

Ref.no. 1335/STCL/DT/2023-24

Date: May 26, 2023

To,
Nuvama Wealth & Finance Limited
(Erstwhile Edelweiss Finance and Investments Limited)
Edelweiss House,
Off. C.S.T Road, Kalina
Mumbai – 400 098

Dear Sir,

Sub: No objection to creating pari passu charge for proposed issue of secured, non-convertible debentures aggregating upto Rs. 400.00 Crores to be issued by Edelweiss Finance and Investments Limited (the "Proposed Issue")

Ref: Debenture Trust Deed dated November 21, 2019, and Amendment Deed to the Debenture Trust Deed dated February 07, 2020, with respect to issuance of debentures on private placement basis for an aggregate amount not exceeding 2000 crores.

We SBICAP Trustee Company Limited acting as Debenture Trustee for the holders of the listed issue of secured, redeemable, non-convertible Debentures ("NCDs") for an aggregate not exceeding 2000 crores in various tranches allotted under Debenture Trust Deed dated 21.11.2019 read with Amendment Deed to the Debenture Trust Deed dated 07.02.2020 (CL2528) respectively issued by Edelweiss Finance and Investments Limited. ('the Company').

We are in receipt of your mail dated 08.05.2023 and 25.05.2023, requesting no objection for creating pari passu charge on present and future receivables, securities, loans, investments, and other financial asset for an amount not exceeding Rs. 400.00 crores in favour of Catalyst Trusteeship Limited ("Proposed Trustee") for securing proposed issue.

In this connection, the Company has submitted Security Cover Certificate as on March 31, 2023, dated May 22, 2023, issued by Chokshi & Chokshi LLP Chartered Accountant confirming the maintenance of adequate security cover post issuance.

Based on the aforesaid Security Cover Certificate, we in our capacity as Debenture Trustee for the said NCDs, convey our No objection for creating pari passu charge over the present and future receivables, securities, loans, investments, and other financial asset for securing the proposed NCD issuance not exceeding Rs. 400.00 Crores in favour of Proposed Trustee.

The above NOC is subject to the conditions that:



- (i) Company shall maintain on an ongoing basis, the Security Cover Ratio for the NCDs as stipulated in all the Debenture Trust Deeds and respect disclosure documents till final redemption of NCDs.
- (ii) As and when called upon by us, the Company shall provide additional security to the satisfaction of the Debenture Trustee, in case of any shortfall in security cover.

Yours faithfully,

For SBICAP Trustee Company Limited


Authorized Signatory





CHOKSHI & CHOKSHI LLP

Chartered Accountants

Independent Auditor's Certificate on Asset Cover and Compliance with all Covenants as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to SBICAP Trustee Company Limited (the 'Debenture Trustee')

To,
The Board of Directors
Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)
801-804, Wing A, Building No. 3,
Inspire BKC, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400 051.

1. This certificate is issued in accordance with the terms of our engagement with Nuvama Wealth Finance Limited (formerly known as Edelweiss Finance and Investments Limited) ("the Company") as the Statutory Auditors of the Company for the financial year 2022-23.
2. We CHOKSHI & CHOKSHI LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Security Cover as per the terms of the Debenture Trust Deed and Compliance with Covenants' for listed non-convertible debt securities as at March 31, 2023 (hereinafter the "Statement") which has been prepared by the Company as prescribed by Securities and Exchange Board of India (SEBI) circular dated May 19, 2022 from the audited financial results and other relevant records and documents maintained by the Company as at and for the quarter ended March 31, 2023 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations").

This certificate is required by the Company for the purpose of submission with SBICAP Trustee Company Limited (hereinafter the "Debenture Trustee") to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities having outstanding balance of Rs. 1,237.16 crores ('Debentures') as on March 31, 2023. The Company has entered into an agreement with the Debenture Trustee as stated in the "Annexure I of the Statement" in respect of such Debentures.

Management Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deeds entered into between the Company and the Debenture Trustees ('Trust Deeds') and Information Memorandum.

Auditor's Responsibility

5. It is our responsibility to provide limited assurance as to whether:
 - a. the Company has maintained asset cover or asset cover as per the terms of the Information memorandum and Trust Deeds; and
 - b. the Company is in compliance with all the covenants as mentioned in the Trust Deeds as on March 31, 2023.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
8. We have reviewed the audited financial results of the Company for the quarter ended March 31, 2023, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
 - a. Obtained and read the Trust Deeds and Information Memorandum, and noted the asset security cover required to be maintained by the Company.
 - b. Traced and agreed the principal amount of the listed non-convertible debt securities outstanding as on March 31, 2023 to the audited financial results and books of account maintained by the Company as on March 31, 2023.
 - c. Obtained and read the list of asset cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the audited financial results and books of accounts maintained by the Company as on March 31, 2023.

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Chartered Accountants

- d. Obtained the list of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA'). Also, checked the details from the Deed of Hypothecation filed by the Company. Traced the value of charge created against Assets to the Asset Cover in the attached Statements.
- e. Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt security.
- f. Examined and verified the arithmetical accuracy of the computation of Asset Cover, in the accompanying Statement.
- g. Compared the Asset Cover with the Asset Cover required to be maintained as per Trust Deeds/Information Memorandum.
- h. With respect to compliance with covenants (including financial, affirmative, informative and negative covenants) included in the attached Statement, we have performed following procedures:
 - i. Obtained the copies of bank statements and traced the date of repayment of principal and interest due on sample basis during the period January 1, 2023 to March 31, 2023.
 - ii. We have verified the compliance of debt covenants as per the Trust Deeds/Information Memorandum till date of this certificate. With respect to the covenants for the quarter ended March 31, 2023 for which due date is after the date of this certificate, management has represented to us that the same shall be duly complied with within the due date; and
 - iii. Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the quarter ended March 31, 2023.
- i. With respect to covenants other than those mentioned in paragraph 10(h) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Trust Deeds/Information Memorandum, as at March 31, 2023. We have relied on the same and not performed any independent procedure in this regard.
- j. Performed necessary inquiries with the Management and obtained necessary representations.

Opinion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a. The Company has not maintained asset cover as per the terms of the Trust Deeds/Information Memorandum; and

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- b. The Company is not in compliance with all the covenants as mentioned in the Trust Deeds/Information Memorandum as on March 31, 2023.

Restriction of use

12. The certificate has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Chokshi & Chokshi LLP
Chartered Accountants

FRN- 101872W/ W100045

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Date: 2023.05.22
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Anish Shah

Partner

M. No.: 048462

UDIN: 23048462BGXGPT2312

Place: Mumbai

Date: 22/05/2023



Ushar Agrawal
Executive Director and Chief Executive Officer
Date: May 22, 2023
Place: Mumbai

Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)
Corporate Identity Number: U67120MH1994PLC286057
Registered Office: 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East
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