

NCD NOTE



Note: Nuvama Wealth And Investment Limited (Formerly known as Edelweiss Broking Ltd). is a Consortium Member to the issue; accordingly, this note is prepared based on the Shelf Prospectus December 27, 2022 and Tranche II Prospectus dated March 31, 2023 for informative purpose only.



EDELWEISS FINANCIAL SERVICES LIMITED

Public Issue of Secured Redeemable Non-Convertible Debentures

Issue Highlights

Tranche II Issue opens:	Thursday, April 06, 2023
Tranche II Issue closes	Friday, April 21, 2023**
Allotment:	First Come First Serve Basis
Face Value:	Rs.1,000 per NCD
Issue Price:	Rs.1,000 per NCD
Nature of Instrument	Secured Redeemable Non-Convertible Debentures
Minimum Application:	10 NCDs (Rs.10, 000) & in multiple of 1NCD
Listing:	BSE
Rating:	"CRISIL AA-/Negative" (pronounced as CRISIL double A minus rating with Negative outlook) and "ACUITE AA-/Negative" (pronounced as ACUITE double A Minus)
Registrar:	KFin Technologies Limited

Tranche II Issue Size: Public issue of Secured Redeemable Non-Convertible Debentures by Edelweiss Financial Services Limited ("the Company") of NCDs for an amount of ₹ 2,000 million ("Base Issue Size"), with an option to retain over-subscription up to ₹ 2,000 million aggregating up to ₹ 4,000 million

Issue Break up:

Category	Allocation	Amount in Crs.	
		Base Issue	Issue
Institutional Investors	10%	20	40
Non Institutional Investors	10%	20	40
HNI	40%	80	160
Retail Individual Investors	40%	80	160
Total	100%	200	400

* Persons resident outside India and other foreign entities are not allowed

**The Tranche II Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the above, except that the Tranche II Issue may close on such earlier date or extended date as may be decided by the Board of Directors of the Company or the Debenture Fund Raising Committee, subject to relevant approvals.

Yield (p.a.)

Series	I	II	III	IV*	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual
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 Category I, II, III & IV	8.95%	NA	9.20%	9.60%	NA	9.67%	10.10%	NA	10.00%	10.45%
Effective Yield (per annum) for in Category I, II, III & IV	8.94%	8.95%	9.59%	9.59%	9.60%	10.10%	10.09%	10.10%	10.46%	10.44%
Amount (₹ / NCD) on Maturity for NCD Holders in Category I, II, III & IV	₹1,000	₹1,187.30	₹1,000	₹1,000	₹1,317.00	₹1,000	₹1,000	₹1,618.70	₹1,000	₹1,000

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

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 the Company, and/ or ECL Finance Limited, Nuvama Wealth & Investment Limited, Edelweiss Housing Finance Limited, Edelweiss

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Retail Finance Limited and Nuvama Wealth Finance Limited as the case may be, and/or are equity shareholder(s) of the Company as the case may be, on the deemed date of allotment.

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

Issuer Overview

Edelweiss Financial Services Limited ("EFSL"), was incorporated on November 21, 1995 under the name Edelweiss Capital Limited and started operations as an investment banking firm after receipt of a Category II license from SEBI. Edelweiss Capital Limited subsequently received a Category I Merchant Banker license from SEBI with effect from October 16, 2000. The name of Edelweiss Capital Limited was changed to 'Edelweiss Financial Services Limited' with effect from August 1, 2011. After commencing the business as an investment banking firm, the Company, through its subsidiaries has now diversified its businesses to include credit including retail and corporate credit, asset management, asset reconstruction, insurance including life and general insurance business, and wealth management businesses, which are conducted through its subsidiaries.

COMMON TERMS AND CONDITIONS OF THE NCDs

Issuer	Edelweiss Financial Services Limited
Type of instrument	Secured, redeemable, non-convertible debentures
Seniority	Senior
Nature of the Instrument	Secured, redeemable, non-convertible debentures
Mode of the Issue	Public Issue
Lead Manager	Equirus Capital Private Limited
Debenture Trustee	Beacon Trusteeship Limited
Depositories	NSDL and CDSL
Registrar	KFIN Technologies Limited
Tranche II Issue	Public issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each for an amount aggregating up to ₹ 10,000 million ("Shelf Limit").
Tranche II Issue Size	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount of ₹ 2,000 million ("Base Issue Size") with an option to retain oversubscription up to ₹ 2,000 million amounting to up to ₹ 4,000 million ("Tranche II Issue Limit") ("Tranche II Issue") which is within the Shelf Limit of ₹10,000 million and is being offered by way of this Tranche II Prospectus dated March 31, 2023 containing inter alia the terms and conditions of Tranche II Issue ("Tranche II Prospectus"), which should be read together with the Shelf Prospectus. The Shelf Prospectus and Tranche II Prospectus constitutes the prospectus "Prospectus").
Minimum Subscription	Minimum subscription is 75% of the Base Issue, i.e., ₹ 1,500 million.
Base Issue Size	₹ 2,000 million
Option to Retain Oversubscription Amount	Up to ₹ 2,000 million.
Interest type	Fixed
Default Interest rate	The 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. The 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 the Company fails to execute the trust deed within such period as prescribed under applicable law.

Notes:

* If there is any change in Coupon Rate pursuant to any event including elapse of certain time period, 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, the Company will undertake this public issue of the NCDs in dematerialized form. Trading in NCDs shall be compulsorily in dematerialized form.

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Series	I	II	III	IV*	V	VI	VII	VIII	IX	X
Tenor	24 months	24 months	36 months	36 months	36 months	60 months	60 months	60 months	120 months	120 months
In Multiples of thereafter (₹)	₹ 1,000 (1 NCD)									
Coupon (% per annum) for NCD Holders in Category I, II, III & IV	8.95%	NA	9.20%	9.60%	NA	9.67%	10.10%	NA	10.00%	10.45%
Effective Yield (per annum) for NCD Holders in Category I, II, III & IV	8.94%	8.95%	9.59%	9.59%	9.60%	10.10%	10.09%	10.10%	10.46%	10.44%
Mode of Interest Payment	Through various mode available									
Amount (₹ / NCD) on Maturity for NCD Holders in Category I, II, III & IV	₹1,000	₹1,187.30	₹1,000	₹1,000	₹1,317.00	₹1,000	₹1,000	₹1,618.70	₹1,000	₹1,000
Maturity / Redemption Date (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

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

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

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

For all Category of Investors in the proposed Tranche II Issue who are also holders of NCD(s)/Bond(s) previously issued by the Company, and/ or ECL Finance Limited, Nuvama Wealth & Investment Limited, Edelweiss Retail Finance Limited, Edelweiss Housing Finance Limited and Nuvama Wealth Finance Limited as the case may be, and/or are equity shareholder(s) of the Company as the case may be, on the Deemed Date of Allotment applying in Series II, Series V and/or VIII, the maturity amount at redemption along with the additional yield would be ₹ 1,191.70 per NCD, ₹ 1,324.10 per NCD and/or ₹ 1,633.50 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.

On any relevant Record Date, the Registrar and/or the 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.

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WHO CAN APPLY

Categories	Category I	Category II	Category III	Category IV
	Institutional Portion	Non Institutional Investors	HNI	Retail
Allocation Ratio	10% of Overall Issue Size	10% of Overall Issue Size	40% of Overall Issue Size	40% of Overall Issue Size
	- 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.	- 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.	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	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 II Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹500,000 in any of the bidding options in this Tranche II Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Application forms will be available on <https://partners.nuvamawealth.com>

Edelweiss – Financial Products Distribution Branch Location for submission of application Forms

West	Mumbai – Fort, Borivali, Santacruz, Ghatkopar , Thane , Vashi Andheri ,Pune and Nagpur
Gujarat	Ahmedabad, Surat ,Mehsana , Bhavnagar and Rajkot
North	Delhi (CP) & Jaipur
South	Hyderabad , Bangalore, Chennai , Trichy and Vijaywada
East	Kolkata , Jamshedpur , Bhubaneshwar , Silliguri , Patna and Ranchi

Get in touch with us:

✉ nuvamapartners@nuvama.com



022-68264922



<https://partners.nuvamawealth.com/>

Disclaimer:

*For further details refer to section titled “Issue Related Information” on page 133 of the Tranche II Prospectus dated March 31, 2023. Allotment in the public issue of debt securities should 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 and thereafter, the allotments should be made to the applicants on proportionate basis.

** The Tranche II Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the Tranche II Prospectus, except that the Tranche II Issue may close on such earlier date or extended date (subject to a maximum period of 10 days from the date of opening of Tranche II Issue) as may be decided by the Board of Directors of The Company or the Debenture Fund Raising Committee, thereof, subject to compliance with

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Regulation 33A of the SEBI NCS Regulations.. In the event of an early closure or extension of the Tranche II Issue; The Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation and a regional daily at the place where the registered office of the Company is situated on or before such earlier or extended date of Tranche II Issue closure. Applications Forms for the Tranche II Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Tranche II Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 133 of the Tranche II Prospectus.

Edelweiss Financial Services Limited ("**Company**"), subject to market conditions, and other considerations, is proposing a public issue of secured redeemable nonconvertible debentures ("**NCDs**") and has filed a Shelf Prospectus dated December 27, 2022 ("**Shelf Prospectus**") and Tranche II Prospectus dated March 31, 2023 ("**Tranche II Prospectus**") (collectively, the "**Prospectus**") with the Registrar of Companies, Mumbai, Maharashtra ("**RoC**"), BSE Limited ("**BSE**") and Securities and Exchange Board of India ("**SEBI**"). Prospectus is available on the website of the Company at <https://www.edelweissfin.com>, on the website of BSE at www.bseindia.com, on the website of the lead manager at www.equirus.com and on the website of SEBI at www.sebi.gov.in. Investors proposing to participate in the Issue should invest only on the basis of the information contained in the Prospectus. Investors should note that investment in the NCDs involves a high degree of risk and for details in relation to the same, refer to the Prospectus, including the section titled "Risk Factors" on page 18 of Shelf Prospectus and on page 54 of Tranche II Prospectus and "Material Developments" on page 54 of the Tranche II Prospectus.

Capitalised terms not defined herein shall have the same meaning as assigned to such terms in the Shelf Prospectus and Tranche II Prospectus. For further details refer to Shelf Prospectus dated December 27, 2022 and Tranche II Prospectus dated March 31, 2023.

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

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Broking services offered by Nuvama Wealth and Investment Limited (NWIL), formerly known as Edelweiss Broking Limited, which is a 100% subsidiary of Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited). Registered office of NWIL is at 201 to 203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad, Gujarat - 380009. Contact: (079) 40019900 / 66629900. Corporate Office address is Edelweiss House, Off CST Road, Kalina, Mumbai - 400098. It is a Member of National Stock Exchange of India Ltd (Member Code: 13116), BSE Ltd (Member Code :3261), Multi Commodity Exchange of India Limited (Member Code :56520), Metropolitan Stock Exchange (Member Code :86100) and National Commodity and Derivatives Exchange Limited (Member Code :01279) and having SEBI registration no. IN2000005231. Depository Participant SEBI Registration No.: IN-DP-656-2021 with NSDL having DP ID: IN302201 & IN303719 and with CDSL having DP ID: 12032300. Research services are offered by NWIL under SEBI Registration No. INH000011103. Name of the Compliance officer: Mr. Pranav Tanna, E-mail address: complianceofficer.nwil@nuvama.com. Investments in securities market are subject to market risks, read all the related documents carefully before investing.

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The contents herein shall not be considered as an invitation or persuasion to trade or invest. NWIL and affiliates accept no liabilities for any loss or damage of any kind arising out of any actions taken in reliance thereon. Please note Brokerage would not exceed the SEBI prescribed limit. NWIL also acts in the capacity of distributor for Products such as PMS, OFS, Mutual Funds, IPOs and/or NCD etc. All disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

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