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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF THE EQUITY SHARES OF

EDELWEISS FINANCIAL SERVICES LIMITED

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai 400098, Maharashtra | Tel: 022 4009 4400, Fax: 022 4086 3759 | Corporate Identity Number (CIN): L99999MH1995PLC094641
Website: www.edelweissfin.com, **Email:** efsl.shareholders@edelweissfin.com | **Company Secretary and Compliance officer:** Mr. B. Renganathan

This Public Announcement (the "Announcement") is made pursuant to the provisions of Regulation 15(c) read with Regulation 15(d) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended (the "Buy-Back Regulations"), and contains the disclosures as specified in Schedule II to the Buy-Back Regulations.

OFFER FOR BUY-BACK OF EQUITY SHARES FROM THE OPEN MARKET THROUGH STOCK EXCHANGES

1. DETAILS OF BUY-BACK OFFER AND OFFER PRICE

1.1 The Board of Directors of Edelweiss Financial Services Limited (the "**Company**") (the Board of Directors of the Company hereinafter referred to as the "**Board**" or the "**Board of Directors**" which term shall be deemed to include any Committee thereof), pursuant to the provisions of the Articles of Association of the Company and pursuant to the Resolution passed by it (the "**Board Resolution**") at their meeting held on April 23, 2014 (the "**Board Meeting**"), approved the buy-back of the Company's fully paid-up equity shares of the face value of Re. 1 each (the "**Equity Shares**") from its shareholders, other than those who are promoters, promoter group and the persons acting in concert (hereinafter referred to collectively as "**Persons in Control**"), from the open market through stock exchanges i.e. using the electronic trading facilities of BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"), where the equity shares of the Company are listed, (hereinafter together referred to as the "**Stock Exchanges**") for a total consideration not exceeding Rs. 135 crores (the "**Maximum Buy-Back Size**"), and at a price not exceeding Rs. 45 per Equity Share (the "**Maximum Buy-Back Price**"), payable in cash (the process being referred hereinafter as "**Buy-Back**"). The Maximum Buy-Back Size and Maximum Buy-Back Price do not include brokerage costs, fees, turnover charges, taxes such as securities transaction tax, service tax, stamp duty and other transaction charges (collectively referred to as "**Transaction Costs**").

1.2 An amount of Rs. 67.50 crores is the minimum Buy-Back size (the "**Minimum Buy-Back Size**") which is 50% of the Maximum Buy-Back Size.

1.3 The Maximum Buy-Back Price represents a premium of 29.12% over the closing price of the Equity Shares of the Company on the BSE and NSE, as on April 22, 2014 (being the last trading day prior to the date of the Board Meeting).

1.4 The Board of Directors, shall determine, at its discretion, the time frame for completion of the Buy-Back and may close the Buy-Back at any time upon utilizing the Minimum Buy- Back Size within a period of six months from the date of opening of the Buy-Back.

2. AUTHORITY FOR THE OFFER OF BUY-BACK

Pursuant to the provisions of Article 13A of the Articles of Association of the Company, and in accordance with Section 68 and other applicable provisions of the Companies Act, 2013 (the "**Companies Act**"), and subject to the Buy-Back Regulations and all other applicable laws, the present offer for Buy-Back of Equity Shares from the open market through the Stock Exchanges has been duly authorized by a resolution passed by the Board of Directors at their meeting held on April 23, 2014. Since the Maximum Buy- Back Size, as approved by the Board of Directors is less than 10% of the paid-up equity share capital and free reserves of the Company as on March 31, 2013, the approval of the shareholders of the Company for the Buy-Back is not required.

3. DISCLOSURES AS PER PART A OF SCHEDULE II TO THE BUY-BACK REGULATIONS

Disclosures as required under Part A of Schedule II to the Buy-Back Regulations are set out herein below:

3.1 The Board of Directors of the Company at their meeting held on April 23, 2014 approved the Buy-Back for a total consideration not exceeding the Maximum Buy-Back Size, at a price not exceeding the Maximum Buy-Back Price, payable in cash from the open market through the Stock Exchanges.

3.2 The Buy-Back is being proposed in keeping with the Company's desire to enhance overall shareholder's value. Depending upon the number of Equity Shares which would be bought back, the Buy-Back would lead to reduction in outstanding number of Equity Shares, and consequently may lead to an increase in earnings per share and book value per share.

3.3 The Maximum Buy-Back Size represents approximately 9.98% of the aggregate of the total paid-up equity share capital and free reserves of the Company as on March 31, 2013 (the date of the latest available standalone audited accounts of the Company). Accordingly, the Maximum Buy-Back Size is within the maximum limit specified under the Companies Act and Regulation 4(1) of the Buy-Back Regulations. The Buy-back of Equity Shares by the Company is within the limits of 25% of the total paid-up equity capital in the current financial year.

3.4 The Equity Shares are proposed to be bought back at a price not exceeding Rs. 45 per Equity Share, i.e., the Maximum Buy-Back Price. The Maximum Buy-Back Price does not include Transaction Costs. The Maximum Buy-Back Price has been arrived at after considering certain parameters including but not limited to the trend in the market price of the equity shares of the Company on the Stock Exchanges where the Equity Shares of the Company are listed.

3.5 At the Maximum Buy-Back Price of Rs. 45 per Equity Share and for the Maximum Buy-Back Size of Rs. 135 crores, the indicative maximum number of Equity Shares that can be bought back would be 3 crores Equity Shares, i.e., the Maximum Buy-Back Shares. If the Equity Shares are bought back at a price below the Maximum Buy-Back Price, the number of Equity Shares bought back could exceed the Maximum Buy-Back Shares, but will always be subject to the Maximum Buy-Back Size.

3.6 The Buy-Back will be implemented by the Company through the methodology of open market purchases through the Stock Exchanges.

3.7 Aggregate Shareholding:

The aggregate shareholding of the Persons in Control of the Company as on April 23, 2014, i.e. the date of the Board Meeting, was 32,33,10,960 Equity Shares constituting 42.04% of the total paid-up equity share capital of the Company. As per the records of the Company no Equity Shares were purchased and sold by Persons in Control during a period of six months preceding the date of the Board Meeting.

3.8 As per Regulation 15(b) of the Buy-Back Regulations, the Buy-Back shall not be made from any of the Persons in Control of the Company.

3.9 The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

3.10 The Board of Directors confirm that they have made full enquiry into the affairs and prospects of the Company and have formed the opinion that:

a) immediately following the date of convening of the Board Meeting, there will be no grounds on which the Company could be found unable to pay its debts; and

a) as regards its prospects for the year immediately following the date of the Board Meeting that, having regard to their intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the view of the Board of Directors, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date.

In forming its opinion for the above purposes, the Board of Directors had taken into account the liabilities as if the Company was being wound up under the provisions of the Companies Act, 1956 (including prospective and contingent liabilities).

3.11 The text of the report dated April 23, 2014 received from B S R & Associates LLP, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

The Board of Directors
Edelweiss Financial Services Limited
Edelweiss House, Off CST Road,
Kalina, Mumbai 400098

23 April 2014

Dear Sirs

We refer to your request with regard to the proposed buy-back of equity shares of Edelweiss Financial Services Limited ('the Company') approved by the Board of Directors at their meeting held on 23 April 2014, in accordance with the provisions of section 68 and 70 of the Companies Act, 2013 ('the Act') and regulations as specified in the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations.

The Company's management has full and exclusive responsibility for complying with the Act and the Regulations. Our responsibility is to report compliance on the part of the Company with the Act and the Regulations, based on work done and representations received.

We conducted our examination in accordance with the Guidance Note on the Audit Reports and Certificates issued for Special Purpose issued by the Institute of Chartered Accountants of India ('ICAI'). We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

Based on the information and explanations provided to us, we report that:

1. We have enquired into the state of affairs of the Company in relation to the audited accounts for the year ended 31 March 2013, approved by the Board of Directors in the meeting held on 15 May 2013 and unaudited financial statements for the 9 months period ended 31 December 2013 which was subject to limited review by us;
2. The Board of Directors has proposed to buy-back the Company's own fully paid equity shares of face value of Re. 1 each to the extent of amount not exceeding Rs. 135 crores at a price not exceeding Rs 45 per equity share. In our view, the amount of permissible capital payment (including premium) towards buy-back of equity shares amounting to Rs.135.32 crores, based on the audited financial statements of the Company for the year ended 31 March 2013, as computed by the management, annexed hereto and signed by us for identification purpose, has been appropriately determined in accordance with section 68 of the Act; and
3. Based on the information and explanations provided to us and representations made by the Company's management, which to the best of our knowledge and belief were necessary for this purpose, nothing has caused us to believe to indicate that the opinion formed by Board of Directors of the Company in their meeting held on 23 April 2014 that the Company, having regards to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board of Directors Meeting of the Company held on 23 April 2014, as specified in clause(x) of Part A of Schedule II of SEBI (Buy-back of Securities) Regulations, 1998 is not on reasonable grounds.

This report is intended solely for your information and for purpose of use in connection with the proposed buyback of equity shares by the Company, as stated above, and is not to be used, referred or distributed for any other purpose without our prior written consent.

Yours faithfully
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W

N Sampath Ganesh
Partner
Membership No: 042554

Annexure I

Calculation of maximum permissible capital payment (including premium) towards buy back of equity shares in accordance with Section 68 of the Companies Act, 2013 based on the audited financial statements for the year ended 31 March 2013 is as follows:

Particulars	**As at March 31, 2013*** (Amount Rupees in crore)
Share Capital – Subscribed and Paid up (A)	76.38
Free Reserves (B)	1,276.81
Total (A+B)	1,353.19
Maximum amount permissible for buy-back through resolution authorized by Board of Directors i.e. 10% of the total paid-up equity share capital and free reserves	135.32
Maximum amount approved by the Board of Directors for buy-back	135.00

* Based on standalone financial statements of the Company

Maximum Paid up Equity Share Capital for Buy-back

Particulars	**Number of Shares**
Total Paid up Equity Share Capital as at 31 March 2013	763,842,280
Maximum Permissible Buy Back of Paid up Equity Share Capital (25% of Paid up Equity Share Capital) in a financial year	190,960,570

Unquote

4. DISCLOSURES AS PER PART B OF SCHEDULE II TO THE BUY-BACK REGULATIONS

Disclosures as required under Part B of Schedule II to the Buy-Back Regulations are set out herein below:

4.1 **Details of shareholders' approval for the Buy-Back:** Not applicable.

4.2 **Maximum and Minimum number of Equity Shares proposed to be bought back and Sources of Funds from which the Buy-Back would be made:**

4.2.1 At the Maximum Buy-Back Price of Rs. 45 per Equity Share and for the Minimum Buy-Back Size of Rs. 67.5 crores, the indicative maximum number of Equity Shares that can be bought back would be 1.5 crores Equity Shares i.e. Minimum Buy-Back Shares. At the Maximum Buy-Back Price of Rs. 45 per Equity Share and for the Maximum Buy-Back Size of Rs. 135 crores, the indicative maximum number of Equity Shares that can be bought back would be 3 crores Equity Shares, i.e., the Maximum Buy-Back Shares. If the Equity Shares are bought back at a price below the Maximum Buy-Back Price, the number of Equity Shares bought back could exceed the Maximum Buy-Back Shares, but will always be subject to the Maximum Buy-Back Size.

The actual number of Equity Shares bought back will depend upon the actual price excluding Transaction Costs paid for the Equity Shares bought back and the aggregate consideration paid for the Buy-Back, subject to the Maximum Buy-Back Size.

4.2.2 The amount required by the Company for the Buy-Back is intended to be met out of the free reserves and/or the securities premium account, the source of the funds for the proposed buyback being sale of investments made in/loans provided by the Company to its subsidiaries and available cash balance of the Company. Though the Company will not raise debt for financing the Buy-Back, it may continue to borrow funds in the ordinary course of its business.

4.2.3 Proposed Timetable:

Date of Board Resolution approving the Buy-Back	April 23, 2014
Date of publication of the Announcement	April 29, 2014
Date of opening of the Buy-Back	May 5, 2014
Acceptance of Equity Shares in demat form	Upon the relevant pay-out by the Stock Exchanges.
Extinguishment of Equity Shares in dematerialized form	Within 15 days of acceptance of Equity Shares as mentioned above provided that the Company shall ensure that all Equity Shares bought back are extinguished within 7 days from the last date of completion of Buy-Back.
Extinguishment of Equity Shares in physical form	Within 15 days of succeeding month in which the share certificates were bought back, provided that the Company shall ensure that all Equity Shares bought back are extinguished within 7 days from the last date of completion of Buy-Back.
Last Date for the completion of Buy-Back	The earlier of: (I) November 4, 2014, i.e. 6 months from the date of the opening of the Buy-Back; or (ii) when the Maximum Buy-Back Size has been utilized; OR (iii) Such date as may be determined by the Board, in the event the Minimum Buy-Back Size has been utilized, even if the Maximum Buy- back Size has not been utilized or the indicative Maximum Buy-Back Shares have not been bought back (by giving appropriate notice of such earlier date).

Please refer to clause 4.4.9 below for buy-back of Equity Shares in physical form.

4.4 Process and Methodology to be adopted for the Buy-Back:

4.4.1 The offer is open to all shareholders/ beneficial owners of the Equity Shares, except the Persons in Control of the Company, as indicated in this Announcement.

4.4.2 The Equity Shares of the Company are fully paid-up. The Company undertakes not to Buy-Back its Equity Shares through negotiated deals, whether on or off the Stock Exchanges, or through spot transactions or through any private arrangements in the implementation of the Buy-Back.

4.4.3 The Company proposes to implement the Buy-Back through the methodology of open market purchases through the Stock Exchanges as provided under the Buy-Back Regulations.

4.4.4 For the Buy-Back, the Company has appointed ICICI Securities Limited and Emkay Global Financial Services Limited as Brokers (the "Company's Brokers") through whom the purchases and settlement on account of the Buy-Back would be made for the Equity Shares held in demat mode. For physical segment, Emkay Global Financial Services Limited (Emkay), will act as the Broker.

The contact details of ICICI Securities Limited and Emkay Global Financial Services Limited are mentioned in Clause 6 below.

4.4.5 The Buy-Back will be made only through the order matching mechanism except "all or none" order matching system.

4.4.6 The Company shall place "buy" orders on BSE and/or NSE at least once in every week on the normal trading segment to buy the Equity Shares through Company's Brokers, in such quantity and at such prices, not exceeding the Maximum Buy-Back Price of Rs. 45 per Equity Share, as it may deem fit, depending upon the prevailing quotations of the Equity Shares on the Stock Exchanges. When the Company has placed an order for Buy-Back of the Equity Shares, the identity of the Company as purchaser shall appear on the electronic screen of the Stock Exchanges.

4.4.7 The Equity Shares are traded in the compulsory demat mode (Trading Code: BSE - 532922; NSE - EDELWEISS). The Beneficial Owners who desire to sell their Equity Shares in the electronic form under the Buy-Back would have to do so through a stock broker who is a member of either of the Stock Exchanges by indicating to their broker the details of Equity Shares they intend to sell whenever the Company has placed a "buy" order for Buy-Back of the Equity Shares. The trade would be executed at the price at which the order matches and that price would be the price for that seller. The execution of the order, issuance of contract note, and delivery of stock to the member and receipt of payment from the member would be carried out in accordance with the Stock Exchange's and the SEBI's requirements. Orders for Equity Shares in electronic form can be placed on the trading days of the Stock Exchanges.

4.4.8 It may be noted that all the Equity Shares bought back by the Company may not be at a uniform price.

4.4.9 ***Buy-Back of Equity Shares in physical form:*** The Company shall approach the Stock Exchanges for permission to use a separate window for Buy-Back of Equity Shares in physical form ("Physical Shares") in terms of Regulation 15A of the Buy-Back Regulations (the "Physical Shares Buy-Back Window"). Upon the receipt of the permission from the Stock Exchanges to use their Physical Shares Buy-Back Window, the Company shall Buy-Back the Physical Shares from the shareholders. The procedure for Buy-Back of Physical Shares in the Physical Shares Buy-Back Window shall be subject to the requirements provided by the Stock Exchanges and the directions, if any, issued in this regard. As per Regulation 15A of the Buy-Back Regulations:

(a) A separate window shall be created by the Stock Exchanges, which shall remain open during the Buy-Back period, for Buy-Back of Physical Shares.

(b) The Company shall Buy-Back Physical Shares from eligible shareholders through the Physical Shares Buy-Back Window, only after verification of the identity proof and address proof by Emkay.

(c) The price at which the Equity Shares are bought back shall be the volume weighted average price of the Equity Shares bought-back, other than in the physical form, during the calendar week in which such Equity Shares were received by Emkay.

Provided that the price of Equity Shares tendered during the first calendar week of the Buy-Back shall be the volume weighted average market price of the Equity Shares of the Company during the preceding calendar week.

(e) In case no Equity Shares were bought back in the normal market during calendar week, the preceding week when the Company has last bought back the Equity Shares may be considered.

4.4.10 The Members of the Company holding Physical Shares and proposing to participate in the Buy-Back will be required to submit the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled, stamped and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the shareholder's PAN Card.

In addition, the shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card, Passport or Driving License, any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable, either by registered post or courier or hand delivery to –

Emkay Global Financial Services Limited,
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar - West, Mumbai 400028
Tel No.:+91 22 6612 1212 Fax No.: +91 22 6612 1355
Contact Person: Deepak Yadav
E-mail: edelweiss.buyback@emkayglobal.com
Website: www.emkayglobal.com.

The Members of the Company holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares for Buy-Back by the Company shall be subject to verification as per the Buy-Back Regulations and any further directions issued in this regard.

4.4.11 Nothing contained herein shall create any obligation on the part of the Company to Buy-Back any Equity Shares or confer any right on the part of any shareholder to offer any Equity Shares for Buy-Back, and/or impair any power of the Company or the Board thereof to terminate any process in relation to the Buy-Back, as may be permissible by law. Except in the cases provided in Regulation 15 B (8) of the Buy-back Regulations, if the Company is not able to complete the Buy-Back to the equivalent of the Minimum Buy-Back Size by the last date for the completion of Buy-Back i. e. November 4, 2014, then the amount held in the Escrow Account upto a maximum of 2.5% of the Maximum Buy-Back Size, shall be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI.

4.4.12 The Company shall submit the information regarding the Equity Shares bought back to the Stock Exchanges on a daily basis in accordance with the Buy-Back Regulations. The Company shall also upload the information regarding the Equity Shares bought back on its website on a daily basis.

4.5 Method of Settlement:

4.5.1 The Company will pay the consideration to the Company's Brokers on or before the pay-in date for each settlement, as applicable to the respective Stock Exchanges.

4.5.2 The beneficial owners holding Equity Shares in the demat form would be required to transfer the number of Equity Shares sold by tendering the delivery instructions to their respective depository participant ("DP") for debiting their beneficiary account maintained with the DP and crediting the same to the pool account of the broker through whom the trade was executed.

4.5.3 The Company has opened a demat account styled "Edelweiss Financial Services Limited – Buy Back" with Emkay Global Financial Services Limited (the Buy- Back Demat Account). The DP ID and Client ID of the Buy- Back Demat Account is 1202300001096771. The ISIN of the Company is INE532F01054.

The Equity Shares bought back in the demat form would be transferred to the aforesaid account by the Company's Brokers on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.

4.5.4 The Demat Shares bought back by the Company shall be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended and its bye-laws and in the manner specified in the Buy-Back Regulations. The Equity Shares lying to the credit of the Buy- Back Demat Account will be extinguished within 15 days of acceptance of the Demat Shares provided that the Company undertakes to ensure that all Demat Shares bought back by the Company are extinguished within 7 days from the last date of completion of the Buy-Back.

4.5.5 In respect of the Equity Shares bought back and accepted in physical form during a month, the same would be extinguished and the share certificates physically destroyed within 15 days of the succeeding month, provided that the Company shall ensure that all the Equity Shares bought back are extinguished within 7 days of the last day of completion of the Buy-Back in the manner specified in the Buy-Back Regulations.

4.5.6 The consideration for the Equity Shares bought back by the Company shall be paid only by way of cash.

4.6 Brief Information about the Company:

Edelweiss Financial Services Limited ('the Company') was incorporated on November 21, 1995 under the name and style of Edelweiss Capital Limited. The Company received the certificate for commencement of business on January 16, 1996.

With effect from August 1, 2011, the name of the Company changed from Edelweiss Capital Limited to Edelweiss Financial Services Limited.

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited.

The Company is registered with the Securities and Exchange Board of India (SEBI) as a "Category I Merchant Banker" (as defined under the SEBI (Merchant Bankers) Regulations, 1992). The Company and its subsidiaries provide financial services such as investment banking, broking services to institutions and retail clients, wealth management, wholesale financing, client advisory services, Housing finance, Life Insurance, Mutual Fund and Custodial activities.

4.7 Brief Financial Information about the Company:

4.7.1 The Financial Information based on the standalone audited financial information of the Company as at and for the last three years ended March 31, 2013, 2012 and 2011 and the limited review financial information for the nine months period ending December 31, 2013, is as follows:

Rs. in million (except key ratios)

Particulars	December 31, 2013 (Unaudited/ Nine Months)	March 31, 2013	March 31, 2012	March 31, 2011
Revenue	1,171.36	1,568.08	2,069.51	4,395.52
Other Income	1.48	0.61	3.40	0.03
Total Income	1,172.84	1,568.69	2,072.91	4,395.55
Profit before interest, depreciation and tax	629.86	822.00	1,372.99	3,626.28
Reported profit after tax	263.54	467.91	686.34	587.25
Equity dividend %	-	65%	60%	60%
Equity dividend (excluding dividend tax)	-	498.41	454.33	451.22
Equity share capital	769.05	763.84	756.80	752.03
Reserves & surplus (excluding Revaluation Reserve)	13,092.93	12,781.18	12,749.45	12,477.29
Net worth (excluding Revaluation Reserve)	13,861.98	13,545.02	13,506.25	13,229.32
Total Debt	22,187.19	9,254.01	24,103.79	35,963.16
Key Ratios				
Basic Earnings per share (Rs)	0.34	0.62	0.91	0.78
Diluted Earnings per share (Rs)	0.34	0.60	0.89	0.76
Book value per equity share (Rs)	18.02	17.73	17.85	17.59
Debt to equity ratio	1.60	0.68	1.78	2.72
Return on Average Net-worth	0.02	0.03	0.05	0.04

Notes:

(1) Net worth = Share capital + Reserves and surplus (excluding revaluation reserves).

(2) Total debt includes all amounts of unsecured and secured debts as disclosed in the balance sheet of the Company and includes long term borrowings, short term borrowings and current maturities of long term debts.

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3. The key ratios have been computed as below:

Basic Earnings per Share	Net Profit attributable to equity shareholders / Total no. of equity shares outstanding at the end of the year/period
Diluted Earnings per Share	Net Profit attributable to equity shareholders / Total no. of equity shares outstanding at the end of the year/period after dilution of Stock Options / Warrants
Book value per equity share	Paid Up Equity Share Capital + Reserves & Surplus (Excluding Revaluation Reserves) / Total no. of equity shares outstanding at the end of the year/period
Debt to equity Ratio	Total Debt (Long Term Debt + Short Term Debt) / Net worth (Excluding Revaluation Reserves)
Return on Average Net Worth (%)	Net Profit attributable to equity shareholders / Average Net Worth (Excluding Revaluation Reserves)
Average Net Worth	Current Year's Net Worth + Previous Year's Net Worth / 2

4. 8. Escrow Account:

4.8.1 In accordance with Regulation 15B of the Buy-Back Regulations, the Company has created an escrow arrangement towards security for performance of its obligations under the Buy-Back Regulations in the form of bank guarantee (the "BG") (as defined below).

4.8.2 The Company has entered into an Escrow Agreement dated April 28, 2014 with IndusInd Bank Limited (the "Escrow Bank"), and ICICI Securities Ltd. (the "Manager") (the Escrow Agreement hereinafter referred to as the "Escrow Agreement"), pursuant to which the Company has opened an Escrow Account named Edelweiss Financial Services Limited – Buyback Escrow Account (the "Escrow Account") and deposited therein cash aggregating to Rs. 3,37,50,000 (Rupees Three crores thirty-seven lakhs fifty thousand only), being 2.5% of the Maximum Buy-Back Size approved by the Board (the "Cash Escrow"). The Company has authorized the Manager to operate the Escrow Account in compliance with the Buy-Back Regulations.

4.8.3 In addition, IndusInd Bank Limited has issued a bank guarantee dated April 28, 2014 in favor of the Manager for an amount of Rs. 33,75,00,000 (Rupees Thirty-three crores seventy-five lakhs only), (the "BG") being 25% of the Maximum Buy-Back Size approved by the Board. The Company's Escrow arrangement consisting of Cash Escrow and BG aggregates to Rs. 37,12,50,000 (Rupees Thirty seven crores twelve lakhs fifty thousand only).

4.8.4 The Cash Escrow may be released for making payment to the shareholders subject to at least 2.5% of the amount earmarked for Buy-Back remaining in the Escrow Account at all points of time.

4.8.5 In terms of Regulation 15B(7), upon completion of the Minimum Buy-Back Size, the amount remaining in the Cash Escrow in the Escrow Account and the BG may be released to the Company.

4.8.6 If the Company is not able to complete the Buy-Back to the equivalent of the Minimum Buy-Back Size by the last date of completion of Buy-Back i.e. November 4, 2014, except for the reasons mentioned in the Buy-back Regulations, the amount held in the Escrow Account upto a maximum of 2.5% of the Maximum Buy-Back Size approved by the Board Resolution, shall be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI.

4.9 Listing Details and Stock Market Data:

4.9.1 The Equity Shares of the Company are listed on the BSE and NSE.

4.9.2 The high and low market prices of the Equity Shares for the last three financial years and the monthly high, low and average market prices from last six months preceding this Announcement and the corresponding volumes on the Stock Exchanges are as follows:

BSE

Time Period	High Price#			Low Price#			Average Price (Rs.)	Total Volume Traded for the period
	Price (Rs.)	Date	Volume	Price (Rs.)	Date	Volume		
FY 2014	33.3	20-Sep-13	277,978	25.25	26-Nov-13	54,775	29.47	19,842,341
FY 2013	45.15	9-Oct-12	254,133	27.15	21-May-12	6,684	32.77	28,343,656
				27.15	17-May-12	7,022		
FY 2012	41.00	5-Apr-11	310,659	22.30	20-Dec-11	11,001	30.54	21,424,756

Source: BSE Website

BSE

Time Period	High Price#			Low Price#			Average Price (Rs.)	Total Volume Traded for the period
	Price (Rs.)	Date	Volume	Price (Rs.)	Date	Volume		
April 25, 2014**	35.90	21-Apr-14	515,992	28.25	1-Apr-14	24,666	32.12	3,921,741
March 2014	30.60	18-Mar-14	42,270	27.30	5-Mar-14	14,230	28.77	900,304
February 2014	28.50	25-Feb-14	33,463	26.75	13-Feb-14	7,113	27.43	300,714
January 2014	29.40	1-Jan-14	33,700	27.00	28-Jan-14	21,495	28.11	595,546
December 2013	29.80	9-Dec-13	217,394	26.55	17-Dec-13	25,018	27.65	1,038,240
November 2013	31.05	1-Nov-13	25,182	25.25	26-Nov-13	54,775	28.55	395,448
October 2013	32.30	10-Oct-13	52,236	29.85	1-Oct-13	8,151	30.61	5,904,472

NSE

Source: BSE Website

Time Period	High Price#			Low Price#			Average Price (Rs.)	Total Volume Traded for the period
	Price (Rs.)	Date	Volume	Price (Rs.)	Date	Volume		
FY 2014	33.65	20-Sep-13	1,076,200	25.00	26-Nov-13	646,587	29.48	34,357,811
FY 2013	45.20	9-Oct-12	2,189,301	27.20	22-May-12	69,991	32.80	64,424,240
FY 2012	41.15	5-Apr-11	769,532	22.10	20-Dec-11	68,457	30.60	85,127,636

Source: NSE Website

NSE

Time Period	High Price#			Low Price#			Average Price (Rs.)	Total Volume Traded for the period
	Price (Rs.)	Date	Volume	Price (Rs.)	Date	Volume		
April 25th 2014**	35.70	21-Apr-14	1,521,322	28.25	1-Apr-14	92,036	32.10	13,851,291
March 2014	30.60	18-Mar-14	205,888	27.25	5-Mar-14	94,082	28.81	3,423,923
February 2014	28.60	19-Feb-14	113,519	26.80	13-Feb-14	22,809	27.44	1,006,661
January 2014	29.40	1-Jan-14	94,261	27.05	28-Jan-14	36,807	28.11	2,252,661
				27.05	29-Jan-14	21,144		
December 2013	29.70	9-Dec-13	575,565	26.70	17-Dec-13	44,280	27.69	2,706,639
November 2013	31.10	1-Nov-13	102,452	25.00	26-Nov-13	646,587	28.52	1,963,420
October 2013	32.40	10-Oct-13	179,049	29.75	1-Oct-13	25,261	30.60	5,351,027

*Arithmetic average of the closing prices of all trading days during the said period. Source: NSE Website

The High Price and Low Price are based on high and low of closing prices of all trading days during the said period.

**from April 1, 2014 to April 25, 2014

4.9.3 During the period April 1, 2011 to April 9, 2014, the Company had allotted 17,029,550 Equity Shares on exercise of stock options under various Employees Stock Option Schemes (ESOS) of the Company. Save and except the allotment of Shares as mentioned hereinabove, there has been no change in the Equity Capital, by way of bonus issue, rights issue or consolidation of equity shares during the period for which data has been disclosed in the table above.

4.9.4 The closing market price of the Equity Shares on April 25, 2014, i.e. the trading day after the date of the Board Meeting, was Rs. 35.15 per Equity Share on the BSE and Rs. 35.10 per Equity Share on the NSE (Source: BSE and NSE websites).

4.10. Capital Structure and Shareholding Pattern:

4.10.1 The capital structure of the Company as on the date of Announcement, i.e. April 28, 2014 is as follows:

Share Capital	Rs. in crores (As on the date of Announcement	Rs in crores (post buy-back)
Authorised		
1,23,00,00,000 Equity Shares of Re. 1 each	123	123
40,00,000 Preference Shares of Rs. 5 each	2	2
Total	**125**	**125**
Issued		
76,90,55,830 Equity Shares of Re. 1 each	76.91	
(Post Buyback-73,90,55,830 Equity Shares of Re. 1 each)		73.91
Subscribed & Paid-up		
76,90,55,830 Equity Shares of Re. 1 each fully paid-up	76.91	
(Post Buyback-73,90,55,830 Equity Shares of Re. 1 each)		73.91
Total Subscribed and Paid-up Capital	**76.91**	**73.91**

Note:

Assuming that the indicative Maximum Buy-Back Shares are bought back. The post Buy-Back Issued, Subscribed and Paid-up Capital will differ depending upon the actual number of Equity Shares bought back.

4.10.2 There are no partly paid up equity shares or calls in arrears as on the date of this Announcement. Except Stock Options, the Company does not have any convertible debentures or convertible preference shares or any other convertible instruments outstanding.

4.10.3 The shareholding pattern of the Company is as follows:

Category of Shareholders	**As on April 18, 2014**		Post Buy-Back#	
	No. of Equity shares	Shareholding as a % of the total no. of equity shares	No. of Equity Shares	Shareholding as a % of the total no. of Equity shares
(A) Shareholding of the Persons in Control				
Promoters	22,86,89,490	29.74	22,86,89,490	30.94
Promoter Group (including the Foreign Promoter)	5,70,26,200	7.41	5,70,26,200	7.72
Persons Acting in Concert	3,75,95,270	4.89	3,75,95,270	5.09
Total (A)	**32,33,10,960**	**42.04**	**32,33,10,960**	**43.75**
(B) Public Shareholding				
(1) Institutions (Fis, FIIs, Mutual Funds, Banks, Qualified Foreign Investors)	17,26,50,153	22.45		
(2) Non-Institutions (resident and non-resident Individual, bodies corporate, foreign companies etc.)	27,30,94,717	35.51	41,57,44,870	56.25
Total Public shareholding (B)	**44,57,44,870**	**57.96**		
Total (A)+(B)	**76,90,55,830**	**100**	**73,90,55,830**	**100**

#Post Buy-Back shareholding assuming that the indicative Maximum Buy-Back Shares are bought back. The shareholding post Buy-Back may differ depending upon the actual number of Equity Shares bought back.

4.11 The Company shall not issue any Equity Shares including by way of bonus till the date of closure of the Buy-Back offer. Further, the Company shall not raise further capital for a period of one year from the closure of Buy-Back offer, except in discharge of its subsisting obligations, if any.

4.12 The aggregate shareholding of the Persons in Control of the Company as on April 23, 2014, i.e. the date of the Board Meeting was 32,33,10,960 Equity Shares constituting 42.04% of the total paid-up equity share capital of the Company, as per the records of the Company.

4.12.1 During the period of twelve months preceding the date of the Announcement, i.e. April 28, 2014, no Equity Shares were purchased or sold by the Persons in Control.

4.13 Management Discussion and Analysis of the likely impact of the Buy-Back on the Company:

4.13.1 The buy-back is expected to contribute to an overall enhancement of Shareholders' value going forward.

4.13.2 Depending upon the number of Equity Shares actually bought back, the Buy-back would lead to reduction in outstanding number of Equity Shares, and consequently may lead to an increase in earnings per share and book value per share presuming the Company would earn similar profits as in the past. The Buy-back may also lead to a possible improvement in the return on net worth.

4.13.3 As per Regulation 15(b) of the Buy-Back Regulations, the Buy-Back shall not be made from any of the Persons in Control of the Company. There will be no change in the aggregate number of Equity Shares held by the Persons in Control as a result of the Buy-Back. However, the shareholding of the Persons in Control as a result of the Buy-Back would stand increased to 43.75% from 42.04% of the total paid-up equity share capital assuming that the indicative Maximum Buy-Back Shares are bought back. The Buy-Back will not result in a change in control or otherwise affect the existing management structure of the Company.

4.13.4 Consequent to the Buy-Back and based on the number of Equity Shares bought back by the Company from various public shareholders institutional as well as non-institutional such as bodies corporates, non-resident shareholders, Non-Resident Indian (NRI) shareholders etc., the shareholding pattern of the Company would undergo a consequential change.

4.13.5 As required under the Companies Act, the ratio of the debt owed by the Company will not be more than twice the capital and free reserves of the Company after the Buy-Back.

4.13.6 The Company shall not withdraw the Buy-Back after the date of this Announcement.

4.13.7 There is no pending scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on the date of this Announcement.

4.14 Statutory Approvals:

4.14.1 The Buy-Back has been authorized by the Board of Directors.

4.14.2 To the best of the knowledge of the Company, no other statutory approvals are required for the Buy-Back, as on date of this Announcement. The Company shall obtain such statutory approvals as may be deemed necessary from time-to-time, if any.

4.15 Collection and Bidding Centers: Not Applicable

4.16 Compliance Officer and Investor Service Center:

In case of any queries, the shareholders/ beneficial owners may contact at the following address on any working day i.e. Monday to Friday between 11:00 a.m. to 4:00 p.m.

Mr. B. Renganathan
Sr. V. P., Company Secretary and Compliance Officer
Edelweiss House, Off. CST Road, Kalina, Mumbai 400098, Maharashtra.
Tel: 022-40094400, Fax: 022-4086 3759
Email: efsl.shareholders@edelweissfin.com, Website: www.edelweissfin.com

4.17 Registrar to the Buy-Back:
Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai 400078, Maharashtra.
Tel. No.: 022-25946970, Fax: 022-25946969
Email: edelweiss.buyback@linkintime.co.in, Website: www.linkintime.co.in

5. Manager to the Buy-Back:

The Company has appointed ICICI Securities Limited as the Manager to the Buy-Back:

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400020.
Tel No.: +91 22 2288 2460 / 70, Fax No.: +91 22 2282 6580
Contact Person: Sumit Agarwal/ Bhavin Vakil
E-mail: edelweiss.buyback@icicisecurities.com, Website: www.icicisecurities.com

6. Brokers to the Buy-Back:

The Company has appointed the following as Brokers to the Buy-Back:

i) **ICICI Securities Limited**
ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020.
Tel No.: +91 22 6637 7345, Fax No.: +91 22 6637 7211
Contact Person: Allwyn Cardoza/Margaret Sequeira/Rahul Ghatage
E-mail: equity.settlements@icicisecurities.com, Website: www.icicisecurities.com

ii) **Emkay Global Financial Services Limited**
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai 400028.
Tel No. :+91 22 6612 1212, Fax No.: +91 22 6612 1355
Contact Person: Deepak Yadav
E-mail: edelweiss.buyback@emkayglobal.com, Website: www.emkayglobal.com

7. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buy-Back Regulations, the Board accepts responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buy-Back and confirm that the information in such documents contains and will contain true, factual and material information and does not and will not contain any misleading information.

For and on behalf of the Board of Directors of **Edelweiss Financial Services Limited**

Rashesh Shah	**Himanshu Kaji**	**B. Renganathan**
Chairman, Managing Director & CEO	Executive Director	Company Secretary

Date: **April 28, 2014**

Place: **Mumbai**