	7.77	7.94
11 th Coupon	Thursday, December 1, 2022	Thursday, December 1, 2022	30	7.52	7.68
12 th Coupon	Sunday, January 1, 2023	Monday, January 2, 2023	31	7.77	7.94
13 th Coupon	Wednesday, February 1, 2023	Wednesday, February 1, 2023	31	7.77	7.94
14 th Coupon	Wednesday, March 1, 2023	Wednesday, March 1, 2023	28	7.02	7.17
15 th Coupon	Saturday, April 1, 2023	Monday, April 3, 2023	31	7.77	7.94
16 th Coupon	Monday, May 1, 2023	Tuesday, May 2, 2023	30	7.52	7.68
17 th Coupon	Thursday, June 1, 2023	Thursday, June 1, 2023	31	7.77	7.94
18 th Coupon	Saturday, July 1, 2023	Monday, July 3, 2023	30	7.52	7.68
19 th Coupon	Tuesday, August 1, 2023	Tuesday, August 1, 2023	31	7.77	7.94
20 th Coupon	Friday, September 1, 2023	Friday, September 1, 2023	31	7.77	7.94
21 st Coupon	Sunday, October 1, 2023	Tuesday, October 3, 2023	30	7.52	7.68
22 nd Coupon	Wednesday, November 1, 2023	Wednesday, November 1, 2023	31	7.77	7.94
23 rd Coupon	Friday, December 1, 2023	Friday, December 1, 2023	30	7.52	7.68

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
24 th Coupon	Monday, January 1, 2024	Monday, January 1, 2024	31	7.75	7.92
25 th Coupon	Thursday, February 1, 2024	Thursday, February 1, 2024	31	7.75	7.92
26 th Coupon	Friday, March 1, 2024	Friday, March 1, 2024	29	7.25	7.41
27 th Coupon	Monday, April 1, 2024	Monday, April 1, 2024	31	7.75	7.92
28 th Coupon	Wednesday, May 1, 2024	Thursday, May 2, 2024	30	7.50	7.66
29 th Coupon	Saturday, June 1, 2024	Monday, June 3, 2024	31	7.75	7.92
30 th Coupon	Monday, July 1, 2024	Monday, July 1, 2024	30	7.50	7.66
31 st Coupon	Thursday, August 1, 2024	Thursday, August 1, 2024	31	7.75	7.92
32 nd Coupon	Sunday, September 1, 2024	Monday, September 2, 2024	31	7.75	7.92
33 rd Coupon	Tuesday, October 1, 2024	Tuesday, October 1, 2024	30	7.50	7.66
34 th Coupon	Friday, November 1, 2024	Friday, November 1, 2024	31	7.75	7.92
35 th Coupon	Sunday, December 1, 2024	Monday, 2 December 2024	30	7.50	7.66
36 th Coupon	Wednesday, January 1, 2025	Wednesday, January 1, 2025	31	7.77	7.94
37 th Coupon	Saturday, February 1, 2025	Monday, February 3, 2025	31	7.77	7.94
38 th Coupon	Saturday, March 1, 2025	Monday, March 3, 2025	28	7.02	7.17
39 th Coupon	Tuesday, April 1, 2025	Tuesday, April 1, 2025	31	7.77	7.94
40 th Coupon	Thursday, May 1, 2025	Friday, May 2, 2025	30	7.52	7.68
41 st Coupon	Sunday, June 1, 2025	Monday, June 2, 2025	31	7.77	7.94
42 nd Coupon	Tuesday, July 1, 2025	Tuesday, July 1, 2025	30	7.52	7.68
43 rd Coupon	Friday, August 1, 2025	Friday, August 1, 2025	31	7.77	7.94
44 th Coupon	Monday, September 1, 2025	Monday, September 1, 2025	31	7.77	7.94
45 th Coupon	Wednesday, October 1, 2025	Wednesday, October 1, 2025	30	7.52	7.68
46 th Coupon	Saturday, November 1, 2025	Monday, 3 November, 2025	31	7.77	7.94
47 th Coupon	Monday, December 1, 2025	Monday, December 1, 2025	30	7.52	7.68
48 th Coupon	Thursday, January 1, 2026	Thursday, January 1, 2026	31	7.77	7.94
49 th Coupon	Sunday, February 1, 2026	Monday, February 2, 2026	31	7.77	7.94
50 th Coupon	Sunday, March 1, 2026	Monday, 2 March, 2026	28	7.02	7.17
51 st Coupon	Wednesday, April 1, 2026	Wednesday, April 1, 2026	31	7.77	7.94
52 nd Coupon	Friday, May 1, 2026	Monday, May 4, 2026	30	7.52	7.68
53 rd Coupon	Monday, June 1, 2026	Monday, June 1, 2026	31	7.77	7.94
54 th Coupon	Wednesday, July 1, 2026	Wednesday, July 1, 2026	30	7.52	7.68
55 th Coupon	Saturday, August 1, 2026	Monday, August 3, 2026	31	7.77	7.94
56 th Coupon	Tuesday, September 1, 2026	Tuesday, September 1, 2026	31	7.77	7.94
57 th Coupon	Thursday, October 1, 2026	Thursday, October 1, 2026	30	7.52	7.68
58 th Coupon	Sunday, November 1, 2026	Monday, November 2, 2026	31	7.77	7.94
59 th Coupon	Tuesday, December 1, 2026	Tuesday, December 1, 2026	30	7.52	7.68
60 th Coupon	Thursday, December 31, 2026	Thursday, December 31, 2026	30	7.52	7.68
Principal/ Maturity Value	Thursday, December 31, 2026	Thursday, December 31, 2026		1,000	1,000

5 Years - Annual Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	5 years	5 years

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Coupon Rate for all Categories of Investors	9.55%	9.75%
Redemption Date/Maturity Date (assumed)	Thursday, 31 December, 2026	Thursday, 31 December, 2026
Frequency of the interest payment with specified dates	First interest on December 31, 2022 and subsequently on December 31 every year	First interest on December 31, 2022 and subsequently on December 31 every year
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Saturday, December 31, 2022	Monday, January 2, 2023	365	95.50	97.50
2 nd Coupon	Sunday, December 31, 2023	Monday, January 1, 2024	365	95.50	97.50
3 rd Coupon	Tuesday, December 31, 2024	Tuesday, December 31, 2024	366	95.50	97.50
4 th Coupon	Wednesday, December 31, 2025	Wednesday, December 31, 2025	365	95.50	97.50
5 th Coupon	Thursday, December 31, 2026	Thursday, December 31, 2026	365	95.50	97.50
Principal / Maturity value	Thursday, December 31, 2026	Thursday, December 31, 2026		1,000	1,000

5 Years - Cumulative Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	5 years	5 years
Coupon Rate for all Categories of Investors	NA	NA
Redemption Date/Maturity Date (assumed)	Thursday, December 31, 2026	Thursday, December 31, 2026
Frequency of the interest payment with specified dates	NA	NA
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
Coupon/ Interest Payment	Thursday, December 31, 2026	Thursday, December 31, 2026	1,826	578.25	592.75
Principal / Maturity value	Thursday, December 31, 2026	Thursday, December 31, 2026		1,000	1,000

10 Years - Monthly Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	10 years	10 years
Coupon Rate for all Categories of Investors	9.30%	9.50%
Redemption Date/Maturity Date (assumed)	Wednesday, 31 December, 2031	Wednesday, 31 December, 2031
Frequency of the interest payment with specified dates	First interest on February 1, 2022 and subsequently on the 1st day of every month.	First interest on February 1, 2022 and subsequently on the 1st day of every month.
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Tuesday, February 1, 2022	Tuesday, February 1, 2022	32	8.15	8.33
2 nd Coupon	Tuesday, March 1, 2022	Tuesday, March 1, 2022	28	7.13	7.29
3 rd Coupon	Friday, April 1, 2022	Friday, April 1, 2022	31	7.90	8.07
4 th Coupon	Sunday, May 1, 2022	Monday, May 2, 2022	30	7.64	7.81
5 th Coupon	Wednesday, June 1, 2022	Wednesday, June 1, 2022	31	7.90	8.07
6 th Coupon	Friday, July 1, 2022	Friday, July 1, 2022	30	7.64	7.81
7 th Coupon	Monday, August 1, 2022	Monday, August 1, 2022	31	7.90	8.07
8 th Coupon	Thursday, September 1, 2022	Thursday, September 1, 2022	31	7.90	8.07
9 th Coupon	Saturday, October 1, 2022	Monday, October 3, 2022	30	7.64	7.81
10 th Coupon	Tuesday, November 1, 2022	Tuesday, November 1, 2022	31	7.90	8.07
11 th Coupon	Thursday, December 1, 2022	Thursday, December 1, 2022	30	7.64	7.81
12 th Coupon	Sunday, January 1, 2023	Monday, January 2, 2023	31	7.90	8.07
13 th Coupon	Wednesday, February 1, 2023	Wednesday, February 1, 2023	31	7.90	8.07
14 th Coupon	Wednesday, March 1, 2023	Wednesday, March 1, 2023	28	7.13	7.29
15 th Coupon	Saturday, April 1, 2023	Monday, April 3, 2023	31	7.90	8.07
16 th Coupon	Monday, May 1, 2023	Tuesday, May 2, 2023	30	7.64	7.81
17 th Coupon	Thursday, June 1, 2023	Thursday, June 1, 2023	31	7.90	8.07
18 th Coupon	Saturday, July 1, 2023	Monday, July 3, 2023	30	7.64	7.81
19 th Coupon	Tuesday, August 1, 2023	Tuesday, August 1, 2023	31	7.90	8.07
20 th Coupon	Friday, September 1, 2023	Friday, September 1, 2023	31	7.90	8.07
21 st Coupon	Sunday, October 1, 2023	Tuesday, October 3, 2023	30	7.64	7.81
22 nd Coupon	Wednesday, November 1, 2023	Wednesday, November 1, 2023	31	7.90	8.07
23 rd Coupon	Friday, December 1, 2023	Friday, December 1, 2023	30	7.64	7.81
24 th Coupon	Monday, January 1, 2024	Monday, January 1, 2024	31	7.88	8.05
25 th Coupon	Thursday, February 1, 2024	Thursday, February 1, 2024	31	7.88	8.05
26 th Coupon	Friday, March 1, 2024	Friday, March 1, 2024	29	7.37	7.53
27 th Coupon	Monday, April 1, 2024	Monday, April 1, 2024	31	7.88	8.05
28 th Coupon	Wednesday, May 1, 2024	Thursday, May 2, 2024	30	7.62	7.79
29 th Coupon	Saturday, June 1, 2024	Monday, June 3, 2024	31	7.88	8.05
30 th Coupon	Monday, July 1, 2024	Monday, July 1, 2024	30	7.62	7.79
31 st Coupon	Thursday, August 1, 2024	Thursday, August 1, 2024	31	7.88	8.05
32 nd Coupon	Sunday, September 1, 2024	Monday, September 2, 2024	31	7.88	8.05

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
33 rd Coupon	Tuesday, October 1, 2024	Tuesday, October 1, 2024	30	7.62	7.79
34 th Coupon	Friday, November 1, 2024	Friday, November 1, 2024	31	7.88	8.05
35 th Coupon	Sunday, December 1, 2024	Monday, December 2, 2024	30	7.62	7.79
36 th Coupon	Wednesday, January 1, 2025	Wednesday, January 1, 2025	31	7.90	8.07
37 th Coupon	Saturday, February 1, 2025	Monday, February 3, 2025	31	7.90	8.07
38 th Coupon	Saturday, March 1, 2025	Monday, March 3, 2025	28	7.13	7.29
39 th Coupon	Tuesday, April 1, 2025	Tuesday, April 1, 2025	31	7.90	8.07
40 th Coupon	Thursday, May 1, 2025	Friday, May 2, 2025	30	7.64	7.81
41 st Coupon	Sunday, June 1, 2025	Monday, June 2, 2025	31	7.90	8.07
42 nd Coupon	Tuesday, July 1, 2025	Tuesday, July 1, 2025	30	7.64	7.81
43 rd Coupon	Friday, August 1, 2025	Friday, August 1, 2025	31	7.90	8.07
44 th Coupon	Monday, September 1, 2025	Monday, September 1, 2025	31	7.90	8.07
45 th Coupon	Wednesday, October 1, 2025	Wednesday, October 1, 2025	30	7.64	7.81
46 th Coupon	Saturday, November 1, 2025	Monday, November 3, 2025	31	7.90	8.07
47 th Coupon	Monday, December 1, 2025	Monday, December 1, 2025	30	7.64	7.81
48 th Coupon	Thursday, January 1, 2026	Thursday, January 1, 2026	31	7.90	8.07
49 th Coupon	Sunday, February 1, 2026	Monday, February 2, 2026	31	7.90	8.07
50 th Coupon	Sunday, March 1, 2026	Monday, March 2, 2026	28	7.13	7.29
51 st Coupon	Wednesday, April 1, 2026	Wednesday, April 1, 2026	31	7.90	8.07
52 nd Coupon	Friday, May 1, 2026	Monday, May 4, 2026	30	7.64	7.81
53 rd Coupon	Monday, June 1, 2026	Monday, June 1, 2026	31	7.90	8.07
54 th Coupon	Wednesday, July 1, 2026	Wednesday, July 1, 2026	30	7.64	7.81
55 th Coupon	Saturday, August 1, 2026	Monday, August 3, 2026	31	7.90	8.07
56 th Coupon	Tuesday, September 1, 2026	Tuesday, September 1, 2026	31	7.90	8.07
57 th Coupon	Thursday, October 1, 2026	Thursday, October 1, 2026	30	7.64	7.81
58 th Coupon	Sunday, November 1, 2026	Monday, November 2, 2026	31	7.90	8.07
59 th Coupon	Tuesday, December 1, 2026	Tuesday, December 1, 2026	30	7.64	7.81
60 th Coupon	Friday, January 1, 2027	Friday, January 1, 2027	31	7.90	8.07
61 st Coupon	Monday, February 1, 2027	Monday, February 1, 2027	31	7.90	8.07
62 nd Coupon	Monday, March 1, 2027	Monday, March 1, 2027	28	7.13	7.29
63 rd Coupon	Thursday, April 1, 2027	Thursday, April 1, 2027	31	7.90	8.07
64 th Coupon	Saturday, May 1, 2027	Monday, May 3, 2027	30	7.64	7.81
65 th Coupon	Tuesday, June 1, 2027	Tuesday, June 1, 2027	31	7.90	8.07
66 th Coupon	Thursday, July 1, 2027	Thursday, July 1, 2027	30	7.64	7.81
67 th Coupon	Sunday, August 1, 2027	Monday, August 2, 2027	31	7.90	8.07
68 th Coupon	Wednesday, September 1, 2027	Wednesday, September 1, 2027	31	7.90	8.07
69 th Coupon	Friday, October 1, 2027	Friday, October 1, 2027	30	7.64	7.81
70 th Coupon	Monday, November 1, 2027	Monday, November 1, 2027	31	7.90	8.07
71 st Coupon	Wednesday, December 1, 2027	Wednesday, December 1, 2027	30	7.64	7.81
72 nd Coupon	Saturday, January 1, 2028	Monday, January 3, 2028	31	7.88	8.05
73 rd Coupon	Tuesday, February 1, 2028	Tuesday, February 1, 2028	31	7.88	8.05
74 th Coupon	Wednesday, March 1, 2028	Wednesday, March 1, 2028	29	7.37	7.53
75 th Coupon	Saturday, April 1, 2028	Monday, April 3, 2028	31	7.88	8.05
76 th Coupon	Monday, May 1, 2028	Tuesday, May 2, 2028	30	7.62	7.79
77 th Coupon	Thursday, June 1, 2028	Thursday, June 1, 2028	31	7.88	8.05
78 th Coupon	Saturday, July 1, 2028	Monday, July 3, 2028	30	7.62	7.79
79 th Coupon	Tuesday, August 1, 2028	Tuesday, August 1, 2028	31	7.88	8.05
80 th Coupon	Friday, September 1, 2028	Friday, September 1, 2028	31	7.88	8.05

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
81 st Coupon	Sunday, October 1, 2028	Tuesday, October 3, 2028	30	7.62	7.79
82 nd Coupon	Wednesday, November 1, 2028	Wednesday, November 1, 2028	31	7.88	8.05
83 rd Coupon	Friday, December 1, 2028	Friday, December 1, 2028	30	7.62	7.79
84 th Coupon	Monday, January 1, 2029	Monday, January 1, 2029	31	7.90	8.07
85 th Coupon	Thursday, February 1, 2029	Thursday, February 1, 2029	31	7.90	8.07
86 th Coupon	Thursday, March 1, 2029	Thursday, March 1, 2029	28	7.13	7.29
87 th Coupon	Sunday, April 1, 2029	Monday, April 2, 2029	31	7.90	8.07
88 th Coupon	Tuesday, May 1, 2029	Wednesday, May 2, 2029	30	7.64	7.81
89 th Coupon	Friday, June 1, 2029	Friday, June 1, 2029	31	7.90	8.07
90 th Coupon	Sunday, July 1, 2029	Monday, July 2, 2029	30	7.64	7.81
91 st Coupon	Wednesday, August 1, 2029	Wednesday, August 1, 2029	31	7.90	8.07
92 nd Coupon	Saturday, September 1, 2029	Monday, September 3, 2029	31	7.90	8.07
93 rd Coupon	Monday, October 1, 2029	Monday, October 1, 2029	30	7.64	7.81
94 th Coupon	Thursday, November 1, 2029	Thursday, November 1, 2029	31	7.90	8.07
95 th Coupon	Saturday, December 1, 2029	Monday, December 3, 2029	30	7.64	7.81
96 th Coupon	Tuesday, January 1, 2030	Tuesday, January 1, 2030	31	7.90	8.07
97 th Coupon	Friday, February 1, 2030	Friday, February 1, 2030	31	7.90	8.07
98 th Coupon	Friday, March 1, 2030	Friday, March 1, 2030	28	7.13	7.29
99 th Coupon	Monday, April 1, 2030	Monday, April 1, 2030	31	7.90	8.07
100 th Coupon	Wednesday, May 1, 2030	Thursday, May 2, 2030	30	7.64	7.81
101 st Coupon	Saturday, June 1, 2030	Monday, June 3, 2030	31	7.90	8.07
102 nd Coupon	Monday, July 1, 2030	Monday, July 1, 2030	30	7.64	7.81
103 rd Coupon	Thursday, August 1, 2030	Thursday, August 1, 2030	31	7.90	8.07
104 th Coupon	Sunday, September 1, 2030	Monday, 2 September, 2030	31	7.90	8.07
105 th Coupon	Tuesday, October 1, 2030	Tuesday, October 1, 2030	30	7.64	7.81
106 th Coupon	Friday, November 1, 2030	Friday, November 1, 2030	31	7.90	8.07
107 th Coupon	Sunday, December 1, 2030	Monday, December 2, 2030	30	7.64	7.81
108 th Coupon	Wednesday, January 1, 2031	Wednesday, January 1, 2031	31	7.90	8.07
109 th Coupon	Saturday, February 1, 2031	Monday, February 3, 2031	31	7.90	8.07
110 th Coupon	Saturday, March 1, 2031	Monday, March 3, 2031	28	7.13	7.29
111 th Coupon	Tuesday, April 1, 2031	Tuesday, April 1, 2031	31	7.90	8.07
112 th Coupon	Thursday, May 1, 2031	Friday, May 2, 2031	30	7.64	7.81
113 th Coupon	Sunday, June 1, 2031	Monday, June 2, 2031	31	7.90	8.07
114 th Coupon	Tuesday, July 1, 2031	Tuesday, July 1, 2031	30	7.64	7.81
115 th Coupon	Friday, August 1, 2031	Friday, August 1, 2031	31	7.90	8.07
116 th Coupon	Monday, September 1, 2031	Monday, September 1, 2031	31	7.90	8.07
117 th Coupon	Wednesday, October 1, 2031	Wednesday, October 1, 2031	30	7.64	7.81
118 th Coupon	Saturday, November 1, 2031	Monday, November 3, 2031	31	7.90	8.07
119 th Coupon	Monday, December 1, 2031	Monday, December 1, 2031	30	7.64	7.81
120 th Coupon	Wednesday, December 31, 2031	Wednesday, December 31, 2031	30	7.64	7.81
Maturity/Redemption	Wednesday, December 31, 2031	Wednesday, December 31, 2031		1000.00	1000.00

10 Years - Annual Coupon Payment

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Face Value per NCD (in ₹)	1000	1000

Company	Edelweiss Financial Services Limited	Edelweiss Financial Services Limited
	Pre-Incentive	Post Incentive
Number of NCDs held (assumed)	1	1
Date of Allotment (assumed)*	Friday, December 31, 2021	Friday, December 31, 2021
Tenor	10 years	10 years
Coupon Rate for all Categories of Investors	9.70%	9.90%
Redemption Date/Maturity Date (assumed)	Wednesday, December 31, 2031	Wednesday, December 31, 2031
Frequency of the interest payment with specified dates	First interest on December 31, 2022 and subsequently on December 31 every year	First interest on December 31, 2022 and subsequently on December 31 every year
Day Count Convention	Actual/Actual	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Coupon For all Categories of Investors (in ₹) (Pre-Incentive)	Coupon For all Categories of Investors (in ₹) (Post Incentive)
Deemed date of allotment	Friday, December 31, 2021	Friday, December 31, 2021		(1,000)	(1,000)
1 st Coupon	Saturday, December 31, 2022	Monday, January 2, 2023	365	97.00	99.00
2 nd Coupon	Sunday, December 31, 2023	Monday, January 1, 2024	365	97.00	99.00
3 rd Coupon	Tuesday, December 31, 2024	Tuesday, December 31, 2024	366	97.00	99.00
4 th Coupon	Wednesday, December 31, 2025	Wednesday, December 31, 2025	365	97.00	99.00
5 th Coupon	Thursday, December 31, 2026	Thursday, December 31, 2026	365	97.00	99.00
6 th Coupon	Friday, December 31, 2027	Friday, December 31, 2027	365	97.00	99.00
7 th Coupon	Sunday, December 31, 2028	Monday, January 1, 2029	366	97.00	99.00
8 th Coupon	Monday, December 31, 2029	Monday, December 31, 2029	365	97.00	99.00
9 th Coupon	Tuesday, December 31, 2030	Tuesday, December 31, 2030	365	97.00	99.00
10 th Coupon	Wednesday, December 31, 2031	Wednesday, December 31, 2031	365	97.00	99.00
Maturity/ Redemption	Wednesday, December 31, 2031	Wednesday, December 31, 2031		1,000.00	1,000.00