Edelweiss
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EW/Sec/2019/305

November 3, 2019

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sirs,

Ref.:- Symbol - EDELWEISS

Sub: Press Release

Enclosed is the press release titled 'ECL Finance Limited announces ₹ 500 crores Tranche II Public Issue of Secured Redeemable Non-Convertible Debentures' by ECL Finance Limited, a subsidiary of the Company, for your information and record.

Thanking you,

Yours faithfully,
For Edelweiss Financial Services Limited

B. Renganathan
Executive Vice President & Company Secretary

Encl: a/a

ECL Finance Limited announces ₹ 500 crore Public Issue of Secured Redeemable Non-Convertible Debentures (NCDs)

- ➢ Effective Yield of up to 10.41% per annum*
- ➢ CRISIL AA- /Stable from CRISIL and CARE AA- /Stable from CARE
- ➢ Trading in dematerialized form only

Mumbai, November 3, 2019: ECL Finance Ltd (ECLF), the NBFC arm of Edelweiss Group, today announced the public issue of Secured Redeemable Non-Convertible Debentures (NCDs) of a face value of ₹1,000 each, amounting to ₹ 100 crores ("Base Issue"), with an option to retain over-subscription up to ₹ 400 crores aggregating to a total of ₹ 500 crores ("Tranche II Issue").

The NCDs offer an effective yield (cumulative) of 9.90% p.a. for 24 months tenure, 10.20% p.a. for 39 months tenure, up to 10.40% p.a. for 60 months tenure and 10.41% for 120 months tenure (monthly option). The funds raised through this Tranche II Issue will be used for the purpose of onward lending and repayment of interest and principal of existing borrowings of the Company and for general corporate purpose.

Existing holders of NCD(s)/Bond(s) previously issued by ECL Finance Ltd and/or are equity shareholder(s) of the Promoter, Edelweiss Financial Services Limited ("EFSL") as the case may be, on the Deemed Date of Allotment, shall be eligible for an additional incentive of 0.25% p.a.

CRISIL has rated the offering "AA- /Stable and CARE has rated it as AA- /Stable. These ratings indicate that the instruments are considered to have a high degree of safety for timely servicing of financial obligations and carry very low credit risk.

Axis Bank Limited and Edelweiss Financial Services Limited[#] are the lead managers for this NCD Issue. The Tranche II Issue opens on November 4th, 2019 and closes on November 22nd, 2019 with an option of early closure**. The NCDs will be listed on BSE Limited to provide liquidity to the investors.

Deepak Mittal, MD & CEO of ECL Finance, said, "Edelweiss has always been attentive to the financial appetite of our retail and corporate customers. The overwhelming response to our last NCD issue, reflected the investor appetite for high-quality issuances of financial instruments from Edelweiss. We continue focus on maintaining the quality of our loan book. While we have maintained a diversified business, we hope to further diversify our funding sources, with the public issue of NCDs."

ECL Finance had announced the issue of Tranche I NCDs on May 10th 2019, with a base size of ₹ 150 crores and an option to retain over-subscription up to ₹ 150 crores aggregating to a total of ₹ 300 crores. The Tranche I issue witnessed a keen interest from retail investors with the retail bucket being oversubscribed by 2.36 times with total collection of ~ ₹ 212 crores.

Earlier this year, CDPQ Private Equity Asia Pte. Ltd., a wholly owned subsidiary of Caisse de dépôt et placement du Québec ("CDPQ"), one of North America's largest pension fund managers, had invested ₹ 1040 crores in ECL Finance, with a total investment commitment of ₹ 1800 crores. The agreement enables ECL Finance to capitalize on opportunities in the credit market and confirm the capability of the Group to capture opportunities in the NBFC space.

About ECL Finance Limited:

ECL Finance Limited is one of India's leading systemically important non-deposit taking NBFCs, with a focus on offering a broad suite of secured corporate and, retail loan products which are customized to suit the needs of its corporate small and medium-sized enterprises ("SME") and individual customers. The corporate and retail loan products include

structured collateralized credit, wholesale mortgages, SME's and others, ESOP and margin funding loans, LAP and agri credit.

About Edelweiss:

ECL Finance is the NBFC arm of Edelweiss Group which is one of India's prominent financial services organization having businesses organized around three broad lines – credit including retail finance; franchise & advisory businesses including wealth management, asset management and capital markets and insurance business. The product/ services portfolio of the Edelweiss Group caters to the diverse investment and strategic requirements of corporate, institutional, high net worth individuals and retail clients. 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. Edelweiss Financial Services Limited ("EFSL") is listed on BSE and NSE. EFSL through its subsidiaries, offers to its customers a diversified financial services platform that provides various secured corporate loan products, retail loan products and services, SME financing, agri value chain services including agri credit, wealth advisory services, asset management, insurance, investment banking, institutional and retail broking.

**For further details refer to section titled "Issue Related Information" on page 212 of the Tranche II Prospectus dated October 24, 2019. 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, the allotments should be made to the applicants on proportionate basis.*

#In compliance with the proviso to Regulation 21A (1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("Merchant Bankers Regulations"), Edelweiss Financial Services Limited ("EFSL") will be involved only in marketing of the Tranche II Issue.

***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 above, except that the Tranche II Issue may close on such earlier date or extended date as may be decided by the Board or Debentures Committee authorized by resolution of the Board dated April 12, 2019. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Issue closure. On the Tranche II Issue Closing Date, Application Forms for Tranche II Issue will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE.*

DISCLAIMER OF ECL FINANCE LIMITED: ECL Finance Limited, subject to market conditions and other considerations is proposing a public issue of secured, redeemable non-convertible debentures ("NCDs") and has filed the Shelf Prospectus dated May 6, 2019 and Tranche II Prospectus dated October 24 2019 with the Registrar of Companies, Maharashtra at Mumbai, BSE Limited and SEBI. The Shelf Prospectus dated May 6, 2019 and Tranche II Prospectus dated October 24, 2019 are available on the website of the Company https://eclfinance.edelweissfin.com, on the website of the stock exchange www.bseindia.com and the respective websites of the lead managers at www.axisbank.com and www.edelweissfin.com. Investors proposing to participate in the issue, should invest only on the basis of the information contained in the Shelf Prospectus dated May 6, 2019 and Tranche II Prospectus dated October 24, 2019. Investors should note that investment in NCDs involves a high degree of risks and for details relating to the same, please refer to Shelf Prospectus dated May 6, 2019, including the section on "Risk Factors" beginning on Page 18 of the Shelf Prospectus dated May 6, 2019. Investors are advised to also refer to the addendum dated May 8, 2019 to the Shelf Prospectus and Tranche II Prospectus dated October 24, 2019.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Shelf Prospectus dated May 6, 2019 and Tranche II Prospectus dated October 24, 2019, for the full text of the Disclaimer Clause of the BSE.

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For Further details please contact:

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