

IV. SUMMARY TERM SHEET

Security Name	11.50% Edelweiss Asset Reconstruction Company Limited - 2023
Issuer	Edelweiss Asset Reconstruction Company Limited
Type of Instrument	Listed, rated, secured, redeemable, non-convertible debentures (“NCDs” or “Debentures”)
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	On Private Placement basis to eligible investors
Issue Size	INR 12,50,00,00,000 (Rupees One Thousand Two Hundred and Fifty Crores Only)
Option to retain oversubscription (Amount)	None
Eligible Investors	<p>The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures:</p> <ul style="list-style-type: none"> • Individuals • Hindu undivided family • Trust • Limited liability partnerships • Partnership firm(s) • Portfolio managers registered with SEBI • Association of persons • Companies and bodies corporate including public sector undertakings • Commercial banks • Regional rural banks • Financial institutions • Insurance companies • Mutual funds • Foreign Portfolio Investor • Foreign Institutional Investor • Any other investor eligible to invest in these Debentures.
Minimum Application Size and in multiples of debt securities thereafter	1 Debenture - INR 10,00,000/- per Debenture
Face Value	INR 10,00,000/- per Debenture
Issue Price	INR 10,00,000/- per Debenture
Tenor	The term of the Debentures shall be 42 (forty two) months from the Deemed Date of Allotment.
Interest / Coupon Rate	11.50% (eleven and a half per cent) per annum, payable at quarterly rests, on the Interest Payment Date.

Step Up/ Step Down Coupon Rate	Not Applicable.
Coupon / Interest Payment Frequency	Quarterly.
Coupon / Interest Payment Dates	March 31, June 30, September 30 and December 31 of each calendar year.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Not Applicable
Coupon type	Fixed
Day Count Basis	Actual / Actual
Interest on Application Money	As per the Applicable Law.
Default Interest Rate	4% (four percent) per annum.
Redemption Date	<p>Means: (a) a Scheduled Redemption Date, or (b) an Early Redemption Date; or the (c) Final Settlement Date, as the case may be</p> <p>“Scheduled Redemption Date” means the date falling on the expiry of 42 (forty two) months from the Deemed Date of Allotment, on which date all outstanding Debentures shall be mandatorily redeemed in full in accordance with the Terms and Conditions of the Debenture Trust Deed.</p> <p>“Early Redemption Date” means a date:</p> <ul style="list-style-type: none"> (a) when the Trustee requires the Debentures to be redeemed on a date prior to the Scheduled Redemption Date upon the occurrence of an Event of Default; or (b) any other date when the Company is permitted or required to redeem the Debentures, prior to the Scheduled Redemption Date in accordance with the terms of this Deed including but not limited to a Partial Voluntary Redemption Event, any redemption in relation to a Voluntary Redemption Event pursuant to paragraph 2.4 (<i>Voluntary Redemption</i>) of Schedule 1 (<i>Terms and Conditions</i>) or a Specified Early Redemption Date, as the case may be <p>“Final Settlement Date” means the date when all and not less than and all Debentures have been redeemed and all outstanding Debt (whether then due or not) has been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Trustee.</p>
Scheduled Redemption Amount	As defined in the Debenture Trust Deed
Redemption Premium / Discount	The Company shall pay the applicable Redemption Premium to the Debenture Holders as per the Terms of the Debenture Trust Deed.
Discount at which security is issued and the effective yield as a result of such discount	Nil
Put Date	Nil

Put Price	Nil
Put Notification Time	Nil
Call Date	<ol style="list-style-type: none"> 1. 10% of the Issue Size on the expiry of 15th month from the Deemed Date of Allotment (March 1, 2021) 2. All outstanding Debentures on the expiry of 36th month from the Deemed Date of Allotment (December 1, 2022) <p>The terms of call option shall be governed by the terms of the Debenture Trust Deed</p>
Call Price	<p>Sum of –</p> <ol style="list-style-type: none"> 1. outstanding Nominal Value of the Debenture proposed to be redeemed; 2. accrued but unpaid Interest, 3. Default Interest, if any 4. Redemption Premium <p>all other amounts payable in respect of such Debenture in accordance with the Transaction Documents.</p>
Call Notification Time	Not less than 10 days from the Call Date as per the terms of the Debenture Trust Deed
Listing	The Company shall obtain all necessary trading approvals and list the Debentures no later than 15 (fifteen) days from the Deemed Date of Allotment on WDM of BSE and the Company shall maintain continuous listing of the Debentures. If the Debentures issued to the Debenture Holders are not listed within 15 (fifteen) days of the Deemed Date of Allotment, the Company will immediately redeem / buyback the Debentures from the Debenture Holders, if they have not been disposed off by the Debenture Holders by way of sale to a third party or to the Company.
Market Lot	The minimum lot size for trading shall be 1 Debenture and in multiple of 1 thereafter.
Issuance mode of Debentures	Demat only
Trading mode of the Debentures	Demat only
Depository	NSDL or CDSL
Security (including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation replacement of Security, interest to the debentureholder over and above the coupon rate as specified in the trust deed and disclosed in the offer document)	<p>In consideration of the Debenture Holders subscribing to or purchasing the Debentures and to secure the repayment of the Debt, the Company agrees and shall procure that the following Security Interests shall be created in favour of the Trustee for the benefit of the Secured Parties:</p> <ul style="list-style-type: none"> • a first ranking sole and exclusive charge by way of hypothecation of the Hypothecated Assets by the Company pursuant to the Deed of Hypothecation; • a first ranking sole and exclusive charge by way of pledge over the Pledged SRs pursuant to the Company Pledge Agreement; and • any other Security Interest as may be mutually agreed between the Company and the Secured Parties. <p>Other details as mentioned in Debenture Trust Deed</p>

Rating of the Instrument	CRISIL A+ Stable by CRISIL Limited.
Objects of the Issue	<p>The Subscription Amount shall be utilized by the Company solely towards the following (and for no other purpose):</p> <ul style="list-style-type: none"> (i) repayment of existing indebtedness of the Company; (ii) purchase of any security receipts aggregating up to Rs. 3,000,000,000 (Rupees three billion only)]; (iii) general corporate purposes; and (iv) payment of all costs, fees and expenses in connection with the issue of the Debentures.
Details of the Utilisation of the proceeds	As per Objects of the Issue.
Settlement mode of the Debentures	Redemption proceeds, comprising of the value of principal and Interest shall be paid by cheque ECS/NEFT/RTGS/bank draft/demand draft to the holders of the NCDs as on the Record Date.
Business Day Convention	Means a day (other than Sunday or a bank holiday) on which banks and stock exchanges are open for general business in Mumbai, New Delhi New York and London.
Holiday Convention	<p>Should any of the date(s), including the Deemed Date of Allotment, or the Record Date, as defined in this Disclosure Document, fall on a Saturday or Sunday or a public holiday or no high value clearing or RTGS is available for any reason whatsoever at a place where the registered/corporate office is situated, the immediately preceding Business Day shall be considered as the effective date.</p> <p>Should the Redemption Date and/or the Interest Due Date of the Debentures fall on a Saturday, Sunday or a public holiday or no high value clearing or RTGS is available for any reason whatsoever at a place where the registered/corporate office is situated, the principal and/or Interest (including the Conditional Interest and/or the Redemption Premium) shall be paid on the immediately preceding Business Day.</p>
Record Date	The date, as may be fixed by the Company, which will be 15 (fifteen) days prior to the Redemption Date/Interest Payment Date/Early Redemption Date (or any other date as may be decided by the Board or any Committee constituted / to be constituted by the Board) on which the determination of the persons entitled to receive coupon/redemption amount/any other amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or the relevant Depository) shall be made.
Conditions Subsequent to Disbursement	The conditions subsequent to the issuance have been set out in detail in the Debenture Trust Deed.
Conditions Precedent for Disbursement	The conditions precedent to investment have been set out in detail in the Debenture Trust Deed.
Events of Default	The events of default have been set out in detail in the Debenture Trust Deed.
Provisions related to Cross Default Clause	As per the terms of the Debenture Trust Deed.
Issue Opening Date	November 29, 2019
Issue Closing Date	November 29, 2019
Pay-in-Date	December 02, 2019

Deemed Date of Allotment	December 02, 2019
Roles and Responsibilities of Debenture Trustee	The Trustee shall perform its obligations, responsibilities and duties in accordance with the Act and Rules, SEBI (Debenture Trustee) Regulations, 1993 and the Debt Listing Regulations. Further, the rights, powers, duties and liabilities of the Trustee are set out in detail in the Debenture Trust Deed.
Governing Law and Jurisdiction	<p>The Debenture Trust Deed is governed by and shall be construed in accordance with the laws of India.</p> <p>The Parties to the Debenture Trust Deed agree that any legal action or proceedings arising out of the Debenture Trust Deed shall be brought in the High Court of Judicature or the tribunals at Delhi in India and irrevocably submit themselves to the jurisdiction of that Court or tribunal. The Secured Parties shall not be prevented from taking proceedings relating to a Dispute in any other courts and tribunals with jurisdiction. To the extent allowed by Applicable Law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.</p>
Transaction Documents	<ol style="list-style-type: none"> 1. the Debenture Trust Deed; 2. the Debenture Trustee Agreement; 3. the Company Pledge Agreement; 4. the power of attorney in relation to pledge; 5. the Deed of Hypothecation; 6. the power of attorney in relation to hypothecation; 7. the Escrow Account Agreement; 8. this Disclosure Document; and 9. any other document that may be designated as a transaction document by the Trustee.
Others	<p>Default in Payment: In case of default in payment of Coupon and/or principal redemption on the Redemption Date, additional interest @ 4% p.a. over the Coupon will be payable by the Company for the defaulting period.</p> <p>Delay in Listing: For applicant other than FPI/FII/sub-accounts of FIIs In case of delay in listing of the Debentures beyond 20 days from the Deemed Date of Allotment, the Company will pay penal interest @1 % p.a. over the Coupon from the expiry of 30 days from the Deemed Date of Allotment till the listing of such Debentures to the investor.</p> <p>For investments by FPIs / FII/sub-accounts of FIIs In case of delay in listing of the Debentures beyond 15 days from the Deemed Date of Allotment, the Company will pay penal interest @1 % p.a. over the Coupon from the expiry of 30 days from the Deemed Date of Allotment till the listing of such Debentures to the investor.</p>

	<p>With reference to the Notification bearing no. RBI/2011-12/423 A.P. (DIR Series) Circular No. 89 dated March 1, 2012 issued by Reserve Bank of India, Foreign Exchange Department, Central Office, Mumbai – 400 001 in respect of FII investment in ‘to be listed’ debt securities, Issuer confirms that the Debentures would be listed within 15 days from the Deemed Date of Allotment. In case the Debentures issued to the FIIs / sub-accounts of FIIs are not listed within 15 days of Deemed Date of Allotment to the FIIs / sub-accounts of FIIs, for any reason, the FIIs/ sub-accounts of FIIs shall immediately dispose of the NCDs either by way of sale to domestic participants/investors until the Debentures are listed or if the FIIs / sub-accounts of FIIs approaches the Issuer, the Issuer shall immediately redeem / buyback the Debentures from the FIIs/sub-accounts of FIIs</p> <p>The interest rates mentioned in above are independent of each other.</p>
Debenture Trustee	SBICAP Trustee Company Limited
Manner of Bidding	Closed Book Bidding
Manner of Allotment	Uniform Rate Allocation
Manner of Settlement	Clearing Corporation Mechanism

V. GENERAL

A. Conflict

In case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this Disclosure Document and the Transaction Documents to be executed by the Issuer, the provisions as contained in the Transaction Documents shall prevail and override the provisions of such Disclosure Document.

B. Authority for the placement

This private placement of Debentures is being made pursuant to the resolution passed by the board of directors / committee resolution of the Issuer dated November 25, 2019 and shareholders’ resolution dated June 6, 2019 authorising the Issuer to borrow monies by way of issue of non-convertible debentures.

The Issuer can carry on its existing activities and future activities planned by it in view of the existing approvals, and no further approvals from any Government authority are required by the Issuer to carry on its said activities.

C. Debentures to Rank Pari-Passu

The Debentures of this Issue shall rank pari-passu inter-se without preference or priority of one other or others. The Issuer undertakes to obtain consent from the prior creditors for the creation of the Security for the Debentures being issued.

D. Execution of Transaction Documents

The creation of charge shall be executed within the time frame prescribed in the relevant Transaction Documents and as per Applicable Law, and the same shall be uploaded on the website of the stock exchange where the Debentures have been listed, within the timelines as prescribed under applicable law.