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(Strictly Privileged &amp; Confidential)

(This Disclosure Document/Private Placement Offer cum application Letter is neither a Prospectus nor a Statement in Lieu of Prospectus)

**Dated: 26-Feb-19**

<b>Name of Company</b>	ECAP EQUITIES LIMITED
<b>Description of Company</b>	ECAP Equities Limited was incorporated on January 11, 2008 as a public limited company under the provisions of the Companies Act, 1956. The Company received the certificate of commencement of business on January 28, 2008.
<b>Corporate Identity Number</b>	U67190TG2008PLC057122
<b>Registered Office</b>	2nd Floor, MB Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad - 500 034, Telangana, India. Tel: +91 40 4031 6900
<b>Corporate Office</b>	Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400/ +91 22 4088 6310;
<b>E-mail</b>	spinvestor@edelweissfin.com
<b>Website</b>	www.edelweissfin.com

**PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER FOR ISSUE BY WAY OF PRIVATE PLACEMENT BY ECAP EQUITIES LIMITED (THE “COMPANY” / “ISSUER”) OF 2500 SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs. 100,000/- EACH AGGREGATING TO RS 250,000,000/- ISSUED AS PER THE RESPECTIVE SUMMARY TERM SHEETS (THE “ISSUE”)**

<b>GENERAL RISKS</b>
Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. For taking an investment decision, the investors must rely on their own examination of the Company and the Issue including the risks involved. The Securities and Exchange Board of India (“SEBI”) does not take any responsibility for this Issue in any manner.
<b>GENERAL DISCLAIMER</b>
This Disclosure Document is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by ECAP Equities Limited. This Disclosure Document is for the exclusive use of the intended recipient(s) to whom it is addressed and delivered and it should not be circulated or distributed to third parties. It cannot be acted upon by any person other than to whom it has been specifically addressed. Multiple copies hereof given to the same person / entity shall be deemed to be offered to the same person. It has to be distinctly understood that this Information Memorandum should not in any way be deemed/construed to have been approved or vetted by SEBI and this issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.
<b>SEBI DISCLAIMER</b>
It has to be distinctly understood that this Information Memorandum should not in any way be deemed/construed to have been approved or vetted by SEBI and this issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum
<b>MEMORANDUM OF PRIVATE PLACEMENT</b>
This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus. This is only an information brochure, in the form of a single initial disclosure document, intended for private use and should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures under any law for the time being in force. The Issuer however retains the right, at its sole and absolute discretion, to change the ‘GENERAL TERMS AND CONDITIONS’.

#### CREDIT RATING

PP-MLD [ICRA] AA (pronounced "PP-MLD ICRA Double A") by ICRA Limited for Rs. 1500 Crores Principal Protected Equity Linked Debenture issue. 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. ICRA's rating of Market Linked Debentures is an assessment of the underlying credit risk of the instrument. The rating addresses only the credit risk associated with timely payment of obligations as per terms of the issuance. The rating does not address the market risks associated with the instrument on account of linking of coupon payment to external variables such as reference equity index, equity shares, commodity process/index. This could result in variability or absence of coupon payments because of adverse movement in value of the external variables.

#### LISTING

The Debentures are proposed to be listed on the BSE Limited ("BSE" or the "Stock Exchange").

#### ISSUE PROGRAMME\*

**ISSUE OPENS ON:**

**26-Feb-19**

**ISSUE CLOSING ON:**

**26-Feb-19**

\*The Company reserves the right to extend or close the Issue earlier from the aforesaid dates or change the Issue schedule including the Deemed Date of Allotment at its sole and absolute discretion, without giving any reasons or prior notice.

#### DEBENTURE TRUSTEE

#### REGISTRAR TO ISSUE



**SBICAP Trustee  
Company Ltd.**

SBICAP Trustee Company Limited  
 Apeejay House, 6th Floor,  
 3, Dinshaw Wachha Road,  
 Churchgate, Mumbai 400 020  
 Tel: +91 22 4302 5530 Fax: +91 22 4302 5500  
 E-mail: corporate@sbicaptrustee.com  
 Website: www.sbicaptrustee.com  
 Contact Person: Ms. Savitri Yadav, Compliance Officer



**Karvy Computershare Private Limited**  
 Karvy Selenium Tower B, Plot 31-32,  
 Gachibowli, Financial District, Nanakramguda,  
 Hyderabad - 500 032  
 Tel: +91 40 6716 2222  
 Fax: +91 40 2300 1153  
 E-mail: varghese@karvy.com  
 Website: https://karisma.karvy.com  
 Contact Person: Mr. P A Varghese, Zonal Head-Corporate Registry

**DISCLOSURES AS PER FORM PAS-4**  
**[Pursuant to Section 42 of Companies Act, 2013 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014]**

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant reference in this Information Memorandum where these disclosures, to the extent applicable, have been provided.

Sr. No.	Particulars	Reference
<b>Part –A</b>	<b>PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:</b>	
<b>1.</b>	<b>GENERAL INFORMATION:</b>	
i.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	Serial No.2
ii.	Date of incorporation of the company;	Serial No.2
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	Serial No.3
iv.	Brief particulars of the management of the company;	Serial No.6
v.	Names, addresses, DIN and occupations of the directors;	Serial No.6
vi.	Management's perception of risk factors;	Serial No.18
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –  i) statutory dues; ii) debentures and interest thereon; iii) deposits and interest thereon; iv) loan from any bank or financial institution and interest thereon.	Serial No.8(h)
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Serial No.2
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	No
<b>2</b>	<b>PARTICULARS OF THE OFFER:</b>	
i.	Financial position of the Company for the last 3 financial years;	Serial No.3 (c)
ii.	Date of passing of board resolution;	Refer Summary Termsheet
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	
v.	Price at which the security is being offered including the premium, if any, along with justification of the price;	
vi.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer;	Not Applicable
vii.	Relevant date with reference to which the price has been arrived at;	
viii.	The class or classes of persons to whom the allotment is proposed to be made;	Refer Summary Termsheet
ix.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not Applicable
x.	The proposed time within which the allotment shall be completed;	Refer Summary Termsheet
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them;	Not Applicable
xii.	The change in control, if any, in the company that would occur consequent to the private placement;	Not Applicable

Sr. No.	Particulars	Reference
xiii.	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	Refer Annexure
xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not applicable
xv.	Amount which the Company intends to raise by way of proposed offer of securities;	Refer Summary Termsheet
xvi.	Terms of raising of securities: (a) duration; if applicable (b) rate of dividend; (c) rate of interest; (d) mode of payment (e) repayment;	
xvii.	Proposed time schedule for which the private placement offer cum application letter is valid;	
xviii.	Purposes and objects of the offer;	
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	None
xx.	Principle terms of assets charged as security, if applicable;	Refer Summary Termsheet
xxi.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	None
xxii.	The pre-issue and post-issue shareholding pattern of the Company;	Not applicable
<b>3</b>	<b>MODE OF PAYMENT FOR SUBSCRIPTION:</b> • Cheque; or • Demand Draft; or • Other Banking Channels.	Serial No.17(c)
<b>4</b>	<b>DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:</b>	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	No
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Serial No.12(b)
iii.	Remuneration of directors (during the current year and last three financial years);	Serial No.6
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;	Serial No.11(b)
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark;	Serial No.11(c)

Sr. No.	Particulars	Reference
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries;	Serial No.12(c)
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Serial No.12(d)
<b>5</b>	<b>FINANCIAL POSITION OF THE COMPANY:</b>	
a	The capital structure of the company in the following manner in a tabular form-  a. the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value); b. size of the present offer; c. Paid-up capital (i) after the offer (ii) after conversion of convertible instruments (if applicable) d. share premium account (before and after the offer)	Serial No.4(b)
b	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration	Serial No.4(c)
c	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter;	Serial No.11(e)
d	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	Serial No.11(f)
e	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter;	Serial No.3(c)
f	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter;	Serial No.10
g	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Serial No.11(d)
<b>Part –B</b>	<b>Application Form</b>	
<b>6.</b>	<b>A DECLARATION BY THE DIRECTORS</b>	Serial No.23

## TABLE OF CONTENTS

Sr. No.	Particulars
1.	Definitions and Abbreviations
2.	Issuer Information
3.	A Brief summary of business/activities of the Issuer and its line of business
4.	Brief history of the Issuer
5.	Details of the Shareholding Pattern of the Company
6.	Brief particulars of the management of the Company;
7.	Details of auditors of the Company
8.	Details of borrowings of the Company
9.	Details of Promoters of the Company
10.	Abridged version of Audited Standalone Financial information for at least last three years
11.	Audited Half Yearly Standalone Financial information
12.	Details of any material event/ development or change having implications on the financials/credit quality (which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.
13.	Debenture trustee(s)
14.	Credit Rating and Rating Rationale(S)
15.	Details of guarantee / letter of comfort or any other document / letter with similar intent
16.	Names of all the recognised stock exchanges where the debt securities are proposed to be listed and the designated stock exchange
17.	Other details
18.	Management's Perception of Risk Factors
19.	Undertakings by the Investor
20.	Disclaimers
21.	Summary Termsheet
22.	Scenario Analysis
23.	Declaration

## 1. DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Disclosure Document.

Term	Description
<b>“ECap Equities Limited” or “ECAP” or the “Company” or the “Issuer”</b>	ECap Equities Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at 2nd Floor, MB Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad 500 034, Telangana, India
<b>Articles of Association</b>	Articles of Association of the Company, as amended from time to time.
<b>Board of Directors/Board</b>	The Board of Directors of the Company and includes committee thereof.
<b>Memorandum of Association</b>	The Memorandum of Association of the Company, as amended from time to time.
<b>Promoter(s) / Holding Company</b>	Edelweiss Financial Services Limited
<b>Disclosure Document</b>	Offer Document / Information Memorandum / Private Placement Offer cum application Letter / Offer Letter as per Form no. PAS-4 pursuant to Section 42 of the Companies Act, 2013, Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI regulations.

### Issue Related Terms

Term	Description
<b>Affiliate (s)</b>	Affiliate (s) shall mean with respect to any person, any other person directly or indirectly Controlling, Controlled by, or under direct, indirect or common Control with, such person.
<b>AGM</b>	Annual General Meeting
<b>Application Form</b>	The form in which an investor can apply for subscription to the Debentures .
<b>BSE / Stock Exchange</b>	BSE Limited
<b>Bankers to the Issue</b>	The banker to the Issue, in this case being Citi Bank N.A. or ICICI Bank Limited or HDFC Bank, as the case may be.
<b>Beneficial Owner(s)</b>	Holder(s) of the Debentures in dematerialized form as defined under section 2 of the Depositories Act.
<b>Calculation Agent</b>	Edelcap Securities Limited
<b>CDSL</b>	Central Depository Services (India) Limited.
<b>Companies Act</b>	Companies Act, 2013 and amendments made thereunder.
<b>Credit Rating Agency</b>	ICRA Limited
<b>Events of Default</b>	The occurrence of any one of the events as mentioned in the Trust Deed shall constitute an Event of Default.
<b>Debentures</b>	<b>2500 Secured, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 100,000/- EACH AGGREGATING TO RS 250,000,000/- ISSUED AS PER THE RESPECTIVE SUMMARY TERM SHEETS (THE “ISSUE”)</b>
<b>Debenture Holders</b>	Persons who are for the time being holders of the Debentures and whose names are last mentioned in the Debentures / Debenture Register and shall include Beneficiaries.
<b>Debenture Trust Deed</b>	Debenture Trust Deed between the Company and SBICAP Trustee Company Limited (the Debenture Trustees) as stated in the Summary Term Sheet
<b>Depository(ies)</b>	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this

	case being NSDL and CDSL.
<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time.
<b>Disclosure Document</b>	This Disclosure Document/Private Placement Offer cum application Letter through which the Debentures are offered on private placement basis
<b>DP-ID</b>	Depository Participant Identification Number.
<b>EGM</b>	Extra -ordinary General Meeting
<b>Equity Shares</b>	Equity shares of the Company of face value of Rs. 10 each.
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended, and the related rules and regulations framed thereunder
<b>FII</b>	Foreign Institutional Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and registered with the SEBI under applicable laws in India.
<b>FPI</b>	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and registered with the SEBI under applicable laws in India.
<b>Gilts or Government Securities'</b>	Means securities created and issued by the Central Government and/or State Government (including treasury bill) or Government Securities as defined in the Public Debt Act, 1944 as amended from time to time.
<b>G-Sec</b>	Government security (G-Sec) means a security created and issued by the Government for the purpose of raising a public loan or any other purpose as notified by the Government in the Official Gazette and having one of the following forms.  i. a Government Promissory Note (GPN) payable to or to the order of a certain person; or ii. a bearer bond payable to a bearer; or iii. a stock; or a bond held in a Bond Ledger Account (BLA).
<b>GLD</b>	G-Sec Linked Debenture
<b>IISL</b>	India Index Services and Products Limited - Reference Index Calculating Agent
<b>INR / Rs. / Rupees</b>	Currency of Republic of India
<b>Investors</b>	Persons who fall under the category of eligibility to whom this Information Memorandum may be sent with a view to offering the Debentures on Private Placement basis.
<b>IRF</b>	Interest Rate Futures means a standardized interest rate derivative contract traded on a recognized stock exchange to buy or sell a notional security or any other interest bearing instrument or an index of such instruments or interest rates at a specified future date, at a price determined at the time of the contract.  Eligible instruments for IRF: The Interest Rate Futures deriving value from the following underlying are permitted on the recognised stock exchanges:  (i) 91-Day Treasury Bills; (ii) 2-year, 5-year and 10-year coupon bearing notional Government of India security, and (iii) Coupon bearing Government of India security.
<b>IRFLD</b>	Interest Rate Futures Linked Debenture
<b>ISIN</b>	International Securities Identification Number
<b>Mutual Funds</b>	As per SEBI (Mutual Funds) Regulations, 1996 "mutual fund" means a fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities including money



	market instruments or gold or gold related instruments or real estate assets
<b>NPA</b>	Non Performing Asset
<b>NEFT</b>	National Electronic Fund Transfer
<b>NLD</b>	Nifty Linked Debenture
<b>NSDL</b>	National Securities Depository Limited.
<b>NSE</b>	National Stock Exchange of India Limited.
<b>NRI</b>	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations .
<b>OCB</b>	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under FEMA Regulations. OCBs are not permitted to invest in this Issue.
<b>PAN</b>	Permanent Account Number.
<b>Preference Shares</b>	Preference shares of the Company of face value of Rs. 10 each.
<b>Private Placement</b>	Private Placement means any offer of securities or invitation to subscribe securities to a select group of persons by a Company (other than by way of public offer) through issue of a Private Placement Offer cum application Letter and which satisfies the conditions specified in the Section 42 of the Companies Act, 2013 read with Rules framed thereunder
<b>PAS</b>	Prospectus and Allotment of Securities
<b>RBI</b>	Reserve Bank of India
<b>Registered Debenture Holder</b>	The Debenture holder whose name appears in the Register of Debenture Holders or in the beneficial ownership record furnished by NSDL/CDSL for this purpose.
<b>Register of Debenture Holders</b>	The register maintained by the Company containing the name of Debenture holders entitled to receive coupon/redemption amount in respect of the Debentures on the Record Date, which shall be maintained at the Corporate Office.
<b>Reference Index</b>	Reference Index is an Index prepared and managed by the Index Administrator which tracks the performance of a select portfolio of listed equity stocks, underlying securities / indices( as the case may be) that are available for trading on the Stock Exchange. This Index covers major sectors of the Indian economy and offers investors exposure to Indian market in one efficient portfolio. This index is not available for trading in the derivatives/cash segments directly.
<b>RTGS</b>	Real Time Gross Settlement
<b>SCRA</b>	Securities Contracts (Regulations) Act, 1956, as amended from time to time
<b>SEBI</b>	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
<b>SEBI Act</b>	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
<b>Security Documents</b>	Security documents entered into for creation of security for the benefit of the Debenture Holders.
<b>Valuation Agency</b>	The Company has entered into valuation agreement(s) with Credit Analysis and Research Limited ("CARE") and CRISIL Limited SEBI registered credit rating agencies.
<b>Working Days</b>	All days except Saturday, Sunday and any public holiday.
<b>Wilful Defaulter</b>	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 willful defaulters issued by the Reserve Bank of India and includes an Issuer whose director or promoter is categorized as such.
<b>WDM</b>	Wholesale debt market

## Events for Early Redemption:

**Force Majeure Event** shall mean any war, strike, lock-out, natural disaster, act of terrorism, any restriction on trading in the Underlying, an act of state or situations beyond the reasonable control of the Company occurring after an obligation under the Disclosure Document is entered into by the Company, or such obligation has become illegal or impossible, in whole or in part and includes any breakdown, failure or malfunction beyond the control of the Company of any telecommunication or computer system including, without limitation, unavailability or outages or breakdowns of any communication system(s), breach or effect of any virus in the processes or the 'payment and delivery mechanism', sabotage, fire, explosion(s), acts of God, civil commotion or industrial action of any kind, riots, insurrection, acts of Government, computer hacking, unauthorized access to computer data and storage devices and computer crashes.

**Market Suspension Event for Market Linked Debentures** means the event of any suspension of trading by the authorised body on any official trading day, whereby trading shall be halted for a certain period of the day or the day or for the remainder of the trading day.

**Issuer Tax Change Event** means that, on or after the Deemed Date of Allotment of the Debentures, the imposition of any withholding or deduction on any payments in respect of the Debentures by or on behalf of the Issuer if such withholding or deduction is required by law.

**Change in Law** means that, on or after the Deemed Date of Allotment of the Debentures (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole discretion that (X) it has become illegal for the Issuer to hold, acquire or dispose of the Underlying Security/Units/hedge positions relating to the Debentures, or (Y) the Issuer will incur a materially increased (as compared with the circumstances existing on the Deemed Date of Allotment) cost in relation to the performance of the Issuer's obligations under the Debentures (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer).

**Hedging Disruption** means that the Issuer or any of its Affiliates or its Holding Company is unable, after using commercially reasonable efforts, to either (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying price risk (or any other relevant price risk including, but not limited to, the currency risk) of issuing and performing its obligations with respect to the Debentures, or (B) freely realize, recover, receive, repatriate, remit or transfer the proceeds of hedge positions or the Debentures.

**Increased Cost of Hedging** means that the Issuer and/or any of its Affiliates or its Holding Company would incur a materially increased (as compared with circumstances existing on the Deemed Date of allotment) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying price risk (or any other relevant price risk including, but not limited to, the currency risk) of issuing and performing its obligations with respect to the Debentures, or (B) realize, recover or remit the proceeds of hedge positions or the Debentures.

**Reference Index Modification Event** Reference Index Modification Event means any material change in composition of index or the mutual fund scheme/ method of computation of index as determined by the calculation agent or calculation of NAV of the relevant scheme by the mutual fund, which leads to substantially increased cost of hedging/ Hedging Disruption.

**Regulatory Events for Investor:** Subject to regulatory requirements of applicable regulatory authorities, upon the occurrence of any one of the following events, the Company shall be entitled but not obliged to redeem the Debentures in the hands of the concerned investor:

- a) The representations/declarations of the investor being untrue or misleading when made or later found to be untrue during the tenure of his investment;
- b) Legal action/proceedings being initiated to suspend the investor's license by any regulatory authority or its name being struck off in the records of the Ministry of Company Affairs;

- c) Any regulatory order passed against investor debarring investor from investments in stock market directly or indirectly etc.
- d) Proceedings for insolvency / bankruptcy or winding up being instituted against the investor;
- e) Company having reason to believe that any of the aforesaid events is likely to occur imminently.

**Disclosures as per Form no.PAS-4 pursuant to section 42 and rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, Schedule – I SEBI (Issue and Listing of Debt Securities) Regulation, as amended (including Securities And Exchange Board Of India (Issue And Listing Of Debt Securities) (Amendment) Regulations, 2012 through notification dated October 12, 2012, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2015 through notification dated March 24, 2015, SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 and SEBI Circular CIR/IMD/DF/17/2011 dated September 28, 2011.**

## 2. ISSUER INFORMATION

<b>Date of incorporation of the company</b>	January 11, 2008
<b>Registered Office</b>	2nd Floor, M. B. Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad - 500 034, Telangana, India. Tel: +91 40 4031 6900
<b>Corporate Office</b>	Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400098, Maharashtra, India. Tel: +91 22 4009 4400/ +91 22 4088 6310;
<b>Compliance Officer</b>	Mr. Niket Joshi Company Secretary Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400; E-mail: spinvestor@edelweissfin.com
<b>Chief Financial Officer</b>	Mr. Ritesh Jain Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400; E-mail: spinvestor@edelweissfin.com
<b>Debenture Trustee of the Issue</b>	SBICAP Trustee Company Limited Apeejay House, 6th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: +91 22 4302 5530 Fax: +91 22 4302 5500 E-mail: corporate@sbicaptrustee.com Website: www.sbicaptrustee.com Contact Person: Ms. Savitri Yadav, Compliance Officer
<b>Registrar of the Issue</b>	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
<b>Credit Rating Agency(ies) of the Issue</b>	Name: ICRA Limited Address: Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi- 110 001
<b>Auditors of the Issuer</b>	M/S. GMJ & Co., Chartered Accountants 3rd & 4th Floor, Vaastu Darshan, “B” Wing, Above Central Bank of India, Azad Road, Andheri (East), Mumbai 400 069

### 3. A BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

#### (a) Overview:

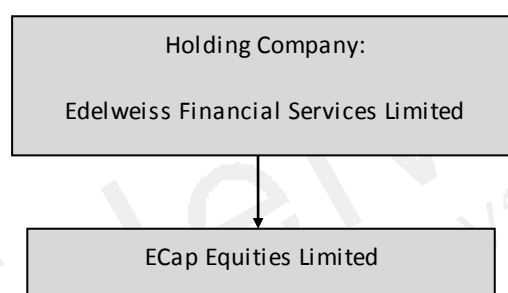
ECap Equities Limited (ECAP) was incorporated on January 11, 2008. The Company is a subsidiary of Edelweiss Financial Services Limited.

The Company has the following Subsidiaries:

1. Edelcap Securities Limited
2. Edelweiss Retail Finance Limited
3. Edelweiss Finvest Private Limited
4. Alternative Investment Market Advisors Private Limited

The Company's primary business is arbitrage trading, which is an integral part of its balance sheet management operations. Earnings in the arbitrage business are susceptible to opportunities in the market, which is inherently cyclical. Arbitrage volumes and earnings are heavily dependent on the level of trading activity in the capital markets. The company also has significant equity stake in group companies and has also invested in their preference shares. The company also has advisory business of loan syndication and arrangement and also does investment in securities.

#### (b) Corporate Structure:



#### (c) Key Operational and Financial Parameters for the last three audited years and Financial Year ended March 31, 2018:

Parameters	(Rs in Crore)		
	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017	Financial Year ended March 31, 2016
Networth	194.24	251.84	249.99
Total Debt	3,794.40	1,669.58	872.26
of which – Non Current Maturities of Long Term Borrowing	1,165.79	1,215.84	110.00
- Short Term Borrowing	1,818.20	453.74	762.26
- Current Maturities of Long Term Borrowing	810.41	-	-
Net Fixed Assets	105.49	4.11	4.79
Non Current Assets	887.17	1,004.48	839.08
Cash and Cash Equivalents	67.06	56.37	69.55
Current Investments	0.05	0.98	-
Current Assets	3,092.63	1,545.26	905.31
Non Current Liabilities	7.01	0.96	1.16
Current Liabilities	156.76	688.82	695.32
Assets Under Management - Credit Book			
Off Balance Sheet Assets			

Interest Income	191.13	210.48	296.84
Interest Expense	255.03	181.47	144.36
Provisioning & Write-offs	21.91	3.11	(0.48)
PAT	34.87	1.85	49.90
<b>Gross Debt: Equity Ratio of the Company:-</b>			
Before the issue of debt securities	19.85	6.73	3.56
After the issue of debt securities	<b>19.9791</b>		

\*Excluding asset specific borrowings

(d) Project cost and means of financing, in case of funding of new projects: Not applicable

#### 4. A BRIEF HISTORY OF THE ISSUER

##### (a) History:

The Company was incorporated as a Public Limited Company on January 11, 2008 in the name and style of "ECap Equities Limited". The Company received the Certificate of Commencement of business on January 28, 2008. The Company is a wholly owned subsidiary of Edelweiss Financial Services Limited.

The Company has the following Subsidiaries:-

1. Edelcap Securities Limited
2. Edelweiss Retail Finance Limited
3. Edelweiss Finvest Private Limited
4. Alternative Investment Market Advisors Private Limited

##### (b) Capital Structure of the Company as on June 30, 2018:

###### Share Capital

Particulars	Amount (Rs. in Crs)
<b>A. Authorised Capital</b>	
10,000,000 Equity Shares of Rs. 10 each	10
40,000,000 Preference Shares of Rs. 10 each	40
<b>Total</b>	<b>50</b>
<b>B. Issued, Subscribed and Paid Up Capital</b>	
740,000 Equity Shares of Rs. 10 each	0.74
<b>Total</b>	<b>0.74</b>
Paid up capital	N.A
(A) After the offer;	
(B) after conversion of convertible instruments (if applicable)	
(d) share premium account (before and after the offer)	

##### (c) Change in share capital as on June 30, 2018 (for last five years):

- Authorized Share Capital and the changes therein: None
- Equity Share Capital and the changes therein:

Date of Allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for Allotment
March 28, 2018	5,00,000	10	2500	Cash	Rights issue for redemption of Preference Shares

iii. Preference Share Capital and the changes therein:

Date of Allotment	No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for Allotment	Cumulative No. of Preference Shares	Cumulative Paid-up Share Capital (Rs. In Cr)	Cumulative Share Premium (Rs. In Cr)	Remarks
March 29, 2012	18,00,000	10	1,000	Cash	---	18,00,000	1.8	1.62	Redeemed on March 28, 2018

December 20, 2013	18,00,000	10	10	Cash	---	36,00,000	3.6	1.62	Redeemed on March 28, 2018
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(d) Details of any acquisitions or amalgamation in the last one year:

Auris Corporate Centre Limited, Burlington Business Solutions Limited, Eternity Business Centre Limited, Olive Business Centre Limited and Serenity Business Park Limited, the wholly owned subsidiaries of the Company have been merged with the Company with effect from April 21, 2018.

(e) Details of any reorganization or reconstruction in the last one year: None

5. DETAILS OF THE SHAREHOLDING PATTERN AS ON JUNE 30, 2018

(a) Equity Shareholding pattern of the Company as on June 30, 2018:

Sr. No.	Particulars	Total No. of Equity Shares	No. of Shares in Demat form	Total Shareholding as % of total no. of Equity Shares
1.	Promoter	740,000*	740,000*	100
2.	Promoter Group	--	--	--
3.	Others	--	--	--
	<b>Total</b>	<b>740,000</b>	<b>740,000</b>	<b>100</b>

\* including 6 shares held by nominees of Promoters.

Note: Shares pledged or encumbered by the promoters – None

(b) List of Top 10 holders of Equity Shares of the Company as on June 30, 2018:

Sr. No.	Name of Shareholder	No. of Equity Shares held	No of Shares in Demat form	% of Share Holding
1	Edelweiss Financial Services Limited	739,994	739,994	99.99
2	Mr. Bashyam Renganathan*	1	--	--
3	Mr. Tarun Khurana*	1	--	--
4	Mr. Vinit Agrawal*	1	--	--
5	Mr. Dipakkumar K Shah*	1	--	--

6	Mr. Ashish Bansal*	1	--	--
7	Ms. Pooja Doshi*	1	--	--

\* Nominees of Edelweiss Financial Services Limited

(c) **Preference Shareholding pattern of the Company as on June 30 : NIL**



Edelweiss  
 Ideas create, values protect

**6. BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY:**
**(a) NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER AS ON JUNE 30 , 2018:**

Sr. No.	Name, Designation, DIN, Nationality, Occupation and Address	Age (Years)	Date of Appointment	Other Directorships
1.	<b>Mr. Umesh Wadhwa</b>  <b>Designation :</b> Non –Executive Director  <b>DIN :</b> 05157099 <b>Nationality :</b> Indian  <b>Occupation :</b> Service  <b>Address:</b> 401/402, Samarth Anngan, Bldg No. 1-A, Lokhandwala Complex, Andheri (W), Mumbai – 400053.	45	06/08/2012	Nil
2.	<b>Mr. T. K. Ramaswamy</b>  <b>Designation :</b> Non –Executive Director  <b>DIN :</b> 05158707 <b>Nationality :</b> Indian  <b>Occupation :</b> Service  <b>Address:</b> B – Wing, 204, Tilak Dham CHS, Bldg No - 22, Tilak Nagar, Chembur, Mumbai – 400089.	48	11/03/2013	1. Edelweiss Comtrade Limited.
3.	<b>Mr. Ganesan R</b>  <b>Designation :</b> Non –Executive Director  <b>DIN :</b> 07446631 <b>Nationality :</b> Indian  <b>Occupation :</b> Service  <b>Address:</b> C-406, Navkar Apartment, Patharli, Dombivli East, Thane - 421204	49	17/03/2016	-
4.	<b>Ms. Chetna Malaviya</b>  <b>Designation :</b> Independent Director  <b>DIN :</b> 07300976 <b>Nationality :</b> Indian  <b>Occupation :</b> Service  <b>Address:</b> 101/A, Garden Estate, Link Road, Laxmi Nagar, Goregaon West, Mumbai - 400062	46	17/03/2016	1. EC Commodity Limited 2. EFSL Comtrade Limited



5	<b>Mr. Bharat Bakshi</b> <b>Designation :</b> Independent Director <b>DIN :</b> 07648220 <b>Nationality :</b> Indian <b>Occupation :</b> Service <b>Address:</b> 1209(L) Navjivan Commercial Building, Lamington Road, Mumbai - 400 008.	57	02/05/2018	1. Edelweiss Finvest Private Limited (formerly known as Arum Finvest Private Limited)
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**(b) Change in Directors since last three years (i.e. 2014-15, 2015-16 and 2016-17):**

Name, Designation	DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Bharat Bakshi	07648220	02/05/2018	-	Appointment
Mr. Ravindra Ankam	03210147	02/05/2018	21/03/2015	Resignation
Ms. Chetna Malaviya	07300976	17/03/2016	--	Appointment
Mr. Ganesan R	07446631	17/03/2016	--	Appointment
Mr. Ketan Shah	07116011	17/03/2016	21/03/2015	Resignation
Mr. Mayank Toshniwal	07030634	17/03/2016	28/01/2015	Resignation
Mr. T. V. Rangaswami	01957380	28/01/2015	01/10/2009	Resignation

**Confirmations**

- None of the Directors are identified as willful defaulters by the RBI, ECGC or any government authority.
- Neither the Issuer nor any of its Promoters or Directors has been declared as a willful defaulter.

**Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons. NIL**

**Debenture holding of Directors:**

As on date, none of our Directors hold any debentures in the Company.

**Remuneration of the Directors**

No remuneration has been paid to the Directors except sitting fees for attending Board and Committee meetings during the last three financial years:

Sr. No.	Name of the Director	March 31, 2018 (Rs.)	March 31, 2017 (Rs.)	March 31, 2016 (Rs.)
1.	Mr. Ravindra Ankam	60,000	90,000	30,000
2.	Mr. Ketan Shah	N.A.	N.A.	90,000

**7. DETAILS OF AUDITORS OF THE COMPANY**

**(a) Details of the auditor of the Company**

Name	Address	Auditor since
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M/s. GMJ & Co., Chartered Accountants	3rd & 4th Floor, Vaastu Darshan, "B" Wing, Above Central Bank of India, Azad Road, Andheri (East), Mumbai 400 069	August 3, 2018
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**(b) Details of changes in auditors since last three years :**

Name	Address	Tenure
M/s. NGS & Company LLP	B-46, 3 <sup>rd</sup> Floor, Pravasi Industrial Estate, Vishweshwar Nagar Road, Goregaon (E), Mumbai-400063. Maharashtra India.	Till August 3, 2018

**8. DETAILS OF BORROWINGS AS ON JUNE 30, 2018**

**(a) Details of Secured Loan Facilities :**

Lender's name	Type of facility	Amount Sanctioned (in Rs. Crore)	Principal amount outstanding (in Rs.) *	Repayment Date / Schedule	Security
Bajaj Finance Ltd	Long Term Loan	131	131	The loan is repayable after the end of 3 years but before the end of 4 years in four equated quarterly installment	Secured against immoveable property and hypothecation is created over all current and future furniture and fittings
Bajaj Finance Ltd	Long Term Loan	-----	(0.03)	EIR adjustment on borrowing (IND AS) Term loan from Bajaj Finance Ltd	
SREI Infrastructure Finance Limited	Long Term Loan	200	200	The loan is repayable in 4 Equal monthly installment at the end of 35/36/37/38 Month from the date of disbursement	Pari pasu charge on entire movable & current assets of the company including investments
Non-Convertible Debenture	Long term Loan	-----	995.57		The debentures are secured by a first mortgage and charge over the immovable property and a pari passu charge on the receivables and stock-in-trade to the extent equal to the principal and interest amount.
Non-Convertible Debenture	Current maturities of Long Term Debt	-----	747.41		The debentures are secured by a first mortgage and charge over the immovable

					property and a pari passu charge on the receivables and stock-in-trade to the extent equal to the principal and interest amount
<b>Total</b>			<b>2073.95</b>		

**(b) Details of Unsecured Loan Facilities :**

Lender's name	Type of facility	Amount Sanctioned (in Rs. Crore)	Principal amount outstanding (in Rs Crore.)	Repayment Date / Schedule	Security
Edelweiss Commodities Services Limited	Short Term Loan		1387.60		
Inter corporate deposit	Short Term Loan		102.80		
Indusind Bank	Short Term Loan		1500.00		
Commercial paper*	Short Term Loan		420.40		
<b>Total</b>			<b>3410.80</b>		

\*The unamortized discount on above commercial paper is Rs 31.60 Cr

**(c) Details of Non Convertible Debentures: Refer Annexure**

**(d) List of Top 10 Debenture holders as on June 30 , 2018**

Sr. No.	Name of Debenture holder	Amount (Rs. in Lakhs)
1	LARSEN AND TOUBRO LIMITED	40000
2	WIPRO ENTERPRISES PRIVATE LIMITED	10000
3	EDELWEISS COMMODITIES SERVICES LIMITED	8961
4	VARDHMAN ACRYLICS LIMITED	6000
5	NAVAL GROUP INSURANCE FUND	5595
6	NIYOGIN FINTECH LIMITED	4900
7	ESTATE OF DR DADI BALSARA	4000
8	HARSH JAIN	3500
9	RAMESH JUNEJA	3400
10	RAGHAV BAHL	2914

**(e) The amount of corporate guarantee issued by the issuer along with name of the counter party (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued : None**

**(f) Details of Commercial Paper :**

**The total face value of Commercial Papers outstanding as on June 30, 2018**

Maturity Date	Amount Outstanding (Rs in Crore)
9th May, 2019	203.24
29th May, 2019	202.38
8th Sep, 2018	14.78

**(g) Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on June 30 : NIL**

(h) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, loans from any bank or financial institutions, deposits, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past five years : NONE

(i) Details of outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or part, (b) at premium or discount, or (c) in pursuance of an option

The Issuer has not issued any debt securities or has any outstanding borrowings taken: (i) for consideration other than cash, whether in whole or part; or (ii) in pursuance of an option as on June 30, 2018.

As on June 30, 2018, the Issuer has issued debt securities at a premium as per the table below:

Date of Issue	Product Code	No. of Debentures	Face Value (in Rs.)	Premium (INR)	Aggregate Premium (INR)
22-Aug-17	F8F702A01	1995	100000	1507	3006465
28-Aug-17	F9F709C01	2500	100000	1890	4725000
29-Aug-17	F8F702A02	3296	100000	1666	5491136
01-Sep-17	F8F702A03	865	100000	1734	1499910
04-Sep-17	E9E706A01	1278	100000	2227	2846106
05-Sep-17	E0E701A01	300	100000	2538	761400
06-Sep-17	F9F709C02	1740	100000	2100	3654000
08-Sep-17	E0E701A02	10000	100000	381	3810000
12-Sep-17	E0E701A03	2495	100000	2703	6743985
14-Sep-17	F9F709C03	394	100000	2297	905018
25-Sep-17	F9F709C04	1200	100000	2917	3500400
27-Sep-17	E0E701A04	396	100000	3806	1507176
29-Sep-17	F9F709C05	100	100000	3022	302200
03-Oct-17	E0E701A05	900	100000	3946	3551400
06-Oct-17	E0E701A06	500	100000	4016	2008000
12-Oct-17	E0E701A07	500	100000	4154	2077000
26-Oct-17	E0E701A08	200	100000	4481	896200
31-Oct-17	E0E701A09	700	100000	4598	3218600
09-Nov-17	E0E701A11	550	100000	4226	2324300
16-Nov-17	E0E701A12	400	100000	4393	1757200
17-Nov-17	J9J701A04	100	100000	144	14400
23-Nov-17	E0E701A13	1202	100000	4560	5481120
23-Nov-17	F9F709C06	534	100000	4749	2535966
23-Nov-17	L8L701A05	363	100000	661	239943
28-Nov-17	A9K701A03	349	100000	561	195789
04-Dec-17	E0E701A15	287	100000	4823	1384201
07-Dec-17	E0E701A16	150	100000	4895	734250
08-Dec-17	J9J701A05	3000	100000	639	1917000
12-Dec-17	J9J701A06	2200	100000	734	1614800
20-Dec-17	A9K701A04	989	100000	1057	1045373
21-Dec-17	A9K701A07	395	100000	1080	426600
27-Dec-17	E0E701A17	94	100000	5376	505344
10-Jan-18	J9J701A07	300	100000	1422	426600

12-Jan-18	A9K701A08	296	100000	1408	416768
30-Jan-18	J9J701A09	300	100000	1499	449700
12-Feb-18	A9K701A09	290	100000	1915	555350
15-Feb-18	J9J701A08	370	100000	1890	699300
07-Mar-18	E0E701A18	1500	100000	6018	9027000
08-Mar-18	J9J701A13	348	100000	2021	703308
12-Mar-18	A9K701A11	487	100000	2580	1256460
20-Mar-18	J9J701A14	391	100000	2321	907511
22-Mar-18	J9J701A16	1940	100000	2372	4601680
23-Mar-18	J9J701A15	1806	100000	2397	4328982
26-Mar-18	J9J701A19	649	100000	2472	1604328
26-Mar-18	K0K705A08	299	100000	476	142324
06-Apr-18	K0K705A09	730	100000	747	545310
10-Apr-18	C1E802A01	300	100000	1130	339000
11-Apr-18	J9J701A20	194	100000	3520	682880
12-Apr-18	J9J701A21	1986	100000	3545	7040370
16-Apr-18	K0K705A10	800	100000	994	795200
17-Apr-18	K0K705A11	470	100000	2035	956450
18-Apr-18	K0K705A12	500	100000	1043	521500
26-Apr-18	J9J701A22	313	100000	3888	1216944
02-May-18	J9J701A23	300	100000	4035	1210500
07-May-18	J9J701A24	289	100000	4158	1201662
15-May-18	K0K705A15	480	100000	2712	1301760
16-May-18	K0K705A14	500	100000	1739	869500
23-May-18	J9J701A26	244	100000	4288	1046272
24-May-18	J9J701A27	250	100000	4313	1078250
31-May-18	J9J701A28	200	100000	4488	897600
31-May-18	K0K705A17	200	100000	2113	422600
05-Jun-18	H9E801A02	300	100000	300	90000
07-Jun-18	K0K705A18	725	100000	2288	1658800
12-Jun-18	J9J701A29	200	100000	4790	958000
13-Jun-18	K0K705A20	466	100000	2300	1071800
14-Jun-18	H9E801A03	600	100000	513	307800
15-Jun-18	J9J701A30	300	100000	4865	1459500
22-Jun-18	J9J701A32	375	100000	5041	1890375
22-Jun-18	K0K705A21	353	100000	2527	892031
28-Jun-18	C1E802A03	1173	100000	3213	3768849
29-Jun-18	J9J701A33	476	100000	5218	2483768
29-Jun-18	K0K705A23	682	100000	2703	1843446

As on June 30, 2018, the Issuer has issued debt securities at a discount as per the table below:

Date of Issue	Product Code	No. of Debentures	Face Value (in Rs.)	Discount (in Rs.)	Aggregate Discount (in Rs.)
06-Mar-17	L9C701A	995	100000	4058	4037710
24-Mar-17	L9C703A	862	100000	4500	3879000
10-Apr-17	L9D702A	175	100000	4350	761250
24-Aug-17	H0H702A	200	100000	2750	550000
19-Sep-17	B3A701A	2768	100000	3000	8304000
03-Nov-17	J9J701A01	3100	100000	184	570400
06-Nov-17	J0K702A	250	100000	4000	1000000
10-Nov-17	J9J701A02	150	100000	28	4200
24-Nov-17	K0K704A	350	100000	2750	962500
29-Dec-17	H9L701A	1550	100000	2150	3332500
29-Dec-17	K0K705A02	803	100000	401	322003
22-Jan-18	K0K705A03	485	100000	1963	952055
23-Feb-18	K0K705A06	300	100000	284	85200
21-May-18	H9E801A01	650	100000	55	35750
25-May-18	E1E801A	650	100000	3250	2112500

**9. Details of Promoters of the Company :**

**(a) Details of Promoter holding in the Company as on June 30, 2018:**

Name of Shareholders	Total no. of equity shares	No. of shares in Demat form	Total Shareholding as % if total no. of equity shares	No of shares pledged	% of shares pledged with respect to shares owned
Edelweiss Financial Services Limited	7,40,000	739,994	99.99	Nil	Nil

**10. Abridged version of Audited Consolidated (wherever available) and Standalone Financial information ( like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications , if any. Refer Annexure**

**11. (a) Abridged version of Latest Audited / Limited Review Half Yearly consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement and Balance Sheet) and auditor's qualifications, if any. Refer Annexure**

**(b) Related party transactions entered during the last three financial years immediately preceding the year of circulation of Disclosure Document including with regard to loans made or, guarantees given or securities provided. Refer Annexure**

**(c) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of Disclosure Document and their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark. Nil**

**(d) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company. None**

**(e) Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of Disclosure Document:**

Particulars	FY 2017-18 (Rs in Crore)	FY 2016-17 (Rs in Crore)	FY 2015-16 (Rs in Crore)
Profit Before Tax	58.65	1.37	46.06
Tax	23.78	(0.48)	(3.84)
Profit After Tax	34.87	1.85	49.90

(f) Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid):

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Dividend per equity share (in Rs.)	NIL	7%	NIL
Interest coverage ratio	1.28	1.01	1.32

12. (a) Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities. NONE

(b) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the Disclosure Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action. NONE

(c) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Disclosure Document in the case of Company and all of its subsidiaries. NIL

(d) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company. NIL

(e) Prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Disclosure Document and if so, section-wise details thereof for the Company and all of its subsidiaries. NIL

### 13. Debenture Trustee:

The Company has appointed SBICAP Trustee Company Limited as the Debenture Trustee to the Issue.

SBICAP Trustee Company Limited has given consent to act as the Debenture Trustee on behalf of the Debenture holders

A copy of the consent letter is enclosed as Annexure

### 14. Credit Rating and Rating Rationale(s):

The rating rationale/letter adopted/issued by the Rating Agency is enclosed as Annexure

The rating rationale can be accessed from the website of the rating agency.

### 15. Details of guarantee / letter of comfort or any other document / letter with similar intent

Edelweiss Financial Services Limited, the Holding Company has issued letter of support in favour of the Debenture Trustee for the benefit of the Debenture holders.

### 16. Names of all the recognised stock exchanges where the debt securities are proposed to be listed and the designated stock exchange:

The Debentures are proposed to be listed on BSE. The designated stock exchange is the BSE.

## 17. Other details

### (a) Debenture Redemption Reserve

The Debenture Redemption Reserve shall be as per the provisions of the Companies Act, 2013 and the applicable Rules as amended from time to time

### (b) Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc).

- The Companies Act, 2013 and the applicable Rules as amended from time to time;
- SEBI (Issue and Listing of Debt Securities) Regulation, 2008 as amended from time to time;
- SEBI (Listing Obligation & Disclosure requirement) Regulations, 2015 and amendments thereafter;
- SEBI Circular CIR/IMD/DF/17/2011 dated September 28, 2011;
- SEBI Circular CIR/IMD/DF/17/2013 dated October 22, 2013;
- SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 to the extent applicable;
- SEBI Circular CIR/MRD/DRMNP/35/2013 dated December 05, 2013 and amendments thereafter;
- SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016 and amendments thereafter.
- SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017 and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018.
- SEBI Circular SEBI/HO/DDHS/CIR/P/2018/05 dated January 05, 2018, and amendments thereafter;
- RBI Circular RBI/2013-14/402 IDMD.PCD. 08/14.03.01/2013-14 and RBI Notification No. IDMD.PCD.07/ED(RG) - 2013 dated December 5, 2013 and amendments thereafter;

### (c) Application for the Debentures

#### How to Apply

Applications for the Debentures must be made in the Application Form and must be completed in block letters in English by investors. Application Forms must be accompanied by a cheque or electronic fund transfer instruction drawn or made payable in favour of "ECap Equities Limited" and marked 'A/c Payee Only' in case of cheques. The full amount of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below.

Cheques/ electronic fund transfer instruction may be drawn on any bank which is situated and is a member or sub-member of the Bankers' clearing houses located at Mumbai. Investors are required to make payments only through cheques/ electronic transfer payable at Mumbai.

The Company assumes no responsibility for any applications/cheques/ lost in mail or in transit.

The payment by FPIs / FIIs shall be made through the payment modes permitted by Reserve Bank of India.

#### Who can Apply

Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through this Disclosure Document, and this Disclosure Document and its contents should not be construed to be a prospectus under the Companies Act.

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures

- 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
- FPIs /FIIs,/sub-accounts of FIIs
- Any other investor eligible to invest in these Debentures

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed and only such recipients are eligible to apply for the Debentures. Furthermore, NRIs, OCBs, and other persons resident outside India (except as specifically provided in this Disclosure Document) are not eligible to apply for or hold the Debentures.

#### **Application by Banks/Corporate Bodies/Mutual Funds/FIs/Trusts/Statutory Corporations**

The applications must be accompanied by certified true copies of (i) memorandum and articles of association/constitution/bye-laws/trust deed; (ii) resolution authorizing investment and containing operating instructions; and (iii) specimen signatures of authorized signatories; Application made by an Asset Management Company or custodian of Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

#### **Application by FPIs / FIIs / sub accounts of FIIs**

The application should be accompanied by all documents required in case of investments to be made by such FPIs / FIIs / sub accounts of FIIs including (i) approval, if any from Reserve Bank of India / SEBI; (ii) self attested copy of PAN; (iii) SEBI registration certificate (including of the sub-account of FII); FPIs / FIIs / sub accounts of FIIs, (iv) tax residence certificate provided by the Income Tax authority of foreign country of which the FII is a tax resident, wherever applicable/Address Proof, (v) authorized signatories, (vi) Board resolution permitting investment in debentures/structured products, (vi) demat statement, (vii) financials for the past 2 years and (viii) the POA

#### **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all authorised signatories must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be delivered to the Company at its Office.

#### **PAN**

Each of the applicants should mention his/her/their PAN allotted under the IT Act. Applications without this will be considered incomplete and are liable to be rejected.

#### **Basis of Allotment**

The Company has the sole and absolute right to allot the Debentures to any applicant.

#### **Right to Accept or Reject Applications**

The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application Forms that are not complete in all respects shall be rejected at the sole and absolute discretion of the Company.

#### **Payment of Coupon**

Coupon will be paid only to the Debenture holders registered in the Register of Debenture holders or to the Beneficial Owners. Coupon on the Debentures, if any shall be payable on the Redemption Date. The determination of the persons entitled to receive Coupon in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture holders or the Depositories' record) shall be made on the Record Date. In the case of joint holders of Debentures, Coupon shall be payable to the first named Debenture holder.

### **Redemption**

The entire principal amount of the Debentures will be repaid, on or before the Redemption Date. No surrender of debentures by the debentureholders will be allowed prior to the redemption date.

The Debentures held in the dematerialised form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered debentureholders whose name appears in the Register of debentureholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the debentureholders. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

The Company's liability to the debentureholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any Coupon or compensation from the dates of such redemption.

### **Right to Re-purchase and Re-issue the Debentures**

The Company will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Debentures from the secondary markets or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations, if any.

In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other debentures in their place.

Further the Company, in respect of such re-purchased/re-deemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

### **Right to further issue the Debentures**

Company reserves right to make multiple issuances under the same ISIN with reference to SEBI Circular CIR/IMD/DF-1/67/2017 dated June 30, 2017 and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018.

Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium /par/discount as the case may be in line with SEBI Circular CIR/IMD/DF-1/67/2017 dated June 30, 2017 and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018.

### **Place, Currency and Mode of Payment**

All obligations of the Company on the Debentures including Coupon, are payable at Mumbai in Indian rupees only. The payments will be made through cheques or RTGS/NEFT/Fund Transfer mode.

### **Issue of Debentures in Dematerialised Form**

The Debentures will be issued only in dematerialized form. The trading in Debentures will be in dematerialized mode only. The Company has made arrangements with the depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Company shall take necessary steps to credit the Debentures allotted to the depository account of the investor.

### **Succession**

In the event of demise of a Registered Debenture holder of the Debentures, or the first holder in the case of joint holders, the Company will recognize the executor or administrator of the demised Debenture holder or the holder of succession certificate or other legal representative of the demised Debenture holder as the Registered Debentures holder of such Registered Holder's Debentures if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter and delivers a copy of the same to the Company. The Company may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture holder(s) on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed as per the applicable law.

### **Notices**

The notices, communications and writings to the Debenture holder(s) required to be given by the Company shall be deemed to have been given if sent by registered post/courier to the Registered Debenture holder(s) at the address of the Debenture holder(s) registered with the Corporate Office.

All notices, communications and writings to be given by the Debenture holder(s) shall be sent by registered post or by hand delivery to the Company at its Corporate Office or to such persons at such address as may be notified by the Company from time to time and shall be deemed to have been received on actual receipt of the same.

### **Rights of Debenture holders**

The Debenture holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Companies Act. The Debenture shall not confer upon the holder the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Company.

### **Modifications of Rights**

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated upon a Special Request or by a Special Resolution duly passed at the meeting of the Debentureholders convened in accordance with the provisions set out in the Fifth Schedule of the Debenture Trust Deed.

### **Future Borrowings**

Subject to the applicable regulations, the Company shall be entitled, from time to time, to make further issue of Debentures, other debt securities (whether pari passu or junior to the Debentures) and other instruments and securities to any person or persons including to the public or a section of the public and/or members of the Company and/or to raise further loans, advances and/or avail further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) without any further approval from or notice to the Debenture holders/Debenture Trustee.

### **Tax Benefits**

A debenture holder is advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor.

### **Coupon Cheques/Refund Cheques**

Loss of Coupon cheques/refund cheques should be intimated to the Company immediately. Upon receipt of request for issue of duplicate Coupon cheques/refund cheques, the Company shall consider the same and such issue of duplicate cheques shall be governed by applicable law and any other conditions as may be prescribed by the Company.

### **Debenture Trustee**

The Issuer has received the consent of SBICAP Trustee Company Limited to act as the Trustees on behalf of the Debenture Holders. All the rights and remedies of the Debenture holders shall vest in and shall be exercised by the Debenture Trustee without referring to the Debenture holders. All investors are deemed to have irrevocably given their authority and consent to SBICAP Trustee Company Limited to act as their debenture trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Company to the Debenture Trustee on behalf of the Debenture holders shall discharge the Company *pro tanto* to the Debenture holders. Resignation/retirement of the Debenture Trustee shall be as per terms of the trust deed executed between the Company and the Debenture Trustee. A notice in writing to the Debenture holders shall be provided for the same.

#### **Valuation Agency**

The Company has entered into valuation agreement(s) with SEBI registered credit rating agencies namely CRISIL Limited ("CRISIL") and Credit Analysis and Research Limited ("CARE"). The Issuer at its sole discretion shall appoint one of these agencies as a Valuation Agent to provide Valuation on Debentures. The details of Valuation Agent and the website link of the Valuation Agent where the Valuations shall be available will be communicated by the Issuer to the Debenture holder. Such communication shall form part of this Disclosure Document. The Valuation Agent will publish the valuation on its website at least once every calendar week. The valuation of the Debentures shall be available at <https://www.edelweissfin.com/web/edelweiss/investor-relation/valuations-of-structured-products-ncds> and on the website of the Valuation Agency within 7 Working Days from Deemed Date of Allotment. Upon request by any Debenture Holder for the value of the Debentures, the Issuer shall arrange to provide the same. The Company reserves the right to change the Valuation Agent at its sole and absolute discretion, during the tenure of the Debentures without giving any reasons or prior notice to the Debenture holders. The Issuer shall inform about such change as and when it occurs to the Debenture holders.

#### **Anti Money Laundering**

Since these debentures are issued in "compulsory demat mode" and the Company uses depository system for allotment of the debentures, KYC checks conducted by depository participants at the time of accepting the customer or transaction under the prevention of money laundering policy adopted by depositories or depository participant shall be considered adequate irrespective of risk level of the customer or transaction. However, as a matter of a good practice, Company may examine transactions/clients that may fall under "suspicious transactions" category as defined under Prevention of Money Laundering Act, 2002 and seek further information from the clients.

### **18. MANAGEMENT'S PERCEPTION OF RISK FACTORS**

Potential investors should consider carefully all the risk factors in this Disclosure Document for evaluating the Issuer and its business and the Debentures before making any investment decision relating to the Debentures. Unless the context requires otherwise, the risk factors described below apply to the Issuer only. If any one of the following stated risks actually occurs, the Issuer's business, financial conditions and results of operations could suffer and, therefore, the value of the Issuer's Debentures could decline.

Unless specified or quantified in the relevant risk factors, the Issuer is not in a position to quantify the financial or other implications of any risk mentioned herein below:

#### **a) Early Termination for Extraordinary Reasons, Illegality and Force Majeure :**

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Debentures has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Debentures for any reason, the Issuer may at its discretion and without obligation terminate early the Debentures. If the Issuer terminates early the Debentures, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Debenture an amount determined by the Calculation Agent/Issuer.

#### **b) Interest Rate Risk on Bonds/ Government securities:**

Bonds/ Government securities which are fixed return securities, run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The level of interest rates is determined by the rates at which government raises new money through RBI,

the price levels at which the market is already dealing in existing securities, rate of inflation etc. The extent of fall or rise in the prices is a function of the prevailing coupon rate, number of days to maturity of a security and the increase or decrease in the level of interest rates. The prices of Bonds/ Government securities are also influenced by the liquidity in the financial system and/or the open market operations (OMO) by RBI. Pressure on exchange rate of the rupee may also affect security prices. Such rise and fall in price of bonds/ government securities may influence valuations as and when such changes occur.

**c) Changes or discontinuance of the Underlying:**

Changes in the Underlying and factors which either affect or may affect the value of the Underlying, may affect the return on an investment in the Debentures. In case of the regulators or the authorized bodies discontinuing or restricting the use of the benchmark/underlying, the Issuer will be bound to take necessary action as may be prescribed by the regulators or the authorized body or as may be required by the law or as may be required to accommodate the situation

**d) Returns on Debentures are subject to Model Risk:**

Returns on the Debentures are based on complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the Underlying/ Reference Index selected for hedging may significantly differ from returns predicted by the mathematical models.

**e) Increasing competition from banks, financial institutions and NBFCs**

The successful implementation of Issuers growth plans depends on its ability to face the competition. The main competitors of the Issuer are NBFCs, financial institutions and banks. The Issuer does not have access to large quantities of low cost deposits because of which it may become less competitive. Many of its competitors have significantly greater financial, technical, marketing and other resources. Many of them also offer a wider range of services and financial products than the Issuer does and have greater brand recognition and a larger client base. As the Issuer ventures into offering newer products, it is likely to face additional competition from those who may be better capitalised, have longer operating history and better management. If the Issuer is unable to manage its business and compete effectively with current or future competitors it might impede its competitive position and profitability.

**f) Downgrading in Credit Rating**

For long term borrowings through NCDs the following Rating has been assigned –

**ICRA - PP-MLD [ICRA] AA (pronounced “PP-MLD ICRA Double A”)**

The Issuer cannot guarantee that this rating will not be downgraded. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agency may downgrade the rating of the Debentures. Such a downgrade in the credit rating may lower the value of the Debentures and may also result in the Issuer having to withdraw this borrowing programme.

**g) Security may be insufficient to redeem debentures**

In the event that the company is unable to meet its payment and other obligations towards investors under the terms of the debentures, the Debenture Trustee may enforce the security as per the terms of security documents, and other related documents. The Debenture Holder(s)' recovery in relation to the debentures will be subject to (a) the market value of such secured property, (b) finding willing buyer for the security at a price sufficient to repay debenture holder(s)' amounts outstanding under the debentures. The value realized from the enforcement of the security may be insufficient to redeem the debentures.

**h) Repayment is subject to the credit risk of issuer**

Potential investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that maybe due in respect of the debentures is subject to the credit risk of the Issuer. Potential investors acknowledge the risk that the issuer may not be able to satisfy their obligations under the debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the issuer, the payment of sums due on the debentures may not be made or may be substantially reduced or delayed.

## **EXTERNAL RISK FACTORS**

### **a) The Debentures may be illiquid**

The Company intends to list the Debentures on the WDM segment of the BSE. The Company cannot provide any guarantee that the Debentures will be frequently traded on the Stock Exchange(s) and that there would be any market for the Debenture(s). It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to settlement of the Debentures.

### **b) A slowdown in economic growth in India**

A slowdown in the Indian economy / GDP may adversely affect Company's business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general down trend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

### **c) Conditions in the Indian Debt market may affect the coupon on the Debentures.**

Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through. The Central and State Governments are the issuers of the local currency debt. The Government raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since these securities carry minimal risks, they may command lower yields.

The performance may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems.

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies

### **d) Conditions in the Indian Equity market may affect the coupon on the Debentures.**

#### **Applicable to Index Linked product:**

The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected, thereby affecting the indices.

## **19. UNDERTAKINGS BY THE INVESTOR:**



The following risks associated to the Debentures, is subject to and pursuant to the terms of the Debentures as provided in this Disclosure Document, The initial subscriber by subscribing to, and any subsequent purchaser by purchasing the Debentures, shall be deemed to have agreed, and accordingly the Company shall be entitled to presume, that each of the initial subscriber, and any subsequent purchaser (Debenture holder, as also referred to hereinabove and hereinafter):

(A) has

- (1) sufficient knowledge (including of applicable laws, rules, regulations, circulars), experience and expertise as an investor, to make the investment in such Debentures;
- (2) not relied on either of the Company, or any of its affiliates, holding company, or any person acting on its behalf for any information, advice or recommendations of any sort except as regards the accuracy of the specific factual information about the terms of the Debentures as set out in the Disclosure Document;
- (3) understood that information contained in the Disclosure Document, or any other document issued by the Company is not being construed as business or investment advice; and
- (4) made an independent evaluation and judgment of all risks and merits before investing in the Debentures;

(B) has understood there may be delay in listing of the Debentures and even after being listed, may not be marketable or may not have a market at all;

(C) has understood that without prejudice to (A), and (B) above,

- (1) the method and manner of computation of, returns and calculations on the Debentures shall be solely determined by the Company, whose decision shall be final and binding; The valuation to be provided by the valuation agency is only an indicative value on the valuation date and can be different from the actual realizable value of the Debenture;
- (2) in the event of any discretions to be exercised, in relation to method and manner of any of the above computations including due to any disruptions in any of the financial markets or if for any other reason the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach shall be used as deemed fit by the Company and may include the use of estimates and approximations. All such computations shall be valid and binding on the Debenture holder, and no liability therefore will attach to the Company;
- (3) Investor confirms that issuer will not be responsible for the performance of Index and is only using Index as underlying and is only responsible for tracking/mapping its performance as per calculation methodology agreed herein. Any loss to investor due to underperformance of Index shall be borne by investor and neither Issuer nor Index Administrator shall be responsible for any losses to investor. Further, Issuer shall not be responsible or liable to investor for any loss caused due to any action, inaction, omission or negligence of Index administrator or Index calculating agent.
- (4) Investors hereby authorise, agree, acknowledge that Issuer may receive information from Index calculating agent or Index Administrator w.r.t change in Index composition or calculation methodology and Issuer may provide necessary consent to Index calculating agent or Index Administrator that issuer deems fit in its sole discretion and such events may not constitute early redemption event at Issuer discretion.

(D) has understood that in the event that the Debenture holder suffers adverse consequences or loss, the Debenture holder shall be solely responsible for the same and the Company, or any of its affiliates, holding company, or any person acting on its behalf shall not be responsible, in any manner whatsoever, for any adverse consequences or loss suffered by the Debenture holder, including but not limited to, on the basis of any claim that no adequate disclosure regarding the risks involved was made or that the full risks involved were not explained or understood;

(E) has reviewed the terms and conditions applicable to the Debentures as contained in the Disclosure Document, and understood the same, and, on an independent assessment thereof, confirmed the same to be correct and, found the same acceptable for the investment made and has also reviewed the risk disclosure with respect to the Debentures, and understood the risks, and determined that the Debentures are a suitable investment and that the Debenture holder can bear the economic risk of that investment, including the possibility of receiving lower than expected returns.

(F) has received all the information believed to be necessary and appropriate or material in connection with, and for, the investment in the Debentures;

- (G) holds the Debentures as an investment and has not purchased the Debentures on a speculative basis;
- (H) as an investor, is knowledgeable about applicable laws, rules, regulations with respect to the Debentures and is experienced in making investments, including in debt instruments having variable or unpredictable returns or no returns and also investments similar to the Debentures;
- (I) in investing in the Debentures:
- (i) has obtained such independent and appropriate financial, tax, accounting and legal advice as required and/or deemed necessary, to enable the Debenture holder to independently evaluate, assess and understand the appropriateness, merits and risks associated with investing in the Debentures, and also as to the Debenture holders' legal competency and ability (including under applicable laws and regulations), to invest in the Debentures;
  - (ii) has assumed, on the Debenture holders' own account, all risk of loss that may occur or be suffered including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Company (or to any person acting on its behalf) to indemnify or otherwise hold the Debenture holder harmless in respect of any such loss and/or damage and confirms that the Debenture holder is aware that, as returns on the Debentures are primarily linked to the Securities and even otherwise, the Debenture holder may receive negligible returns or not receive any returns at all over the term and/or part thereof, of the Debentures or upon maturity;
- (J) has understood that, at any time during the term of the Debentures, the value of the Debentures may be substantially less than its redemption amount;
- (K) undertakes that, if the Debenture holder sells the Debentures to subsequent investors, the Debenture holder shall ensure, and it is the Debenture holder's obligation in that regard, that:
- (1) the subsequent investors receive the terms and conditions, risks and representations contained in the Disclosure Document and any other related document and fully understand the Debentures,
  - (2) sale to subsequent investors will be subject to such investors having confirmed the receipt of all of (1) above,
  - (3) the sale and transfer of the Debentures shall be effected only in the manner stipulated: by the Stock Exchange in accordance with the rules, regulations and bye-laws of the Stock Exchange;
- (L) has the legal ability to invest in the Debentures, and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture holder, or its assets;
- (M) where the Debenture holder is a partnership firm
- (i) its investing in the Debentures on its terms is within the scope of its investment policy and is not in conflict with the provisions of the partnership deed currently in force;
  - (ii) the investment in Debentures is being made by and on behalf of the partners (and binds all the partners jointly and severally), and that the partnership is in force and existing, and the investment has been ratified by all of the partners, jointly and severally;
  - (iii) the investment in Debentures has been duly authorised by all the partners, and does not contravene any provisions of the partnership deed, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the partnership or its assets or any of the partners or their respective assets;
  - (iv) for any minor as may have been admitted to the benefits of the partnership, the legal guardian of the minor has confirmed that the above applies equally to the minor as if the minor were a partner; and
  - (v) for any Hindu Undivided Family ("HUF") that may be partner, the Karta declares that the above equally binds each of the co-parceners and beneficiaries of the HUF; and
- (N) where the Debenture holder is a company, also confirms that:
- (i) notwithstanding the variable nature of the return on the Debentures, the Debenture holder is not precluded under any law, rules, regulations and/or circular/s issued by any statutory authority/ies including under the Companies Act, 2013 and its Rules, from investing in the Debentures;
  - (ii) all necessary corporate or other necessary action has been taken to authorize, and that the Debenture holder has corporate ability and authority, to invest in the Debentures; and



- (iii) investment in the Debentures does not contravene any provisions of the memorandum and the articles of association, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture holder or the Debenture holder's assets.
- (O) where there is an intermediary who sells the Debentures and/or invests in the Debentures on behalf of its Clients/investor(s) ("Intermediary"), it also confirms that :
  - (i) it is registered with SEBI;
  - (ii) it is fully in compliance with the laws and regulations applicable to it including the SEBI Circular dated CIR/IMD/DF/17/2011 dated September 28, 2011 ("Structured Products Guidelines"), the Prevention of Money Laundering Act, 2002 ("PML Act"), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 ("PML Rules"), the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the SEBI ("AML Guidelines") together with the PML Act and the PML Rules, the "AML Laws & Rules", all applicable know-your-client norms ("KYC Guidelines") and all applicable rules, regulation and guidelines issued by any relevant regulator and the Intermediary has strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients / investor(s);
  - (iii) the Intermediary is selling the Debentures, to appropriate Clients/the investor(s) or is investing on behalf of its Clients /the investor(s) appropriately and such sale / investment in the Debentures is within the scope of its authority and accordingly binds each of the Clients/ investor(s);
  - (iv) the intermediary has satisfied itself as to the capacity and authority of each of the Clients / investor(s) to invest in such Debentures;
  - (v) the Intermediary has conducted a risk profiling of each Client / Investor (s) pursuant to the Structured Products Guidelines and has satisfied itself that the Debentures are suitable to the risk profile of the Client / investor.
  - (vi) the Intermediary has fully advised each of its Clients / the investor(s) of the risks relating to investment in the Debentures and ensured that the Client / investor has understood the risks involved in investment in the Debentures and is capable of taking the risks posed by the Debentures;
  - (vii) the Intermediary in case of a Portfolio Manager as required under the SEBI (Portfolio Managers) Regulations, 1993 and in case of any other Intermediary under the regulations applicable to that Intermediary has fully advised each of its Clients / the investor(s) of the rights of such Clients / investor(s) against the Intermediary as its principal and accepts responsibility for such advice;
  - (viii) Should there be any dispute by the Clients / investor(s) as regards the investment in the Debentures including but not limited to the scope of its authority with regard to such investment the same shall be dealt with entirely by the Intermediary with each of the Clients / investor(s), with no reference to the Issuer;
  - (ix) the Intermediary hereby consents (including on the basis of any request made by the Issuer in this regard) to provide and/or to the disclose to the Issuer any information regarding any or all of the Client / investor and the investment in the Debenture, as required under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law and agrees that such information shall be disclosed by the Issuer to any governmental and/or regulatory authorities.;
  - (x) The Intermediary shall provide its Clients / the investor(s) with a copy of the Offer Document;
  - (xi) The Intermediary shall guide the Clients / investor(s) as to where the valuations (of the Debentures) will be available;
  - (xii) The Intermediary shall guide the Clients / investor(s) as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Issuer or through the secondary market;
  - (xiii) The Intermediary confirms and undertakes that it has not and will not use the name of the Issuer or any of its group entities in any of its advertisement or any marketing material other than for the selling the Debentures; and  
The Intermediary confirms that the marketing material shall only contain information that is provided in this Disclosure Document and should not contain any information that is extraneous to this Disclosure Document.
- (P) where the Debenture holder is a FPI / FII / sub account, it also confirms that the investment by such FPI/FII and on behalf of each sub-account shall not exceed individual debt limits allocated as per applicable rules, regulations, guidelines from time to time.

#### Potential Conflicts of Interest

The Company has appointed Edelcap Securities Limited, its subsidiary as its calculation agent for the purposes of calculating amounts payable or deliverable to holders under these Debentures. Under certain circumstances, the agent as subsidiary and its responsibilities as calculation agent for the Debentures could give rise to conflicts of interest. The calculation agent is required to carry out its duties in good faith and using its reasonable judgment. However, because the Company may control the subsidiary, potential conflicts of interest could arise. The Issuer may enter into an arrangement with a subsidiary to hedge market risks associated with its obligations under the Debentures. Such a subsidiary would expect to make a profit in connection with this arrangement. The Company may not seek competitive bids for such arrangements from other affiliated and unaffiliated parties.

## 20. Disclaimers

This Disclosure Document in relation to the Debentures is made available by the Company to the applicant on the further strict understanding that

- (i) the applicant other than FPI/FII is a "Person Resident in India" as defined under the Foreign Exchange Management Act, 1999,
- (ii) in providing this Disclosure Document to the applicant, the applicant confirms that there will be no violation of rules, regulations and byelaws issued by any applicable authority including those issued by the Securities and Exchange Board of India;
- (iii) the applicant has sufficient knowledge, experience, and professional advice to make his own evaluation of the merits and risks of a transaction of the type under this Disclosure Document; and
- (iv) the applicant is not relying on the Issuer nor on any of the affiliates or the Holding Company for information, advice or recommendations of any sort except for the accuracy of specific factual information about the possible terms of the transaction.

The Company is not acting as the advisor or agent of the applicant. This Disclosure Document does not purport to identify for the applicant, the risks (direct or indirect) or other material considerations, which may be associated with the applicant entering into the proposed transaction. Prior to entering into any proposed transaction, the applicant should independently determine, without reliance upon the Company or the affiliates of the Company or the Holding Company, the economic risks and merits, as well as the legal, tax, and accounting characterizations and consequences of the transaction and including that the applicant is able to assume these risks. The Company, and/or the affiliates of the Company or the Holding Company, may act as principal or agent in similar transactions and/or in transactions with respect to instruments underlying a proposed transaction. The Company, and/or the affiliates of the Company and / or the Holding Company may, from time to time, have a long or short proprietary position/s and/or actively trade, by making markets for its clients, in financial products identical to or economically related to those financial products described in this Disclosure Document. The Company may also undertake hedging transactions related to the initiation or termination of a transaction, that may adversely affect the market price, rate, index or other market factors(s) underlying the financial product and consequently its value. The Company may have a commercial relationship with and access to information of reference securities, financial products, or other interests underlying a transaction.

This Disclosure Document and its contents are the Company's property, and are to be considered proprietary information and may not be reproduced or otherwise disseminated in whole or in part without the Issuer's written consent unless required to by judicial or administrative proceeding, and then with prior notice to the Company. If any recipient of this information memorandum and or Private Placement Offer cum application Letter decides not to participate in the issue, that recipient must promptly return this information memorandum and or all private placement offer and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the issue to the issuer.

Information Memorandum and/or the Private Placement Offer cum application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer/solicitation. No action is being taken to permit an offering of the debentures or the distribution of this Information Memorandum and/or the Private Placement Offer cum application Letter in any jurisdiction where such action is required. Persons into whose

possession this Information Memorandum and/or the Private Placement Offer cum application Letter come are required to inform themselves of, and to observe, any such restrictions. This information memorandum is made available to potential investors in the issue on the strict understanding that it is confidential.

Applicants must understand that while the Debentures would be listed, in view of the nature and complexity of the Debentures, marketability may be impacted in a manner that cannot be determined.

Past performance is not indicative of future performance. Investment in the Debentures may be subject to the risk of loss, meaning the Debenture holder may lose some or all of its investment especially where changes in the value of the transaction may be accentuated by leverage. Even where the Debentures are principal protected, there is a risk that any failure by a person including a counterparty to perform obligations when due may result in the loss of all or part of the investment. Applicants are not being offered any guaranteed or indicative returns through these Debentures.

No liability whatsoever is accepted for any loss arising (whether direct or consequential) from any use of the information contained in this Disclosure Document. The Company undertakes no obligation to effect any subsequent updates on the information after the date of Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Any opinions attributed to the Company, and/or the affiliates of the Company and / or the Holding Company constitute the Company's judgment as of the date of the material and are subject to change without notice. Provision of information may cease at any time without reason or notice being given.

Applicants must understand that while the issue and other dates are specified, with the change in any regulations by the SEBI or any other regulatory body or for any other reason, the issue itself / these dates can be cancelled / reformed at the discretion of the Issuer and shall be final and binding on the prospective holders /holders of those debentures.

#### **NOTE:**

This Disclosure Document is not intended for distribution and it is meant solely for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The Debentures mentioned herein are being issued on a private placement basis and this offer does not constitute nor should it be considered a public offer/invitation. Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to an offer to the Indian public or any section thereof to subscribe for or otherwise acquire the Debentures. This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and have been marked against the serial number provided herein and only such recipients are eligible to apply for the Debentures. Furthermore, NRIs, OCBs and other persons resident outside India (except as specifically provided in this Disclosure Document) are not eligible to apply for or hold the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The Company or any other parties, whose names appear herein, shall not be liable for any statements made herein or any event or circumstance arising there from. Potential investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments.

#### **Stock Exchange Disclaimer Clause**

It is to be distinctly understood that filing of this Disclosure Document with the Stock Exchange should not, in any way, be deemed or construed that the same has been cleared or approved by the Stock Exchange. The Stock Exchange 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 this Disclosure Document.

#### **Information in relation to Nifty 10 yr Benchmark G-Sec Clean Price Index , Reference Index**

The Nifty 10 yr Benchmark G-Sec Clean Price Index is constructed using the clean price of a 10 year bond issued by the Government of India and declared as benchmark by FIMMDA. The index seeks to track the performance of the 10 year benchmark security on the basis of clean price. The index has a base date of Jan 03, 2011 and base value of 1000.

## Index Manufacturer – India Index Services & Products Limited (IISL) Background

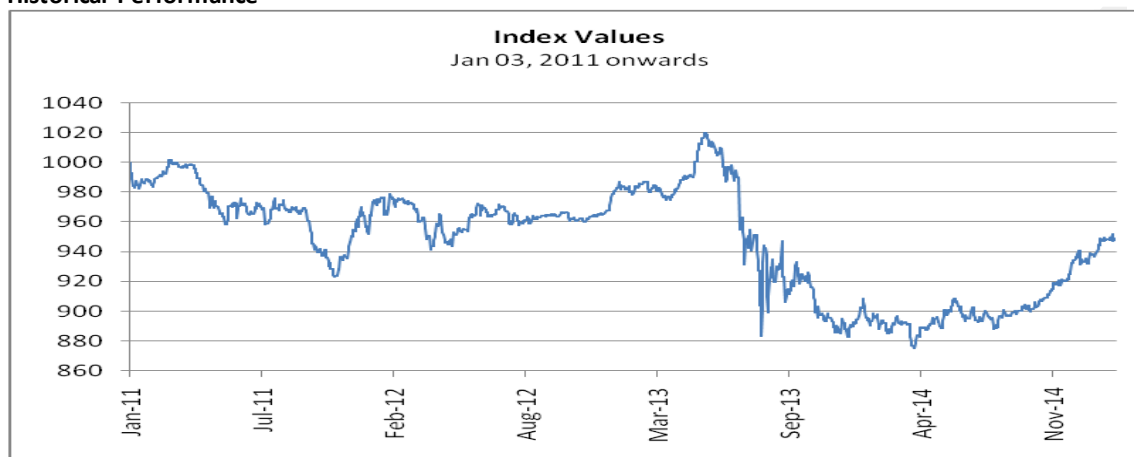
- IISL, a subsidiary of NSE was setup in May 1998 to create and manage indices for NSE and its participants
- IISL maintains over 80 equity indices comprising broad-based benchmark indices, sectoral indices
- They manage the most popular and most traded indices on Indian markets such as Nifty 50, Nifty Bank and all NSE sectoral indices
- This index is managed by IISL. The index is calculated on a daily basis by IISL.

## INDEX METHODOLOGY:

Index represents 10 year Government of India Bond identified as “Benchmark” security by FIMMDA.

- The Index will only consider the clean price of the 10 year on the run for index calculations
- The index is computed using the price returns methodology.
- The FIMMDA prices are used for valuation of the bonds in the index.
- The index values will be published at end of the day
- Index is reviewed on monthly basis.

## Historical Performance



## FOR NIFTY BANK LINKED DEBENTURES:

### Disclaimer by IISL

- The Nifty Bank Index Linked Debentures (“Debentures”) are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (“IISL”). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty Bank Index to track general stock market performance in India. The relationship of IISL to ECap Equities Limited (“ECAP”) is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by IISL without regard to ECAP or the Debentures. IISL does not have any obligation to take the needs of ECAP or the owners of the Debentures into consideration in determining, composing or calculating the Nifty Bank Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures are to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures.
- IISL does not guarantee the accuracy and/or the completeness of the Nifty Bank Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by ECAP, owners of the Debentures, or any other person or entity from the use of the Nifty Bank Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any damages or losses arising out of or related to the Debentures, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

- iii. An investor, by subscribing or purchasing an interest in the Debentures, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.



**FOR NIFTY 50 LINKED DEBENTURES:****Disclaimer by IISL**

The Product(s) are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Nifty 50 to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by IISL without regard to the Issuer or the Product(s). IISL does not have any obligation to take the needs of the Issuer or the owners of the Product(s) into consideration in determining, composing or calculating the Nifty 50. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

IISL do not guarantee the accuracy and/or the completeness of the Nifty 50 or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product(s), or any other person or entity from the use of the Nifty 50 or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

An investor, by subscribing or purchasing an interest in the Product(s), will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

**FOR NIFTY 10 YR BENCHMARK G-SEC (CLEAN PRICE) INDEX:****Disclaimer by IISL**

The Product(s) are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Nifty 10 yr Benchmark G-Sec Clean Price Index to track general Government Securities market performance in India. The relationship of IISL to the Licensee is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by IISL without regard to the Licensee or the Product(s). IISL does not have any obligation to take the needs of the Licensee or the owners of the Product(s) into consideration in determining, composing or calculating the Nifty 10 yr Benchmark G-Sec Clean Price Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

IISL does not guarantee the accuracy and/or the completeness of the Nifty 10 yr Benchmark G-Sec Clean Price Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Licensee, owners of the product(s), or any other person or entity from the use of the Nifty 10 yr Benchmark G-Sec Clean Price Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

## Disclaimer on Valuation

### i. Disclaimer by the Issuer

The Valuation reflects the independent views of the Valuation Agent. It is expressly stated that the valuation is not the view of the Issuer or its affiliates. The Issuer has not reviewed the Valuation and is not responsible for the accuracy of the Valuations. The Valuations provided by the Valuation Agent, and made available on the website of the Issuer and the Valuation Agent do not represent the actual price that may be received upon sale or redemption of the Debentures. They merely represent the Valuation Agent's computation of the valuation which may in turn be based on several assumptions. The Valuations provided by the Valuation Agent may include the use of models by the Valuation Agent (that may be different from the proprietary models used by the Issuer and / or the calculation agent) and consequently, valuations provided by other parties (including the Issuer and / or the calculation agent) may be significantly different.

No review of the Reference Stocks or the Stocks Issuers, including without limitation, any public filings made by the Stock Issuers have been made for the purposes of forming a view as to the merits of an investment linked to the Reference Index. Nor is any guarantee or express or implied warranty in respect of the selection of the Reference Index made nor is any assurance or guarantee as to the performance of the Reference Index given. Investors should not conclude that the sale by the Issuer is any form of investment recommendation by it or any of its affiliates, or agents acting on any of their behalf.

The Issuer accepts no responsibility for the accurate extraction, reproduction and summary of any information relating to Reference Index. No further or other responsibility in respect of such information is accepted by the Issuer.

Investors should ensure that they understand the nature of the Debentures and the fact that the performance of the Reference Index will affect the nature and value of the investment return on the Debentures. Also a relatively small movement in the value of the Reference Stock can result in a disproportionately large movement in the price of the Debentures. Investors should conduct their own investigations and, in deciding whether or not to purchase Debentures, purchasers of the Debentures should form their own views of the merits of an investment related to the Reference Index based on such investigations and not in reliance on any information given in this Information Memorandum.

### ii. Disclaimer by the Valuation Agent

Post appointment of the Valuation Agent by the Issuer, the disclaimer clause of Valuation Agent shall be communicated to the Debenture holder and the said disclaimer clause shall form part of this Disclosure Document.





**21. ) SUMMARY TERM SHEET FOR J9J701A74**

<b>Issuer</b>	ECAP EQUITIES LIMITED
<b>Security Name</b>	ECAP – Secured Market Linked Non Convertible Debentures
<b>Product Code</b>	J9J701A74
<b>ISIN</b>	This is a further issuance under ISIN- INE572O07BB4
<b>Date of passing of Board Resolution</b>	February 01,2019
<b>Date of passing of resolution in general meeting</b>	February 11,2019
<b>Type of Instrument</b>	Principal Protected - Market Linked Redeemable Non- convertible Debenture
<b>Nature of Instrument</b>	Secured
<b>Seniority</b>	Senior
<b>Principal Protection</b>	Principal is protected at maturity
<b>Underlying/ Reference Index</b>	NIFTY 50 INDEX
<b>Mode of Issue</b>	Private Placement
<b>Option to retain oversubscription (Amount)</b>	Not Applicable
<b>Eligible Investors</b>	<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"> <li>• Individuals</li> <li>• Hindu Undivided Family</li> <li>• Trust</li> <li>• Limited Liability Partnerships</li> <li>• Partnership Firm(s)</li> <li>• Portfolio Managers registered with SEBI</li> <li>• Association of Persons</li> <li>• Companies and Bodies Corporate including Public Sector Undertakings.</li> <li>• Commercial Banks</li> <li>• Regional Rural Banks</li> <li>• Financial Institutions</li> <li>• Insurance Companies</li> <li>• Mutual Funds</li> <li>• FPIs /FIIs,/sub-accounts of FIIs</li> <li>• Any other investor eligible to invest in these Debentures</li> </ul>
<b>Issue Size</b>	RS 250,000,000/-
<b>Minimum application Size</b>	10 Debentures bearing face value of Rs. 100,000/- each and in multiples of 1 Debenture(s) thereafter.
<b>Investor Category I</b>	Subscription amount being <b>less than</b> Rs. 1,00,00,000/- (Rupees One Crore) after considering discount or premium, if any.
<b>Investor Category II</b>	Subscription amount being <b>equal to or greater than</b> Rs. 1,00,00,000/- (Rupees One Crore) after considering discount or premium, if any.
<b>Face Value/Principal</b>	Rs. 100,000/- Per Debenture
<b>Effective Price / Issue Price</b>	Rs. 111,583/- Per Debenture
<b>Justification of Issue Price</b>	This is a further issuance under the ISIN- INE572O07BB4. The issue price is calculated by discounting the expected maturity payout by the yield at which the issuance is being made for the remaining tenor of the security
<b>The effective yield as a result of such</b>	Please refer Pt 23 Under Annualized Return



Premium		
Premium at which Debenture is issued	11,583/- per debenture	
Tenor In Days	392 Days from the Deemed Date of Allotment	
Issue Opening Date	26-Feb-19	
Issue Closing Date	26-Feb-19	
Initial Fixing Date	23-Oct-17	
Initial Fixing Level	Level of 10184.9 of the Underlying	
Final Fixing Date	31-Oct-19	
Final Fixing Level	Official Closing Level of NIFTY 50 INDEX as on Final Fixing Date	
Redemption Date *	24-Mar-20	
Redemption Value *	Face Value*(1+Coupon)	
Pay-in-Date	26-Feb-19	
Deemed Date of Allotment	26-Feb-19	
Underlying Performance	(Final Fixing Level / Initial Fixing Level) – 1	
Participation Rate: PR	NA	
Coupon *	Scenario	Coupon
	If Final Fixing Level>25% of the Initial Fixing level	22.50%
	If Final Fixing Level<=25% of the Initial Fixing Level	0.00%
Step up/Step down coupon rate	Not Applicable.	
Coupon payment frequency	Coupon, if any will be paid on Redemption Date	
Coupon payment dates *	Coupon, if any will be paid on Redemption Date	
Coupon type	Coupon linked to Underlying / Reference Index.	
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable	
Day Count Basis	Not Applicable	
Default interest rate	In case of default in payment of Coupon and/or principal redemption on the Redemption date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.	
Proposed time schedule for which the Disclosure Document is valid	Till redemption	
Redemption Premium / Discount	Not Applicable	
Put Option	None	
Put Option Date	Not Applicable	
Put Option Price	Not Applicable	
Put Notification Time	Not Applicable	
Call Option	None, except in the case of Early Redemption Option	
Call Option Date	Not Applicable	
Call Option Price	Not Applicable	
Call Notification Time	Not applicable	
Listing	• For FPIs /FIIs,/sub-accounts of FIIs	

	<p>The Company proposes to list these Debentures on the BSE WDM segment. The Issuer confirms that the Debentures would be listed within 15 days from the Deemed Date of Allotment.</p> <ul style="list-style-type: none"> <li>For applicants other than FPI/FIIs/sub-accounts of FIIs</li> </ul> <p>The Company proposes to list these Debentures on the BSE WDM segment. The Issuer confirms that the Debentures would be listed within 20 days from the Deemed Date of Allotment</p>
<b>Issuance mode of Debenture</b>	DEMAT form
<b>Trading mode of the Debenture</b>	DEMAT form only
<b>Depository</b>	NSDL and CDSL
<b>Security</b>	<p>The Debentures shall be secured by way of a pari passu mortgage and charge over the Mortgage Premises as defined in the Debenture Trust Deed; a charge on the receivables, stock in trade, loans and investments (as may be mutually agreed with trustee from time to time) to the extent equal to the principal and interest amounts of the Debentures outstanding at any point of time .</p>
<b>Rating</b>	<p>PP-MLD [ICRA] AA (pronounced “PP-MLD ICRA Double A”) by ICRA Limited for Rs. 1500 Crores Principal Protected Equity Linked Debenture issue. 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. ICRA’s rating of Market Linked Debentures is an assessment of the underlying credit risk of the instrument. The rating addresses only the credit risk associated with timely payment of obligations as per terms of the issuance. The rating does not address the market risks associated with the instrument on account of linking of coupon payment to external variables such as reference equity index, equity shares, commodity process/index. This could result in variability or absence of coupon payments because of adverse movement in value of the external variables.</p>
<b>Purpose and objects of the Issue</b>	General corporate purposes, business operations and investments
<b>Contribution by Promoters or Director either as part of this offer or separately in furtherance of the objects of the Issue</b>	Nil
<b>Details of the Utilisation of the proceeds</b>	<p>The Issuer proposes to augment its resources to meet its requirements of funds to carry on its business operations. The proceeds of the issue of Debentures would be utilized for general corporate purposes.</p>
<b>Settlement</b>	<p>Cheque / pay order will be dispatched by courier or registered post at the address provided in the Application Form / at the address as subsequently notified to the Issuer in writing by Debenture-holder(s) or at the address on the Depository’s record. Where applicable, settlement will be effected by account to account transfer vide Reserve Bank of India’s Real Time Gross Settlement System.</p>
<b>Business Day Convention</b>	<p>If any of the date(s), including the Record Date, as defined in the Disclosure Document fall on a Sunday or a public holiday, the next working day shall be considered as the effective date.</p> <p>However, if any Initial Fixing Date, Final Fixing Date or Observation Date as defined in the Disclosure Document falls on an expiry day, which is thereafter declared as a public holiday/trading holiday, then the day notified by the Exchanges/Regulators as the new expiry day shall be considered as the effective date for the above mentioned dates.</p> <p>However incase Redemption Date (for payment of Principal and Coupon, if</p>

	any) falls on Sunday or a public holiday, the previous working day shall be considered as the effective date
<b>Interest on Application Money</b>	This issue does not contemplate any interest on application money till allotment of Debentures.
<b>Record Date</b>	The date, as may be fixed by the Company, which will be 15 days prior to the redemption date on which the determination of the persons entitled to receive coupon/redemption amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.
<b>Transaction Documents</b>	<ul style="list-style-type: none"> <li>• Memorandum and Articles of Association of the Company.</li> <li>• Consent Letter from SBICAP Trustee Company Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures.</li> <li>• Debenture Trust deed between Company and SBICAP Trustee Company Limited dated January 18, 2018.</li> <li>• Certified copy of the Board Resolution passed on February 01, 2019</li> <li>• Certified copy of the Shareholders Resolution passed on February 11, 2019</li> <li>• Certified copy of the Resolution passed by Debenture Committee on 26-Feb-19</li> <li>• Letter from ICRA Limited conveying the credit rating for the Debentures of the Company and the rating rationale pertaining thereto.</li> <li>• Consent Letter from Karvy Computershare Private Limited for acting as Registrars to the Issue. MoU entered into between the Company and the Registrar.</li> <li>• Tripartite Agreement between the Company, National Securities Depository Limited ("NSDL") and the Registrar for the Issue of Debentures in dematerialised form.</li> <li>• Tripartite Agreement between the Company, Central Depository Services (India) Limited ("CDSL") and the Registrar for the Issue of Debentures in dematerialised form.</li> <li>• Valuation Agreement entered with CRISIL and Credit Analysis and Research Limited and amendments thereafter to the respective agreements, as may be applicable..</li> <li>• License agreement with IISL and amendment thereafter.</li> </ul>
<b>Conditions Precedent to Disbursement</b>	Nil
<b>Conditions Subsequent to Disbursement</b>	Nil
<b>Events of Default</b>	Please refer "Events of Default" under section Definitions and Abbreviations.
<b>Provisions related to Cross Default Clause</b>	Not Applicable
<b>Early Redemption Option</b>	<p>The Company has an option to redeem the Debentures ("Early Redemption Option"), to be exercised by the Company any time after the Deemed Date of Allotment on occurrence of any one or more than one of the following events-</p> <p>"Issuer Tax Change Event" and/or "Change in Law" and/or "Force Majeure Event" and/or "Hedging Disruption Event" and/or "Market Suspension Event" and/or "Increased Cost of Hedging" and/or "Reference Index Modification Event" and/or "Regulatory events for Investor".</p> <p>Further, notwithstanding anything contained in this Disclosure Document, the Company shall not be liable for any failure to perform any of its obligations under this Disclosure Document, if the performance is prevented, hindered or delayed by any one or more of the events mentioned above, its obligations shall be terminated with immediate effect. The decision of the Company about the occurrence of the events</p>

	<p>mentioned above shall be final and binding in respect of all Debenture holders.</p> <p>Intimation to Investor:</p> <p>If the Company opts to redeem the debentures on occurrence of the events mentioned above, it shall intimate the investor within reasonable time period from the occurrence of any of the events mentioned above that it has exercised the Early Redemption Option.</p> <p>Early Redemption Option Exercise Date:</p> <p>The third Business Day from the date of Early Redemption Option intimation to the debenture holder</p> <p>Redemption Proceeds: In case the Early Redemption Option is exercised by the Company, the Debenture holder shall be paid the fair value of the Debenture calculated as on such Early Redemption Option Exercise Date. The fair value will be calculated by the [Calculation Agent] based on</p> <p>a. For the Principal Repayment: The present value of the Debenture will be calculated by the calculation agent based on the G-Sec yield one day prior to Early Redemption Option Exercise Date plus AA- spread over G-Sec yield, on the basis of a poll undertaken from three reference market-makers selected by the calculation agent at its sole discretion in good faith.</p> <p>b. For Coupon Payment: The value of the pay-out will be calculated using the standard 'Black and Scholes' option valuation model with input parameters as determined by the [Calculation Agent].</p> <p>The decision of the [Calculation Agent] in deciding the Coupon payment based on the 'Black and Scholes' option valuation model, shall be final and binding in respect of all the Debenture holders.</p>
<b>Roles and Responsibilities of Debenture Trustee</b>	<p>Regulation 15 of SEBI (Debenture Trustees) Regulation 1993, prescribes duties of the Debenture Trustees including following :</p> <ol style="list-style-type: none"> <li>1. Call for periodical reports from the issuer.</li> <li>2. To take possession of Trust property in accordance with the provisions of the Trust Deed.</li> <li>3. To enforce security in the interest of the debenture holders.</li> <li>4. To ensure on a continuous basis that the property charged to debentures is available and adequate at all times to discharge the interest and principal amount payable to debenture holders.</li> <li>5. To exercise due diligence to ensure compliance by the issuer with the provisions of the Companies Act, the listing agreement of the stock exchange or the trust deed.</li> <li>6. To take appropriate measures for protecting the interest of debenture holders as soon as there is a breach of Trust Deed.</li> <li>7. To ascertain that the debentures have been redeemed or converted in accordance to the provisions of the offer document.</li> <li>8. To inform SEBI immediately of any breach of trust deed or provision and law.</li> <li>9. To appoint a Nominee Director on the Board of Issuer in the event of             <ul style="list-style-type: none"> <li>• Two consecutive defaults in payment of interest to the debenture holders or</li> <li>• Default in creation of security for debentures</li> <li>• Default in redemption of debentures</li> </ul> </li> </ol> <p>As a Debenture Trustee it may have to take steps as he may deem fit –</p> <ol style="list-style-type: none"> <li>1. To ensure that the assets of the Company issuing debentures are sufficient to discharge the principal amount at all times.</li> </ol>

	<p>2. To satisfy himself that the prospectus does not contain any matter which is inconsistent with the terms of the Debentures.</p> <p>3. To ensure that the Company does not commit any breach of covenants of the Trust Deed or Terms of issue of Debentures.</p> <p>4. To take such reasonable steps to remedy any breach of the covenants of the Trust Deed.</p> <p>5. To take steps to call a meeting of holders of Debentures as and when such meeting is required to be held.</p>
<b>Distribution Fees</b>	The Issuer will pay the distributor a distribution fee which shall not exceed 1.48 % of the Principal Amount
<b>Valuation Agency Fees</b>	Fees paid to Valuation Agent by the Issuer shall be in the range of 5 bps p.a. to 15 bps p.a on the face value of the outstanding Debentures
<b>Governing Law and Jurisdiction</b>	The Debentures are governed by and will be construed in accordance with the Indian law. The Company, the Debentures and Company's obligations under the Debentures shall, at all times, be subject to the directions of the RBI and the SEBI. The Debenture holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.
<b>Other Terms</b>	<p><b>Default in Payment:</b></p> <p>In case of default in payment of Coupon and/or principal redemption on the Redemption Date, additional interest @ 2% p.a. over the Coupon will be payable by the Company for the defaulting period.</p> <p><b>Delay in Listing:</b></p> <p><u>For applicant other than FPI/FII/sub-accounts of FIIs</u></p> <p>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><u>For investments by FPIs / FII/sub-accounts of FIIs</u></p> <p>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>

<b>Company</b>	<b>ECAP EQUITIES LIMITED</b>	
<b>Face Value</b>	Rs. 100,000/- Per Debenture	
<b>Deemed Date of Allotment</b>	26-Feb-19	
<b>Redemption Date</b>	24-Mar-20	
<b>Coupon</b>	<b>Scenario</b>	<b>Coupon</b>
	If Final Fixing Level > 25% of the Initial Fixing Level	22.50%
	If Final Fixing Level ≤ 25% of the Initial Fixing Level	0.00%
<b>Coupon Payment Dates/Frequency</b>	Coupon if any, will be paid on Redemption Date	
<b>Day Count Convention</b>	Not Applicable	

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
<b>Coupon on Redemption, if any</b>	24-Mar-20	392	* Coupon linked to Underlying / Reference Index.
<b>Face Value</b>	24-Mar-20	392	Rs. 100,000/- Per Debenture
<b>Total</b>	24-Mar-20	392	Rs. 100,000 *(1+Coupon) /- Per Debenture

\* Coupon on the Debentures, if any shall be payable on the Redemption Date

**\*Principal Amount = (Face Value per debenture) \* (No. of Debentures subscribed)**

**Company reserves the right to change the issue closing date and in such an event, the Deemed date of allotment may also be revised by the Company at its sole and absolute discretion. In the event of any change in the above issue dates, the investors shall be intimated of the revised schedule by the Company.**

## 22. ) SCENARIO ANALYSIS FOR J9J701A74

The following table shows the value of the Debenture at maturity under different market conditions:

### Scenario I

#### Final Fixing Level is less than Initial Fixing Level

Initial Level	Final Level	Underlying Performance	Coupon	Annualized Return*
10184.90	0.00	-100.00%	0.00%	-9.70%
10184.90	1,018.49	-90.00%	0.00%	-9.70%
10184.90	2,036.98	-80.00%	0.00%	-9.70%
10184.90	2,546.23	-75.00%	0.00%	-9.70%
10184.90	2,547.24	-74.99%	22.50%	9.08%
10184.90	3,055.47	-70.00%	22.50%	9.08%
10184.90	4,073.96	-60.00%	22.50%	9.08%
10184.90	5,092.45	-50.00%	22.50%	9.08%
10184.90	6,110.94	-40.00%	22.50%	9.08%
10184.90	7,129.43	-30.00%	22.50%	9.08%
10184.90	8,147.92	-20.00%	22.50%	9.08%
10184.90	9,166.41	-10.00%	22.50%	9.08%

### Scenario II

#### Final Fixing Level is equal to Initial Fixing Level

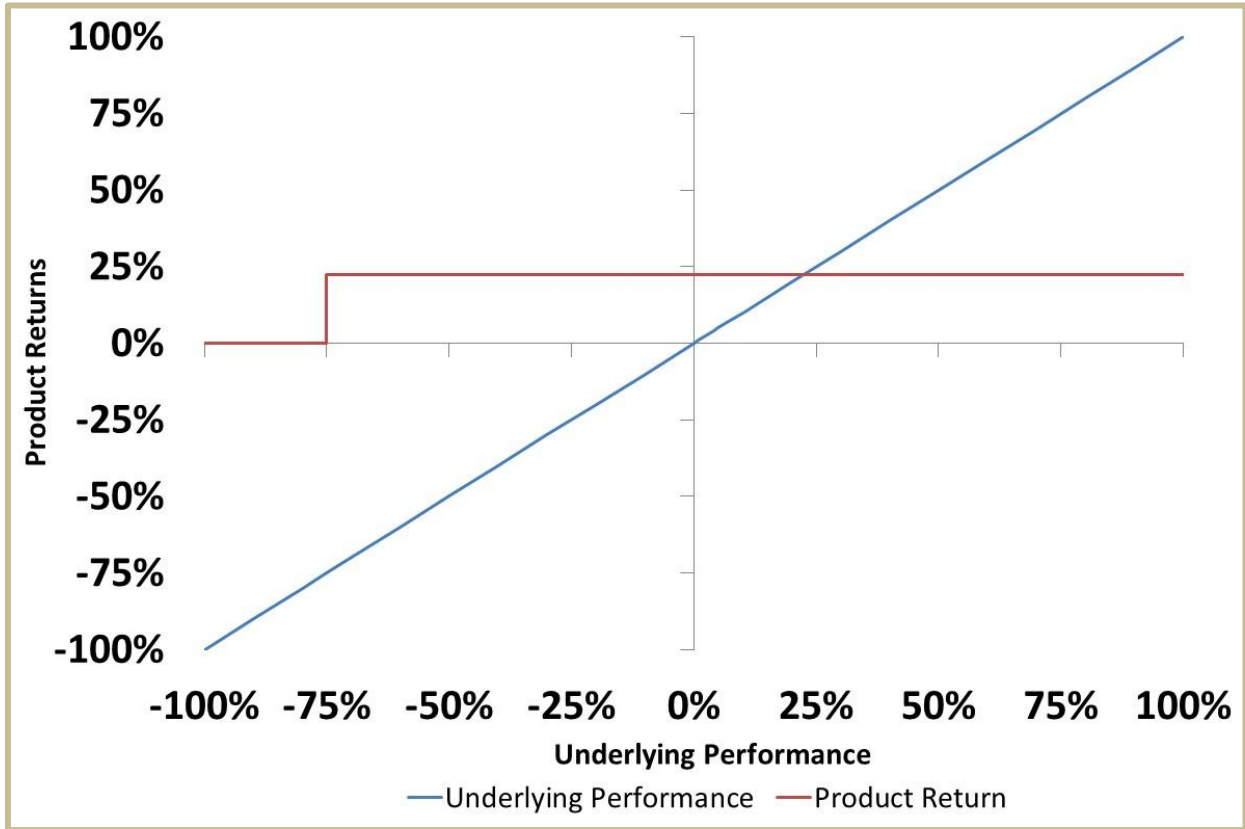
Initial Level	Final Level	Underlying Performance	Coupon	Annualized Return*
10184.90	10,184.90	0.00%	22.50%	9.08%

### Scenario III

#### Final Fixing Level is greater than Initial Fixing Level

Initial Level	Final Level	Underlying Performance	Coupon	Annualized Return*
10184.90	11,203.39	10.00%	22.50%	9.08%
10184.90	12,221.88	20.00%	22.50%	9.08%
10184.90	13,240.37	30.00%	22.50%	9.08%
10184.90	14,258.86	40.00%	22.50%	9.08%
10184.90	15,277.35	50.00%	22.50%	9.08%
10184.90	16,295.84	60.00%	22.50%	9.08%
10184.90	17,314.33	70.00%	22.50%	9.08%
10184.90	18,332.82	80.00%	22.50%	9.08%
10184.90	19,351.31	90.00%	22.50%	9.08%
10184.90	20,369.80	100.00%	22.50%	9.08%

*\*Effective annualized return are basis effective issue price*



*This scenario analysis is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.*