

Private and Confidential- For Private Circulation only

(Strictly Privileged & Confidential)

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

Dated: 15-Dec-2020

Name of Company	Edelweiss Financial Services Limited
Description of Company	Edelweiss Financial Services Limited was originally incorporated as Edelweiss Capital Limited on November 21, 1995 as a Public Limited Company under the provisions of the Companies Act, 1956. With effect from August 1, 2011 the name of the Company was changed to Edelweiss Financial Services Limited. The Company received the Certificate of Commencement of Business on January 16, 1996. The Company carries on the business of investment banking activities and is registered with SEBI as a Merchant Banker.
Corporate Identity Number	L99999MH1995PLC094641
Registered Office	Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Telephone: +91 22 4009 4400
E-mail	spinvestor@edelweissfin.com
Website	www.edelweissfin.com

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER FOR ISSUE BY WAY OF PRIVATE PLACEMENT BY EDELWEISS FINANCIAL SERVICES LIMITED (THE “COMPANY” / “ISSUER”) OF 2000 SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs. 100,000/- EACH AGGREGATING TO Rs. 200,000,000/- ISSUED AS PER THE RESPECTIVE SUMMARY TERM SHEETS (THE “ISSUE”)

GENERAL RISKS
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.
GENERAL DISCLAIMER
<p>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 the Company. 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.</p> <p>Potential investors to Debentures must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt and are able to bear the economic/commercial risk of investing in Debentures. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Debentures. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the Debentures under the relevant laws and regulations in force. Potential investors should conduct their own investigation, due diligence and analysis before applying for the Debentures. Nothing in this Debentures should be construed as advice or recommendation by the Issuer to subscribe to /</p>

invest in the Debentures. Potential investors should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Debentures and matters incidental thereto.

No person has been authorized to give any information or to make any representation not contained in this Disclosure Document or in any material made available by the Company to any potential investors pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company. This Disclosure Document is not intended for distribution to any person other than those to whom it is specifically addressed to and should not be reproduced by the recipient. Only the person to whom a copy of this Disclosure Document is sent is entitled to apply for the Debentures. Any application by a person to whom the Disclosure Document and/or the application form not been sent by the Company shall be rejected.

This Disclosure Document 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 or solicitation. The distribution of this Director Declaration and the offering and sale of the Debentures may be restricted by law in jurisdictions where the registered office of the Issuer is situated.

SEBI DISCLAIMER

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

MEMORANDUM OF PRIVATE PLACEMENT

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

“BWR PP-MLD AA-/Stable” (pronounced as “BWR Principal Protected-Market Linked Debenture Double A Minus (Outlook : Stable)”) by Brickwork Ratings India Pvt. Ltd. (BWR) for Rs. 300 Crores Long term Principal Protected Market Linked Debenture issue.

Instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

BWR has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. and hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

LISTING

The Debentures are proposed to be listed on the Wholesale Debt Segment of the BSE Limited (“BSE” or the “Stock Exchange”).

ISSUE PROGRAMME*

ISSUE OPENS ON: 15-Dec-2020

ISSUE CLOSES ON: 18-Dec-2020

*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



Catalyst Trusteeship Limited
 Windsor, 6th Floor, Office No.604,
 C.S.T. Road, Kalina,
 Santacruz (East)
 Mumbai - 400098
 Tel.no. - +91 022 4922 0555
 Email - dt@cltrustee.com
 Website - www.catalysttrustee.com
 Contact Person - Mr. Umesh Salvi, Business Head

REGISTRAR TO ISSUE



KFin Technologies 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: venu.sp@karvy.com
 Website: www.kfintech.com
 Contact Person: Mr. S P Venugopal, GM-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
Part –A	PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:	
1.	GENERAL INFORMATION:	
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
2	PARTICULARS OF THE OFFER:	
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
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
3	MODE OF PAYMENT FOR SUBSCRIPTION: • Cheque; or • Demand Draft; or • Other Banking Channels.	Serial No.17(c)
4	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:	
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)
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)
5	FINANCIAL POSITION OF THE COMPANY:	
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)

Part –B	Application Form	
6.	A DECLARATION BY THE DIRECTORS	Serial No.23



Edelweiss
 Ideas create, values protect

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
“Edelweiss Financial Services Limited” or “EFSL” or the “Company” or the “Issuer”	Edelweiss Financial Services Limited was originally incorporated as Edelweiss Capital Limited on November 21, 1995 as a Public Limited Company under the provisions of the Companies Act, 1956. With effect from August 1, 2011 the name of the Company was changed to Edelweiss Financial Services Limited and having its Registered Office at Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400 098.
Articles of Association	Articles of Association of the Company, as amended from time to time.
Board of Directors/Board	The Board of Directors of the Company and includes committee thereof.
Memorandum of Association	The Memorandum of Association of the Company, as amended from time to time.
Promoter(s)	Mr. Rashesh Shah, Mr. Venkatchalam Ramaswamy, Ms. Vidya Shah and Ms. Aparna T. C, are the Promoters of the Company.
Disclosure Document	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
Affiliate (s)	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.
AGM	Annual General Meeting
Application Form	The form in which an investor can apply for subscription to the Debentures.
BSE / Stock Exchange	BSE Limited
Bankers to the Issue	ICICI Bank Limited
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialized form as defined under section 2 of the Depositories Act.
Calculation Agent	Edelcap Securities Limited
Category I	Refers to the programme of the Issuer to accept subscription of less than INR 1,00,00,000 (Rupees One Crore Only) from each Investor
Category II	Refers to the programme of the Issuer to accept subscription of more than INR 1,00,00,000 (Rupees One Crore Only) from each Investor
CDSL	Central Depository Services (India) Limited.
Companies Act	Companies Act, 2013 and amendments made thereunder.
Credit Rating Agency	Brickwork Ratings India Pvt. Ltd.

Events of Default	The occurrence of any one of the events as mentioned in the Trust Deed shall constitute an Event of Default.
Debentures	2000 Secured, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 100,000/- EACH AGGREGATING TO RS. 200,000,000/- ISSUED AS PER THE RESPECTIVE SUMMARY TERM SHEETS (THE "ISSUE")
Debenture Holders	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.
Debenture Trust Deed	Debenture Trust Deed between the Company and Catalyst Trusteeship Limited (the Debenture Trustees) as stated in the Summary Term Sheet.
Depository(ies)	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.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Disclosure Document	This Disclosure Document/Private Placement Offer cum application Letter through which the Debentures are offered on private placement basis
DP-ID	Depository Participant Identification Number.
EGM	Extra-ordinary General Meeting
Equity Shares	Equity shares of the Company of face value of Re. 1 each.
FEMA	Foreign Exchange Management Act, 1999, as amended, and the related rules and regulations framed thereunder
FII	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.
FPI	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.
Gilts or Government Securities'	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.
G-Sec	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).
GLD	G-Sec Linked Debenture
NSE INDICES LIMITED	India Index Services and Products Limited
INR / Rs. / Rupees	Currency of Republic of India
Investors	Persons who fall under the category of eligibility to whom this Information Memorandum may be sent with a view to offer the Debentures on Private Placement basis.

IRF	<p>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.</p> <p>Eligible instruments for IRF: The Interest Rate Futures deriving value from the following underlying are permitted on the recognised stock exchanges:</p> <p>(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.</p>
IRFLD	Interest Rate Futures Linked Debenture
ISIN	International Securities Identification Number
Majority Debentureholders	Such number of Debentureholders holding 75% of the outstanding nominal value of the Debentures issued under each Disclosure Documents(s).
Mutual Funds	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
Market Linked Debentures (MLD)	Market Linked Debentures including but not limited to G-Sec Linked Debentures (GLD), Nifty Linked Debentures (NLD) or as may be specified otherwise as the case may be.
NPA	Non Performing Asset
NEFT	National Electronic Fund Transfer
NLD	Nifty Linked Debenture
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
NRI	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.
OCB	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.
PAS	Prospectus and Allotment of Securities
PAN	Permanent Account Number.
Preference Shares	Preference shares of the Company of face value of Rs. 5 each.
Private Placement	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

RBI	Reserve Bank of India
Redemption Date	(a) the date/s specified in the Disclosure Documents or (b) an Early Redemption Date on which the Debentures are required to be redeemed by the Company or (c) Partial Redemption Date on which debentures are required to be redeemed by face value as specified in the Disclosure Document;
Registered Debenture Holder	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.
Register of Debenture Holders	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.
Reference Index	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.
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulations) Act, 1956, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
Security Documents	Security documents entered into for creation of security for the benefit of the Debenture Holders.
Valuation Agency	The Company has entered into Valuation Agreement with CARE Risk Solutions Private Limited.
Working Days	All days except Saturday, Sunday and any public holiday.
Wilful Defaulter	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 wilful defaulters issued by the Reserve Bank of India and includes an Issuer whose director or promoter is categorized as such.
WDM	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 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 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

Date of incorporation of the company	November 21, 1995
Registered Office	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400
Compliance Officer	Mr. B. Renganathan Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400
Chief Financial Officer	Mr. Sarju Simaria Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098, Maharashtra, India. Tel: +91 22 4009 4400
Debenture Trustee of the Issue	Catalyst Trusteeship Limited Windsor, 6th Floor, Office No.604, C.S.T. Road, Kalina, Santacruz (East) Mumbai - 400098 Tel.no. - +91 022 4922 0555 Email - dt@cltrustee.com Website - www.catalysttrustee.com Contact Person - Mr. Umesh Salvi, Business Head
Registrar of the Issue	KFin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
Credit Rating Agency(ies) of the Issue	Name: Brickwork Rating India Pvt. Ltd. Address: 3rd Floor, Raj Alkaa Park, Kalena, Bannerghatta Road, Bangalore - 560076
Auditors of the Issuer	S.R. Batliboi & Co. LLP Chartered Accountants

	12 th Floor, The Ruby, 29, Senapati Bapat Marg Dadar (West), Mumbai – 400 028.
--	--

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

(a) Overview:

Edelweiss Financial Services Limited was originally incorporated as Edelweiss Capital Limited on November 21, 1995 as a Public Limited Company under the provisions of the Companies Act, 1956. With effect from August 1, 2011 the name of the Company was changed to Edelweiss Financial Services Limited. The Company received the Certificate of Commencement of Business on January 16, 1996. The Company carries on the business of investment banking activities and is registered with SEBI as a Merchant Banker.

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

Since commencement of business in 1996, the Company has grown from a boutique investment bank into a diversified financial services Company.

(b) Corporate Structure:

The Company is a diversified financial services Company, providing investment banking, institutional equities, private client broking, Life insurance, housing finance, asset management and investment advisory services, wealth management, insurance broking and wholesale financing services carrying on such activities by itself or through our subsidiaries.



(c) **Key Operational and Financial Parameters for the last three audited years and Half Year ended September 30th, 2020:**

Parameters	(In ₹ million)			
	Half Year ended September 30, 2020 Unaudited	Financial Year ended March 31, 2020 Audited	Financial Year ended March 31, 2019 Audited	Financial Year ended March 31, 2018 Audited
Net worth	33,530.24	34,545.70	33,516.01	33,540.72
Total Debt	10,132.22	1,466.63	3,660.63	276.52
Debt Securities	10,132.22	734.12	-	276.52
Borrowings (Other than Debt Securities)	-	732.51	3,660.63	-
Property, Plant and Equipment, Intangible assets under development (Note 3)	16.91	17.52	23.71	29.97
Other Intangible assets	15.38	16.83	32.23	48.48
Cash and Cash Equivalents	37.50	13.66	109.98	96.80
Bank balances other than cash and cash equivalents	8.74	9.55	59.97	54.77
Loans	8,599.67	6.73	2,538.68	4,695.80
Derivative financial instruments	-	-	-	42.67
Trade receivables	379.57	618.94	527.62	575.07
Investments	33,971.71	34,672.87	33,392.51	27,355.21
Other financial assets	420.17	393.28	464.96	472.69
Current tax assets (net)	620.30	618.59	425.77	751.31
Deferred tax assets (net)	319.02	291.13	258.65	876.54
Other non-financial assets	54.93	161.63	132.69	319.71
Derivative financial instruments	-	-	2.48	-
Trade payables	57.66	81.20	106.90	264.20
Other financial liabilities	491.94	577.09	602.98	807.74
Current tax liabilities (net)	197.95	69.84	45.86	278.59
Provisions	9.40	9.08	10.27	107.59
Other non-financial liabilities	24.49	71.19	21.64	43.66
Asset under Management	-	-	-	-
Off Balance sheet assets (Direct Assignment)	-	-	-	-
Revenue from Operations	1,086.86	2,366.81	3,030.32	4,205.59
Total Income	1,128.73	2,590.06	3,203.75	4,401.36
Finance Cost	165.44	323.11	164.34	749.57
Bad Debts write off and Reversal of ECL provision on trade receivables	451.88	18.73	-43.55	40.47
Profit for the year	(1,210.34)	826.00	1,029.00	1,382.64
Total Comprehensive Income	(1,210.58)	825.00	1,030.00	1,386.64
Tier I Capital Adequacy Ratio (%)	NA	NA	NA	NA
Tier II Capital Adequacy Ratio (%)	NA	NA	NA	NA
Gross Debt: Equity Ratio				
Before the issue of debt securities	0.30	0.04	0.11	0.01
Post issue of debt securities	0.3081	-	-	-

(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:

Edelweiss Financial Services Limited was originally incorporated as Edelweiss Capital Limited on November 21, 1995 as a Public Limited Company under the provisions of the Companies Act, 1956. With effect from August 1, 2011 the name of the Company was changed to Edelweiss Financial Services Limited. The Company received the Certificate of Commencement of Business on January 16, 1996. The Company carries on the business of investment banking activities and is registered with SEBI as a Merchant Banker.

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

Since commencement of business in 1996, the Company has grown from a boutique investment banker to a diversified financial services Company.

The Company has following Subsidiaries as on September 30, 2020:

1	Edelweiss Securities Limited
2	Edelweiss Comtrade Limited
3	Edelweiss Securities (Hong Kong) Private Limited
4	Edelweiss Financial Services Inc.
5	Edelweiss Custodial Services Limited
6	Edelweiss Asset Reconstruction Company Limited
7	Edelweiss Financial Services (UK) Limited
8	Edelweiss Finance & Investments Limited
9	Edelweiss Rural & Corporate Services Limited (ERCSL)
10	Edelweiss Housing Finance Limited (EHFL)
11	Edelweiss Broking Limited (EBL)
12	Edel Finance Company Limited
13	Edelweiss Capital (Singapore) Pte. Limited (ECSPL)
14	Edelweiss Alternative Asset Advisors Pte. Limited
15	Edelweiss International (Singapore) Pte. Limited
16	Edelweiss Investment Advisors Private Limited, Singapore
17	EC International Limited, Mauritius (ECIL)
18	Aster Commodities DMCC, Dubai
19	EAAA LLC, Mauritius
20	EW Special Opportunities Advisors LLC, Mauritius

21	ECap Equities Limited
22	Edelcap Securities Limited
23	Edelweiss Finvest Limited (formerly known as Edelweiss Finvest Private Limited)
24	Edelweiss Retail Finance Limited
25	ECL Finance Limited
26	Edelweiss Alternative Asset Advisors Limited
27	Edelweiss Global Wealth Management Limited
28	Edelweiss Gallagher Insurance Brokers Limited (Edelweiss Insurance Brokers Limited)
29	EC Commodity Limited
30	Edelweiss Investment Adviser Limited
31	Edelweiss Tokio Life Insurance Company Limited
32	Edel Investments Limited
33	Edel Land Limited
34	Edelweiss Trusteeship Company Limited
35	Edelgive Foundation
36	Edelweiss Asset Management Limited
37	Edelweiss General Insurance Company Limited
38	Edelweiss Securities (IFSC) Limited
39	Allium Finance Private Limited
40	Lichen Metals Private Limited
41	ESL Securities Limited
42	Edelweiss Securities and Investments Private limited (formerly known as Magnolia Commodities Services Ltd)
43	Everest Securities and Finance Limited (formerly known as Styrax Commodities Limited)
	Subsidiaries as per IND AS

1	Edelweiss Multi Strategy Fund Advisors LLP
2	Edelweiss Private Equity Tech Fund
3	Edelweiss Value and Growth Fund
4	Edelweiss Resolution Advisors LLP

(b) Capital Structure of the Company as on September 30, 2020:

Share Capital

Particulars	Amount (Rs. in Crores)
A. Authorised Capital	
123,00,00,000 Equity Shares of Re. 1/- each	123.00
40,00,000 Preference Shares of Rs. 5/- each	2.00
Total	125.00
B. Issued, Subscribed and Paid Up Capital	
93,49,26,527 Equity shares of Re. 1 each, fully paid up	93.49
Total	93.49
Paid up capital (A) after the offer; (B) after conversion of convertible instruments (if applicable) (d) share premium account (before and after the offer)	N.A

(c) Change in share capital as on September 30, 2020 (for last five years):

i. Authorized Share Capital and the changes therein: None

Date of Change (AGM/EGM)	Amount in Rs.	Particulars / Remarks
NA	NA	NA

ii. Equity Share Capital and the changes therein:

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
Balance as on September 30, 2015						81,12,42,093	81,12,42,093	13,586,405,140
October 13, 2015	Allotment pursuant to ESOP scheme	45,000	1	27.35	Cash	81,12,87,093	81,12,87,093	13,58,75,90,890.00
		93,625		28.85		81,13,80,718	81,13,80,718	13,59,01,98,346.25
		75,500		30.00		81,14,56,218	81,14,56,218	13,59,23,87,846.25
		41,575		30.45		81,14,97,793	81,14,97,793	13,59,36,12,230.00
		1,250		30.60		81,14,99,043	81,14,99,043	13,59,36,49,230.00
		51,975		34.60		81,15,51,018	81,15,51,018	13,59,53,95,590.00
		114,625		37.80		81,16,65,643	81,16,65,643	13,59,96,13,790.00

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
		64,500		39.44		81,17,30,143	81,17,30,143	13,60,20,93,170.00
		53,750		48.56		81,17,83,893	81,17,83,893	13,60,46,49,520.00
November 16, 2015	Allotment pursuant to ESOP scheme	50,875	1	28.85	Cash	81,18,34,768	81,18,34,768	13,60,60,66,388.75
		40,125		30.00		81,18,74,893	81,18,74,893	13,60,72,30,013.75
		68,950		30.45		81,19,43,843	81,19,43,843	13,60,92,60,591.25
		5,000		30.60		81,19,48,843	81,19,48,843	13,60,94,08,591.25
		96,325		34.60		81,20,45,168	81,20,45,168	13,61,26,45,111.25
		58,500		37.80		81,21,03,668	81,21,03,668	13,61,47,97,911.25
		345,125		48.56		81,24,48,793	81,24,48,793	13,63,12,12,056.25
		300,000		50.26		81,27,48,793	81,27,48,793	13,64,59,90,056.25
December 16, 2015	Allotment pursuant to ESOP scheme	15,750	1	28.85	Cash	81,27,64,543	81,27,64,543	13,64,64,28,693.75
		21,500		30.00		81,27,86,043	81,27,86,043	13,64,70,52,193.75
		11,050		30.45		81,27,97,093	81,27,97,093	13,64,73,77,616.25
		23,750		30.60		81,28,20,843	81,28,20,843	13,64,80,80,616.25
		11,200		34.60		81,28,32,043	81,28,32,043	13,64,84,56,936.25
		16,500		37.80		81,28,48,543	81,28,48,543	13,64,90,64,136.25
		12,000		39.44		81,28,60,543	81,28,60,543	13,64,95,25,416.25
		48,750		48.56		81,29,09,293	81,29,09,293	13,65,18,43,966.25
January 13, 2016	Allotment pursuant to ESOP scheme	33,125	1	28.85	Cash	81,29,42,418	81,29,42,418	13,65,27,66,497.50
		55,625		30.00		81,29,98,043	81,29,98,043	13,65,43,79,622.50
		52,500		30.05		81,30,50,543	81,30,50,543	13,65,59,04,747.50
		13,475		30.45		81,30,64,018	81,30,64,018	13,65,63,01,586.25
		32,500		30.60		81,30,96,518	81,30,96,518	13,65,72,63,586.25
		10,900		34.60		81,31,07,418	81,31,07,418	13,65,76,29,826.25
		25,600		37.80		81,31,33,018	81,31,33,018	13,65,85,71,906.25
		36,000		39.44		81,31,69,018	81,31,69,018	13,65,99,55,746.25
		43,750		48.56		81,32,12,768	81,32,12,768	13,66,20,36,496.25
February 18, 2016	Allotment pursuant to ESOP scheme	109,687	1	28.85	Cash	81,33,22,455	81,33,22,455	13,66,50,91,279.20
		104,125		30.00		81,34,26,580	81,34,26,580	13,66,81,10,904.20
		5,000		30.30		81,34,31,580	81,34,31,580	13,66,82,57,404.20
		10,100		30.45		81,34,41,680	81,34,41,680	13,66,85,54,849.20
		6,250		30.60		81,34,47,930	81,34,47,930	13,66,87,39,849.20
		65,000		34.05		81,35,12,930	81,35,12,930	13,67,08,88,099.20
		8,950		34.60		81,35,21,880	81,35,21,880	13,67,11,88,819.20
		158,400		37.80		81,36,80,280	81,36,80,280	13,67,70,17,939.20
		86,500		39.44		81,37,66,780	81,37,66,780	13,68,03,42,999.20
		50,000		41.40		81,38,16,780	81,38,16,780	13,68,23,62,999.20
		12,500		46.89		81,38,29,280	81,38,29,280	13,68,29,36,624.20
March 11, 2016	Allotment pursuant to ESOP scheme	34,675	1	28.85	Cash	81,38,63,955	81,38,63,955	13,68,39,02,322.95
		55,375		30.00		81,39,19,330	81,39,19,330	13,68,55,08,197.95
		10,000		30.30		81,39,29,330	81,39,29,330	13,68,58,01,197.95
		20,400		30.45		81,39,49,730	81,39,49,730	13,68,64,01,977.95
		7,500		30.60		81,39,57,230	81,39,57,230	13,68,66,23,977.95
		8,425		34.60		81,39,65,655	81,39,65,655	13,68,69,07,057.95
		50,975		37.80		81,40,16,630	81,40,16,630	13,68,87,82,937.95
		20,000		39.44		81,40,36,630	81,40,36,630	13,68,95,51,737.95
April 18, 2016	Allotment pursuant to ESOP scheme	243,875	1	28.85	Cash	81,42,80,505	81,42,80,505	13,69,63,43,656.70
		156,650		30.00		81,44,37,155	81,44,37,155	13,70,08,86,506.70
		33,475		30.45		81,44,70,630	81,44,70,630	13,70,18,72,345.45
		3,750		30.60		81,44,74,380	81,44,74,380	13,70,19,83,345.45

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
		10,500		34.05		81,44,84,880	81,44,84,880	13,70,23,30,370.45
		28,825		34.60		81,45,13,705	81,45,13,705	13,70,32,98,890.45
		90,300		37.80		81,46,04,005	81,46,04,005	13,70,66,21,930.45
		35,000		39.44		81,46,39,005	81,46,39,005	13,70,79,67,330.45
		32,250		48.56		81,46,71,255	81,46,71,255	13,70,95,01,140.45
May 16, 2016	Allotment pursuant to ESOP scheme	406,200	1	28.85	Cash	81,50,77,455	81,50,77,455	13,72,08,13,810.45
		323,600		30.00		81,54,01,055	81,54,01,055	13,73,01,98,210.45
		5,000		30.30		81,54,06,055	81,54,06,055	13,73,03,44,710.45
		136,925		30.45		81,55,42,980	81,55,42,980	13,73,43,77,151.70
		20,000		30.60		81,55,62,980	81,55,62,980	13,73,49,69,151.70
		25,000		33.80		81,55,87,980	81,55,87,980	13,73,57,89,151.70
		92,425		34.60		81,56,80,405	81,56,80,405	13,73,88,94,631.70
		176,125		37.80		81,58,56,530	81,58,56,530	13,74,53,76,031.70
		120,000		39.44		81,59,76,530	81,59,76,530	13,74,99,88,831.70
		18,750		48.56		81,59,95,280	81,59,95,280	13,75,08,80,581.70
June 15, 2016	Allotment pursuant to ESOP scheme	50,000	1	24.60	Cash	81,60,45,280	81,60,45,280	13,75,20,60,581.70
		1,286,126		28.85		81,73,31,406	81,73,31,406	13,78,78,79,190.80
		1,331,350		30.00		81,86,62,756	81,86,62,756	13,82,64,88,340.80
		5,000		30.30		81,86,67,756	81,86,67,756	13,82,66,34,840.80
		376,975		30.45		81,90,44,731	81,90,44,731	13,83,77,36,754.55
		157,500		30.60		81,92,02,231	81,92,02,231	13,84,23,98,754.55
		12,500		34.05		81,92,14,731	81,92,14,731	13,84,28,11,879.55
		239,250		34.60		81,94,53,981	81,94,53,981	13,85,08,50,679.55
		1,097,172		37.80		82,05,51,153	82,05,51,153	13,89,12,26,609.15
		1,622,500		39.44		82,21,73,653	82,21,73,653	13,95,35,95,509.15
		10,000		48.10		82,21,83,653	82,21,83,653	13,95,40,66,509.15
		940,000		48.56		82,31,23,653	82,31,23,653	13,99,87,72,909.15
		36,062		57.10		82,31,59,715	82,31,59,715	14,00,07,95,987.35
July 18, 2016	Allotment pursuant to ESOP scheme	607,625	1	28.85	Cash	82,37,67,340	82,37,67,340	14,01,77,18,343.60
		528,250		30.00		82,42,95,590	82,42,95,590	14,03,30,37,593.60
		324,250		30.45		82,46,19,840	82,46,19,840	14,04,25,86,756.10
		31,250		30.60		82,46,51,090	82,46,51,090	14,04,35,11,756.10
		188,500		34.60		82,48,39,590	82,48,39,590	14,04,98,45,356.10
		104,700		37.80		82,49,44,290	82,49,44,290	14,05,36,98,316.10
		414,125		48.56		82,53,58,415	82,53,58,415	14,07,33,94,101.10
		63,425		57.10		82,54,21,840	82,54,21,840	14,07,69,52,243.60
August 17, 2016	Allotment pursuant to ESOP scheme	132,625	1	28.85	Cash	82,55,54,465	82,55,54,465	14,08,06,45,849.85
		103,750		30.00		82,56,58,215	82,56,58,215	14,08,36,54,599.85
		25,000		30.05		82,56,83,215	82,56,83,215	14,08,43,80,849.85
		108,550		30.45		82,57,91,765	82,57,91,765	14,08,75,77,647.35
		12,500		33.80		82,58,04,265	82,58,04,265	14,08,79,87,647.35
		97,475		34.60		82,59,01,740	82,59,01,740	14,09,12,62,807.35
		16,275		37.80		82,59,18,015	82,59,18,015	14,09,18,61,727.35
		37,500		48.55		82,59,55,515	82,59,55,515	14,09,36,44,852.35
		823,375		48.56		82,67,78,890	82,67,78,890	14,13,28,04,567.35

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
		100,000		53.95		82,68,78,890	82,68,78,890	14,13,80,99,567.35
		66,750		57.10		82,69,45,640	82,69,45,640	14,14,18,44,242.35
		20,000		61.00		82,69,65,640	82,69,65,640	14,14,30,44,242.35
		125,000		64.70		82,70,90,640	82,70,90,640	14,15,10,06,742.35
		5,000		70.05		82,70,95,640	82,70,95,640	14,15,13,51,992.35
September 14, 2016	Allotment pursuant to ESOP scheme	2,500	1	24.60	Cash	82,70,98,140	82,70,98,140	14,15,14,10,992.35
		262,500		28.85		82,73,60,640	82,73,60,640	14,15,87,21,617.35
		37,500		29.90		82,73,98,140	82,73,98,140	14,15,98,05,367.35
		308,150		30.00		82,77,06,290	82,77,06,290	14,16,87,41,717.35
		147,525		30.45		82,78,53,815	82,78,53,815	14,17,30,86,328.60
		18,750		30.60		82,78,72,565	82,78,72,565	14,17,36,41,328.60
		120,875		34.60		82,79,93,440	82,79,93,440	14,17,77,02,728.60
		188,250		37.80		82,81,81,690	82,81,81,690	14,18,46,30,328.60
		89,500		48.56		82,82,71,190	82,82,71,190	14,18,88,86,948.60
		10,500		55.10		82,82,81,690	82,82,81,690	14,18,94,54,998.60
		75,512		57.10		82,83,57,202	82,83,57,202	14,19,36,91,221.80
October 17, 2016	Allotment pursuant to ESOP scheme	84,275	1	28.85	Cash	82,84,41,477	82,84,41,477	14,19,60,38,280.55
		61,500		30.00		82,85,02,977	82,85,02,977	14,19,78,21,780.55
		86,275		30.45		82,85,89,252	82,85,89,252	14,20,03,62,579.30
		8,750		30.60		82,85,98,002	82,85,98,002	14,20,06,21,579.30
		69,675		34.60		82,86,67,677	82,86,67,677	14,20,29,62,659.30
		29,250		37.80		82,86,96,927	82,86,96,927	14,20,40,39,059.30
		79,375		48.56		82,87,76,302	82,87,76,302	14,20,78,14,134.30
		12,500		55.10		82,87,88,802	82,87,88,802	14,20,84,90,384.30
		63,550		57.10		82,88,52,352	82,88,52,352	14,21,20,55,539.30
		25,000		65.15		82,88,77,352	82,88,77,352	14,21,36,59,289.30
November 15, 2016	Allotment pursuant to ESOP scheme	203,350	1	28.85	Cash	82,90,80,702	82,90,80,702	14,21,93,22,586.80
		178,300		30.00		82,92,59,002	82,92,59,002	14,22,44,93,286.80
		25,000		30.30		82,92,84,002	82,92,84,002	14,22,52,25,786.80
		65,000		30.45		82,93,49,002	82,93,49,002	14,22,71,40,036.80
		91,250		30.60		82,94,40,252	82,94,40,252	14,22,98,41,036.80
		129,425		34.60		82,95,69,677	82,95,69,677	14,23,41,89,716.80
		50,000		37.80		82,96,19,677	82,96,19,677	14,23,60,29,716.80
		73,750		48.56		82,96,93,427	82,96,93,427	14,23,95,37,266.80
		400,000		50.26		83,00,93,427	83,00,93,427	14,25,92,41,266.80
		79,650		57.10		83,01,73,077	83,01,73,077	14,26,37,09,631.80
		40,000		61.00		83,02,13,077	83,02,13,077	14,26,61,09,631.80
December 14, 2016	Allotment pursuant to ESOP scheme	134,313	1	28.85	Cash	83,03,47,390	83,03,47,390	14,26,98,50,248.85
		277,875		30.00		83,06,25,265	83,06,25,265	14,27,79,08,623.85
		149,475		30.45		83,07,74,740	83,07,74,740	14,28,23,10,662.60
		30,375		30.60		83,08,05,115	83,08,05,115	14,28,32,09,762.60
		92,050		34.60		83,08,97,165	83,08,97,165	14,28,63,02,642.60
		48,850		37.80		83,09,46,015	83,09,46,015	14,28,81,00,322.60
		55,000		41.40		83,10,01,015	83,10,01,015	14,29,03,22,322.60
		33,375		48.56		83,10,34,390	83,10,34,390	14,29,19,09,637.60
		7,500		55.10		83,10,41,890	83,10,41,890	14,29,23,15,387.60
		43,124		57.10		83,10,85,014	83,10,85,014	14,29,47,34,644.00
		134,250		70.05		83,12,19,264	83,12,19,264	14,30,40,04,606.50
January 17, 2017		12,500	1	24.60	Cash	83,12,31,764	83,12,31,764	14,30,42,99,606.50
		55,375		28.85		83,12,87,139	83,12,87,139	14,30,58,41,800.25

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
	Allotment pursuant to ESOP scheme	88,650		30.00		83,13,75,789	83,13,75,789	14,30,84,12,650.25
		235,950		30.45		83,16,11,739	83,16,11,739	14,31,53,61,377.75
		15,000		30.60		83,16,26,739	83,16,26,739	14,31,58,05,377.75
		35,250		34.60		83,16,61,989	83,16,61,989	14,31,69,89,777.75
		25,000		37.30		83,16,86,989	83,16,86,989	14,31,78,97,277.75
		15,250		37.80		83,17,02,239	83,17,02,239	14,31,84,58,477.75
		132,500		41.40		83,18,34,739	83,18,34,739	14,32,38,11,477.75
		78,750		48.56		83,19,13,489	83,19,13,489	14,32,75,56,827.75
		3,000		55.10		83,19,16,489	83,19,16,489	14,32,77,19,127.75
		38,725		57.10		83,19,55,214	83,19,55,214	14,32,98,91,600.25
		6,300		70.05		83,19,61,514	83,19,61,514	14,33,03,26,615.25
February 13, 2017	Allotment pursuant to ESOP scheme	2,500	1	28.85	Cash	83,19,64,014	83,19,64,014	14,33,03,96,240.25
		12,500		30.00		83,19,76,514	83,19,76,514	14,33,07,58,740.25
		17,325		30.45		83,19,93,839	83,19,93,839	14,33,12,68,961.50
		72,500		34.05		83,20,66,339	83,20,66,339	14,33,36,65,086.50
		17,925		34.60		83,20,84,264	83,20,84,264	14,33,42,67,366.50
		25,000		37.30		83,21,09,264	83,21,09,264	14,33,51,74,866.50
		1,000		37.80		83,21,10,264	83,21,10,264	14,33,52,11,666.50
		52,500		41.40		83,21,62,764	83,21,62,764	14,33,73,32,666.50
		20,000		46.89		83,21,82,764	83,21,82,764	14,33,82,50,466.50
		18,750		48.56		83,22,01,514	83,22,01,514	14,33,91,42,216.50
		11,500		57.10		83,22,13,014	83,22,13,014	14,33,97,87,366.50
March 14, 2017	Allotment pursuant to ESOP scheme	59,125	1	28.85	Cash	83,22,72,139	83,22,72,139	14,34,14,33,997.75
		58,625		30.00		83,23,30,764	83,23,30,764	14,34,31,34,122.75
		45,225		30.45		83,23,75,989	83,23,75,989	14,34,44,65,999.00
		1,000		30.60		83,23,76,989	83,23,76,989	14,34,44,95,599.00
		10,500		34.05		83,23,87,489	83,23,87,489	14,34,48,42,624.00
		42,475		34.60		83,24,29,964	83,24,29,964	14,34,62,69,784.00
		17,500		37.30		83,24,47,464	83,24,47,464	14,34,69,05,034.00
		8,500		37.80		83,24,55,964	83,24,55,964	14,34,72,17,834.00
		86,250		48.56		83,25,42,214	83,25,42,214	14,35,13,19,884.00
		26,875		57.10		83,25,69,089	83,25,69,089	14,35,28,27,571.50
April 18, 2017	Allotment pursuant to ESOP scheme	96,750	1	28.85	Cash	83,26,65,839	83,26,65,839	14,35,55,22,059.00
		102,875		30.00		83,27,68,714	83,27,68,714	14,35,85,05,434.00
		339,800		30.45		83,31,08,514	83,31,08,514	14,36,85,12,544.00
		37,500		30.60		83,31,46,014	83,31,46,014	14,36,96,22,544.00
		235,500		34.60		83,33,81,514	83,33,81,514	14,37,75,35,344.00
		20,000		37.30		83,34,01,514	83,34,01,514	14,37,82,61,344.00
		74,050		37.80		83,34,75,564	83,34,75,564	14,38,09,86,384.00
		147,500		48.56		83,36,23,064	83,36,23,064	14,38,80,01,484.00
		12,500		55.10		83,36,35,564	83,36,35,564	14,38,86,77,734.00
		35,375		57.10		83,36,70,939	83,36,70,939	14,39,06,62,271.50
		6,250		59.00		83,36,77,189	83,36,77,189	14,39,10,24,771.50
		25,000		65.15		83,37,02,189	83,37,02,189	14,39,26,28,521.50
May 16, 2017	Allotment pursuant to ESOP scheme	195,875	1	28.85	Cash	83,38,98,064	83,38,98,064	14,39,80,83,640.25
		447,500		30.00		83,43,45,564	83,43,45,564	14,41,10,61,140.25
		500,325		30.45		83,48,45,889	83,48,45,889	14,42,57,95,711.50
		25,000		33.80		83,48,70,889	83,48,70,889	14,42,66,15,711.50
		308,025		34.60		83,51,78,914	83,51,78,914	14,43,69,65,351.50
		27,500		37.30		83,52,06,414	83,52,06,414	14,43,79,63,601.50

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
		84,625		37.80		83,52,91,039	83,52,91,039	14,44,10,77,801.50
		50,000		48.10		83,53,41,039	83,53,41,039	14,44,34,32,801.50
		86,750		48.56		83,54,27,789	83,54,27,789	14,44,75,58,631.50
		63,125		57.10		83,54,90,914	83,54,90,914	14,45,10,99,944.00
		5,400		70.05		83,54,96,314	83,54,96,314	14,45,14,72,814.00
June 16, 2017	Allotment pursuant to ESOP scheme	1,407,586	1	28.85	Cash	83,69,03,900	83,69,03,900	14,49,06,74,084.10
		2,171,125		30.00		83,90,75,025	83,90,75,025	14,55,36,36,709.10
		18,750		30.05		83,90,93,775	83,90,93,775	14,55,41,81,396.60
		1,656,650		30.45		84,07,50,425	84,07,50,425	14,60,29,69,739.10
		1,500		30.60		84,07,51,925	84,07,51,925	14,60,30,14,139.10
		37,500		33.80		84,07,89,425	84,07,89,425	14,60,42,44,139.10
		1,705,350		34.60		84,24,94,775	84,24,94,775	14,66,15,43,899.10
		20,000		37.30		84,25,14,775	84,25,14,775	14,66,22,69,899.10
		1,222,375		37.80		84,37,37,150	84,37,37,150	14,70,72,53,299.10
		25,000		48.55		84,37,62,150	84,37,62,150	14,70,84,42,049.10
		443,750		48.56		84,42,05,900	84,42,05,900	14,72,95,46,799.10
		50,000		53.95		84,42,55,900	84,42,55,900	14,73,21,94,299.10
		484,663		57.10		84,47,40,563	84,47,40,563	14,75,93,83,893.40
		1,250		59.00		84,47,41,813	84,47,41,813	14,75,94,56,393.40
		146,625		59.05		84,48,88,438	84,48,88,438	14,76,79,67,974.65
		33,050		70.05		84,49,21,488	84,49,21,488	14,77,02,50,077.15
June 28, 2017	Allotment pursuant to ESOP scheme	950,000	1	28.85	Cash	84,58,71,488	84,58,71,488	14,79,67,07,577.15
		1,301,250		30.00		84,71,72,738	84,71,72,738	14,83,44,43,827.15
		1,429,050		30.45		84,86,01,788	84,86,01,788	14,87,65,29,349.65
		1,165,475		34.60		84,97,67,263	84,97,67,263	14,91,56,89,309.65
		640,000		37.80		85,04,07,263	85,04,07,263	14,93,92,41,309.65
		737,500		48.56		85,11,44,763	85,11,44,763	14,97,43,16,809.65
		195,000		57.10		85,13,39,763	85,13,39,763	14,98,52,56,309.65
		50,000		59.05		85,13,89,763	85,13,89,763	14,98,81,58,809.65
July 13, 2017	Allotment pursuant to ESOP scheme	106,250	1	28.85	Cash	85,14,96,013	85,14,96,013	14,99,11,17,872.15
		291,250		30.00		85,17,87,263	85,17,87,263	14,99,95,64,122.15
		25,000		30.30		85,18,12,263	85,18,12,263	15,00,02,96,622.15
		302,850		30.45		85,21,15,113	85,21,15,113	15,00,92,15,554.65
		16,800		30.60		85,21,31,913	85,21,31,913	15,00,97,12,834.65
		60,000		34.05		85,21,91,913	85,21,91,913	15,01,16,95,834.65
		220,100		34.60		85,24,12,013	85,24,12,013	15,01,90,91,194.65
		5,000		37.30		85,24,17,013	85,24,17,013	15,01,92,72,694.65
		56,250		37.80		85,24,73,263	85,24,73,263	15,02,13,42,694.65
		264,000		48.56		85,27,37,263	85,27,37,263	15,03,38,98,534.65
		12,500		51.60		85,27,49,763	85,27,49,763	15,03,45,31,034.65
		50,000		53.95		85,27,99,763	85,27,99,763	15,03,71,78,534.65
		189,888		57.10		85,29,89,651	85,29,89,651	15,04,78,31,251.45

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
August 18, 2017	Allotment pursuant to ESOP scheme	39,750	1	59.05	Cash	85,30,29,401	85,30,29,401	15,05,01,38,738.95
		12,500		64.70		85,30,41,901	85,30,41,901	15,05,09,34,988.95
		12,500		70.05		85,30,54,401	85,30,54,401	15,05,17,98,113.95
		24,000		28.85		85,30,78,401	85,30,78,401	15,05,24,66,513.95
		75,000		29.90		85,31,53,401	85,31,53,401	15,05,46,34,013.95
		72,450		30.00		85,32,25,851	85,32,25,851	15,05,67,35,063.95
		6,250		30.05		85,32,32,101	85,32,32,101	15,05,69,16,626.45
		84,575		30.45		85,33,16,676	85,33,16,676	15,05,94,07,360.20
		4,250		30.60		85,33,20,926	85,33,20,926	15,05,95,33,160.20
		31,650		34.60		85,33,52,576	85,33,52,576	15,06,05,96,600.20
		5,000		37.30		85,33,57,576	85,33,57,576	15,06,07,78,100.20
		12,500		48.55		85,33,70,076	85,33,70,076	15,06,13,72,475.20
		768,125		48.56		85,41,38,201	85,41,38,201	15,09,79,04,500.20
		25,000		53.95		85,41,63,201	85,41,63,201	15,09,92,28,250.20
		2,500		55.10		85,41,65,701	85,41,65,701	15,09,93,63,500.20
		37,688		57.10		85,42,03,389	85,42,03,389	15,10,14,77,797.00
		9,125		59.05		85,42,12,514	85,42,12,514	15,10,20,07,503.25
		48,750		65.15		85,42,61,264	85,42,61,264	15,10,51,34,815.75
		8,000		70.05		85,42,69,264	85,42,69,264	15,10,56,87,215.75
September 18, 2017	Allotment pursuant to ESOP scheme	46,300	1	28.85	Cash	85,43,15,564	85,43,15,564	15,10,69,76,670.75
		133,325		30.00		85,44,48,889	85,44,48,889	15,11,08,43,095.75
		18,750		30.05		85,44,67,639	85,44,67,639	15,11,13,87,783.25
		121,875		30.45		85,45,89,514	85,45,89,514	15,11,49,77,002.00
		121,250		34.60		85,47,10,764	85,47,10,764	15,11,90,51,002.00
		8,000		37.30		85,47,18,764	85,47,18,764	15,11,93,41,402.00
		51,250		48.10		85,47,70,014	85,47,70,014	15,12,17,55,277.00
		81,000		48.56		85,48,51,014	85,48,51,014	15,12,56,07,637.00
		27,500		55.10		85,48,78,514	85,48,78,514	15,12,70,95,387.00
		132,000		57.10		85,50,10,514	85,50,10,514	15,13,45,00,587.00
		35,125		59.05		85,50,45,639	85,50,45,639	15,13,65,39,593.25
		37,500		64.70		85,50,83,139	85,50,83,139	15,13,89,28,343.25
		11,250		108.30		85,50,94,389	85,50,94,389	15,14,01,35,468.25
		6,250		112.05		85,51,00,639	85,51,00,639	15,14,08,29,530.75
October 18, 2017	Allotment pursuant to ESOP scheme	45,000	1	27.35	Cash	85,51,45,639	85,51,45,639	15,14,20,15,280.75
		46,625		28.85		85,51,92,264	85,51,92,264	15,14,33,13,787.00
		142,775		30.00		85,53,35,039	85,53,35,039	15,14,74,54,262.00
		277,375		30.45		85,56,12,414	85,56,12,414	15,15,56,22,955.75
		9,650		30.60		85,56,22,064	85,56,22,064	15,15,59,08,595.75
		186,750		34.60		85,58,08,814	85,58,08,814	15,16,21,83,395.75
		10,000		37.30		85,58,18,814	85,58,18,814	15,16,25,46,395.75
		35,125		48.56		85,58,53,939	85,58,53,939	15,16,42,16,940.75
		6,250		55.10		85,58,60,189	85,58,60,189	15,16,45,55,065.75
		145,275		57.10		85,60,05,464	85,60,05,464	15,17,27,04,993.25
		103,125		59.05		85,61,08,589	85,61,08,589	15,17,86,91,399.50
		25,000		61.00		85,61,33,589	85,61,33,589	15,18,01,91,399.50
		6,250		64.70		85,61,39,839	85,61,39,839	15,18,05,89,524.50
		2,500		108.30		85,61,42,339	85,61,42,339	15,18,08,57,774.50
November 23, 2017	QIP	5,45,62,488	1	280.00	Cash	91,07,04,827	91,07,04,827	30,40,37,91,926.50
		18,750	1	24.60	Cash	91,07,23,577	91,07,23,577	30,40,42,34,426.50

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
November 29, 2017	Allotment pursuant to ESOP scheme	57,500		28.85		91,07,81,077	91,07,81,077	30,40,58,35,801.50
		11,225		30.00		91,07,92,302	91,07,92,302	30,40,61,61,326.50
		1,62,925		30.45		91,09,55,227	91,09,55,227	30,41,09,59,467.75
		75,625		30.60		91,10,30,852	91,10,30,852	30,41,31,97,967.75
		18,425		34.60		91,10,49,277	91,10,49,277	30,41,38,17,047.75
		5,000		37.30		91,10,54,277	91,10,54,277	30,41,39,98,547.75
		17,500		41.40		91,10,71,777	91,10,71,777	30,41,47,05,547.75
		37,500		48.10		91,11,09,277	91,11,09,277	30,41,64,71,797.75
		2,375		48.56		91,11,11,652	91,11,11,652	30,41,65,84,752.75
		5,000		55.10		91,11,16,652	91,11,16,652	30,41,68,55,252.75
		32,890		57.10		91,11,49,542	91,11,49,542	30,41,87,00,381.75
		7,750		59.05		91,11,57,292	91,11,57,292	30,41,91,50,269.25
		1,25,000		61.00		91,12,82,292	91,12,82,292	30,42,66,50,269.25
		4,000		70.05		91,12,86,292	91,12,86,292	30,42,69,26,469.25
		1,250		108.30		91,12,87,542	91,12,87,542	30,42,70,60,594.25
December 18, 2017	Allotment pursuant to ESOP scheme	3,550	1	30.00	Cash	91,12,91,092	91,12,91,092	30,42,71,63,544.25
		18,085		30.45		91,13,09,177	91,13,09,177	30,42,76,96,147.50
		2,050		30.60		91,13,11,227	91,13,11,227	30,42,77,56,827.50
		41,725		34.60		91,13,52,952	91,13,52,952	30,42,91,58,787.50
		10,000		37.30		91,13,62,952	91,13,62,952	30,42,95,21,787.50
		4,500		48.56		91,13,67,452	91,13,67,452	30,42,97,35,807.50
		22,250		57.10		91,13,89,702	91,13,89,702	30,43,09,84,032.50
		7,000		59.05		91,13,96,702	91,13,96,702	30,43,13,90,382.50
		3,000		65.15		91,13,99,702	91,13,99,702	30,43,15,82,832.50
		20,000		70.05		91,14,19,702	91,14,19,702	30,43,29,63,832.50
January 16, 2018	Allotment pursuant to ESOP scheme	40,750	1	28.85	Cash	91,14,60,452	91,14,60,452	30,43,40,98,720.00
		34,550		30.00		91,14,95,002	91,14,95,002	30,43,51,00,670.00
		23,500		30.45		91,15,18,502	91,15,18,502	30,43,57,92,745.00
		2,500		30.60		91,15,21,002	91,15,21,002	30,43,58,66,745.00
		50,800		34.60		91,15,71,802	91,15,71,802	30,43,75,73,625.00
		17,500		37.30		91,15,89,302	91,15,89,302	30,43,82,08,875.00
		30,000		48.10		91,16,19,302	91,16,19,302	30,43,96,21,875.00
		11,875		48.56		91,16,31,177	91,16,31,177	30,44,01,86,650.00
		36,425		57.10		91,16,67,602	91,16,67,602	30,44,22,30,092.50
		9,375		59.05		91,16,76,977	91,16,76,977	30,44,27,74,311.25
		5,500		65.15		91,16,82,477	91,16,82,477	30,44,31,27,136.25
		11,250		70.05		91,16,93,727	91,16,93,727	30,44,39,03,948.75
February 16, 2018	Allotment pursuant to ESOP scheme	2,69,400	1	28.85	Cash	91,19,63,127	91,19,63,127	30,45,14,06,738.75
		5,90,550		30.00		91,25,53,677	91,25,53,677	30,46,85,32,688.75
		3,62,450		30.45		91,29,16,127	91,29,16,127	30,47,92,06,841.25
		2,500		34.05		91,29,18,627	91,29,18,627	30,47,92,89,466.25
		3,94,375		34.60		91,33,13,002	91,33,13,002	30,49,25,40,466.25
		24,500		37.30		91,33,37,502	91,33,37,502	30,49,34,29,816.25
		37,500		41.40		91,33,75,002	91,33,75,002	30,49,49,44,816.25
		42,500		48.10		91,34,17,502	91,34,17,502	30,49,69,46,566.25
		71,000		48.56		91,34,88,502	91,34,88,502	30,50,03,23,326.25
		99,600		57.10		91,35,88,102	91,35,88,102	30,50,59,10,886.25
		47,500		59.05		91,36,35,602	91,36,35,602	30,50,86,68,261.25
		16,500		65.15		91,36,52,102	91,36,52,102	30,50,97,26,736.25
		3,10,950		28.85		91,39,63,052	91,39,63,052	30,51,83,86,693.75

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
March 20, 2018	Allotment pursuant to ESOP scheme	3,36,650		30.00		91,42,99,702	91,42,99,702	30,52,81,49,543.75
		6,40,550		30.45		91,49,40,252	91,49,40,252	30,54,70,13,741.25
		7,500		30.60		91,49,47,752	91,49,47,752	30,54,72,35,741.25
		1,04,150		34.60		91,50,51,902	91,50,51,902	30,55,07,35,181.25
		12,500		37.30		91,50,64,402	91,50,64,402	30,55,11,88,931.25
		32,500		48.10		91,50,96,902	91,50,96,902	30,55,27,19,681.25
		15,000		48.56		91,51,11,902	91,51,11,902	30,55,34,33,081.25
		5,000		55.10		91,51,16,902	91,51,16,902	30,55,37,03,581.25
		2,68,150		57.10		91,53,85,052	91,53,85,052	30,56,87,46,796.25
		25,125		59.05		91,54,10,177	91,54,10,177	30,57,02,05,302.50
		42,500		70.05		91,54,52,677	91,54,52,677	30,57,31,39,927.50
		10,000		108.30		91,54,62,677	91,54,62,677	30,57,42,12,927.50
		11,250		112.05		91,54,73,927	91,54,73,927	30,57,54,62,240.00
		25,000		118.00		91,54,98,927	91,54,98,927	30,57,83,87,240.00
April 13, 2018	Allotment pursuant to ESOP scheme	46,500	1	28.85	Cash	91,55,45,427	91,55,45,427	30,57,96,82,265.00
		70,750		30.00		91,56,16,177	91,56,16,177	30,58,17,34,015.00
		92,700		30.45		91,57,08,877	91,57,08,877	30,58,44,64,030.00
		62,500		34.05		91,57,71,377	91,57,71,377	30,58,65,29,655.00
		97,350		34.60		91,58,68,727	91,58,68,727	30,58,98,00,615.00
		10,000		37.30		91,58,78,727	91,58,78,727	30,59,01,63,615.00
		6,250		48.56		91,58,84,977	91,58,84,977	30,59,04,60,865.00
		5,000		55.10		91,58,89,977	91,58,89,977	30,59,07,31,365.00
		82,265		57.10		91,59,72,242	91,59,72,242	30,59,53,46,431.50
		6,250		59.00		91,59,78,492	91,59,78,492	30,59,57,08,931.50
		5,625		59.05		91,59,84,117	91,59,84,117	30,59,60,35,462.75
		17,500		65.15		91,60,01,617	91,60,01,617	30,59,71,58,087.75
		79,000		70.05		91,60,80,617	91,60,80,617	30,60,26,13,037.75
		2,500		108.30		91,60,83,117	91,60,83,117	30,60,28,81,287.75
May 21, 2018	Allotment pursuant to ESOP scheme	6,125	1	28.85	Cash	91,60,89,242	91,60,89,242	30,60,30,51,869.00
		27,650		30.00		91,61,16,892	91,61,16,892	30,60,38,53,719.00
		3,77,940		30.45		91,64,94,832	91,64,94,832	30,61,49,84,052.00
		2,16,300		34.60		91,67,11,132	91,67,11,132	30,62,22,51,732.00
		80,000		48.56		91,67,91,132	91,67,91,132	30,62,60,56,532.00
		2,500		55.10		91,67,93,632	91,67,93,632	30,62,61,91,782.00
		64,250		57.10		91,68,57,882	91,68,57,882	30,62,97,96,207.00
		15,625		59.05		91,68,73,507	91,68,73,507	30,63,07,03,238.25
		8,000		65.15		91,68,81,507	91,68,81,507	30,63,12,16,438.25
June 19, 2018	Allotment pursuant to ESOP scheme	4,94,750	1	28.85	Cash	91,73,76,257	91,73,76,257	30,64,49,95,225.75
		9,63,500		30.00		91,83,39,757	91,83,39,757	30,67,29,36,725.75
		19,73,950		30.45		92,03,13,707	92,03,13,707	30,73,10,69,553.25
		3,750		30.60		92,03,17,457	92,03,17,457	30,73,11,80,553.25
		16,81,495		34.60		92,19,98,952	92,19,98,952	30,78,76,78,785.25
		4,62,500		48.56		92,24,61,452	92,24,61,452	30,80,96,75,285.25
		7,70,975		57.10		92,32,32,427	92,32,32,427	30,85,29,26,982.75
		3,02,500		59.05		92,35,34,927	92,35,34,927	30,87,04,87,107.75
		77,275		189.85		92,36,12,202	92,36,12,202	30,88,50,80,491.50
July 13, 2018		7,66,439	1	28.85	Cash	92,43,78,641	92,43,78,641	30,90,64,25,817.65
		9,87,275		30.00		92,53,65,916	92,53,65,916	30,93,50,56,792.65

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
	Allotment pursuant to ESOP scheme	10,85,650		30.45		92,64,51,566	92,64,51,566	30,96,70,29,185.15
		11,26,200		34.60		92,75,77,766	92,75,77,766	31,00,48,69,505.15
		30,000		37.30		92,76,07,766	92,76,07,766	31,00,59,58,505.15
		12,500		48.55		92,76,20,266	92,76,20,266	31,00,65,52,880.15
		2,47,125		48.56		92,78,67,391	92,78,67,391	31,01,83,06,145.15
		75,000		53.95		92,79,42,391	92,79,42,391	31,02,22,77,395.15
		8,51,921		57.10		92,87,94,312	92,87,94,312	31,07,00,70,163.25
		1,61,000		59.05		92,89,55,312	92,89,55,312	31,07,94,16,213.25
		1,25,000		61.00		92,90,80,312	92,90,80,312	31,08,69,16,213.25
		7,500		65.15		92,90,87,812	92,90,87,812	31,08,73,97,338.25
		31,250		70.05		92,91,19,062	92,91,19,062	31,08,95,55,150.75
		2,500		108.30		92,91,21,562	92,91,21,562	31,08,98,23,400.75
		53,250		189.85		92,91,74,812	92,91,74,812	31,09,98,79,663.25
August 17, 2018	Allotment pursuant to ESOP scheme	37,500	1	29.90	Cash	92,92,12,312	92,92,12,312	31,10,09,63,413.25
		25,250		30.00		92,92,37,562	92,92,37,562	31,10,16,95,663.25
		6,250		30.05		92,92,43,812	92,92,43,812	31,10,18,77,225.75
		83,000		30.45		92,93,26,812	92,93,26,812	31,10,43,21,575.75
		1,15,275		34.60		92,94,42,087	92,94,42,087	31,10,81,94,815.75
		12,500		37.30		92,94,54,587	92,94,54,587	31,10,86,48,565.75
		37,500		48.10		92,94,92,087	92,94,92,087	31,11,04,14,815.75
		12,500		48.55		92,95,04,587	92,95,04,587	31,11,10,09,190.75
		4,80,725		48.56		92,99,85,312	92,99,85,312	31,13,38,72,471.75
		10,000		55.10		92,99,95,312	92,99,95,312	31,13,44,13,471.75
		58,950		57.10		93,00,54,262	93,00,54,262	31,13,77,20,566.75
		1,250		59.00		93,00,55,512	93,00,55,512	31,13,77,93,066.75
		20,875		59.05		93,00,76,387	93,00,76,387	31,13,90,04,860.50
		42,500		65.15		93,01,18,887	93,01,18,887	31,14,17,31,235.50
		9,175		189.85		93,01,28,062	93,01,28,062	31,14,34,63,934.25
September 14, 2018	Allotment pursuant to ESOP scheme	62,950	1	30.00	Cash	93,01,91,012	93,01,91,012	31,14,52,89,484.25
		88,635		30.45		93,02,79,647	93,02,79,647	31,14,78,99,785.00
		5,625		30.60		93,02,85,272	93,02,85,272	31,14,80,66,285.00
		93,775		34.60		93,03,79,047	93,03,79,047	31,15,12,17,125.00
		17,500		37.30		93,03,96,547	93,03,96,547	31,15,18,52,375.00
		5,000		48.10		93,04,01,547	93,04,01,547	31,15,20,87,875.00
		28,750		55.10		93,04,30,297	93,04,30,297	31,15,36,43,250.00
		69,250		57.10		93,04,99,547	93,04,99,547	31,15,75,28,175.00
		37,500		59.00		93,05,37,047	93,05,37,047	31,15,97,03,175.00
		44,375		59.05		93,05,81,422	93,05,81,422	31,16,22,79,143.75
		43,750		64.70		93,06,25,172	93,06,25,172	31,16,50,66,018.75
		6,250		65.15		93,06,31,422	93,06,31,422	31,16,54,66,956.25
		11,250		112.05		93,06,42,672	93,06,42,672	31,16,67,16,268.75
		13,250		189.85		93,06,55,922	93,06,55,922	31,16,92,18,531.25
October 22, 2018	Allotment pursuant to ESOP scheme	12,000	1	30.00	Cash	93,06,67,922	93,06,67,922	31,16,95,66,531.25
		1,12,325		30.45		93,07,80,247	93,07,80,247	31,17,28,74,502.50
		1,000		30.60		93,07,81,247	93,07,81,247	31,17,29,04,102.50
		29,920		34.60		93,08,11,167	93,08,11,167	31,17,39,09,414.50
		30,000		37.30		93,08,41,167	93,08,41,167	31,17,49,98,414.50
		17,500		41.40		93,08,58,667	93,08,58,667	31,17,57,05,414.50

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
		13,000		48.10		93,08,71,667	93,08,71,667	31,17,63,17,714.50
		12,500		51.60		93,08,84,167	93,08,84,167	31,17,69,50,214.50
		7,500		55.10		93,08,91,667	93,08,91,667	31,17,73,55,964.50
		46,097		57.10		93,09,37,764	93,09,37,764	31,17,99,42,006.20
		20,250		59.05		93,09,58,014	93,09,58,014	31,18,11,17,518.70
		18,500		65.15		93,09,76,514	93,09,76,514	31,18,23,04,293.70
		10,000		70.05		93,09,86,514	93,09,86,514	31,18,29,94,793.70
		12,250		108.30		93,09,98,764	93,09,98,764	31,18,43,09,218.70
		18,750		112.05		93,10,17,514	93,10,17,514	31,18,63,91,406.20
		15,750		189.85		93,10,33,264	93,10,33,264	31,18,93,65,793.70
November 19, 2018	Allotment pursuant to ESOP scheme	63,050	1	30.00	Cash	93,10,96,314	93,10,96,314	31,19,11,94,243.70
		2,90,665		30.45		93,13,86,979	93,13,86,979	31,19,97,54,327.95
		32,125		30.60		93,14,19,104	93,14,19,104	31,20,07,05,227.95
		1,17,910		34.60		93,15,37,014	93,15,37,014	31,20,46,67,003.95
		32,500		37.30		93,15,69,514	93,15,69,514	31,20,58,46,753.95
		28,250		48.10		93,15,97,764	93,15,97,764	31,20,71,77,328.95
		5,000		55.10		93,16,02,764	93,16,02,764	31,20,74,47,828.95
		1,52,350		57.10		93,17,55,114	93,17,55,114	31,21,59,94,663.95
		75,000		59.00		93,18,30,114	93,18,30,114	31,22,03,44,663.95
		58,375		59.05		93,18,88,489	93,18,88,489	31,22,37,33,332.70
		4,000		65.15		93,18,92,489	93,18,92,489	31,22,39,89,932.70
		4,000		108.30		93,18,96,489	93,18,96,489	31,22,44,19,132.70
		10,000		189.85		93,19,06,489	93,19,06,489	31,22,63,07,632.70
December 11, 2018	Allotment pursuant to ESOP scheme	22,500	1	30.00	Cash	93,19,28,989	93,19,28,989	31,22,69,60,132.70
		28,750		30.45		93,19,57,739	93,19,57,739	31,22,78,06,820.20
		31,250		34.60		93,19,88,989	93,19,88,989	31,22,88,56,820.20
January 14, 2019	Allotment pursuant to ESOP scheme	13,500	1	30.00	Cash	93,20,02,489	93,20,02,489	31,22,92,48,320.20
		12,925		30.45		93,20,15,414	93,20,15,414	31,22,96,28,961.45
		9,825		34.60		93,20,25,239	93,20,25,239	31,22,99,59,081.45
		17,500		37.30		93,20,42,739	93,20,42,739	31,23,05,94,331.45
		5,000		48.10		93,20,47,739	93,20,47,739	31,23,08,29,831.45
		6,250		57.10		93,20,53,989	93,20,53,989	31,23,11,80,456.45
		3,000		59.05		93,20,56,989	93,20,56,989	31,23,13,54,606.45
February 15, 2019	Allotment pursuant to ESOP scheme	56,500	1	30.00	Cash	93,21,13,489	93,21,13,489	31,23,29,93,106.45
		1,09,025		30.45		93,22,22,514	93,22,22,514	31,23,62,03,892.70
		85,900		34.60		93,23,08,414	93,23,08,414	31,23,90,90,132.70
		7,500		37.30		93,23,15,914	93,23,15,914	31,23,93,62,382.70
		25,000		41.40		93,23,40,914	93,23,40,914	31,24,03,72,382.70
		62,500		51.60		93,24,03,414	93,24,03,414	31,24,35,34,882.70
		4,000		57.10		93,24,07,414	93,24,07,414	31,24,37,59,282.70
		5,500		59.05		93,24,12,914	93,24,12,914	31,24,40,78,557.70
		30,000		70.05		93,24,42,914	93,24,42,914	31,24,61,50,057.70
March 19, 2019	Allotment pursuant to ESOP scheme	45,000	1	27.35	Cash	93,24,87,914	93,24,87,914	31,24,73,35,807.70
		28,000		30.00		93,25,15,914	93,25,15,914	31,24,81,47,807.70
		29,350		30.45		93,25,45,264	93,25,45,264	31,24,90,12,165.20
		1,875		30.60		93,25,47,139	93,25,47,139	31,24,90,67,665.20
		3,050		34.60		93,25,50,189	93,25,50,189	31,24,91,70,145.20
		7,500		37.30		93,25,57,689	93,25,57,689	31,24,94,42,395.20
		32,500		48.10		93,25,90,189	93,25,90,189	31,25,09,73,145.20

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
April 9, 2019	Allotment pursuant to ESOP scheme	63,625	1	57.10	Cash	93,26,53,814	93,26,53,814	31,25,45,42,507.70
		13,750		59.05		93,26,67,564	93,26,67,564	31,25,53,40,695.20
		2,000		65.15		93,26,69,564	93,26,69,564	31,25,54,68,995.20
		6,175		30.45		93,26,75,739	93,26,75,739	31,25,56,50,848.95
		5,125		34.60		93,26,80,864	93,26,80,864	31,25,58,23,048.95
		7,500		37.30		93,26,88,364	93,26,88,364	31,25,60,95,298.95
		8,425		57.10		93,26,96,789	93,26,96,789	31,25,65,67,941.45
		2,500		59.05		93,26,99,289	93,26,99,289	31,25,67,13,066.45
		29,500		65.15		93,27,28,789	93,27,28,789	31,25,86,05,491.45
		25,000		118.00		93,27,53,789	93,27,53,789	31,26,15,30,491.45
May 14, 2019	Allotment pursuant to ESOP scheme	2,000	1	30.00	Cash	93,27,55,789	93,27,55,789	31,26,15,88,491.45
		2,175		30.45		93,27,57,964	93,27,57,964	31,26,16,52,545.20
		10,075		34.60		93,27,68,039	93,27,68,039	31,26,19,91,065.20
		20,000		37.30		93,27,88,039	93,27,88,039	31,26,27,17,065.20
		12,625		57.10		93,28,00,664	93,28,00,664	31,26,34,25,327.70
		5,000		59.05		93,28,05,664	93,28,05,664	31,26,37,15,577.70
June 18, 2019	Allotment pursuant to ESOP scheme	10,550	1	30.00	Cash	93,28,16,214	93,28,16,214	31,26,40,21,527.70
		19,300		30.45		93,28,35,514	93,28,35,514	31,26,45,89,912.70
		21,450		34.60		93,28,56,964	93,28,56,964	31,26,53,10,632.70
		12,500		37.30		93,28,69,464	93,28,69,464	31,26,57,64,382.70
		1,22,100		57.10		93,29,91,564	93,29,91,564	31,27,26,14,192.70
		44,500		59.05		93,30,36,064	93,30,36,064	31,27,51,97,417.70
		1,000		65.15		93,30,37,064	93,30,37,064	31,27,52,61,567.70
		27,500		70.05		93,30,64,564	93,30,64,564	31,27,71,60,442.70
		1,175		189.85		93,30,65,739	93,30,65,739	31,27,73,82,341.45
		300		314.40		93,30,66,039	93,30,66,039	31,27,74,76,361.45
July 16, 2019	Allotment pursuant to ESOP scheme	2,950	1	30.00	Cash	93,30,68,989	93,30,68,989	31,27,75,61,911.45
		3,850		30.45		93,30,72,839	93,30,72,839	31,27,76,75,293.95
		2,150		34.60		93,30,74,989	93,30,74,989	31,27,77,47,533.95
		2,500		55.10		93,30,77,489	93,30,77,489	31,27,78,82,783.95
		1,18,375		57.10		93,31,95,864	93,31,95,864	31,28,45,23,621.45
		47,500		59.05		93,32,43,364	93,32,43,364	31,28,72,80,996.45
		18,750		65.15		93,32,62,114	93,32,62,114	31,28,84,83,808.95
		10,000		189.85		93,32,72,114	93,32,72,114	31,29,03,72,308.95
August 21, 2019	Allotment pursuant to ESOP scheme	55,000	1	30.00	Cash	93,33,27,114	93,33,27,114	31,29,19,67,308.95
		37,550		30.45		93,33,64,664	93,33,64,664	31,29,30,73,156.45
		9,875		34.60		93,33,74,539	93,33,74,539	31,29,34,04,956.45
		10,000		37.30		93,33,84,539	93,33,84,539	31,29,37,67,956.45
		45,125		57.10		93,34,29,664	93,34,29,664	31,29,62,99,468.95
		27,625		59.05		93,34,57,289	93,34,57,289	31,29,79,03,100.20
		9,500		65.15		93,34,66,789	93,34,66,789	31,29,85,12,525.20
		18,250		70.05		93,34,85,039	93,34,85,039	31,29,97,72,687.70
September 23, 2019	Allotment pursuant to ESOP scheme	2,500	1	30.00	Cash	93,34,87,539	93,34,87,539	31,29,98,45,187.70
		1,17,475		30.45		93,36,05,014	93,36,05,014	31,30,33,04,826.45
		2,500		30.60		93,36,07,514	93,36,07,514	31,30,33,78,826.45
		64,950		34.60		93,36,72,464	93,36,72,464	31,30,55,61,146.45
		15,000		37.30		93,36,87,464	93,36,87,464	31,30,61,05,646.45
		72,875		57.10		93,37,60,339	93,37,60,339	31,31,01,93,933.95
		24,375		59.05		93,37,84,714	93,37,84,714	31,31,16,08,902.70
		8,000		65.15		93,37,92,714	93,37,92,714	31,31,21,22,102.70

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
October 16, 2019	Allotment pursuant to ESOP scheme	3,900	1	30.45	Cash	93,37,96,614	93,37,96,614	31,31,22,36,957.70
		15,000		30.60		93,38,11,614	93,38,11,614	31,31,26,80,957.70
		1,475		34.60		93,38,13,089	93,38,13,089	31,31,27,30,517.70
		7,500		37.30		93,38,20,589	93,38,20,589	31,31,30,02,767.70
		3,750		55.10		93,38,24,339	93,38,24,339	31,31,32,05,642.70
		17,338		57.10		93,38,41,677	93,38,41,677	31,31,41,78,304.50
		1,625		59.05		93,38,43,302	93,38,43,302	31,31,42,72,635.75
		5,000		70.05		93,38,48,302	93,38,48,302	31,31,46,17,885.75
November 19, 2019	Allotment pursuant to ESOP scheme	19,500	1	30.00	Cash	93,38,67,802	93,38,67,802	31,31,51,83,385.75
		32,500		30.45		93,39,00,302	93,39,00,302	31,31,61,40,510.75
		16,875		30.60		93,39,17,177	93,39,17,177	31,31,66,40,010.75
		31,575		34.60		93,39,48,752	93,39,48,752	31,31,77,00,930.75
		10,000		37.30		93,39,58,752	93,39,58,752	31,31,80,63,930.75
		6,250		48.10		93,39,65,002	93,39,65,002	31,31,83,58,305.75
		5,000		55.10		93,39,70,002	93,39,70,002	31,31,86,28,805.75
		48,375		57.10		93,40,18,377	93,40,18,377	31,32,13,42,643.25
		22,250		59.05		93,40,40,627	93,40,40,627	31,32,26,34,255.75
December 17, 2019	Allotment pursuant to ESOP scheme	25,000	1	30.00	Cash	93,40,65,627	93,40,65,627	31,32,33,59,255.75
		44,925		30.45		93,41,10,552	93,41,10,552	31,32,46,82,297.00
		23,600		34.60		93,41,34,152	93,41,34,152	31,32,54,75,257.00
		5,000		37.30		93,41,39,152	93,41,39,152	31,32,56,56,757.00
		2,500		55.10		93,41,41,652	93,41,41,652	31,32,57,92,007.00
		45,250		57.10		93,41,86,902	93,41,86,902	31,32,83,30,532.00
		10,250		59.05		93,41,97,152	93,41,97,152	31,32,89,25,544.50
		31,250		70.05		93,42,28,402	93,42,28,402	31,33,10,83,357.00
January 17, 2020	Allotment pursuant to ESOP scheme	5,000	1	30.45	Cash	93,42,33,402	93,42,33,402	31,33,12,30,607.00
		5,000		34.60		93,42,38,402	93,42,38,402	31,33,13,98,607.00
		5,050		57.10		93,42,43,452	93,42,43,452	31,33,16,81,912.00
		1,250		59.05		93,42,44,702	93,42,44,702	31,33,17,54,474.50
		1,500		65.15		93,42,46,202	93,42,46,202	31,33,18,50,699.50
February 12, 2020	Allotment pursuant to ESOP scheme	2,200	1	30.45	Cash	93,42,48,402	93,42,48,402	31,33,19,15,489.50
		3,350		34.60		93,42,51,752	93,42,51,752	31,33,20,28,049.50
		50,000		51.60		93,43,01,752	93,43,01,752	31,33,45,58,049.50
		12,425		57.10		93,43,14,177	93,43,14,177	31,33,52,55,092.00
		2,500		59.05		93,43,16,677	93,43,16,677	31,33,54,00,217.00
		20,000		70.05		93,43,36,677	93,43,36,677	31,33,67,81,217.00
March 12, 2020	Allotment pursuant to ESOP scheme	23,850	1	30.45	Cash	93,43,60,527	93,43,60,527	31,33,74,83,599.50
		26,725		34.60		93,43,87,252	93,43,87,252	31,33,83,81,559.50
		15,000		57.10		93,44,02,252	93,44,02,252	31,33,92,23,059.50
		6,750		59.05		93,44,09,002	93,44,09,002	31,33,96,14,897.00
April 16, 2020	Allotment pursuant to ESOP scheme	45,000	1	27.35	Cash	93,44,54,002	93,44,54,002	31,34,08,00,647.00
		20,750		30.45		93,44,74,752	93,44,74,752	31,34,14,11,734.50
		22,675		34.6		93,44,97,427	93,44,97,427	31,34,21,73,614.50
		1,250		57.1		93,44,98,677	93,44,98,677	31,34,22,43,739.50
		1,875		59.05		93,45,00,552	93,45,00,552	31,34,23,52,583.25
May 18, 2020	Allotment pursuant to ESOP scheme	16,175	1	30.45	Cash	93,45,16,727	93,45,16,727	31,34,28,28,937.00
		8,400		34.6		93,45,25,127	93,45,25,127	31,34,31,11,177.00
		1,250		57.1		93,45,26,377	93,45,26,377	31,34,31,81,302.00
June 12, 2020		21,000	1	30.45	Cash	93,45,47,377	93,45,47,377	31,34,37,99,752.00

Date of allotment	Nature of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (in
	Allotment pursuant to ESOP scheme	33,000		34.60		93,45,80,377	93,45,80,377	31,34,49,08,552.00
July 22, 2020	Allotment pursuant to ESOP scheme	3,450	1	30.45	Cash	93,45,83,827	93,45,83,827	31,34,50,10,154.50
		2,800		34.60		93,45,86,627	93,45,86,627	31,34,51,04,234.50
		10,000		37.30		93,45,96,627	93,45,96,627	31,34,54,67,234.50
		125		59.05		93,45,96,752	93,45,96,752	31,34,54,74,490.75
August 20, 2020	Allotment pursuant to ESOP scheme	58,750	1	30.00	Cash	93,46,55,502	93,46,55,502	31,34,71,78,240.75
		37,250		30.45		93,46,92,752	93,46,92,752	31,34,82,75,253.25
		41,100		34.60		93,47,33,852	93,47,33,852	31,34,96,56,213.25
		12,500		57.10		93,47,46,352	93,47,46,352	31,35,03,57,463.25
		625		59.05		93,47,46,977	93,47,46,977	31,35,03,93,744.50
September 16, 2020	Allotment pursuant to ESOP scheme	45,875	1	30.00	Cash	93,47,92,852	93,47,92,852	31,35,17,24,119.50
		79,175		30.45		93,48,72,027	93,48,72,027	31,35,40,55,823.25
		17,000		34.60		93,48,89,027	93,48,89,027	31,35,46,27,023.25
		25,250		57.10		93,49,14,277	93,49,14,277	31,35,60,43,548.25
		12,250		59.05		93,49,26,527	93,49,26,527	31,35,67,54,660.75

(d) Details of any acquisitions or amalgamation in the last one year: None

(e) Details of any reorganization or reconstruction in the last one year:

Our Company has not made any reorganization or reconstruction in the last one year. However, the Board of Directors at their meeting held on August 27, 2020 has *inter alia* accorded its in-principle approval, subject to receipt of appropriate regulatory and other customary approvals, to explore various alternatives to transfer, hive off, demerge, sell etc., whole or part of the asset management business of the Group ("EAM") comprising of asset reconstruction, PMS, AIF and mutual fund businesses, carried on by various subsidiaries, to a strategic investor at an appropriate time, including evaluating the option to list the equity shares of EAM holding company or one or more of its identified subsidiaries on the stock exchanges. The following reorganization is envisaged (in a phased manner and in compliance with applicable laws):

- (i) Segregation of legal structure of the Edelweiss group relating to wealth management and asset management businesses into two separate business verticals namely Edelweiss Wealth Management ("EWM") business and Edelweiss Asset Management ("EAM") business respectively.
- (ii) Demerger of EAM business (along with investments in subsidiaries carrying on EAM business) of Edelweiss Securities Limited ("ESL") into a separate company, such that ESL only retains EWM business.
- (iii) Demerger of the EWM business of EGWML (including CCDs issued by EGWML) to ESL such that, subsequent to conversion of the CCDs, the Investor shall hold 51% equity stake on a fully diluted basis in ESL.
- (iv) Post completion of the aforementioned transaction steps, the Company to demerge its merchant banking business along with the investments in the subsidiaries carrying on the business of wealth management into ESL and subsequent listing of the equity shares of ESL, subject to necessary approvals, at an appropriate time.

The first phase i.e. the steps (i) to (iii) is expected to close in about 4-6 months and the other phases including the segregation of the EAM business and demerger of the EWM business, will be implemented thereafter.

5. DETAILS OF THE SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2020

(a) Equity Shareholding pattern of the Company as on September 30, 2020: Refer Annexure

(b) List of Top 10 holders of Equity Shares of the Company as on September 30, 2020:

Sr. No.	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares	Equity Shares pledged or otherwise encumbered
1.	Mr. Rashesh Chandrakant Shah	14,56,01,730	14,56,01,730	15.57	75,00,000
2.	Mr. Venkatchalam Ramaswamy	5,81,26,560	5,81,26,560	6.22	1,35,00,000
3.	BIH SA	4,82,57,748	4,82,57,748	5.16	-
4.	Mabella Trustee Services Private Limited (on behalf of M/s. Shah Family Discretionary Trust)	3,87,50,000	3,87,50,000	4.14	-
5.	Edelweiss Employees Welfare Trust	3,75,95,270	3,75,95,270	4.02	-
6.	Ms. Vidya Shah	3,10,31,200	3,10,31,200	3.32	1,46,08,000
7.	The Pabrai Investment Fund Iv, Lp	2,30,70,159	2,30,70,159	2.47	-
8.	Life Insurance Corporation of India	2,09,97,094	2,09,97,094	2.25	-
9.	Tiaa-Cref Funds - Tiaa-Cref Emerging Markets Equity Fund	1,93,55,557	1,93,55,557	2.07	-
10.	Baron Emerging Markets Fund	1,90,98,773	1,90,98,773	2.04	-

6. BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY:

(a) NAMES AND ADDRESS OF THE DIRECTORS OF THE COMPANY AS ON SEPTEMBER 30, 2020:

Sr. No.	Name, Designation, DIN, Nationality, Occupation and Address	Age (Years)	Date of Appointment	Other Directorships
1	Mr. Rashesh Shah Designation: Chairman, Managing Director & Chief Executive Officer DIN: 00008322 Nationality: Indian Occupation: Service Address: 223/B Kalpataru Horizon-B, S. K. Ahire Marg, Worli, Mumbai - 400018, Maharashtra, India.	57	November 21, 1995	<ul style="list-style-type: none"> ECL Finance Limited; Edelweiss Tokio Life Insurance Company Limited; Mabella Trustee Services Private Limited (formerly

				known as Ivy Financial Services Private Limited); and <ul style="list-style-type: none"> • Rashesh & Vidya Shah Family Foundation
2	Mr. Venkatchalam Ramaswamy Designation: Vice Chairman & Executive Director DIN: 00008509 Nationality: Indian Occupation: Service Address: 142, Beach Towers, P. Balu Road, Prabhadevi, Mumbai- 400025, Maharashtra, India.	54	February 20, 1996	<ul style="list-style-type: none"> • ECL Finance Limited; • Edelweiss Asset Reconstruction Company Limited; • Edelweiss Finance & Investments Limited; • Edelweiss Capital (Singapore) Pte. Ltd.; • Edelweiss Alternative Asset Advisors Pte. Ltd. (Singapore); and • Edelweiss Investment Advisors Pte. Ltd. (Singapore)
3	Mr. Himanshu Kaji Designation: Executive Director DIN: 00009438 Nationality: Indian Occupation: Service Address: C/5, C/7, Ishwar Niwas, Sicka Nagar, VP Road, Mumbai – 400004, Maharashtra, India.	55	November 1, 2011	Edelweiss Trusteeship Company Limited
4	Mr. Rujan Panjwani Designation: Executive Director DIN: 00237366 Nationality: Indian Occupation: Service Address: 26 Hem Prabha, 68, Marine Drive, Mumbai - 400020, Maharashtra, India.	57	June 24, 2013	<ul style="list-style-type: none"> • ECap Equities Limited; • Edelweiss General Insurance Company Limited; • Edel Land Limited; and • Edelweiss Tokio Life Insurance Company Limited

5	<p>Ms. Vidya Shah Designation: Non- Executive Non- Independent Director DIN: 00274831 Occupation: Service Address: 223, Kalpataru Horizon B, S K Ahire Marg, Worli, Mumbai - 400018, Maharashtra, India.</p>	54	June 24, 2013	<ul style="list-style-type: none"> • Edelgive Foundation; • Edelweiss Asset Reconstruction Company Limited; • ECL Finance Limited; • Foundation for Reinventing Governance; • Kimyo Learning Private Limited; • MabellaTrustee Services Private Limited (formerly known as Ivy Financial Services Private Limited); • Rashesh and Vidya Shah Family Foundation; and • Toolbox India Foundation
6	<p>Mr. P N Venkatachalam Designation: Independent Director DIN: 00499442 Occupation: Professional Address: Flat No 3C, Settlur Manor, No.2, Sivaswamy Street Opp. Dr. Radhakrishnan Salai, Mylapore, Chennai- 600004, Tamil Nadu, India.</p>	76	August 9, 2017	<ul style="list-style-type: none"> • ECL Finance Limited; • Edelweiss Finance & Investments Limited; • Edelweiss Tokio Life Insurance Company Limited; • Edelweiss Housing Finance Limited; • Edelweiss Asset Reconstruction Company Limited; • Sundaram Finance Limited; and • Sundaram Home Finance Limited

7	<p>Mr. Berjis Desai Designation: Independent Director DIN: 00153675 Occupation: Professional Address: Yezerina - II, 2nd Floor, 740/741, Dadar Parsi Colony, Road No. 5, Dadar, Mumbai - 400 014, Maharashtra, India.</p>	64	November 18, 2009	<ul style="list-style-type: none"> • Deepak Fertilisers and Petrochemicals Corporation Limited; • Emcure Pharmaceuticals Limited; • Inventurus Knowledge Solutions Private Limited; • Jubilant Food Works Limited; • Man Infraconstruction Limited; • Macrotech Developers Limited; • Nuvoco Vistas Corporation Limited; • Star Health And Allied Insurance Company Limited; • Praj Industries Limited; • The Great Eastern Shipping Company Limited; and • Vista Intelligence Private Limited
8	<p>Mr. Navtej S. Nandra Designation: Independent Director DIN: 02282617 Occupation: Service Address: 22 West 15 Street, #18A, New York, NY 10011, USA.</p>	54	May 22, 2009	<ul style="list-style-type: none"> • Cadence Group, Inc. • Edelweiss Tokio Life Insurance Company Limited; • Edelweiss General Insurance Company Limited; • OakNorth Bank Limited; and • Pidilite Usa, Inc

9	<p>Mr. Kunnasagaran Chinniah Designation: Independent Director DIN: 01590108 Occupation: Professional Address: Flat No.- 12, Countryside Grove, Singapore 789967.</p>	63	October 1, 2013	<ul style="list-style-type: none"> • Astrea III Pte. Ltd.; • Astrea IV Pte. Ltd.; • Astrea V Pte Ltd.; • Azalea Asset Management Pte. Ltd.; • Azalea Investment Management Pte. Ltd.; • Changi Airport International Pte. Ltd.; • Edelweiss Capital (Singapore) Pte. Limited; • Edelweiss Rural & Corporate Services Limited; • Edelweiss Securities Limited; • Edelweiss Tokio Life Insurance Company Limited • ECL Finance Limited • Edelweiss Finance & Investments Limited • Hindu Endowments Board; • Greenko Energy Holdings; • Keppel Infrastructure Fund Management Pte Ltd.; and • Nirlon Limited.
10	<p>Mr. Biswamohan Mahapatra Designation: Independent Director DIN: 06990345 Occupation: Professional Address: Flat No.- 502, Floor 5, Wing M1, Riddhi Gardens CHSL, Gen. A.K Vaidya Marg, Malad (E) Mumbai 400097, Maharashtra, India.</p>	66	March 26, 2015	<ul style="list-style-type: none"> • ECL Finance Limited; • HDFC Credila Financial Services Limited; • National Payments Corporation of India;

				<ul style="list-style-type: none"> NPCI International Payment Limited; and Ujjivan Small Finance Bank Limited
11	Mr. Ashok Kini Designation: Independent Director DIN: 00812946 Occupation: Professional Address: Flat No.- B- 202, 2 nd floor Mantri Pride Apartment, Behind Madhavan Park, 1 st Block Jayanagar, Bengaluru- 560011, Karnataka, India.	75	April 1, 2019	<ul style="list-style-type: none"> Edelweiss Asset Reconstruction Company Limited Fino Finance Private Limited; Fino Paytech Limited; GOCL Corporation Limited; Gulf Oil Lubricants India Limited; Nihilent Analytics Limited; and Nihilent Limited
12	Dr. Ashima Goyal Designation: Independent Director DIN: 00233635 Occupation: Professional Address: A-2, IGIDR, Gen. AK Vaidya Marg, Goregaon, Mumbai -400065, Maharashtra, India.	65	April 1, 2019	<ul style="list-style-type: none"> IDBI Bank Limited; and SBI General Insurance Company Limited

(b) Change in Directors since last three years:

Name of Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since (in case of resignation)	Remarks
Mr. Sanjiv Misra <i>Independent Director</i> DIN:03511635	January 24, 2019	May 16, 2011	Resignation
Mr. Ashok Kini <i>Independent Director</i> DIN:00812946	April 1, 2019	-	Appointment
Dr. Ashima Goyal <i>Independent Director</i> DIN:00233635	April 1, 2019	-	Appointment
Ms. Anita M. George <i>Independent Director</i> DIN:00441131	April 1, 2019	-	Appointment

Name of Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since (in case of resignation)	Remarks
Ms. Anita M. George Non-Executive Non -Independent Director DIN:00441131	May 14, 2019	-	Change in designation
Ms. Anita M. George Non-Executive Non -Independent Director DIN:00441131	July 13, 2020	April 1, 2019	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.
 - Name of the bank declaring the entity as a wilful defaulter: Not Applicable
 - The year in which the entity is declared as a wilful defaulter: Not Applicable
 - Outstanding amount when the entity is declared as a wilful defaulter: Not Applicable
 - Name of the entity declared as a wilful defaulter: Not Applicable
 - Steps taken, if any, for the removal from the list of wilful defaulters: Not Applicable
 - Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: Not Applicable
 - Any other disclosure as specified by the Board: Not Applicable.

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 as mentioned below during the last three financial years:

(in Rs. Millions)

Sr. No.	Name of the Director	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)	March 31, 2018 (Rs.)
1.	Mr. Rashesh Shah	12.69	72.66	64.23
2.	Mr. Venkatchalam Ramaswamy	11.20	53.70	1.20
3.	Mr. Himanshu Kaji	11.91	24.93	51.43
4.	Mr. Rujan Panjwani	27.97	19.06	31.43
5.	Ms. Vidya Shah	-	-	-
6.	Mr. P N Venkatachalam	1.34	1.78	1.76
7.	Mr. Berjis Desai	1.26	1.56	1.72
8.	Mr. Navtej S. Nandra*	1.28	1.60	1.50
9.	Mr. Kunnasagaran Chinniah	1.40	1.70	1.56
10.	Mr. Biswamohan Mahapatra	1.34	1.58	1.66
11.	Mr. Ashok Kini	0.10	-	-

12.	Ms. Ashima Goyal	0.10	-	-
13.	Ms. Anita M. George Non Executive Non Independent Director (Resigned wef July 13, 2020)	-	-	-
14.	Mr. Sunil Mitra Independent Director (Resigned wef August 2, 2017)	-	-	1.38
15.	Mr. Sanjiv Mishra Independent Director (Resigned wef January 24, 2019)	-	1.58	1.52

7. DETAILS OF AUDITORS OF THE COMPANY

(a) Details of the auditor of the Company

Name	Address	Auditor since
M/s. S.R. Batliboi & Co. LLP Chartered Accountants	14 th Floor, The Ruby, 29, Senapati Bapat Marg Dadar (West), Mumbai – 400 028.	May 23, 2018

(b) Details of changes in auditors since last three years:

Name	Address	Tenure
M/s. Price Waterhouse Chartered Accountants LLP	252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai – 400 028.	From 20 July, 2017 to May 22, 2018
M/s. S.R. Batliboi & Co. LLP Chartered Accountants	14 th Floor, The Ruby, 29, Senapati Bapat Marg Dadar (West), Mumbai – 400 028.	From May 23, 2018

8. DETAILS OF BORROWINGS as on SEPTEMBER 30, 2020

(a) Details of Secured Loan Facilities:

Lender's name	Type of facility	Amount sanctioned	Principal amount outstanding	Repayment Date / Schedule	Security
NA	NA	NA	NA	NA	NA

(b) Details of Unsecured Loan Facilities as on September 30, 2020

Lender's Name	Type of Facility	Amount Sanctioned	Principal amount outstanding	Repayment Date / Schedule
NA	NA	NA	NA	NA

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

(d) List of Top 10 Debenture holders as on September 30, 2020

Sr.No.	NAME	AMOUNT IN MILLION(Rs.)
1.	Asia Pragati Strategic Investment Fund	10,000

(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:

As on September 30, 2020, our Company has issued corporate guarantee amounting to Rs. 92,664.08 million.

Sr. No.	Company name	Nature of facility	Amount sanctioned (₹ in million)	Amount outstanding as on September 30, 2020 (₹ in million)
1	ECap Equities Limited	NLDs/MLDs/ NCD	12,500	4,441.20
2	ECL Finance Limited	Banking Facility and NLDs/MLDs/ NCD	3,600	2630.90
3	Edelweiss Asset Reconstruction Company Limited	Banking Facility and non-convertible debentures, NLDs/MLDs	35,750	25,322.50
4	Edelweiss Custodial Services Limited	Banking facility	13,500	10,950
5	Edelweiss Finance & Investments Limited	Preference shares trading and NLDs/MLDs/ NCD	720	145.90
6	Edelweiss Finvest Limited (formerly known as Edelweiss Finvest Private Limited)	NLDs/MLDs/ NCD	5,300	898.40
7	Edelweiss Housing Finance Limited	Banking facility	3,700	2,198.98
8	Edelweiss Securities Limited	Banking facility	2,000	625.30
9	Edelweiss Commodities Services Limited	Security receipts	42,600.90	42,600.90
10	Edelweiss Investment Advisers Limited	Non-convertible debentures	2,850	2,850
Total			122,520.90	92,664.08

(f) Details of Commercial Paper:

The total face value of Commercial Papers outstanding as on September 30, 2020:
 NIL

(g) Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on September 30, 2020:
 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: None except as provided above

9. Details of Promoters of the Company:

(a) Details of Promoter holding in the Company as on September 30, 2020

Name of Promoter shareholder	Total number of Equity Shares	Number of Equity Shares in demat form	Total shareholding as % of total no of Equity Shares	Number of Equity Shares pledged	% of Equity Shares pledged with respect to Equity Shares owned
Mr. Rashesh Shah	145,601,730	145,601,730	15.57	7,500,000	5.15
Mr. Venkatchalam Ramaswamy	58,126,560	58,126,560	6.22	13,500,000	23.23
Ms. Vidya Shah	31,031,200	31,031,200	3.32	14,608,000	47.08
Ms. Aparna T.C	12,210,000	12,210,000	1.31	-	-

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:

Refer Annexure

(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	Half year ended September 30, 2020	FY 2019-20	FY 2018-19	FY 2017-18

Final Dividend on Equity Shares (Rs per Equity Share)	0	0	0.30	0.30
Interim Dividend on Equity Shares (Rs per Equity Share)	-	-	1.10	1.05
Interest coverage ratio	3.16	3.68	7.92	3.61

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.

NIL

- (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.

Name	Forum	Facts in brief	Approximate value
EOW Mumbai Notice under Sec 91 of Cr PC	Economic Offences Wing, Mumbai	<p>EFSL received a notice dated 17 September 2019 from the office of the Property Cell, Detection Crime Branch, CID, Mumbai under Section 91 of the CRPC <i>inter alia</i> informing that Detection Crime Branch is investigating an offence <i>vide</i> D.C.B., C.I.D., C.R. No 64/2019 under Section 419, 420, 465, 467, 468, 471 read with 34 and 120B of IPC and during investigation it was revealed that the arrested accused, namely Pravin Rameshbhai Bhatt had prepaid and applied to EFSL for housing loan. It was further informed that based on said fake documents, EFSL sanctioned the housing loan of INR 27,36,700 and disbursed the said amount in February 2019. The investigating officer has directed EFSL to furnish necessary information and documents in respect of the said loan.</p> <p>Required documents were furnished to Economic Offences Wing. Recording of statement of EFSL official is in process. The matter is pending. EFSL has not been named in the investigation but has only been asked to furnish the requisite documents and information. There has been no correspondence from the Economic Offences Wing after such information/ documents were furnished.</p>	NA
Director of Enforcement, Govt. of India Jalandhar	Provisional attachment order	<p>EFSL has been served with provisional attachment order No. 01 of 2020 dated 18 May 2020 from the office of the Director of Enforcement, Govt. of India Jalandhar under various provisions of Prevention of Money Laundering Act, 2002 against the immovable properties and investments of Kuldeep Singh (dient), Vikram Seth and other family members, based on FIR registered by CBI, ACB, Chandigarh against these individuals under the various provisions of the IPC such as criminal conspiracy, cheating, forgery of valuable security for the purpose of cheating, use of forged documents as genuine etc. alleging siphoning off of about INR 20.31 crores from Bank of Baroda, Phagwara Branch.</p> <p>While the order has been served to EFSL, it relates to a nonperforming asset taken over by EARC being mortgaged of open plots/agriculture lands situated at Umil enclave and other places having aggregate registered value of about 1.83 crores as per Order from State Bank of India in its ordinary course of business. Thus, the attachment order has been served against properties of accused to EFSL.)</p> <p>On or about 03.09.2020, 2020, EFSL has been served show cause notice dated 10.07.2020 under Section 8 of PMAL Act, from Adjudication Authority (PMLA) <i>inter alia</i> inquiring about source of income, earning or assets by means Company acquired attached property along with supporting evidence/documents.</p>	INR 1.83 crores

		EARC had filed a reply to the notice. The subject matter was listed on 11.11.2020 for hearing before the Ld. Adjudicating Authority through video conference. Our reply has been received by the Registry and is on record. We had also supplied the copy of the Reply to the Ld. Counsel of the ED on 05.11.2020. Pleadings are almost completed in the subject matter. Time has been granted for filing the rejoinders.	
--	--	---	--

(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 Catalyst Trusteeship Limited as the Debenture Trustee to the Issue.

Catalyst Trusteeship 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

Not Applicable

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 ("DRR") shall be as per the provisions of the Companies Act, 2013. As per the extant provisions of the Companies (Share Capital and Debenture) Rules, 2014 the Company is exempted from creating the DRR.

(b) Issue/instrument specific regulations relevant details (Companies Act, RBI guideline, 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/DF1/122/2016 dated November 11, 2016 and amendments thereafter;
- SEBI Circular CIR/IMD/DF1/ 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 Notification No. DNBR. (PD) 006 /GM(MSG)2015 dated February 20, 2015 and amendments thereafter;
- RBI Circular RBI/201314/402 IDMD.PCD. 08/14.03.01/201314 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 " EDELWEISS FINANCIAL SERVICES 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/subaccounts 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/byelaws/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 subaccount 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.

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 Repurchase and Reissue the Debentures

The Company will have power, exercisable at its sole and absolute discretion from time to time, to repurchase 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 repurchased/redeemed 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 partially/early redeem the Debentures

The Company at its discretion may partially/early redeem the debentures at a request or with the consent of the debentureholder/s, if required, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines/regulations, if any.

Right to further issue the Debentures

Company reserves right to make multiple issuances under the same ISIN with reference to SEBI Circular CIR/IMD/DF1/ 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/DF1/ 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 through Electronic Clearing Services (ECS). Real Time gross settlement (RTGS), direct credit or National Electronic Fund Transfer (NEFT) into such bank account of a Debentureholder as may be notified to the Company by such Debentureholder or the Debenture Trustee or as mentioned in RTA beneficiary position/demat account database. In case if the payment cannot be made through any of the modes as mentioned above then the payments can be made through cheques payable at par or pay order.

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, DPID 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 Debenturesholder 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. Further, the successor may approach relevant depository participant to get the debenture transferred to its name. Such depository participant may ask for additional documents.

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 and email 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 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 Catalyst Trusteeship 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 Catalyst Trusteeship 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 CARE Risk Solutions Private Limited 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/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.

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.

b) 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

c) Credit Risk:

Any lending and investment activity by the Issuer is exposed to credit risk arising from repayment default by borrowers and other counterparties. The Issuer has a systematic credit evaluation process to monitor the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure and to take timely appropriate remedial actions. The Issuer also undertakes periodic reviews of its entire asset portfolio with a view to determine the portfolio valuation identify potential areas of action and devise appropriate strategies thereon. Despite these efforts, there can be no assurance that repayment default will not occur and in such circumstances may have an effect on its results of operations. The principal amount is subject to the credit risk of the Issuer whereby the investor may or may not recover all or part of the funds in case of default by the Issuer.

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 capitalized, 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 borrowings through NCDs the following Rating has been assigned –

Brickwork Ratings India Pvt. Ltd. BWR PP-MLD AA-/Stable (pronounced as BWR Principal Protected-Market Linked Debenture Double A Minus (Outlook : Stable)

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 downtrend 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) Material changes in regulations to which the Company is subject

Merchant Bankers in India are subject to detailed supervision and regulation by the SEBI. The Company is generally subject to changes in Indian law, as well as to changes in regulations and policies and accounting principles. Any changes in the regulatory framework may adversely affect the profitability of the Company or its future financial performance by requiring a restructuring of its activities, increasing costs or otherwise.

d) 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

e) 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.

f) Spread of COVID19 and the consequent nationwide lockdown to impact the Issuer's operations and financial condition

The rapid outbreak of the COVID19 pandemic has severely impacted the physical and financial health of the people across the globe. To prevent the contagion in the country, a 21 day nationwide lockdown was announced by the Government of India on March 24, 2020 which was further extended to 30 October 2020 across the country. While the national lockdown has been relaxed, each State government has set out extension of the lockdown but the relaxations (outside containment zones) have been permitted to a certain extent, subject to receipt of requisite approvals as may be required.

As a result, the economic fallout from the spread of the COVID19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk. While, the Issuer will monitor the developments of the COVID19 situation closely, assess and respond proactively to minimize any adverse impacts on the financial position and operating results of the Issuer, it is possible that the Issuer's business, financial condition and results of operations could be adversely affected due to the COVID19 pandemic. There can be no assurance that this lockdown will not be extended further on one or more occasions either locations specific or countrywide. Further, even in cases where the lockdown is relaxed or proposed to be relaxed, it is likely that partial lockdown will continue for longer in red COVID19 zones in India.

If the COVID19 situation persists or worsens, it may adversely impact the Issuer's financial condition. The COVID19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, some of our operations, business, liquidity and cashflows.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID19 virus and

the actions to contain the COVID19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

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 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 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 byelaws 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 coparceners 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 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
- (xiv) 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 subaccount shall not exceed individual debt limits allocated as per applicable rules, regulations, guidelines from time to time.

Undertaking by the Issuer

The Issuer hereby covenants and undertakes that for the Secured Debentures the assets on which the charge is or will be created to secure the Debentures are free from any encumbrances and if they are already charged such charge shall be released and/or the permission or the consent to create a charge on such assets of the Issuer shall be obtained from the existing charge holder or the creditor or Debenture Trustee as required before creation of charge to secured Debentures.

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 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 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 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 may act as principal or agent in similar transactions and/or in transactions with respect to instruments underlying a proposed transaction. The Company may, from time to time, have a long or short proprietary position/s and/or actively trade and/or 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 cum application letter 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 may be listed (if specified), 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 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/Information Memorandum is not intended for free 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/Information Memorandum 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/Information Memorandum 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 GSec Clean Price Index

The Nifty 10 yr Benchmark GSec 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 – NSE Indices Limited Background

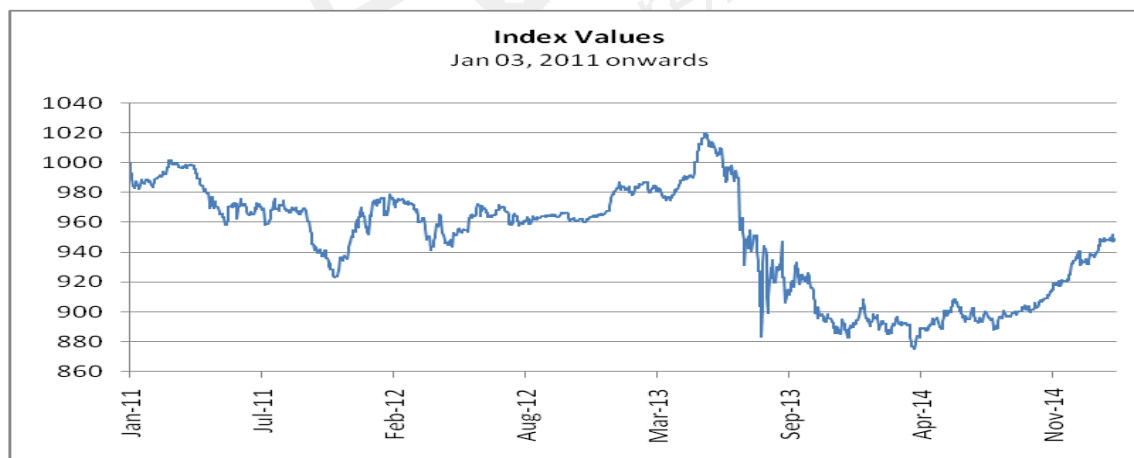
- NSE Indices Limited, a subsidiary of NSE was setup in May 1998 to create and manage indices for NSE and its participants
- NSE Indices Limited maintains over 80 equity indices comprising broad based benchmark indices, sectoral indices
- They manage the most popular and most traded indices on Indian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

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 NSE Indices Limited

- The Nifty Bank Index linked Debentures (“Debentures”) are not sponsored, endorsed, sold or promoted by NSE Indices Limited. NSE Indices Limited 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 NSE Indices Limited to EDELWEISS FINANCIAL SERVICES LIMITED ("EFSL") is only in respect of the licensing of certain trademarks and trade names of its Index which is determined, composed and calculated by NSE Indices Limited without regard to EFSL or the Debentures. NSE Indices Limited does not have any obligation to take the needs of EFL or the owners of the Debentures into consideration in determining, composing or calculating the Nifty Bank Index. NSE INDICES LIMITED 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. NSE INDICES LIMITED has no obligation or liability in connection with the administration, marketing or trading of the Debentures.

- ii. NSE Indices Limited 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. NSE Indices Limited does not make any warranty, express or implied, as to results to be obtained by EFL, owners of the Debentures, or any other person or entity from the use of the Nifty Bank Index or any data included therein. NSE Indices Limited 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, NSE Indices Limited 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 NSE Indices Limited

The Product(s) are not sponsored, endorsed, sold or promoted by NSE Indices Limited. NSE Indices Limited 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 NSE Indices Limited 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 NSE Indices Limited without regard to the Issuer or the Product(s). NSE Indices Limited 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. NSE Indices Limited 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. NSE INDICES LIMITED has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

NSE Indices Limited 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. NSE Indices Limited 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. NSE Indices Limited 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, NSE Indices Limited 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 GSEC (CLEAN PRICE) INDEX:

Disclaimer by NSE Indices Limited

The Product(s) are not sponsored, endorsed, sold or promoted by NSE Indices Limited. NSE Indices Limited 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 NSE Indices Limited 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 NSE Indices Limited without regard to the Licensee or the Product(s). NSE Indices Limited 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. NSE Indices Limited 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. NSE Indices Limited has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

NSE INDICES LIMITED 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. NSE Indices Limited 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. NSE Indices Limited 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, NSE Indices Limited 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.

FOR UNDERLYING G-SEC PRICE AS MENTIONED IN THE SUMMARY TERM SHEET

Disclaimer for underlying G-Sec Price as mentioned in the Summary Term Sheet

1. 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
2. The return on an investment in the Debentures (which are linked with G-secs) may differ from the return an investor might earn on a direct investment in the security over a similar period.
3. The terms of the instrument specify that the payments to investors will not be fixed, and will be linked to an external variable i.e. closing clean price of underlying as specified in the summary term sheet, as published by Financial Benchmarks India Private Limited on www.fbil.org.in. This could result in variability in

payments - because of adverse movement in value of the external variable. The risk of such adverse movement in price / value is not addressed by any rating.

4. An investment in the Debentures involves multiple risks and such investment should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the underlying G-Sec price specified in the summary term sheet ("underlying G-Sec price").
5. The Issuer does not represents or warranties or ensures of accuracy or completeness, timeliness, reliability, fitness for a particular purpose or merchantability of any part of the underlying G-Sec price.
6. In no event shall the company be liable for any loss, cost or damage arising out of or related to the access or use of any part of the underlying G-Sec price.
7. Notwithstanding anything herein contained the Issuer shall not bear responsibility or liability for any losses arising out of any delay in or interruptions of performance of the underlying G-Sec Price or the Issuer's obligations under this Disclosure Document due to any Force Majeure Event, act of God, act of governmental authority, act of the public enemy or due to war, the outbreak or escalation of hostilities, riot, fire, flood, civil commotion, insurrection, labour difficulty (including, without limitation, any strike, or other work stoppage or slow down), severe or adverse weather conditions, communications line failure, or other similar cause beyond the reasonable control of the Issuer.
8. The Issuer accepts no responsibility for the accurate extraction, reproduction and summary of any information relating to underlying G-Sec price. No further or other responsibility in respect of such information is accepted by the Issuer. Purchasers of the Debentures should ensure that they understand the nature of the Debentures and the extent of their exposure to risk and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition. The performance of the underlying G-sec price will therefore affect the nature and value of the investment return on the Debentures. Also a relatively small movement in the value of the underlying G-sec price can result in a disproportionately large movement in the price of the Debentures. Purchasers 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 underlying G-sec price as based on such investigations and not in reliance on any information given in this Disclosure Document.

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. 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 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/ underlying 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/underlying 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/stock/underlying 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 J3L001 A

Issuer	Edelweiss Financial Services Limited
Security Name	EFSL – Secured Market Linked Non-Convertible Debentures
Product Code	J3L001
Option	A
Date of passing of Board Resolution	July 04,2020
Date of passing of resolution in general meeting	NA
Type of Instrument	Principal Protected - Market Linked Redeemable Non-Convertible Debenture.
Nature of Instrument	Secured
Seniority	Senior
Purpose and Object of the Issue	The proceeds from the issue of Debentures will be utilized by the Company for the purpose of augmenting its working capital requirements, general corporate purposes, refinancing, making investments and/or for any other purposes as may be set out in this Disclosure Document.
Principal Protection	Principal is protected at maturity.
Underlying Stocks/ Reference Index	GOVERNMENT SECURITY: 5.77% GS 2030 HAVING ISIN: IN0020200153 MATURING ON "03-AUG-2030"
Mode of Issue	Private Placement
Option to retain oversubscription (Amount)	Not Applicable
Eligible Investors	<p>The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures</p> <ul style="list-style-type: none"> • Individuals • Hindu Undivided Family • Trust • Limited Liability Partnerships • Partnership Firm(s) • Portfolio Managers registered with SEBI • Association of Persons • Companies and Bodies Corporate including Public Sector Undertakings • Commercial Banks • Regional Rural Banks • Financial Institutions • Insurance Companies • Mutual Funds • FPIs/sub-accounts • Any other investor eligible to invest in these Debentures as per applicable law
Issue Size	Rs. 200,000,000/-
Minimum application Size	10 Debentures bearing facevalue of Rs. 100,000/- each and in multiples of 1 Debenture(s) thereafter.
Investor Category I	Subscription amount being less than Rs. 1,00,00,000/- (Rupees One Crore) after considering discount or premium, if any.

Investor Category II	Subscription amount being equal to or greater than Rs. 1,00,00,000/- (Rupees One Crore) after considering discount or premium, if any.	
Face Value/Principal	Rs. 100,000/- Per Debenture	
Issue price	Rs. 100,000/- Per Debenture	
Justification of Issue Price	Not Applicable	
Premium at which Debenture is issued	NA	
Tenor In Days	1095 Days from the Deemed Date of Allotment	
Issue Opening Date	15-Dec-2020	
Issue Closing Date	18-Dec-2020	
Initial Fixing Date	18-Dec-2020	
Initial Fixing Level	Official Closing Level of Government security: 5.77% GS 2030 having ISIN: IN0020200153 maturing on 03-Aug-2030 as on Initial Fixing Date	
Final Fixing Date	26-Oct-2023	
Final Fixing Level	Official Closing Level of Government security: 5.77% GS 2030 having ISIN: IN0020200153 maturing on 03-Aug-2030 as on Final Fixing Date	
Redemption Date *	18-Dec-2023	
Redemption Value *	Face Value*(1+Coupon)	
Pay-in-Date	18-Dec-2020	
Deemed Date of Allotment	18-Dec-2020	
Underlying Performance	(Final Fixing Level / Initial Fixing Level) – 1	
Participation Rate: PR	NA	
Coupon *	Scenario	Coupon
	If Final Fixing Level > 50% of Initial Fixing Level	32.19%
	If Final Fixing Level <= 50% of 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	
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 and above the Coupon will be payable by the Company from the date of the default till the actual payment is received for the same.	
Proposed time schedule for which the Disclosure Document is valid	Till redemption of Debentures	
Redemption Premium / Discount	Not Applicable	
Put Option	Not Applicable	
Put Option Date	Not Applicable	

Put Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Option	None, except in case of Early Redemption
Call Option Date	Not Applicable
Call Option Time	Not Applicable
Call Option Price	Not Applicable
Call Notification Time	Not Applicable
Listing and consequence of Delay in Listing	<ul style="list-style-type: none"> <u>For FPIs /sub-accounts</u> The Company proposes to list these Debentures on the Bombay Stock Exchange Wholesale Debt Market (WDM) segment within 15 days from the Deemed Date of Allotment. In case of delay in listing of the Debentures beyond 15 days from the Deemed Date of Allotment for any reason, then the FII/sub-account of FII shall immediately dispose of these Debentures either by way of sale to a third party or to the Company and the Company will be under an obligation to redeem the Debentures. However as per SEBI circular dated October 5th, 2020 for Standardization of timeline for listing of securities issued on a private placement basis, the listing of Securities needs to be done within 4 trading days from the date of closure of issue. <u>For applicants other than FPI/sub-accounts</u> The Company proposes to list these Debentures on the Bombay Stock Exchange WDM segment within 4 trading days from the Date of Closure of Issue. In case of delay in listing of the Debentures beyond 4 trading days from the Date of Closure of Issue, the Company will pay penal interest @1 % p.a. over the Coupon Rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).
Issuance mode of Debenture	DEMAT form
Trading mode of the Debenture	DEMAT form only
Depository	NSDL and CDSL
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	<p>In consideration of the Debentureholders subscribing to the Debentures and to secure the performance and payment/repayment towards Debentures under the Transaction Documents, the Issuer has created charge by way of hypothecation in favour of the Debenture Trustee for the benefit of the Debentureholders on the following:</p> <ol style="list-style-type: none"> Pari Passu charge by way of hypothecation over present and future Receivables of the Company excluding the receivables which are charged with other lender/s, trustee/s or creditor/s, together with all rights, title, interest, benefits, claims and demands; and such other Security Interest on such assets as may be agreed between the Issuer and the Debenture Trustee or created pursuant to the Deed of Hypothecation and in accordance with the

	<p>Debenture Trust Deed and other Transaction Documents.</p> <p>to the extent of principal and interest amounts of the Debentures outstanding.</p> <p>Any receivables over and above the required security cover i.e equal to 1x of the principal and interest amounts of the Debentures outstanding:</p> <ul style="list-style-type: none"> • may be charged (on a specific charge or pari passu basis) with other creditors/ trustees; or • may be sold/ transferred or assigned; or • may be securitized; or • may be part of any other legal transaction pertaining to the same; <p>by the Issuer at its own discretion without requiring any further consent from the existing Debenture Holders and the Trustee.</p> <p>“Receivables” means in the Company’s books all present and future receivables excluding the receivables which are already charged to the existing chargeholders. The value of these receivables shall at all times be equal to the principal and interest as per the terms of the issue payable on the Debentures outstanding at any point of time.</p>
Additional Security	<p>The Company shall provide additional security to meet shortfall if the Trustee and/or the Company are of the opinion that at any time during which the Debentures are outstanding the security provided by the Company has become inadequate, the Company shall provide and furnish to the Trustee to its satisfaction such additional security for maintaining the security cover as provided in the Financial Covenants and Conditions of Debenture Trust Deed as may be acceptable to the Trustee to cover such deficiency.</p> <p>In such case, the Company shall, at its own costs and expenses, furnish to the Trustee such additional security within 45 days in form and manner satisfactory to the Trustee as security for the Debentures such that security cover of at least 1x times is maintained at all times till the maturity of the Debentures, and upon creation of such additional security, the same shall vest in the Trustee subject to all the trusts, provisions and covenants contained in these presents. The Company shall, at its discretion and as and when required to maintain an appropriate asset cover will offer/provide, Fixed Deposits and/or Cash equivalents by a suitable agreement/arrangement, if any required, in addition to the Receivables. Further at the Company’s discretion the listed and unlisted holdings of the selected group companies to which the Company belongs may also be provided for maintenance of appropriate asset cover with the Trustees.</p> <p>The Debenture Trustee Shall not be required to provide notice to or obtain consent from the Debenture Holders for the creation of such additional security, so long as no Event of Default has occurred and is continuing as well as the Company has not defaulted in making payment of the secured obligations.</p>
Release of the Security	<p>In the event the Security created in favour of the Trustee by execution of a supplemental Deed of Hypothecation or any relevant document executed in this regard, to the extent of shortfall required to meet the Security Cover exceeds the Security Cover on any Date, the Issuer shall have the right to demand the release of the excess security/lien marked additional security to</p>

	the extent of such additional cover, immediately at any of point. The Issuer may or may not decide to amend prevalent Deed of Hypothecation/Supplemental Deed of Hypothecation or any relevant document executed in this regard, to file the particulars of such release with the Registrar of Companies.
Rating	<p>“BWR PP-MLD AA-/Stable” (pronounced as “BWR Principal Protected-Market Linked Debenture Double A Minus (Outlook: Stable)” by Brickwork Ratings India Pvt. Ltd. (BWR) for Rs. 300 Crores Long term Principal Protected Market Linked Debenture issue. Instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. BWR has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. and hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.</p>
Perfection of Security	The Company as the case may be shall perfect the Security/Additional Security by filing the particulars of the charge creation/modification with the concerned Registrar of Companies (ROC) or with any other authority as may be required under Applicable Law, within prescribed timelines from the date of creation of such Security/Additional Security.
Events of Default	<p>The occurrence of any one of the following events shall constitute an “Event of Default” (EoD):</p> <ul style="list-style-type: none"> (a) Default is committed in payment of any amount due and payable with respect to the Debentures under the Transaction Documents and such default is not cured by the Company within the cure period as specified herein below from the date of the default; (b) If without the prior consent of the Trustee and the Debentureholders any assets offered as security under the Security Documents or part thereof are sold, assigned, securitized, disposed of, or Encumbered, however this will not be applicable if Company ensures to maintain adequate security cover as mentioned in the Security Clause and the Additional Security Clause; (c) It is or becomes unlawful for the Company to perform its obligations under any Transaction Documents or any obligation under any Transaction Document becomes invalid or unenforceable; (d) Failure of the Company to pay any sum pursuant to any final judgement or any final order passed by a court of competent jurisdiction and which has not been set aside within 90 Days of it being passed; (e) The Company being declared or adjudicated as insolvent or bankrupt or order for winding up being instituted against the Company in

	<p>accordance with the Insolvency and Bankruptcy Code, 2016;</p> <p>(f) Any expropriation, attachment, sequestration, distress or execution or other process of similar nature that may adversely affect the performance of the Company under the Transaction Documents;</p> <p>(g) When the company without the consent of debenture holders ceases to carry on its business or gives notice of its intention to do so;</p> <p>(h) When any material breach of the terms of the disclosure document inviting the subscriptions of debentures or of the covenants of the disclosure document is committed;</p> <p>(i) When an order has been made by the Tribunal or a special resolution has been passed by the members of the company for winding up of the company;</p> <p>(j) When in the opinion of the trustees the security of debenture holders is in jeopardy.</p> <p>The cure period for the Events of Default provided for in Clause (a) to (j) of this Deed shall be 90 days.</p> <p>Upon occurrence of an EoD, the Trustee, upon instructions of the Debenture Holders representing at least 75% of the Debentures by nominal value and 60% of the Debentures by numbers (the "Majority Debenture Holders"), shall decide the calling of an Event of Default, and the course of action to be taken, including execution of the Inter Creditor Agreement with other lenders or finance parties of the Issuer.</p>
Consequence of an Event of Default	<p>On occurrence of an EOD and failure by the Company to cure within the prescribed cure period (as applicable), the Trustee (upon instructions of the Majority Debenture Holders) shall be entitled to the following:</p> <p>(a) To declare event of default under the Debenture Trust Deed;</p> <p>(b) to enter upon and take possession of the Trust Properties and other assets of the Company upon which security has been created pursuant to any Security Document;</p> <p>(c) to enforce the Security created under the Security Documents;</p> <p>(d) to bring, take, arrange, defend, settle, compromise, submit to arbitration and discontinue any actions, suits or proceedings whatsoever whether civil or criminal in relation to the Trust Properties or which in any way relate to the Security created hereunder, to disclaim, abandon, disregard, abrogate or vary all or any of the outstanding contracts of the Company relating to the Trust Properties;</p> <p>(e) to manage and use any or all of the Trust Properties and to exercise and do (or permit the Company or any nominee of it to exercise and do) all such rights and things as the Trustee would be capable of exercising or doing if it were the absolute beneficial owner of the</p>

	<p>Trust Properties;</p> <p>(f) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company (hereinafter referred to as the "Nominee Director"), provided that such Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares; provided further that the Company shall appoint the Nominee Director forthwith on receiving a nomination notice from the Trustee and the Nominee Director shall be appointed on all key committees of the board of directors of the Company;</p> <p>(g) If approved by the Majority Resolution, the Debenture Trustee shall enter into the Inter Creditor Agreement with other lender being the finance parties of the Company;</p> <p>(h) to exercise such other rights as the Trustee may deem fit under Applicable Law.</p>
Creation of Recovery Expense Fund	The Issuer shall maintain the recovery expense funds as per the terms of the applicable Laws.
Conditions for breach of covenants (As specified in the Debenture Trust Deed)	None except covenants described in Event of Default.
Contribution by Promoters or Director either as part of this offer or separately in furtherance of the objects of the Issue	Nil
Details of the Utilization of the proceeds	The proceeds from the issue of Debentures will be utilized by the Company for the purpose of augmenting its working capital requirements, general corporate purposes, refinancing, making investments and/or for any other purposes as may be set out in this Disclosure Document.
Settlement	<p>Any payments to be made to the Debentureholders, including payment of Interest, payment upon redemption, shall be made by the Company by using the services of electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT) into such bank account of a Debentureholder as may be notified to the Company by such Debentureholder or the Debenture Trustee or as mentioned in RTA beneficiary position/demat account database (acting on behalf of the Debentureholder). In case if the payment cannot be made through any of the modes as mentioned above then the payments can be made through cheques payable at par or pay order.</p> <p>Payment of the principal, all Interest and other monies will be made to the sole holder and in case of joint holders to the one whose name stands first in Register of Debentureholders/Register of Beneficial Owners.</p>
Business Day	means any day on which the money market is functioning in Mumbai, India and banks are open for general business in Mumbai (other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Mumbai, India or a Saturday or Sunday).
Business Day Convention	<p>If any of the date(s), including the Record Date, as defined in the Transaction Document falls 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 Transaction Document falls on an expiry day, which is</p>

	<p>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, in case Redemption Date (for payment of Principal and Coupon, if any) falls on Sunday or a public holiday, the previous working day shall be considered as the effective date.</p>
Interest on Application Money	This issue does not contemplate any interest on application money till allotment of Debentures.
Record Date	The day falling 15 (fifteen) calendar days prior to the Redemption Date of the Debentures.
Covenants of the Issue (including side letters, accelerated payment clause etc.)	<ol style="list-style-type: none"> 1. The Company shall comply with the Applicable Laws concerning listed debentures; 2. The Company shall do all other acts (if any) necessary for the purpose of assuring the legal validity of these presents, and in accordance with the Company's Memorandum and Articles of Association; 3. None except for the covenants as specified in the Debenture Trust Deed.
Transaction Documents	<ol style="list-style-type: none"> a. Information Memorandum; b. Debenture Trustee Agreement dated December 02, 2020; c. Debenture Trust Deed dated December 02, 2020; d. Deed of Hypothecation and Power of Attorney dated December 02, 2020; e. Any other document that may be so designated mutually by the Company and the Trustee.
Conditions Precedent	Nil
Conditions Subsequent	Nil
Provisions related to Cross Default Clause	Not Applicable
Early Redemption Option	<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". Hereinafter collectively referred to as the "Early Redemption Events".</p> <p>Further, notwithstanding anything contained in the Transaction Documents, the Company shall not be liable for any failure to perform any of its obligations under the Transaction Documents, if the performance is prevented, hindered or delayed by any one or more of the Early Redemption Events. The decision of the Company about the occurrence of the events 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 any of the Early Redemption Events, the Company shall intimate the Trustee prior to 7</p>

	<p>(seven) Business Days from making any payment pursuant to such Early Redemption Option.</p> <p>Early Redemption Option Exercise Date: The date on which the Company makes the payment pursuant to the Early Redemption Option.</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.</p> <p>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> <p>Further, the Company may at its sole discretion early redeem the Debentures at the request or with the consent of the Debentureholders, if required at any time prior to the Redemption Date subject to applicable laws and in accordance with the applicable guidelines/regulations, if any.</p>
Calculation Agent	The calculation agent shall mean Edelcap Securities Limited.
Roles and Responsibilities of Debenture Trustee	The Trustee shall be bound by such duties as prescribed under Regulation 15 of SEBI (Debenture Trustees) Regulation 1993 and as mentioned in Debenture Trust Deed.
Risk factors pertaining to the Issue	<p>Following are the certain risks in relation to the Debentures:</p> <p>1. Management's perception of Risk Factors</p> <ol style="list-style-type: none"> Early Termination for Extraordinary Reasons, Illegality and Force Majeure; Interest Rate Risk on Bonds/ Government securities; Changes or discontinuance of the Underlying; Returns on Debentures are subject to Model Risk; Increasing competition from banks, financial institutions and NBFCs; Downgrading in Credit Rating;

	<p>g. Security may be insufficient to redeem debentures; and</p> <p>h. Repayment is subject to the credit risk of Issuer.</p> <p>2. External Risk Factors</p> <p>a. The Debentures and the Assets provided as Security cover may be illiquid;</p> <p>b. A slowdown in economic growth in India;</p> <p>c. Conditions in the Indian Debt market may affect the coupon on the Debentures;</p> <p>d. Conditions in the Indian Equity market may affect the coupon on the Debentures; and</p> <p>e. Spread of COVID-19 and the consequent nationwide lockdown to impact the Issuer's operations and financial condition</p> <p>Please refer to the Disclosure Documents for details.</p>
Distribution Fees	The Issuer will pay the distributor a distribution fee which shall not exceed 3.25 % of the Principal Amount
Valuation Agency Fees	Fees paid to Valuation Agent by the Issuer shall be in the range of 2 bps p.a. to 15 bps p.a. on the face value of the outstanding Debentures.
Governing Law and Jurisdiction	<p>The Debentures are governed by and will be construed in accordance with the Indian law.</p> <p>Courts and tribunals of Mumbai shall have exclusive jurisdiction to try any disputes in relation to the Transaction Documents.</p>
Other Terms	<p>Default in Payment:</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>Delay in Execution of Debenture Trust Deed:</p> <p>Where an issuer fails to execute the debenture trust deed within the period specified in the sub-regulation (1) of Regulation 15, without prejudice to any liability arising on account of violation of the provisions of the Act and these Regulations, the issuer shall also pay interest of at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the debenture trust deed.</p> <p>Delay in Listing:</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 4 trading days from the date of closure of issue, the Company will pay penal interest @1 % p.a. over the Coupon Rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).</p>

	<p><u>For investments by FIIs / 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 for any reason, then the FII/sub-account of FII shall immediately dispose of these Debentures either by way of sale to a third party or to the Company and the Company will be under an obligation to redeem the Debentures.</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 Debentures 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>However as per SEBI circular dated October 5th, 2020 for Standardization of timeline for listing of securities issued on a private placement basis, the listing of Securities needs to be done within 4 trading days from the date of closure of issue.</p> <p>The interest rates mentioned in above are independent of each other.</p>
--	---

22. Illustration of Cash Flows:

Company	EDELWEISS FINANCIAL SERVICES LIMITED		
Face Value	Rs. 100,000/- Per Debenture		
Deemed Date of Allotment	18-Dec-2020		
Redemption Date	18-Dec-2023		
Coupon	Scenario	Coupon	
	If Final Fixing Level > 50% of Initial Fixing Level	32.19%	
	If Final Fixing Level <= 50% of Initial Fixing Level	0.00%	
Coupon Payment Dates/Frequency	Coupon if any, will be paid on Redemption Date		
Day Count Convention	Not Applicable		

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
------------	------	------------------------------	--------------------

Coupon on Redemption, if any	18-Dec-2023	1095	* Coupon linked to Underlying / Reference Index.
Face Value	18-Dec-2023	1095	Rs. 100,000/- Per Debenture
Total	18-Dec-2023	1095	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.

While the Debentures are secured to the tune of 100% of the principal and interest amount/ valuation or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.



23) SCENARIO ANALYSIS FOR J3L001A

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
100.00	0.00	-100%	0.00%	0.00%
100.00	10.00	-90%	0.00%	0.00%
100.00	20.00	-80%	0.00%	0.00%
100.00	30.00	-70%	0.00%	0.00%
100.00	40.00	-60%	0.00%	0.00%
100.00	50.00	-50%	0.00%	0.00%
100.00	50.01	-49.99%	32.19%	9.75%
100.00	60.00	-40%	32.19%	9.75%
100.00	70.00	-30%	32.19%	9.75%
100.00	80.00	-20%	32.19%	9.75%
100.00	90.00	-10%	32.19%	9.75%

Scenario II

Final Fixing Level is equal to Initial Fixing Level

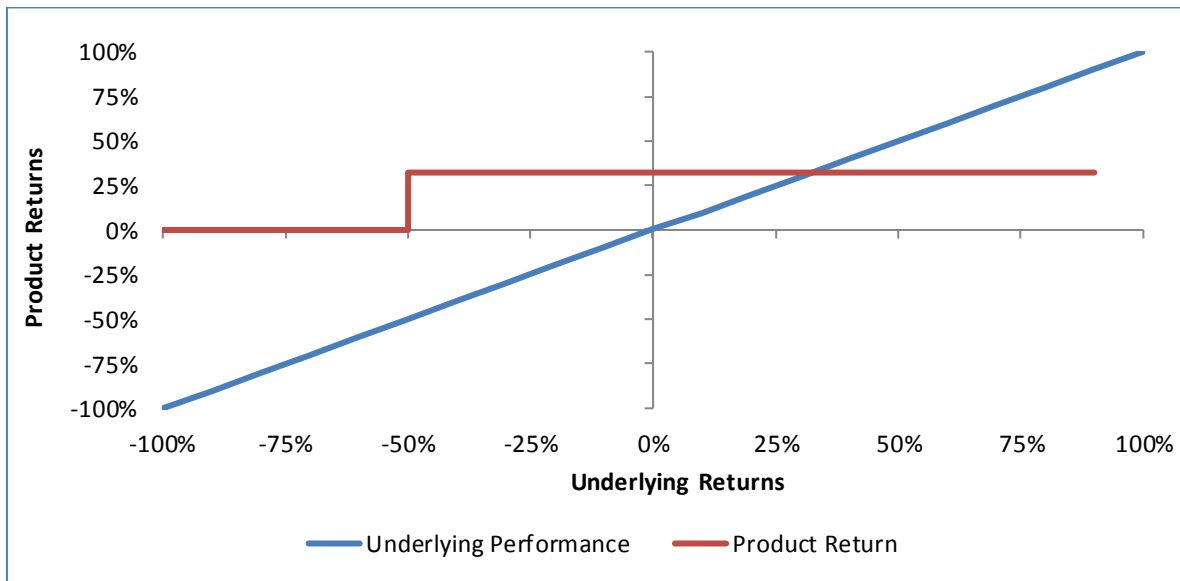
Initial Level	Final Level	Underlying Performance	Coupon	*Annualized Return
100.00	100.00	0%	32.19%	9.75%

Scenario III

Final Fixing Level is greater than Initial Fixing Level

Initial Level	Final Level	Underlying Performance	Coupon	*Annualized Return
100.00	110.00	10%	32.19%	9.75%
100.00	120.00	20%	32.19%	9.75%
100.00	130.00	30%	32.19%	9.75%
100.00	140.00	40%	32.19%	9.75%
100.00	150.00	50%	32.19%	9.75%
100.00	160.00	60%	32.19%	9.75%
100.00	170.00	70%	32.19%	9.75%
100.00	180.00	80%	32.19%	9.75%
100.00	190.00	90%	32.19%	9.75%
100.00	200.00	100%	32.19%	9.75%

**Effective annualized returns 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.

I. DECLARATION

It is hereby declared that this Disclosure Document contains full disclosure in accordance with Form no. PAS-4 pursuant to Section 42 of the Companies Act, 2013 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008 and as amended from time to time (including Securities Exchange Board Of India (Issue And Listing Of Debt Securities) (Amendment) Regulations, 2012 through notification dated October 12, 2012), and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2015 through notification dated March 24, 2015, SEBI Circular CIR/IMD/DF/17/2011 dated September 28, 2011. The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement. The Issuer accepts no responsibility for the statements made otherwise than in this Disclosure Document or in any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his own risk.

Further, the Directors declare that:

- a) the company has complied with the provisions of the Act and the rules made thereunder;
- b) the compliance with the Act and the rules does not imply that payment of ~~dividend or~~ interest or repayment of debentures, ~~if applicable~~, is guaranteed by the Central Government;
- c) the monies received under the offer shall be used only for the purposes and objects indicated in the Disclosure Document;

I am authorized by the Operations Committee constituted by the Board of Directors of the Company vide resolution dated December 14, 2020 read with the resolution passed by the board of directors in their meetings held on May 13, 2016 and July 4, 2020 to sign this Disclosure Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this Disclosure Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

FOR EDELWEISS FINANCIAL SERVICES LIMITED

Signature valid

Digitally signed by Mr. B. Renganathan

B. Renganathan
Executive Vice President & Company Secretary

Date: 15th Dec 2020

Place: Mumbai

- ❖ This is a digitally signed document and it is recommended to validate the signature before taking print out of the document.

PART B**(To be filled by the Applicant)**

i.	Name	
ii.	Father's Name	
iii.	Complete Address including Flat/House Number, Street, Locality, Pin Code	
iv.	Phone Number, if any	
v.	Email ID, if any	
vi.	PAN Number	
vii.	Bank Account Details	

Signature

Initial of the officer of the Company designated to keep record

THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PRIVATE PLACEMENT / RIGHTS ISSUE HAS ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF NUMBER OF SECURITIES AS WELL AS PRICE AS ON SEPTEMBER 30, 2020

Type of Securities	Number of Persons	Number of Securities	Price per Security (In Rs.)	Basis of Allotment
Non-Convertible Debentures	1	10,000	10,00,000	PRIVATE PLACEMENT

DETAILS OF NON-CONVERTIBLE DEBENTURES AS ON SEPTEMBER 30, 2020

ISIN	Tenor / Period of maturity	Coupon	Amounts outstanding (in millions)	Dates of Allotment	Redemption Date/Schedu le	Rating	Secured/ Unsecured
NA	1,094	8%	10,000	31 August 2020	30 August 2023	Unrated	Secured

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com


Consolidated Financial Results for the quarter and half year ended 30 September 2020

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)	Year Ended 31 March 2020 (Audited)
1 Revenue from operations						
(a) Interest income	1,085.63	1,055.31	1,481.65	2,140.94	3,072.69	5,901.95
(b) Dividend income	6.26	4.42	4.97	10.68	8.03	162.18
(c) Fee and commission income	388.85	357.06	444.64	745.91	920.56	2,099.30
(d) Net gain / (loss) on fair value changes	423.30	280.32	192.73	703.62	463.40	194.96
(e) Premium from insurance business	299.79	189.35	239.14	489.14	411.71	1,056.78
(f) Other operating income	18.99	11.66	26.42	30.65	61.88	98.15
Total revenue from operations	2,222.82	1,898.12	2,389.55	4,120.94	4,938.27	9,513.32
2 Other income	34.06	21.56	15.69	55.62	48.93	89.31
3 Total Income (1+2)	2,256.88	1,919.68	2,405.24	4,176.56	4,987.20	9,602.63
4 Expenses						
(a) Finance costs	949.07	1,001.98	1,201.47	1,951.05	2,391.69	4,793.04
(b) Impairment on financial assets	94.03	128.05	173.15	222.08	430.73	2,690.26
(c) Change in valuation of credit impaired loans (Refer Note 7)	209.56	132.97	87.16	342.53	147.06	871.24
(d) Employee benefits expense	286.43	308.41	332.09	594.84	708.24	1,407.30
(e) Depreciation and amortisation expense	57.03	57.04	49.72	114.07	97.04	232.23
(f) Change in insurance policy liability - actuarial	280.79	270.87	147.83	551.66	311.28	642.10
(g) Policy benefits paid	60.98	31.27	32.03	92.25	54.52	158.92
(h) Other expenses	350.21	231.71	274.12	581.92	535.84	1,264.19
Total expenses	2,288.10	2,162.30	2,297.57	4,450.40	4,676.40	12,059.28
5 Profit / (loss) before tax (3-4)	(31.22)	(242.62)	107.67	(273.84)	310.80	(2,456.65)
6 Tax expense (Refer Note 8)						
Current tax	44.28	50.41	84.60	94.69	212.77	297.08
Deferred tax and MAT	(19.38)	(29.36)	(44.90)	(48.74)	(104.43)	(709.96)
7 Net profit / (loss) for the period (5-6)	(56.12)	(263.67)	67.97	(319.79)	202.46	(2,043.77)
8 Other comprehensive income/(loss)	(43.04)	40.26	(11.89)	(2.78)	41.61	472.64
9 Total comprehensive Income / (loss) (7+8)	(99.16)	(223.41)	56.08	(322.57)	244.07	(1,571.13)
10 Net profit / (loss) for the period attributable to:						
Owners of the company	(48.50)	(245.08)	51.17	(293.58)	183.19	(2,045.24)
Non controlling interests	(7.62)	(18.59)	16.80	(26.21)	19.27	1.47
11 Other comprehensive income / (loss) for the period attributable to:						
Owners of the company	(24.68)	20.76	(2.97)	(3.92)	23.57	424.15
Non controlling interests	(18.36)	19.50	(8.92)	1.14	18.04	48.49
12 Total comprehensive income / (loss) for the period attributable to:						
Owners of the company	(73.18)	(224.32)	48.20	(297.50)	206.76	(1,621.09)
Non controlling interests	(25.98)	0.91	7.88	(25.07)	37.31	49.96
13 Earnings Per Share (₹) (Face Value of ₹ 1/- each)						
- Basic (Refer Note 6)	(0.55)	(2.75)	0.58	(3.30)	2.06	(23.01)
- Diluted (Refer Note 6)	(0.55)	(2.75)	0.57	(3.30)	2.04	(23.01)

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
Registered Office: Edelweiss House, Off. C.S.T. Road, Kallina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-40863610
Website : www.edelweissfin.com



Notes:

- The consolidated financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') and its subsidiaries and trusts (together referred as 'Group') for the quarter and half year ended 30 September 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 October 2020.
- The consolidated financial results of EFSL for the quarter and half year ended 30 September 2020 have been subjected to limited review by the Statutory Auditors of the Company and the auditors have issued an unmodified review report.
- The Company has opted to publish Extracts of the Unaudited Consolidated Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Standalone financial results are available on the Company's website viz. www.edelweissfin.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). Key standalone financial information is given below:

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)	Year Ended 31 March 2020 (Audited)
Total income	44.78	68.09	41.61	112.87	203.34	259.02
Profit / (loss) before tax	12.70	(127.40)	1.67	(114.70)	117.55	79.56
Net profit / (loss) after tax for the period	8.14	(129.18)	1.25	(121.04)	97.38	82.59
Other comprehensive income / (loss) after tax	(0.01)	(0.01)	0.02	(0.02)	0.04	(0.05)
Total comprehensive income / (loss) after tax	8.13	(129.19)	1.27	(121.06)	97.42	82.54

- The attribution of consolidated profit / (loss) before tax between owners of the company and non controlling interests is as per below table:

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)	Year Ended 31 March 2020 (Audited)
Profit / (loss) before tax attributable to:						
Owners of the company	(30.73)	(230.02)	75.41	(260.75)	252.92	(2,478.78)
Non controlling interests	(0.49)	(12.60)	32.26	(13.09)	57.88	22.13
Profit / (loss) before tax	(31.22)	(242.62)	107.67	(273.84)	310.80	(2,456.65)

- During the quarter ended 30 September 2020, the Company has issued 3,46,150 equity shares of face value of ₹ 1 each to the employees of the company and its subsidiaries on exercise of employee stock options.
- Earnings per share for the quarters ended 30 September 2020, 30 June 2020, 30 September 2019 and half year ended 30 September 2020 and 30 September 2019 are not annualised.
- Change in valuation of credit impaired loans represents valuation movement of loans originated by consolidated ARC trusts.
- The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019 (the Ordinance), inserted a new Section 115BAA in the Income-tax Act, 1961, which provides an option for paying income-tax at reduced rates under the new regime. During the quarter ended 30 September 2020 with respect of 2 Companies the Group have opted for paying income-tax at reduced rates and accordingly, corresponding applicable effect of the new regime has been given in tax expenses.
- Edelweiss Custodial Services Limited ("ECDSL"), a subsidiary of the Company, challenged an order, by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court, Mumbai. Since the investigation against the trading member, for which ECDSL was a clearing member, is still in initial stage, the said investigative agency contended that it had no objection to setting aside the lien order upon ECDSL providing an undertaking to keep sufficient assets unencumbered. ECDSL has since provided this undertaking to keep sufficient assets amounting to ₹ 460.32 crores belonging to the Group unencumbered and the said lien order has been set aside. National Clearing Limited ("NCL"), vide its order dated 20 October 2020 has directed ECDSL to adhere to instructions of National Stock Exchange ("NSE") / NCL, to appropriately reinstate the securities wherever trading member's clients had credit balance, but the securities had got liquidated. ECDSL has challenged the said order of NCL before Securities Appellate Tribunal. ECDSL believes that it has acted in accordance with the agreement entered with the trading member and in accordance with applicable laws and regulations. Accordingly, there is no adjustment required in the financial results for the quarter and half year ended 30 September 2020.
- Consequent to the outbreak of COVID – 19 pandemic, the Indian Government had announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the Government for certain activities in a phased manner outside specific containment zones. The impact of COVID – 19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activity, which may persist even after the restrictions related to the COVID – 19 are lifted. While there has been some improvement in economic activities during the current quarter, the continued slowdown has led to a decrease in loan originations and efficiency in collection efforts. The extent to which the COVID – 19 will continue to impact Group's results, including credit quality and provisions, remain uncertain and would depend upon the time taken for economic activities to fully resume and reach normal levels. The Group holds provisions as at 30 September 2020 against the potential impact of COVID – 19 based on the information available at this point in time. In accordance with the regulatory package announced by the Reserve Bank of India (RBI) on 27 March 2020, 17 April 2020 and 22 May 2020, the Group has granted a moratorium for the payment of all instalments falling due between 01 March 2020 and 31 August 2020 to all eligible borrowers that have opted to avail the same. The Group has assessed the impact of the COVID-19 pandemic on its liquidity and ability to repay its obligations as and when they are due. Management has considered various stimulus packages announced by the Government of India which will directly or indirectly benefit NBFCs and Group's lenders to extend moratorium and various other financial support from other banks and other agencies in determining the Group's liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Group will be able to pay its obligations as and when these become due in the foreseeable future. In assessing the recoverability of loans, receivables, intangible assets including goodwill, deferred tax assets and investments, the Group has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation continue to evolve, its effect on the operations of the Group may be different from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor material changes in markets and future economic conditions.
- Hon'ble Supreme Court in a public interest litigation (Gajendra Sharma vs. Union of India & Anr) vide an interim order dated 03 September 2020 (interim order) has directed that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Group has not classified any account as NPA, as per RBI norms, after 31 August 2020 which was not NPA as of 31 August 2020. Further in light of the interim order, even accounts that would have otherwise been classified as NPA post 31 August 2020 have not been and will not be, classified as NPA till such time the Hon'ble Supreme Court rules finally on the matter. Such accounts have been classified as per Ind-AS and provisioned accordingly.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com


12 Consolidated Segment Results for the quarter and half year ended 30 September 2020.

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)	Year Ended 31 March 2020 (Audited)
1 Segment revenue [Total income]						
Agency	364.55	238.45	275.04	603.00	570.14	1,126.85
Capital based	756.07	774.34	1,121.89	1,530.41	2,648.30	4,465.20
Insurance business	443.66	399.05	289.95	842.71	575.55	1,246.25
Asset reconstruction business	429.75	359.61	372.09	789.36	727.52	1,820.71
Treasury	250.10	136.61	328.18	386.71	437.15	883.97
Unallocated	12.75	11.62	18.09	24.37	28.54	59.65
Total income	2,256.88	1,919.68	2,405.24	4,176.56	4,987.20	9,602.63
2 Segment results [Profit / (loss) before tax]						
Agency	65.00	31.64	74.00	96.64	168.46	256.00
Capital based	(221.18)	(277.62)	(46.02)	(498.80)	(17.49)	(2,790.10)
Insurance business	(84.15)	(83.81)	(67.44)	(167.96)	(153.61)	(367.01)
Asset reconstruction business	58.00	49.19	100.34	107.19	272.77	334.93
Treasury	155.72	44.45	47.03	200.17	51.73	116.16
Unallocated	(4.61)	(6.47)	(0.24)	(11.08)	(11.06)	(6.63)
Total profit / (loss) before tax	(31.22)	(242.62)	107.67	(273.84)	310.80	(2,456.65)
3 Segment assets						
Agency	4,444.88	4,264.13	4,616.56	4,444.88	4,616.56	4,528.77
Capital based	32,748.99	31,205.11	38,052.56	32,748.99	38,052.56	33,943.49
Insurance business	4,833.04	4,625.03	4,022.58	4,833.04	4,022.58	4,395.37
Asset reconstruction business	6,484.94	6,485.50	6,919.52	6,484.94	6,919.52	6,594.91
Treasury	2,120.33	3,037.53	5,436.90	2,120.33	5,436.90	3,277.36
Unallocated	1,606.74	1,564.84	1,072.43	1,606.74	1,072.43	1,540.43
Total assets	52,238.92	51,182.14	60,120.55	52,238.92	60,120.55	54,280.33
4 Segment liabilities						
Agency	3,706.46	3,591.65	4,135.46	3,706.46	4,135.46	3,888.30
Capital based	32,108.20	30,418.37	34,764.13	32,108.20	34,764.13	32,818.16
Insurance business	4,099.53	3,794.94	3,077.52	4,099.53	3,077.52	3,521.26
Asset reconstruction business	4,465.77	4,510.69	5,089.26	4,465.77	5,089.26	4,650.54
Treasury	621.03	1,567.83	3,779.15	621.03	3,779.15	1,859.22
Unallocated	304.64	312.44	445.14	304.64	445.14	335.77
Total liabilities	45,305.63	44,195.92	51,290.66	45,305.63	51,290.66	47,073.25
5 Capital employed [Segment assets - Segment liabilities]						
Agency	738.42	672.48	481.10	738.42	481.10	640.47
Capital based	640.79	786.74	3,288.43	640.79	3,288.43	1,125.33
Insurance business	733.51	830.09	945.06	733.51	945.06	874.11
Asset reconstruction business	2,019.17	1,974.81	1,830.26	2,019.17	1,830.26	1,944.37
Treasury	1,499.30	1,469.70	1,657.75	1,499.30	1,657.75	1,418.14
Unallocated	1,302.10	1,252.40	627.29	1,302.10	627.29	1,204.66
Total capital employed	6,933.29	6,986.22	8,829.89	6,933.29	8,829.89	7,207.08

The Company has made its consolidated segment reporting to meaningfully represent its business lines Agency, Capital business, Asset reconstruction business, Insurance & Treasury business. Agency includes broking, advisory, product distribution and other fee based businesses; Capital Based represents lending business; Asset reconstruction business represents purchase and resolution of distress assets; Insurance business represents life insurance business and general insurance business. Treasury business represents income from trading and investment activities.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com


13 Consolidated statement of assets and liabilities as at 30 September 2020

(₹ in Crores)

	Particulars	As at	As at
		30 September 2020 (Reviewed)	31 March 2020 (Audited)
A	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	4,136.04	4,942.52
	(b) Other bank balances	4,688.05	3,667.09
	(c) Derivative financial instruments	504.17	532.19
	(d) Stock in trade	1,113.63	1,745.81
	(e) Trade receivables	884.75	1,305.24
	(f) Loans ^	26,789.38	28,360.68
	(g) Investments	8,607.60	8,266.60
	(h) Other financial assets	911.00	830.23
	Sub-total - Financial assets	47,634.62	49,650.36
2	Non-financial assets		
	(a) Inventories	3.70	43.61
	(b) Reinsurance assets	303.49	294.44
	(c) Current tax assets (net)	614.17	583.98
	(d) Deferred tax assets (net)	992.57	956.47
	(e) Investment property	406.94	445.73
	(f) Property, plant and equipment	1,375.99	1,501.26
	(g) Capital work-in-progress	3.83	11.16
	(h) Intangible assets under development	32.91	32.08
	(i) Goodwill on consolidation	172.34	172.34
	(j) Other intangible assets	216.20	225.58
	(k) Other non-financial assets	482.16	363.32
	Sub-total - Non-financial assets	4,604.30	4,629.97
	TOTAL - ASSETS	52,238.92	54,280.33
B	LIABILITIES AND EQUITY		
	Liabilities		
1	Financial liabilities		
	(a) Derivative financial instruments	69.62	381.25
	(b) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.17	0.22
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,497.07	1,283.14
	(c) Insurance claims payable	12.76	7.45
	(d) Debt Securities	20,344.50	20,758.51
	(e) Borrowings (other than debt securities)	11,537.64	13,321.06
	(f) Deposits	13.04	216.90
	(g) Subordinated Liabilities	1,875.82	2,360.88
	(h) Other financial liabilities	5,669.29	4,925.05
	Sub-total - Financial liabilities	41,019.91	43,254.46
2	Non-financial liabilities		
	(a) Current tax liabilities (net)	116.96	90.63
	(b) Provisions	38.64	35.11
	(c) Provision for policyholders' liabilities	3,568.45	3,007.68
	(d) Deferred tax liabilities (net)	250.26	264.37
	(e) Other non-financial liabilities	311.41	421.00
	Sub-total - Non-financial liabilities	4,285.72	3,818.79
3	Equity		
	(a) Equity share capital	89.00	88.95
	(b) Other equity	5,777.76	6,039.76
	Equity attributable to owners of the parent	5,866.76	6,128.71
	Non-controlling interest	1,066.53	1,078.37
	Total Equity	6,933.29	7,207.08
	TOTAL LIABILITIES AND EQUITY	52,238.92	54,280.33

^ Loans include the credit exposure held by the consolidated ARC trusts and certain loans sold to ARC & AIF for the purposes of Consolidation in accordance with Indian Accounting Standard.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-40863610
Website : www.edelweissfin.com



14 Consolidated statement of cash flows for the half year ended 30 September 2020

(₹ in Crores)

Particulars	Half Year Ended	
	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)
A Cash flow from operating activities		
Profit / (loss) before tax	(273.84)	310.80
Adjustments for:		
Depreciation and amortisation expenses	114.07	97.04
Expense on employee stock option plans	17.69	16.09
Impairment on financial instruments	222.08	430.73
Change in valuation of credit impaired loans	342.53	147.06
Interest on income tax refund	(12.48)	-
Dividend Income	(10.68)	(8.03)
(Profit) / loss on sale of property, plant and equipment	5.72	(0.43)
(Profit) / loss on sale of investment property	(0.04)	
Realised fair value (gain) / loss on financial instruments	(268.72)	(528.70)
Unrealised fair value (gain) / loss on financial instruments	(434.89)	65.30
Provision for policyholders liability	551.66	311.28
Finance costs	341.05	417.67
Operating cash flow before working capital changes	594.15	1,258.81
Adjustments for:		
Decrease/ (increase) in trade receivables	420.49	1,846.58
Decrease / (increase) in stock-in-trade and Inventory	702.89	578.10
Decrease / (increase) in Other financial/non financial assets	(208.65)	(65.17)
Decrease / (increase) in Derivative Financial Instruments	(140.77)	5.58
Decrease / (increase) in loans	1,005.23	3,087.94
Increase / (decrease) in trade payables	213.89	(230.11)
Increase / (decrease) in insurance claim payable	5.30	2.63
Increase / (decrease) in other financial liabilities	813.79	(482.36)
Increase / (decrease) in Provisions	3.53	5.52
Increase / (decrease) in provision for policyholders' liabilities	9.11	14.81
Increase / (decrease) in other non-financial liabilities	(109.60)	(59.19)
Cash generated / (used) in operations	3,309.36	5,963.14
Income taxes paid (net of refund)	(87.54)	(208.82)
Net cash generated / (used) in operating activities - A	3,221.82	5,754.32
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles ¹	(11.63)	(96.83)
(Purchase) / sale of investment property ¹	37.95	(72.77)
(Purchase) / sale of investments ¹	18.33	(121.99)
Dividend on investments	10.68	8.03
(Investment) / Maturity of Bank deposits	(1,020.96)	(670.50)
Net cash generated / (used) in investing activities - B	(965.63)	(954.06)
C Cash flow from financing activities		
Proceeds from issue of shares including premium and share application money	1.82	5.42
Investment by Non Controlling Interest	33.06	-
Proceeds / (repayment) from Debt securities ¹	(240.01)	(2,698.91)
Proceeds / (repayment) from Borrowings (other than debt securities) ¹	(1,783.41)	(1,350.04)
Proceeds / (repayment) from Deposits ¹	(203.86)	(107.48)
Proceeds / (repayment) from Subordinated Liabilities ¹	(485.07)	(38.97)
Dividend and dividend distribution tax paid	-	(36.89)
Finance cost paid	(385.20)	(417.67)
Net cash generated / (used) in financing activities - C	(3,062.67)	(4,644.54)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(806.48)	155.72
Cash and cash equivalents as at the beginning of the period	4,942.52	3,115.82
Cash and cash equivalents as at the end of the period	4,136.04	3,271.54

¹ Net figures have been reported on account of volume of transactions.

15 The previous period/year figures have been regrouped/reclassified wherever necessary to conform to current period's/year presentation.

16 The consolidated financial results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

RASHESH
CHANDRAKANT
SHAH

Digitally signed by Rashesh Chandrakant Shah
DN: cn=Rashesh Chandrakant Shah, o=Edelweiss Financial Services Limited, ou=Edelweiss Financial Services Limited, email=Rashesh.Chandrakant.Shah@edelweissfin.com, c=IN

Rashesh Shah
Chairman

Mumbai, 30 October 2020.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Edelweiss Financial Services Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Edelweiss Financial Services Limited (the "Holding Company"), its subsidiaries and its trusts (the Holding Company, its subsidiaries and its trusts together referred to as "the Group"), for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the subsidiaries and trusts (Refer Annexure A)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 10 to the Statements, which describes the economic and social disruption as a result of COVID-19 pandemic of the Group's business and financial metrics including the Group's estimates of impairment of loans, financial assets, investments, investment in properties, intangible assets (including goodwill) which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

- 34 subsidiaries, whose unaudited interim financial results include total assets of Rs. 14,068.77 crores as at September 30, 2020, total revenues of Rs 842.82 crores and Rs 1,632.32 crores, total net loss after tax of Rs. 105.88 crores and Rs. 161.51 crores, total comprehensive loss of Rs. 154.33 crores and Rs. 169.61 crores, for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash inflows of Rs. 61.83 crores for the period from April 1, 2020 to September 30, 2020, as considered in the Statement which have been reviewed by their respective independent auditors. The independent auditor's reports on interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.
- The auditors of Edelweiss Tokio Life Insurance Company Limited (ETLIFE), a subsidiary, have reported that the actuarial valuation of liabilities of ETLIFE for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at September 30, 2020 is the responsibility of ETLIFE's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at September 30, 2020 has been duly certified by the ETLIFE's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their conclusion in this regard.
- The auditors of Edelweiss General Insurance Company Limited (EGICL), a subsidiary, have reported that the actuarial valuation of liabilities of EGICL for Incurred But Not Reported and Incurred But Not Enough Reported claims of EGICL as at September 30, 2020 is the responsibility of EGICL's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the EGICL's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied on the EGICL's Appointed Actuary's certificate for expressing their conclusion in this regard.

Our conclusion on the Statement in respect of matters stated in para 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

SHRAWAN
BHAGWATI
JALAN

Digitally signed by SHRAWAN
BHAGWATI JALAN
DN: cn=SHRAWAN BHAGWATI
JALAN, c=IN, o=Personal,
email=shrawan.jalan@srb.in
Date: 2020.10.30 19:39:05 +05'30'

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 20102102AAAEJE4197

Place: Mumbai

Date: October 30, 2020

Annexure A

SUBSIDIARIES:	SUBSIDIARIES:	TRUSTS:
ECL Finance Limited	Edelweiss Securities (Hong Kong) Private Limited	EARC Trust SC 332
Edelweiss Rural & Corporate Services Limited	Edelweiss Financial Services (UK) Limited	EARC Trust SC 334
Edelweiss Asset Reconstruction Company Limited	EW Special Opportunities Advisors LLC	EARC Trust SC 342
Edelweiss Housing Finance Limited	Edelweiss Trusteeship Company Limited	EARC Trust SC 344
Edelweiss Finance & Investments Limited	Lichen Metals Private Limited	EARC Trust SC 347
Edelweiss General Insurance Company Limited	ECap Equities Limited	EARC Trust SC 348
Edelweiss Finvest Private Limited	Edelweiss Investment Advisors Private Limited	EARC Trust SC 349
Edelweiss Retail Finance Limited	EdelGive Foundation	EARC Trust SC 351
Edelweiss Tokio Life Insurance Company Limited		EARC Trust SC 352
Edelweiss Custodial Services Limited	TRUSTS:	EARC Trust SC 357
Edelweiss Securities Limited	ESAF - I Trust	EARC Trust SC 360
Edelweiss Broking Limited	EARC SAF - 2 Trust	EARC Trust SC 361
Edelcap Securities Limited	EARC SAF - 3 Trust	EARC Trust SC 363
Allium Finance Private Limited	EARC Trust SC 6	EARC Trust SC 370
Everest Securities & Finance Limited	EARC Trust SC 7	EARC Trust SC 381
Edelweiss Securities and Investment Private Limited	EARC Trust SC 9	EARC Trust SC 383
Edelweiss International (Singapore) Pte. Limited	EARC Trust SC 102	EARC Trust SC 386
Edel Investments Limited	EARC Trust SC 109	EARC Trust SC 384
Edelweiss Capital (Singapore) Pte. Limited	EARC Trust SC 112	EARC Trust SC 391
EC Commodity Limited	EARC Trust SC 130	EARC Trust SC 392
Aster Commodities DMCC	EARC Trust SC 223	EARC Trust SC 395
Edelweiss Asset Management Limited	EARC Trust SC 229	EARC Trust SC 380
EC International Limited	EARC Trust SC 238	EARC Trust SC 387
Edelweiss Global Wealth Management Limited	EARC Trust SC 245	EARC Trust SC 388
Edel Land Limited	EARC Trust SC 251	EARC Trust SC 393
Edelweiss Comtrade Limited	EARC Trust SC 262	EARC Trust SC 372
Edelweiss Multi Strategy Fund Advisors LLP	EARC Trust SC 263	EARC Trust SC 373
Edelweiss Gallagher Insurance Brokers Limited	EARC Trust SC 266	EARC Trust SC 374
Edelweiss Private Equity Tech Fund	EARC Trust SC 293	EARC Trust SC 375
Edelweiss Value and Growth Fund	EARC Trust SC 297	EARC Trust SC 376
EAAA LLC	EARC Trust SC 298	EARC Trust SC 385
ESL Securities Limited	EARC Trust SC 306	EARC Trust SC 394
Edelweiss Alternative Asset Advisors Limited	EARC Trust SC 308	EARC Trust SC 399
Edel Finance Company Limited	EARC Trust SC 314	EARC Trust SC 401
Edelweiss Securities (IFSC) Limited	EARC Trust SC 318	EARC Trust SC 402
Edelweiss Investment Adviser Limited	EARC Trust SC 321	EARC Trust SC 406
Edelweiss Financial Services Inc.	EARC Trust SC 325	EARC Trust SC 377
Edelweiss Alternative Asset Advisors Pte. Limited	EARC Trust SC 329	EARC Trust SC 378
Edelweiss Resolution Advisors LLP	EARC Trust SC 331	

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



Standalone Financial Results for the quarter and half year ended 30 September 2020

							(₹ in Crores)
Particulars	Quarter Ended			Half year ended		Year Ended	31 March 2020 (Audited)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)		
1 Revenue from operations							
(a) Interest income	7.90	0.04	3.52	7.94	7.69		12.12
(b) Dividend income	-	52.65	-	52.65	49.81		69.47
(c) Fee and commission income	23.41	10.93	21.69	34.34	65.41		95.98
(d) Net gain / (loss) on fair value changes	-	0.05	(0.04)	0.05	48.66		13.47
(e) Other operating income	9.28	4.42	10.21	13.70	21.22		45.65
Total revenue from operations	40.59	68.09	35.38	108.68	192.79		236.69
2 Other income	4.19	-	6.23	4.19	10.55		22.33
3 Total Income (1+2)	44.78	68.09	41.61	112.87	203.34		259.02
4 Expenses							
(a) Finance costs	12.89	3.65	8.02	16.54	17.88		32.31
(b) Employee benefits expense	2.46	12.72	15.54	15.18	31.54		79.77
(c) Depreciation and amortisation expense	0.42	0.38	0.88	0.80	1.74		3.22
(d) Impairment of financial assets	(1.00)	46.19	(1.22)	45.19	1.32		1.87
(e) Loss on sale of financial instruments	-	120.13	-	120.13	-		-
(f) Other expenses	17.31	12.42	16.72	29.73	33.31		62.29
Total expenses	32.08	195.49	39.94	227.57	85.79		179.46
5 Profit / (loss) before tax (3-4)	12.70	(127.40)	1.67	(114.70)	117.55		79.56
6 Tax expense (Refer note 5)							
Current tax	(1.04)	10.16	(6.67)	9.12	11.23		0.19
Deferred tax and MAT	5.60	(8.38)	7.09	(2.78)	8.94		(3.22)
7 Net Profit / (loss) for the period (5-6)	8.14	(129.18)	1.25	(121.04)	97.38		82.59
8 Other comprehensive income / (loss)	(0.01)	(0.01)	0.02	(0.02)	0.04		(0.05)
9 Total Comprehensive Income / (loss) (7+8)	8.13	(129.19)	1.27	(121.06)	97.42		82.54
10 Earnings Per Share (₹) (Face Value of ₹ 1/- each)							
- Basic (Refer note 4)	0.09	(1.45)	0.01	(1.36)	1.10		0.93
- Diluted (Refer note 4)	0.09	(1.45)	0.01	(1.36)	1.09		0.92

Notes:

- The standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter and half year ended 30 September 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 October 2020.
- The standalone financial results of EFSL for the quarter and half year ended 30 September 2020 have been subjected to limited review by the Statutory Auditors of the Company and the auditors have issued an unmodified review report.
- During the quarter ended 30 September 2020, the Company has issued 3,46,150 equity shares of face value of ₹1 each to the employees of the Company and its subsidiaries on exercise of employee stock options.
- Earnings per share for the quarters ended 30 September 2020, 30 June 2020, 30 September 2019 and half year ended 30 September 2020 and 30 September 2019, are not annualised.
- The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019 (the Ordinance), inserted a new Section 115BAA in the Income-tax Act, 1961, which provides an option for paying income-tax at reduced rates under the new regime. During the quarter ended 30 September 2020 the Company has opted for paying income-tax at reduced rates and accordingly, corresponding applicable effect of the new regime has been given in tax expenses.
- Consequent to the outbreak of COVID – 19 pandemic, the Indian Government had announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the Government for certain activities in a phased manner outside specific containment zones. The impact of COVID – 19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activity, which may persist even after the restrictions related to the COVID – 19 are lifted, while there has been some improvement in economic activities during the current quarter. The Company has assessed the impact of the COVID-19 pandemic on its liquidity and ability to repay its obligations as and when they are due. Management has considered various financial support from banks and other fund raising opportunities in determining the Company liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. In assessing the recoverability of loans, receivables, deferred tax assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation continue to evolve, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



7 Standalone Segment Results for the quarter and half year ended 30 September 2020

Particulars	Quarter Ended			Half year ended		(₹ in Crores)
	30 September 2020 (Reviewed)	30 June 2020 (Reviewed)	30 September 2019 (Reviewed)	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)	Year Ended 31 March 2020 (Audited)
1 Segment revenue [Total income]						
Agency	17.15	2.41	16.36	19.56	53.10	80.82
Holding Company activities	23.48	65.68	24.64	89.16	149.63	177.36
Unallocated	4.15	-	0.61	4.15	0.61	0.84
Total income	44.78	68.09	41.61	112.87	203.34	259.02
2 Segment results [Profit / (loss) before tax]						
Agency	12.38	(7.16)	3.11	5.22	24.07	(3.38)
Holding Company activities	(3.83)	(120.24)	(2.06)	(124.07)	92.86	82.10
Unallocated	4.15	-	0.62	4.15	0.62	0.84
Total Profit / (loss) before tax	12.70	(127.40)	1.67	(114.70)	117.55	79.56
3 Segment assets						
Agency	15.06	4.18	21.10	15.06	21.10	14.05
Holding Company activities	4,334.52	3,453.09	3,705.49	4,334.52	3,705.49	3,576.12
Unallocated	94.81	100.37	70.14	94.81	70.14	91.92
Total assets	4,444.39	3,557.64	3,796.73	4,444.39	3,796.73	3,682.09
4 Segment Liabilities						
Agency	17.69	29.51	8.27	17.69	8.27	28.32
Holding Company activities	1,051.06	173.85	330.76	1,051.06	330.76	184.32
Unallocated	22.62	18.51	13.82	22.62	13.82	14.88
Total liabilities	1,091.37	221.87	352.85	1,091.37	352.85	227.52
5 Capital employed [Segment assets - Segment liabilities]						
Agency	(2.63)	(25.33)	12.83	(2.63)	12.83	(14.27)
Holding Company activities	3,283.46	3,279.24	3,374.73	3,283.46	3,374.73	3,391.80
Unallocated	72.19	81.86	56.32	72.19	56.32	77.04
Total capital employed	3,353.02	3,335.77	3,443.88	3,353.02	3,443.88	3,454.57

Agency includes investment banking; Holding Company activities comprise of development, managerial and financial support to the businesses of subsidiaries and investment activities. Segment data for previous financial period has been reclassified to conform to current financial period's presentation.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



8 Standalone statement of assets and liabilities as at 30 September, 2020

Particulars	(₹ in Crores)	
	As at 30 September 2020 (Reviewed)	As at 31 March 2020 (Audited)
ASSETS		
Financial assets		
(a) Cash and cash equivalents	3.75	1.37
(b) Other bank balances	0.87	0.96
(c) Trade receivables	37.96	61.89
(d) Loans	859.97	0.67
(e) Investments	3,397.17	3,467.29
(f) Other financial assets	42.02	39.33
Sub-total - Financial assets	4,341.74	3,571.51
Non-financial assets		
(a) Current tax assets (net)	62.03	61.86
(b) Deferred tax assets (net)	31.90	29.11
(c) Property, Plant and Equipment	0.69	0.84
(d) Intangible assets under development	1.00	0.92
(e) Other Intangible assets	1.54	1.68
(f) Other non- financial assets	5.49	16.17
Sub-total - Non-Financial assets	102.65	110.58
TOTAL ASSETS	4,444.39	3,682.09
LIABILITIES AND EQUITY		
Financial liabilities		
(a) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	0.09
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5.77	8.03
(b) Debt securities	1,013.22	73.41
(c) Borrowings other than debt securities	-	73.25
(d) Other financial liabilities	49.19	57.71
Sub-total - Financial liabilities	1,068.18	212.49
Non-financial liabilities		
(a) Current tax liabilities (net)	19.80	6.98
(b) Provisions	0.94	0.91
(c) Other non-financial liabilities	2.45	7.14
Sub-total - Non-financial liabilities	23.19	15.03
Equity		
(a) Equity share capital	89.00	88.95
(b) Other equity	3,264.02	3,365.62
Total Equity	3,353.02	3,454.57
TOTAL LIABILITIES AND EQUITY	4,444.39	3,682.09

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



9 Standalone statement of cash flows for the half year ended 30 September 2020

(₹ in Crores)

Particulars	Half year Ended	
	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)
A Cash flow from operating activities		
(Loss) / profit before tax	(114.70)	117.55
Adjustments for:		
Depreciation and amortisation expenses	0.80	1.74
Expense on employee stock option plans	4.81	3.90
Impairment on financial instruments	45.19	1.32
Loss on sale of investments	120.13	-
Dividend income	(52.65)	(49.81)
Profit on sale of property, plant and equipment	(0.02)	(0.06)
Realised fair value gain on financial instruments	-	(13.77)
Unrealised fair value gain on financial instruments	(0.05)	(44.83)
Interest income	(7.94)	(7.34)
Finance costs	16.54	17.88
Operating cash flow before working capital changes	12.11	26.58
Adjustments for:		
Decrease in trade receivables	36.98	27.77
(Increase)/decrease in other financial assets	(2.69)	10.73
Decrease/(Increase) in other non financial assets	10.67	(19.37)
Increase in derivative financial instruments	-	(1.56)
Decrease in trade payables	(2.35)	(1.72)
Decrease in other financial liabilities	(8.52)	(25.62)
Increase in provisions	0.03	0.40
Decrease in bank balances other than cash and cash equivalents	0.07	-
(Decrease)/increase in other non-financial liabilities	(4.67)	1.23
Cash generated from operations	41.63	18.44
Income taxes refund / (paid)	3.53	(9.47)
Net cash generated from operating activities - A	45.16	8.97
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles	(0.62)	(2.08)
Proceeds from sale of property, plant and equipment	0.05	0.10
Sale of investments	383.75	24.18
Purchase of investments	(479.11)	(21.50)
Dividend on investments	52.65	49.81
(Increase)/decrease in loans	(849.48)	38.75
Interest received	1.19	2.45
Net cash (used in) / generated from investing activities - B	(891.57)	91.71

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



9 Standalone statement of cash flows for the half year ended 30 September 2020 (Continued) (₹ in Crores)

Particulars	Half year Ended	
	30 September 2020 (Reviewed)	30 September 2019 (Reviewed)
C Cash flow from financing activities		
Proceeds from issue of shares including premium and share application money	1.83	5.42
Proceeds from debt securities ¹	939.81	-
Repayment of borrowings (other than debt securities) ¹	(76.31)	(86.35)
Dividend paid	-	(26.65)
Finance costs	(16.54)	(3.10)
Net cash generated from / (used in) financing activities - C	848.79	(110.68)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2.38	(10.00)
Cash and cash equivalents as at the beginning of the period	1.37	11.00
Cash and cash equivalents as at the end of the period	3.75	1.00

¹ Net figures have been reported on account of volume of transactions.

Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

10 The previous period/year figures have been regrouped/reclassified wherever necessary to conform to current period's/year's presentation.

11 The Standalone financial results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

RASHESH
CHANDRAKANT
SHAH

Digitally signed by RASHESH CHANDRAKANT SHAH
DN: cn=Rashesh Shah, o=Edelweiss Financial Services Limited, ou=Edelweiss Financial Services Limited, email=Rashesh.Shah@edelweissfin.com, c=IN
Date: 2020.10.30 19:14:34 +05'30'

Rashesh Shah
Chairman

Mumbai, 30 October 2020.

Independent Auditor's Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors of
Edelweiss Financial Services Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Edelweiss Financial Services Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 6 of the Statement, which describes the economic and social disruption as a result of COVID-19 pandemic of the Company's business and financial metrics including the Company's estimates of impairment of investments and other assets, which are highly dependent on uncertain future developments. Our conclusion is not modified in respect of this matter.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



SHRAWAN
BHAGWATI JALAN

Digitally signed by SHRAWAN BHAGWATI JALAN
DN: cn=SHRAWAN BHAGWATI JALAN, c=IN,
o=Personal, email=shrawan.jalan@srbl.in
Date: 2020.10.30 19:39:36 +05'30'

per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 20102102AAAEJD1152

Place of Signature: Mumbai

Date: October 30, 2020

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Edelweiss Financial Services Limited

Report on the abridged consolidated financial statements

1. The accompanying abridged consolidated financial statements of Edelweiss Financial Services Limited, its subsidiaries and associate companies, comprise the abridged consolidated balance sheet as at March 31, 2018, the abridged consolidated Statement of Profit and Loss and abridged consolidated Cash Flow Statement related for the year then ended together with the related notes, which we have signed under reference to this report.
2. These abridged consolidated financial statements are derived from the consolidated audited financial statements of the Company for the year ended March 31, 2018 prepared by the Company's Management in accordance with the accounting principles generally accepted in India, covered by our attached report of even date to the Board of Directors of the Company, in which we have expressed an unmodified audit opinion. Those consolidated financial statements and the abridged consolidated financial statements do not reflect the effects of events that have occurred subsequent to the date of our report on those consolidated financial statements.
3. The abridged consolidated financial statements do not contain all the disclosures required by Accounting Standard ("AS") 21 – 'Consolidated Financial Statements' and AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements', applied in the preparation of the audited consolidated financial statements of the Company. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Company.

Management's Responsibility for the Abridged Consolidated Financial Statements

4. The Company's Management is responsible for the preparation of the abridged consolidated financial statements in accordance with Rule 10 of the Companies (Accounts), Rules, 2014 (the "Rules"). The Company's Management (including Directors) are ultimately responsible for the designing, implementing and maintaining internal control relevant to the preparation and presentation of the abridged consolidated financial statements that are consistent with the audited consolidated financial statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act
5. The Company's Management (including directors) are also responsible for ensuring that the Company complies with the requirements of the Rules.

Auditors' Responsibility

6. Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, 'Engagements to Report on Summary Financial Statements', issued by the Institute of Chartered Accountants of India

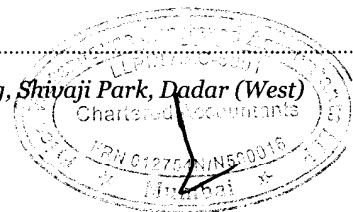
Opinion

7. In our opinion, the accompanying abridged consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of the Company as at and for the year ended March 31, 2018 prepared in accordance with the requirements of Accounting Standard ("AS") 21 – 'Consolidated Financial Statements' and AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements', and covered by our attached report of even date to the Board of Directors of the Company, in accordance with the Rules.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)
Mumbai - 400 028
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

Edelweiss Financial Services Limited
Report on the Abridged Consolidated Financial Statements
Page 2 of 3

Other Matters

8. We did not audit the financial statements of forty five subsidiaries whose financial statements reflect total assets of Rs 149,945.85 million and net assets of Rs 27,403.25 million as at March 31, 2018, total revenue of Rs. 28,178.06 million, net loss of Rs 1,776.13 million and net cash flows amounting to Rs 924.27 million for the year ended on that date, as considered in the abridged consolidated financial statements. The abridged consolidated financial statements also include the Group's share of net profit of Rs. 51.48 million for the year ended March 31, 2018 as considered in the abridged consolidated financial statements in respect of four associate companies, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the abridged consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors..
9. The abridged consolidated financial statements include the Group's share of net loss of Rs. 12.07 million for the period April 01, 2017 to August 22, 2017 as considered in the abridged consolidated financial statements, in respect of one associate company whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the abridged consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of the associate company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid associate company, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Group.
10. The auditors of Edelweiss Tokio Life Insurance Company Limited ('ETLICL'), a subsidiary of the Holding Company, have reported that "the actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2018 is the responsibility of ETLICL's appointed Actuary ('the Appointed Actuary'). The actuarial valuation of these liabilities for the life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2018 has been duly certified by the Appointed Actuary and in his opinion, the assumption for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (the 'IRDAI' or 'Authority') and the Institute of Actuaries of India in concurrence with the Authority. The statutory auditors of ETLICL have relied upon Appointed Actuary's certificate in this regard for forming an opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in financial statements of ETLICL".

Our opinion on the abridged consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.



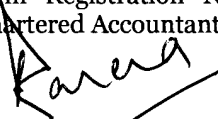
Price Waterhouse Chartered Accountants LLP

Edelweiss Financial Services Limited
Report on the Abridged Consolidated Financial Statements
Page 3 of 3

11. The abridged consolidated financial statements of the Company, its subsidiaries and associate companies as at March 31, 2017 and for the year then ended were audited by another firm of chartered accountants who, vide their report dated May 17, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Russell I Parera
Partner
Membership Number: 42190

Mumbai
May 03, 2018

Edelweiss Financial Services Limited

Edelweiss Financial Services Limited

**Abridged Consolidated Financial Statements
for the year ended 31 March 2018**

Edelweiss Financial Services Limited

Abridged Consolidated Balance Sheet as at 31 March 2018

(Statement containing salient features of Consolidated Balance Sheet as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)		As at 31 March 2018	As at 31 March 2017
I	EQUITY AND LIABILITIES		
1	Shareholders' funds		
(a)	Share capital	915.50	832.57
	Equity		
(b)	Reserves and surplus	12,309.13	10,224.20
(i)	Capital reserves	29,373.39	13,460.15
(ii)	Securities premium account	6,248.99	4,785.07
(iii)	Statutory reserves	916.82	916.82
(iv)	General reserves	16,942.64	13,034.78
(v)	Surplus in statement of profit and loss (Refer note 2.14)	66,706.47	43,253.59
2	Share application money pending allotment (Refer note 2.4)	25.08	40.94
3	Minority interest	10,892.78	9,584.56
4	Non-current liabilities		
(a)	Long-term borrowings	2,73,060.50	1,69,874.07
(b)	Other long term liabilities	8,200.27	3,061.42
(c)	Long-term provisions	15,760.88	10,417.48
		2,97,021.65	1,83,352.97
5	Current liabilities		
(a)	Short-term borrowings	1,49,248.63	1,18,394.14
(b)	Trade payables		
(i)	total outstanding dues of micro enterprises and small enterprises	-	1.50
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	21,879.79	20,852.14
(c)	Other current liabilities	83,574.91	68,167.09
(d)	Short-term provisions	5,786.04	4,587.03
		2,60,489.37	2,12,001.90
	TOTAL - EQUITY AND LIABILITIES (1+2+3+4+5)	6,35,135.35	4,48,233.96
II	ASSETS		
6	Non-current assets		
(a)	Fixed assets		
(i)	Property, Plant and Equipment (original cost less depreciation)	5,731.83	5,258.41
(ii)	Intangible assets (original cost less depreciation/amortisation)	1,384.61	1,109.53
(iii)	Capital work-in-progress	10.83	951.21
(iv)	Intangible assets under development	410.82	58.35
(b)	Non-current investments (Refer note 2.12)	66,991.21	60,413.90
(c)	Deferred tax assets (net)	1,740.37	2,109.09
(d)	Long-term loans and advances	1,64,953.07	1,06,127.61
(e)	Other Non-Current assets	7,913.89	8,365.64
		2,49,136.63	1,84,393.74
7	Current assets		
(a)	Current investments (Refer note 2.12)	23,763.08	8,362.93
(b)	Stock-in-trade (Refer note 2.12)	1,61,919.70	1,06,524.04
(c)	Trade receivables	26,252.40	10,982.38
(d)	Cash and bank balances	39,258.82	26,181.91
(e)	Short-term loans and advances	1,08,555.05	94,867.79
(f)	Other current assets	26,249.67	16,921.17
		3,85,998.72	2,63,840.22
	TOTAL ASSETS (6+7)	6,35,135.35	4,48,233.96

The accompanying notes are an integral part of the Consolidated Financial Statements 1&2

Compiled from the audited consolidated financial statements of the Company referred to in our report dated 03 May 2018

Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website - www.edelweissfin.com

This is the Abridged Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants
Firm's Registration No. 1012754N / N500016

Russell I Parera
Partner
Membership No. 42190

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Himanshu Kaji
Executive Director
DIN: 00009438

B Ranganathan
EVP & Company Secretary

Mumbai
3 May 2018

Mumbai
3 May 2018

Edelweiss Financial Services Limited

Abridged Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(Statement containing salient features of Consolidated Statement of Profit and Loss as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)		For the year ended 31 March 2018	For the year ended 31 March 2017
I	Income		
	Revenue from operations		
(a)	Fee and commission income	21,340.60	12,480.82
(b)	Income from treasury	5,780.28	6,893.77
(c)	Interest income	50,740.86	41,015.44
(d)	Premium from insurance business	6,188.92	4,258.92
(e)	Other operating revenue	1,759.24	1,271.98
	Net Revenue from operations	85,809.90	65,920.93
II	Other income	376.18	267.49
III	Total revenue (I+II)	86,186.08	66,188.42
IV	Expenditure		
(a)	Employee benefits expense	13,549.11	11,021.54
(b)	Finance costs	35,295.22	28,096.99
(c)	Depreciation and amortisation expenses	1,116.85	1,064.36
(d)	Change in insurance policy liability	4,975.67	4,263.32
(e)	Other expenses	17,066.96	12,310.11
	Total expenses	72,003.81	56,756.32
V	Profit before tax (III-IV)	14,182.27	9,432.10
VI	Tax expense		
(a)	Current tax	5,583.57	4,565.64
(b)	Minimum alternate tax (MAT)	(316.30)	(143.82)
(c)	Deferred tax	331.25	(474.54)
VII	Profit for the year (V-VI)	8,583.75	5,484.82
VIII	Share in profit / (loss) of associate companies (net)	39.38	147.55
IX	Share of minority interest	(278.17)	(460.69)
X	Profit for the year after minority interest (VII+VIII-IX)	8,901.30	6,093.06
XI	Earnings per share (₹) (Face value ₹ 1 each) (Refer note 2.3)		
(a)	Basic	10.11	7.26
(b)	Diluted	9.80	6.92

The accompanying notes are an integral part of the Consolidated Financial Statements 1&2

Compiled from the audited consolidated financial statements of the Company referred to in our report dated 03 May 2018

This is the Abridged Consolidated Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration No.: 012754N / N500016

Russell I Parera
Partner
Membership No.: 42190

For and on behalf of the Board of Directors

Roshesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Himanshu Kaji
Executive Director
DIN: 00009438

B Ranganathan
EVP & Company Secretary

Mumbai
3 May 2018

Mumbai
3 May 2018

Edelweiss Financial Services Limited

Abridged Consolidated Cash Flow Statement for the year ended 31 March 2018

(Statement containing salient features of Consolidated Cash Flow Statement as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

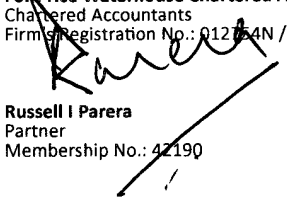
(Currency: Indian rupees in millions)	For the year ended 31 March 2018	For the year ended 31 March 2017
I Cash flow used in operating activities	(1,11,374.88)	(4,971.46)
II Cash flow used in investing activities	(23,283.49)	(43,359.74)
III Cash flow generated from financing activities	1,48,346.29	51,123.60
IV Change in foreign exchange translation reserve	(179.40)	(131.84)
V Net increase in cash and cash equivalents (I + II + III + IV)	13,508.52	2,924.24
VI Cash and cash equivalents at the beginning of the year	10,503.62	7,579.38
VII Cash and cash equivalents at the end of the year (Refer note 2.11)	24,012.14	10,503.62

The accompanying notes are an integral part of the Consolidated Financial Statements 1&2

Compiled from the audited consolidated financial statements of the Company referred to in our report dated 03 May 2018

This is the Abridged Consolidated Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm's Registration No.: 012754N / N500016


Russell I Parera
Partner
Membership No.: 42190

Mumbai
3 May 2018

For and on behalf of the Board of Directors


Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322


S Ranganathan
Chief Financial Officer

Mumbai
3 May 2018


Himanshu Kaji
Executive Director
DIN: 00009438


B Renganathan
EVP & Company Secretary

REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS**To the Board of Directors of Edelweiss Financial Services Limited**

The accompanying abridged consolidated Ind AS financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2019, the abridged consolidated statement of profit and loss including consolidated other comprehensive income, abridged consolidated cash flow statement and the abridged consolidated statement of changes in equity for the year then, and related select explanatory notes ("the Abridged Consolidated Ind AS Financial Statements"), are derived from the audited consolidated Ind AS financial statements of Edelweiss Financial Services Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and trusts as at and for the year ended March 31, 2019. We expressed an unmodified audit opinion on those Consolidated Ind AS Financial Statements in our report dated May 14, 2019.

The Abridged Consolidated Ind AS Financial Statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015. Reading the Abridged Consolidated Ind AS Financial Statements, therefore, is not a substitute for reading the audited consolidated Ind AS financial statements of the Group.

Management's Responsibility for the Abridged Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of the Abridged Consolidated Ind AS Financial Statements in accordance with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards), Rules, 2015 and accounting principles generally accepted in India.

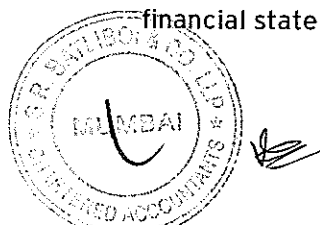
Auditor's Responsibility

Our responsibility is to express an opinion on the Abridged Consolidated Ind AS Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

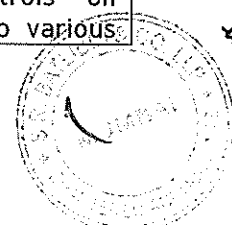
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 included in these Abridged Consolidated Ind AS Financial Statements. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

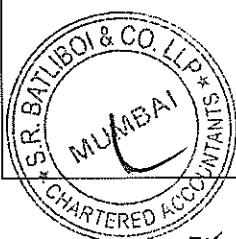
We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
Transition to IND AS accounting framework (as described in note 28 of the Abridged Consolidated Ind AS Financial Statements)	
<p>The abridged consolidated Ind AS financial statements are the first financial statements the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). Accordingly, for transition to Ind AS, the Group has prepared consolidated Ind AS financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018. In preparing these consolidated Ind AS financial statements, the Group's opening balance sheet was prepared as at April 1, 2017, the Group's date of transition to Ind AS.</p> <p>The transition has involved significant change in the Group's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting.</p> <p>In view of the material impact and the complexity of implementation of the Ind AS framework and significance of the various disclosure, the transition to Ind AS was of particular importance for our audit as any error could lead to material misstatement in the preparation and presentation of the Consolidated Ind AS financial statements.</p>	<p>Our audit procedures included considering the processes laid down by the management to implement such transition combined with procedures performed as follows:</p> <ul style="list-style-type: none"> • We obtained management's assessment of applicability of various accounting standards under Ind AS and their impact on the Group's financial statements and read/assessed the nature of the Ind AS adjustments based on the applicable Ind AS and previous period accounting policies prepared in accordance with IGAAP. • We tested the exemptions taken by the Group for first time adoption of Ind AS as described in the financial statements. • We tested the details of Ind AS adjustments carried out by the Group as described in the reconciliation of equity as at the transition date and comparative year end date reported under erstwhile Indian GAAP to Ind AS and reconciliation of the statement of profit and loss for the comparative year end date reported under erstwhile Indian GAAP to Ind AS. • Performed test of details by inspection of contracts, documents and policies to assess the Ind AS adjustments. • We read the shareholding agreements and other relevant documents to assess control and return to the Group. • We assessed the disclosures with respect to the transition in accordance with the requirements of Ind AS 101 and other applicable disclosures in the consolidated Ind AS financial statement in accordance with the requirements of relevant Ind AS.
Impairment of receivables from financing and other business (as described in note 5.6, 11 and 11.1 of the Abridged Consolidated Ind AS Financial Statements)	
<p>The Group's impairment provision for receivables from financing business is based on the expected credit loss approach laid down under Ind AS 109.</p>	<p>Our audit procedures included considering the appropriateness of the Group's accounting policies for impairment of financial assets and assessing compliance with Ind AS 109.</p> <ul style="list-style-type: none"> • We performed test of controls on classification of receivables into various



Key audit matters	How our audit addressed the key audit matter
<p>Under this approach, the management has been required to exercise significant judgement in areas such as;</p> <ul style="list-style-type: none"> • calculation of past default rates; • assigning rating grades to loans for which external rating is not available; • calibrating external ratings-linked probability of default to align with past default rates; • applying macro-economic factors to arrive at forward looking probability of default; and • significant assumptions regarding the probability of various scenarios and discounting rates for different loan products. <p>In view of the high degree of estimation involved in the process of calculating impairment provision and considering its significance to the overall consolidated financial statements, whereby any error or omission in estimation may give rise to a material misstatement of the consolidated Ind AS financial statements, it is considered as a key audit matter.</p> <p>The impairment provision policy is presented under significant accounting policies in the consolidated Ind AS financial statements.</p>	<p>stages through inspection of evidence and re-performance of those controls.</p> <ul style="list-style-type: none"> • We performed tests of details, on a sample basis and inspected the repayment schedule from the underlying borrower agreements and collections made on the due dates which formed the basis of the staging of loans. • We assessed <ul style="list-style-type: none"> • the Group's expected credit loss provisioning methodology; • the models used in determining the impairment provision; • the historical data and the external rating considered for calculating the default and loss given default rates; and • the key assumptions especially in respect of the macro-economic factors and discounting rates. • Performed analytical procedures by determining various ratios or percentage based measures to review overall reasonableness of the estimate determined by the management. • We assessed the relevant disclosures made in the consolidated Ind AS financial statements in accordance with the requirements of Ind AS 109 and Ind AS 107.
IT Systems	
<p>The reliability and security of IT systems play a key role in the financial reporting process of the Group. The Group's key financial accounting and reporting processes are highly automated, whereby any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.</p> <p>Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.</p>	<p>Our audit procedures assisted by our IT specialists, included:</p> <p>General IT controls: We tested the governance and other higher controls operating over the IT environment of the Group, including system access and system change management. We considered the controls over access rights granted to applications relevant to financial accounting and reporting systems and the operating effectiveness of controls over granting, and removal of access rights.</p> <p>Application controls: We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. For any identified deficiencies, tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedures.</p>



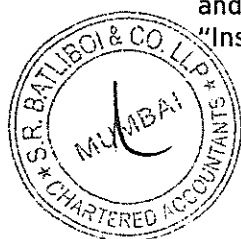
Key audit matters	How our audit addressed the key audit matter
Valuation of Investments in Security Receipts (SR) (as described in note 5.11 and 12 of the Abridged Consolidated Ind AS Financial Statements)	
<p>In the Group's financial statements, total investment in SR amounts to Rs. 53,121.56 million as disclosed in the consolidated Ind AS financial statements.</p> <p>The fair value of SRs is determined through discounted cash flow method which involves management judgement using level 3 inputs such as projection of future cash flows and expenses.</p> <p>The management has also involved credit rating agencies for valuation of SRs.</p> <p>Considering that fair valuation of investments is significant to overall financial statements and the degree of management's judgement involved in the estimate, any error in the estimate could lead to material misstatement in the financial statements. Therefore, it is considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Our audit procedures included an assessment of internal controls over measurement of fair value and evaluating the methodologies, inputs, judgments made and assumptions used by management in determining fair values. • We evaluated rationale of the models and accounting treatment applied. We compared observable inputs against independent sources and externally available market data for sample cases. • We compared the rating provided by independent rating agencies with fair valuation determined by the Group. • We have assessed the presentation of investments in SR and fair valuation for compliance with accounting standard.

Opinion

In our opinion, the Abridged Consolidated Ind AS Financial Statements derived from the audited consolidated financial statements of the Group as at and for the year ended March 31, 2019 are a fair summary of those financial statements, in accordance with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and accounting principles generally accepted in India.

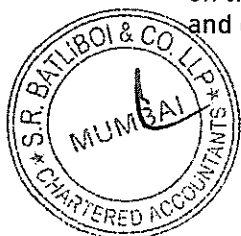
Other Matters

- The actuarial valuation of liabilities of Edelweiss Tokio Life Insurance Company Limited (ETLIFE) for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2019, March 31, 2018 and April 1, 2017, is the responsibility of ETLIFE's appointed Actuary. The actuarial valuations of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2019, March 31, 2018 and April 01, 2017, has been duly certified by the ETLIFE's appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with IRDAI. The auditors of ETLIFE have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their opinion in this regard.
- The actuarial valuation of liabilities of Edelweiss General Insurance Company Limited (EGICL) for Incurred But Not Reported and Incurred But Not Enough Reported claims of EGICL as at March 31, 2019 and March 31, 2018 is the responsibility of EGICL's Appointed Actuary. The actuarial valuations of these liabilities has been duly certified by the EGICL's appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the IRDAI and the Institute of



Actuaries of India in concurrence with IRDAI. The auditors of EGICL have relied upon the EGICL's appointed Actuary's certificate for expressing their opinion in this regard.

- c) We did not audit the financial statements and other financial information, in respect of 39 subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,51,057.21 million as at March 31, 2019, and total revenues of Rs. 27,493.31 million and net cash outflows of Rs. 1,630.45 million for the year ended on that date are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Abridged Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- d) We did not audit the financial statements and other financial information and Ind AS adjustments in respect of one subsidiary, whose Ind AS financial statements include total assets of Rs. 30.20 million as at March 31, 2019 and total revenues of Rs Nil million and net cash inflows of Rs. 1.01 million for the year ended March 31, 2019 are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been certified by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the management certified financial statement and other financial information.
- e) We did not audit the Ind AS adjustment in respect of one associate, whose share of net profit of Rs. 41.99 million for the period April 01, 2018 to November 28, 2018 as considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been certified by the management. Our opinion on the Abridged Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of one associate and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the management certified financial statement and other financial information.
- f) We did not audit the Ind AS adjustment in respect of 38 subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,54,765.11 million as at March 31, 2018, and total revenues of Rs. 30,190.62 million and net cash inflows of Rs. 1,069.71 million for the year ended on that date are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- g) We did not audit the Ind AS adjustment in respect of one associate, whose share of net profit of Rs. 0.01 million for the year ended March 31, 2018 is considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of one associate and our report in terms of sub-sections (3)



of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of such other auditor.

- h) We did not audit the financial statements and other financial information and Ind AS adjustments in respect of one subsidiary, whose Ind AS financial statements include total assets of Rs. 18.79 million as at March 31, 2018 and total revenues of Rs. 7.19 million and net cash inflows of Rs. 14.18 million for the year ended March 31, 2018 are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been certified by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the management certified financial statement and other financial information.
- i) We did not audit the Ind AS adjustment in respect of one associate, whose share of net loss of Rs. 12.08 million for the period April 1, 2017 to August 22, 2017 as considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been certified by the management. Our opinion on the Abridged Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of an associate and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the management certified financial statement and other financial information.
- j) We did not audit the Ind AS adjustment in respect of 36 subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,15,274.85 million as at opening balance sheet date April 01, 2017 are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- k) We did not audit the financial statements and other financial information and Ind AS adjustments in respect of 4 subsidiaries, whose Ind AS financial statements include total assets of Rs. 620.22 million as at opening balance sheet date April 01, 2017 are considered in these Abridged Consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been certified by the management. Our opinion on the Abridged consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the management certified financial statement and other financial information.
- l) The comparative consolidated financial information of the Group for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 are considered in these Abridged Consolidated Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with accounting principles generally accepted in India including the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, audited by the predecessor auditors whose report for the year ended March 31, 2018 and March 31, 2017 dated May 3, 2018 and May 17, 2017 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Our opinion above on the Abridged consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place: Mumbai

Date: May 14, 2019



F1

Edelweiss Financial Services Limited

**Edelweiss Financial Services Limited
Abridged Consolidated Financial Statements
for the year ended 31 March 2019**

Edelweiss Financial Services Limited

Abridged consolidated balance sheet as at 31 March 2019

(Statement containing salient features of Consolidated Balance Sheet as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)	Note	March 31, 2019	March 31, 2018	April 01, 2017
ASSETS				
Financial assets				
(a) Cash and cash equivalents	8	31,158.21	24,080.96	10,390.15
(b) Bank balances other than cash and cash equivalents	9	33,396.05	21,536.82	27,184.89
(c) Derivative financial instruments		1,940.90	8,577.89	1,416.70
(d) Stock in trade (Securities held for trading)	10	39,136.66	47,981.24	39,040.00
(e) Trade Receivables		27,540.06	30,093.36	13,989.35
(f) Loans	11	3,84,083.10	3,84,390.66	2,68,581.59
(g) Investments	12	87,990.47	78,871.41	58,154.28
(h) Other financial assets		9,998.51	9,805.14	8,344.85
Total financial assets		6,15,243.96	6,05,337.48	4,27,101.81
Non-financial assets				
(a) Inventories		1,691.32	1,429.06	2,687.50
(b) Reinsurance assets		2,886.19	2,490.31	2,035.69
(c) Current tax assets (net)		4,326.64	5,099.77	4,171.93
(d) Deferred tax assets (net)		4,905.87	5,950.30	4,928.61
(e) Investment property		3,144.51	1,772.79	3,487.89
(f) Property, Plant and Equipment		5,477.86	5,767.66	5,300.43
(g) Capital work in progress		102.94	8.73	610.03
(h) Intangible assets under development		333.90	412.92	399.54
(i) Goodwill		1,742.72	1,543.85	1,521.71
(j) Other Intangible assets		2,282.58	1,468.78	1,102.72
(k) Other non-financial assets		3,296.95	3,590.51	2,219.36
Total Non-financial assets		30,191.48	29,534.68	28,465.41
TOTAL ASSETS		6,45,435.44	6,34,872.16	4,55,567.22
LIABILITIES				
Financial liabilities				
(a) Derivative financial instruments		1,929.51	999.30	948.93
(b) Trade Payables				
i. total outstanding dues of micro enterprises and small enterprises	27	4.10	2.90	1.50
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		19,748.73	15,911.73	20,642.58
(c) Insurance claims payable		45.61	55.06	19.74
(d) Debt securities	13	2,45,910.48	2,49,385.48	2,19,698.75
(e) Borrowings (other than debt securities)	14	1,94,352.61	2,13,895.33	1,14,572.24
(f) Deposits		1,436.76	3,412.15	553.16
(g) Subordinated Liabilities	15	23,676.58	22,947.95	13,188.75
(h) Other financial liabilities		32,401.01	22,841.66	12,378.86
Total financial liabilities		5,19,505.39	5,29,451.56	3,82,004.51
Non-financial liabilities				
(a) Current tax liabilities (net)		1,435.14	2,059.19	1,206.42
(b) Provisions		327.71	903.78	1,265.06
(c) Policyholders' liabilities		24,492.79	16,538.04	11,225.05
(d) Deferred tax liabilities (net)		2,532.70	1,663.92	1,086.61
(e) Other non-financial liabilities		9,991.80	5,992.97	4,692.83
Total non-financial liabilities		38,780.14	27,157.90	19,475.97
TOTAL LIABILITIES		5,58,285.53	5,56,609.46	4,01,480.48
EQUITY				
(a) Equity Share capital		887.77	870.60	787.67
(b) Other equity		75,882.03	67,962.67	44,020.44
Equity attributable to owners of the parent		76,769.80	68,833.27	44,808.11
Equity attributable to Non-Controlling Interests		10,380.11	9,429.43	9,278.63
TOTAL EQUITY		87,149.91	78,262.70	54,086.74
TOTAL LIABILITIES AND EQUITY		6,45,435.44	6,34,872.16	4,55,567.22

The accompanying notes are an integral part of the abridged Consolidated Financial Statements.

Compiled from the audited consolidated financial statements dated 14 May 2019

Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website - www.edelweissfin.com

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005

Shrawan
per Shrawan Jalan
Partner
Membership No: 102102



For and on behalf of the Board of Directors

Rashesh Shah
Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

Himanshu Kaji
Himanshu Kaji
Executive Director
DIN: 00009438

S Ranganathan
S Ranganathan
Chief Financial Officer

B Ranganathan
B Ranganathan
EVP & Company Secretary

Mumbai May 14, 2019

Mumbai May 14, 2019



Edelweiss Financial Services Limited

Abridged consolidated statement of profit and loss for the year ended 31 March 2019

(Statement containing salient features of Consolidated Statement of Profit and Loss as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations			
Interest income	18	65,118.43	50,391.92
Dividend Income		2,270.66	2,739.89
Fee and commission income	19	21,333.64	21,384.52
Net gain on fair value changes ¹	20	9,238.92	6,476.71
Premium from insurance business (net)		8,840.42	6,011.67
Other operating revenue		1,136.35	1,732.48
Total revenue from operations		1,07,938.42	88,737.19
Other income		837.12	471.23
Total income		1,08,775.54	89,208.42
Expenses			
Finance costs	21	47,183.92	38,763.38
Impairment on financial instruments	22	4,848.96	6,256.63
Employee benefits expense		16,499.89	13,742.26
Depreciation and amortization expenses		1,316.33	1,035.95
Change in insurance policy liability - actuarial		7,279.28	4,692.59
Policy benefits paid		624.60	695.68
Other expenses		13,627.45	10,520.75
Total expenses		91,380.43	75,707.24
Profit before share in profit / (loss) of associates and tax		17,395.11	13,501.18
Share in profit / (loss) of associates		41.99	(12.07)
Profit before tax		17,437.10	13,489.11
Tax expense:			
Current tax		6,548.66	5,406.04
Deferred tax and Minimum alternate tax (MAT)		444.75	(287.47)
Profit for the year		10,443.69	8,370.54
Other Comprehensive Income			
(A)			
(i) Items that will not be reclassified to profit or loss Re-measurements of the defined benefit plans;		(25.89)	25.64
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.04	(4.03)
Subtotal (A)		(21.85)	21.61
(B)			
(i) Items that will be reclassified to profit or loss			
Debt Instruments through Other Comprehensive Income		440.50	(366.76)
Exchange differences in translating the financial statements of foreign operations		154.70	21.60
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		595.20	(345.16)
Other Comprehensive Income (A+B)		573.35	(323.55)
Total Comprehensive Income		11,017.04	8,046.99
Profit for the year attributable to:			
Owners of the parent		9,951.66	8,631.83
Non-controlling interests		492.03	(261.29)
Other Comprehensive Income for the year attributable to:			
Owners of the parent		384.13	(156.50)
Non-controlling interests		189.22	(167.05)
Total Comprehensive Income for the year attributable to:			
Owners of the parent		10,335.79	8,475.33
Non-controlling interests		681.25	(428.34)
Earnings per share (Face value INR 1 each)	16		
- Basic		11.28	10.46
- Diluted		11.09	10.12

¹ Includes income on purchased or originated credit impaired assets
The accompanying notes are an integral part of the Abridged Consolidated Financial Statements
Compiled from the audited consolidated financial statements dated 14 May 2019

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No: 102102



For and on behalf of the Board of Directors

R. Shah
Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

Himanshu Kaji
Himanshu Kaji
Executive Director
DIN : 00009438

S. Ranganathan
S Ranganathan
Chief Financial Officer

B. Ranganathan
B Ranganathan
EVP & Company Secretary

Mumbai May 14, 2019

Mumbai May 14, 2019





Abridged Consolidated Statement of changes in equity

(Currency: Indian rupees in millions)

A. Equity share capital¹

Particulars	Amount
As at 1 April 2017	787.67
Changes in equity share capital during FY 2017-18	82.93
As at 31 March 2018	870.60
Changes in equity share capital during FY 2018-19	17.17
As at 31 March 2019	887.77

1. Edelweiss Employees' Welfare Trust and Edelweiss Employees' Incentive and Welfare Trust are extension of Edelweiss Financial Services Limited standalone financial statements, these trusts are holding 4,48,96,780 number of equity shares as on 31 March 2019 amounting to INR 44.90 million (as at 31 March 2018: INR 44.90 million; as at 1 April 2017: INR 44.90 million). These are treasury shares and deducted from total outstanding equity shares.

B. Other equity

Particulars	Reserves and Surplus							Other comprehensive income			Total attributable to owners of the parent	Non-controlling Interests		
	Share application money pending allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	ESOP reserve	Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	Reserve under section 29C of the National Housing Bank Act, 1987	General reserve	Debt redemption reserve	Retained earnings			Foreign exchange translation reserve	Debt instruments through Other Comprehensive Income
Balance at 1 April 2017	40.94	6,777.59	166.74	12,070.61	651.01	4,512.90	271.72	916.82	4,536.45	14,102.94	(0.64)	(26.64)	44,020.44	9,278.63
Profit for the year										8,631.83			8,631.83	(261.29)
Other comprehensive income										21.61	21.60	(199.71)	(156.50)	(167.05)
Total Comprehensive Income for the year		-	-	-	-	-	-	-	-	8,653.44	21.60	(199.71)	8,475.33	(428.34)
Dividends to equity shareholders										(1,152.58)			(1,152.58)	
Dividend distribution tax										(224.04)			(224.04)	
Issue of equity instruments through Qualified Institutional Placement	(15,277.50)			15,222.94									(54.56)	
Issue of equity instruments and transfer from ESOP reserve	(1,031.00)			1,002.63	-								(28.37)	



Edelweiss Financial Services Limited



B. Other equity (Continued)

Particulars	Share application money pending allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	ESOP reserve	Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	Reserve under section 29C of the National Housing Bank Act, 1987	General reserve	Debt redemption reserve	Retained earnings	Foreign exchange translation reserve	Debt instruments through Other Comprehensive Income	Total attributable to owners of the parent	Non-controlling Interests
Equity Share issue expenses				(70.80)									(70.80)	
ESOP charge					154.93					(71.29)			154.93	
Transaction with non-controlling interests													(71.29)	(1,138.71)
Transfers to / from retained earnings				333.87	(333.87)	1,319.34	140.58		2,002.60	(3,462.52)				
Income tax effect of ESOP										183.39			183.39	
Share application money received	16,292.64												16,292.64	
Effect of changes in Group's interest		437.58								-			437.58	1,717.85
Balance at 31 March 2018	25.08	7,215.17	166.74	28,559.25	472.07	5,832.24	412.30	916.82	6,539.05	18,029.34	20.96	(226.35)	67,962.67	9,429.43



1

Edelweiss Financial Services Limited

B. Other equity (Continued)

Particulars	Share application money pending allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	ESOP reserve	Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	Reserve under section 29C of the National Housing Bank Act, 1987	General reserve	Debt redemption reserve	Retained earnings	Foreign exchange translation reserve	Other comprehensive income	Debt instruments through Other Comprehensive Income	Total attributable to owners of the parent	Non-controlling Interests
Balance at 31 March 2018	25.08	7,215.17	166.74	28,559.25	472.07	5,832.24	412.30	916.82	6,539.05	18,029.34	20.96	(226.35)	(226.35)	67,962.67	9,429.43
Profit for the year										9,951.66				9,951.66	492.03
Other comprehensive income										(21.85)	154.70	251.28	251.28	384.13	189.22
Total Comprehensive Income for the year										9,929.81	154.70	251.28	251.28	10,335.79	681.25
Dividends to equity shareholders										(1,241.16)				(1,241.16)	
Dividend distribution tax										(248.23)				(248.23)	
Issue of equity instruments and transfer from ESOP reserve	(694.25)			677.08										(17.17)	
ESOP charge					225.48									225.48	
Transfers to / from retained earnings				236.96	(236.96)	1,671.70	124.92		3,802.07	(5,598.69)				-	
Income tax effect of ESOP									(1,246.43)					(1,246.43)	
Transaction with non-controlling interests									(1,409.30)					(1,409.30)	(591.23)
Share application money received	675.32													675.32	
Effect of changes in group's interest		845.06												845.06	860.66
Balance at 31 March 2019	6.15	8,060.23	166.74	29,473.29	460.59	7,503.94	537.22	916.82	10,341.12	18,215.34	175.66	24.93	24.93	75,882.03	10,380.11

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005



Shrawan Jalan
per Shrawan Jalan
Partner
Membership No: 102102

For and on behalf of the Board of Directors

Rashesh Shah
Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322



Himanshu Kaji
Himanshu Kaji
Executive Director
DIN: 00009438

S Ranganathan
S Ranganathan
Chief Financial Officer
Mumbai May 14, 2019

B Ranganathan
B Ranganathan
EVP & Company Secretary

Mumbai May 14, 2019

Edelweiss Financial Services Limited

Abridged consolidated cash flow statement

(Statement containing salient features of Consolidated Cash Flow Statement as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)	For the year ended	For the year ended
	31 March 2019	31 March 2018
Net cash generated from/(used in) operating activities (A)	51,880.95	(1,29,687.34)
Net cash generated from/(used in) investing activities (B)	(12,700.78)	(5,302.00)
Net cash generated from/(used in) financing activities (C)	(32,102.92)	1,48,680.15
Net increase in cash and cash equivalents (A+B+C)	7,077.25	13,690.81
Cash and cash equivalents as at the beginning of the year	24,080.96	10,390.15
Cash and cash equivalents as at the end of the year	31,158.21	24,080.96

Notes:

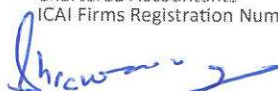
Consolidated cash flow statement has been prepared as per indirect method, as prescribed under the notified accounting standard.

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005



per Shrawan Jalan
Partner
Membership No: 102102



Mumbai May 14, 2019

For and on behalf of the Board of Directors



Ramesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

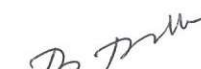


Himanshu Kaji
Executive Director
DIN : 00009438



S Ranganathan
Chief Financial Officer

Mumbai May 14, 2019



B Ranganathan
EVP & Company Secretary





Edelweiss Financial Services Limited
Abridged Consolidated Financial Statements
for the year ended 31 March 2020



REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS

To the Board of Directors of Edelweiss Financial Services Limited

The accompanying abridged consolidated Ind AS financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2020, the abridged consolidated statement of profit and loss including consolidated other comprehensive income, abridged consolidated cash flow statement and the abridged consolidated statement of changes in equity for the year then, and related select explanatory notes (“the Abridged Consolidated Ind AS Financial Statements”), are derived from the audited consolidated Ind AS financial statements of Edelweiss Financial Services Limited (hereinafter referred to as “the Holding Company”), its subsidiaries and trusts (the Holding Company, its subsidiaries and trusts together referred to as “the Group”) as at and for the year ended March 31, 2020. We expressed an unmodified audit opinion on those Consolidated Ind AS Financial Statements in our report dated July 04, 2020.

The Abridged Consolidated Ind AS Financial Statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Reading the Abridged Consolidated Ind AS Financial Statements, therefore, is not a substitute for reading the audited consolidated Ind AS financial statements of the Group.

Management’s Responsibility for the Abridged Consolidated Ind AS Financial Statements

The Company’s Board of Directors is responsible for the preparation of the Abridged Consolidated Ind AS Financial Statements in accordance with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards), Rules, 2015, as amended and accounting principles generally accepted in India.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Abridged Consolidated Ind AS Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, “Engagements to Report on Summary Financial Statements” issued by the Institute of Chartered Accountants of India.

Emphasis of Matter

We draw attention to Note 29 to the Abridged Consolidated Ind AS Financial Statements, which describes the economic and social disruption as a result of COVID-19 pandemic of the Group’s business and financial metrics including the Group’s estimates of impairment of loans, financial assets, investments, investment in properties, intangible assets (including goodwill) which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 included in these Abridged Consolidated Ind AS Financial Statements. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying abridged consolidated Ind AS financial statements.



REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS *(Continued)*

Key audit matters	How our audit addressed the key audit matter
Impairment of receivables from financing and other business <i>(as described in note 5.6, 11, 11.1 & 12 to the Abridged Consolidated Ind AS Financial Statements)</i>	
<p>The Group's impairment provision for receivables from financing business is based on the expected credit loss approach laid down under Ind AS 109.</p> <p>Ind AS 109 requires the Group to provide for impairment of its financial assets as at the reporting date using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Group's financial assets (loan portfolio).</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Staging of financial assets (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); Calculation of past default rates Assigning rating grades to customers for which external rating is not available Calibrating external ratings-linked probability of default to align with past default rates Applying assumptions regarding the probability of various scenarios and discounting rates for different loan products Grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; Estimation of management overlay for macro-economic factors which could impact the credit quality of the loans. <p>Pursuant to the Reserve Bank of India circulars dated March 27, 2020 and May 23, 2020, issued as part of the COVID-19 Regulatory Package ("RBI circular"), allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 01, 2020 and August 31, 2020, the Group has extended moratorium to its borrowers in accordance with its respective subsidiary's Board approved policy.</p> <p>In subsidiary companies' management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers.</p>	<p>The audit procedures, including those reported in the auditor's report of respective subsidiary companies, comprised the following:</p> <ol style="list-style-type: none"> Obtained and read the financial statements of respective subsidiary companies to assess whether their accounting policies and disclosure for impairment of financial assets are included in the Abridged consolidated Ind AS financial statements of the Group. Read and assessed the accounting policy for impairment of financial assets and its compliance with Ind AS 109 and the governance framework approved by the respective subsidiary company's Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020, as applicable. Read and assessed the respective subsidiary company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. Performed test of details of the inputs used in the ECL computation, on a sample basis. Tested assumptions used by the respective subsidiary company's management in determining the overlay for macro-economic factors (including COVID-19 pandemic). Tested the arithmetical accuracy of computation of ECL provision performed by the respective subsidiary companies. Assessed disclosures included in the standalone Ind AS financial statements of the respective subsidiary Companies in respect of expected credit losses including the specific disclosures made with regards to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation



REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS *(Continued)*

Key audit matters	How our audit addressed the key audit matter
<p>The Group has recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic, and its timing being close to the year-end, the management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated.</p> <p>In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic, it is considered as a key audit matter.</p>	
IT systems and controls	
<p>The reliability and security of IT systems play a key role in the financial reporting process of the Group. The Group's key financial accounting and reporting processes are highly automated, whereby any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.</p> <p>Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.</p>	<p>The audit procedures assisted by our IT specialists, including those reported in the auditor's report of respective subsidiary companies, comprised the following:</p> <ul style="list-style-type: none"> a) Tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. b) Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. c) Tested the periodic review of access rights. Also tested requests of changes to systems for approval and authorization. d) In addition to the above, tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting. e) Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.



REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS *(Continued)*

Key audit matters	How our audit addressed the key audit matter
Valuation of Investments in Security Receipts (SR) for Edelweiss Assets Reconstruction Company Limited <i>(as described in note 5.11 and 12 to the Abridged Consolidated Ind AS Financial Statements)</i>	
<p>In the Group's financial statements, total investment in SR amounts to Rs. 42,646.81 million as disclosed in the Abridged Consolidated Ind AS Financial Statements.</p> <p>These investments are classified as fair value through the profit and loss. In accordance with Ind AS 113 Fair Value measurement (Ind AS 113), the objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.</p> <p>The fair value of SRs is determined through discounted cash flow method which involves management judgement using level 3 inputs such as projection of future cash flows and expenses.</p> <p>Further, the recoverability from the underlying assets of SRs could be impacted due to the COVID-19 situation. The management has done an assessment to ascertain future recoverability estimates of the underlying assets. In making these assessments, the management has used several estimates, assumptions and sources of information (both internal and external) available as at the date of these financial statements. These assumptions, estimates and information used by the management have an inherent uncertainty of the impact of COVID-19 and the actual results may differ from the estimates and assumptions made.</p> <p>Given fair valuation of investments is significant to overall financial statements and the degree of management's judgement involved in the estimate and uncertainty of impact of COVID-19 on the recoverability of the SRs, any error in the estimate could lead to material misstatement in the abridged consolidated Ind AS financial statement of the Group financial, we have considered this areas as key audit matter.</p>	<p>The audit procedures, including those reported in the auditor's report of a subsidiary company, comprised the following:</p> <ol style="list-style-type: none"> Obtained and read the financial statements of a subsidiary Company to identify whether accounting policies and disclosure for valuation of Investments in Security Receipts and its compliance with Ind AS 109 are included in the to the Abridged Consolidated Ind AS Financial Statements of the Group. Audit procedures included an assessment of internal controls over measurement of fair value and evaluating the methodologies, inputs, judgments made and assumptions used by management in determining fair values. Tested the operating effectiveness of the controls for the purpose of fair valuation of security receipts. Evaluated rationale of the models and accounting treatment applied. Compared observable inputs against independent sources and externally available market data for sample cases. Performed testing on a sample basis of key inputs as mentioned above to validate the reasonableness of the input values. Involved our valuation experts for the process understanding of the valuation process and test the fair valuation of sample cases. Compared the rating provided by independent rating agencies with fair valuation determined by the Company. Understood the management's assessment process to ascertain the impact of COVID-19 on the future recoverability estimates of the SRs along with key inputs used and judgements made. On a sample basis tested the assumptions and inputs used for this assessment with the help of our valuation experts. The future recoverability estimates are subject to significant uncertainty and the actual results may vary from the assumptions and estimates as events unfold. Assessed disclosures included in the standalone Ind AS Financial Statements a subsidiary Company with respect to such fair valuation.



REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED IND AS FINANCIAL STATEMENTS (*Continued*)

Opinion

In our opinion, the Abridged Consolidated Ind AS Financial Statements derived from the audited consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2020 are a fair summary of those financial statements, in accordance with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and accounting principles generally accepted in India.

Other Matters

- (a) We did not audit the financial statements and other financial information, in respect of 36 subsidiaries, whose Ind AS financial statements include total assets of Rs. 132,324.28 million as at March 31, 2020, and total revenues of Rs. 29,838.49 million and net cash inflows of Rs. 1,196.45 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the abridged consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- (b) The actuarial valuation of liabilities of Edelweiss Tokio Life Insurance Company Limited (ETLIFE) for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 is the responsibility of ETLIFE's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 has been duly certified by the ETLIFE's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their conclusion in this regard.
- (c) The actuarial valuation of liabilities Edelweiss General Insurance Company Limited (EGICL) for Incurred But Not Reported and Incurred But Not Enough Reported claims of EGICL as at March 31, 2020 is the responsibility of EGICL's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the EGICL's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied on the EGICL's Appointed Actuary's certificate for expressing their conclusion in this regard.

Our opinion above on the abridged consolidated Ind AS financial statements, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and other financial information certified by the management.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 20102102AAAAHW1129

Place : Mumbai

Date : 04 July 2020



INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Financial Services Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Edelweiss Financial Services Limited (hereinafter referred to as "the Holding Company") , its subsidiaries and trusts (the Holding Company, its subsidiaries and trusts together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and trusts, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 57 to the consolidated Ind AS Financial Statements, which describes the economic and social disruption as a result of COVID-19 pandemic of the Group's business and financial metrics including the Group's estimates of impairment of loans, financial assets, investments, investment in properties, intangible assets (including goodwill) which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



INDEPENDENT AUDITOR'S REPORT *(Continued)*

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of receivables from financing and other business <i>(as described in note 5.6, 13, 13.1, 14, 14.1 & 56.7 of the consolidated Ind AS Financial Statements)</i>	
<p>The Group's impairment provision for receivables from financing business is based on the expected credit loss approach laid down under Ind AS 109.</p> <p>Ind AS 109 requires the Group to provide for impairment of its financial assets as at the reporting date using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Group's financial assets (loan portfolio).</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Staging of financial assets (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); Calculation of past default rates Assigning rating grades to customers for which external rating is not available Calibrating external ratings-linked probability of default to align with past default rates Applying assumptions regarding the probability of various scenarios and discounting rates for different loan products Grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; Estimation of management overlay for macro-economic factors which could impact the credit quality of the loans. 	<p>The audit procedures, including those reported in the auditor's report of respective subsidiary companies, comprised the following:</p> <ol style="list-style-type: none"> Obtained and read the financial statements of respective subsidiary companies to assess whether their accounting policies and disclosure for impairment of financial assets are included in the consolidated financial statements of the Group. Read and assessed the accounting policy for impairment of financial assets and its compliance with Ind AS 109 and the governance framework approved by the respective subsidiary company's Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020, as applicable. Read and assessed the respective subsidiary company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. Performed test of details of the inputs used in the ECL computation, on a sample basis. Tested assumptions used by the respective subsidiary company's management in determining the overlay for macro-economic factors (including COVID-19 pandemic). Tested the arithmetical accuracy of computation of ECL provision performed by the respective subsidiary companies.



INDEPENDENT AUDITOR'S REPORT *(Continued)*

Key audit matters	How our audit addressed the key audit matter
<p>Pursuant to the Reserve Bank of India circulars dated March 27, 2020 and May 23, 2020, issued as part of the COVID-19 Regulatory Package ("RBI circular"), allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Group has extended moratorium to its borrowers in accordance with its respective subsidiary's Board approved policy.</p> <p>In subsidiary companies' management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers.</p> <p>The Group has recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic, and its timing being close to the year-end, the management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated.</p> <p>In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic, it is considered as a key audit matter.</p>	<p>h) Assessed disclosures included in the standalone Ind AS financial statements of the respective subsidiary Companies in respect of expected credit losses including the specific disclosures made with regards to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation.</p>
IT systems and controls	
<p>The reliability and security of IT systems play a key role in the financial reporting process of the Group. The Group's key financial accounting and reporting processes are highly automated, whereby any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.</p> <p>Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.</p>	<p>The audit procedures assisted by our IT specialists, including those reported in the auditor's report of respective subsidiary companies, comprised the following:</p> <p>a) Tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.</p> <p>b) Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized.</p> <p>c) Tested the periodic review of access rights. Also tested requests of changes to systems for approval and authorization.</p> <p>d) In addition to the above, tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.</p>



INDEPENDENT AUDITOR'S REPORT *(Continued)*

Key audit matters	How our audit addressed the key audit matter
	e) Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.
Valuation of Investments in Security Receipts (SR) for Edelweiss Assets Reconstruction Company Limited <i>(as described in note 5.11, 14, and 55 of the consolidated Ind AS Financial Statements)</i>	
<p>In the Group's financial statements, total investment in SR amounts to Rs. 42,646.81 million as disclosed in the consolidated Ind As financial statements.</p> <p>These investments are classified as fair value through the profit and loss. In accordance with Ind AS 113 Fair Value measurement (Ind AS 113), the objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.</p> <p>The fair value of SRs is determined through discounted cash flow method which involves management judgement using level 3 inputs such as projection of future cash flows and expenses.</p> <p>Further, the recoverability from the underlying assets of SRs could be impacted due to the COVID-19 situation. The management has done an assessment to ascertain future recoverability estimates of the underlying assets. In making these assessments, the management has used several estimates, assumptions and sources of information (both internal and external) available as at the date of these financial statements. These assumptions, estimates and information used by the management have an inherent uncertainty of the impact of COVID-19 and the actual results may differ from the estimates and assumptions made.</p> <p>Given fair valuation of investments is significant to overall financial statements and the degree of management's judgement involved in the estimate and uncertainty of impact of COVID-19 on the recoverability of the SRs, any error in the estimate could lead to material misstatement in the consolidated Ind As financial statement of the Group financial, we have considered this areas as key audit matter.</p>	<p>The audit procedures, including those reported in the auditor's report of a subsidiary company, comprised the following:</p> <ul style="list-style-type: none"> a) Obtained and read the financial statements of a subsidiary Company to identify whether accounting policies and disclosure for valuation of Investments in Security Receipts and its compliance with Ind AS 109 are included in the consolidated Ind As financial statement of the Group. b) Audit procedures included an assessment of internal controls over measurement of fair value and evaluating the methodologies, inputs, judgments made and assumptions used by management in determining fair values. c) Tested the operating effectiveness of the controls for the purpose of fair valuation of security receipts. d) Evaluated rationale of the models and accounting treatment applied. Compared observable inputs against independent sources and externally available market data for sample cases. e) Performed testing on a sample basis of key inputs as mentioned above to validate the reasonableness of the input values. f) Involved our valuation experts for the process understanding of the valuation process and test the fair valuation of sample cases. g) Compared the rating provided by independent rating agencies with fair valuation determined by the Company. h) Understood the management's assessment process to ascertain the impact of COVID-19 on the future recoverability estimates of the SRs along with key inputs used and judgements made. On a sample basis tested the assumptions and inputs used for this assessment with the help of our valuation experts. The future recoverability estimates are subject to significant uncertainty and the actual results may vary from the assumptions and estimates as events unfold. i) Assessed disclosures included in the standalone Ind AS Financial Statements a subsidiary Company with respect to such fair valuation.



INDEPENDENT AUDITOR'S REPORT *(Continued)*

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the consolidated Ind As financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those Charged with Governance.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.



INDEPENDENT AUDITOR'S REPORT (*Continued*)

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



INDEPENDENT AUDITOR'S REPORT *(Continued)*

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements and other financial information, in respect of 36 subsidiaries, whose Ind AS financial statements include total assets of Rs. 1,32,324.28 million as at March 31, 2020, and total revenues of Rs. 29,838.49 million and net cash inflows of Rs. 1,196.45 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- (b) The actuarial valuation of liabilities of Edelweiss Tokio Life Insurance Company Limited (ETLIFE) for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 is the responsibility of ETLIFE's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 has been duly certified by the ETLIFE's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their conclusion in this regard.
- (c) The actuarial valuation of liabilities Edelweiss General Insurance Company Limited (EGICL) for Incurred But Not Reported and Incurred But Not Enough Reported claims of EGICL as at March 31, 2020 is the responsibility of EGICL's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the EGICL's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied on the EGICL's Appointed Actuary's certificate for expressing their conclusion in this regard.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.



INDEPENDENT AUDITOR'S REPORT *(Continued)*

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the mail confirmation received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 50.1 to the consolidated Ind AS financial statements;
 - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 65 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;



INDEPENDENT AUDITOR'S REPORT *(Continued)*

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 20102102AAAAHW1129

Place : Mumbai

Date : 04 July 2020



Annexure 1 to the Independent's Report of even date on the Consolidated Ind AS Financial Statements of Edelweiss Financial Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Edelweiss Financial Services Limited

In conjunction with our audit of the Consolidated Ind AS Financial Statements of Edelweiss Financial Services Limited ("the Company") as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Edelweiss Financial Services Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements includes those policies and



Annexure 1 to the Independent's Report of even date on the Consolidated Ind AS Financial Statements of Edelweiss Financial Services Limited (*Continued*)

procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to explanations given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements of the Holding Company, insofar as it relates to 23 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 20102102AAAAHW1129

Place : Mumbai

Date : 04 July 2020



Abridged consolidated balance sheet as at 31 March 2020

(Statement containing salient features of Consolidated Balance Sheet as per proviso to section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)	Note	31-Mar-20	31-Mar-19
ASSETS			
Financial assets			
(a) Cash and cash equivalents	8	49,425.19	31,158.21
(b) Bank balances other than cash and cash equivalents	9	36,670.89	33,396.05
(c) Derivative financial instruments		5,321.87	1,940.90
(d) Stock in trade (Securities held for trading)	10	17,458.07	39,136.66
(e) Trade Receivables		13,052.38	27,540.06
(f) Loans	11	2,83,606.79	3,84,083.10
(g) Investments	12	82,666.02	87,990.47
(h) Other financial assets		8,302.33	6,098.51
Total financial assets		4,96,503.54	6,11,343.96
Non-financial assets			
(a) Inventories		436.09	1,691.32
(b) Reinsurance assets		2,944.42	2,886.19
(c) Current tax assets (net)		5,839.78	4,326.64
(d) Deferred tax assets (net)		9,564.75	4,905.87
(e) Investment property		4,457.27	3,144.51
(f) Property, Plant and Equipment	13	15,012.58	5,477.86
(g) Capital work in progress		111.56	102.94
(h) Intangible assets under development		320.79	333.90
(i) Goodwill		1,723.41	1,742.72
(j) Other Intangible assets	13	2,255.79	2,282.58
(k) Other non-financial assets		3,633.23	3,296.95
Total Non-financial assets		46,299.67	30,191.48
TOTAL ASSETS		5,42,803.21	6,41,535.44
LIABILITIES			
Financial liabilities			
(a) Derivative financial instruments		3,812.48	1,929.51
(b) Trade Payables			
i. total outstanding dues of micro enterprises and small enterprises	14	2.21	4.10
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		12,831.39	19,748.73
(c) Insurance claims payable		74.52	45.61
(d) Debt securities	15	2,07,585.06	2,45,910.48
(e) Borrowings (other than debt securities)	16	1,33,210.55	1,90,453.51
(f) Deposits		2,168.97	1,436.76
(g) Subordinated Liabilities	17	23,608.81	23,676.58
(h) Other financial liabilities		49,250.54	39,126.98
Total financial liabilities		4,32,544.53	5,22,332.26
Non-financial liabilities			
(a) Current tax liabilities (net)		906.30	1,435.14
(b) Provisions		351.11	327.71
(c) Policyholders' liabilities		30,076.82	24,492.79
(d) Deferred tax liabilities (net)		2,643.73	2,532.70
(e) Other non-financial liabilities		4,209.95	3,264.93
Total non-financial liabilities		38,187.91	32,053.27
TOTAL LIABILITIES		4,70,732.44	5,54,385.53
EQUITY			
(a) Equity Share capital		889.51	887.77
(b) Other equity		60,397.60	75,882.03
Equity attributable to owners of the parent		61,287.11	76,769.80
Equity attributable to Non-Controlling Interests		10,783.66	10,380.11
TOTAL EQUITY		72,070.77	87,149.91
TOTAL LIABILITIES AND EQUITY		5,42,803.21	6,41,535.44

The accompanying notes are an integral part of the Abridged Consolidated Financial Statements. 1 to 36

Compiled from the audited consolidated financial statements dated 04 July 2020.

Complete balance sheet, statement of profit and loss, other statement and notes thereto prepared as per the requirement of Schedule III to the Companies Act, 2013 are available at the Company's website - www.edelweissfin.com.

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No: 102102

Mumbai 04 July 2020

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Mumbai 04 July 2020

Himanshu Kaji
Executive Director
DIN : 00009438

B Renganathan
EVP & Company Secretary



Abridged consolidated statement of profit and loss for the year ended 31 March 2020

(Statement containing salient features of Consolidated Statement of Profit and Loss as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency: Indian rupees in millions)	Note	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Revenue from operations			
Interest income	18	59,019.46	68,378.86
Dividend Income		1,621.83	2,270.66
Fee and commission income	19	20,992.98	21,333.64
Net gain on fair value changes	20	1,949.58	8,815.23
Premium from insurance business (net)		10,567.76	8,840.42
Other operating revenue		981.53	1,136.35
Total revenue from operations		95,133.14	1,10,775.16
Other income		893.15	837.13
Total income		96,026.29	1,11,612.29
Expenses			
Finance costs	21	47,930.39	47,832.25
Impairment on financial instruments	22	26,902.65	4,848.96
Change in valuation of credit impaired loans		8,712.42	2,188.42
Employee benefits expense		14,073.01	16,499.89
Depreciation and amortisation expenses		2,322.25	1,316.33
Change in insurance policy liability - actuarial		6,421.00	7,162.28
Policy benefits paid		1,589.21	741.60
Other expenses		12,641.88	13,627.45
Total expenses		1,20,592.81	94,217.18
Profit / (Loss) before share in profit of associates and tax		(24,566.52)	17,395.11
Share in profit of associates		-	41.99
Profit / (Loss) before tax		(24,566.52)	17,437.10
Tax expense:			
Current tax		2,970.75	6,548.66
Deferred tax and Minimum alternate tax (MAT)		(7,099.55)	444.75
Profit / (Loss) for the year		(20,437.72)	10,443.69
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(46.74)	(25.89)
Equity Instruments through Other Comprehensive Income		(1,700.00)	-
Revaluation gain through Other Comprehensive Income		7,674.77	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(2,531.91)	4.04
Subtotal (A)		3,396.12	(21.85)
(B) (i) Items that will be reclassified to profit or loss			
Debt Instruments through Other Comprehensive Income		863.64	440.50
Exchange differences in translating the financial statements of foreign operations		466.66	154.70
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		1,330.30	595.20
Other Comprehensive Income (A+B)		4,726.42	573.35
Total Comprehensive Income / (Loss)		(15,711.30)	11,017.04
Profit / (Loss) for the year attributable to:			
Owners of the parent		(20,452.45)	9,951.66
Non-controlling interests		14.73	492.03
Other Comprehensive Income for the year attributable to:			
Owners of the parent		4,241.54	384.13
Non-controlling interests		484.88	189.22
Total Comprehensive Income / (Loss) for the year attributable to:			
Owners of the parent		(16,210.91)	10,335.79
Non-controlling interests		499.61	681.25
Earnings per share (Face value ₹ 1 each)	23		
- Basic		(23.01)	11.28
- Diluted		(23.01)	11.09

The accompanying notes are an integral part of the Abridged Consolidated Financial Statements. 1 to 36

Compiled from the audited consolidated financial statements dated 04 July 2020.

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No: 102102

Mumbai 04 July 2020

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Mumbai 04 July 2020

Himanshu Kaji
Executive Director
DIN : 00009438

B Renganathan
EVP & Company Secretary



Abridged Consolidated Cash Flow Statement for the year ended 31 March 2020

(Statement containing salient features of Consolidated Cash Flow Statement as per proviso to Section 136(1) of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014)

(Currency : Indian rupees in millions)	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Net cash generated from / (used in) operating activities - A	1,20,984.10	56,852.96
Net cash generated from / (used in) investing activities - B	1,992.49	(13,124.46)
Net cash generated from / (used in) financing activities - C	(1,04,709.61)	(36,651.25)
Net increase in cash and cash equivalents (A+B+C)	18,266.98	7,077.25
Cash and cash equivalents as at the beginning of the year	31,158.21	24,080.96
Cash and cash equivalents as at the end of the year	49,425.19	31,158.21

Note:

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies (Indian Accounting Standards) Rules, 2015 under the Companies Act, 2013

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No: 102102

Mumbai 04 July 2020

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Mumbai 04 July 2020

Himanshu Kaji
Executive Director
DIN : 00009438

B Renganathan
EVP & Company Secretary



Abridged Consolidated Statement of changes in equity

(Currency: Indian rupees in millions)

A Equity share capital¹

Particulars	Amount
As at 01 April 2018	870.60
Changes in equity share capital during FY 2018-19	17.17
As at 31 March 2019	887.77
Changes in equity share capital during FY 2019-20	1.74
As at 31 March 2020	889.51

1. Edelweiss Employees' Welfare Trust and Edelweiss Employees' Incentive and Welfare Trust are extension of Edelweiss Financial Services Limited standalone financial statements, these trusts are holding 44,896,780 number of equity shares amounting to ₹ 44.90 millions (Previous year ₹ 44.90 millions). These are treasury shares and deducted from total outstanding equity shares.
2. The above two Welfare Trust (s) hold an aggregate 44,896,780 equity shares of the Company for incentive and welfare benefits for group employees as per extant applicable SEBI regulations. Pursuant to the exercise of right available under Regulation 29 of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company has applied before the expiry date of 27 October 2019 for extension of the time limit for disposing of aforesaid equity shares. The said application is under consideration and approval for extension from SEBI is awaited as at date.

B. Other Equity

Particulars	Share application money pending allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	ESOP reserve/Stock appreciation rights (SAR)	Reserves and Surplus					General reserve	Debiture redemption reserve	Impairment Reserve	Retained earnings	Other Comprehensive Income				Total attributable to owners of the parent	Non-Controlling Interest
						ESOP reserve/Stock appreciation rights (SAR)	Special Reserve under section 29C of the National Reserve Bank of India Act, 1934	Reserve under section 29C of the National Reserve Bank of India Act, 1934	Reserve under section 29C of the National Reserve Bank of India Act, 1934	Reserve under section 29C of the National Reserve Bank of India Act, 1934					Exchange differences on translating the financial statements of a foreign operation	Revaluation Reserve	OCI	Debt instruments through Other Comprehensive Income		
Balance at 31-Mar-18	25.08	7,215.17	166.74	28,559.25	472.07	5,832.24	412.30	916.82	6,539.05	-	18,029.34	-	-	-	20.96	-	-	-	67,962.67	9,429.43
Profit or loss	-	-	-	-	-	-	-	-	-	-	9,951.66	-	-	-	-	-	-	-	9,951.66	492.03
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(21.85)	-	-	-	154.70	-	-	251.28	384.13	189.22
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	9,929.81	-	-	-	154.70	-	-	251.28	10,335.79	681.25
Dividends to equity shareholders	-	-	-	-	-	-	-	-	-	-	(1,241.16)	-	-	-	-	-	-	-	(1,241.16)	-
Dividend distribution tax	-	-	-	-	-	-	-	-	-	-	(248.23)	-	-	-	-	-	-	-	(248.23)	-
Issue of equity instruments (694.25)	-	-	-	677.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(17.17)	-
Transfer from ESOP reserve	-	-	-	-	225.48	-	-	-	-	-	-	-	-	-	-	-	-	-	225.48	-
ESOP charge	-	-	-	236.96	(236.96)	1,671.70	124.92	-	3,802.07	-	(5,598.69)	-	-	-	-	-	-	-	-	-
Transfers to / from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax effect of ESOP	-	-	-	-	-	-	-	-	-	-	(1,246.43)	-	-	-	-	-	-	-	(1,246.43)	-
Transaction with non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,409.30)	-	-	-	-	-	-	-	(1,409.30)	(591.23)
Share application money received	675.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	675.32	-
Effect of changes in group's interest	-	845.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	845.06	860.66
Balance at 31-Mar-19	6.15	8,060.23	166.74	29,473.29	460.59	7,503.94	537.22	916.82	10,341.12	-	18,215.34	-	-	-	175.66	-	-	24.93	75,882.03	10,380.11

Abridged Consolidated Statement of changes in equity

(Currency: Indian rupees in millions)

B. Other Equity (Continued)

Particulars	Share application money pending allotment	Capital Reserve	Capital Redemption Reserve	Capital Reserve	Securities Premium Account	ESOP reserve/Stock appreciation rights (SAR)	Reserves and Surplus				General reserve	Debt redemption reserve	Impairment Reserve	Retained earnings	Other Comprehensive Income			Total attributable to owners of the parent	Non-Controlling Interest
							Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	Reserve under section 29C of the National Housing Bank Act, 1987	Revaluation Reserve on translating the financial statements of a foreign operation	Equity Instruments through Other Comprehensive Income					Debt Instruments through Other Comprehensive Income				
Balance at 31-Mar-19	6.15	8,060.23	166.74	29,473.29	460.59	7,503.94	537.22	916.82	10,341.12	-	18,215.34	-	175.66	-	24.93	-	75,882.03	10,380.11	
Profit or loss	-	-	-	-	-	-	-	-	-	-	(20,452.45)	-	-	-	-	-	(20,452.45)	14.73	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(36.28)	-	467.61	5,080.88	(1,700.00)	429.33	4,241.54	484.88	
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	(20,488.73)	-	467.61	5,080.88	(1,700.00)	429.33	(16,210.91)	499.61	
Dividends to equity shareholders	-	-	-	-	-	-	-	-	-	-	(266.51)	-	-	-	-	-	(266.51)	-	
Dividend distribution tax	-	-	-	-	-	-	-	-	-	-	(102.38)	-	-	-	-	-	(102.38)	-	
Transfers to securities premium on exercise of ESOP	-	-	-	-	33.37	(33.37)	-	-	-	-	-	-	-	-	-	-	-	-	
Issue of equity instruments on ESOP	(85.88)	-	-	-	84.14	-	-	-	-	-	-	-	-	-	-	-	(1.74)	-	
Share application money received	79.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79.92	-	
ESOP Charge	-	-	-	-	-	242.03	-	-	-	-	-	-	-	-	-	-	242.03	-	
Stock appreciation rights (SAR)	-	-	-	-	-	148.93	-	-	-	-	-	-	-	-	-	-	148.93	-	
Transfers to / from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers to / from retained earnings	-	-	106.88	-	-	-	-	(90.26)	(1,619.61)	-	1,602.99	-	-	-	-	-	-	-	
Transfer Under 45 -IC RBI	-	-	-	-	-	-	143.66	-	-	-	(143.66)	-	-	-	-	-	-	-	
Transfer Under 29C NHB	-	-	-	-	-	-	-	3.12	-	-	(3.12)	-	-	-	-	-	-	-	
Transfer Under Lease Impact	-	-	-	-	-	-	-	-	-	-	(209.55)	-	-	-	-	-	(209.55)	-	
- IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer under Impairment reserve	-	-	-	-	-	-	-	-	1,577.37	(1,577.37)	-	-	-	-	-	-	-	-	
Transaction with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(115.97)	
Transfer from securities premium	-	-	-	-	(528.31)	-	-	-	-	-	-	-	-	-	-	-	(528.31)	-	
Effect of changes in group's interest	-	198.50	-	-	-	-	-	-	-	-	1,418.69	-	(253.10)	-	-	-	1,364.09	19.91	
Balance at 31-Mar-20	0.19	8,258.73	273.62	29,062.49	818.18	7,647.60	540.34	826.56	8,721.51	1,577.37	1,554.30	-	390.17	5,080.88	(1,700.00)	454.26	60,397.60	10,783.66	

As per our report of even date attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No: 102102

Mumbai 04 July 2020

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Mumbai 04 July 2020

Himanshu Kaji
Executive Director
DIN : 00009438

B Ranganathan
EVP & Company Secretary



✓
Edelweiss Financial Services Limited

Edelweiss Financial Services Limited

**Standalone Financial Statements
for the year ended 31 March 2018**

Price Waterhouse Chartered Accountants LLP

TO THE MEMBERS OF EDELWEISS FINANCIAL SERVICES LIMITED

Report on the Standalone Financial Statements

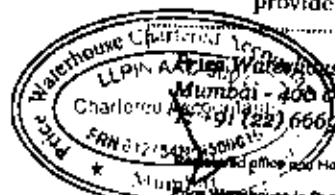
1. We have audited the accompanying standalone financial statements of Edelweiss Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)
Mumbai - 400 028
Chartered Accountants
FRN 012754N/200611
Mumbai
Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-50091) with effect from July 28, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/200611 (ICAI registration number before conversion was 012754N).

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Edelweiss Financial Services Limited

Report on the Financial Statements

Page 2 of 3

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

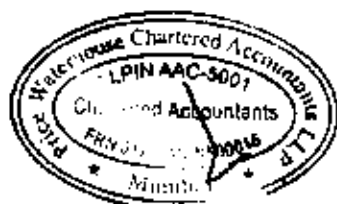
Other Matter

9. The standalone financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 17, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A;



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Edelweiss Financial Services Limited

Report on the Financial Statements

Page 3 of 3

- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone financial statements – Refer Note 2.36;
 - ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 2.5, 2.9 and 2.46;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018; and
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Russell I Parolia
Partner
Membership Number : 42190

Mumbai
May 03, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (i) of the Independent Auditors' Report of even date to the members of Edelweiss Financial Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 1 of 3

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

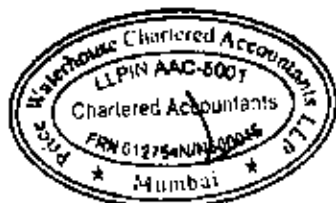
1. We have audited the internal financial controls over financial reporting of Edelweiss Financial Services Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Edelweiss Financial Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 2 of 3

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016
Chartered Accountants



Russell I Parera
Partner
Membership Number : 42190

Mumbai
May 03, 2018

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

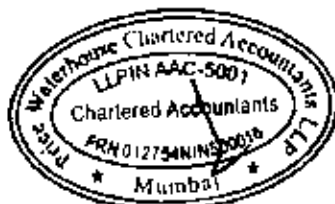
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Financial Services Limited on the standalone financial statements as of and for the year ended March 31, 2018

Page 1 of 3

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification;

(c) The title deeds of immovable properties, as disclosed in Note 2.10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' stock option scheme, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

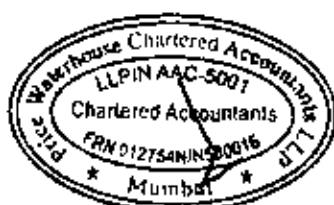
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Financial Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 2 of 3

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, duty of excise, value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and service tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.mn)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.28	AY 2009-10	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	1.26	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.88	AY 2014-15	Commissioner of Income Tax (Appeals)
Service Tax	Service tax and penalty	414.60	2008-2009 to 2011-2012	CESITAT, Mumbai

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of further public offer (Qualified Institutional Placement) have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer of equity or further public offer of debt instruments or term loan during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

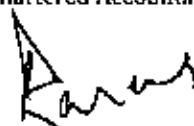
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Financial Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 3 of 3

have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Russell I Parera
Partner
Membership Number : 42190

Mumbai
May 03, 2018

Edelweiss Financial Services Limited

Balance Sheet as at 31 March 2018

(Currency: Indian rupees in millions)	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	915.50	837.57
(b) Reserves and surplus	2.2	32,858.49	16,321.63
		33,571.99	17,154.20
Share application money pending allotment	2.33	25.08	40.94
Non-current liabilities			
(a) Long-term borrowings	2.3	-	212.00
(b) Other long term liabilities	2.4	-	36.99
(c) Long-term provisions	2.5	27.29	63.09
		27.29	314.08
Current liabilities			
(a) Short-term borrowings	2.6	-	7,150.33
(b) Trade payables	2.7	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		264.27	143.81
(c) Other current liabilities	2.8	683.61	1,462.90
(d) Short-term provisions	2.9	351.73	411.19
		1,299.61	9,168.23
TOTAL		34,923.97	26,677.45
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Property, Plant and Equipment	2.10	38.06	22.61
(ii) Intangible assets	2.10	48.48	43.23
(iii) Intangible assets under development		11.91	37.77
(b) Non-current investments	2.11	26,632.73	16,633.38
(c) Deferred tax assets (net)	2.12	336.70	277.57
(d) Long-term loans and advances	2.13	2,120.87	2,146.36
(e) Other non-current assets	2.14	1.07	0.39
		29,089.02	19,161.31
Current assets			
(a) Trade receivables	2.15	694.01	522.03
(b) Cash and bank balances	2.16	351.14	315.82
(c) Short-term loans and advances	2.17	4,493.90	6,333.12
(d) Other current assets	2.18	155.90	345.17
		5,634.95	7,516.14
TOTAL		34,923.97	26,677.45

The accompanying notes are an integral part of these financial statements 1 & 2

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm's Registration No.: 012754N / NS00016

Russell I Pareira
Partner
Membership No.: 42190

For and on behalf of the Board of Directors

Rachan Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial Officer

Himanshu Kaji
Executive Director
DIN: 00009438

B Ranganathan
EVP & Company Secretary

Mumbai
3 May 2018

Mumbai
3 May 2018

Edelweiss Financial Services Limited

Statement of Profit and Loss for the year ended 31 March 2018

(Currency: Indian rupees in millions)	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations			
Fee and commission income	2.19	2,478.90	2,207.46
Income from investments and dividend	2.20	851.75	1,019.45
Interest income	2.21	872.03	1,008.35
Other operating revenue	2.22	192.47	269.04
Other income	2.23	3.19	0.35
Total revenue		4,396.28	4,504.65
Expenses			
Employee benefits expense	2.24	903.42	856.52
Finance costs	2.25	749.57	1,405.20
Depreciation and amortization expenses	2.10	40.60	28.31
Other expenses	2.26	918.67	778.73
Total expenses		2,612.26	3,068.76
Profit before tax		1,786.02	1,435.89
Tax expense:			
(1) Current tax (includes short provision for earlier years ₹ 23.98 million, (previous year excess provision written back ₹ 4.15 million))		318.54	178.12
(2) Deferred tax		40.89	(32.29)
Profit for year		1,426.60	1,290.06
Earnings per equity share (₹) (Face value of ₹ 1 each):	2.29		
(1) Basic		1.64	1.56
(2) Diluted		1.59	1.49
The accompanying notes are an integral part of these financial statements 1 & 2			

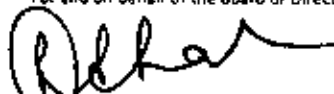
This is the Statement of Profit and Loss referred to in our report of even date


For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm's Registration No.: 011254N / NS00016

Russell I. Pereira
Partner
Membership No.: 42190

Mumbai
3 May 2018

For and on behalf of the Board of Directors


Rakesh Shah
Chairman, Managing Director & CEO
DIN: 00008322


S. Rangachari
Chief Financial Officer

Mumbai
3 May 2018


Mahesh Kumar
Executive Director
DIN: 00009438


B. Rangachari
EVP & Company Secretary

Edelweiss Financial Services Limited

Cash Flow Statement for the year ended 31 March 2018

(Currency: Indian rupees in millions)		For the year ended	For the year ended
		31 March 2018	31 March 2017
A Cash flow from operating activities			
Profit before tax		1,786.02	1,435.89
Adjustments for:			
Depreciation and amortisation expenses	40.60		28.31
Profit on sale of long-term investments	(0.91)		(1.67)
Bad debts written-off	49.08		-
Provision for doubtful debts	0.09		90.86
Dividend on long term investments	(850.84)		(1,010.15)
Profit on sale of fixed assets (net)	(0.16)		0.40
Provision for compensated absences	0.13		1.50
Profit on sale of current investments	-		(1.13)
Finance costs	749.37		1,405.20
Operating cash flow before working capital changes	1,773.58		1,949.21
Adjustments for:			
(Increase) / decrease in trade receivables	(161.15)		320.26
Decrease in loans and advances	1,436.26		64.77
(Increase) / decrease in other assets	(49.33)		43.37
Increase in liabilities and provisions	54.24		5.61
Cash generated from operations	3,059.60		2,383.22
Income taxes paid	(288.48)		(182.43)
Net cash generated from operating activities - A	2,771.12		2,200.79
B Cash flow from investing activities			
Purchase of fixed assets (including intangible asset under development)	(17.18)		(65.68)
Sale of fixed assets	1.90		2.68
Purchase of current investments	-		(2,000.00)
Sale of current investments	-		2,001.13
Purchase of long term investments	(10,046.33)		(1,066.68)
Redemption / sale of long term investments	27.91		1.67
Dividend on long term investments	1,050.33		811.92
Net cash used in investing activities - B	(8,983.39)		(314.96)



Edelweiss Financial Services Limited

Cash Flow Statement for the year ended 31 March 2018

(Currency: Indian rupees in millions)	For the year ended 31 March 2018	For the year ended 31 March 2017
C Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium and share application money (net of share issue expenses)	15,221.84	702.17
Repayment of Non convertible debentures	(850.00)	(1,700.00)
Repayment of long term borrowings	-	(0.75)
Proceeds from/repayment of short term borrowing (Refer note 1 below)	(7,150.33)	1,503.58
Dividend paid	(1,213.20)	(832.21)
Dividend distribution tax paid	(33.31)	(25.29)
Finance costs	(976.89)	(1,432.84)
Net cash generated from / (used in) financing activities - C	5,998.11	(1,785.34)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(214.16)	100.49
Cash and cash equivalents as at the beginning of the year	310.84	210.35
Cash and cash equivalents as at the end of the year (Refer note 2,15)	96.68	310.84

Notes:

1. Net figures have been reported on account of volume of transactions.
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013 read with paragraph 7 of the Companies (Accounts) Rules, 2014.

The accompanying notes are an integral part of these financial statements


This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration No.: 012054N / NS00016

Russell I Pareira
Partner
Membership No. 42190

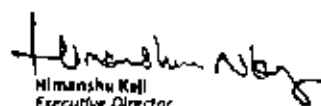
Mumbai
3 May 2018

For and on behalf of the Board of Directors


Rajesh Shah
Chairman, Managing Director & CEO
DIN: 00008322


S Rengasathan
Chief Financial Officer

Mumbai
3 May 2018


Himanshu Kaji
Executive Director
DIN: 00009438


S Rengasathan
EVP & Company Secretary

Edelweiss Financial Services Limited

Notes to the financial statements for the year ended 31 March 2018

1. Significant accounting policies

1.1 Background

Edelweiss Financial Services Limited ('the Company') is registered with the Securities & Exchange Board of India (SEBI) as a Category I – Merchant Banker and Portfolio Management Advisor. The Company was incorporated on 21 November 1995 and is the ultimate holding company of Edelweiss group of companies.

The Company is principally engaged in providing investment banking services and holding company activities comprising of development, managerial and financial support to the businesses of Edelweiss group entities.

1.2 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), the provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian Rupees in millions.

1.3 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.4 Current / non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

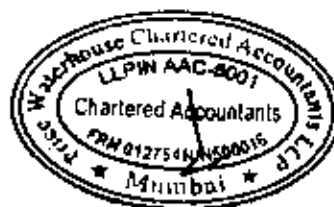
Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle.
- It is held primarily for the purpose of being traded;



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

1. Significant accounting policies (Continued)

1.4 Current / non-current classification (Continued)

- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

1.5 Revenue recognition

- a. Investment banking fee and other advisory fee income is recognised on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty. Guarantee commission and other fees for services rendered to group companies is recognised on an accrual basis.
- b. Interest income is recognised on accrual basis.
- c. Dividend income is recognised when the right to receive payment is established.
- d. Profit earned on sale of investments is recognised on trade date basis. Profit/loss on sale of investments is determined based on the weighted average cost of the investments sold.
- e. The rating support fee for the borrowing programme of the subsidiaries is accrued on straight line basis over the rating period and as per the contractual terms agreed with the subsidiaries.
- f. Royalty income, which is generally earned based upon a percentage of sales or a fixed amount, is recognized on an accrual basis.

1.6 Fixed assets and depreciation / amortization

Property, Plant and Equipment

Property, Plant and Equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or the date it is put to use, whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II of the Act for calculating the depreciation.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

1. Significant accounting policies (Continued)

1.6 Fixed assets and depreciation / amortization (Continued)

The estimated useful lives of the fixed assets are as follows:

Class of asset	Estimated useful life
Building (other than Factory Building)	60 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements & premises are amortized on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Intangible fixed assets

Intangible fixed assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software is amortized over a period of 3 years or its estimated useful life whichever is shorter.

1.7 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.8 Investments

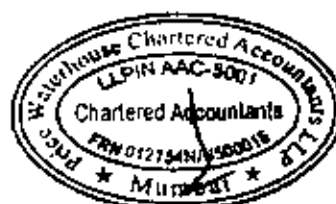
Investments are classified into non-current investments and current investments. Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as 'current portion of long term investments' in consonance with the current and non-current classification as per Schedule III.

Non-current investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

1.9 Foreign currency transactions and currency derivatives

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss for the year.



Edelweiss Financial Services Limited

Notes to the financial statements *(Continued)*

1. Significant accounting policies *(Continued)*

1.9 Foreign currency transactions and currency derivatives *(Continued)*

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

The Company enters into currency derivative transactions to economically hedge its foreign exchange exposure. These derivative transactions are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument.

In respect of currency forward contracts entered with banks, the premium or discount arising at the inception of the contract is amortised over the life of the contract in the statement of profit and loss. The difference in the opening and closing exchange rates (mark to market) is recognised in the statement of profit and loss. Any profit or loss arising on cancellation or renewal of such contracts is recognised in the statement of profit and loss.

1.10 Employee benefits

The accounting policy followed by the Company in respect of its employee benefit schemes in accordance with Accounting Standard 15 (Revised 2005), is set out below:

Provident fund and National Pension Scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at present values of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Benefits in respect of gratuity are funded with an insurance Company approved by Insurance Regulatory and Development Authority (IRDA).

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Compensated absences

The eligible employees of certain companies of the Group are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Group recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits are determined using the projected unit credit method.

Deferred Bonus

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles. These assumptions and principles are consistent with the requirements of Accounting Standard 15 (Revised 2005).



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

1. Significant accounting policies (Continued)

1.11 Current and Deferred Tax

Tax expense comprises of current tax (i.e. amount of tax for the year determined in accordance with the Income Tax Act, 1961), deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the year) and minimum alternate tax.

Current tax

Provision for current tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty with convincing evidence of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain, as the case may be, to be realised.

Minimum Alternate Tax (MAT)

MAT credit asset is recognised where there is convincing evidence that the asset can be realised in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.12 Operating leases

Lease payments for assets taken on operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

1.13 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - "Earnings Per Share". Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.14 Employee stock option plans ('ESOPs')

The Company follows the intrinsic value method to account for compensation cost of its stock based employee compensation plans as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Share-based Payments issued by Securities and Exchange Board of India (SEBI) and guidance note on Employee Share-based Payments issued by Institute of Chartered Accountants of India (ICAI). The compensation cost is amortised on a straight-line basis.

1.15 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other fixed deposits with bank with original maturities of three months or less.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

1. Significant accounting policies (Continued)

1.16 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

1.17 Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at		As at	
	31 March 2018		31 March 2017	
2.1 Share capital				
Authorised:				
1,230,000,000 (previous year: 1,230,000,000) equity shares of ₹ 1 each		1,230.00		1,230.00
4,000,000 (previous year: 4,000,000) preference shares of ₹ 5 each		20.00		20.00
		1,250.00		1,250.00
Issued, Subscribed and Paid up:				
915,498,927 (previous year: 832,569,089) equity shares of ₹ 1 each		915.50		832.57
		915.50		832.57
Movement in share capital	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	832,569,089	832.57	814,036,630	814.04
Shares issued during the year:				
-Under Employee Stock Options Plans (ESOPs)	28,367,350	28.37	18,532,459	18.53
-Under Qualified Institutional placement (QIP) (Refer note 2.34)	54,562,488	54.56	-	-
Outstanding at the end of the year	915,498,927	915.50	832,569,089	832.57

Note:

The Company has bought back 2,030,048 equity shares of ₹ 1 each pursuant to the buy back programme in the financial year 2014-15.

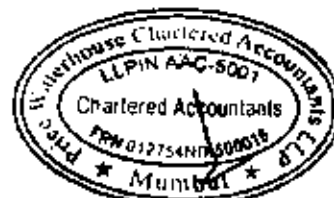
Rights of equity shareholders:

The Company has only one class of equity shares having a par value of ₹ 1 each. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company:

	31 March 2018		31 March 2017	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Rashesh Shah	145,301,730	15.87%	145,301,730	17.45%
Venkat Ramaswamy	58,026,560	6.34%	58,026,560	6.97%



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2018	As at 31 March 2017
2.2 Reserves and surplus		
Capital Redemption Reserve	2.03	2.03
Securities premium account		
Opening balance	14,374.63	13,711.35
Add: On issue of shares on exercise of Employee Stock Options Plans (ESOPs)	1,002.63	663.28
Add: On issue of shares under Qualified Institutional placement	15,222.94	-
Less: Issue expenses on shares issued under Qualified Institutional placement	(70.80)	-
	30,529.40	14,374.63
General reserve	508.64	508.64
Surplus in statement of profit and loss (Refer note 2.45)		
Opening balance	1,436.33	982.61
Add: Profit for the year	1,426.60	1,290.06
Amount available for appropriation	2,862.93	2,272.67
Appropriations:		
Interim dividend during the year	857.28	832.21
Final dividend for financial year 2016-17	235.92	-
Dividend distribution tax	93.31	4.13
	1,616.42	1,436.33
	-	-
	32,656.49	16,321.63



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2018	As at 31 March 2017
2.3 Long-term borrowings		
Secured		
Non-convertible debentures (Refer note 2.40)	-	212.00
(Secured by fixed charge on immovable property and floating charge on receivables)		
	-	212.00
2.4 Other long term liabilities		
Interest accrued but not due on borrowings	-	38.99
	-	38.99
2.5 Long-term provisions		
Provision for employee benefits		
Compensated absences	6.09	6.00
Deferred bonus	21.20	57.09
	27.29	63.09
2.6 Short-term borrowings		
Unsecured		
Loans and advances from related parties (Refer note 2.28)	-	7,150.33
(Repayable on demand and carry interest at 11% p.a.)		
	-	7,150.33

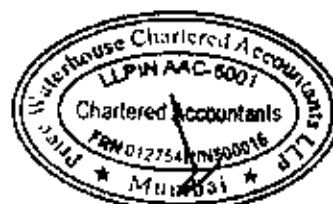


Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2018	As at 31 March 2017
2.7 Trade payables		
Payable to:		
- To related parties (Refer note 2.28)	85.69	10.85
- To others	178.58	132.96
(Includes sundry creditors and provision for expenses)		
	264.27	143.81
2.8 Other current liabilities		
Current maturities of long term debt		
Non-convertible debentures (Refer note 2.40)	212.00	850.00
Interest accrued but not due on borrowings	64.52	234.73
Interest accrued and due on borrowings	-	39.54
Unclaimed dividends (Refer note below)	4.45	4.98
Other payables		
Accrued salaries and benefits	359.09	290.37
Withholding taxes, Goods and Service tax and other taxes payable	39.63	28.57
Others	3.91	14.71
(During the year, the Company has credited ₹ 0.66 million (previous year ₹ 0.45 million) to Investor Education and Protection Fund. There are no amounts due and outstanding to be credited as at year end)		
	683.61	1,462.90
2.9 Short-term provisions		
Provision for employee benefits		
Compensated absences	1.39	1.35
Deferred bonus	78.91	139.22
Others		
Provision for taxation (net of advance Income tax ₹ 273.89 million; previous year: ₹ 93.93 million)	271.43	270.62
	351.73	411.19



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.10 Fixed assets

Description of assets	Gross Block		Depreciation / Amortization		Net Block	
	As at 1 April 2017	Additions during the year	Deductions during the year	As at 31 March 2018	As at 1 April 2017	As at 31 March 2018
Property, Plant and Equipment						
Freehold Building*	2.78	-	-	1.78	1.04	1.13
Leasehold Improvements	1.77	-	-	1.77	1.13	1.44
Furniture and Fixtures	0.34	0.09	-	0.43	0.28	0.30
Vehicles	37.76	0.53	10.84	27.45	27.25	21.15
Office Equipment	10.65	0.85	4.94	6.56	9.37	5.40
Computers	25.16	6.61	3.19	28.58	16.78	20.09
Total: A	78.46	8.08	18.97	67.57	55.85	49.51
Intangible assets						
Computer software	113.39	34.96	2.44	145.91	70.16	97.43
Total: B	113.39	34.96	2.44	145.91	70.16	97.43
Grand total [A+B]	191.85	43.04	21.41	213.48	126.01	146.94

* Mortgaged for Non Convertible Debentures

Note: There are no adjustments on account of borrowing costs.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.10 Fixed assets (Previous year)

Description of assets	Gross Block		Depreciation / Amortization		Net Block	
	As at 1 April 2016	Additions during the year	Deductions during the year	As at 1 April 2016	Charge for the year	As at 31 March 2017
Property, Plant and Equipment						
Freehold Building*	2.78	-	-	2.78	0.09	1.04
Leasehold improvements	1.77	-	-	1.77	0.31	1.13
Furniture and fixtures	0.56	-	0.22	0.34	0.09	0.28
Vehicles	39.55	5.11	6.90	37.76	4.90	27.25
Office Equipment	11.14	0.35	0.84	10.65	0.98	9.37
Computers	28.49	7.04	10.37	25.16	5.23	16.78
Total: A	84.29	12.50	18.33	78.46	11.54	55.85
Intangible assets						
Computer software	73.21	40.18	-	113.39	16.77	70.16
Total: B	73.21	40.18	-	113.39	16.77	43.23
Grand total (A+B)	157.50	52.68	18.33	191.85	28.31	126.01

* Mortgaged for Non Convertible Debentures

Note: There are no adjustments on account of borrowing costs.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.11 Non-current investments

(valued at cost, unless stated otherwise)

	As at 31 March 2018			As at 31 March 2017		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
I. Others (quoted)						
Investments in equity instruments (fully paid up)						
Kotak Mahindra Bank Limited*	5	5	0.00	5	5	0.00
Healthcare Global Enterprises Limited*	10	10,710	0.00	10	10,710	0.00
			0.00			0.00
II. Others (unquoted)						
(A) Investments in equity instruments of subsidiary companies (fully paid up)						
ECL Finance Limited	1	1,499,959,129	5,190.56	1	1,499,959,129	5,190.56
Edelweiss Tokio Life Insurance Company Limited	10	159,436,650	5,992.24	10	133,412,010	3,642.21
Edelweiss Finance & Investments Limited	10	3,435,332	1,692.23	10	2,655,020	2,618.12
Edelweiss Commodities Services Limited	10	29,775,368	1,108.00	10	29,775,368	1,108.00
Edelweiss Asset Management Limited	10	63,939,250	1,225.14	10	63,937,500	1,065.00
EC Commodity Limited	10	30,000,000	501.43	10	30,000,000	501.43
Edelweiss Asset Reconstruction Company Limited	10	20,817,286	434.89	10	20,817,286	434.89
Edelweiss Retail Finance Limited	10	9,691,667	908.18	10	4,691,667	408.18
Edelweiss Broking Limited	10	113,300,000	2,089.29	10	4,881,000	305.80
Edelweiss Capital (Singapore) Pte. Limited	SGD1	6,813,800	319.74	SGD1	6,813,800	319.74
Edelweiss Muly Strategy Funds Management Pvt. Ltd.	10	13,214,644	180.05	10	13,214,644	180.05
Edelweiss Housing Finance Limited	10	16,050,000	655.50	10	11,050,000	155.50
Edelweiss Holdings Limited	10	15,000,000	150.00	10	15,000,000	150.00
Edelweiss Alternative Asset Advisors Limited	10	2,256,000	110.80	10	2,256,000	110.80
Edelweiss Securities (IFSC) Limited	10	14,734,144	147.54	10	10,846,144	108.86
Edelweiss Securities Limited	10	26,213,676	92.00	10	26,213,676	92.00
Edelweiss General Insurance Company Limited	10	170,000,000	1,700.00	10	5,000,000	50.00
Edelweiss Global Wealth Management Limited	10	16,000,000	195.63	10	1,000,000	45.63
Edel Investments Limited	10	3,370,000	46.00	10	3,370,000	46.00
Edelweiss Insurance Brokers Limited	10	2,500,000	25.00	10	2,500,000	25.00
Ecap Equities Limited	10	740,000	1,260.00	10	240,000	10.00
EC International Limited	USD1	125,000	6.20	USD 1	125,000	6.20
Edel Land Limited	10	285,000	147.61	10	135,000	1.35
Edelweiss Trusteeship Company Limited	10	100,000	1.00	10	100,000	1.00
Edelweiss Trustee Services Limited	10	50,000	0.50	10	50,000	0.50
Edelweiss Investment Adviser Limited	10	530,000	5.50	10	50,000	0.50
EdelGive Foundation	10	10,000	0.10	10	10,000	0.10
Edelweiss Finvest Private Limited	10	8,279,275	1,180.64	-	-	-
Edel Finance Company Limited	100	7,398,823	1,257.80	-	-	-
			26,623.57			16,577.22



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.11 Non-current investments (Continued) (valued at cost, unless stated otherwise)

	As at 31 March 2018			As at 31 March 2017		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
(B) Investments in equity instruments of associate companies (fully paid up)						
Edelweiss Fund Advisors Private Limited	10	50,000	0.50	10	50,000	0.50
			0.50			0.50
(C) Investments in equity instruments of other companies (fully paid up)						
Percept Limited	10	67,843	200.00	10	67,843	200.00
Highmark Credit Information Services Pvt. Ltd.	10	1,926,531	23.61	10	1,926,531	23.61
JSM Corporation Private Limited	10	16,230	2.70	10	16,230	2.70
Enter Technologies Private Limited	10	250,000	2.50	10	250,000	2.50
EMR Technology Ventures Private Limited	10	120,000	2.40	10	120,000	2.40
Starcom Software Private Limited	1	20,000	2.00	1	20,000	2.00
UTV (TSN) Private Limited	10	13,500	1.35	10	13,500	1.35
Zycus Infotech Private Limited	2.50	67,600	1.34	2.50	67,600	1.34
IDS Next Business Solutions Pvt. Ltd.	10	1,500	0.37	10	1,500	0.37
Choksi Technologies Private Limited	10	30,000	0.30	10	30,000	0.30
July Systems, Inc.	-	83,695	0.33	-	83,695	0.33
Mecklai Financial Services Pvt. Ltd.	10	10,000	0.10	10	10,000	0.10
Octon Technologies Limited	10	4,165	0.04	10	4,165	0.04
Enmail.com Private Limited	10	1,250	0.01	10	1,250	0.01
Calbiger.com Limited	10	112,211	0.02	10	112,211	0.02
N-Logue Communication Private Limited*	10	358	0.00	10	358	0.00
ACL India Private Limited*	-	500	0.00	-	500	0.00
Cadbury India Limited*	10	1	0.00	10	1	0.00
Travelanza Private Limited*	10	19	0.00	10	19	0.00
Orion Tele-Equipment Private Limited*	10	857	0.00	10	857	0.00
Rooms Tonite eBookings Private Limited*	10	5	0.00	10	5	0.00
			237.07			237.07
Less : Diminution in value			(208.41)			(208.41)
			28.66			28.66
(D) Investments in preference shares of subsidiary companies (fully paid up)						
ECap Equities Limited	-	-	-	10	1,800,000	18.00
Edel Investments Limited	-	-	-	10	450,000	9.00
Edelweiss Securities Limited*	-	-	-	10	9,575	0.00
						27.00



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.11 Non-current investments (Continued)

(valued at cost, unless stated otherwise)

	As at 31 March 2018			As at 31 March 2017		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
(E) Investments in preference shares of other companies (fully paid up)						
July Systems, Inc.		27,898	1.37		27,898	1.37
			1.37			1.37
Less : Diminution in value			(1.37)			(1.37)
			-			-
(F) Investments in other instruments						
MIC Electronics Limited - Warrants	2	1,500,000	36.60	2	1,500,000	36.60
Synergies Casting Limited - Warrants*	1	190,832	0.00	1	190,832	0.00
			36.60			36.60
Less : Diminution in value			(36.60)			(36.60)
			0.00			0.00
(G) Investments in units of venture capital funds						
Edelweiss Property Fund I	10,000	19,085	96.56	10,000	19,085	96.56
			96.56			96.56
Less : Diminution in value			(96.56)			(96.56)
			-			-
Total			26,652.73			16,633.38
Aggregate amount of unquoted investment						
- At carrying value			26,652.73			16,633.38
Aggregate amount of quoted investment						
- At carrying value *			0.00			0.00
- At market value			3.10			2.44
Aggregate amount of provision for diminution			342.94			342.94

* ₹ 0.00 refers to amount less than ₹ 0.01 million

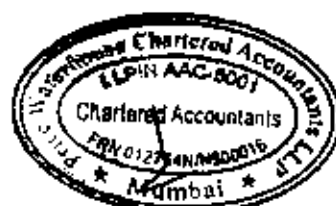


Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2018	As at 31 March 2017
2.12 Deferred tax		
Deferred tax assets		
Difference between book and tax depreciation	9.29	9.19
Provision for doubtful debts/advances / diminution in value of Investments	202.55	200.61
Disallowances under section 43B of the Income Tax Act, 1961	37.39	70.49
Total (A)	249.43	280.29
Deferred tax liabilities		
Unrealised gain on currency derivatives	12.73	2.72
Total (B)	12.73	2.72
Deferred tax assets - Net (A-B)	236.70	277.57
2.13 Long-term loans and advances		
Unsecured, considered good		
Other loans and advances		
Advance income tax (net of provision for tax ₹ 1,181.18 million; previous year: ₹ 1,068.01 million)	725.07	690.83
Loans given to employees welfare trusts	1,395.00	1,455.53
	2,120.07	2,146.36
2.14 Other non-current assets		
Contribution to gratuity fund (net) (Refer note 2.30)	1.07	0.39
	1.07	0.39
2.15 Trade receivables		
Outstanding for a period exceeding six months		
Unsecured, considered doubtful	236.78	236.69
Less: Provision for doubtful debts	236.78	236.69
	-	-
Other debts		
Unsecured, considered good	634.01	522.03
	634.01	522.03

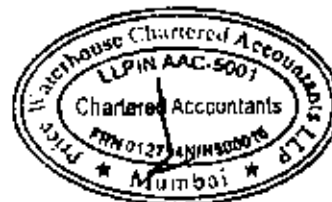


Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	As at 31 March 2018	As at 31 March 2017
2.16 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	0.04	0.08
Balances with banks		
- in Current accounts	96.64	310.76
	96.68	310.84
Other bank balances		
-in unpaid dividend accounts	4.46	4.98
Short term deposits with bank (Refer note 2.41)	50.00	-
	151.14	315.82
2.17 Short-term loans and advances		
Unsecured, considered good		
Loans and advances to related parties (Refer note 2.28 and note 2.38)		
To associates companies	0.05	0.05
To subsidiary companies	4,340.44	6,156.58
Other loans and advances		
Advances to others	0.94	0.92
Deposits	22.18	19.74
Advances recoverable in cash or in kind or for value to be received	317.69	83.49
Loans and advances to employees	7.18	3.43
Advance income tax (net of provision for taxation ₹ 178.80 million; previous year: ₹ 453.26 million)	5.42	68.91
	4,833.90	6,333.12
2.18 Other current assets		
Unsecured, considered good		
Accrued interest on fixed deposits	0.91	-
Accrued interest on loans given	148.13	130.56
Dividend receivable from related parties (Refer note 2.28)	-	199.49
Margin placed with broker	7.45	15.12
	155.80	345.17



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.19 Fee and commission income		
Advisory, rating support and other fees	2,478.90	2,207.46
	2,478.90	2,207.46
2.20 Income from investments and dividend		
Dividend on long-term investments (Refer note 2.28)	850.84	1,010.15
Yield on real estate advances	-	6.50
Profit on sale of current investments	-	1.13
Profit on sale of long-term investments	0.91	1.67
	851.75	1,019.45
2.21 Interest Income		
On loans to subsidiary companies (Refer note 2.28)	870.06	1,007.83
On fixed deposits	1.43	-
On Margin with brokers	0.47	0.32
On others	0.07	0.20
	872.03	1,008.35
2.22 Other operating revenue		
Foreign exchange gain (net)	192.47	269.04
	192.47	269.04
2.23 Other income		
Miscellaneous Income	3.13	0.35
	3.13	0.35
2.24 Employee benefits expense		
Salaries and wages	805.05	799.17
Contribution to provident and other funds	28.91	17.12
Staff welfare expenses	69.46	40.23
	903.42	856.52



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.25 Finance costs		
Interest on debentures	75.23	198.31
Interest on bank overdraft	0.04	0.35
Interest on loan from subsidiaries (Refer note 2.28)	213.26	442.18
Interest - others	0.21	0.17
Discount on commercial papers	428.16	720.11
Financial and bank charges	31.67	44.08
	749.57	1,405.20
2.26 Other expenses		
Advertisement and business promotion	214.36	207.94
Auditors' remuneration (Refer note below)	7.05	7.56
Bad debts and advances written off	49.08	-
Commission to non-executive directors	6.80	10.10
Commission and brokerage	25.73	16.28
Communication	6.12	4.99
Computer software expenses	72.97	43.36
Clearing and custodian charges	1.20	0.68
Contribution towards corporate social responsibility (Refer note 2.28 and 2.42)	38.00	26.84
Donation	1.05	0.72
Directors' sitting fees	2.00	1.70
Electricity charges	9.39	11.13
Insurance	23.58	18.77
Legal and professional fees	250.22	175.42
Loss / (profit) on sale/ write-off of fixed assets (net)	(0.16)	0.40
Membership and subscription	21.05	15.80
Office expenses	7.11	5.78
Postage and courier	1.41	1.18
Printing and stationery	8.97	7.69
Provision for doubtful debts	0.89	90.86
Rates and taxes	10.59	10.20
Rent	81.06	72.64
Repairs and maintenance - others	1.45	1.52
Seminar and conference	7.20	3.74
Travelling and conveyance	72.15	43.43
	918.67	776.73
Auditors' remuneration:		
As Auditor	6.78	7.07
Towards reimbursement of expenses	0.27	0.49
	7.05	7.56



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.27 Segment reporting

Primary Segment (Business Segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities Covered
Agency business	Advisory and transactional services
Holding company activities	Development, managerial and financial support to the businesses of Edelweiss group entities

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary Segment

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Accounting Standard -17 on "Segment Reporting":

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
I Segment Revenue		
a) Agency business	2,101.10	1,652.08
b) Holding company activities	2,297.18	2,852.57
c) Unallocated	-	-
Total Income	4,398.28	4,504.65
II Segment Results		
a) Agency business	1,067.31	659.08
b) Holding company activities	718.71	776.81
c) Unallocated	-	-
Profit before taxation	1,786.02	1,435.89
Less : Provision for taxation	359.42	145.83
Profit after taxation	1,426.60	1,290.06



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.27 Segment reporting (Continued)

Particulars	31 March 2018	31 March 2017
III Segment Assets		
a) Agency business	725.98	427.40
b) Holding company activities	33,467.50	25,490.31
c) Unallocated	730.49	759.74
Total	34,923.97	26,677.45
IV Segment Liabilities		
a) Agency business	278.88	357.64
b) Holding company activities	732.51	8,820.51
c) Unallocated	315.51	304.16
Total	1,326.90	9,482.31
V Capital Expenditure (Including intangible assets under development)		
a) Agency business	35.19	42.69
b) Holding company activities	7.85	9.99
c) Unallocated	-	-
Total	43.04	52.68
VI Depreciation and Amortization		
a) Agency business	33.20	22.94
b) Holding company activities	7.40	5.37
c) Unallocated	-	-
Total	40.60	28.31
VII Significant Non-Cash Expenses Other than Depreciation and Amortization		
a) Agency business	49.04	91.18
b) Holding company activities	(0.03)	0.08
c) Unallocated	-	-
Total	49.01	91.26



Edelweiss Financial Services Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure":

(A) Subsidiaries which are controlled by the Company:

Edelweiss Securities Limited

Edelweiss Finance & Investments Limited

ECL Finance Limited

Edelweiss Global Wealth Management Limited

EC Global Limited, Mauritius (through EC International Limited, Mauritius)

Edelweiss Insurance Brokers Limited

Edelweiss Trustee Services Limited

Edelweiss Business Services Limited

Edelcap Securities Limited (through ECap Equities Limited)

Edelweiss Asset Management Limited

Ecap Equities Limited

Edelweiss Broking Limited

Edelweiss Trusteeship Company Limited

Edelweiss Alternative Asset Advisors Limited

Edelweiss Housing Finance Limited (through Edelweiss Commodities Services Limited)

Edelweiss Investment Adviser Limited

EC Commodity Limited

Edel Commodities Limited (through Edelweiss Commodities Services Limited)

Edel Land Limited

Edelweiss Custodial Services Limited (through Edelweiss Securities Limited)

EC International Limited, Mauritius

Edelweiss Capital (Singapore) Pte. Limited

Edelweiss Alternative Asset Advisors Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)

Edelweiss International (Singapore) Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)

Aster Commodities DMCC, United Arab Emirates (through EC International Limited, Mauritius)

EAAA LLC, Mauritius (through EC International Limited)

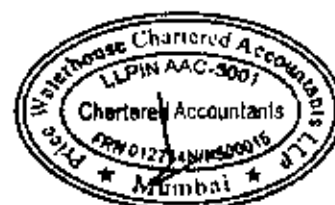
EW Special Opportunities Advisors LLC, Mauritius (through EAAA LLC)

EW India Special Assets Advisors LLC, Mauritius (through EAAA LLC)

Edel Investments Limited

Edelweiss Tokio Life Insurance Company Limited

Edelweiss Investment Advisors Private Limited, Singapore (through Edelweiss Capital (Singapore) Pte. Limited)



Edelweiss Financial Services Limited

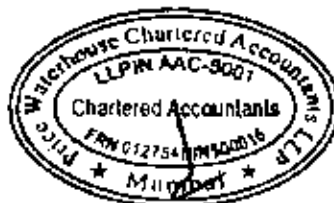
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(A) Subsidiaries which are controlled by the Company: (Continued)

Edelweiss Commodities Services Limited
Edelweiss Comtrade Limited (through Edelweiss Securities Limited)
Edel Finance Company Limited
Edelweiss Capital Markets Limited (through Edelweiss Commodities Services Limited)
EW SBI Crossover Advisors LLC, Mauritius (through EAAA LLC) (Upto 29 July 2017)
EFSL Trading Limited (through Edel Commodities Limited)
EFSL Comtrade Limited (through Edelweiss Commodities Services Limited)
Edelweiss Retail Finance Limited (through Edelcap Securities Limited)
Edelweiss Securities (Hong Kong) Private Limited (through Edelweiss Securities Limited)
Edelweiss Financial Services Inc, United States of America (through Edelweiss Securities Limited)
Edelweiss Commodities Pte. Ltd, Singapore (through EFSL Comtrade Limited) (Upto 6 December 2017)
Edelweiss Agri Value Chain Limited (through Edelweiss Commodities Services Limited)
EdelGive Foundation
Edelweiss Multi Strategy Funds Management Private Limited
Edelweiss Wealth Advisors LLP (through Edelweiss Commodities Services Limited)
Edelweiss India Capital Management, Mauritius (through Edelweiss Multi Strategy Funds Management Private Limited)
Edelweiss Multi Strategy Fund Advisors LLP (through Edelweiss Multi Strategy Funds Management Private Limited)
EFSL International Limited, Mauritius (through EC International Limited)
Edelweiss Financial Services (UK) Limited, United Kingdom (through Edelweiss Securities Limited)
Edelweiss Holdings Limited
Edelweiss Tarim Urunleri Anonim Sirketi, Turkey (through EFSL Comtrade Limited) (Upto 27 February 2018)
Edelweiss AIF Fund I - EW Clover Scheme -1 (through Edelcap Securities Limited)
Edelweiss General Insurance Company Limited
Edelweiss Finvest Private Limited (through Ecap Equities Limited)
Edelweiss Asset Reconstruction Company Limited (through Edelweiss Custodial Services Limited)
Edelweiss Private Equity Tech Fund (through Ecap Equities Limited)
Edelweiss Securities (IFSC) Limited
Edelweiss Value and Growth Fund (through Ecap Equities Limited)
Alternative Investment Market Advisors Private Limited



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(B) Associates:

Allium Finance Private Limited (through Edelweiss Commodities Services Limited)

Edelweiss Fund Advisors Private Limited

Dahlia Commodities Services Private Limited (through Edelweiss Securities Limited)

Magnolia Commodities Services Private Limited (through Edelweiss Securities Limited)

Aeon Credit Service India Private Limited (through ECL Finance Limited) (Upto 22 August 2017)

(C) Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company:

Mr. Rashesh Shah

Mr. Venkat Ramaswamy

Ms. Vidya Shah

Ms. Aparna T. C.

(D) Key managerial personnel :

Mr. Rashesh Shah - Chairman, Managing Director & CEO

Mr. Venkat Ramaswamy - Executive Director

Mr. Himanshu Kaji - Executive Director

Mr. Rujan Panjwani - Executive Director

(E) Relatives of Individuals exercising significant influence and relatives of KMP, with whom transaction have taken place:

Ms. Kaavya Venkat

Ms. Shilpa Mody

Ms. Sejal Premal Parekh

Mr. A V Ramaswamy

Ms. Sneha Sripad Desai

Ms. Shabnam Panjwani

(F) Enterprises over which KMPs / Relatives exercise significant influence, with whom transactions have taken place:

Spire Investment Advisors LLP

Shah Family Discretionary Fund



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties

Sl. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Capital Account Transactions				
1	Investments in Equity shares of	Edelweiss Tokio Life Insurance Company Limited	2,350.03	-
		Edelweiss Broking Limited	1,783.49	-
		Edelweiss General Insurance Company Limited	1,650.00	-
		Edel Finance Company Limited	1,257.80	-
		Ecap Equities Limited	1,250.00	-
		Edelweiss Finvest Private Limited	1,180.64	-
		Edelweiss Asset Reconstruction Company Limited	-	434.89
		Edelweiss Asset Management Limited	-	315.00
		Edelweiss Securities (IFSC) Limited	-	108.66
		Edelweiss Capital (Singapore) Pte. Limited	-	70.08
		Edelweiss Multi Strategy Funds Management Pvt. Ltd.	-	70.00
		Others - Subsidiaries	1,899.79	68.05
2	Reduction in investments on account of demerger of (Refer Note 4)	Edelweiss Finance and Investments Limited	1,325.40	-
3	Redemption of preference shares of	Ecap Equities Limited	18.00	-
		Edel Investments Limited	9.00	-
		Others - Subsidiaries @	0.00	-
Current Account Transactions				
4	Commercial paper subscribed by	Edelweiss Commodities Services Limited	-	1,986.94
		Ecap Equities Limited	-	3,732.67
5	Commercial paper redeemed to	Edelweiss Commodities Services Limited	-	10,823.88
6	Short term loans given to (Refer note 1)	Edelweiss Commodities Services Limited	23,205.31	39,093.19
		ECL Finance Limited	7,000.00	-
		Ecap Equities Limited	-	84.00
		Edelweiss Securities Limited	-	968.18
		Edelweiss Retail Finance Limited	-	333.02
		Edelweiss Capital (Singapore) Pte. Limited	2,983.74	3,258.65
		EC International Limited	419.76	6,511.80
		Others - Subsidiaries	-	2,639.91



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Current Account Transactions (Continued)				
7	Short term loans repaid by (Refer note 1)	Edelweiss Commodities Services Limited	22,375.91	39,393.77
		ECL Finance Limited	7,000.00	-
		Ecap Equities Limited	-	279.27
		EC International Limited	422.24	5,926.90
		Edelweiss Capital (Singapore) Pte. Limited	907.21	1,506.87
		Edelweiss Securities Limited	42.65	1,249.43
		Edelweiss Finance & Investments Limited	-	123.41
		Edelweiss Retail Finance Limited	-	429.13
		Edelweiss Finvest Private Limited	-	13.40
		Others - Subsidiaries	2,738.27	3,653.35
8	Short term loans taken from (Refer note 1)	Edelweiss Commodities Services Limited	2,968.60	10,397.01
9	Short term loans repaid to (Refer note 1)	Edelweiss Commodities Services Limited	10,118.93	3,246.68
10	Margin placed with Broker (Refer note 1)	Edelweiss Securities Limited	0.30	3.81
		Edelweiss Custodial Services Limited	6.51	21.49
11	Margin withdrawn from Broker (Refer note 1)	Edelweiss Securities Limited	0.01	58.50
		Edelweiss Custodial Services Limited	12.18	5.49
12	Reimbursements recovered from	ECL Finance Limited	-	114.63
		Edelweiss Commodities Services Limited	0.14	267.41
		Edelweiss Finance & Investments Limited	-	31.28
		Ecap Equities Limited	-	122.51
		Edelweiss Alternative Asset Advisors Limited	0.25	-
		Edelweiss Asset Reconstruction Company Limited	0.50	-
		Others - Subsidiaries	0.07	510.00
		Others - Associates	-	196.95
13	Reimbursements paid to	Edelweiss Business Services Limited	11.45	613.51
		Ecap Equities Limited	98.00	-
		Others - Subsidiaries	4.37	3.94



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Current Account Transactions (Continued)				
14	Dividend paid to	Mr. Rakesh Shah	196.16	145.30
		Mr. Venkat Ramaswamy	78.34	58.03
		Ms. Vidya Shah	47.29	35.03
		Shah Family Discretionary Fund	52.31	-
		Spire Investment Advisors LLP	4.32	41.95
		Others - Individuals exercising significant influence	16.42	12.00
		Others - Key managerial personnel	21.13	14.30
		Others - Relatives of Individuals exercising significant influence	20.60	15.30
15	Remuneration to	Mr. Rakesh Shah	64.23	61.16
		Mr. Venkat Ramaswamy	1.20	2.70
		Mr. Himanshu Kaji	51.43	58.49
		Mr. Rujan Panjwani	31.34	1.33
16	Dividend income from	Edelweiss Securities Limited	301.46	-
		Edelweiss Finance & Investments Limited	-	557.55
		Edelweiss Commodities Services Limited	248.62	452.59
		Ecap Equities Limited	300.00	-
17	Rating support fee earned from	ECL Finance Limited	1.74	155.70
		Edelweiss Commodities Services Limited	0.92	103.30
		Edelweiss Securities Limited	0.15	11.60
		Others - Subsidiaries	1.50	70.50
18	Fee / commission earned from	Aster Commodities DMCC	24.69	99.50
		EC Global Limited	10.12	27.43
		Edelweiss Tokio Life Insurance Company Limited	20.00	50.00
		Edelweiss International (Singapore) Pte. Ltd.	2.54	13.80
		Edelweiss Commodities Pte Limited	-	23.56
		Edelweiss Commodities Services Limited	142.78	-
		Edelweiss Finvest Private Limited	79.78	-
		Others - Subsidiaries	93.58	-
19	Interest income on short term loan from	Edelweiss Commodities Services Limited	513.64	558.69
		Edelweiss Securities Limited	1.85	6.79
		ECL Finance Limited	81.36	-
		Ecap Equities Limited	-	1.46
		EC International Limited	45.14	179.89
		Edelweiss Capital (Singapore) Pte. Limited	197.98	172.91
		Others - Subsidiaries	30.09	88.10



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Current Account Transactions (Continued)				
20	Interest income on margin from	Edelweiss Securities Limited	0.01	0.30
		Edelweiss Custodial Services Limited	0.46	0.02
21	Interest expense on short term loan to	Edelweiss Commodities Services Limited	213.26	442.18
22	Interest expense on debentures	Edelweiss Commodities Services Limited	-	1.60
		Edelweiss Finance & Investments Limited	-	3.98
23	Interest expense on commercial papers	Edelweiss Commodities Services Limited	-	26.75
		Others – Subsidiaries	-	0.34
24	Commission & Sub-brokerage paid to	Edelweiss Securities Limited	0.12	0.01
		Others – Subsidiaries	0.06	-
25	Rent expense to	Edelweiss Commodities Services Limited	60.35	68.74
		Others – Subsidiaries	10.81	0.51
26	Other expenses to	Edelweiss Securities Limited	0.07	0.07
		Edelweiss Business Services Limited	29.07	0.05
		Edelweiss Tokio Life Insurance Company Limited	-	19.09
27	Cost reimbursements paid to	Edelweiss Commodities Services Limited	36.98	10.79
		Others – Subsidiaries	1.80	0.08
28	Cost reimbursements recovered from	Edelweiss Securities Limited	1.72	7.56
		Edelweiss Commodities Services Limited	0.24	1.54
		ECL Finance Limited	1.83	8.89
		Edelweiss Tokio Life Insurance Company Limited	2.68	2.48
		Edelweiss Broking Limited	1.82	13.31
		Others – Subsidiaries	7.54	25.80
		Others – Associates*	0.00	0.07
29	Transfer of gratuity liability on account of employee transfer to	Edelweiss Alternative Asset Advisors Limited	1.00	-
		Edelweiss Asset Reconstruction Company Limited	0.70	-
		Others – Subsidiaries	0.35	-



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Current Account Transactions (Continued)				
30	Transfer of gratuity liability on account of employee transfer from	ECL Finance Limited *	0.00	1.00
		ECap Equities Limited	0.66	0.64
31	Directors nomination deposits placed with	Edelweiss General Insurance Company Limited	0.30	-
		Edelweiss Tokio Life Insurance Company Limited	0.30	-
		EC Commodity Limited	0.20	0.30
		Edelweiss Holdings Limited	0.30	-
		Edelweiss Multi Strategy Funds Management Pvt. Ltd.	-	0.10
		Edelweiss Securities (IFSC) Limited	0.30	-
		Edelweiss Global Wealth Management Limited	0.40	-
		Edelweiss Broking Limited	-	0.30
		ECap Equities Limited	-	0.20
		Edelweiss Securities Limited	0.30	-
		Others - Subsidiaries	0.90	-
32	Directors nomination deposits repaid by	Edelweiss Global Wealth Management Limited	0.40	-
		Edelweiss Tokio Life Insurance Company Limited	0.30	-
		Edelweiss General Insurance Company Limited	0.30	-
		Edelweiss Securities Limited	0.30	-
		Edelweiss Asset Management Limited	0.10	-
		Edelweiss Holdings Limited	0.30	-
		Edelweiss Securities (IFSC) Limited	0.30	-
		Edelweiss Commodities Services Limited	-	0.10
		Edelweiss Broking Limited	-	0.30
		ECL Finance Limited	-	0.20
		EC Commodity Limited	0.20	0.40
		ECap Equities Limited	-	0.20
		Others - Subsidiaries	0.50	0.20
33	Contribution towards corporate social responsibility	Edelgive Foundation	26.00	26.84
Balances with related parties				
34	Investments in Equity shares in	ECL Finance Limited	5,190.56	5,190.56
		Edelweiss Tokio Life Insurance Company Limited	3,992.24	3,642.21
		Edelweiss Finance & Investments Limited	1,692.13	2,618.12
		Others - Subsidiaries	13,748.54	5,126.33
		Others - Associates	0.50	0.50



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Balances with related parties				
35	Investments in Preference shares in	Ecap Equities Limited	-	18.00
		Edel Investments Limited	-	9.00
		Edelweiss Securities Limited	-	0.00
36	Dividend receivable from	Edelweiss Commodities Services Limited	+	199.49
37	Short term loans given to (Refer note 1)	Edelweiss Commodities Services Limited	819.39	-
		EC International Limited	711.82	698.63
		Edelweiss Broking Limited	-	2,573.55
		Edelweiss Capital (Singapore) Pte. Limited	2,858.87	2,632.12
		Others - Subsidiaries	6.93	213.85
38	Short term loans taken from (Refer note 1)	Edelweiss Commodities Services Limited	+	7,150.33
39	Accrued interest on loans given to	Edelweiss Commodities Services Limited	29.15	23.09
		Edelweiss Securities Limited	-	0.41
		EC International Limited	28.37	8.82
		Edelweiss Capital (Singapore) Pte. Limited	95.15	88.36
		Others - Subsidiaries	0.46	9.88
40	Interest expense accrued and due on borrowings from	Edelweiss Commodities Services Limited	-	39.54
41	Advances with	Edelweiss Securities Limited	0.01	0.60
		Edelweiss Tokio Life Insurance Company Limited	29.66	32.51
		ECL Finance Limited	-	1.06
		Edelweiss Commodities Services Limited	-	0.64
		Others - Subsidiaries	3.49	3.62
		Others - Associates	0.05	0.05
42	Trade payables to	Edelweiss Securities Limited	16.63	2.13
		Edelweiss Commodities Services Limited	21.53	1.09
		Edelweiss Finance & Investments Limited	1.05	1.05
		ECL Finance Limited*	0.00	0.05
		Ecap Equities Limited	1.99	1.14
		Edelweiss Broking Limited	1.90	1.04
		Aster Commodities DMCC	24.53	-
		Edelweiss Web Services Limited	14.31	-
		Others - Subsidiaries	3.75	4.36



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

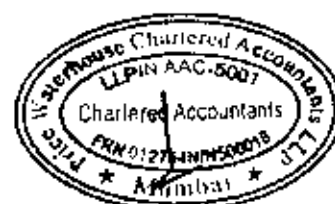
2.28 Disclosure as required by Accounting Standard 18 - "Related Party Disclosure" (Continued)

(G) Transactions and balances with related parties (Continued)

Sr. No.	Nature of Transaction	Related Party Name	31 March 2018	31 March 2017
Balances with related parties (Continued)				
43	Trade receivables from	Aster Commodities DMCC	-	59.50
		EC Global Limited	10.12	27.43
		Edelweiss International (Singapore) Pte. Ltd.	2.54	13.80
		Edelweiss Commodities Services Limited	162.33	-
		Edelweiss Finvest Private Limited	90.39	-
		Edelweiss Tokio Life Insurance Company Limited	-	52.50
		Edelweiss Commodities Pte Limited	-	23.56
		Others – Subsidiaries	109.89	-
44	Margin placed with broker (Refer note 1)	Edelweiss Securities Limited	0.48	0.20
		Edelweiss Custodial Services Limited	10.27	15.94
45	Directors nomination deposits placed with	Edelweiss Securities Limited	0.20	0.20
		Edelweiss Finance & Investments Limited	0.50	0.40
		ECap Equities Limited	0.10	0.10
		Edelweiss Alternative Asset Advisors Limited	0.10	0.10
		Edel Land Limited	0.10	0.10
		Edelweiss Multi Strategy Funds Management Pvt. Ltd.	0.10	0.10
		Others – Subsidiaries	0.20	-
46	Corporate guarantee given to	Edelweiss Commodities Services Limited	17,719.76	20,937.50
		Edelweiss Custodial Services Limited	16,750.00	10,900.00
		ECap Equities Limited	9,162.50	-
		Edelweiss Asset Reconstruction Company Limited	9,970.90	9,000.00
		Edelweiss Finvest Private Limited	8,480.00	-
		Edelweiss Finance & Investments Limited	1,243.54	6,921.20
		Edelweiss Housing Finance Limited	923.40	3,447.90
		Edelweiss International (Singapore) Pte. Ltd.	520.35	550.16
		ECL Finance Limited	54.00	5,027.00
		Aster Commodities DMCC	-	648.39
		EC Global Limited	-	648.39
		Others – Subsidiaries	3,172.29	12,423.00

@ ₹ 0.00 refers to amount less than ₹ 0.01 million

1. The intra group company loans are generally in the nature of revolving demand loans unless otherwise stated. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period.
2. Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity and provision made for bonus which are provided for group of employees on an overall basis. These are included on cash basis.
3. Loan given to subsidiaries and associates are for the general corporate business.
4. Reduction in equity shares are on account of demerger of finance division and training centre division of it's subsidiary company, Edelweiss Finance & Investments Limited, in to Edelweiss Finvest Private Limited and Edel Land Limited respectively.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.29 Earnings per share

In accordance with Accounting Standard 20 – "Earnings Per Share" prescribed by Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

Particulars	2018	2017
a. Shareholders earnings (as per statement of profit and loss)	1,426.60	1,290.06
b. Calculation of weighted average number of equity shares of ₹ 1 each:		
- Number of shares outstanding at the beginning of the year	832,569,089	814,036,630
- Number of shares issued during the year	82,929,838	18,532,459
Total number of equity shares outstanding at the end of the year	91,54,98,927	832,569,089
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	87,03,26,846	826,052,403
c. Number of dilutive potential equity shares	2,79,21,341	40,055,553
d. Basic earnings per share (In ₹) {a/b}	1.64	1.56
e. Diluted earnings per share (In ₹) {a/(b+c)}	1.59	1.49

2.30 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits

A) Defined contribution plan (Provident fund and National Pension Scheme):

Amount of ₹ 19.20 million (Previous year: ₹ 14.50 million) is recognised as expense and included in "Employee benefit expense" – Note 2.24 in the statement of profit and loss.

B) Defined benefit plan (Gratuity):

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss, the funded status and amount recognised in the balance sheet for the gratuity benefit plan.

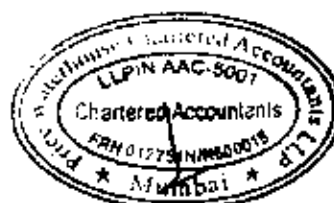
Expenses recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	5.80	3.46
Interest on defined benefit obligation	2.08	2.09
Expected return on plan assets	(2.12)	(1.98)
Past Service Cost	10.06	-
Actuarial (gain)/loss	(6.12)	(2.16)
Total included in 'Employee benefit expense'	9.70	1.41

Balance sheet

Reconciliation of defined benefit obligation (DBO)

Particulars	As at 31 March 2018	As at 31 March 2017
Present value of DBO at the beginning of the year	32.03	26.62
Interest cost	2.08	2.09
Current service cost	5.80	3.46
Past Service Cost	10.06	-
Benefits paid	(2.44)	(1.45)
Actuarial (gain)/loss on obligations	(3.62)	(0.33)
Transfer In / (Out)	(1.39)	1.64
Present value of DBO at the end of the year	40.52	32.03



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.30 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (Continued)

Reconciliation of fair value of plan assets

Particulars	As at 31 March 2018	As at 31 March 2017
Fair value at the beginning of the year	32.42	27.55
Expected return on plan assets	2.12	1.98
Contributions by employer	9.00	2.50
Benefits paid	(2.44)	(1.45)
Actuarial gain / (loss)	0.49	1.84
Fair value of plan assets at the end of the year	41.99	32.42
Actual return on plan assets	2.61	3.82

Net asset / (liability) recognised in the balance sheet:

Particulars	As at 31 March 2018	As at 31 March 2017
Present value of DBO	40.52	32.03
Fair value of plan assets at end of the year	41.59	32.42
Asset / (liability) recognized in balance sheet	1.07	0.39

Experience adjustments:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
Defined Benefit Obligation	40.52	32.03	26.62	26.82	21.80
Fair Value of Plan Assets	41.59	32.42	27.55	28.78	25.94
Surplus / (Deficit)	1.07	0.39	0.94	1.96	4.14
On plan liabilities: (gain)/loss	(4.57)	(0.89)	0.50	(0.27)	(1.35)
On plan assets: gain/(loss)	0.31	1.73	(0.70)	4.00	1.34
Estimated contribution for next year	Nil	Nil	Nil	Nil	Nil

Percentage Break-down of Total Plan Assets:

Particulars	2018	2017
Insurer Managed Funds (Unit-linked)	100%	97%
Cash and Bank	0%	3%

Actuarial assumptions as at the balance sheet date:

Particulars	2018	2017
Discount rate	7.30% p.a.	6.80% p.a.
Salary escalation	7.00% p.a.	7.00% p.a.
Employee attrition rate	13%-25% p.a.	13%-25% p.a.
Expected return on plan assets	6.80% p.a.	7.4% p.a.
Mortality rate	IAIM 2006-08 (Ult.)	IAIM 2006-08 (Ult.)
Expected average remaining working lives of employees	6 years	5 years



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.31 Foreign currency transactions

The Company has undertaken the following transactions in foreign currency:

Expenditure Incurred in foreign currency (on accrual basis)	For the year ended 31 March 2018	For the year ended 31 March 2017
Membership and subscription	5.41	7.74
Legal and professional fees	14.17	6.82
Travelling and conveyance	2.09	2.93
Computer software expenses	2.39	1.45
Travel Reimbursements	2.41	1.02
Rent	0.69	0.93
Seminar & Conference	4.41	0.22
Salaries & Bonus - Stipend	-	0.07
Staff welfare expenses	3.92	-
Miscellaneous expenses	0.09	0.02
Total	35.58	21.20
Income earned in foreign currency (on accrual basis)		
Fee and commission income	187.78	321.60
Reimbursement	1.96	0.42
Total	189.74	322.02

Amount remitted in foreign currency during the year ended 31 March 2018 on account of equity dividend:

	Final Dividend	Interim dividend
Number of equity shareholders	5	4
Number of equity shares	15,845,005	15,519,505
Dividend relates to year ended	31 March 2017	31 March 2018
Amount remitted (Indian rupees in millions)	4.75	16.30

Amount remitted in foreign currency during the year ended 31 March 2017 on account of equity dividend:

	Final Dividend	Interim dividend
Number of equity shareholders	-	5
Number of equity shares	-	16,252,530
Dividend relates to year ended	-	31 March 2017
Amount remitted (Indian rupees in millions)	-	16.25

2.32 Employee stock option plans

The Company has currently two Employee Stock Option Plans ('Plans') in force. The Plans provide that the Company's employees and those of its subsidiaries and associates are granted an option to acquire equity shares of the Company that vest in a graded manner. The options may be exercised within a specified period. The plans also provide that if the ESOP Committee so notifies, the participant may have an option to receive cash in lieu of exercising the vested options in the manner provided in the ESOP Scheme in this regards.

The Company follows the Intrinsic value method to account for its stock based compensation plans. Compensation cost is measured as the excess, if any, of the fair market value of the underlying share on the date of grant over the exercise price.

During the year, the Company granted stock options to employees under the ESOP 2011 Plan where the exercise price was linked to either closing market price of the shares on the date of the grant or book value of the shares as per the last audited balance sheet of the Company as on the date of the grant, whichever is higher.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.32 Employee stock option plans (continued)

The schedule of stock options vesting period for ESOP 2011 Plan are as follows:-

Sr. no.	Vesting Date	% of options that shall vest
1	12 months from the date of grant	25 (Twenty five)% of grant
2	24 months from the date of grant	25 (Twenty five)% of grant
3	36 months from the date of grant	25 (Twenty five)% of grant
4	48 months from the date of grant	25 (Twenty five)% of grant
Total		100 (One hundred)% of grant

The options can be exercised within two years from the date of vesting.

During the years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2016, 31 March 2017 and 31 March 2018, the Company had granted stock options to the employees under the ESOP 2011 Plan (formulated in FY 2011-12) where the exercise price was linked to either closing market price of the shares on the date of the grant or book value of the shares as per the last audited balance sheet of the Company as on the date of the grant, whichever is higher.

During the year ended 31 March 2011, the Company had formulated ESOP 2010 Plan wherein stock options were granted to employees where the exercise price was linked to either closing market price of the shares on the date of the grant or book value of the shares as per the last audited balance sheet of the Company as on the date of the grant, whichever is higher.

The schedule of stock options vesting period for ESOP 2010 Plan are as follows:-

Sr. No.	Vesting Date	% of options that shall vest
1	12 months from the date of grant	25 (Twenty five)% of grant
2	24 months from the date of grant	25 (Twenty five)% of grant
3	36 months from the date of grant	25 (Twenty five)% of grant
4	48 months from the date of grant	25 (Twenty five)% of grant
Total		100 (One hundred)% of grant

The options can be exercised within four years from the date of vesting.

Details of various schemes are stated below:

Activity in the options outstanding under the employees stock option plans as at 31 March 2018:

Exercise Price (₹)	Range of Exercise price(**)	Range of Exercise price(**)
	ESOP 2010	ESOP 2011
ESOP Plan		
Scheme		
Total Options approved by the members	30,000,000	100,000,000
Grants as at 1 April 2017	4,259,750	56,658,402
Add - Options granted during the year	-	3,387,000
Less - Options lapsed / cancelled during the Year	(17,000)	(1,544,838)
Less - Options exercised during the year	(2,769,750)	(25,048,690)
Grants as at 31 March 2018	1,473,000	33,451,874
Options exercisable as at 31 March 2018	1,473,000	15,190,574



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.32 Employee stock option plans (continued)

Activity in the options outstanding under the employees stock option plans as at 31 March 2017:

Exercise Price (₹)	Range of Exercise Price	Range of Exercise price(**)	Range of Exercise price(**)
ESOP Plan Scheme	ESOP 2009	ESOP 2010	ESOP 2011
Total Options approved by the members	50,000,000	30,000,000	100,000,000
Grants as at 1 April 2016	4,062,900	8,626,375	69,616,939
Add - Options granted during the year	-	-	5,115,000
Less - Options lapsed/ cancelled during the Year	(1,900,400)	(1,225,625)	(4,346,103)
Less - Options exercised during the year	(2,162,500)	(3,141,000)	(13,727,434)
Grants as at 31 March 2017	-	4,259,750	56,658,402
Options exercisable as at 31 March 2017	-	4,259,750	25,373,099

Following summarises the information about stock options outstanding:

Plan	As at 31 March 2018		As at 31 March 2017	
	ESOP Scheme 2010	ESOP Scheme 2011	ESOP Scheme 2010	ESOP Scheme 2011
- Range of exercise price **	₹ 41.40 to ₹ 61.00	₹ 24.60 to ₹ 301.45	₹ 41.40 to ₹ 61.00	₹ 24.60 to ₹ 118.00
- Number of shares arising out of options	1,473,000	33,451,874	4,259,750	56,658,402
- Weighted average life of Outstanding options (in years)	0.81	4.49	1.31	4.32
Weighted average exercise prices of stock Options (in ₹)				
- outstanding at the beginning of the year	49.19	39.89	48.95	36.28
- granted during the year	N.A.	207.55	N.A.	68.34
- forfeited/cancelled during the year	48.55	51.13	49.95	35.56
- exercised during the year	49.08	35.10	48.24	33.57
- outstanding at the end of the year	49.40	59.93	49.19	39.89
- exercisable at the end of the year	49.40	37.94	49.19	34.06

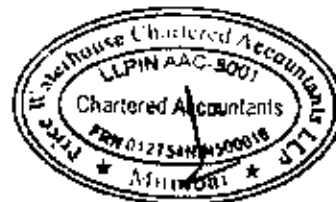
The average market share price for stock options exercised during the year is ₹ 245.72 (Previous year: ₹ 98.68)

Fair value methodology

The fair value of options used to compute pro-forma net income and earnings per share have been estimated on the dates of each grant, on or after the date the 'Guidance Note on Accounting for Employee Share-based Payments', Issued by the Institute of Chartered Accountants of India, became applicable, i.e. 1 April 2005, using the Black-Scholes option pricing model. The Company has estimated the volatility based on historical market volatility. The various assumptions considered in the pricing model for the aforementioned ESOP's granted are:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividend yield	0.43% - 0.66%	1.06% - 2.12%
Expected volatility	44.61% - 45.68%	41.57% - 44.16%
Risk free interest rate	8.00%	8.00%
Expected life of the option	1 - 4 years	1 - 4 years

The weighted average fair value of options granted during the year ended 31st March 2018 is ₹ 69.73 (Previous year: ₹ 28.51)



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.32 Employee stock option plans (continued)

Impact of fair value method on net profit and earnings per share

Had compensation cost for the Company's stock option plans outstanding been determined based on the fair value approach, the Company's net profit and earnings per share would have reduced to the pro-forma amounts as indicated below:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Net Profit (as reported)	1,426.60	1,290.06
Less: Impact of Incremental cost under fair value approach	(158.67)	(213.17)
Net Profit: (pro-forma)	1,267.93	1,076.89
Basic earnings per share (as reported) (in ₹)	1.64	1.56
Basic earnings per share (pro-forma) (in ₹)	1.46	1.30
Diluted earnings per share (as reported) (in ₹)	1.59	1.49
Diluted earnings per share (pro-forma) (in ₹)	1.41	1.24

2.33 Share application money pending allotment

The Company has received ₹ 25.08 million (Previous year: ₹ 40.94 million) towards share application on exercise of ESOPs which will result in an issue of 584,190 shares (Previous year: 1,133,100 shares). Of the total receipts ₹ 24.50 million (Previous year: ₹ 39.81 million) has been received towards share premium. These shares have since been allotted.

2.34 During the year, the Company allotted 54,562,488 (Previous year: Nil) equity shares to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 280 per equity share of ₹ 1 each (Inclusive of premium of ₹ 279 per share) aggregating to ₹ 15,277.50 million (Previous year: Nil) through Qualified Institutional Placement (QIP). The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009.

2.35 Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 36.01 million (Previous year: ₹ 30.66 million)

2.36 Contingent liabilities

a) Claims against the Company not acknowledged as debt:

Taxation matters in respect of which appeal is pending ₹ 416.14 million (Previous year: ₹ 566.00 million);

b) Other claim not acknowledged as debt:

Corporate guarantees issued on behalf of subsidiaries to the extent of ₹ 67,396.74 million (Previous year: ₹ 70,503.54 million).

The Company's pending litigations mainly comprise of claims against the Company pertaining to proceedings pending with income tax, service tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 80 of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favorable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.37 Details of dues to micro, small and medium enterprises

Trade Payables includes ₹ Nil (Previous year: ₹ Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

2.38 Disclosure of loans and advances given pursuant to requirements of Regulation 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Sr. no.	Entity	2018		2017	
		Loan outstanding	Maximum amount outstanding during the year	Loan outstanding	Maximum amount outstanding during the year
1	Edelweiss Capital (Singapore) Pte. Limited	2958.87	3,868.08	2,632.12	4,138.99
2	Edelweiss Broking Limited	-	2,573.55	2,573.55	3,270.55
3	EC International Limited	711.82	1,123.96	698.63	6,625.53
4	Edelweiss Multi Strategy Funds Management Private Ltd.	-	111.19	111.19	213.39
5	Edelweiss Comtrade Limited	-	53.53	53.53	130.16
6	Edelweiss Securities Limited	-	42.65	42.65	1,292.09
7	Edelweiss Securities (IFSC) Limited	6.54	6.54	6.48	6.48
8	Edelweiss Finance & Investments Limited	-	-	-	123.41
9	Edelweiss Commodities Services Limited	829.39	23,205.31	-	39,393.77
10	Ecap Equities Limited	-	-	-	279.27
11	ECL Finance Limited	-	7,000.00	-	-
12	Edelcap Securities Limited	-	-	-	23.62
13	Edelweiss Global Wealth Management Limited	-	-	-	510.90
14	Edelweiss Alternative Asset Advisors Limited	-	-	-	37.33
15	Edel Commodities Limited	-	-	-	52.32
16	EC Commodity Limited	-	-	-	39.12
17	Edel Land Limited	-	-	-	40.06
18	Edelweiss Business Services Limited	-	-	-	198.62
19	Edelweiss Housing Finance Limited	-	-	-	648.49
20	Edelweiss Investment Adviser Limited	-	-	-	673.00
21	EFSL Comtrade Limited	-	-	-	28.11
22	EFSL Trading Limited	-	-	-	76.16
23	Edel Commodities Trading Limited	-	-	-	113.89
24	Edel Finance Company Limited	-	-	-	10.74
25	Edelweiss Custodial Services Limited	-	-	-	7.63
26	Edelweiss Retail Finance Limited	-	-	-	429.13
27	Edelweiss Asset Management Limited	-	-	-	12.30
28	Edelweiss Agri Value Chain Limited	-	-	-	186.83
29	Edelweiss Finvest Private Limited	-	-	-	13.40
30	Edelweiss Metals Limited	-	-	-	68.99
31	Edel Investments Limited	-	-	-	1.12
32	Edelweiss Capital Markets Limited	-	-	-	48.26

All the above loans are repayable on demand as per contracted terms.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.39 Derivative Transactions (Refer note 1.9):

The Company uses forward exchange contracts and futures to hedge its exposure in foreign currency. The information on open derivative instrument is as follows:

A. Open interest in currency futures with exchange

As at 31 March 2018

Sr. no.	Name of future	Position	Purpose	Expiry Date	No. of contracts	No. of units involved
1.	GBP/INR	Short	Hedging	25-Apr-18	291	291,000
2.	USD/INR	Short	Hedging	25-Apr-18	1803	18,03,000

As at 31 March 2017

Sr. no.	Name of future	Position	Purpose	Expiry Date	No. of contracts	No. of units involved
1	USD/INR	Short	Hedging	26-Apr-17	5,809	5,809,000

B. Open interest in currency forward other than exchange

As at 31 March 2018

Sr. no.	Particulars	Purpose	Expiry date	Notional Principal
1.	USD/INR	Hedging	28-Sep-2018	3,249.98

As at 31 March 2017

Sr. no.	Particulars	Purpose	Expiry date	Notional Principal
1	USD/INR	Hedging	30-Jun-2017	3,063.51
2	SGD/INR	Hedging	30-Jun-2017	589.16

2.40 Details of secured debentures

As at 31 March 2018

Interest rate range	Maturity
	2018-2019
Non convertible Debentures	
10.20%	212.00
Total	212.00

As at 31 March 2017

Interest rate range	Maturity	
	2017-2018	2018-2019
Non convertible Debentures		
10.20%	175.00	212.00
10.75%	100.00	-
10.90%	175.00	-
11.00%	250.00	-
11.05%	150.00	-
Total	850.00	212.00



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.41 Encumbrances* on fixed deposits held by the Company

AU Small Finance Bank Limited: ₹ 50.00 million (Previous year: Nil) against Overdraft facility.

2.42 Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013,

- Gross amount required to be spent by the Company during the year was ₹ 32.00 million (Previous year: ₹ 26.31 million);
- Amount spent during the year on:

₹ In million

Sr. No.	Particulars	2018			2017		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i	Construction/ Acquisition of any assets	-	-	-	-	-	-
ii	on purpose other than (i) above	38.00	-	38.00	26.84	-	26.84

- 2.43 The Company has taken premises on operating lease. Rental expenses for the year ended 31 March 2018 aggregated to ₹ 81.06 million (Previous year: ₹ 72.64 million) which has been included under the head other expenses – Rent in the Statement of profit and loss. The Company does not have any non-cancellable operating lease.

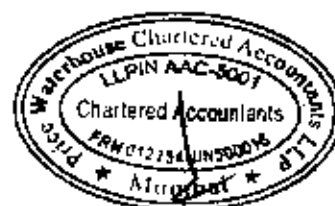
- 2.44 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016 pursuant to Notification No. G.S.R. 308(E) dated 30th March, 2017:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.09	0.00	0.09
Add: Permitted receipts	-	0.13	0.13
Less: Permitted payments	-	0.12	0.12
Less: Amount deposited in Banks	0.09	-	0.09
Closing cash in hand as on 30.12.2016	-	0.01	0.01

Note:

*For the purpose of this clause, the term Specified Bank Notes (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8 November, 2016.

- 2.45 The Board of Directors at their meeting held on 3 May 2018, have recommended a final dividend of ₹ 0.30 per equity share (previous year: ₹ 0.30 per equity share) (on face value of ₹ 1 per equity share), subject to the approval of the members at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated 30 March 2016, the Company has not appropriated for the recommended final dividend (including tax) from the Statement of Profit and Loss for the year ended 31 March 2018.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

2.46 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

2.47 Previous year figures have been reclassified to conform to this year's classification.

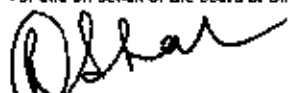
Signature to notes forming part of the Financial Statements.


For Pricewaterhouse Chartered Accountants LLP
Chartered Accountants
Firm's Registration No.: 012754M / NS00016

Russell I Pareira
Partner
Membership No.: 42180

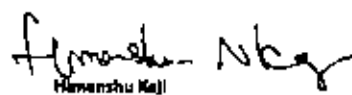
Mumbai
3 May 2018

For and on behalf of the Board of Directors


Rajesh Shah
Chairman, Managing Director & CEO
DIN: 00008322


S. Ranganathan
Chief Financial Officer

Mumbai
3 May 2018


Harishanku Mall
Executive Director
DIN: 00009438


B. Ranganathan
EVP & Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Financial Services Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Edelweiss Financial Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
<p>Transition to Ind AS accounting framework (as described in note 52 of the standalone Ind AS financial statements)</p> <p>The Standalone Ind AS Financial Statements are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). Accordingly, for transition to Ind AS, the Company has prepared standalone Ind AS financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018. In preparing these standalone Ind AS financial statements, the Company's opening balance sheet was prepared as at April 1, 2017, the Company's date of transition to Ind AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting.</p> <p>In view of the material impact and the complexity of implementation of the Ind AS framework and significance of the various disclosure, the transition to IND AS was of particular importance for our audit as any error could lead to material misstatement in the preparation and presentation of the standalone Ind AS financial statements.</p>	<p>Our audit procedures included considering the processes laid down by the management to implement such transition combined with procedures performed as follows:</p> <ul style="list-style-type: none"> • We obtained management's assessment of applicability of various accounting standards under Ind AS and their impact on the Company's standalone Ind AS financial statements and reviewed the nature of the Ind AS adjustments based on the applicable Ind AS and previous period accounting policies prepared in accordance with IGAAP. • We tested the exemptions taken by the Company for first time adoption of Ind AS of the standalone Ind AS financial statements. • We tested the details of Ind AS adjustments carried out by the Company as described in the reconciliation of equity as at the transition date and comparative year end date reported under erstwhile Indian GAAP to Ind AS and reconciliation of the statement of profit and loss for the comparative year end date reported under erstwhile Indian GAAP to Ind AS. • Performed test of details by inspection of contracts, documents and policies to assess the appropriateness of the Ind AS adjustments. • We assessed the disclosures with respect to the transition in accordance with the requirements of Ind AS 101 and other applicable disclosures in the standalone Ind AS financial statement in accordance with the requirements of relevant Ind AS.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial statement of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 included in these standalone IND AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with accounting principles generally accepted in India including the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, audited by the predecessor auditors whose report for the year ended March 31, 2018 and March 31, 2017 dated May 3, 2018 and May 17, 2017 respectively expressed an unmodified opinion on those standalone Ind AS financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.



2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 39 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 55 to the standalone Ind AS financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place: Mumbai

Date : May 14, 2019



Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Edelweiss Financial Services Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and based upon the audit procedures performed, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us and based upon the audit procedures performed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given by the management, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (b) According to the information and explanations given to us and based upon the audit procedures performed, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (c) According to the information and explanations given to us and based upon the audit procedures performed, the dues of income-tax, goods and service tax, and cess on



account of any dispute, are given below. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.

Name of the statute	Nature of the dues	Amount (Rs in mn.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.88	AY 2014-15	The Commissioner of Income Tax (Appeals)
Service Tax	Service Tax and penalty	414.60	2008-09 to 2011-12	CESTAT, Mumbai

- (viii) In our opinion and according to the information and explanations given by the management and based upon the audit procedures performed, the Company has not defaulted in repayment of loans or borrowing to a financial institution and banks, government or dues to debenture holders.
- (ix) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and accordingly to the information and explanations given to us by the management, we have neither come across any instance of material fraud by the Company or on the Company by the officers and employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given by the management and based upon the audit procedures performed, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and based upon the audit procedures performed, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet and based upon the audit procedures performed, the Company has not made any preferential allotment or private placement of shares during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management and based upon the audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (xvi) According to the information and explanations given to us and based upon the audit procedures performed, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No.: 102102

Place: Mumbai

Date : May 14, 2019



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure 2 to the Independent Auditors Report of even date on the Standalone Ind AS Financial Statements of Edelweiss Financial Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Edelweiss Financial Services Limited

We have audited the internal financial controls over financial reporting of Edelweiss Financial Services Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,



S.R. BATLIBOI & Co. LLP

Chartered Accountants

accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

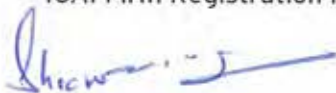
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No.: 102102



Place: Mumbai

Date : May 14, 2019



Edelweiss Financial Services Limited

Balance Sheet as at March 31, 2019

(Currency: Indian rupees in million)

	Note	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS				
Financial assets				
(a) Cash and cash equivalents	2	109.98	96.80	310.90
(b) Bank balances other than cash and cash equivalents	2A	59.97	54.77	4.98
(c) Derivative financial instruments	3&4	-	42.67	5.56
(d) Trade receivables	5	527.62	575.07	489.27
(e) Loans	6	2,538.68	4,695.80	6,290.62
(f) Investments	7	33,392.51	27,355.21	17,240.94
(g) Other financial assets	8	464.96	472.69	827.23
		37,093.72	33,293.01	25,169.50
Non-financial assets				
(a) Current tax assets (net)	9	425.77	751.31	748.53
(b) Deferred tax assets (net)	10 & 31	258.65	876.54	763.24
(c) Property, Plant and Equipment	11	13.75	18.06	22.60
(d) Intangible assets under development		9.96	11.91	37.77
(e) Other Intangible assets	11	32.23	48.48	43.23
(f) Other non- financial assets	12	132.69	319.71	84.80
		873.05	2,026.01	1,700.17
TOTAL ASSETS		37,966.77	35,319.02	26,869.67
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
(a) Derivative financial instruments	3&4	2.48	-	-
(b) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	40	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	106.90	264.20	143.86
(c) Debt securities	14	-	276.52	1,335.72
(d) Borrowings other than debt securities	15	3,660.63	-	7,189.87
(e) Other financial liabilities	16	602.98	807.74	887.23
		4,372.99	1,348.46	9,556.68
Non-financial liabilities				
(a) Current tax liabilities (net)	17	45.86	278.59	259.40
(b) Provisions	18	10.27	107.59	203.66
(c) Other non-financial liabilities	19	21.64	43.66	43.32
		77.77	429.84	506.38
EQUITY				
(a) Equity share capital	20	887.77	870.60	787.67
(b) Other equity	21	32,628.24	32,670.12	16,018.94
		33,516.01	33,540.72	16,806.61
TOTAL LIABILITIES AND EQUITY		37,966.77	35,319.02	26,869.67

The accompanying notes are an integral part of financial statements
As per our report of even date attached.

1 to 59

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan

Partner

Membership No: 102102



Mumbai May 14, 2019

For and on behalf of the Board of Directors

Bashesh Shah
Bashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
S Ranganathan
Chief Financial officer

Mumbai May 14, 2019

Himanshu Kaji
Himanshu Kaji
Executive Director
DIN: 00009438

B Renganathan
B Renganathan
EVP & Company Secretary



Edelweiss Financial Services Limited

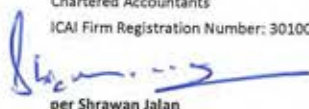
Statement of Profit and Loss for year ended March 31, 2019 (Currency: Indian rupees in million)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations			
Interest income	22	263.49	874.27
Dividend Income	23	1,184.02	850.84
Fee and commission income	24	1,562.24	2,478.90
Net gain on fair value changes	25	20.57	1.58
Total revenue from operations		3,030.32	4,205.59
Other income	26	173.43	195.77
Total Revenue		3,203.75	4,401.36
Expenses			
Finance costs	27	164.34	749.57
Impairment / (reversal) on financial instruments	28	(43.55)	40.47
Employee benefits expense	29	1,084.60	972.07
Depreciation, amortisation and impairment	11	38.60	40.60
Other expenses	30	900.49	869.70
Total expenses		2,144.48	2,672.41
Profit before tax		1,059.27	1,728.95
Tax expenses	31		
Current tax		73.02	304.80
Deferred tax (net)		(42.53)	41.51
Profit for the year		1,028.78	1,382.64
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefit plans		1.26	6.12
Income Tax effects of above		(0.44)	(2.12)
Total		0.82	4.00
Total Comprehensive Income		1,029.60	1,386.64
Earnings Per Share (₹) (Face Value of ₹ 1/- each)	34		
(1) Basic		1.17	1.68
(2) Diluted		1.15	1.62

The accompanying notes are an integral part of financial statements
As per our report of even date attached.

1 to 59

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005


per Shrawan Jalan
Partner

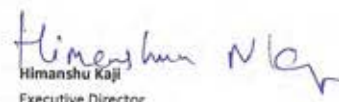
Membership No: 102102



Mumbai May 14, 2019

For and on behalf of the Board of Directors


Rakesh Shah
Chairman, Managing Director & CEO
DIN: 00008322


Himanshu Kaji
Executive Director
DIN: 00009438


S Ranganathan
Chief Financial officer


B Ranganathan
EVP & Company Secretary

Mumbai May 14, 2019



Edelweiss Financial Services Limited

Statement of Changes in Equity for the year ended March 31, 2019

(Currency: Indian rupees in million)

A. Equity Share Capital

Particulars	Amount
As at April 01, 2017	787.67
Changes in equity share capital during FY 2017-18	82.93
As at March 31, 2018	870.60
Changes in equity share capital during FY 2018-19	17.17
As at March 31, 2019	887.77

Note :

Edelweiss Employees' Welfare Trust and Edelweiss Employees' Incentive and Welfare Trust are extension of Company's financial statements, these trusts are holding 4,48,96,780 number of equity shares as on March 31, 2019 amounting to ₹ 44.90 million (as at March 31, 2018: ₹ 44.90 million; as at April 01, 2017: ₹ 44.90 million). These are treasury shares and deducted from total outstanding equity shares.

B. Other Equity

Particulars	Securities Premium	Retained Earnings	General Reserve	Capital Redemption Reserve	Employee Stock Option Plan (ESOP) reserve	Share application money pending allotment	Total Attributable to equity holders
Balance as at April 01, 2017	12,654.88	2,161.44	508.64	2.03	651.01	40.94	16,018.94
Profit for the year		1,382.64					1,382.64
Other Comprehensive Income		4.00					4.00
Total comprehensive income		1,386.64					1,386.64
Interim and final dividends to equity shareholders		(1,152.58)					(1,152.58)
Dividend distribution tax		(33.31)					(33.31)
Issue of equity instruments on qualified institutional placement (QIP)	15,222.94					(15,277.50)	(54.56)
Share issue expenses	(70.80)						(70.80)
Issue of equity instruments on ESOP	1,002.63					(1,031.00)	(28.37)
ESOP charge					154.93		154.93
Transfers to securities premium on exercise of ESOP	(333.87)				(333.87)		-
Share application money received during the year						16,292.64	16,292.64
Income tax effect of ESOP		156.59					156.59
Balance as at March 31, 2018	29,143.52	2,518.78	508.64	2.03	472.07	25.08	32,670.12
Profit for the year		1,028.78					1,028.78
Other Comprehensive Income		0.82					0.82
Total comprehensive income		1,029.60					1,029.60
Interim and final dividends to equity shareholders		(1,241.16)					(1,241.16)
Dividend distribution tax		(24.72)					(24.72)
Issue of equity instruments on ESOP	677.08					(694.25)	(17.17)
ESOP charge					225.48		225.48
Transfers to securities premium on exercise of ESOP	236.96				(236.96)		-
Share application money received during the year						675.32	675.32
Income tax effect of ESOP		(689.23)					(689.23)
Balance as at March 31, 2019	30,057.56	1,593.27	508.64	2.03	460.59	6.15	32,628.24

As per our report of even date attached.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Shrawan

per Shrawan Jalan
Partner
Membership No: 102102



41

For and on behalf of the Board of Directors

Rashesh Shah
Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

Himanshu Kajli
Himanshu Kajli
Executive Director
DIN: 00009438

S Ranganathan
S Ranganathan
Chief Financial officer

B Ranganathan
B Ranganathan
EVP & Company Secretary

Mumbai May 14, 2019

Mumbai May 14, 2019



Edelweiss Financial Services Limited

Statement of Cash flows for the year ended March 31, 2019.

(Currency: Indian rupees in million)

	For the year ended March 31, 2019	For the year ended March 31 2018
A. Cash flow from operating activities		
Profit before tax	1,059.27	1,728.95
Adjustments for		
Depreciation and amortisation expenses	38.60	40.60
Fair value change in investments	(18.01)	(0.67)
Profit on sale of investments	(2.65)	(0.91)
(Impairment) / reversal on financial instruments	(43.55)	40.47
Dividend on investments	(1,184.02)	(850.84)
Profit on sale of property, plant and equipment	(1.24)	(0.16)
ESOP cost	65.32	62.53
Finance costs	164.34	749.55
Operating cash flow before working capital changes	78.06	1,769.52
Add / (Less): Adjustments for working capital changes		
Decrease /(increase) in trade receivables	254.75	(122.30)
Decrease/(increase) in derivative financial instruments	45.15	(37.11)
(Decrease)/increase in trade payables	(157.31)	120.34
Decrease /(increase) in loans	2,157.11	1,594.84
Decrease /(increase) in other financial assets	7.73	354.55
Decrease /(increase) in other non- financial assets	187.01	(234.91)
Decrease /(increase) in other bank balances	(5.21)	(49.78)
(Decrease)/increase in provisions	(302.09)	(175.55)
(Decrease)/increase in other non financial liabilities	(21.94)	0.30
Cash generated from operations	2,243.26	3,219.90
Income taxes paid	(9.45)	(288.40)
Net cash generated from operating activities - A	2,233.81	2,931.50
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(17.76)	(17.18)
Sale of property, plant and equipment	2.89	1.89
Purchase of investments	(6,854.12)	(10,046.36)
Sale of investments	835.13	27.91
Dividend on investments	1,184.02	850.84
Net cash used in investing activities - B	(4,849.84)	(9,182.90)
C. Cash flow from financing activities		
Proceeds from issuance of Share capital (including Securities Premium)	675.32	16,221.84
Repayment of Non convertible debentures	(276.52)	(1,059.20)
Proceeds from/(repayment of) borrowing (Refer note 1 below)	3,660.63	(7,189.87)
Dividend paid	(1,241.16)	(1,152.59)
Dividend distribution tax paid	(24.72)	(33.31)
Finance costs	(164.34)	(749.57)
Net cash generated from financing activities - C	2,629.21	6,037.30
Net increase / (decrease) in cash and cash equivalents (A+B+C)	13.18	(214.10)
Cash and cash equivalent as at the beginning of the year	96.80	310.90
Cash and cash equivalent as at the end of the year	109.98	96.80

Notes:

- 1 Net figures have been reported on account of volume of transactions.
- 2 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- 3 Net cash generated from operating activities includes interest received ₹ 270.34 for March 31, 2019 and ₹ 863.78 for March 31, 2018.

As per our report of even date attached.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
per Shrawan Jalan
Partner
Membership No: 102102



Mumbai May 14, 2019

For and on behalf of the Board of Directors

Rakesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

S Ranganathan
Chief Financial officer

Mumbai May 14, 2019

Himanshu Kaji
Executive Director
DIN : 00009438

B Renganathan
EVP & Company Secretary



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

Cash Flow Disclosure

Change in Liabilities arising from financing activities

Particulars	As at April 01, 2018	Cash Flows	Changes in Fair value	Others*	As at March 31, 2019
Debt securities	276.52	(315.43)	-	38.91	-
Borrowings other than debt securities	-	3,535.20	-	125.43	3,660.63
Subordinated liabilities	-	-	-	-	-
	276.52	3,219.77	-	164.34	3,660.63

Particulars	As at April 01, 2017	Cash Flows	Changes in Fair value	Others*	As at March 31, 2018
Debt securities	1,335.72	(1,563.59)	-	504.39	276.52
Borrowings other than debt securities	7,189.87	(7,435.05)	-	245.18	-
Subordinated liabilities	-	-	-	-	-
	8,525.59	(8,998.64)	-	749.57	276.52

*Other column includes the effect of interest accrued during the period.



W



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1. Background

Edelweiss Financial Services Limited ('the Company') is registered with Securities and Exchange Board of India (SEBI) as Category I – Merchant Banker. The Company was incorporated on November 21, 1995 and is the ultimate holding company of Edelweiss group of companies.

The Company is principally engaged in providing investment banking services and holding company activities comprising of development, managerial and financial support to the business of Edelweiss group entities.

Significant Accounting Policies

1.1 Basis of preparation of financial statements

The standalone financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2018, the Company prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended March 31, 2019 are the first financial statements of the Company prepared under Ind AS. Refer to note 52 for information on how the Company transitioned to Ind AS.

These standalone financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value. The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest million, except when otherwise indicated.

1.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note no.46.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties



4



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.3 Recognition of Interest and Dividend income

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

1.4 Financial Instruments

1.4.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds reach the Company.

1.4.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.5 Classification of financial instruments

1.5.1 Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:



Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting ate. The changes in fair value of financial assets is recognised in Profit and loss account.

1.5.1.1 Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

1.5.1.2 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.5.1.3 Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss. However, for equity investments in subsidiaries and associates, these are measured at cost as permitted under Ind AS 27, subject to impairment, if any.

1.5.2 Financial liabilities

All financial liabilities are measured at amortised cost except for financial guarantees, and derivative financial liabilities.

1.5.2.1 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

1.5.2.2 Financial assets and Financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using effective interest rate.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.5.2.3 Financial guarantee:

Financial guarantees are contract that requires the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

1.5.3 Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

1.5.4 Derivative contracts (Derivative assets / Derivative liability)

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately

1.6 Reclassification of financial assets and financial liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

1.7 Employee welfare trust

The Company is a sponsor to two trusts namely: (i) Edelweiss Employees' Welfare Trust; and (ii) Edelweiss Employees' Incentives and Welfare Trust. These trusts have been formed exclusively to provide benefits to employees of the Company and its subsidiaries and associates. These trusts have been treated as an extension of the Company for the purpose of these financial statements. Accordingly, the equity shares of the Company held by these trusts have been treated as treasury shares. The excess of the cost of such shares over the face value of shares



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

has been reduced from the securities premium account of the Company. Further, the interest-free loan given by the Company to these trusts has been derecognized.

1.8 Derecognition of financial assets and financial liabilities

1.8.1.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

1.8.2 Derecognition of financial assets (other than due to substantial modification)

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

1.8.3 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, would be recognised in profit or loss.

1.9 Impairment of financial assets

The Company records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

1.10 Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.11 Determination of fair value

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.12 Revenue from contract with customer

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained.

The Company recognises revenue from the following sources:

Fee income including fees for Investment Banking Advisory Fees, Syndication fees and fees for other allied services. The right to receive Investment Banking & Syndication fees is basis on milestones defined in accordance with the terms of the contracts entered into between the Company and the counterparty which also defines its performance obligation. All types of fee income is accounted for, on an accrual basis.

1.13 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.14 Foreign currency transactions

These financial statements are presented in Indian Rupees which is also the functional currency of the Company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.15 Retirement and other employee benefit

Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

The liability is provided based on the number of days of unutilised leave at each balance sheet date based on a valuation by an independent actuary.

1.16 Share-based payment arrangements

Equity-settled share-based payments to employees of the Group and others providing similar services that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date.

a. with respect to Company's employees:

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Option Plan Reserve. In cases where the share options granted vest in



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

installments over the vesting period, the Company treats each installment as a separate grant, because each installment has a different vesting period, and hence the fair value of each installment differs.

b. with respect to employees of the Group:

The fair value determined at the grant date of the equity-settled share-based payments is accounted as a capital contribution (deemed investment) to the respective subsidiaries over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised such that the cumulative capital contribution (deemed investment) is increased so that it reflects the revised estimate, with a corresponding adjustment to the Employee Stock Option Plan Reserve. In cases where the share options granted vest in installments over the vesting period, the Company treats each installment as a separate grant, because each installment has a different vesting period, and hence the fair value of each installment differs. Whenever, these estimates are expected to get settle between the subsidiaries and the Company, they are accounted as receivable/payable.

1.17 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
Building (other than Factory Building)	60 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers - servers and networks	6 years
Computers - end user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost as of the transition date.

1.18 Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any. Intangibles such as software are amortised over a period of 3 years based on its estimated useful life. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost as of the transition date.

1.19 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

1.21 Provisions and other contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

1.22 Income tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.22.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.22.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits (including Minimum Alternative Tax credit) to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax (MAT) credit

MAT credit asset is recognised where there is convincing evidence that the asset can be realised in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.22.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.22.4 Business Combination :

The acquisition method of accounting is used to account for business combinations by the Group. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values with certain limited exceptions. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

1.23 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1.24 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

1.24.1 Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments for principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

1.25 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1.25.1 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.25.2 Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

1.26 Standards issued but not yet effective

1.26.1 Ind AS 116 Leases:

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The application of this standard is not likely to have a material impact on the Financial Statements.

1.26.2 Long-term Interests in Associates and Joint Ventures (Amendments to Ind AS 28)

The amendment clarifies that Ind AS 109, including its impairment requirements, applies to long-term interests. Furthermore, in applying Ind AS 109 to long-term interests, an entity does not take into account adjustments to their carrying amount required by Ind AS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with Ind AS 28). These amendments are to be applied retrospectively in accordance with Ind AS 8 for annual reporting periods beginning on or after April 01, 2019. Specific transition provisions apply depending on whether the first-time application of the amendments coincides with that of Ind AS 109.

The application of these amendments is not likely to have a material impact on these Financial Statements.

1.26.3 Prepayment Features with Negative Compensation (Amendments to Ind AS 109)

The amendments to Ind AS 109 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. These amendments are to be applied for annual periods beginning on or after April 01, 2019.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

The application of these amendments is not likely to have a material impact on the Financial Statements.

1.27 Annual Improvements to Ind AS (2018)

1.27.1 Ind AS 12 Income taxes

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits. These amendments are to be applied for annual periods beginning on or after April 01, 2019.

1.27.2 Ind AS 103 Business Combinations

The amendments clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation. These amendments are to be applied for business combinations in which the date of acquisition is on or after April 01, 2019.

1.27.3 Plan Amendment, Curtailment or Settlement (Amendments to Ind AS 19)

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). The change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

An entity is also now required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under Ind AS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

These amendments are to be applied to plan amendments, curtailments or settlements occurring on or after April 01, 2019.

The application of these amendments is not likely to have a material impact on the Financial Statements.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2019

1.27.4 Uncertainty over Income Tax Treatments (Appendix C of Ind AS 12)

This Appendix sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Appendix requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a Company; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
 - If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
 - If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Appendix is effective for annual periods beginning on or after April 01, 2019. Entities can apply the Appendix with either full retrospective application or modified retrospective application without restatement of comparatives retrospectively or prospectively.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

2. Cash and cash equivalents

Cash in hand
Balances with banks
- in current accounts

As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
0.04	0.05	0.09
109.94	96.75	310.81
109.98	96.80	310.90

2A Bank balances other than cash and cash equivalents

Unpaid dividend accounts
Fixed deposits with banks

As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
9.42	4.46	4.98
50.55	50.31	-
59.97	54.77	4.98

2B Encumbrances on fixed deposits held by the Company

Fixed Deposits pledged for:
Bank overdraft facility

As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
50.00	50.00	-



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

3. Derivative financial instruments

The Company enters into derivative transactions to hedge its interest rate risks and currency risks.

These derivatives are held for risk management purposes i.e. economic hedges but the Company has elected not to apply hedge accounting requirements.

March 31, 2019								
Particulars	Unit	Currency	Notional amount*	Fair value Asset	Unit	Currency	Notional amount*	Fair value liability
(i)Currency derivatives								
Currency Futures	Number of currency units	USDINR	498,000	0.16	Number of currency units	USDINR	13,679,000	4.42
Less: Amounts Offset (refer note.4 offsetting disclosure)				(0.16)				(4.42)
Forwards					Number of currency units	USDINR	35,624,205	2.48
Total Derivative Financial Instruments	Total			-	Total			2.48

March 31, 2018								
Particulars	Unit	Currency	Notional amount*	Fair value Asset	Unit	Currency	Notional amount*	Fair value liability
(i)Currency derivatives								
Currency Futures	Number of currency units	USDINR	291,000	0.06	Number of currency units	USDINR	1,803,000	0.66
Less: Amounts Offset (refer note.4 offsetting disclosure)				(0.06)				(0.66)
Forwards	Number of currency units	USDINR	48,951,205	42.67				
Total Derivative Financial Instruments	Total			42.67	Total			-

April 01, 2017								
Particulars	Unit	Currency	Notional amount*	Fair value Asset	Unit	Currency	Notional amount*	Fair value liability
(i)Currency derivatives								
Currency Futures	Number of currency units	USDINR	5,809,000	1.26				
Less: Amounts Offset (refer note.4 offsetting disclosure)				(1.26)				
Forwards	Number of currency units	USDINR	47,764,085	5.56				
Total Derivative Financial Instruments	Total			5.56	Total			-

* Notional amount represents quantity in case of currency linked derivatives



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

4. Offsetting

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby derivative financial assets and financial liabilities will be settled on a net basis. The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial assets subject to offsetting March 31, 2019

Particulars	Offsetting recognised in the balance sheet			Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total assets
	Gross asset before offset	Amount offset*	Net asset recognised in balance sheet	Financial liabilities	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet
Derivative financial assets	0.16	0.16	-	-	-	-	-

Financial liabilities subject to offsetting March 31, 2019

Particulars	Offsetting recognised in the balance sheet			Netting potential not recognised in balance sheet		Liabilities not subject to netting arrangements	Total liabilities
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial assets	Liabilities after consideration of netting potential	Liabilities recognised on the balance sheet	Recognised in the balance sheet
Derivative financial liabilities	6.90	4.42	2.48	-	2.48	-	2.48

* As at the reporting date, the amount of gross derivative assets & liabilities that has been offset against the cash margin is Rs.0.16 million and Rs.4.42 million respectively.



e



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

4. Offsetting

Financial assets subject to offsetting March 31, 2018

Particulars	Offsetting recognised in the balance sheet			Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total assets
	Gross asset before offset	Amount offset*	Net asset recognised in balance sheet	Financial liabilities	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet
Derivative financial assets	42.73	0.06	42.67	-	42.67	-	42.67

Financial liabilities subject to offsetting March 31, 2018

Particulars	Offsetting recognised in the balance sheet			Netting potential not recognised in balance sheet		Liabilities not subject to netting arrangements	Total liabilities
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial assets	Liabilities after consideration of netting potential	Liabilities recognised on the balance sheet	Recognised in the balance sheet
Derivative financial liabilities	0.06	0.06	-	-	-	-	-

* As at the reporting date, the amount of gross derivative assets & liabilities that has been offset against the cash margin is Rs.0.06 million and Rs.0.06 million respectively.

Financial assets subject to offsetting April 01, 2017

Particulars	Offsetting recognised in the balance sheet			Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total assets
	Gross asset before offset	Amount offset*	Net asset recognised in balance sheet	Financial liabilities	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet
Derivative financial assets	6.82	1.26	5.56	-	5.56	-	5.56

* As at the reporting date, the amount of gross derivative assets that has been offset against the cash margin is Rs. 1.26 million.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

5. Trade receivables

a) Trade receivables

Receivables considered good - Unsecured
Less : Allowance for expected credit losses

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	624.67	829.32	752.13
	(97.05)	(254.25)	(262.86)
	527.62	575.07	489.27

b) Reconciliation of impairment allowance on trade receivables:

Impairment allowance measured as per simplified approach

Impairment allowance - Opening Balance
Add/ (less): asset originated or acquired (net)

Impairment allowance - Closing Balance

	For the year ended March 31, 2019	For the year ended March 31, 2018
	(254.25)	(262.86)
	157.20	8.61
	(97.05)	(254.25)

Notes:

- 1) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person.
- 2) No trade or other receivables are due from firms or private companies in which directors is partner, a director or a member.
- 3) Trade receivables are non-interest bearing and are generally on terms of 1 to 30 days.

c) Trade receivables days past due

As at March 31, 2019	0-90 days	91-180 days	181-270 days	270- 360 days	> 360 days	Total
ECL Rates	0.87%	37.1%	64.3%	89.0%	100.0%	
Estimated total gross carrying amount at default	519.47	19.13	0.05	5.94	80.08	624.67
ECL - Simplified approach	4.55	7.10	0.03	5.29	80.08	97.05
Net carrying amount	514.92	12.03	0.02	0.65	-	527.62

As at March 31, 2018	0-90 days	91-180 days	181-270 days	270- 360 days	> 360 days	Total
ECL Rates	3.87%	40.9%	64.3%	88.2%	100.0%	
Estimated total gross carrying amount at default	596.04	0.63	0.36	14.22	218.07	829.32
ECL - Simplified approach	23.07	0.26	0.23	12.62	218.07	254.25
Net carrying amount	572.97	0.37	0.13	1.60	-	575.07

As at April 01, 2017	0-90 days	91-180 days	181-270 days	270- 360 days	> 360 days	Total
ECL Rates	5.74%	32.4%	62.8%	83.8%	100.0%	
Estimated total gross carrying amount at default	492.57	23.22	20.34	10.63	205.37	752.13
ECL - Simplified approach	28.29	7.52	12.77	8.91	205.37	262.86
Net carrying amount	464.28	15.70	7.57	1.72	-	489.27



9



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

6. Loans

(at Amortised cost)

Loans to related parties

Loans to employees

Total Gross

Less: Impairment loss allowance

Total (Net)

Unsecured

Total Gross

Less: Impairment loss allowance

Total (Net)

Loans outside India

Others

Loans in India

Public sector

Others

Total Gross

Less: Impairment loss allowance

Total (Net)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	2,494.70	4,688.62	6,287.19
	43.98	7.18	3.43
Total Gross	2,538.68	4,695.80	6,290.62
	-	-	-
Total (Net)	2,538.68	4,695.80	6,290.62
	2,538.68	4,695.80	6,290.62
Total Gross	2,538.68	4,695.80	6,290.62
	-	-	-
Total (Net)	2,538.68	4,695.80	6,290.62
	2,353.30	3,672.62	3,332.68
	-	-	-
	185.38	1,023.18	2,957.94
Total Gross	2,538.68	4,695.80	6,290.62
	-	-	-
Total (Net)	2,538.68	4,695.80	6,290.62

Note :

These loans are considered to have low credit risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans. Since the counter-parties are subsidiaries and employees of the Company, the Company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of investors and lenders. Accordingly, there is no Expected credit loss allowance on the aforesaid loans.



(Signature)



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

7. Investments

As at March 31, 2019		At fair value			Subtotal 5 = (2+3+4)	At cost (subsidiaries, associates, and joint ventures) (unquoted) (6)	Total (7)= (1+5+6)
	At Amortised cost (1)	Through OCI (2)	Through P&L (quoted) (3)	Designated at fair value through Profit or loss (4)			
Equity instruments	-	-	131.07	-	131.07	33,261.44	33,392.51
Total - Gross (A)	-	-	131.07	-	131.07	33,261.44	33,392.51
(i) Investments outside India	-	-	-	-	-	534.37	534.37
(ii) Investment in India	-	-	131.07	-	131.07	32,727.07	32,858.14
Total (B)	-	-	131.07	-	131.07	33,261.44	33,392.51
Less: Allowance for impairment (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	131.07	-	131.07	33,261.44	33,392.51

Aggregate amount of quoted investments 131.07
Aggregate market value of quoted investments 131.07
Aggregate amount of unquoted investments 33,261.44

As at March 31, 2018		At fair value			Subtotal 5 = (2+3+4)	At cost (subsidiaries, associates, and joint ventures) (unquoted) (6)	Total (7)= (1+5+6)
	At Amortised cost (1)	Through OCI (2)	Through P&L (quoted) (3)	Designated at fair value through Profit or loss (4)			
Equity instruments	-	-	113.07	-	113.07	27,242.14	27,355.21
Total - Gross (A)	-	-	113.07	-	113.07	27,242.14	27,355.21
(i) Investments outside India	-	-	-	-	-	331.40	331.40
(ii) Investment in India	-	-	113.07	-	113.07	26,910.74	27,023.81
Total (B)	-	-	113.07	-	113.07	27,242.14	27,355.21
Less: Allowance for impairment (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	113.07	-	113.07	27,242.14	27,355.21

Aggregate amount of quoted investments 113.07
Aggregate market value of quoted investments 113.07
Aggregate amount of unquoted investments 27,242.14

As at April 01, 2017		At fair value			Subtotal 5 = (2+3+4)	At cost (subsidiaries, associates, and joint ventures) (unquoted) (6)	Total (7)= (1+5+6)
	At Amortised cost (1)	Through OCI (2)	Through P&L (quoted) (3)	Designated at fair value through Profit or loss (4)			
Equity instruments	-	-	112.40	-	112.40	17,108.81	17,221.21
Preference Shares	-	-	-	-	-	19.73	19.73
Total - Gross (A)	-	-	112.40	-	112.40	17,128.54	17,240.94
(i) Investments outside India	-	-	-	-	-	334.74	334.74
(ii) Investment in India	-	-	112.40	-	112.40	16,793.80	16,906.20
Total (B)	-	-	112.40	-	112.40	17,128.54	17,240.94
Less: Allowance for impairment (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	112.40	-	112.40	17,128.54	17,240.94

Aggregate amount of quoted investments 112.40
Aggregate market value of quoted investments 112.40
Aggregate amount of unquoted investments 17,128.54

Note :

1) The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the Company that would vest in a graded manner to certain employees of subsidiaries. To the extent that the Company has not charged and recovered the fair value of such stock options from its subsidiaries, it has been included in the above carrying value of investment in the those subsidiaries.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

8. Other financial assets

Deposits- others
Dividend receivable
Margin placed with broker
Corporate guarantee fees receivable

9. Current tax assets (net)

Advance income taxes
(net of provision for tax March 31, 2019, ₹ 2,523.69 million, March 31, 2018 ₹ 1,818.28 million, April 01, 2017 ₹ 1,897.04 millions)

10. Deferred tax assets (net)

Deferred tax assets

Trade receivables

Provision for expected credit loss

Property, plant and equipment and intangibles

Difference between book and tax depreciation

Investments and other financial instruments

Provision for impairment
Unrealised loss on derivatives

Employee benefit obligations

Disallowances under section 43B of the Income Tax Act, 1961

Unused tax losses

Accumulated losses

Employees stock option plan

Deferred tax liabilities

Investments and other financial instruments

Unrealised gain on derivatives
Fair valuation of investments - gain in valuation

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	50.34	22.18	19.74
	-	-	199.49
	82.91	6.34	16.14
	331.71	444.17	591.86
	464.96	472.69	827.23
	425.77	751.31	748.53
	425.77	751.31	748.53
	40.10	91.44	40.51
	13.66	9.29	9.19
	-	120.17	169.16
	17.27	-	-
	3.60	37.59	70.52
	219.54	-	-
	-	659.98	503.05
	294.17	918.47	792.43
	-	12.73	2.72
	35.52	29.20	26.47
	35.52	41.93	29.19
	258.65	876.54	763.24



21



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

11. Property, plant and equipment and intangible assets

Description of assets	Gross Block				Depreciation / Amortization / Impairment				Net Block
	As at April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment									
Freehold Building	1.75	-	-	1.75	0.09	0.08	-	0.17	1.58
Leasehold Improvements	0.63	-	-	0.63	0.31	0.31	-	0.62	0.01
Furniture and Fixtures	0.17	-	-	0.17	0.02	0.04	-	0.06	0.11
Vehicles	9.21	-	(2.40)	6.81	2.93	1.80	(1.07)	3.66	3.15
Office Equipment	1.93	0.35	-	2.28	0.78	0.62	-	1.40	0.88
Computers	14.95	6.32	(0.50)	20.77	6.45	6.46	(0.16)	12.75	8.02
Total: A	28.64	6.67	(2.90)	32.41	10.58	9.31	(1.23)	18.66	13.75
Intangible assets									
Computer software	78.19	13.04	-	91.23	29.71	29.29	-	59.00	32.23
Total: B	78.19	13.04	-	91.23	29.71	29.29	-	59.00	32.23
Grand total [A+B]	106.83	19.71	(2.90)	123.64	40.29	38.60	(1.23)	77.66	45.98



11



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

11. Property, plant and equipment and intangible assets (previous year)

Description of assets	Gross Block				Depreciation / Amortization / Impairment				Net Block
	As at April 01, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 01, 2017	Charge for the year	Deductions during the year	As at March 31, 2018	As at March 31, 2018
Property, Plant and Equipment									
Freehold Building*	1.75	-	-	1.75	-	0.09	-	0.09	1.66
Leasehold Improvements	0.63	-	-	0.63	-	0.31	-	0.31	0.32
Furniture and Fixtures	0.08	0.09	-	0.17	-	0.02	-	0.02	0.15
Vehicles	10.49	0.53	(1.81)	9.21	-	3.18	(0.25)	2.93	6.28
Office Equipment	1.27	0.85	(0.19)	1.93	-	0.83	(0.05)	0.78	1.15
Computers	8.38	6.61	(0.04)	14.95	-	6.46	(0.01)	6.45	8.50
Total: A	22.60	8.08	(2.04)	28.64	-	10.89	(0.31)	10.58	18.06
Intangible assets									
Computer software	43.23	34.96	-	78.19	-	29.71	-	29.71	48.48
Total: B	43.23	34.96	-	78.19	-	29.71	-	29.71	48.48
Grand total [A+B]	65.83	43.04	(2.04)	106.83	-	40.60	(0.31)	40.29	66.54

* Mortgaged for Non Convertible Debentures

Note :

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost as of the transition date.



[Handwritten signature]



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

12. Other non-financial assets

Advances to others	-	0.93	0.91
Contribution to gratuity fund (net of provision)	-	1.08	0.40
Prepaid expenses	70.09	38.85	26.37
Vendor advances	62.60	278.85	57.12
	132.69	319.71	84.80

13. Trade payables

Payable to :			
Trade payables to non-related parties	89.56	178.52	133.02
Trade payables to related parties (includes sundry creditors, provision for expenses, customer payables)	17.34	85.68	10.84
	106.90	264.20	143.86

14. Debt securities

(at Amortised cost)(Refer note below)

Non-convertible redeemable debentures (secured)

Non convertible debentures - privately placed	-	212.00	1,062.00
Interest accrued on debt securities	-	64.52	273.72
(Secured by fixed charge on immovable property and floating charge on receivables. Refer note below for terms and maturity)			
Total	-	276.52	1,335.72

Debt securities in India	-	276.52	1,335.72
Debt securities outside India	-	-	-
Total	-	276.52	1,335.72

Note : terms and maturity pattern of non convertible debentures

Interest rate range and maturity

10.20% - 2018-2019	-	212.00	212.00
10.20% - 2017-2018	-	-	175.00
10.75% - 2017-2018	-	-	100.00
10.90% - 2017-2018	-	-	175.00
11.00% - 2017-2018	-	-	250.00
11.05% - 2017-2018	-	-	150.00
Total	-	212.00	1,062.00

15. Borrowings other than debt securities

(at Amortised cost)

Unsecured

Loan from related parties	3,636.36	-	7,150.33
Interest accrued and due on borrowings	24.27	-	39.54
(Repayable on demand, Interest rate payable @ 9.50% for March 31, 2019 and 11% for April 01, 2017)			
	3,660.63	-	7,189.87

Borrowings in India	3,660.63	-	7,189.87
Borrowings outside India	-	-	-
Total	3,660.63	-	7,189.87



✓



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

16. Other financial liabilities

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other payables	0.02	0.02	0.02
Book overdraft	4.99	-	-
Unpaid dividends	9.42	4.46	4.98
Accrued salaries and benefits	256.84	359.09	290.37
Financial guarantee obligation	331.71	444.17	591.86
	602.98	807.74	887.23

17. Current tax liabilities (net)

Provision for taxation (net of advance tax for March 31, 2019 ₹ 282.58 million, March 31, 2018 ₹ 273.89 million, April 01, 2017 ₹ 260.95 millions)	45.86	278.59	259.40
	45.86	278.59	259.40

18. Provisions

Provision for employee benefits			
Gratuity	0.93	-	-
Compensated leave absences	9.34	7.48	7.35
Deferred bonus	-	100.11	196.31
	10.27	107.59	203.66

19. Other non-financial liabilities

Withholding taxes, GST and other taxes payable	19.15	39.65	28.57
Others	2.49	4.01	14.75
	21.64	43.66	43.32



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

20. Equity share capital	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Authorised :						
Equity shares of ₹ 1 each	1,230,000,000	1,230.00	1,230,000,000	1,230.00	1,230,000,000	1,230.00
Preference shares of ₹ 5 each	4,000,000	20.00	4,000,000	20.00	4,000,000	20.00
	1,234,000,000	1,250.00	1,234,000,000	1,250.00	1,234,000,000	1,250.00
Issued, subscribed and paid up:						
Equity shares of ₹ 1 each	932,669,564	932.67	915,498,927	915.50	832,569,089	832.57
Less: Shares held by Edelweiss Employees Incentives and Welfare Trust	(7,301,510)	(7.30)	(7,301,510)	(7.30)	(7,301,510)	(7.30)
Less: Shares held by Edelweiss Employees Welfare Trust	(37,595,270)	(37.60)	(37,595,270)	(37.60)	(37,595,270)	(37.60)
(Refer Note. 1.7)						
	887,772,784	887.77	870,602,147	870.60	787,672,309	787.67

A. Reconciliation of number of shares (Before deducting treasury shares)

	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	915,498,927	915.50	832,569,089	832.57
Shares issued during the year:				
-Under Employee Stock Options Plans (ESOPs)	17,170,637	17.17	28,367,350	28.37
-Under Qualified institutional placement (QIP)	-	-	54,562,488	54.56
Outstanding at the end of the year	932,669,564	932.67	915,498,927	915.50

Note :

The Company has bought back 2,030,048 equity shares of ₹ 1 each pursuant to the buy back programme in the financial year 2014-15.

B. Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Rashesh Shah	145,301,730	15.58%	145,301,730	15.87%	145,301,730	17.45%
Venkat Ramaswamy	58,026,560	6.22%	58,026,560	6.34%	58,026,560	6.97%
	203,328,290	21.80%	203,328,290	22.21%	203,328,290	24.42%



7



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

21. Other Equity

Securities premium account
General reserve
Capital redemption reserve
Retained earnings
Stock options outstanding
Share application money pending allotment

As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
30,057.56	29,143.52	12,654.88
508.64	508.64	508.64
2.03	2.03	2.03
1,593.27	2,518.78	2,161.44
460.59	472.07	651.01
6.15	25.08	40.94
32,628.24	32,670.12	16,018.94

B. Movement in Other Equity

I. Securities premium account

Opening Balance

Add : On issue of shares on exercise of Employee Stock Options Plans (ESOPs)	677.08	1,002.63
Add : On transfer from ESOP reserve on exercise of Employee Stock Options Plans (ESOPs)	236.96	333.87
Add: On issue of shares under Qualified institutional placement	-	15,222.94
Less: Issue expenses on shares issued under Qualified institutional placement	-	(70.80)

As at March 31, 2019	As at March 31, 2018
29,143.52	12,654.88
677.08	1,002.63
236.96	333.87
-	15,222.94
-	(70.80)
30,057.56	29,143.52

II. General Reserve

Opening Balance

Add : Additions during the year

508.64	508.64
-	-
508.64	508.64

III. Capital Redemption Reserve

Opening Balance

Add : Additions during the year

2.03	2.03
-	-
2.03	2.03

IV. Retained earnings

Opening Balance

Add: Profit for the year	1,028.78	1,382.64
Add: Other Comprehensive Income	0.82	4.00
Add/(less): Income tax effect on ESOP	(689.23)	156.59

Amount available for appropriation

Appropriations:

Interim dividend	(975.88)	(910.14)
Final dividend	(265.28)	(242.44)
Dividend distribution tax	(24.72)	(33.31)

2,518.78	2,161.44
1,028.78	1,382.64
0.82	4.00
(689.23)	156.59
2,859.15	3,704.67
(975.88)	(910.14)
(265.28)	(242.44)
(24.72)	(33.31)
(1,265.88)	(1,185.89)
1,593.27	2,518.78

V. Stock options outstanding (Refer Note. 36)

Opening Balance

Add : Additions during the year

Less : Transfer to securities premium account on exercise of ESOPs

472.07	651.01
225.48	154.93
(236.96)	(333.87)
460.59	472.07

VI. Share application money pending allotment

(Received against ESOP exercised by employees. For details of ESOP plan refer note.36)

6.15	25.08
6.15	25.08
32,628.24	32,670.12



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

22. Interest Income

On Financial assets measured at Amortised Cost

Interest on loans	254.32	870.06
Interest income from investments	-	2.24
Interest on deposits with bank	3.70	1.43
Other interest income	5.47	0.54
	263.49	874.27

23. Dividend Income

Dividend on investments	1,184.02	850.84
	1,184.02	850.84

24. Fee and commission income

Advisory and other fees	1,562.24	2,478.90
	1,562.24	2,478.90

25. Net gain on fair value changes

Net gain/ (loss) on financial instruments at FVTPL

Investments

Fair value gain - P&L - equity (unrealised)	18.01	0.67
---	-------	------

Derivatives

Profit / (loss) on equity derivative instruments (net) (realised)	(0.09)	-
---	--------	---

Others

Profit on sale of investments (realised)	2.65	0.91
	20.57	1.58

26. Other income

Profit on sale of property, plant and equipment	-	0.16
Foreign exchange gain	105.92	192.47
Miscellaneous income	67.51	3.14
	173.43	195.77



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

27. Finance costs

On Financial Liabilities measured at Amortised Cost

Interest on borrowings

Interest on bank overdraft

Interest on loan from subsidiaries

Interest on debt securities

Discount on commercial paper

Interest on debentures

Other interest expense

Financial and bank charges

Interest - others

28. Impairment on financial instruments

Bad- debts written off

Reversal of ECL provision on trade receivables

29. Employee benefit expenses

Salaries and wages

Contribution to provident and other funds

Expense on Employee Stock Option Scheme (ESOP)

Staff welfare expenses

For the year ended
March 31, 2019

For the year ended
March 31, 2018

	0.73	0.04
	112.70	213.26
	32.90	428.16
	6.01	76.23
	0.72	31.67
	11.28	0.21
	164.34	749.57
	113.65	49.08
	(157.20)	(8.61)
	(43.55)	40.47
	940.42	805.05
	31.58	35.03
	65.32	62.53
	47.28	69.46
	1,084.60	972.07



4/



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

30. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement and business promotion	209.65	214.36
Auditors' remuneration (Refer Note 30.A)	9.59	7.05
Commission and brokerage	32.77	25.73
Communication	7.33	6.12
Directors' sitting fees	2.00	2.00
Commission to non-executive directors	5.00	6.80
Insurance	22.87	23.58
Legal and professional fees	183.96	250.25
Printing and stationery	10.17	8.97
Rates and taxes	2.09	5.88
Rent (Refer Note 30.C & 35)	90.11	81.06
Repairs and maintenance	1.86	1.45
Electricity charges (Refer Note 35)	7.95	9.59
Computer software expenses	104.68	72.97
Corporate social responsibility (Refer Note 30.B)	35.40	38.00
Donation	0.26	1.05
Clearing and custodian charges	1.10	1.20
Membership and subscription	18.69	21.05
Office expenses (Refer Note 35)	56.44	4.11
Postage and courier	2.87	1.41
Seminar and conference	4.64	7.20
Goods and service tax expenses	12.20	4.71
Travelling and conveyance	75.33	72.15
Housekeeping and security charges	3.53	3.01
	900.49	869.70

30.A Auditors' remuneration:

As a Auditor

	For the year ended March 31, 2019	For the year ended March 31, 2018
Statutory Audit of the Company	8.80	6.78
Certification fees	0.50	-
Towards reimbursement of expenses	0.29	0.27
	9.59	7.05



[Handwritten signature]



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

30.B Details of Corporate social responsibility expenditure:

As per the provisions of Section 135 of Companies Act 2013,

	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross Amount required to be spent by the Company	34.73	32.00
Amount Spent (Paid in Cash)		
Construction/ Acquisition of any assets on purpose other than (i) above	- 35.40	- 38.00
Amount Spent (Yet to be paid in Cash)		
Construction/ Acquisition of any assets on purpose other than (i) above	- -	- -
	35.40	38.00

30.C Operating leases

The Company has taken premises on operating lease. Rental expenses for the year ended March 31, 2019 aggregated to ₹ 90.11 million (Previous year: ₹ 81.06 million) which has been included under the head other expenses – Rent in the Statement of profit and loss. The Company does not have any non-cancellable operating lease.



11



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

31. Income Tax

31.A Component of Income Tax Expenses

	For the year ended March 31, 2019	For the year ended 31 March 2018
Current Tax	7.24	280.82
Adjustment in respect of income tax of prior years	65.78	23.98
Deferred tax relating to temporary differences	(42.53)	41.51
Total Tax Charge for the year	30.49	346.31
Current Tax	73.02	304.80
Deferred Tax (Refer Note 31.C)	(42.53)	41.51

31.B The income tax expenses for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2019	For the year ended 31 March 2018
Profit before Taxes	1,059.27	1,728.95
Statutory Income Tax rate	34.94%	34.94%
Tax Charge at Statutory Rate	370.11	604.10
Tax effect of :		
Adjustment in respect of current income tax of prior year	65.78	23.98
Income not subject to tax or chargeable to lower tax rate		
Dividend Income	(413.70)	(297.27)
Long Term capital gain on sale of Shares	(0.92)	(0.32)
Non Deductible Expenses		
Others	9.22	15.82
Income Tax Expenses Reported in Statement of Profit and Loss	30.49	346.31
Effective Income Tax Rate	2.88%	20.03%



11



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

31. Income Tax

31.C Table below shows deferred tax recorded in the balance sheet and changes recorded in income tax expenses:

For the Year Ended March 2019	As at March 31, 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at March 31, 2019
Deferred Tax Assets					
Difference between book and tax depreciation (including intangibles)	9.29	4.37	-	-	13.66
Trade receivables - Expected credit loss	91.44	(51.34)	-	-	40.10
Fair value of investments	120.17	(120.17)	-	-	-
Employee stock options	659.98	-	-	(659.98)	-
Disallowances under section 43B of the Income Tax Act, 1961	37.59	(33.55)	(0.44)	-	3.60
Accumulated Losses	-	219.54	-	-	219.54
Deferred Tax Liabilities					
Fair valuation of investments- gain in valuation	(29.20)	(6.32)	-	-	(35.52)
Unrealised gain on derivatives	(12.73)	30.00	-	-	17.27
Deferred Tax Asset (net)	876.54	42.53	(0.44)	(659.98)	258.65
For the Year Ended March 2018	As at April 01, 2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at March 31, 2018
Deferred Tax Assets					
Difference between book and tax depreciation (including intangibles)	9.19	0.10	-	-	9.29
Trade receivables - Expected credit loss	40.51	50.93	-	-	91.44
Fair value of investments	169.16	(48.99)	-	-	120.17
Employee stock options	503.05	-	-	156.93	659.98
Disallowances under section 43B of the Income Tax Act, 1961	70.52	(30.81)	(2.12)	-	37.59
Deferred Tax Liabilities					
Fair valuation of investments- gain in valuation	(26.47)	(2.73)	-	-	(29.20)
Unrealised gain on derivatives	(2.72)	(10.01)	-	-	(12.73)
Deferred Tax Asset (net)	763.24	(41.51)	(2.12)	156.93	876.54



36



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

32. Segment reporting

Primary Segment (Business Segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities Covered
Agency business	Advisory and transactional services
Holding company activities	Development, managerial and financial support to the businesses of Edelweiss group entities

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary Segment

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Indian Accounting Standard -108 on "Segment Reporting":

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
I Segment Revenue		
a) Agency business	1,262.24	2,101.10
b) Holding company activities	1,874.00	2,300.26
c) Unallocated	67.51	-
Total Income	3,203.75	4,401.36
II Segment Results		
a) Agency business	260.65	1,046.62
b) Holding company activities	731.11	682.33
c) Unallocated	67.51	-
Profit before taxation	1,059.27	1,728.95
Less : Provision for taxation	30.49	346.31
Profit after taxation	1,028.78	1,382.64



11



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)

(Currency: Indian rupees in million)

32. Segment reporting (*Continued*)

Particulars	March 31, 2019	March 31, 2018
III Segment Assets		
a) Agency business	311.21	714.66
b) Holding company activities	37,017.02	33,873.87
c) Unallocated	638.54	730.49
Total	37,966.77	35,319.02
IV Segment Liabilities		
a) Agency business	161.43	278.88
b) Holding company activities	4,279.91	1,197.63
c) Unallocated	9.42	301.79
Total	4,450.76	1,778.30
V Capital Expenditure (Including intangible assets under development)		
a) Agency business	16.11	35.19
b) Holding company activities	3.60	7.85
c) Unallocated	-	-
Total	19.71	43.04
VI Depreciation and Amortization		
a) Agency business	31.56	33.20
b) Holding company activities	7.04	7.40
c) Unallocated	-	-
Total	38.60	40.60
VII Significant Non-Cash Expenses Other than Depreciation and Amortization		
a) Agency business	(4.87)	90.92
b) Holding company activities	8.63	11.24
c) Unallocated	-	-
Total	3.76	102.16



dv



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure":

(A) Subsidiaries which are controlled by the Company:

Edelweiss Securities Limited
Edelweiss Finance & Investments Limited
ECL Finance Limited
Edelweiss Global Wealth Management Limited
EC Global Limited, Mauritius (through EC International Limited, Mauritius)
Edelweiss Insurance Brokers Limited
Edelweiss Trustee Services Limited (through ECap Equities Limited)
Edelweiss Business Services Limited (Merged with Edelweiss Rural and Corporate Services Limited)
Edelcap Securities Limited (through ECap Equities Limited)
Edelweiss Asset Management Limited
ECap Equities Limited
Edelweiss Broking Limited
Edelweiss Trusteeship Company Limited
Edelweiss Alternative Asset Advisors Limited
Edelweiss Housing Finance Limited
Edelweiss Investment Adviser Limited
EC Commodity Limited (through Edelweiss Rural & Corporate Services Limited)
EFSL Trading Limited (Merged with EFSL Comtrade Limited)
Edel Commodities Limited (Merged with Edelweiss Rural and Corporate Services Limited)
Edel Land Limited
Edelweiss Custodial Services Limited (through Edelweiss Securities Limited)
EC International Limited, Mauritius
Edelweiss Capital (Singapore) Pte. Limited
Edelweiss Alternative Asset Advisors Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)
Edelweiss International (Singapore) Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)
Aster Commodities DMCC, United Arab Emirates (through EC International Limited, Mauritius)
EAAA LLC, Mauritius (through EC International Limited)
EW Special Opportunities Advisors LLC, Mauritius (through EAAA LLC)
EW India Special Assets Advisors LLC, Mauritius (through EAAA LLC)
Edel Investments Limited
Edelweiss Tokio Life Insurance Company Limited
Edelweiss Investment Advisors Private Limited, Singapore (through Edelweiss Capital (Singapore) Pte. Limited)
Edelweiss Rural & Corporate Services Limited (formerly known as Edelweiss Commodities Services Limited)
Edelweiss Comtrade Limited (through Edelweiss Rural & Corporate Services Limited)
Edel Finance Company Limited
Edelweiss Capital Markets Limited (Merged with Edelweiss Rural and Corporate Services Limited)
EFSL Comtrade Limited (Merged with Edelweiss Rural and Corporate Services Limited)
Edelweiss Retail Finance Limited (through Edelcap Securities Limited)
Edelweiss Securities (Hong Kong) Private Limited (through Edelweiss Securities Limited)
Edelweiss Financial Services Inc, United States of America (through Edelweiss Securities Limited)
Edelweiss Agri Value Chain Limited (Merged with Edelweiss Rural and Corporate Services Limited)
EdelGive Foundation
Edelweiss Multi Strategy Funds Management Private Limited (Merged with Edelweiss Asset Management Limited)
Edelweiss Resolution Advisors LLP (through Edelweiss Rural and Corporate Services Limited)



df



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(A) Subsidiaries which are controlled by the Company: (Continued)

Edelweiss India Capital Management, Mauritius (through Edelweiss Multi Strategy Funds Management Private Limited) (Upto June 30, 2018)

Edelweiss Multi Strategy Fund Advisors LLP (through Edelweiss Rural and Corporate Services Limited)

EFSL International Limited, Mauritius (through EC International Limited)

Edelweiss Financial Services (UK) Limited, United Kingdom (through Edelweiss Securities Limited)

Edelweiss Holdings Limited (through ECap Equities Limited)

Edelweiss AIF Fund I - EW Clover Scheme -1 (through Edelcap Securities Limited)

Edelweiss General Insurance Company Limited

Edelweiss Finvest Private Limited (through Edelweiss Rural and Corporate Services Limited)

Edelweiss Asset Reconstruction Company Limited (through Edelweiss Custodial Services Limited)

Edelweiss Private Equity Tech Fund (through Ecap Equities Limited)

Edelweiss Securities (IFSC) Limited

Edelweiss Value and Growth Fund (through Ecap Equities Limited)

Retra Ventures Private Limited (through Ecap Equities Limited)

Allium Finance Private Limited (through Edelweiss Rural and Corporate Services Limited) (from November 29, 2018)

Edelweiss Fund Advisors Private Limited (Merged with Edelweiss Rural and Corporate Services Limited)

Edelweiss Securities Trading and Management Private Limited (formerly know as Dahlia Commodities Services Private Limited) (through Edelweiss Securities Limited)

Edelweiss Securities and Investments Private Limited (formerly know as Magnolia Commodities Services Private Limited) (through Edelweiss Securities Limited)

Lichen Metals Private Limited (through Edelvalue Partners)

Edelvalue Partners (through Edelweiss Securities and Investments Private Limited)

Alternative Investment Market Advisors Private Limited (through Ecap Equities Limited)

(B) Enterprises over which control is exercised by the Company:

Trust name :

EARC SAF - 2 Trust

EARC Trust - SC 6

EARC Trust - SC 7

EARC Trust - SC 9

EARC Trust - SC 102

EARC Trust - SC 109

EARC Trust - SC 112

EARC Trust - SC 130

EARC SAF - 3 Trust

EARC Trust - SC 223

EARC Trust - SC 229

EARC Trust - SC 238

EARC Trust - SC 245

EARC Trust - SC 251

EARC Trust - SC 266

EARC Trust - SC 262

EARC Trust - SC 263

EARC Trust - SC 293

EARC Trust - SC 297

EARC Trust - SC 308

EARC Trust - SC 314

EARC Trust - SC 325

EARC Trust - SC 329

EARC Trust - SC 331

EARC Trust - SC 306

EARC Trust - SC 321



W

Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(B) Enterprises over which control is exercised by the Company: (Continued)

Trust name (continued) :

EARC Trust - SC 334
EARC Trust - SC 318
EARC Trust - SC 332
EARC Trust - SC 348
EARC Trust - SC 349
EARC Trust - SC 350
EARC Trust - SC 352
EARC Trust - SC 354
EARC Trust - SC 357
EARC SAF - 1 Trust Investor Account
EARC Trust - SC 298
EARC Trust - SC 342
EARC Trust - SC 347
EARC Trust - SC 351
EARC Trust - SC 360
EARC Trust - SC 361
EARC Trust - SC 363
EARC Trust - SC 344
EARC Trust - SC 370
EARC Trust - SC 283
EARF I - Scheme 5
EARC Trust - SC 57
EARC Trust - SC 327

(C) Associates:

Allium Finance Private Limited (through Edelweiss Rural and Corporate Services Limited) (upto November 28, 2018)

(D) Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company:

Mr. Rashes Shah
Mr. Venkatchalam Ramaswamy
Ms. Vidya Shah
Ms. Aparna T. C.

(E) Key managerial personnel :

Mr. Rashes Shah - Chairman, Managing Director & CEO
Mr. Venkatchalam Ramaswamy - Executive Director
Mr. Himanshu Kaji - Executive Director
Mr. Rujan Panjwani - Executive Director

(F) Relatives of individuals exercising significant influence and relatives of KMP, with whom transaction have taken place:

Ms. Kaavya Venkat
Ms. Shilpa Mody
Ms. Sejal Premal Parekh
Mr. A V Ramaswamy
Ms. Sneha Sripad Desai
Ms. Shabnam Panjwani

(G) Enterprises over which KMPs / Relatives exercise significant influence, with whom transactions have taken place:

Spire Investment Advisors LLP
Shah Family Discretionary Trust



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(H) Independent Directors

Mr. Berjis Desai

Mr. Biswamohan Mahapatra

Mr. Kunnasagaran Chinniah

Mr. Navtej S. Nandra

Mr. P. N. Venkatachalam

Mr. Sanjiv Misra (upto January 24, 2019)

Mr. Sunil Mitra (upto August 02, 2017)



V



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
	Capital Account Transactions during the year			
1	Investments in Equity shares of	Edelweiss Tokio Life Insurance Company Limited	-	2,350.03
		Edelweiss Broking Limited	1,050.99	1,783.49
		Edelweiss General Insurance Company Limited	380.00	1,650.00
		ECap Equities Limited	-	1,250.00
		Edelweiss Finvest Private Limited	-	1,180.64
		Edel Finance Company Limited	442.20	1,257.80
		ECL Finance Limited	3,456.10	-
		Edelweiss Asset Management Limited	141.30	160.14
		Edelweiss Rural & Corporate Services Limited	500.00	-
		Edelweiss Capital (Singapore) Pte. Limited	203.48	-
		Edelweiss Housing Finance Limited	500.00	500.00
		Edelweiss Retail Finance Limited	-	500.00
		Edelweiss Global Wealth Management Limited	-	150.00
		Edel Land Limited	-	146.26
		Edelweiss Securities (IFSC) Limited	-	38.88
		Edelweiss Investment Adviser Limited	-	5.00
		Edelweiss Finance & Investments Limited	-	399.51
2	Reduction in investments on account of demerger	Edelweiss Finance & Investments Limited	-	1,325.40
3	Sale of Investments in Equity shares of	EC Commodity Limited	501.43	-
		Edelweiss Fund Advisors Private Limited	0.50	-
		Edelweiss Holdings Limited	150.00	-
		Edelweiss Trustee Services Limited	0.50	-
4	Transfer Investments in Equity shares to	Edelweiss Asset Management Limited	180.05	-
5	Transfer Investments in Equity shares from	Edelweiss Multi Strategy Funds Management Private Limited	180.05	-
6	Redemption of preference share of	ECap Equities Limited	-	18.00
		Edel Investments Limited	-	9.00
	Current Account Transactions during the year			
7	Loans given to (Refer note 1)	Edelweiss Rural & Corporate Services Limited	5,675.23	23,205.31
		ECL Finance Limited	-	7,000.00
		Edelweiss Capital (Singapore) Pte. Limited	1,122.44	2,985.74
		EC International Limited	955.81	419.76
8	Loans repaid by (Refer note 1)	Edelweiss Rural & Corporate Services Limited	6,504.62	22,375.91
		ECL Finance Limited	-	7,000.00
		EC International Limited	1,286.67	412.14
		Edelweiss Capital (Singapore) Pte. Limited	2,108.97	907.21
		Edelweiss Securities Limited	-	42.65
		Edelweiss Securities (IFSC) Limited	6.53	-
		Edelweiss Broking Limited	-	2,573.55
		Edelweiss Comtrade Limited	-	53.53



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(i) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
		Edelweiss Asset Management Limited	-	111.19
9	Loans taken from (Refer note 1)	Edelweiss Rural & Corporate Services Limited	3,636.36	2,968.60
10	Loans repaid to (Refer note 1)	Edelweiss Rural & Corporate Services Limited	-	10,118.93
11	Margin placed with Broker (Refer note 1)	Edelweiss Securities Limited	0.04	0.30
		Edelweiss Custodial Services Limited	55.92	6.51
12	Margin withdrawn from Broker (Refer note 1)	Edelweiss Securities Limited	0.53	0.01
		Edelweiss Custodial Services Limited	0.01	12.18
13	Reimbursement paid to	Edelweiss Securities Limited	429.88	-
		ECap Equities Limited	27.58	96.00
		ECL Finance Limited	268.43	-
		Edelweiss Rural & Corporate Services Limited	108.18	12.22
		Edel Investments Limited	2.24	-
		Edelcap Securities Limited	6.77	-
		Edelweiss Alternative Asset Advisors Limited	55.82	-
		Edelweiss Asset Management Limited	16.47	-
		Edelweiss Asset Reconstruction Company Limited	28.67	-
		Edelweiss Broking Limited	53.89	-
		Edelweiss Comtrade Limited	0.03	-
		Edelweiss Custodial Services Limited	15.27	-
		Edelweiss Finance & Investments Limited	11.91	-
		Edelweiss Finvest Private Limited	6.71	2.00
		Edelweiss General Insurance Company Limited	9.25	1.59
		Edelweiss Global Wealth Management Limited	24.85	-
		Edelweiss Housing Finance Limited	64.56	-
		Edelweiss Insurance Brokers Limited	16.98	-
		Edelweiss Investment Adviser Limited	0.53	-
		Edelweiss Retail Finance Limited	10.26	-
		Edelweiss Tokio Life Insurance Company Limited	18.66	-
		EC Commodity Limited	1.22	-
14	Reimbursement recovered from	Edelweiss Rural & Corporate Services Limited	-	0.14
		Edelweiss Alternative Asset Advisors Limited	-	0.26
		Edelweiss Asset Reconstruction Company Limited	-	0.50
		Edelweiss Finance & Investments Limited	-	0.07



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
15	Sale of Fixed Assets to	Edelweiss Securities Limited	0.01	-
		Edelweiss Rural & Corporate Services Limited	0.11	-
		ECL Finance Limited	0.00	-
		Edelweiss Finvest Private Limited	0.00	-
		Edelweiss Broking Limited	0.10	-
		Edelweiss Asset Management Limited	0.01	-
		Edelweiss Alternative Asset Advisors Limited	0.04	-
		Edelweiss Custodial Services Limited	0.08	-
16	Purchase of Fixed Assets from	Edelweiss Housing Finance Limited	0.04	-
		Edelweiss Rural & Corporate Services Limited	0.36	-
		Edelweiss Investment Adviser Limited	0.03	-
		Edelweiss Global Wealth Management Limited	0.02	-
		Edelweiss Retail Finance Limited	0.01	-
		ECap Equities Limited	0.01	-
		Edelweiss Securities Limited	0.03	-
		Edelweiss Broking Limited	0.23	-
		ECL Finance Limited	0.05	-
17	Dividend paid to	Mr. Rashesh Shah	203.42	196.16
		Mr. Venkatchalam Ramaswamy	81.24	78.34
		Ms. Vidya Shah	49.04	47.29
		Shah Family Discretionary Trust	54.25	52.31
		Spire Investment Advisors LLP	4.48	4.32
		Ms. Aparna T. C.	17.09	16.42
		Mr. Rujan Panjwani	18.15	17.03
		Mr. Himanshu Kaji	5.58	4.10
		Ms. Kaavya Venkat	16.51	15.92
		Ms. Sneha Sripad Desai	1.44	1.38
		Ms. Shilpa Mody	1.33	1.35
		Ms. Sejal Premal Parekh	1.33	1.35
		Ms. Shabnam Panjwani	0.80	0.53
		Mr. A V Ramaswamy	0.07	0.07
		Mr. Navtej S. Nandra	11.16	10.74
		Mr. P. N. Venkatachalam	0.38	0.36
		Mr. Berjis Desai	0.19	0.14
		Mr. Sanjiv Misra	0.14	0.08
18	Remuneration paid to	Mr. Rashesh Shah	72.66	64.23
		Mr. Venkatchalam Ramaswamy	53.70	1.20
		Mr. Himanshu Kaji	24.93	51.43
		Mr. Rujan Panjwani	19.06	31.34
19	Dividend Income received from	Edelweiss Securities Limited	1,006.61	301.46
		Edelweiss Rural & Corporate Services Limited	-	248.62
		ECap Equities Limited	1.26	300.00
		Edel Investments Limited	151.65	-
		Edelweiss Holdings Limited	12.75	-
		Edelweiss Trustee Services Limited	11.50	-



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

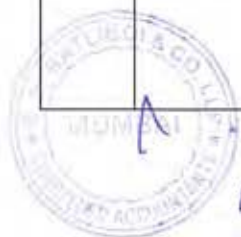
Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
20	Rating support fee earned from	ECL Finance Limited	2.10	1.74
		Edelweiss Rural & Corporate Services Limited	1.31	1.11
		Edelweiss Securities Limited	0.07	0.15
		Edelweiss Retail Finance Limited	0.16	0.22
		Edelweiss Housing Finance Limited	0.29	0.34
		Edelweiss Custodial Services Limited	0.08	-
		ECap Equities Limited	0.16	0.07
		Edelweiss Finance & Investments Limited	0.12	0.26
		Edel Finance Company Limited	0.06	-
		Edelweiss Finvest Private Limited	0.18	0.21
21	Fee / commission earned from	Edelweiss Asset Reconstruction Company Limited	0.28	0.20
		Aster Commodities DMCC	-	24.69
		EC Global Limited	-	10.12
		Edelweiss Tokio Life Insurance Company Limited	20.00	20.00
		Edelweiss International (Singapore) Pte. Limited	1.66	2.54
		Edelweiss Rural & Corporate Services Limited	57.08	142.78
		Edelweiss Finvest Private Limited	121.52	79.78
		Edelweiss Finance & Investments Limited	4.38	24.71
		ECap Equities Limited	49.29	28.25
		Edelweiss Custodial Services Limited	12.44	10.06
		Edelweiss Housing Finance Limited	11.53	7.03
		ECL Finance Limited	3.21	9.92
		Edelweiss Asset Reconstruction Company Limited	13.66	13.62
		Edelweiss Securities Limited	0.40	-
22	Interest Income on loan given	Edelweiss Rural & Corporate Services Limited	-	513.64
		Edelweiss Securities Limited	-	1.85
		ECL Finance Limited	-	81.36
		EC International Limited	71.24	45.14
		Edelweiss Capital (Singapore) Pte. Limited	183.01	197.98
		Edelweiss Securities (IFSC) Limited	0.07	0.43
		Edelweiss Comtrade Limited	-	1.39
		Edelweiss Broking Limited	-	23.62
		Edelweiss Asset Management Limited	-	4.67
23	Interest income on margin from	Edelweiss Securities Limited	0.01	0.01
		Edelweiss Custodial Services Limited	0.84	0.46
24	Interest expense on loan taken	Edelweiss Rural & Corporate Services Limited	112.70	213.26
25	Commission & Sub-brokerage paid to	Edelweiss Securities Limited	-	0.12
		Edelweiss Custodial Services Limited	-	0.06
26	Rent expense paid to	Edelweiss Rural & Corporate Services Limited	61.69	60.88
		Edelweiss Securities Limited	2.84	1.41
		Edelweiss Housing Finance Limited	0.05	0.20
		ECap Equities Limited	5.27	3.67
		Edelweiss Retail Finance Limited	0.07	0.02



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
		Edelweiss Global Wealth Management Limited	0.01	0.06
		Edelweiss Broking Limited	3.91	4.37
		ECL Finance Limited	0.94	0.12
		Edelweiss Asset Management Limited	0.71	0.42
27	Legal & Prof. Fees paid to	Edelweiss Financial Services Inc.	31.95	-
28	Other expenses paid to	Edelweiss Custodial Services Limited	0.09	-
		Edelweiss Securities Limited	-	0.07
		Edelweiss Rural & Corporate Services Limited	-	29.07
29	Cost reimbursements paid to	Edelweiss Rural & Corporate Services Limited	59.22	37.12
		Edelweiss Securities Limited	1.15	0.68
		Edelweiss Asset Management Limited	0.17	0.01
		ECap Equities Limited	0.43	0.29
		ECL Finance Limited	0.09	0.01
		Edelweiss Broking Limited	1.46	0.59
		Edelweiss Retail Finance Limited	0.05	-
		Edelweiss Housing Finance Limited	0.05	0.07
30	Cost reimbursements recovered from	Edelweiss Securities Limited	14.61	1.72
		Edelweiss Rural & Corporate Services Limited	46.32	4.38
		ECL Finance Limited	35.69	1.83
		Edelweiss Tokio Life Insurance Company Limited	84.39	2.68
		Edelweiss Broking Limited	57.08	1.82
		Edelweiss Investment Adviser Limited	3.70	0.13
		Edelweiss Finvest Private Limited	0.92	0.01
		Edelweiss Custodial Services Limited	3.89	0.15
		Edelweiss Comtrade Limited	1.89	0.13
		ECap Equities Limited	1.78	0.22
		Edelweiss Asset Management Limited	5.73	0.23
		Edelweiss Asset Reconstruction Company Limited	4.31	0.25
		Edelweiss Global Wealth Management Limited	1.79	0.54
		Edelvalue Partners	0.01	-
		Edelweiss Housing Finance Limited	23.48	0.57
		Edelweiss Finance & Investments Limited	1.70	0.21
		Edelweiss Retail Finance Limited	8.06	0.35
		Edel Land Limited	0.21	-
		Edelweiss Multi Strategy Fund Advisors LLP	0.10	-
		Edelweiss Multi Strategy Funds Management Private Limited	-	0.06
		Edelweiss Alternative Asset Advisors Limited	5.57	0.58
		Edelweiss Insurance Brokers Limited	4.78	0.27
		Edelweiss General Insurance Company Limited	6.25	0.06
		Edel Investments Limited	0.49	0.03
		Edel Finance Company Limited	0.03	-
		EC Commodity Limited	0.60	0.05
		Edelcap Securities Limited	3.53	0.26
		Lichen Metals Private Limited	0.06	-
		EdelGive Foundation	0.00	-
		Allium Finance Private Limited	0.03	0.00
		Alternative Investment Market Advisors Private Limited	0.24	-



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
	Current Account Transactions (Continued)			
31	Transfer of gratuity liability on account of employee transfer to	Edelweiss Alternative Asset Advisors Limited	0.04	1.00
		Edelweiss Asset Reconstruction Company Limited	-	0.70
		Edelweiss Custodial Services Limited	0.03	-
		Edelweiss Finvest Private Limited	0.13	-
		Edelweiss Rural & Corporate Services Limited	-	0.10
		Edelweiss General Insurance Company Limited	-	0.16
		Edelweiss Tokio Life Insurance Company Limited	-	0.10
32	Transfer of gratuity liability on account of employee transfer from	ECL Finance Limited	0.03	-
		ECap Equities Limited	-	0.66
		Edelweiss Securities Limited	1.91	-
33	Directors nomination deposits placed with	Edelweiss General Insurance Company Limited	-	0.30
		Edelweiss Tokio Life Insurance Company Limited	-	0.30
		EC Commodity Limited	-	0.20
		Edelweiss Holdings Limited	-	0.30
		Edelweiss Securities (IFSC) Limited	-	0.30
		Edelweiss Global Wealth Management Limited	-	0.40
		Edelweiss Securities Limited	-	0.30
		Edel Land Limited	-	0.20
		Edelweiss Investment Adviser Limited	-	0.10
		Edelweiss Asset Management Limited	-	0.10
		Edelweiss Finance & Investments Limited	-	0.10
		Edelweiss Rural & Corporate Services Limited	-	0.30
		ECL Finance Limited	-	0.10
34	Directors nomination deposits repaid by	Edelweiss Global Wealth Management Limited	-	0.40
		Edelweiss Tokio Life Insurance Company Limited	-	0.30
		Edelweiss General Insurance Company Limited	-	0.30
		Edelweiss Securities Limited	-	0.30
		Edelweiss Asset Management Limited	-	0.10
		Edelweiss Holdings Limited	-	0.30
		Edelweiss Securities (IFSC) Limited	-	0.30
		Edelweiss Rural & Corporate Services Limited	-	0.20
		EC Commodity Limited	-	0.20
		Edelweiss Investment Adviser Limited	-	0.10



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
35	Directors' sitting fees paid to	Berjis Desai	0.26	0.42
		Biswamohan Mahapatra	0.28	0.36
		Kunnasagaran Chinniah	0.40	0.26
		Navtej S. Nandra	0.30	0.20
		P N Venkatachalam	0.48	0.46
		Sanjiv Misra	0.28	0.22
		Sunil Mitra	-	0.08
36	Commission paid to Non executive directors	Berjis Desai	1.30	1.30
		Biswamohan Mahapatra	1.30	1.30
		Kunnasagaran Chinniah	1.30	1.30
		Navtej S. Nandra	1.30	1.30
		P N Venkatachalam	1.30	1.30
		Sanjiv Misra	1.30	1.30
		Sunil Mitra	-	1.30
37	Contribution towards corporate social responsibility	Edelgive Foundation	34.70	38.00
38	Balances with related parties Investments in Equity Shares in	ECL Finance Limited	8,646.66	5,190.56
		Edelweiss Tokio Life Insurance Company Limited	5,992.24	5,992.24
		Edelweiss Finance & Investments Limited	1,692.23	1,692.23
		Edelweiss Alternative Asset Advisors Limited	110.80	110.80
		Edelweiss Asset Management Limited	1,546.49	1,225.14
		Edelweiss Broking Limited	3,140.28	2,089.29
		Edelweiss Rural & Corporate Services Limited	1,608.00	1,108.00
		EC International Limited	6.20	6.20
		ECap Equities Limited	1,260.00	1,260.00
		Edelweiss Retail Finance Limited	908.18	908.18
		Edelweiss Capital (Singapore) Pte. Limited	523.22	319.74
		Edel Investments Limited	46.00	46.00
		Edel Land Limited	147.61	147.61
		EdelGive Foundation	0.10	0.10
		Edelweiss Housing Finance Limited	1,155.50	655.50
		Edelweiss Insurance Brokers Limited	25.00	25.00
		Edelweiss Trusteeship Company Limited	1.00	1.00
		Edelweiss Global Wealth Management Limited	195.63	195.63
		Edelweiss Investment Adviser Limited	5.50	5.50
		Edelweiss General Insurance Company Limited	2,080.00	1,700.00
		Edel Finance Company Limited	1,700.00	1,257.80
		Edelweiss Finvest Private Limited	1,180.64	1,180.64
		Edelweiss Securities (IFSC) Limited	147.54	147.54
		Edelweiss Securities Limited	92.00	92.00
		Edelweiss Asset Reconstruction Company Limited	434.89	434.89
		EC Commodity Limited	-	501.43
		Edelweiss Multi Strategy Funds Management Private Limited	-	180.05
		Edelweiss Holdings Limited	-	150.00
		Edelweiss Trustee Services Limited	-	0.50
		Edelweiss Fund Advisors Private Limited	-	0.50



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
39	Accrued interest on loans given to	Edelweiss Rural & Corporate Services Limited	-	29.15
		EC International Limited	29.38	23.37
		Edelweiss Capital (Singapore) Pte. Limited	111.90	95.15
		Edelweiss Securities (IFSC) Limited	-	0.46
40	Accrued interest on loans taken from	Edelweiss Rural & Corporate Services Limited	24.33	-
41	Advances with	Edelweiss Securities Limited	-	0.01
		Edelweiss Tokio Life Insurance Company Limited	-	29.66
		Edelweiss Alternative Asset Advisors Limited	-	0.02
		Edelweiss Finance & Investments Limited	-	1.06
		Edelweiss Custodial Services Limited	-	0.01
		Edelweiss Housing Finance Limited	-	0.03
		Edelweiss Asset Reconstruction Company Limited	-	0.06
		Edelweiss Asset Management Limited	-	0.38
		Allium Finance Private Limited	-	0.05
		Edelweiss Investment Adviser Limited	-	0.05
		Edelweiss Capital (Singapore) Pte. Limited	-	1.90
42	Loans given to	Edelweiss Rural & Corporate Services Limited	-	829.39
		EC International Limited	380.96	711.82
		Edelweiss Capital (Singapore) Pte. Limited	1,972.34	2,958.87
		Edelweiss Securities (IFSC) Limited	-	6.53
43	Loans taken from	Edelweiss Rural & Corporate Services Limited	3,636.36	-
44	Trade payables to	Edelweiss Securities Limited	-	16.63
		Edelweiss Rural & Corporate Services Limited	-	21.95
		Edelweiss Finance & Investments Limited	-	1.05
		Edelweiss Investment Adviser Limited	0.49	-
		Ecap Equities Limited	-	1.99
		Edelweiss Broking Limited	-	1.90
		Aster Commodities DMCC	-	24.53
		Edelweiss Financial Services Inc.	17.33	-
		Edelvalue Partners	0.02	-
		Edelweiss Alternative Asset Advisors Limited	-	1.00
		Edelweiss Asset Reconstruction Company Limited	-	0.71
		Edelweiss Global Wealth Management Limited	-	0.63
		Edelweiss Asset Management Limited	-	0.39
		Edelweiss Investment Adviser Limited	-	0.19
		ECL Finance Limited	-	0.18



(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
45	Trade receivables from	Edelweiss Tokio Life Insurance Company Limited	-	0.10
		Edelweiss Housing Finance Limited	-	0.08
		Edelweiss Insurance Brokers Limited	-	0.04
		Edelweiss Custodial Services Limited	-	0.01
		EC Global Limited	-	10.12
		Edelweiss International (Singapore) Pte. Limited	1.66	2.54
		Edelweiss Rural & Corporate Services Limited	22.80	188.17
		Edelweiss Finvest Private Limited	142.26	90.39
		ECap Equities Limited	64.84	32.02
		ECL Finance Limited	53.23	13.09
		Edelcap Securities Limited	1.04	0.16
		Edelweiss Tokio Life Insurance Company Limited	32.39	-
		Edel Finance Company Limited	0.07	-
		Edelweiss Asset Management Limited	2.51	-
		Edelweiss Asset Reconstruction Company Limited	17.66	15.61
		Edelweiss Custodial Services Limited	17.38	11.37
		Edelweiss Finance & Investments Limited	10.57	3.16
		Edelweiss Alternative Asset Advisors Limited	9.37	-
		Edel Land Limited	0.07	-
		Edelweiss General Insurance Company Limited	13.57	-
		Edelweiss Housing Finance Limited	20.26	8.41
		Edelweiss Global Wealth Management Limited	17.71	-
		EC Commodity Limited	0.12	-
		Edelweiss Broking Limited	39.31	-
		Edelweiss Comtrade Limited	0.05	-
		Edelweiss Insurance Brokers Limited	0.43	-
		Edelweiss Retail Finance Limited	1.07	0.24
		Alternative Investment Market Advisors Private Limited	0.01	-
		Edelweiss Securities Limited	16.91	-
		Allium Finance Private Limited	0.00	-
		Edelweiss Capital (Singapore) Pte. Limited	1.93	-
		Edel Investments Limited	0.38	0.00
46	Margin placed with broker	Edelweiss Securities Limited	-	0.48
		Edelweiss Custodial Services Limited	66.18	10.27
47	Directors nomination deposits placed with	Edelweiss Securities Limited	0.20	0.20
		Edelweiss Finance & Investments Limited	0.50	0.50
		ECap Equities Limited	0.10	0.10
		Edelweiss Alternative Asset Advisors Limited	0.10	0.10
		Edel Land Limited	0.10	0.10
		Edelweiss Asset Management Limited	0.10	0.10
		ECL Finance Limited	0.10	0.10
		Edelweiss Rural & Corporate Services Limited	0.10	0.10



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

33. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(i) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2019	March 31, 2018
48	Corporate guarantee given to	Edelweiss Rural & Corporate Services Limited	1,387.17	20,892.05
		Edelweiss Custodial Services Limited	17,850.00	16,750.00
		Ecap Equities Limited	6,866.80	9,162.50
		Edelweiss Asset Reconstruction Company Limited	16,067.30	9,970.90
		Edelweiss Finvest Private Limited	5,030.10	8,480.00
		Edelweiss Finance & Investments Limited	916.77	1,243.54
		Edelweiss Housing Finance Limited	3,106.17	323.40
		Edelweiss International (Singapore) Pte. Limited	-	520.35
		ECL Finance Limited	54.00	54.00
		Edelweiss Securities Limited	2.50	-

0.00 indicates amounts less than 0.01 million.

Note:

- The Intra group company loans are generally in the nature of revolving demand loans unless otherwise stated. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period.
- Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity and provision made for bonus which are provided for group of employees on an overall basis.
- Edel Commodities Limited and EFSL Trading Limited was merged into EFSL Comtrade Limited vide Order of National Company Law Tribunal at Hyderabad. Further With effect from the Appointed Date i.e. August 01, 2018, EFSL Comtrade Limited, Edelweiss Business Services Limited, Edelweiss Agri Value Chain Limited, Edelweiss Capital Markets Limited and Edelweiss Fund Advisors Limited have been merged into Edelweiss Rural & Corporate Services Limited (Formerly Edelweiss Commodities Services Limited). Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged entity are considered to be transacted with Edelweiss Rural & Corporate Services Limited and disclosed accordingly.
- Edelweiss Multi Strategy Funds Management Private Limited was merged into Edelweiss Asset Management Limited vide Order of National Company Law Tribunal at Mumbai. Further With effect from the Appointed Date i.e. April 01, 2017, Edelweiss Multi Strategy Funds Management Private Limited have been merged into Edelweiss Asset Management Limited. Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged entity are considered to be transacted with Edelweiss Asset Management Limited and disclosed accordingly.



W



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

34. Earnings per share

In accordance with Indian Accounting Standard 33 – "Earnings Per Share" prescribed by Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

Particulars	2019	2018
a. Shareholders earnings (as per statement of profit and loss)	1,028.78	1,382.64
b. Calculation of weighted average number of equity shares of ₹ 1 each:		
- Number of shares outstanding at the beginning of the year	870,602,147	787,672,309
- Number of shares issued during the year	1,71,70,637	82,929,838
Total number of equity shares outstanding at the end of the year	887,772,784	870,602,147
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	882,564,701	825,430,066
c. Number of dilutive potential equity shares	14,761,041	27,921,341
d. Basic earnings per share (in ₹) {a/b}	1.17	1.68
e. Diluted earnings per share (in ₹) {a/(b+c)}	1.15	1.62

35. Cost sharing

Edelweiss Rural & Corporate Services Limited (formerly known as Edelweiss Commodities Services Limited), a subsidiary company, incurs expenditure like rent and electricity expenditure, etc. which is for the common benefit of Edelweiss Group. This cost so expended is reimbursed by the company on the basis of number of employees, area occupied, actual identifications etc.

36. Employee stock option plans

Edelweiss Financial Services Limited ("EFSL" hereafter), using the Black-Scholes Option Pricing Model, the fair value of outstanding stock options as at, expenses for the years ended March 31, 2017, March 31, 2018 and March 31, 2019 in respect of the accounting under Ind AS 102: Share-based Payments. The grants represent equity-settled options under the Employee Stock Option Plans (hereafter referred to as "ESOP 2010" and "ESOP 2011" or together referred as "ESOPs").

The Edelweiss group has granted ESOPs under the three plans viz., ESOP 2010 and ESOP 2011 to its employees on an equity-settled basis as tabulated below. The ESOPs provide a right to its holders (i.e., Edelweiss group employees) to purchase one EFSL share for each option at a pre-determined strike price on the expiry of the vesting period. The ESOP hence represents an European call option that provides a right but not an obligation to the employees of the Edelweiss group to exercise the option by paying the strike price at any time on completion of the vesting period, subject to an outer boundary on the exercise period.



Edelweiss Financial Services Limited
Notes to the financial statements *(Continued)*
(Currency: Indian rupees in million)

EFSL has granted stock options to employees of the Edelweiss group on an equity-settled basis as tabulated below.

	ESOP 2010	ESOP 2011
Dates of grant	Varying	Varying
Option Type	Equity settled	Equity settled
No. of outstanding options at March 31, 2019	-	20,588,627
No. of outstanding options at March 31, 2018	1,473,000	33,451,874
No. of outstanding options at March 31, 2017	4,259,750	56,658,402
No. of Equity shares represented by an option	1 share for 1 option	1 share for 1 option
Fair Value per option	Varies as per the grant date	Varies as per the grant date
Exercise Price	Varies as per the grant date	Varies as per the grant date
Vesting Period	1-4 years	1-4 years
Vesting Conditions	Service	Service

The vesting of options is subject to the employee's continued employment with the Edelweiss group. The ESOPs shall vest as follows:

	ESOP 2010	ESOP 2011
Duration from grant date	% options vesting	% options vesting
12 months from the grant date	25%	25%
24 months from the grant date	25%	25%
36 months from the grant date	25%	25%
48 months from the grant date	25%	25%
Total	100%	100%



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)

(Currency: Indian rupees in million)

Plan description

Plan Name	Grant Date	Vesting Conditions	Term of Options	Payout
ESOP Plan 2010	Various	As specified in tables above	1-4 years	Equity settled
ESOP Plan 2011			1-4 years	Equity settled

Movement of number of Options for FY 2018-19 and 2017-18

Number of options	FY 2018-19			FY 2017-18		
	ESOP 2010	ESOP 2011	Total	ESOP 2010	ESOP 2011	Total
Outstanding at the start of the year	1,473,000	33,451,874	34,924,874	4,259,750	56,658,402	60,918,152
Granted during the year	-	4,153,750	4,153,750	-	3,387,000	3,387,000
Exercised during the year	(1,462,850)	(15,207,822)	(16,670,672)	(2,769,750)	(25,048,690)	(27,818,440)
Lapsed/ cancelled during the year	(10,150)	(1,809,175)	(1,819,325)	(17,000)	(1,544,838)	(1,561,838)
Outstanding at the end of the year	-	20,588,627	20,588,627	1,473,000	33,451,874	34,924,874
Exercisable at the end of the year	-	10,555,675	10,555,675	1,473,000	15,190,574	16,663,574

Weighted Average Exercise Price for FY 2018-19 and 2017-18

Weighted Average Exercise Price (Rs)	Year ended March 31, 2019		Year ended March 31, 2018	
	ESOP 2010	ESOP 2011	ESOP 2010	ESOP 2011
Outstanding at the start of the year	49.41	57.84	49.2	39.19
Granted during the year	-	294.67	-	197.88
Exercised during the year	49.41	39.65	49.09	35.1
Lapsed/ cancelled during the year	48.56	122.76	48.56	56.33
Outstanding at the end of the year	-	117.34	49.41	57.84
Exercisable at the end of the year	-	51.27	49.41	37.05
Weighted Average Share price at the exercise date	49.91	39.61	49.47	35.08



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)
(Currency: Indian rupees in million)

Outstanding Options as at March 31, 2019 and 2018

	Year ended March 31, 2019		Year ended March 31, 2018	
	ESOP 2010	ESOP 2011	ESOP 2010	ESOP 2011
Number of options outstanding	-	20,588,627	1,473,000	33,451,874
Weighted average strike price (Rs)	-	117.34	49.41	57.84
Weighted average remaining lifetime of options (in years)	-	0.55	-	0.39
Number of employees covered under the scheme	-	446	68	523

Options granted during FY 2018-19 and 2017-18

	Year ended March 31, 2019		Year ended March 31, 2018	
	ESOP 2010	ESOP 2011	ESOP 2010	ESOP 2011
Number of options granted	NA	4,153,750	NA	3,387,000
Weighted average strike price (in Rs)	NA	294.67	NA	197.88
Weighted average remaining lifetime of options (in years)	NA	3.50	NA	3.50
Number of employees covered under the scheme	NA	179.00	NA	141.00
Weighted Average Fair value per option (in Rs)	NA	112.57	NA	78.21
Weighted Average Intrinsic value per option (in Rs)	NA	2.59	NA	1.55

Assumptions for Fair Value for FY 2018-19 and 2017-18

	Year ended March 31, 2019		Year ended March 31, 2018	
	ESOP 2010	ESOP 2011	ESOP 2010	ESOP 2011
Weighted average share price (in Rs)	NA	116.93	49.90	57.32
Weighted average strike price (in Rs)	NA	117.34	49.41	57.84
Weighted average remaining lifetime of options (in years)	NA	0.55	-	0.39
Expected volatility (% p.a.)	NA	33% - 54% p.a.	33% - 42% p.a.	33% - 54% p.a.
Risk-free discount rate (% p.a.)	NA	6.0% - 8.5% p.a.	7.3% - 7.6% p.a.	6.0% - 8.5% p.a.
Expected dividend yield (% p.a.)	NA	0.4% - 3.1% p.a.	0.9% - 1.4% p.a.	0.4% - 3.1% p.a.



Edelweiss Financial Services Limited
Notes to the financial statements *(Continued)*

(Currency: Indian rupees in million)

Other Disclosures

	Year ended March 31, 2019			Year ended March 31, 2018		
	ESOP 2010	ESOP 2011	Total	ESOP 2010	ESOP 2011	Total
Charges during the year due to share based payments	(2.56)	228.04	225.48	0.72	154.21	154.93
Changes in fair value of share based payments due to any modifications made during the year	-	-	-	-	-	-
Liability due for share based payments	-	460.59	460.59	29.31	442.77	472.07
Intrinsic value of the liability above	-	-	-	-	-	-



LD



37 Employee Benefits

a) Defined contribution plan - Provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 25.04 million (Previous year: ₹ 19.20 million) for provident fund and other contributions in the statement of profit and loss.

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry association in this regard.

b) Defined benefit plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit plan covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of Gratuity Act, 1972. The gratuity benefit is partially provided through funded plan and annual expense is charged to the statement of profit and loss on the basis of actuarial valuation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2019	March 31, 2018
Present Value of DBO at Start of the year	40.52	32.03
Service Cost		
a. Current Service Cost	6.39	5.80
b. Past Service Cost	-	10.06
c. Loss/(Gain) from Settlement	-	-
Interest Cost	3.09	2.08
Benefits Paid	(2.27)	(2.45)
Re-measurements		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changed in financial assumptions	0.68	(1.05)
c. Actuarial Loss/(Gain) from experience over last past year	(1.84)	(4.57)
Transfer In / (Out)	1.73	(1.38)
Present Value of DBO at end of the year	48.30	40.52

Reconciliation of Fair Value of Plan Assets

	March 31, 2019	March 31, 2018
Fair Value of Plan Assets at start of the year	41.60	32.43
Contributions by Employer	5.00	9.00
Benefits Paid	(2.27)	(2.45)
Interest Income Plan Assets	2.94	2.12
Re-measurements		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	0.10	0.50
Fair Value of Plan Assets at end of the year	47.37	41.60
Actual Return on Plan Assets	3.04	2.61
Expected Employer Contributions for the coming year	1.00	-



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

37 Employee Benefits

Expenses recognised in the Profit or Loss

	March 31 ,2019	March 31 ,2018
Service Cost		
a.Current Service Cost	6.39	5.80
b.Past Service Cost	-	10.06
Net Interest on net defined benefit liability / (asset)	0.14	(0.04)
Employer Expenses	6.53	15.82

Net Liability / (Asset) recognised in the Balance sheet

	March 31 ,2019	March 31 ,2018
Present Value of DBO	48.30	40.52
Fair Value of Plan Assets	47.37	41.60
Liability / (Asset) recognised in the Balance Sheet	0.93	(1.08)
Funded Status [Surplus/ (Deficit)]	(0.93)	1.08
Experience Adjustment on Plan Liabilities:(Gain)/Loss	(1.84)	(4.57)

Percentage Break-down of Total Plan Assets

	March 31 ,2019	March 31 ,2018
Equity instruments	0.0%	0.0%
Debt instruments	0.0%	0.0%
Real estate	0.0%	0.0%
Derivatives	0.0%	0.0%
Investment Funds with Insurance Company	100%	100%
Of which, Unit Linked	100%	100%
Of which, Traditional/ Non-Unit Linked	0.0%	0.0%
Asset-backed securities	0.0%	0.0%
Structured debt	0.0%	0.0%
Cash and cash equivalents	0.0%	0.0%
Total	100%	100%

Actuarial assumptions:

	March 31, 2019	March 31, 2018
Salary Growth Rate (% p.a)	7% p.a	7% p.a
Discount Rate (% p.a)	7% p.a	7.3% p.a
Withdrawal Rate (% p.a)		
Senior	13% p.a	13% p.a
Middle	18% p.a	18% p.a
Junior	25% p.a	25% p.a
Mortality Rate	IALM 2012-14(Ultimate)	IALM 2006-08(Ultimate)
Interest Rate on Net DBO / (Asset) (%)	7.3% p.a	6.8% p.a
Expected weighted average remaining working life (years)	4 Years	6 Years

Movement in Other Comprehensive Income

	March 31 ,2019	March 31 ,2018
Balance at start of year (Loss)/ Gain	NIL*	NIL*
Re-measurements on DBO		
a.Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b.Actuarial Loss/(Gain) from changed in financials assumptions	(0.68)	1.05
c.Actuarial Loss/(Gain) from experience over last past year	1.84	4.57
Re-measurements on Plan Assets		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	0.10	0.50
Balance at end of year (Loss)/ Gain	1.26	6.12

* Ind AS 19 is being adopted from financial year 2018-19 and date of transition being April 01, 2018. So, prior year disclosures are for comparative purpose only.



37 Employee Benefits

Sensitivity Analysis

DOB increases / (decreases) by	March 31, 2019	March 31, 2018
1 % Increase in Salary Growth Rate	1.88	1.72
1 % Decrease in Salary Growth Rate	(1.75)	(1.62)
1 % Increase in Discount Rate	(1.74)	(1.60)
1 % Decrease in Discount Rate	1.89	1.73
1 % Increase in Withdrawal Rate	(0.24)	(0.17)
1 % Decrease in Withdrawal Rate	0.24	0.17
Mortality (Increase in expected lifetime by 1 year)	Negligible Change	(1.00)
Mortality (Increase in expected lifetime by 3 year)	Negligible Change	(2.00)

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant there are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

Movement in Surplus / (Deficit)

	March 31, 2019	March 31, 2018
Surplus / (Deficit) at start of year	1.08	0.40
Net (Acquisition) / Divestiture	-	-
Net Transfer (In)/ Out	(1.73)	1.38
Movement during the year		
Current Service Cost	(6.39)	(5.80)
Past Service Cost	-	(10.06)
Net Interest on net DBO	(0.15)	0.04
Re-measurements	1.26	6.12
Contributions / Benefits	5.00	9.00
Surplus / (Deficit) at end of year	(0.93)	1.08

c) Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation. The leave encashment on separation is paid on basic salary.

Other Disclosures

Description of Asset Liability Matching (ALM) Policy

The Company has an insurance plans invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates. The liabilities' duration is not matched with the assets' duration.

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The Company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

Maturity profile

The average expected remaining lifetime of the plan members is 4 years (March 31, 2018: 6 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

38. Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)
₹ 2.94 million (Previous year: ₹ 36.01 million).

39. Contingent liabilities

a) Claims against the Company not acknowledged as debt:

Taxation matters in respect of which appeal is pending is ₹ 534.36 million for the year (Previous year: ₹ 416.14 million);

b) Other claim not acknowledged as debt:

The Company's pending litigations mainly comprise of claims against the Company pertaining to proceedings pending with Income tax, service tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favorable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote.

40. Details of dues to micro, small and medium enterprises

Trade Payables includes ₹ Nil (Previous year: ₹ Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

41. Disclosure of loans and advances given pursuant to requirements of Regulation 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Sr. no.	Entity	2019		2018	
		Loan outstanding	Maximum amount outstanding during the year	Loan outstanding	Maximum amount outstanding during the year
1	Edelweiss Capital (Singapore) Pte. Limited	1,972.34	3,037.88	2,958.87	3,866.08
2	Edelweiss Broking Limited	-	-	-	2,573.55
3	EC International Limited	380.96	1,634.38	711.82	1,123.96
4	Edelweiss Multi Strategy Funds Management Private Ltd.	-	-	-	111.19
5	Edelweiss Comtrade Limited	-	-	-	53.53
6	Edelweiss Securities Limited	-	-	-	42.65
7	Edelweiss Securities (IFSC) Limited	-	-	6.53	6.53
8	Edelweiss Rural and Corporate Services Limited	-	6,504.63	829.39	23,205.31
9	ECL Finance Limited	-	-	-	7,000.00

All the above loans are repayable on demand as per contracted terms.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

42. Capital Management

The Company manages the capital structure by a balanced mix of debt and equity. The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The Company maintains sound capitalisation both from an economic and regulatory perspective. The Company continuously monitors and adjusts overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives. These perspectives include specific capital requirements from rating agencies.

Capital structure includes infusion in the form of equity and structured debt from strategic business partners in certain of Company's subsidiaries to fund expansion and assist in achieving expected growth in the competitive market.

No changes were made in the objectives, policies or processes during the financial years ended March 31, 2019 and March 31, 2018.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment. Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total Debt	3,660.63	276.52	8,525.59
Equity	33,516.01	33,540.72	16,806.61
Net Debt to Equity	0.11	0.01	0.51

43. Risk management

The company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has appointed the Risk Committee which is responsible for monitoring the overall risk process within the Company and reports to the Audit Committee.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits.

The Company is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Company works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Credit risk

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial /contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. Credit risk is monitored using various internal risk management measures and within limits approved by the board within a framework of delegated authorities. It is managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers. Presently Company has credit exposure only to its subsidiaries where adequate control and monitoring is ensured.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

Liquidity risk

Liquidity risk emanates from the possible mismatches due to differences in maturity and repayment profile of assets and liabilities. To avoid such a scenario, the Company has maintained cash reserves in the form of Fixed Deposits, Cash, Loans which are callable any time at the Company's discretion, etc. These assets carry minimal credit risk and can be liquidated in a very short period of time. These would be to take care of immediate obligations while continuing to honour commitments as a going concern.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below at note number 47 summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31. All OTC derivatives used for hedging are shown by maturity, based on their contractual undiscounted payment obligations. All exchange traded derivatives held for trading are analyzed based on expected maturity.

Market Risk:

Market risk is the risk which can affect the Company's profit/(loss) due to adverse movements in market prices of instrument due to interest rates, equity prices, foreign exchange rates. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.

Foreign exchange risk – Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's foreign exposure is limited to investments and loans to Group entities outside India. The Company aggregates the foreign exchange exposure emerging out of these loans and the same is hedged using OTC and exchange traded derivatives. Positions are regularly monitored by the Company and rebalanced/ rolled over based on the inflow and outflow of funds.

2018-19				
Currency	Increase in currency rate (%)	Effect on profit before tax	Decrease in currency rate (%)	Effect on profit before tax
USD	5	(53.56)	5	53.56
2017-18				
Currency	Increase in currency rate (%)	Effect on profit before tax	Decrease in currency rate (%)	Effect on profit before tax
USD	5	17.10	5	(17.10)

44. The Board of Directors at their meeting held on May 14, 2019 have recommended a final dividend of ₹ 0.30 per equity share (previous year: ₹ 0.30 per equity share) (on face value of ₹ 1 per equity share), subject to the approval of the members at the ensuing Annual General Meeting. In terms of Indian Accounting Standard (IND AS) 10 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated March 30, 2016, the Company has not appropriated for the recommended final dividend (including tax) from the Statement of Profit and Loss for the year ended March 31, 2019.



Edelweiss Financial Services Limited

Notes to the financial statements
(Currency: Indian rupees in million)

45. Fair Value measurement:

A. Valuation governance framework

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

B. Fair value hierarchy

Fair values of financial assets and liabilities are determined according to the following hierarchy

Level 1 – valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that company can access at the measurement date.

Level 2 – valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

C. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2019	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	0.16	-	-	0.16
Total derivative financial instruments - A	<u>0.16</u>	<u>-</u>	<u>-</u>	<u>0.16</u>
Investments				
Equity instruments other than investment in subsidiaries	2.31	128.76	-	131.07
Total investments measured at fair value - B	<u>2.31</u>	<u>128.76</u>	<u>-</u>	<u>131.07</u>
Total (A+B)	<u><u>2.47</u></u>	<u><u>128.76</u></u>	<u><u>-</u></u>	<u><u>131.23</u></u>
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	4.42	-	-	4.42
OTC derivatives	-	2.48	-	2.48
Total derivative financial instruments	<u>4.42</u>	<u>2.48</u>	<u>-</u>	<u>6.90</u>
	<u><u>4.42</u></u>	<u><u>2.48</u></u>	<u><u>-</u></u>	<u><u>6.90</u></u>



✓



Edelweiss Financial Services Limited

Notes to the financial statements
(Currency: Indian rupees in million)

45. Fair Value measurement:

As at March 31, 2018	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	0.06	-	-	0.06
OTC derivatives	-	42.67	-	42.67
Total derivative financial instruments - A	0.06	42.67	-	42.73
Investments				
Equity instruments other than investment in subsidiaries	3.14	109.93	-	113.07
Total investments measured at fair value - B	3.14	109.93	-	113.07
Total (A+B)	3.20	152.60	-	155.80
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	0.66	-	-	0.66
Total derivative financial instruments	0.66	-	-	0.66
	0.66	-	-	0.66
As at April 01, 2017	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	1.26	-	-	1.26
OTC derivatives	-	5.56	-	5.56
Total derivative financial instruments - A	1.26	5.56	-	6.82
Investments				
Equity instruments other than investment in subsidiaries	2.47	109.93	-	112.40
Total investments measured at fair value - B	2.47	109.93	-	112.40
Total (A+B)	3.73	115.49	-	119.22

D. There have been no transfers between levels during the year ended March 31, 2019 and March 31, 2018.

E. For financial assets and financial liabilities measured at amortised cost which includes short term receivables, payables, etc, their carrying value approximate to respective fair value

Note :

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

Unquoted equity instruments:

Equity instruments in non-listed entities are re-measured at each reporting date at valuation provided by external valuer at instrument level.

Derivatives:

The Company enters into certain derivative financial instruments primarily with banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly forward exchange contracts.

Exchange traded derivatives:

Company has entered into certain exchange-traded currency futures. The Company uses latest traded prices at the reporting date to value these derivatives and classifies these instruments as Level 1 in the hierarchy.



Edelweiss Financial Services Limited

Notes to financial statements (Currency: Indian rupees in million)

46. Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	months	months		months	months		months	months	
Financial Assets									
Cash and cash equivalents	109.98	-	109.98	96.80	-	96.80	310.90	-	310.90
Bank balances other than cash and cash equivalents	59.97	-	59.97	54.77	-	54.77	4.98	-	4.98
Derivative financial instruments	-	-	-	42.67	-	42.67	5.56	-	5.56
Trade receivables	527.62	-	527.62	575.07	-	575.07	489.27	-	489.27
Loans	2,538.68	-	2,538.68	4,695.80	-	4,695.80	6,290.62	-	6,290.62
Investments	-	33,392.51	33,392.51	-	27,355.21	27,355.21	-	17,240.94	17,240.94
Other financial assets	133.25	331.71	464.96	28.52	444.17	472.69	235.37	591.86	827.23
Non-financial assets									
Current tax assets (net)	-	425.77	425.77	-	751.31	751.31	-	748.53	748.53
Deferred tax assets (net)	-	258.65	258.65	-	876.54	876.54	-	763.24	763.24
Property, Plant and Equipment	-	13.75	13.75	-	18.06	18.06	-	22.60	22.60
Intangible assets under development	-	9.96	9.96	-	11.91	11.91	-	37.77	37.77
Other intangible assets	-	32.23	32.23	-	48.48	48.48	-	43.23	43.23
Other non-financial assets	-	132.69	132.69	-	319.71	319.71	-	84.80	84.80
Total Assets	3,369.50	34,597.27	37,966.77	5,493.63	29,825.39	35,319.02	7,336.70	19,532.97	26,869.67
Financial Liabilities									
Derivative financial instruments	2.48	-	2.48	-	-	-	-	-	-
Trade payables	106.90	-	106.90	264.20	-	264.20	143.86	-	143.86
Debt securities	3,660.63	-	3,660.63	276.52	-	276.52	485.72	-	1,335.72
Borrowings (other than debt securities)	271.27	331.71	602.98	363.57	444.17	807.74	7,189.87	-	7,189.87
Other financial liabilities	-	-	-	-	-	-	295.37	591.86	887.23
Non-financial liabilities									
Current tax liabilities (net)	-	45.86	45.86	-	278.59	278.59	-	259.40	259.40
Provisions	-	10.27	10.27	-	107.59	107.59	-	203.66	203.66
Other non-financial liabilities	21.64	-	21.64	43.66	-	43.66	43.32	-	43.32
Total Liabilities	4,062.92	387.84	4,450.76	947.95	830.35	1,778.30	8,158.14	1,904.92	10,063.06
Net	(693.42)	34,209.43	33,516.01	4,545.68	28,995.04	33,540.72	(821.44)	17,628.05	16,806.61

Note :

The Company in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet it's obligations at all points of time.



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

47 Remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31 March. All OTC derivatives used for hedging are shown by maturity, based on their contractual undiscounted payment obligations. All exchange traded derivatives held for trading are analyzed based on expected maturity.

A. Analysis of non-derivative financial liabilities and assets by remaining contractual maturities

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Trade payables	106.90	-	-	106.90
Borrowings (other than debt securities)	3,660.63	-	-	3,660.63
Other financial liabilities	271.27	-	-	271.27
Total undiscounted non-derivative financial liabilities	4,038.80	-	-	4,038.80

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Cash and cash equivalent and other bank balances	169.95	-	-	169.95
Trade receivables	527.62	-	-	527.62
Loans	2,538.68	-	-	2,538.68
Investments at fair value through profit or loss	2.31	-	-	2.31
Other financial assets	82.91	-	50.34	133.25
Total undiscounted non-derivative financial assets	3,321.47	-	50.34	3,371.81

As at March 31, 2018	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Trade payables	264.20	-	-	264.20
Debt securities	-	276.52	-	276.52
Other financial liabilities	363.57	-	-	363.57
Total undiscounted non-derivative financial liabilities	627.77	276.52	-	904.29

As at March 31, 2018	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Cash and cash equivalent and other bank balances	151.57	-	-	151.57
Trade receivables	575.07	-	-	575.07
Loans	4,695.80	-	-	4,695.80
Investments at fair value through profit or loss	3.14	-	-	3.14
Other financial assets	6.34	-	22.18	28.52
Total undiscounted non-derivative financial assets	5,431.92	-	22.18	5,454.10

As at April 01, 2017	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Trade payables	143.86	-	-	143.86
Debt securities	-	1,123.72	212.00	1,335.72
Borrowings (other than debt securities)	7,189.87	-	-	7,189.87
Other financial liabilities	295.37	-	-	295.37
Total undiscounted non-derivative financial liabilities	7,629.10	1,123.72	212.00	8,964.82

As at April 01, 2017	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Cash and cash equivalent and other bank balances	315.88	-	-	315.88
Trade receivables	489.27	-	-	489.27
Loans	6,290.62	-	-	6,290.62
Investments at fair value through profit or loss	2.47	-	-	2.47
Other financial assets	215.63	-	19.74	235.37
Total undiscounted non-derivative financial assets	7,313.87	-	19.74	7,333.61

Note:

The Company in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet its obligations at all points of time.



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

47 Remaining contractual maturities

B. Maturity analysis for derivatives:

All derivatives which are entered into for trading purposes are shown in the earliest time band. With respect to other derivatives, the remaining contractual maturity information has been given based on undiscounted cash flows.

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Net settled derivatives entered into for trading purposes	(4.26)	-	-	(4.26)
Other net settled derivatives (other than those entered into for trading purposes)	(2.48)	-	-	(2.48)
Total	(6.74)	-	-	(6.74)

As at March 31, 2018	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Net settled derivatives entered into for trading purposes	(0.60)	-	-	(0.60)
Other net settled derivatives (other than those entered into for trading purposes)	42.67	-	-	42.67
Total	42.07	-	-	42.07

As at April 01, 2017	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Net settled derivatives entered into for trading purposes	1.26	-	-	1.26
Other net settled derivatives (other than those entered into for trading purposes)	5.56	-	-	5.56
Total	6.82	-	-	6.82

C. The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments.

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Financial guarantee contracts issued	51,280.80	-	-	51,280.80
Total	51,280.80	-	-	51,280.80

As at March 31, 2018	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Financial guarantee contracts issued	67,396.74	-	-	67,396.74
Total	67,396.74	-	-	67,396.74

As at April 01, 2017	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Financial guarantee contracts issued	70,503.54	-	-	70,503.54
Total	70,503.54	-	-	70,503.54

Note :

1) The Company has undrawn line of credit amounting to Rs.2,000 Million as at March 31, 2019.

2) Outstanding Guarantees issued by the Company are reflected in the earliest time bucket as these could be invoked any time on the Company. However, considering the credit-worthiness and soundness of the subsidiary companies on whose behalf these guarantees are given, they will be able to meet its obligations and hence the Company does not expect any devolvement of these guarantees on it.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

48 Other Ind AS 115 disclosures -Revenue from contract with customers

Set out below is the disaggregation of the revenue from contracts with customers.

Type of Services or service	March 31, 2019	March 31, 2018
Advisory fees	1,562.24	2,478.90
Total revenue from contracts with customers		
Geographical markets		
India	1,443.55	2,277.17
Outside India	118.69	201.73
Total revenue from contracts with customers	1,562.24	2,478.90
Timing of revenue recognition		
Services transferred at point in time	1,562.24	2,478.90
Services transferred over time	-	-
Total revenue from contract with customers	1,562.24	2,478.90

Note :

The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain a significant financing component and the consideration is not variable.

Further, at the end of the reporting period, there are no unsatisfied performance obligations with respect to existing contracts.



Y



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

49 Disclosure related to collateral

Following table sets out availability of Company's financial and non financial assets to support funding

As at March 31, 2019	Pledge as collateral	Available as collateral	Total carrying amount
Cash and cash equivalent including bank balance	50.00	119.95	169.95
Trade receivables	-	527.62	527.62
loans	-	2,538.68	2,538.68
Investments	-	33,392.51	33,392.51
Deposits- others	-	50.34	50.34
Margin placed with broker	-	82.91	82.91
Corporate Guarantee fees receivable	-	331.71	331.71
Property, plant and equipment	-	13.75	13.75
Other non financial assets	-	132.69	132.69
Total assets	50.00	37,190.16	37,240.16

As at March 31, 2018	Pledge as collateral	Available as collateral	Total carrying amount
Cash and cash equivalent including bank balance	50.00	101.57	151.57
Trade receivables	-	575.07	575.07
Derivative assets	-	42.67	42.67
loans	-	4,695.80	4,695.80
Investments	-	27,355.21	27,355.21
Deposits- others	-	22.18	22.18
Margin placed with broker	-	6.34	6.34
Corporate Guarantee fees receivable	-	444.17	444.17
Property, plant and equipment	-	18.06	18.06
Other non financial assets	-	319.71	319.71
Total assets	50.00	33,580.78	33,630.78

As at April 01, 2017	Pledge as collateral	Available as collateral	Total carrying amount
Cash and cash equivalent including bank balance	-	315.88	315.88
Trade receivables	-	489.27	489.27
Derivative assets	-	5.56	5.56
loans	-	6,290.62	6,290.62
Investments	-	17,240.94	17,240.94
Deposits- others	-	19.74	19.74
Dividend Receivable	-	199.49	199.49
Margin placed with broker	-	16.14	16.14
Corporate Guarantee fees receivable	-	591.86	591.86
Property, plant and equipment	-	22.60	22.60
Other non financial assets	-	84.80	84.80
Total assets	-	25,276.90	25,276.90



49



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

50. Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses.

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets									
Cash and cash equivalent and other bank balances	169.95	-	169.95	151.57	-	151.57	315.88	-	315.88
Derivative financial instruments	-	-	-	42.67	42.67	-	5.56	5.56	-
Trade receivables	527.62	-	527.62	575.07	-	575.07	489.27	-	489.27
Loans at amortised cost	2,538.68	-	2,538.68	4,695.80	-	4,695.80	6,290.62	-	6,290.62
Financial investments- FVTPL	131.07	131.07	-	113.07	113.07	-	112.40	112.40	-
Financial investments- at cost	33,261.44	-	33,261.44	27,242.14	-	27,242.14	17,128.54	-	17,128.54
Other Financial assets	464.96	82.91	382.05	472.69	6.34	466.35	827.23	16.14	811.09
Total	37,093.72	213.98	36,879.74	33,293.01	162.08	33,130.93	25,169.50	134.10	25,035.40
Liability									
Borrowings (other than debt securities)	3,660.63	-	3,660.63	-	-	-	7,189.87	-	7,189.87
Derivative financial instruments	2.48	2.48	-	-	-	-	-	-	-
Debt securities	-	-	-	276.52	-	276.52	1,335.72	-	1,335.72
Trade payables	106.90	-	106.90	264.20	-	264.20	143.86	-	143.86
Other financial liabilities	602.98	-	602.98	807.74	-	807.74	887.23	-	887.23
Total	4,372.99	2.48	4,370.51	1,348.46	-	1,348.46	9,556.68	-	9,556.68



Edelweiss Financial Services Limited

Notes to the financial statements (*Continued*)

(Currency: Indian rupees in million)

51. The Company's major risk concentration is to financial services industry.

52. First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Exemption applied

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2017 (the transition date).

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 01, 2017.

Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Share-based payments

The Company has applied the requirements of Ind AS 102 Share-based payment to equity instruments that are unvested as of the transition to Ind AS (April 01, 2017).



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)

(Currency: Indian rupees in million)

53. The reconciliations of equity and total Comprehensive income in accordance with Previous GAAP to Ind AS are explained below.

53(A) Reconciliation of Equity as at:

Particulars	March 31, 2018	April 01, 2017
Total shareholders fund as per Previous GAAP	33,597.06	17,195.14
Ind AS adjustments:		
Expected credit loss provision	(10.95)	(26.18)
Fair valuation of assets and liabilities	84.43	83.76
Fair valuation of deemed investments and ESOP	618.07	523.83
Consolidation of employee welfare trusts	(1,395.00)	(1,455.53)
Deferred tax on ESOP reserve	659.98	503.40
Total effect of transition to Ind AS	(43.47)	(370.72)
Tax on Above	(12.87)	(17.81)
Total Equity as per Ind AS	33,540.72	16,806.61

53(B) Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	March 31, 2018
Net profit after tax as reported under Indian GAAP	1,426.63
Ind AS adjustments:	
Effective interest rate on financial assets and liabilities (net)	2.24
Fair valuation of assets and liabilities	0.90
Fair valuation of employee stock options	(62.52)
Others	0.10
Tax effect on Ind AS adjustments	15.29
Net profit as per Ind AS	1,382.64
Other Comprehensive Income after tax as per Ind AS	4.00
Total Comprehensive Income as per Ind AS	1,386.64



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)

(Currency: Indian rupees in million)

53(C) Notes:

i. Expected credit loss

Under Indian GAAP provision for doubtful debts were presented under trade receivables. However, under Ind AS Trade receivables are presented net of provision for expected credit losses (ECL). Consequently, the Company has reversed Indian GAAP provisions for doubtful debts and created ECL that has reduced net worth of company.

ii. Fair value of financial assets and financial liabilities

Under Indian GAAP, the Company has accounted for unrealised losses in investments and ignore any unrealised gains. Under Ind AS, the Company has classified such investments as FVTPL investments. Ind AS requires investments to be measured at fair value at each reporting date and difference between fair values being recognised in P&L. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised in retained earnings, net of related deferred taxes. This has increased net worth of the Company

iii. Consolidation of employee welfare trust

Company has assessed control definition as per Ind AS and identified two entities (employee welfare trust) to be consolidated as part of the Company.

iv. Fair valuation of employee stock options

Equity-settled share-based payments to employees of the Group and others providing similar services that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date.

v. Deferred tax impact:

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

54. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

55. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

56. The financial statements for the year ended March 31, 2019 has been audited by S.R. Batliboi & Co. LLP Chartered Accountants. The financial statements for year ended March 31, 2018 and March 31, 2017 have been audited by another firm of Chartered Accountants.



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)
(Currency: Indian rupees in million)

57. The Comparative Ind AS financial information of the Group for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 includes in these Ind AS financial statements are based on the previously issued financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2018 and March 31, 2017 dated May 03, 2018 and May 17, 2017 respectively, have expressed an unmodified opinion on those financial statements as adjusted for the difference in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by the current statutory auditors S.R. Batliboi & Co. LLP.
58. Previous year figures have been reclassified to conform to this year's classification.
59. These financial statements have been approved for issue by the Board of Directors of the Company on May 14, 2019.

Signature to notes forming part of the Financial Statements.

As per our report of even date attached.

For For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005



per Shrawan Jalan
Partner
Membership No.: 102102

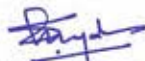


Mumbai
May 14, 2019

For and on behalf of the Board of Directors

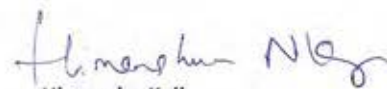


Rakesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

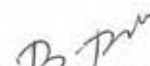


S Ranganathan
Chief Financial Officer

Mumbai
May 14, 2019



Himanshu Kaji
Executive Director
DIN: 00009438



B Renganathan
EVP & Company Secretary



INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Financial Services Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Edelweiss Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to note 52 of the standalone Ind AS financial statements, which describes the economic and social disruption as a result of COVID-19 pandemic of the Company's business and financial metrics including the Company's estimates of impairment of investments and other assets, which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of investments in subsidiary companies (as described in Note 1.4.1.3 and note 7 of the standalone Ind AS financial statements)	
<p>The Company has investments in various subsidiaries aggregating Rs. 34,648.92 million which are not listed or quoted. These investments are valued at cost and are required to be assessed for impairment in accordance with Ind AS 36, when any indicators of impairment are observed.</p> <p>In carrying out such impairment assessment, a significant judgement of the management is involved in estimating the investee company's "value in use", with in accordance with Ind AS 36. Estimation of the value in use requires the management to apply appropriate assumptions with respect to the growth rates for future cash flow projections of the investee company and discount rates for determining present value of such cash flows.</p> <p>In view of the high degree of management's judgement involved in estimation of the recoverable amount of investments in unlisted subsidiaries and the inherent uncertainty relating to the assumptions supporting such estimates, we considered this area as a key audit matter.</p>	<p>Our audit procedures included considering the appropriateness of the processes laid down by the management for assessment of impairment in the value of investments in subsidiaries combined with procedures performed as follows:</p> <ul style="list-style-type: none">• We considered management's assessment of impairment from the management experts wherever considered necessary and assessed whether any impairment indicators existed for investment in individual subsidiaries.• We traced the net-worth of the individual subsidiaries to their audited financial statements to assess whether any impairment indicators were present.• We assessed information used to determine the key assumptions, including growth rates and discount rates.• We assessed the disclosures relating to investments in subsidiaries included in the standalone Ind AS financial statements in accordance with the requirements of Ind AS.
IT systems and controls	
<p>Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.</p>	<p>Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting of the Company:</p> <ul style="list-style-type: none">• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.• We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized.• We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization.• In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.• tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible

for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the email confirmation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

S.R. BATLIBOI & Co. LLP

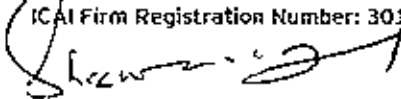
Chartered Accountants

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – (Refer Note 40 (a) & (b) to the standalone Ind AS financial statements);
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – (Refer Note 54 to the standalone Ind AS financial statements);
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 20102102AAAAHZ2099

Place of Signature: Mumbai

Date: July 4, 2020

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Edelweiss Financial Services Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and based upon the audit procedures performed, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us and based upon the audit procedures performed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(III)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given by the management, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (b) According to the information and explanations given to us and based upon the audit procedures performed, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (c) According to the information and explanations given to us and based upon the audit procedures performed, the dues of income-tax, goods and service tax, and cess on account of any dispute, are given below. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.



Name of the statute	Nature of the dues	Amount (Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	3.23	AY 2001-02	High Court
Income Tax Act, 1961	Income Tax	17.95	AY 2008-09	High Court
Income Tax Act, 1961	Income Tax	122.73	AY 2009-10	High Court
Income Tax Act, 1961	Income Tax	219.45	AY 2010-11	High Court
Income Tax Act, 1961	Income Tax	83.53	AY 2011-12	High Court
Income Tax Act, 1961	Income Tax	12.97	AY 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	39.46	AY 2017-18	Commissioner of Income Tax (Appeals)
Service Tax	Service Tax	414.60	2008-09 to 2011-12	CESTAT, Mumbai
Service Tax	Service Tax	119.75	2009-10 up to Jun 2012	CESTAT, Mumbai
Service Tax	Service Tax	979.56	October 2010 to March 2015	CESTAT, Mumbai

- (viii) In our opinion and according to the information and explanations given by the management and based upon the audit procedures performed, the Company has not defaulted in repayment of loans or borrowing to a financial institution and banks, government or dues to debenture holders.
- (ix) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- (xi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us by the Management, we have neither come across any instances of material fraud by the Company or on the Company by the officers and employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (x) According to the information and explanations given by the management and based upon the audit procedures performed, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and based upon the audit procedures performed, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet and based upon the audit procedures performed, the Company has not made any preferential allotment or private placement of shares during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management and based upon the audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

S.R. BATLIBOI & Co. LLP

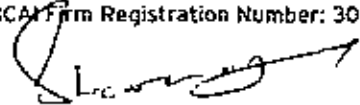
Chartered Accountants

- (xvi) According to the information and explanations given to us and based upon the audit procedures performed, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shravan Jalan

Partner

Membership Number: 102102

UDIN: 20102102AAAAHZ2099

Place of Signature: Mumbai

Date: July 4, 2020

Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of Edelweiss Financial Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Edelweiss Financial Services Limited

We have audited the internal financial controls over financial reporting of Edelweiss Financial Services Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or



S.R. BATLIBOI & Co. LLP

Chartered Accountants

timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

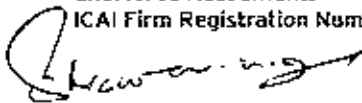
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number:102102

UDIN: 20102102AAAAHZ2099

Place of Signature: Mumbai

Date: July 4, 2020

Edelweiss Financial Services Limited

Balance Sheet as at March 31, 2020

(Currency: Indian rupees in million)

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Financial assets			
(a) Cash and cash equivalents	2	13.66	109.98
(b) Bank balances other than cash and cash equivalents	2A	9.55	59.97
(c) Trade receivables	5	618.94	527.62
(d) Loans	6	6.73	2,538.68
(e) Investments	7	34,672.87	33,392.51
(f) Other financial assets	8	393.28	464.96
		<u>35,715.03</u>	<u>37,093.72</u>
Non-financial assets			
(a) Current tax assets (net)	9	618.59	425.77
(b) Deferred tax assets (net)	10 & 32	291.13	258.65
(c) Property, Plant and Equipment	11	8.36	13.75
(d) Intangible assets under development		9.16	9.96
(e) Other intangible assets	11	16.83	32.23
(f) Other non-financial assets	12	161.63	132.69
		<u>1,105.70</u>	<u>873.05</u>
TOTAL ASSETS		<u>36,820.73</u>	<u>37,966.77</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
(a) Derivative financial instruments	3&4	-	2.48
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	13&41	0.90	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	80.30	106.90
(c) Debt securities	14	734.12	-
(d) Borrowings other than debt securities	15	732.51	3,660.63
(e) Other financial liabilities	16	577.09	602.98
		<u>2,124.92</u>	<u>4,372.99</u>
Non-financial liabilities			
(a) Current tax liabilities (net)	17	69.84	45.86
(b) Provisions	18	9.08	10.27
(c) Other non-financial liabilities	19	71.19	21.64
		<u>150.11</u>	<u>77.77</u>
EQUITY			
(a) Equity share capital	20	889.51	887.77
(b) Other equity	21	33,656.19	32,628.24
		<u>34,545.70</u>	<u>33,516.01</u>
TOTAL LIABILITIES AND EQUITY		<u>36,820.73</u>	<u>37,966.77</u>

The accompanying notes are an integral part of financial statements
As per our report of even date attached.

1 to 57

For S. R. Baliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/P300005

per Shrawan Jalan,
Partner

Membership No: 102102

For and on behalf of the Board of Directors

Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

Himanshu Kaji
Executive Director
DIN: 00009438

S Ranganathan
Chief Financial Officer

B Ranganathan
DVP & Company Secretary

Mumbai July 04, 2020

Mumbai July 04, 2020



Edelweiss Financial Services Limited

Statement of Profit and Loss for year ended March 31, 2020
(Currency: Indian rupees in million)

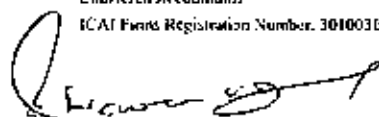
	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations			
Interest income	22	121.16	263.49
Dividend income	23	694.72	1,184.02
Fee and commission income	24	959.81	1,562.24
Net gain on fair value changes	25	134.66	17.92
Other operating income	26	456.46	2.65
Total revenue from operations		2,366.81	3,030.32
Other income	27	223.25	173.43
Total Revenue		2,590.06	3,203.75
Expenses			
Finance costs	28	323.11	164.34
Impairment / (reversal) on financial instruments	29	18.73	(43.55)
Employee benefits expense	30	797.67	1,084.60
Depreciation, amortisation and impairment	11	32.16	38.60
Other expenses	31	622.92	900.49
Total expenses		1,794.59	2,144.48
Profit before tax		795.47	1,059.27
Tax expenses	32		
Current tax		1.90	73.02
Deferred tax (net)		(32.22)	(42.53)
Profit for the year		825.79	1,028.78
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / loss on defined benefit plans		(0.73)	1.26
Income Tax effects of above		0.26	(0.44)
Total		(0.47)	0.82
Total Comprehensive Income		825.32	1,029.60
Earnings Per Share (₹) (Face Value of ₹ 1/- each)	35		
(1) Basic		0.93	1.17
(2) Diluted		0.92	1.15

The accompanying notes are an integral part of financial statements
As per our report of even date attached.

I to 57

For S. R. Batlibasi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E2100005

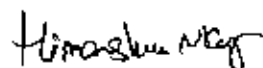
For and on behalf of the Board of Directors



per Shrawan Jaloo
Partner
Membership No. 102102



Rakesh Srish
Chairman, Managing Director & CEO
DIN: 00005322



Himanshu Kaji
Executive Director
DIN: 00009435



S Ranganathan
Chief Financial Officer



B Ranganathan
EVP & Company Secretary

Mumbai July 04, 2020

Mumbai July 04, 2020



Edelweiss Financial Services Limited

Statement of Cash flows for the year ended March 31, 2020.

(Currency: Indian rupees in million)

	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Profit before tax	795.47	1,059.27
Adjustments for:		
Depreciation and amortisation expenses	32.16	36.60
Fair value change in investments	3.03	(16.01)
Profit on sale of investments	(156.58)	(2.65)
Impairment / (reversal) on financial instruments	18.73	(43.55)
Dividend on investments	(694.72)	(1,184.02)
Profit on sale of property, plant and equipment	(1.44)	(1.24)
Interest income	(116.93)	(254.32)
ESOP and SAR cost	99.65	65.32
Finance costs	323.11	164.34
Operating cash flow before working capital changes	302.49	(176.26)
Add / (Less): Adjustments for working capital changes		
Decrease in trade receivables	192.14	284.75
(Increase)/decrease in derivative financial instruments	(2.48)	45.15
Decrease in trade payables	(37.31)	(157.31)
Decrease in other financial assets	71.68	7.73
(Increase)/decrease in other non-financial assets	(28.97)	187.01
Decrease / (increase) in other bank balances	50.42	(5.21)
Decrease in provisions and other financial liabilities	(27.08)	(302.09)
(Increase)/decrease in other non-financial liabilities	49.55	(21.94)
Cash generated from / (used in) operations	570.43	(168.17)
Income taxes paid	(170.71)	(9.45)
Net cash generated from / (used in) operating activities - A	399.72	(177.62)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(13.70)	(17.76)
Sale of property, plant and equipment	2.86	2.89
Purchase of investments	(1,559.22)	(6,854.12)
Sale of investments	431.42	835.13
Dividend on investments	694.72	1,184.02
Repayment of loans	2,390.67	2,167.83
Interest received	258.21	243.60
Net cash generated from / (used in) investing activities - B	2,207.66	(2,438.41)
C. Cash flow from financing activities		
Proceeds from issuance of Share capital (including securities premium)	79.92	675.32
Repayment of non-convertible debentures	-	(276.52)
Proceeds from debt securities	234.12	-
Proceeds from/(repayment of) borrowing (Refer note 1 below)	(2,928.12)	3,660.63
Dividend paid	(266.51)	(1,241.16)
Dividend distribution tax paid	-	(24.72)
Finance costs	(323.12)	(164.34)
Net cash (used in) / generated from financing activities - C	(2,703.70)	2,629.21
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(96.32)	13.18
Cash and cash equivalent as at the beginning of the year	109.98	96.80
Cash and cash equivalent as at the end of the year	13.66	109.99

Notes:

- Cash receipts and payments for transaction with group companies in which the turnover is quick, the amounts are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.
- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

(CA) Firms Registration Number: 301003/00100015

per Shrawan Jalan

Partner

Membership No: 102102

Mumbai July 04, 2020

For and on behalf of the Board of Directors

Rakesh Shah

Chairman, Managing Director & CEO

DIN: 0006322

S. Ranganathan

Chief Financial Officer

Mumbai July 04, 2020

Himanshu Kaji

Executive Director

DIN: 00239433

D. Ranganathan

EVP & Company Secretary



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

Cash Flow Disclosure

Change in Liabilities arising from financing activities

Particulars	As at April 01, 2019	Cash Flows	Changes in Fair value	Others*	As at March 31, 2020
Debt Securities	-	733.92	-	0.20	734.12
Borrowings other than Debt Securities	3,660.63	(3,251.03)	-	322.91	732.51
	<u>3,660.63</u>	<u>(2,517.11)</u>	<u>-</u>	<u>323.11</u>	<u>1,466.63</u>

Particulars	As at April 01, 2018	Cash Flows	Changes in Fair value	Others*	As at March 31, 2019
Debt Securities	276.52	(315.43)	-	35.91	-
Borrowings other than Debt Securities	-	3,535.20	-	125.43	3,660.63
	<u>276.52</u>	<u>3,219.77</u>	<u>-</u>	<u>161.34</u>	<u>3,660.63</u>

*Other column includes the effect of interest accrued during the period.



2

Edelweiss Financial Services Limited

Statement of Changes in Equity for the year ended March 31, 2020 (Currency in Indian rupees in million)

A. Equity Share Capital

Particulars	Amount
As at April 01, 2018	170.60
Changes in equity share capital during FY 2018-19	17.17
As at March 31, 2019	887.77
Changes in equity share capital during FY 2019-20	1.74
As at March 31, 2020	889.51

- Notes:
1. Edelweiss Employees' Welfare Trust and Edelweiss Employees' Incentive and Welfare Trust are extension of Company's financial statements, these trusts are holding 4,48,96,780 number of equity shares as on March 31, 2020 amounting to ₹ 44.90 million (as at March 31, 2019: ₹ 44.90 million). These are deducted from total outstanding equity shares.
 2. Refer note 26 for detailed quantitative information including investors holding more than 5% of equity share capital.
 3. The above two Employee Welfare Trust(s) hold an aggregate 44,895,280 equity shares of the Company for incentive and welfare benefits for group employees as per extant applicable SEBI regulations. Pursuant to the exercise of rights available under Regulation 29 of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company has applied before the expiry date of 27 October 2019 for extension of the time limit for disposing of aforesaid equity shares. The said application is under consideration and approval for extension from SED is awaited as at date.

B. Other Equity

Particulars	Securities Premium	Retained Earnings	General Reserve	Capital Redemption Reserve	Employee Stock Option Plan (ESOP) & (SAR) reserve	Share application money pending allotment	Total Attributable to equity holders
Balance as at April 01, 2018	29,143.52	2,516.75	508.64	2.03	472.87	25.08	32,670.12
Profit for the year		1,029.72					1,029.72
Other Comprehensive Income		0.32					0.32
Total comprehensive income		1,029.60					1,029.60
Interim and final dividends to equity shareholders		(1,261.16)					(1,261.16)
Dividend distribution tax		(24.72)					(24.72)
Issue of equity instruments on ESOP	677.08					(694.25)	(17.17)
ESOP charge					225.48		225.48
Transfers to securities premium on exercise of ESOP	236.96				(236.96)		-
Share application money received during the year						675.32	675.32
Income tax effect of ESOP		(689.23)					(689.23)
Balance as at March 31, 2019	30,057.56	1,593.27	508.64	2.03	468.59	6.15	32,636.24
Profit for the year		825.39					825.39
Other Comprehensive Income		(0.47)					(0.47)
Total comprehensive income		825.32					825.32
Final dividends to equity shareholders		(266.54)					(266.54)
Issue of equity instruments on ESOP	84.16					(85.66)	(1.50)
ESOP charge					242.03		242.03
Transfers to securities premium on exercise of ESOP	35.57				(35.57)		-
Share application money received during the year						79.92	79.92
Stock appreciation rights (SAR)					148.93		148.93
Balance as at March 31, 2020	30,175.07	2,152.08	508.64	2.03	818.18	0.19	33,656.19

The accompanying notes are an integral part of financial statements
For S.R. Badibol & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 30100357300005

Shrawan John

per Shrawan John
Partner
Membership No: 102102



1 to 57

For and on behalf of the Board of Directors

R. Shah
Ravindra Shah
Chairman, Managing Director & CEO
DIN: 0000322

Himanshu Raji
Himanshu Raji
Executive Director
DIN: 00009433

S. Ranganathan
S. Ranganathan
Chief Financial officer

P. Ranganathan
P. Ranganathan
FVP & Company Secretary

Mumbai July 01, 2020



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

1. Background

Edelweiss Financial Services Limited ('the Company') is registered with Securities and Exchange Board of India (SEBI) as Category I – Merchant Banker. The Company was incorporated on November 21, 1995 and is the ultimate holding company of Edelweiss group of companies.

The Company is principally engaged in providing investment banking services and holding company activities comprising of development, managerial and financial support to the business of Edelweiss group entities.

Significant Accounting Policies

1.1 Basis of preparation of financial statements

The standalone financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These standalone financial statements have been prepared on a historical cost basis, except for derivative financial instruments and other financial assets held for trading, which have been measured at fair value. The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest million, except when otherwise indicated.

1.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note no.46.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

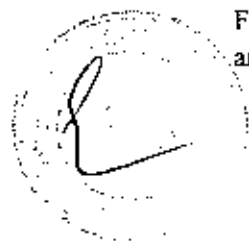
1.3 Financial Instruments

1.3.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds reach the Company.

1.3.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

(other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.4 Classification of financial instruments

1.4.1 Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting etc. The changes in fair value of financial assets is recognised in Profit and loss account.

1.4.1.1 Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

1.4.1.2 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

1.4.1.3 Investment in equity instruments

The Company measures all equity investments at fair value through profit or loss. However, for Investment in subsidiaries is recognised at cost, subject to impairment if any at the end of each reporting period. Cost of investment represents amount paid for acquisition of the investment.

1.4.2 Financial liabilities

All financial liabilities are measured at amortised cost except for financial guarantees, and derivative financial liabilities.

1.4.2.1 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

1.4.2.2 Financial assets and Financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

interest income or finance cost, respectively, using the EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using effective interest rate.

1.4.2.3 Financial guarantee:

Financial guarantees are contract that requires the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

1.4.3 Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

1.4.4 Derivative contracts (Derivative assets / Derivative liability)

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

1.5 Reclassification of financial assets and financial liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

1.6 Employee welfare trust

The Company is a sponsor to two trusts namely: (i) Edelweiss Employees' Welfare Trust; and (ii) Edelweiss Employees' Incentives and Welfare Trust. These trusts have been formed exclusively to provide benefits to employees of the Company and its subsidiaries and associates. These trusts have been treated as an extension of the Company for the purpose of these financial statements. Accordingly, the equity shares of the Company held by these trusts have been treated as treasury



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

shares. The excess of the cost of such shares over the face value of shares has been reduced from the securities premium account of the Company.

1.7 Derecognition of financial assets and financial liabilities

1.7.1.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

1.7.2 Derecognition of financial assets (other than due to substantial modification)

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

1.7.3 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, would be recognised in profit or loss.

1.8 Impairment of financial assets

The Company records allowance for expected credit losses for all amortised cost financial assets and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

1.9 Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.

1.10 Determination of fair value

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments—Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

1.11 Revenue from contract with customer

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied

Revenue Recognition for different heads of Income are as under:

(i) Investment banking advisory fees, Syndication fees (net of tax)

Advisory/Syndication fees are recognised on an accrual basis in accordance with agreement entered into with respective investment managers / advisors.

(ii) Interest income

Interest income is recognized using the effective interest rate.

(iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the Shareholders approve the dividend.

1.12 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.13 Foreign currency transactions

These financial statements are presented in Indian Rupees which is also the functional currency of the Company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

1.14 Retirement and other employee benefit

Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

The liability is provided based on the number of days of unutilised leave at each balance sheet date based on a valuation by an independent actuary.

1.15 Share-based payment arrangements

Equity-settled share-based payments to employees of the Group and others providing similar services that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date. These includes Stock Appreciation Rights (SARs) which are equity settled share-based payments.

a. with respect to Company's employees:

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Option Plan Reserve and Stock Appreciation Rights Reserve. In cases where the



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

share options granted vest in installments over the vesting period, the Company treats each installment as a separate grant, because each installment has a different vesting period, and hence the fair value of each installment differs.

b. with respect to employees of the Group:

The fair value determined at the grant date of the equity-settled share-based payments is accounted as a capital contribution (deemed investment) to the respective subsidiaries over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised such that the cumulative capital contribution (deemed investment) is increased so that it reflects the revised estimate, with a corresponding adjustment to the Employee Stock Option Plan Reserve. In cases where the share options granted vest in installments over the vesting period, the Company treats each installment as a separate grant, because each installment has a different vesting period, and hence the fair value of each installment differs. Whenever, these estimates are expected to get settle between the subsidiaries and the Company, they are accounted as receivable/payable.

1.16 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows

2



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
Building (other than Factory Building)	60 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers - servers and networks	6 years
Computers - end user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.17 Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any. Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.

1.18 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

1.20 Provisions and other contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

1.21 Income tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.21.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.21.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits (including Minimum Alternative Tax credit) to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax (MAT) credit

MAT credit asset is recognised where there is convincing evidence that the asset can be realised in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.21.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.21.4 Business Combination :

The acquisition method of accounting is used to account for business combinations by the Group. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values with certain limited exceptions. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

1.22 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1.23 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

1.23.1 Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments for principal and interest (SPPI) and the business model test. The Company determines the



Edelweiss Financial Services Limited

Notes to the financial statements for the year ended March 31, 2020

business model at a level that reflects how Group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

1.24 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1.24.1 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

1.24.2 Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

1.25 Standards issued but not yet effective

There are no new standard or amendment issued but not effective.



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

	As at March 31, 2020	As at March 31, 2019
2. Cash and cash equivalents		
Cash in hand	0.10	0.04
Balances with banks		
- in current accounts	13.56	109.94
	13.66	109.98

	As at March 31, 2020	As at March 31, 2019
2.A Bank balances other than cash and cash equivalents		
Unpaid dividend accounts	9.55	9.42
Fixed deposits with banks	-	50.55
	9.55	59.97

2.B Encumbrances on fixed deposits held by the Company

	As at March 31, 2020	As at March 31, 2019
Fixed Deposits pledged for:		
Bank overdraft facility	-	50.00



2

Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

3. Derivative financial instruments

The Company enters into derivative transactions to hedge its interest rate risks and currency risks.

These derivatives are held for risk management purposes i.e. economic hedges but the Company has elected not to apply hedge accounting requirements.

March 31, 2020								
Particulars	Unit	Currency	Notional amount*	Fair value Asset	Unit	Currency	Fair value liability	
(i)Currency derivatives								
Currency Futures	Number of currency units	USD/INR	-	-	Number of currency units	USD/INR	0.77	
						GBP/INR	1.12	
Less: Amounts Offset (refer note 4 offsetting disclosure)				-			(1.89)	
Forwards					Number of currency units	USD/INR	-	
Total Derivative Financial Instruments	Total			-	Total			-

March 31, 2019							
Particulars	Unit	Currency	Notional amount*	Fair value Asset	Unit	Currency	Fair value liability
(i)Currency derivatives							
Currency Futures	Number of currency units	USD/INR	4,98,000.00	0.16	Number of currency units	USD/INR	1,36,79,000 4.42
Less: Amounts Offset (refer note 4 offsetting disclosure)				(0.16)			(4.42)
Forwards	Number of currency units	USD/INR	-	-			3,56,24,205 2.48
Total Derivative Financial Instruments	Total			-	Total 2.48		

* Notional amount represents quantity in case of currency linked derivatives



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

4. Offsetting

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis. The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial assets subject to offsetting 31-March 2020

Particulars	Offsetting recognised in the balance sheet		Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total assets
	Gross asset before offset	Amount offset*	Net asset recognised in balance sheet	Assets after consideration of netting potential		
Derivative financial assets	-	-	-	-	-	-

Financial liabilities subject to offsetting 31-March 2020

Particulars	Offsetting recognised in the balance sheet		Netting potential not recognised in balance sheet		Liabilities not subject to netting arrangements	Total liabilities
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Liabilities after consideration of netting potential		
Derivative financial liabilities	1.89	1.89	-	-	-	-

* As at the reporting date, the amount of cash margin received that has been offset against the gross derivative assets is ₹ Nil. Also, at the reporting date, the amount of cash margin paid that has been offset against the gross derivative liabilities is ₹ 1.89 million.



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

4. Offsetting

Financial assets subject to offsetting: 31-March 2019

Particulars	Offsetting recognised in the balance sheet		Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total assets
	Gross asset before offset	Amount offset*	Net asset recognised in balance sheet	Assets after consideration of netting potential	Assets recognised on the balance sheet	Recognised in the balance sheet
Derivative financial assets	0.16	0.16	-	-	-	-

Financial liabilities subject to offsetting: 31-March 2019

Particulars	Offsetting recognised in the balance sheet		Netting potential not recognised in balance sheet		Liabilities not subject to netting arrangements	Total liabilities
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Liabilities after consideration of netting potential	Liabilities recognised in the balance sheet	Recognised in the balance sheet
Derivative financial liabilities	6.99	4.42	2.48	2.48	-	2.48

* As at the reporting date, the amount of cash margin received, that has been offset against the gross derivative assets is ₹ 0.16 million. Also, at the reporting date, the amount of cash margin paid has been offset against the gross derivative liabilities is ₹ 4.42 million.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

5. Trade receivables

a) Trade receivables

Receivables considered good - Unsecured

Less : Allowance for expected credit losses

	As at March 31, 2020	As at March 31, 2019
Receivables considered good - Unsecured	657.32	624.67
Less : Allowance for expected credit losses	(38.38)	(97.05)
	<u>618.94</u>	<u>527.62</u>

b) Reconciliation of impairment allowance on trade receivables:

Impairment allowance measured as per simplified approach

Impairment allowance - Opening Balance

Add/(less): asset originated or acquired (net)

Impairment allowance - Closing Balance

	For the year ended March 31, 2020	For the year ended March 31, 2019
Impairment allowance - Opening Balance	(97.05)	(254.25)
Add/(less): asset originated or acquired (net)	58.67	157.20
Impairment allowance - Closing Balance	<u>(38.38)</u>	<u>(97.05)</u>

Notes:

- 1) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
- 2) No trade or other receivables are due from firms or private companies in which directors is partner, a director or a member.
- 3) Trade receivables are non-interest bearing and are generally on terms of 1 to 30 days.

c) Trade receivables days past due

As at March 31, 2020

ECL Rates

Estimated total gross carrying amount at default

ECL - Simplified approach

Net carrying amount

0-90 days	91-180 days	181-270 days	270-360 days	> 360 days	Total
0.55%	17.37%	56.10%	88.16%	100.00%	
602.37	21.70	-	16.30	16.95	657.32
3.29	3.77	-	14.37	16.95	38.38
<u>599.08</u>	<u>17.93</u>	<u>-</u>	<u>1.93</u>	<u>-</u>	<u>618.94</u>

As at March 31, 2019

ECL Rates

Estimated total gross carrying amount at default

ECL - Simplified approach

Net carrying amount

0-90 days	91-180 days	181-270 days	270-360 days	> 360 days	Total
0.87%	37.11%	64.30%	89.60%	100.00%	
519.47	19.13	0.05	5.94	80.08	624.67
4.55	7.10	0.03	5.29	30.08	97.05
<u>514.92</u>	<u>12.03</u>	<u>0.02</u>	<u>0.65</u>	<u>-</u>	<u>527.62</u>



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

	As at March 31, 2020	As at March 31, 2019
6. Loans		
(at Amortised cost)		
Loans to related parties	-	2,494.70
Loans to employees	6.73	43.98
Total Gross	6.73	2,538.68
Less: Impairment loss allowance	-	-
Total (Net)	6.73	2,538.68
Unsecured	6.73	2,538.68
Total Gross	6.73	2,538.68
Less: Impairment loss allowance	-	-
Total (Net)	6.73	2,538.68
Loans outside India		
Others	-	2,353.30
Loans in India		
Public sector	-	-
Others	6.73	185.38
Total Gross	6.73	185.38
Less: Impairment loss allowance	-	-
Total (Net)	6.73	2,538.68

Note :

These loans are considered to have low credit risk based on credit evaluation undertaken by the Company. There is no history of any defaults on these loans. Since the counter-parties are subsidiaries and employees of the Company, the Company regularly monitors to ensure that these entities have enough liquidity which safeguards the interest of investors and lenders. Accordingly, there is no Expected credit loss allowance on the aforesaid loans.



2

Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

7. Investments

As at March 31, 2020	At Amortised cost (1)	At fair value			Subtotal 5 = (2+3+4)	At cost (subsidiaries) (unquoted) (6)	Total (7) = (1+5+6)
		Through OCI (2)	Through P&L (quoted) (3)	Designated at fair value through Profit or loss (4)			
Equity instruments	-	-	23.95	-	23.95	34,645.92	34,672.87
Total - Gross (A)	-	-	23.95	-	23.95	34,645.92	34,672.87
(i) Investments outside India	-	-	-	-	-	534.37	534.37
(ii) Investments in India	-	-	23.95	-	23.95	34,111.55	34,138.50
Total (B)	-	-	23.95	-	23.95	34,645.92	34,672.87
Less: Allowance for impairment (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	23.95	-	23.95	34,645.92	34,672.87

Aggregate amount of quoted investments 23.95
 Aggregate market value of quoted investments 23.95
 Aggregate amount of unquoted investments 34,645.92

As at March 31, 2019	At Amortised cost (1)	At fair value			Subtotal 5 = (2+3+4)	At cost (subsidiaries) (unquoted) (6)	Total (7) = (1+5+6)
		Through OCI (2)	Through P&L (quoted) (3)	Designated at fair value through Profit or loss (4)			
Equity instruments	-	-	131.07	-	131.07	33,261.44	33,392.51
Total - Gross (A)	-	-	131.07	-	131.07	33,261.44	33,392.51
(i) Investments outside India	-	-	-	-	-	534.37	534.37
(ii) Investment in India	-	-	131.07	-	131.07	32,727.07	32,858.14
Total (B)	-	-	131.07	-	131.07	33,261.44	33,392.51
Less: Allowance for impairment (C)	-	-	-	-	-	-	-
Total Net (A-C)	-	-	131.07	-	131.07	33,261.44	33,392.51

Aggregate amount of quoted investments 131.07
 Aggregate market value of quoted investments 131.07
 Aggregate amount of unquoted investments 33,261.44

Note :

- The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the Company that would vest in a graded manner to certain employees of subsidiaries. To the extent that the Company has not charged and recovered the fair value of such stock options from its subsidiaries, it has been included in the above carrying value of investment in the above subsidiaries.
- Impairment on investment has been assessed based on business projection approved by Board of directors of respective subsidiaries. Impairment recognised, based on management assessment, if the recoverable value is less than carrying amount.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

8. Other financial assets

Deposits- others
Margin placed with broker
Corporate guarantee fees receivable

As at
March 31, 2020

As at
March 31, 2019

21.41
15.28
356.59

50.34
82.91
331.71

393.28

464.96

9. Current tax assets (net)

Advance income taxes
(net of provision for tax)

618.59

425.77

618.59

425.77

10. Deferred tax assets (net)

Deferred tax assets

Trade receivables

Provision for expected credit loss

13.41

40.10

Property, plant and equipment and intangibles

Difference between book and tax depreciation

16.40

13.66

Investments and other financial instruments

Unrealised loss on derivatives

0.66

17.27

Fair valuation of investments - loss in valuation

1.06

-

Employee benefit obligations

Disallowances under section 43B of the Income Tax Act, 1961

3.20

3.60

Unused tax losses

Accumulated Losses

256.40

219.54

291.13

294.17

Deferred tax liabilities

Investments and other financial instruments

Fair valuation of investments - gain in valuation

-

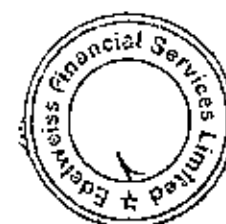
35.52

-

35.52

291.13

258.65



2

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

11. Property, plant and equipment and intangible assets

Description of assets	Gross Block			Depreciation / Amortization / Impairment				Net Block	
	As at April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	Charge for the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020
Property, Plant and Equipment									
Freehold Building	1.75	-	-	1.75	0.17	0.08	-	0.25	1.50
Leasehold Improvements	0.63	-	-	0.63	0.62	0.07	-	0.63	-
Furniture and Fixtures	0.17	0.04	0.06	0.15	0.06	0.03	0.06	0.03	0.12
Vehicles	6.81	-	2.02	4.79	3.66	0.97	1.38	3.25	1.54
Office Equipment	2.28	0.76	1.34	1.70	1.40	0.65	1.33	0.72	0.98
Computers	20.77	1.07	3.39	18.45	12.75	4.40	2.92	14.23	4.22
Total: A	32.41	1.87	6.81	23.47	18.65	6.14	5.69	19.11	8.36
Intangible assets									
Computer software	91.23	10.62	-	101.85	59.00	26.02	-	55.02	16.83
Total: B	91.23	10.62	-	101.85	59.00	26.02	-	55.02	16.83
Grand total (A+B)	123.64	12.49	6.81	129.32	77.65	32.16	5.69	104.13	25.19



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

11. Property, plant and equipment and intangible assets (previous year)

Description of assets	Gross Block				Depreciation / Amortization / Impairment			Net Block	
	As at April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Deductions during the year	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment									
Freehold Building	1.75	-	-	1.75	0.09	0.08	-	0.17	1.58
Leasehold Improvements	0.63	-	-	0.63	0.31	0.31	-	0.62	0.01
Furniture and fixtures	0.17	-	-	0.17	0.02	0.04	-	0.06	0.11
Vehicles	9.21	-	(2.40)	6.81	2.93	1.80	(1.07)	3.66	3.15
Office Equipment	1.93	0.35	-	2.28	0.78	0.62	-	1.40	0.88
Computers	14.95	6.32	(0.50)	20.77	6.45	6.46	(0.16)	12.75	8.02
Total: A	28.64	6.67	(2.90)	32.41	10.58	9.31	(1.23)	18.66	13.75
Intangible assets									
Computer software	78.19	13.04	-	91.23	29.71	29.29	-	59.00	32.23
Total: B	78.19	13.04	-	91.23	29.71	29.29	-	59.00	32.23
Grand total [A+B]	106.83	19.71	(2.90)	123.64	40.29	38.60	(1.23)	77.66	45.98



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

	As at March 31, 2020	As at March 31, 2019
12. Other non-financial assets		
Prepaid expenses	154.21	70.09
Vendor advances	7.42	62.60
	<u>161.63</u>	<u>132.69</u>
13. Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 41)	0.90	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (includes sundry creditors, provision for expenses, customer payables)	80.30	106.90
	<u>81.20</u>	<u>106.90</u>
14. Debt securities (at Amortised Cost)		
<u>Unsecured</u>		
Commercial paper	734.12	-
(Interest rate payable @ 10.00% for March 31, 2020)	<u>734.12</u>	<u>-</u>
Debt Securities in India	734.12	-
Debt Securities outside India	-	-
	<u>734.12</u>	<u>-</u>
15. Borrowings other than Debt Securities (at Amortised Cost)		
<u>Unsecured</u>		
Loan from related parties (repayable on demand)	719.09	3,636.36
Interest accrued and due on borrowings	13.42	24.27
(Repayable on demand, Interest rate payable @ 11.75% for March 31, 2020 and 9.50% for March 31, 2019)	<u>732.51</u>	<u>3,660.63</u>
Borrowings in India	732.51	3,660.63
Borrowings outside India	-	-
	<u>732.51</u>	<u>3,660.63</u>



2

Edelweiss Financial Services Limited**Notes to the financial statements**

(Currency: Indian rupees in million)

	As at March 31, 2020	As at March 31, 2019
16. Other financial liabilities		
Other payables	0.02	0.02
Bank overdraft	-	4.99
Unpaid dividends	9.55	9.42
Accrued salaries and benefits	210.93	256.84
Financial guarantee obligation	356.59	331.71
	<u>577.09</u>	<u>602.98</u>
17. Current tax liabilities (net)		
Provision for taxation (net of advance tax)	69.84	45.86
	<u>69.84</u>	<u>45.86</u>
18. Provisions		
Provision for employee benefits		
Gratuity	2.13	0.93
Compensated leave absences	6.95	9.34
	<u>9.08</u>	<u>10.27</u>
19. Other non-financial liabilities		
Statutory liabilities*	69.28	19.15
Others	1.91	2.49
	<u>71.19</u>	<u>21.64</u>

* Includes withholding taxes, provident fund, profession tax and other statutory dues payables



A handwritten signature in black ink, consisting of a stylized 'E' followed by a horizontal line.

Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

20. Equity share capital	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No of shares	Amount
Authorized :				
Equity Shares of ₹ 1 each	1,23,00,00,000	1,230.00	1,23,00,00,000	1,230.00
Preference shares of ₹ 5 each	40,00,000	20.00	40,00,000	20.00
	1,23,40,00,000	1,250.00	1,23,40,00,000	1,250.00
Issued, Subscribed and Paid up:				
Equity Shares of ₹ 1 each	93,44,09,002	934.41	93,26,69,564	932.67
Less: Shares held by Edelweiss Employees Incentives and Welfare Trust	(73,01,510)	(7.30)	(73,01,510)	(7.30)
Less: Shares held by Edelweiss Employees Welfare Trust	(3,75,95,270)	(37.60)	(3,75,95,270)	(37.60)
(Refer Note.1.6)				
	88,95,12,222	889.51	88,77,72,784	887.77

A. Reconciliation of number of shares (Before deducting treasury shares)

	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	93,26,69,564	932.67	91,54,98,927	915.50
Shares issued during the year:				
• Under Employee Stock Options Plans (ESOPs)	17,39,438	1.74	1,71,70,637	17.17
Outstanding at the end of the year	93,44,09,002	934.41	93,26,69,564	932.67

Note :

- The Company had bought back 2,030,045 equity shares of ₹ 1 each pursuant to the buy back programme in the financial year 2014-15.
- Edelweiss Employees' Welfare Trust and Edelweiss Employees' Incentive and Welfare Trust are extension of Company's financial statements, these trusts are holding 4,48,96,780 number of equity shares as on March 31, 2020 amounting to ₹ 44.90 million (as at March 31, 2019: ₹ 44.90 million). These are deducted from total outstanding equity shares.
- The above two Employee Welfare Trust(s) hold an aggregate 44,896,780 equity shares of the Company for incentive and welfare benefits for group employees as per extant applicable SEBI regulations. Pursuant to the exercise of right available under Regulation 29 of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company has applied before the expiry date of 27 October 2019 for extension of the time limit for disposing of aforesaid equity shares. The said application is under consideration and approval for extension from SEBI is awaited as at date.

B. Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2020		As at March 31, 2019	
	No of shares	% holding	No of shares	% holding
Rashesh Shah	14,53,01,730	15.55%	14,53,01,730	15.58%
Venkatchalam Ramaswamy	5,80,26,560	6.21%	5,80,26,560	6.22%
Bibi Sa	4,70,07,748	5.03%	3,74,95,800	4.02%
	25,03,36,038	26.79%	24,08,24,090	25.82%

Note :

The Shareholding of Mr. Rashesh Chumbakani Shah and Mr. Venkatchalam A Ramaswamy in the Promoter and Promoter Group category does not include 3,00,000 equity shares and 1,00,000 equity shares purchased by them respectively on March 31, 2020, as the shares were credited to the respective demat accounts post March 31, 2020, as per the settlement cycle.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

31. Other Equity

	As at March 31, 2020	As at March 31, 2019
Securities premium account	30,175.07	30,057.56
General reserve	508.64	508.64
Capital redemption reserve	2.03	2.03
Retained earnings	2,152.08	1,593.27
Stock options outstanding	669.25	460.59
Stock appreciation rights outstanding	148.93	-
Share application money pending allotment	0.19	6.15
	33,656.19	32,628.24

Movement in Other Equity

	As at March 31, 2020	As at March 31, 2019
I. Securities premium account		
Opening Balance	30,057.56	29,143.52
Add : On issue of shares on exercise of Employee Stock Options Plans (ESOPs)	84.14	677.08
Add : On transfer from ESOP reserve on exercise of Employee Stock Options Plans (ESOPs)	33.37	236.96
	30,175.07	30,057.56
II. General Reserve		
Opening Balance	508.64	508.64
Add : Additions during the year	-	-
	508.64	508.64
III. Capital Redemption Reserve		
Opening Balance	2.03	2.03
Add : Additions during the year	-	-
	2.03	2.03
IV. Retained earnings		
Opening Balance	1,593.27	2,518.78
Add: Profit for the year	825.79	1,028.78
Add: Other Comprehensive Income	(0.47)	0.82
Add/less: DTA on ESOP	-	(639.23)
Amount available for appropriation	2,418.59	2,859.15
Appropriations:		
Interim dividend	-	(975.88)
Final dividend	(266.51)	(265.28)
Dividend distribution tax	-	(34.72)
	(266.51)	(1,265.88)
	2,152.08	1,593.27
V. Stock options outstanding (Refer Note. 38)		
Opening Balance	460.59	472.07
Add : Additions during the year	242.03	275.48
Less : Transfer to securities premium account on exercise of ESOPs	(33.37)	(236.96)
	669.25	460.59
VI. Stock appreciation rights (SAR) outstanding (Refer Note. 38)		
Opening Balance	-	-
Add : Additions during the year	148.93	-
	148.93	-
VII. Share application money pending allotment (Received against ESOP exercised by employees. For details of ESOP plan refer note.38)	0.19	6.15
	0.19	6.15
	33,656.19	32,628.24



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

22. Interest Income

On Financial assets measured at Amortised Cost

	For the year ended March 31, 2020	for the year ended March 31, 2019
Interest on loans	116.93	254.32
Interest on deposits with bank	2.39	3.70
Other interest income	1.84	5.47
	<u>121.16</u>	<u>263.49</u>

23. Dividend Income

Dividend on investment	694.72	1,184.02
	<u>694.72</u>	<u>1,184.02</u>

24. Fee and commission income (Refer note no.48)

Advisory and other fees	959.81	1,562.24
	<u>959.81</u>	<u>1,562.24</u>

25. Net gain on fair value changes

Net gain/ (loss) on financial instruments at FVTPL

Investments		
Fair value gain - P&L - equity (unrealised)	(3.03)	18.01
Derivatives		
Profit / (loss) on equity derivative instruments (net) (realised)	-	(0.09)
Others		
Profit on sale of investments (realised)	137.69	-
	<u>134.66</u>	<u>17.92</u>

26. Other operating income

Fee income from group (Refer note.36)	437.57	-
Profit on sale of group investments	18.89	2.65
	<u>456.46</u>	<u>2.65</u>

27. Other income

Foreign exchange gain	131.12	105.92
Miscellaneous income	92.13	67.51
	<u>223.25</u>	<u>173.43</u>



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

	For the year ended March 31, 2020	for the year ended 31 March 2019
28. Finance costs		
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings		
Interest on bank overdraft	-	0.73
Interest on loan from subsidiaries	315.99	112.70
Interest on debt securities		
Discount on commercial paper and debentures	0.20	32.90
Interest on debentures	-	6.01
Other interest expense		
Financial and bank charges	6.89	0.72
Interest - others	0.03	11.28
	323.11	164.34
29. Impairment on financial instruments		
Bad- debts written off	77.40	113.65
Reversal of ECL provision on trade receivables	(58.67)	(157.20)
	18.73	(43.55)
30. Employee benefit expenses		
Salaries and wages	653.66	940.42
Contribution to provident and other funds	20.86	31.58
Expense on Employee Stock Option Scheme (ESOP) & Stock Appreciation Rights (Refer note.38)	99.65	65.32
Staff welfare expenses	23.50	47.28
	797.67	1,084.60



Edelweiss Financial Services Limited**Notes to the financial statements**

(Currency: Indian rupees in million)

31. Other expenses

	For the year ended March 31, 2020	for the year ended 31 March 2019
Advertisement and business promotion	42.54	209.65
Auditors' remuneration (Refer Note 31.A)	8.97	9.59
Commission and brokerage	28.28	32.77
Communication	6.53	7.33
Directors' sitting fees	1.82	2.00
Commission to non-executive directors	3.50	5.00
Insurance	36.76	22.87
Legal and professional fees	168.03	183.96
Printing and stationery	5.68	10.17
Rates and taxes	2.39	2.09
Rent (Refer Note 31.C)	83.32	90.11
Repairs and maintenance	0.51	1.86
Electricity charges	0.10	7.95
Computer software	46.48	104.68
Corporate social responsibility -Donation (Refer Note 31.B)	28.70	35.40
Donation	0.30	0.26
Clearing & custodian charges	4.85	1.10
Membership and subscription	15.41	18.69
Office expenses	61.71	56.44
Postage and courier	2.62	2.87
Seminar & Conference	0.65	4.64
Goods & Service tax expenses	14.70	12.20
Travelling and conveyance	54.00	75.33
Miscellaneous expenses	4.38	-
Housekeeping and security charges	0.69	3.53
	622.92	900.49

31.A Auditors' remuneration:

	For the year ended March 31, 2020	for the year ended 31 March 2019
As a Auditor		
Statutory Audit of the Company	4.40	5.50
Limited Review	3.60	3.00
Certification and Consultation	0.51	0.50
Towards reimbursement of expenses	0.46	0.59
In other capacity		
Taxation matters	-	-
	8.97	9.59



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

31.B Details of CSR Expenditure:

As per the provisions of Section 135 of Companies Act 2013,

	For the year ended March 31, 2020	For the year ended 31 March 2019
Gross Amount required to be spent by the Company	28.01	34.73
Amount Spent (Paid in Cash)		
Construction/ Acquisition of any assets on purpose other than (i) above	- 28.70	- 35.40
Amount Spent (Yet to be paid in Cash)		
Construction/ Acquisition of any assets on purpose other than (i) above	- -	- -
	<u>28.70</u>	<u>35.40</u>

31.C Operating leases

Rental expenses for the year ended 31 March 2020 aggregated to ₹ 83.32 million (Previous year: ₹ 90.11 million) which has been included under the head other expenses – Rent in the Statement of profit and loss. The Company does not have any non-cancellable operating lease.



Edelweiss Financial Services Limited

Notes to the financial statements

(Currency: Indian rupees in million)

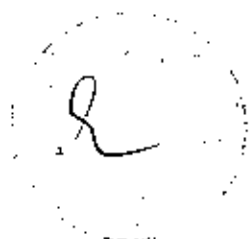
32. Income Tax

32.A Component of Income Tax Expenses

	For the year ended March 31, 2020	for the year ended 31 March 2019
Current Tax	45.59	7.24
Adjustment in respect of income tax of prior years	(43.69)	65.78
Deferred tax relating to temporary differences	(32.22)	(42.53)
Total Tax Charge for the year	(30.32)	30.49
Current Tax	1.90	73.02
Deferred Tax (Refer Note 32.C)	(32.22)	(42.53)

32.B The income tax expenses for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2020	for the year ended 31 March 2019
Profit before Taxes	795.47	1,059.27
Statutory Income Tax rate	34.94%	34.94%
Tax Charge at Statutory Rate	277.94	370.11
Tax effect of:		
Adjustment in respect of current income tax of prior year	(43.69)	65.78
Income not subject to tax or chargeable to lower tax rate		
Dividend income	(242.74)	(413.70)
Long term capital gain on sale of shares	(29.24)	(0.92)
Non Deductible Expenses		
Others	7.41	9.22
Income Tax Expenses Reported in Statement of Profit and Loss	(30.32)	30.49
Effective Income Tax Rate	(3.81%)	2.88%



32. Income Tax

32.C Table below shows deferred tax recorded in the balance sheet and changes recorded in income tax expenses:

For the Year Ended March 2020	As at March 31, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at March 31, 2020
Deferred Tax Assets					
Difference between book and tax depreciation (including intangibles)	13.66	2.74	-	-	16.40
Trade receivables - Expected credit loss	40.10	(26.69)	-	-	13.41
Fair valuation of investments - loss in valuation	-	1.06	-	-	1.06
Disallowances under section 43B of the Income Tax Act, 1961	3.60	(0.66)	0.26	-	3.20
Accumulated Losses	219.54	36.86	-	-	256.40
Deferred Tax Liabilities					
Fair valuation of investments- gain in valuation	(15.52)	35.52	-	-	-
Unrealised gain on derivatives	17.27	(16.61)	-	-	0.66
Deferred Tax Asset (net)	258.65	32.22	0.26	-	291.13
For the Year Ended March 2019	As at April 01, 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at March 31, 2019
Deferred Tax Assets					
Difference between book and tax depreciation (including intangibles)	9.29	4.37	-	-	13.66
Trade receivables - Expected credit loss	91.44	(51.34)	-	-	40.10
Fair value of investments	120.17	(120.17)	-	-	-
Employee stock options	659.98	-	-	(659.98)	-
Disallowances under section 43B of the Income Tax Act, 1961	37.59	(33.55)	(0.44)	-	3.60
Accumulated Losses	-	219.54	-	-	219.54
Deferred Tax Liabilities					
Fair valuation of investments- gain in valuation	(29.20)	(6.32)	-	-	(35.52)
Unrealised gain on derivatives	(12.73)	30.00	-	-	17.27
Deferred Tax Asset (net)	876.54	42.43	(0.44)	(659.98)	258.65



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

33. Segment reporting

Primary Segment (Business Segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities Covered
Agency business	Advisory and transactional services
Holding company activities	Development, managerial and financial support to the businesses of Edelweiss group entities

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary Segment

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Indian Accounting Standard -108 on "Segment Reporting":

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
I Segment Revenue		
a) Agency business	808.18	1,262.24
b) Holding company activities	1,773.51	1,874.00
c) Unallocated	8.37	67.51
Total Income	2,590.06	3,203.75
II Segment Results		
a) Agency business	(33.78)	260.65
b) Holding company activities	820.88	731.11
c) Unallocated	8.37	67.51
Profit before taxation	795.47	1,059.27
Less : Provision for taxation	(30.32)	30.49
Profit after taxation	825.79	1,028.78



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in millions)

33. Segment reporting (Continued)

Particulars	March 31, 2020	March 31, 2019
III Segment Assets		
a) Agency business	140.47	311.21
b) Holding company activities	35,761.02	37,017.02
c) Unallocated	919.24	638.54
Total	36,820.73	37,966.77
IV Segment Liabilities		
a) Agency business	283.21	161.43
b) Holding company activities	1,843.15	4,279.91
c) Unallocated	148.67	9.42
Total	2,275.03	4,450.76
V Capital Expenditure (including intangible assets under development)		
a) Agency business	2.78	16.11
b) Holding company activities	9.71	3.60
c) Unallocated	-	-
Total	12.49	19.71
VI Depreciation and Amortization		
a) Agency business	8.54	31.56
b) Holding company activities	23.62	7.04
c) Unallocated	-	-
Total	32.16	38.60
VII Significant Non-Cash Expenses Other than Depreciation and Amortization		
a) Agency business	39.69	(4.87)
b) Holding company activities	81.72	8.63
c) Unallocated	-	-
Total	121.41	3.76



[Handwritten signature]

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure":

(A) Subsidiaries which are controlled by the Company:

Edelweiss Securities Limited
 Edelweiss Finance & Investments Limited
 ECI Finance Limited
 Edelweiss Global Wealth Management Limited
 EC Global Limited, Mauritius (through EC International Limited, Mauritius)
 Edelweiss Gallagher Insurance Brokers Limited (formerly known as Edelweiss Insurance Brokers Limited)
 Edelweiss Trustee Services Limited (Merged with ECap Equities Limited) (w.e.f November 30, 2019)
 Edelcap Securities Limited (through ECap Equities Limited)
 Edelweiss Asset Management Limited
 ECap Equities Limited
 Edelweiss Broking Limited
 Edelweiss Trusteeship Company Limited
 Edelweiss Alternative Asset Advisors Limited
 Edelweiss Housing Finance Limited
 Edelweiss Investment Adviser Limited (through Edelweiss Rural & Corporate Services Limited)
 EC Commodity Limited (through Edelweiss Rural & Corporate Services Limited)
 Edel Land Limited
 Edelweiss Custodial Services Limited (through Edelweiss Securities Limited)
 EC International Limited, Mauritius
 Edelweiss Capital (Singapore) Pte. Limited
 Edelweiss Alternative Asset Advisors Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)
 Edelweiss International (Singapore) Pte. Limited (through Edelweiss Capital (Singapore) Pte. Limited)
 Aster Commodities DMCC, United Arab Emirates (through EC International Limited, Mauritius)
 EAAA LLC, Mauritius (through EC International Limited)
 EW Special Opportunities Advisors LLC, Mauritius (through EAAA LLC)
 EW India Special Assets Advisors LLC, Mauritius (through EAAA LLC) (upto June 30, 2019)
 Edel Investments Limited
 Edelweiss Tokio Life Insurance Company Limited
 Edelweiss Investment Advisors Private Limited, Singapore (through Edelweiss Capital (Singapore) Pte. Limited)
 Edelweiss Rural & Corporate Services Limited
 Edelweiss Comtrade Limited (through Edelweiss Rural & Corporate Services Limited)
 Edel Finance Company Limited
 Edelweiss Retail Finance Limited (through Edelcap Securities Limited)
 Edelweiss Securities (Hong Kong) Private Limited (through Edelweiss Securities Limited)
 Edelweiss Financial Services Inc, United States of America (through Edelweiss Securities Limited)
 EdelGive Foundation
 Edelweiss Resolution Advisors LLP (through Edelweiss Rural and Corporate Services Limited)



34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(A) Subsidiaries which are controlled by the Company: (Continued)

Edelweiss Multi Strategy Fund Advisors LLP (through Edelweiss Rural and Corporate Services Limited)
ETSL International Limited, Mauritius (through EC International Limited)
Edelweiss Financial Services (UK) Limited, United Kingdom (through Edelweiss Securities Limited)
Edelweiss Holdings Limited (Merged with ECup Equities Limited) (w.e.f November 30, 2019)
Edelweiss AIF Fund I - EW Clover Scheme -1 (through Edelcup Securities Limited)
Edelweiss General Insurance Company Limited
Edelweiss Invest Private Limited (through Ecup Equities Limited)
Edelweiss Asset Reconstruction Company Limited (through Edelweiss Custodial Services Limited)
Edelweiss Private Equity Tech Fund (through Ecup Equities Limited)
Edelweiss Sequences (IFSC) Limited
Edelweiss Value and Growth Fund (through Ecup Equities Limited)
Ruta Venture Private Limited (through Ecup Equities Limited) (ceased to become subsidiary w.e.f. March 19, 2020)
Allium Finance Private Limited (through Edelweiss Rural and Corporate Services Limited)
Edelweiss Securities Trading and Management Private Limited (Merged with Edelweiss Securities and Investments Private Limited) (w.e.f November 30, 2019)
Edelweiss Securities and Investments Private Limited (through Edelweiss Securities Limited)
Eichen Metals Private Limited (through Edelvalue Partners)
Edelvalue Partners (through Edelweiss Securities and Investments Private Limited)
ESL Securities Limited (through Edelweiss Securities Limited)
Edelweiss Employees Welfare Trust
Edelweiss Employees Incentive and Welfare Trust
Alternative Investment Market Advisors Private Limited (Merged with Ecup Equities Limited) (w.e.f November 30, 2019)

(B) Enterprises over which control is exercised by the Company:

Trusts are:

EARC SAF - 2 Trust
EARC Trust - SC 6
EARC Trust - SC 7
EARC Trust - SC 9
EARC Trust - SC 102
EARC Trust - SC 109
EARC Trust - SC 112
EARC Trust - SC 110
EARC SAF - 3 Trust
EARC Trust - SC 215
EARC Trust - SC 229
EARC Trust - SC 238
EARC Trust - SC 245
EARC Trust - SC 251
EARC Trust - SC 266
EARC Trust - SC 262
EARC Trust - SC 263
EARC Trust - SC 293
EARC Trust - SC 297
EARC Trust - SC 308
EARC Trust - SC 314
EARC Trust - SC 325
EARC Trust - SC 329
EARC Trust - SC 331
EARC Trust - SC 306
EARC Trust - SC 321



34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(B) Enterprises over which control is exercised by the Company: (Continued)

Trust Name (continued):

EARC Trust - SC 334

EARC Trust - SC 335

EARC Trust - SC 332

EARC Trust - SC 349

EARC Trust - SC 352

EARC Trust - SC 357

EARC SAF - I Trust Investor Account

EARC Trust - SC 298

EARC Trust - SC 347

EARC Trust - SC 351

EARC Trust - SC 360

EARC Trust - SC 361

EARC Trust - SC 363

EARC Trust - SC 364

EARC Trust - SC 370

EARC Trust SC 381

EARC Trust SC 383

EARC Trust SC 386

EARC Trust SC 384

EARC Trust SC 391

EARC Trust SC 395

EARC Trust SC 392

EARC Trust SC 372

EARC Trust SC 373

EARC Trust SC 374

EARC Trust SC 393

EARC Trust SC 380

EARC Trust SC 387

EARC Trust SC 388

EARC Trust SC 375

EARC Trust SC 399

EARC Trust SC 394

EARC Trust SC 385

EARC Trust SC 401

EARC Trust SC 402

EARC Trust SC 376

EARC Trust SC 348

EARC Trust SC 342

(C) Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them control or significant influence over the Company:

Mr. Rakesh Shah

Mr. Venkateshwar Ramaswamy

Ms. Vidya Shah

Ms. Aparna T. C.

(D) Key managerial personnel:

Mr. Rakesh Shah - Chairman, Managing Director & CEO

Mr. Venkateshwar Ramaswamy - Vice Chairman & Executive Director

Mr. Himanshu Kaji - Executive Director

Mr. Rajan Panjwani - Executive Director

Mr. S. Ranganathan - Chief Financial Officer

(E) Relatives of individuals exercising significant influence and relatives of KMP, with whom transactions have taken place:

Ms. Kaavya Venku

Ms. Shilpa Mody

Ms. Sejal Premal Parekh

Mr. A. V. Ramaswamy

Ms. Sneha Sripal Desai

Ms. Shashant Panjwani

(F) Enterprises over which KMPs / Relatives exercise significant influence, with whom transactions have taken place:

Spire Investment Advisors LLP

Shub Family Discretionary Trust



34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(G) Independent Directors

Mr. Brijis Desai

Mr. Bismamohan Mahapatra

Mr. Kurnasagar Chinniah

Mr. Navtej S. Nandra

Mr. P. N. Venkatachalam

Mr. Sanjiv Mista (upto January 24, 2019)

Mr. Ashok Kini (from 01 April 2019)

Dr. Ashima Goyal (from 01 April 2019)

(H) Others Directors

Ms. Anis M George (from 01 April 2019)



(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

(I) Transactions and balances with related parties

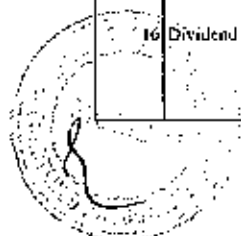
Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
	Capital Account Transactions during the year			
1	Investments in Equity shares of	Edelweiss Broking Limited	-	1,050.99
		Edelweiss General Insurance Company Limited	1,000.00	380.00
		Edelweiss Securities (IFSC) Limited	15.00	-
		Edelweiss Global Wealth Management Limited	70.00	-
		Edelweiss Finvest Private Limited	473.21	-
		Edel Finance Company Ltd	-	442.20
		ECL Finance Limited	-	3,456.10
		Edelweiss Asset Management Limited	-	141.30
		Edelweiss Rural & Corporate Services Limited	-	500.00
		Edelweiss Capital (Singapore) Pte. Ltd.	-	203.48
		Edelweiss Housing Finance Limited	-	500.00
2	Sale of Investments in Equity shares of	EC Commodity Limited	-	501.43
		Edelweiss Fund Advisory Private Limited	-	0.50
		Edelweiss Holdings Limited	-	150.00
		Edelweiss Trustee Services Limited	-	0.50
		Edelweiss Securities Limited	189.63	-
3	Transfer Investments in Equity shares to	Edelweiss Asset Management Limited	-	180.05
4	Transfer Investments in Equity shares from	Edelweiss Multi Strategy Funds Management Private Limited	-	180.05
	Current Account Transactions during the year			
5	Short term loans given to	Edelweiss Rural & Corporate Services Limited (Refer note 1)	0.19	6,020.00
		Edelweiss Capital (Singapore) Pte. Ltd.	-	1,122.44
		EC International Limited	-	955.81
		Mr. S. Ranganathan	5.00	-
6	Short term loans repaid by	Edelweiss Rural & Corporate Services Limited (Refer note 1)	6.20	6,020.00
		EC International Limited	380.96	1,286.67
		Edelweiss Capital (Singapore) Pte. Ltd.	1,972.34	2,108.97
		Edelweiss Securities (IFSC) Limited	-	6.53
7	Short term loans taken from (Refer note 1)	Edelweiss Rural & Corporate Services Limited	8,080.00	11,490.00
8	Short term loans repaid to (Refer note 1)	Edelweiss Rural & Corporate Services Limited	8,007.49	11,573.23
9	Margin placed with Broker	Edelweiss Securities Limited	0.20	1.55
		Edelweiss Custodial Services Limited	263.64	379.32
		Edel Investments Limited	0.35	-
10	Margin withdrawn from Broker	Edelweiss Securities Limited	0.20	3.04
		Edelweiss Custodial Services Limited	314.52	323.41
		Edel Investments Limited	0.29	-
11	Reimbursement paid to	Edelweiss Securities Limited	4.67	429.58
		ECap Equities Limited	4.75	27.58
		ECL Finance Limited	16.07	268.43
		Edelweiss Rural & Corporate Services Limited	0.93	108.18
		Edel Investments Limited	-	2.24
		Edelcap Securities Limited	0.21	6.77
		Edelweiss Alternative Asset Advisors Limited	2.52	55.82
		Edelweiss Asset Management Limited	4.01	16.47
		Edelweiss Asset Reconstruction Company Limited	2.85	28.67
		Edelweiss Broking Limited	4.94	53.89
		Edelweiss Contrade Ltd	-	0.03
		Edelweiss Custodial Services Limited	0.91	15.27
		Edelweiss Finance and Investments Limited	0.10	11.91
		Edelweiss Finvest Private Limited	0.09	6.71
		Edelweiss General Insurance Company Limited	-	9.25
		Edelweiss Global Wealth Management Limited	2.18	24.85
		Edelweiss Housing Finance Limited	1.59	64.56



(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(f) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
12	Sale of Fixed Assets to	Edelweiss Gallagher Insurance Brokers Limited	0.29	16.98
		Edelweiss Investment Advisors Limited	0.01	0.53
		Edelweiss Retail Finance Limited	0.10	10.26
		Edelweiss Tokio Life Insurance Company Limited	-	18.66
		Edel Finance Company Ltd	0.01	1.22
		Edelweiss Securities Limited	0.07	0.01
		Edelweiss Rural & Corporate Services Limited	0.15	0.11
		ECL Finance Limited	0.07	0.00
		Edelweiss Finvest Private Limited*	0.00	0.00
		Edelweiss Broking Limited	0.13	0.10
		Edelweiss Asset Management Limited	-	0.01
		Edelweiss Alternative Asset Advisors Limited	0.02	0.04
		Edelweiss Custodial Services Limited	0.04	0.08
		Edelcap Securities Limited	0.04	-
		Edelweiss Housing Finance Limited	0.02	-
		Edelweiss Asset Reconstruction Company Limited	0.06	-
		Edelweiss Investment Advisors Limited	0.01	-
		Edelweiss Gallagher Insurance Brokers Limited	0.01	-
		Edelweiss Finance and Investments Limited	0.01	-
13	Purchase of Fixed Assets from	Edelweiss Housing Finance Limited*	0.00	0.04
		Edelweiss Rural & Corporate Services Limited	0.03	0.36
		Edelweiss Investment Advisors Limited	0.02	0.03
		Edelweiss Global Wealth Management Limited	-	0.02
		Edelweiss Retail Finance Limited	-	0.01
		ECap Equities Limited	-	0.01
		Edelweiss Securities Limited	0.01	0.03
		Edelweiss Broking Limited	0.05	0.23
		ECL Finance Limited	0.05	0.05
		Edelweiss Alternative Asset Advisors Limited	0.01	-
		Edelweiss Asset Reconstruction Company Limited	0.01	-
14	Dividend paid to	Mr. Rakesh Shah	43.59	203.42
		Mr. Venkat Ramaswamy	17.41	81.34
		Ms. Vidyha Shah	9.91	49.04
		Shah Family Discretionary Trust	11.63	54.25
		Spire Investment Advisors LLP	0.96	4.48
		Ms. Aparna T. C.	3.66	17.09
		Mr. Rujon Panjwani	3.89	18.15
		Mr. Himanshu Kaji	1.20	5.58
		Ms. Kavya Venkat	3.54	16.51
		Ms. Sneha Sripad Desai	0.31	1.44
		Ms. Shilpa Mody	0.29	1.33
		Ms. Sugat Premal Parekh	0.29	1.33
		Ms. Shabnam Panjwani	0.17	0.80
		Mr. A V Ramaswamy	0.02	0.07
		Mr. Navtej S. Nandra	2.39	11.16
		Mr. P. N. Venkateshram	0.06	0.36
		Mr. S. Ranganathan	0.33	1.53
		Mr. Benjis Deyar	-	0.19
		Mr. Sanjiv Meena	-	0.14
15	Remuneration paid to	Mr. Rakesh Shah	12.69	72.66
		Mr. Venkat Ramaswamy	11.20	53.70
		Mr. Himanshu Kaji	11.91	24.93
		Mr. Rujon Panjwani	27.97	19.06
		Mr. S. Ranganathan	25.18	39.69
16	Dividend income received from	Edelweiss Securities Limited	496.06	1,006.61
		EC International Limited	196.67	-
		ECap Equities Limited	-	1.36
		Edel Investments Limited	-	151.65

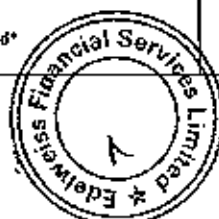


Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(f) Transactions and balances with related parties

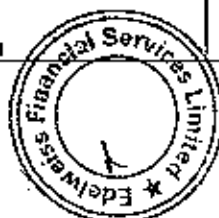
Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
17	Rating support fee earned from	Edelweiss Holdings Limited	-	12.75
		Edelweiss Trustee Services Limited	-	11.50
		ECL Finance Limited	1.46	2.10
		Edelweiss Rural & Corporate Services Limited	0.91	1.31
		Edelweiss Securities Limited	0.05	0.07
		Edelweiss Retail Finance Limited	0.14	0.16
		Edelweiss Housing Finance Limited	0.25	0.29
		Edelweiss Custodial Services Limited	0.08	0.08
		ECap Equities Limited	0.15	0.16
		Edelweiss Finance and Investments Limited	0.22	0.12
		Edel Finance Company Ltd	0.05	0.06
		Edelweiss Finvest Private Limited	0.19	0.18
		Edelweiss Asset Reconstruction Company Limited	0.23	0.28
		Edelweiss Broking Limited	0.02	-
18	Fee / commission paid to	Edelweiss Broking Limited	1.82	-
		Edelweiss Securities Limited	41.97	-
19	Fee / commission received from	Edelweiss Securities Limited	0.32	-
		Edelweiss Gallagher Insurance Brokers Limited	10.00	-
		ECL Finance Limited	30.00	-
		Edelweiss Finance and Investments Limited	5.05	-
20	Fee / Guarantee commission earned from	Edelweiss Tokio Life Insurance Company Limited	25.10	20.00
		Edelweiss International (Singapore) Pte. Ltd.	0.24	1.66
		Edelweiss Rural & Corporate Services Limited	-	57.08
		Edelweiss Finvest Private Limited	5.75	121.52
		Edelweiss Finance and Investments Limited	4.67	4.38
		ECap Equities Limited	29.08	49.29
		Edelweiss Custodial Services Limited	-	12.44
		Edelweiss Housing Finance Limited	-	11.53
		ECL Finance Limited	0.29	3.21
		Edelweiss Asset Reconstruction Company Limited	79.71	13.66
		Edelweiss Securities Limited	-	0.40
		Edelweiss General Insurance Company Limited	2.85	-
21	Interest Income on short term loan given	Edelweiss Rural & Corporate Services Limited	0.29	-
		EC International Limited	10.64	71.24
		Edelweiss Capital (Singapore) Pte. Ltd.	106.30	183.01
		Edelweiss Securities (IFSC) Limited	-	0.07
22	Business Service Charges income earned from	Edelweiss General Insurance Company Limited	1.44	-
		Edelweiss Asset Reconstruction Company Limited	2.97	-
		Edel Investments Limited	0.68	-
		Edelweiss Tokio Life Insurance Company Limited	1.32	-
		Edelweiss Custodial Services Limited	1.34	-
		Edelweiss Alternative Asset Advisors Limited	1.52	-
		Edelweiss Broking Limited	2.07	-
		Edelweiss Global Wealth Management Limited	1.59	-
		ECL Finance Limited	30.77	-
		Edelweiss Gallagher Insurance Brokers Limited	0.71	-
		Edelweiss Asset Management Limited	1.11	-
		ECap Equities Limited	1.63	-
		Edelweiss Housing Finance Limited	2.80	-
		Edelweiss Finance and Investments Limited	0.92	-
		Edelweiss Securities Limited	3.48	-
		Edelweiss Rural & Corporate Services Limited	2.04	-
		Altium Finance Private Limited*	0.00	-
		Alternative Investment Market Advisors Private Limited*	0.00	-
		EC Commodity Limited*	0.00	-
		Edelcap Securities Limited	0.29	-
		Edelweiss Finvest Private Limited*	0.00	-
		Edelweiss Retail Finance Limited*	0.00	-
		Edelweiss Investment Advisors Limited*	0.00	-
		Edelweiss Comtrade Ltd*	0.00	-



(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(i) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
		Lichen Metals Private Limited*	0.00	-
		Edelweiss Securities (IFSC) Limited*	0.00	-
		Edel Land Limited*	0.00	-
		Edelgive Foundation*	0.00	-
23	Enterprise / Corporate allocation income earned from	Edelweiss Securities Limited	22.30	-
		Edelweiss Finance and Investments Limited	5.55	-
		Edelweiss Housing Finance Limited	11.62	-
		ECap Equities Limited	11.31	-
		Edelcap Securities Limited	2.40	-
		Edelweiss Asset Management Limited	8.72	-
		Edelweiss Gallagher Insurance Brokers Limited	5.43	-
		Edelweiss Global Wealth Management Limited	9.88	-
		Edelweiss Broking Limited	11.86	-
		Edelweiss Alternative Asset Advisors Limited	9.11	-
		Edelweiss Custodial Services Limited	8.99	-
		Edelweiss Investment Advisors Limited	0.01	-
		EC Commodity Limited	0.01	-
		Edel Land Limited*	0.00	-
		Edelweiss Forest Private Limited	0.03	-
		Allium Finance Private Limited	0.01	-
		Edelweiss Tokio Life Insurance Company Limited	10.96	-
		Edel Investments Limited	3.41	-
		Edelweiss Asset Reconstruction Company Limited	16.90	-
		Edelgive Foundation	0.01	-
		Lichen Metals Private Limited*	0.00	-
		Edelweiss Comtrade Ltd	0.02	-
		Edelweiss Retail Finance Limited	0.02	-
		Edelweiss General Insurance Company Limited	8.87	-
		Edelweiss Securities (IFSC) Limited*	0.00	-
		Alternative Investment Market Advisors Private Limited*	0.00	-
		ECL Finance Limited	99.06	-
		Edelweiss Rural & Corporate Services Limited	11.89	-
24	Enterprise Cost - In	Edelweiss Rural & Corporate Services Limited	49.80	-
25	Corporate Cost - In	Edelweiss Rural & Corporate Services Limited	3.33	-
26	Corporate Cost - Out	ECap Equities Limited	1.40	-
		Edelweiss Housing Finance Limited	9.22	-
		ECL Finance Limited	51.79	-
		Edelweiss Rural & Corporate Services Limited	1.80	-
		Edel Investments Limited	1.40	-
		Edelweiss General Insurance Company Limited	1.34	-
27	Enterprise Cost - Out	ECL Finance Limited	22.15	-
		Edelweiss Rural & Corporate Services Limited	3.19	-
		Edelweiss Securities Limited	6.68	-
		Edelweiss Gallagher Insurance Brokers Limited	0.50	-
		Edelweiss General Insurance Company Limited	2.36	-
		Edelgive Foundation*	0.00	-
		ECap Equities Limited	0.82	-
		Edelweiss Global Wealth Management Limited	3.39	-
		Edelweiss Broking Limited	5.37	-
		Edelweiss Asset Management Limited	3.03	-
		Edel Investments Limited	0.82	-
		Edelweiss Finance and Investments Limited	2.08	-
		Edelweiss Asset Reconstruction Company Limited	1.59	-
		Edelweiss Alternative Asset Advisors Limited	3.52	-
		Edelweiss Custodial Services Limited	2.26	-
		Edelweiss Housing Finance Limited	2.49	-
		Edelweiss Tokio Life Insurance Company Limited	5.09	-
28	Interest income on margin from	Edelweiss Securities Limited	-	0.01
		Edelweiss Custodial Services Limited	0.81	0.84

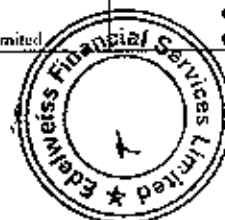


Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(1) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
29	Interest expense on short term loan taken	Edelweiss Rural & Corporate Services Limited	316.27	112.70
30	Commission & Brokerage paid to	Edelweiss Securities Limited	0.78	-
31	Brokerage income earned from	ECL Finance Limited	5.00	-
32	Rent expense paid to	Edelweiss Rural & Corporate Services Limited	-	61.69
		Edelweiss Securities Limited	-	2.84
		Edelweiss Housing Finance Limited	-	0.05
		ECap Equities Limited	-	5.27
		Edelweiss Retail Finance Limited	-	0.07
		Edelweiss Global Wealth Management Limited	-	0.01
		Edelweiss Broking Limited	-	3.91
		ECL Finance Limited	-	0.94
		Edelweiss Asset Management Limited	-	0.71
33	Legal & Prof. Fees paid to	Edelweiss Financial Services Inc.	7.48	31.95
34	Other expenses paid to	Edelweiss Custodial Services Limited	2.85	0.09
35	Cost reimbursements paid to	Edelweiss Rural & Corporate Services Limited	62.60	59.22
		Edelweiss Securities Limited	4.31	1.15
		Edelweiss Tokio Life Insurance Company Limited	0.06	-
		Edelweiss Asset Management Limited	0.06	0.17
		Edelweiss Global Wealth Management Limited	0.13	-
		ECap Equities Limited	2.24	0.43
		ECL Finance Limited	1.55	0.09
		Edelweiss Broking Limited	3.27	1.46
		Edelweiss Retail Finance Limited	0.12	0.05
		Edelweiss Housing Finance Limited	-	0.03
		Edel Finance Company Ltd*	0.00	-
		Edel Investments Limited*	0.00	-
		Edel Land Limited	1.05	-
		Edelweiss Financial Services Inc.	1.49	-
36	Cost reimbursements recovered from	Edelweiss Securities Limited	9.41	14.61
		Edelweiss Rural & Corporate Services Limited	22.12	46.32
		ECL Finance Limited	32.82	35.69
		Edelweiss Tokio Life Insurance Company Limited	62.96	84.39
		Edelweiss Broking Limited	35.08	57.08
		Edelweiss Investment Advisors Limited	0.64	3.70
		Edelweiss Finvest Private Limited	1.29	0.92
		Edelweiss Custodial Services Limited	3.14	3.89
		Edelweiss Constrate Ltd	0.26	1.89
		ECap Equities Limited	1.28	1.78
		Edelweiss Asset Management Limited	7.03	5.73
		Edelweiss Asset Reconstruction Company Limited	6.43	4.31
		Edelweiss Global Wealth Management Limited	2.29	1.79
		Edelvalue Partners	-	0.01
		Edelweiss Housing Finance Limited	15.67	23.48
		Edelweiss Finance and Investments Limited	0.70	1.70
		Edelweiss Retail Finance Limited	1.23	8.06
		Edel Land Limited	0.49	0.21
		Edelweiss Multi Strategy Fund Advisors LLP	-	0.10
		Edelweiss Alternative Asset Advisors Limited	3.35	5.57
		Edelweiss Gallagher Insurance Brokers Limited	2.34	4.78
		Edelweiss General Insurance Company Limited	8.23	6.25
		Edel Investments Limited	0.50	0.49
		Edel Finance Company Ltd	0.14	0.03
		EC Commodity Limited	0.54	0.60
		Edelcap Securities Limited	3.06	3.53
		Lichen Metals Private Limited	0.02	0.06
		EdelGive Foundation	0.12	0.00
		Allium Finance Private Limited	0.61	0.03
		Alternative Investment Market Advisors Private Limited	0.04	0.24



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)

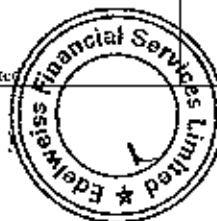
(i) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
		Edelweiss Securities (IFSC) Limited*	0.00	-
		EC Global Limited*	0.00	-
		Aster Commodities DMCC*	0.00	-
		Edelweiss International (Singapore) Pte. Ltd	0.01	-
		Edelweiss Investment Advisors Pte. Limited	0.01	-
		Edelweiss Financial Services Inc.*	0.00	-
		Edelweiss Securities (Hong Kong) Private Limited*	0.00	-
		Edelweiss Financial Services (UK) Limited*	0.00	-
37	ESOP Cost payable	Edelweiss Tokio Life Insurance Company Limited	0.52	-
		Edelweiss General Insurance Company Limited	0.36	-
	Current Account Transactions (Continued)			
38	Transfer of gratuity liability on account of employee transfer to	Edelweiss Alternative Asset Advisors Limited	-	0.04
		Edelweiss Custodial Services Limited	-	0.05
		Edelweiss Finvest Private Limited	-	0.13
39	Transfer of gratuity liability on account of employee transfer from	ECL Finance Limited	-	0.03
		Edelweiss Securities Limited	-	1.91
40	Directors' sitting fees paid to	Berjis Desai	0.26	0.26
		Biswanadhan Mahapatra	0.34	0.28
		Kunmasagaran Chinniah	0.40	0.40
		Navtej S. Nandra	0.26	0.30
		P. N. Venkatachalam	0.34	0.48
		Sanjiv Misra	-	0.28
		Dr. Ashima Goyal	0.10	-
		Ashok Kini	0.10	-
41	Commission paid to Non-executive directors	Berjis Desai	1.00	1.30
		Biswanadhan Mahapatra	1.00	1.30
		Kunmasagaran Chinniah	1.00	1.30
		Navtej S. Nandra	1.00	1.30
		P. N. Venkatachalam	1.00	1.30
		Sanjiv Misra	-	1.30
42	Contribution towards corporate social responsibility	EdelGive Foundation	26.00	34.70
	Balances with related parties			
43	Investments in Equity Shares in	ECL Finance Limited	8,786.68	8,646.66
		Edelweiss Tokio Life Insurance Company Limited	6,025.58	5,992.24
		Edelweiss Finance and Investments Limited	1,536.67	1,692.25
		Edelweiss Alternative Asset Advisors Limited	141.70	110.80
		Edelweiss Asset Management Limited	1,558.60	1,546.49
		Edelweiss Broking Limited	3,197.95	3,140.28
		Edelweiss Rural & Corporate Services Limited	1,656.05	1,608.00
		EC International Limited	6.15	6.20
		ECap Equities Limited	1,289.95	1,260.00
		Edelweiss Retail Finance Limited	914.11	908.14
		Edelweiss Capital (Singapore) Pte. Ltd.	528.21	523.22
		Edel Investments Limited	46.67	46.00
		Edel Land Limited	147.61	147.61
		EdelGive Foundation	0.10	0.10
		Edelweiss Housing Finance Limited	1,138.96	1,155.50
		Edelweiss Gallagher Insurance Brokers Limited	32.27	24.00
		Edelweiss Trusteeship Company Limited	1.00	1.00
		Edelweiss Global Wealth Management Limited	290.01	195.63
		Edelweiss Investment Advisors Limited	7.19	5.50
		Edelweiss General Insurance Company Limited	3,086.16	2,080.00
		Edel Finance Company Ltd	1,700.00	1,700.00
		Edelweiss Finvest Private Limited	1,655.42	1,180.64

(Currency: Indian rupees to millions)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(1) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
		Edelweiss Securities (IFSC) Limited	162.54	147.34
		Edelweiss Securities Limited	241.78	92.00
		Edelweiss Asset Reconstruction Company Limited	448.64	434.89
44	Accrued interest on loans given to	EC International Limited	-	29.38
		Edelweiss Capital (Singapore) Pte. Ltd.	-	111.90
45	Accrued interest on loans taken from	Edelweiss Rural & Corporate Services Limited	13.42	24.33
46	Short term loans given to	EC International Limited	-	330.96
		Edelweiss Capital (Singapore) Pte. Ltd.	-	1,972.34
		Mr. S. Ranganathan	5.00	-
47	Short term loans taken from	Edelweiss Rural & Corporate Services Limited	719.09	3,636.36
48	Trade payables to	EC International Limited*	0.00	-
		Edelweiss Capital (Singapore) Pte. Ltd.	0.01	-
		Edelweiss Finance and Investments Limited	3.93	-
		EC Commodity Limited	0.26	-
		Edelweiss Comrade Ltd	0.04	-
		Edelvalue Partners	0.02	0.02
		Edelweiss Investment Advisors Limited	0.02	0.49
		Edelweiss Financial Services Inc.	8.97	17.33
49	Trade receivables from	EC Global Limited*	0.00	-
		Edelweiss International (Singapore) Pte. Ltd.	0.25	1.66
		Edelweiss Rural & Corporate Services Limited	13.32	22.80
		Edelweiss Finvest Private Limited	6.88	142.26
		Edelweiss Tokio Life Insurance Company Limited	97.60	32.39
		ECap Equities Limited	52.94	64.84
		ECL Finance Limited	69.69	53.23
		Edeleap Securities Limited	4.45	1.04
		Edel Finance Company Ltd.	0.10	0.07
		Edelweiss Asset Management Limited	14.64	2.51
		Edelweiss Asset Reconstruction Company Limited	102.60	17.66
		Edelweiss Securities (IFSC) Limited*	0.00	-
		Edelweiss Custodial Services Limited	7.18	17.38
		Edelweiss Finance and Investments Limited	-	10.57
		Edelweiss Alternative Asset Advisors Limited	25.30	9.37
		Edelweiss Alternative Asset Advisors Pte. Limited	2.13	-
		Edel Land Limited	0.86	0.07
		Edelweiss General Insurance Company Limited	34.63	13.57
		Edelweiss Housing Finance Limited	23.19	20.26
		Edelweiss Global Wealth Management Limited	33.16	17.71
		EC Commodity Limited	0.34	0.12
		Edelweiss Broking Limited	48.26	39.31
		Edelweiss Comtrade Ltd	-	0.05
		EdelGive Foundation	0.02	-
		Edelweiss Gallagher Insurance Brokers Limited	0.18	0.43
		Edelweiss Retail Finance Limited	2.65	1.07
		Alternative Investment Market Advisors Private Limited	-	0.01
		Edelweiss Securities Limited	48.01	16.91
		Allium Finance Private Limited	0.03	0.00
		Edelweiss Capital (Singapore) Pte. Ltd.	-	1.93
		Edel Investments Limited	0.01	0.34
		Lichen Metals Private Limited*	0.00	-
		Aster Commodities DMCC*	0.00	-
		Edelweiss Securities (Hong Kong) Private Limited*	0.00	-
		Edelweiss Financial Services (UK) Limited*	0.00	-
		Edelweiss Investment Advisors Pte. Limited	2.42	-
50	Margin placed with broker	Edelweiss Custodial Services Limited	15.29	66.18
		Edel Investments Limited*	0.00	-
51	Directors nomination deposits placed with	Edelweiss Securities Limited	0.20	0.20
		Edelweiss Finance and Investments Limited	0.50	0.50



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

34. Disclosure as required by Indian Accounting Standard 24 - "Related Party Disclosure" (Continued)
(f) Transactions and balances with related parties

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2020	March 31, 2019
52	Corporate / other guarantee given on behalf of	ECap Equities Limited	0.10	0.10
		Edelweiss Alternative Asset Advisors Limited	0.10	0.10
		Edel Land Limited	0.10	0.10
		Edelweiss Asset Management Limited	0.10	0.10
		ECL Finance Limited	0.10	0.10
		Edelweiss Rural & Corporate Services Limited	0.10	0.10
		Edelweiss Rural & Corporate Services Limited	35,570.00	1,387.17
		Edelweiss Custodial Services Limited	14,405.00	17,850.00
		ECap Equities Limited	4,751.10	6,866.80
		Edelweiss Asset Reconstruction Company Limited	26,549.30	16,067.30
		Edelweiss Finvest Private Limited	2,749.30	5,030.10
		Edelweiss Finance and Investments Limited	310.40	916.77
		Edelweiss Housing Finance Limited	2,384.83	3,106.17
		Edelweiss Securities Limited	1,170.00	2.50
		ECL Finance Limited	3,174.17	54.00

* ₹ 0.00 refers to amount less than ₹ 0.01 million

Note:

- As part of fund based activities, intergroup company loans and advances activities undertaken are generally in the nature of revolving demand loans. Such loans and advances, voluminous in nature, are carried on at arm's length and in the ordinary course of business. Pursuant to Ind AS 24 - Related Party Disclosures, maximum amount of loans given and repaid are disclosed above as in the view of the management it provides meaningful reflection of such related party transactions on the financial statements. Interest income and expenses on such loans and advances are disclosed on the basis of full amounts of such loans and advances given and repaid.
- Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity and provision made for bonus which are provided for group of employees on an overall basis.



L

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

35. Earnings per share

In accordance with Indian Accounting Standard 33 – "Earnings Per Share" prescribed by Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

Particulars	2020	2019
a. Shareholders earnings (as per statement of profit and loss)	825.79	1,028.78
b. Calculation of weighted average number of equity shares of ₹ 1 each:		
- Number of shares outstanding at the beginning of the year	887,772,784	870,602,147
- Number of shares issued during the year	1,739,438	1,71,70,637
Total number of equity shares outstanding at the end of the year	889,512,222	887,772,784
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	888,713,129	882,564,701
c. Number of dilutive potential equity shares	5,575,693	1,47,61,047
d. Basic earnings per share (in ₹) {a/b}	0.93	1.17
e. Diluted earnings per share (in ₹) {a/(b+c)}	0.92	1.15

36. Cost sharing

Edelweiss Financial Services and its group companies provide necessary business and management oversights to its various subsidiaries inter-alia in the form of business and strategy planning, stake holder relation, marketing & publication, technology support, HR Policies including leadership & development of employees, governance and regulatory policies, policy advocacy, legal & litigation handling framework etc. (here in after collectively referred to as "Business and Management oversight"). Subsidiaries of Edelweiss group thus get benefitted from the oversight of expenses incurred by group companies. It is therefore imperative that expenses if incurred on providing such oversight, to be shared by its subsidiaries.

The group companies provide business and support services to each other basis of the signed agreed terms. The services provided are with the intent to create synergies at group level for e.g. sharing of empty spaces with the group companies, having common HR and admin teams, using one's available resource for the benefit of the group.

In consideration of the business and management oversight by Edelweiss group, the beneficiaries shall share and pay towards the costs, as agreed. It is expressly agreed between the parties that sharing of these cost shall be on the total cost over the financial year (April to march) adequate to compensate the function performed, assets employed and risks assumed by group companies and will be determined by the beneficiaries and edelweiss group companies. The amount payable by the beneficiaries will be reviewed intermittently and any amendment to the same will be mutually agreed upon in writing by the parties. For the purpose of total cost means all operating expense including but not limited to, normal recurring cost such as office rent, communication charges, salaries, employee benefits, cost of approved third party vendor, depreciation on assets used and amortization.



37 Employee Benefits

a) Defined contribution plan - Provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 20.92 million (Previous year: ₹ 25.04 million) for provident fund and other contributions in the statement of profit and loss.

b) Defined benefit plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit plan covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of Gratuity Act, 1972. The gratuity benefit is partially provided through funded plan and annual expense is charged to the statement of profit and loss on the basis of actuarial valuation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2020	March 31, 2019
Present Value of DBO at Start of the year	48.30	40.52
Service Cost		
Current Service Cost	4.71	6.39
Effect of Curtailment	(5.03)	-
Interest Cost	3.53	3.09
Benefits Paid	(6.84)	(2.27)
Re-measurements		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	2.24	0.68
c. Actuarial Loss/(Gain) from experience over last past year	(3.08)	(1.84)
Transfer In / (Out)	(0.70)	1.73
Present Value of DBO at end of the year	42.93	48.30

Reconciliation of Fair Value of Plan Assets

	March 31, 2020	March 31, 2019
Fair Value of Plan Assets at start of the year	47.37	41.60
Contributions by Employer	0.03	5.00
Benefits Paid	(6.84)	(2.27)
Interest Income Plan Assets	3.07	2.94
Re-measurements		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(2.83)	0.10
Fair Value of Plan Assets at end of the year	40.80	47.37
Actual Return on Plan Assets	0.23	3.04
Expected Employer Contributions for the coming year	2.00	1.00



Edelweiss Financial Services Limited

Notes to financial statements

(Currency: Indian rupees in million)

37 Employee Benefits

Expenses recognised in the Profit or Loss

	March 31, 2020	March 31, 2019
Service Cost		
Current Service Cost	4.71	6.39
Effect of Curtailment	(5.03)	-
Net Interest on net defined benefit liability / (asset)	0.25	0.14
Employer Expenses	(0.07)	6.53

Net Liability / (Asset) recognised in the Balance sheet

	March 31, 2020	March 31, 2019
Present Value of DOB	42.93	48.30
Fair Value of Plan Assets	40.80	47.37
Liability / (Asset) recognised in the Balance Sheet	2.13	0.93
Funded Status (Surplus/ (Deficit))	(2.13)	(0.93)
Experience Adjustment on Plan Liabilities/(Gain)/Loss	(3.08)	(1.84)

Percentage Break-down of Total Plan Assets

	March 31, 2020	March 31, 2019
Equity instruments	0.0%	0.0%
Debt instruments	0.0%	0.0%
Real estate	0.0%	0.0%
Derivatives	0.0%	0.0%
Investment Funds with Insurance Company	99.9%	100%
Of which, Unit Linked	99.9%	100%
Of which, Traditional/ Non-Unit Linked	0.0%	0.0%
Asset-backed securities	0.0%	0.0%
Structured debt	0.0%	0.0%
Cash and cash equivalents	0.1%	0.0%
Total	100%	100%

Actuarial assumptions:

	March 31, 2020	March 31, 2019
Salary Growth Rate (% p.a.)	7% p.a.	7% p.a.
Discount Rate (% p.a.)	5.90% p.a.	7% p.a.
Withdrawal Rate (% p.a.)		
Senior	13% p.a.	13% p.a.
Middle	18% p.a.	18% p.a.
Junior	25% p.a.	25% p.a.
Mortality Rate	IALM 2012-14(Ultimate)	IALM 2012-14(Ultimate)
Interest Rate on Net DBO / (Asset) (%)	7.3% p.a.	7.3% p.a.
Expected weighted average remaining working life (years)	5 Years	4 Years



Handwritten signature or mark.

37 Employee Benefits

Movement in Other Comprehensive Income

	March 31, 2020	March 31, 2019
Balance at start of year (Loss)/ Gain	1.26	NIL
Re-measurements on DBO		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	(2.24)	(0.68)
c. Actuarial Loss/(Gain) from experience over last past year	3.08	1.84
Re-measurements on Plan Assets		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(2.83)	0.10
Balance at end of year (Loss)/ Gain	(0.73)	1.26

Sensitivity Analysis

DOB increases / (decreases) by	March 31, 2020	March 31, 2019
1 % Increase in Salary Growth Rate	1.56	1.88
1 % Decrease in Salary Growth Rate	(1.42)	(1.75)
1 % Increase in Discount Rate	(1.43)	(1.74)
1 % Decrease in Discount Rate	1.59	1.89
1 % Increase in Withdrawal Rate	(0.09)	(0.24)
1 % Decrease in Withdrawal Rate	0.09	0.24
Mortality (Increase in expected lifetime by 1 year)	2	Negligible Change
Mortality (Increase in expected lifetime by 3 year)	5	Negligible Change

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant there are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

Movement in Surplus / (Deficit)

	March 31, 2020	March 31, 2019
Surplus / (Deficit) at start of year	(0.93)	1.08
Net (Acquisition) / Divestiture	-	-
Net Transfer (In)/ Out	0.70	(1.73)
Movement during the year		
Current Service Cost	(4.71)	(6.39)
Effect of Curtailment	5.03	-
Net Interest on net DBO	(0.25)	(0.15)
Re-measurements	(1.99)	1.26
Contributions / Benefits	0.03	5.00
Surplus / (Deficit) at end of year	(2.12)	(0.93)

c) Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation. The leave encashment on separation is paid on basic salary

Other Disclosures

Description of Asset Liability Matching (ALM) Policy

The Company has an insurance plans invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates. The liabilities' duration is not matched with the assets' duration.

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The Company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

Maturity profile

The average expected remaining lifetime of the plan members is 5 years (March 31, 2019: 4 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

38. Employee stock option plans and Stock Appreciation Right Plan

Edelweiss Financial Services Limited ("EFSL" hereafter), has recognised share based payment expenses for the years ended 31 March 2020 and 31 March 2019 based on fair value as on the grant date calculated as per option pricing model. The grants represent equity-settled options under the Employee Stock Option Plans and Stock Appreciation Rights Plans (hereafter referred to as "ESOP 2010", "ESOP 2011" and "SAR 2019" or "ESOPs" "SARs").

The Edelweiss Group has granted ESOPs under the three plans viz., ESOP 2010, ESOP 2011 SAR 2019 to its employees on an equity-settled basis as tabulated below. The ESOPs/SARs provide a right to its holders (i.e., Edelweiss group employees) to purchase one EFSL share for each option at a pre-determined strike price on the expiry of the vesting period. The ESOP/SAR hence represents an European call option that provides a right but not an obligation to the employees of the Edelweiss group to exercise the option by paying the strike price at any time on completion of the vesting period, subject to an outer boundary on the exercise period.

EFSL has granted stock options to employees of the Edelweiss group on an equity-settled basis as tabulated below.

	SAR 2019	ESOP 2010	ESOP 2011
Dates of grant	Varying	Varying	Varying
Option Type	Equity settled	Equity settled	Equity settled
No. of outstanding options at March 31, 2020	11,230,000	-	21,126,689
No. of outstanding options at March 31, 2019	-	-	20,588,627
No. of Equity shares represented by an option	1 share for 1 option	1 share for 1 option	1 share for 1 option
Fair Value per option	Varies as per the grant date	Varies as per the grant date	Varies as per the grant date
Exercise Price	Varies as per the grant date	Varies as per the grant date	Varies as per the grant date
Vesting Period	2-6 years	1-4 years	1-4 years
Vesting Conditions	Service	Service	Service



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

The vesting of options is subject to the employee's continued employment with the Edelweiss group. The ESOPs shall vest as follows:

	SAR 2019	ESOP 2010	ESOP 2011
Duration from grant date	% options vesting	% options vesting	% options vesting
12 months from the grant date	0%	25%	25%
24 months from the grant date	33.33%	25%	25%
36 months from the grant date	0%	25%	25%
48 months from the grant date	33.33%	25%	25%
60 months from the grant date	0%	0%	0%
72 months from the grant date	33.34%	0%	0%
Total	100.00%	100%	100%

Plan description

Plan Name	Grant Date	Vesting Conditions	Term of Options	Payout
ESOP Plan 2010	Various	As specified in tables above	1-4 years	Equity settled
ESOP Plan 2011			1-4 years	Equity settled
SAR Plan 2019			2-6 years	Equity settled



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

Movement of number of Options for FY 2019-20 and 2018-19

Number of options	FY 2019-20			FY 2018-19		
	SAR 2019	ESOP 2011	Total	ESOP 2010	ESOP 2011	Total
Outstanding at the start of the year	-	20,588,627	20,588,627	1,473,000	33,451,874	34,924,874
Granted during the year*	11,625,000	4,065,000	157,100,00	-	4,153,750	4,153,750
Exercised during the year	-	(1,746,783)	(1,746,783)	(1,462,850)	(15,207,822)	(16,670,672)
Lapsed/ cancelled during the year	(395,000)	(1,800,175)	(2,195,175)	(10,150)	(1,809,175)	(1,819,325)
Outstanding at the end of the year*	11,230,000	21,126,649	32,356,649	-	20,588,627	20,588,627
Exercisable at the end of the year	-	11,241,676	11,241,676	-	10,555,675	10,555,675

*Includes, SAR 2109 515,000, ESOP 2011 1,670,825 (Previous year ESOP 2011 2,090,800) approved but not granted.

Weighted Average Exercise Price for FY 2019-20 and 2018-19

Weighted Average Exercise Price (₹)	Year ended March 31, 2020		Year ended March 31, 2019	
	SAR 2019	ESOP 2011	ESOP 2010	ESOP 2011
Outstanding at the start of the year	NA	117.34	49.41	57.84
Granted during the year	180.26	168.04	-	294.67
Exercised during the year	-	47.27	49.41	39.65
Lapsed/ cancelled during the year	180.65	127.91	48.56	122.76
Outstanding at the end of the year	178.75	131.80	-	117.34
Exercisable at the end of the year	NA	78.84	-	51.27
Weighted Average Share price at the exercise date	NA	47.61	49.91	39.61



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

Outstanding Options as at March 31, 2020 and 2019

	Year ended March 31, 2020		Year ended March 31, 2019	
	SAR 2019	ESOP 2011	ESOP 2010	ESOP 2011
Number of options outstanding	11,230,000	21,126,689	-	20,588,627
Weighted average strike price (Rs)	178.75	131.80	-	117.34
Weighted average remaining lifetime of options (in years)	3.18	0.54	-	0.55
Number of employees covered under the scheme	132	372	-	446

Options granted during FY 2019-20 and 2018-19

	Year ended March 31, 2020		Year ended March 31, 2019	
	SAR 2019	ESOP 2011	ESOP 2010	ESOP 2011
Number of options granted	11,625,000	4,085,000	NA	4,153,750
Weighted average strike price (in Rs)	180.26	168.04	NA	294.67
Weighted average remaining lifetime of options (in years)	4.00	3.50	NA	3.50
Number of employees covered under the scheme	132.00	216.00	NA	179.00
Weighted Average Fair value per option (in Rs)	85.08	81.21	NA	112.57
Weighted Average Intrinsic value per option (in Rs)	1.44	9.03	NA	2.59

Assumptions for Fair Value for FY 2019-20 and 2018-19

	Year ended March 31, 2020		Year ended March 31, 2019	
	SAR 2019	ESOP 2011	ESOP 2010	ESOP 2011
Weighted average share price (in Rs)	180.24	176.39	NA	116.93
Weighted average strike price (in Rs)	178.75	131.80	NA	117.34
Weighted average remaining lifetime of options (in years)	3.18	0.54	NA	0.55
Expected volatility (% p.a.)	56% - 62% p.a.	56% - 62% p.a.	NA	33% - 54% p.a.
Risk-free discount rate (% p.a.)	5.4% - 6.9% p.a.	5.4% - 6.8% p.a.	NA	6.0% - 8.5% p.a.
Expected dividend yield (% p.a.)	0.66% - 0.67% p.a.	0.66% - 0.67% p.a.	NA	0.4% - 3.1% p.a.



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in millions)

Other Disclosures

	Year ended March 31, 2020			Year ended March 31, 2019		
	SAR 2019	ESOP 2011	Total	ESOP 2010	ESOP 2011	Total
Charges during the year due to share based payments	148.93	242.03	390.96	(2.57)	228.04	225.47
Changes in fair value of share based payments due to any modifications made during the year	-	-	-	-	-	-
Liability due for share based payments	148.93	669.25	818.18	-	460.59	460.59
Intrinsic value of the liability above	-	-	-	-	-	-

39. Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 0.92 million (Previous year: ₹ 2.94 million).

40. Contingent liabilities

a) Claims against the Company not acknowledged as debt:

- Income tax matters in respect of which appeal is pending is ₹ 11.30 million for the year (Previous year: ₹ Nil).
- Service tax matters in respect of which appeal is pending is ₹ 534.36 million for the year (Previous year: ₹ 534.36 million).

b) Other claim not acknowledged as debt:

The Company's pending litigations mainly comprise of claims against the Company pertaining to proceedings pending with Income tax, service tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeals and is defending its position. Based on the favorable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote.



2

Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

c) Corporate/other guarantee not acknowledged as debt:

Corporate/other guarantee given by the Company on behalf of its subsidiary companies and to third party and Company which is outstanding as at March 31, 2020 and March 31, 2019 is given below:

Sr. No	Nature of Guarantee	2020	2019
1	Guarantee to trustees of non convertible debentures and subsidiary for preference shares	34,124.10	28,488.90
2	Guarantee to Banks for loan taken by subsidiary company	21,330.00	22,791.90
3	Guarantee given to investors for loan sold by subsidiary Company to Asset Re-construction Company	35,570.00	-
	Total	91,024.10	51,280.80

During the year ended March 31, 2020 and March 31, 2019, ECL Finance, Edelweiss Finvest Private Limited, Edelweiss Retail Finance Limited and Edelweiss Housing Finance Limited (together 'subsidiaries') of the Company have sold certain financial assets aggregating to ₹ 53,140 million (net of provisions and losses) and ₹ 5,830 million (net of provisions of losses) respectively to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 47,650 million. Ind AS 109 - Financial Instruments, prescribed under section 133 of the Companies Act, 2013, requires substantial risks and rewards to be transferred for the purpose of de-recognition of such financial assets from these subsidiaries' financial statements. EFSL, the holding company, and Edelweiss Rural and Corporate Services Limited (ERCSL), a subsidiary, have guaranteed significant risks and assumed rewards in respect of financial assets aggregating to ₹ 35,570 million. As a result, these financial assets are de-recognized in subsidiaries' financial statements. Further, as the risks and rewards continues in the Group, these are accounted as financial assets in the consolidated financial statements of the Group and the consequent expected credit loss, if any, will be recorded in the financial statements of ERCSL or the Company.

41. Details of dues to micro, small and medium enterprises

Trade Payables includes ₹ 0.90 million (Previous year: ₹ Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

42. Disclosure of loans and advances given pursuant to requirements of Regulation 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Sr. no.	Entity	2020		2019	
		Loan outstanding	Maximum amount outstanding during the year	Loan outstanding	Maximum amount outstanding during the year
1	Edelweiss Capital (Singapore) Pte. Limited	-	2,019.05	1,972.34	3,037.88
2	EC International Limited	-	384.62	380.96	1,634.38
3	Edelweiss Rural and Corporate Services Limited	-	6.20	-	6,504.63

All the above loans are repayable on demand as per contracted terms.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

43. Capital Management

The Company manages the capital structure by a balanced mix of debt and equity. The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The Company maintains sound capitalisation both from an economic and regulatory perspective. The Company continuously monitors and adjusts overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives. These perspectives include specific capital requirements from rating agencies.

Capital structure includes infusion in the form of equity and structured debt from strategic business partners in certain of Company's subsidiaries to fund expansion and assist in achieving expected growth in the competitive market.

No changes were made in the objectives, policies or processes during the financial years ended March 31, 2020 and March 31, 2019.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment. Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	As at March 31, 2020	As at March 31, 2019
Total Debt	1,466.63	3,660.63
Equity	34,545.70	33,516.01
Net Debt to Equity	0.04	0.11

44. Risk management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has appointed the Risk Committee which is responsible for monitoring the overall risk process within the Company and reports to the Audit Committee.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits.

The Company is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Company works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Credit risk

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial /contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. Credit risk is monitored using various internal risk management measures and within limits approved by the board within a framework of delegated authorities. It is managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers. Presently Company has credit exposure only to its subsidiaries where adequate control and monitoring is ensured.



Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

Liquidity risk

Liquidity risk emanates from the possible mismatches due to differences in maturity and repayment profile of assets and liabilities. To avoid such a scenario, the Company has maintained cash reserves in the form of Fixed Deposits, Cash, Loans which are callable any time at the Company's discretion, etc. These assets carry minimal credit risk and can be liquidated in a very short period of time. These would be to take care of immediate obligations while continuing to honour commitments as a going concern.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below at note number 47 summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31. All OTC derivatives used for hedging are shown by maturity, based on their contractual undiscounted payment obligations. All exchange traded derivatives held for trading are analyzed based on expected maturity.

Market Risk:

Market risk is the risk which can affect the Company's profit/(loss) due to adverse movements in market prices of instrument due to interest rates, equity prices, foreign exchange rates. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.

Foreign exchange risk – Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's foreign exposure is limited to investments and loans to Group entities outside India. The Company aggregates the foreign exchange exposure emerging out of these loans and the same is hedged using OTC and exchange traded derivatives. Positions are regularly monitored by the Company and rebalanced/ rolled over based on the inflow and outflow of funds.

2019-20				
Currency	Increase in currency rate (%)	Effect on profit before tax	Decrease in currency rate (%)	Effect on profit before tax
USD	5	(20.95)	5	20.95
2018-19				
Currency	Increase in currency rate (%)	Effect on profit before tax	Decrease in currency rate (%)	Effect on profit before tax
USD	5	(53.56)	5	53.56



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

45. Fair Value measurement:

A. Valuation governance framework

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

B. Fair value hierarchy

Fair values of financial assets and liabilities are determined according to the following hierarchy

Level 1 – valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that company can access at the measurement date.

Level 2 – valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

C. Financial instruments not measured at fair value:

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade and other payables as on March 31, 2020 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

D. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	-	-	-	-
Total derivative financial instruments - A	-	-	-	-
Investments				
Equity instruments	0.80	23.15	-	23.95
Total investments measured at fair value - B	0.80	23.15	-	23.95
Total (A+B)	0.80	23.15	-	23.95
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	1.89	-	-	1.89
OTC derivatives	-	-	-	-
Total derivative financial instruments	1.89	-	-	1.89
	1.89	-	-	1.89



Handwritten signature or mark.

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

45. Fair Value measurement:

As at March 31, 2019	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	0.16	-	-	0.16
OTC derivatives	-	-	-	-
Total derivative financial instruments - A	0.16	-	-	0.16
Investments				
Equity instruments	2.31	128.76	-	131.07
Total investments measured at fair value - B	2.31	128.76	-	131.07
Total (A+B)	2.47	128.76	-	131.23
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	4.42	-	-	4.42
OTC derivatives	-	2.48	-	2.48
Total derivative financial instruments	4.42	2.48	-	6.90
	4.42	2.48	-	6.90

E. There have been no transfers between levels during the year ended March 31, 2020 and March 31, 2019.

Note :

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

Unquoted equity instruments:

Equity instruments in non-listed entities are re-measured at each reporting date at valuation provided by external valuer at instrument level.

Derivatives:

The Company enters into certain derivative financial instruments primarily with banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly forward exchange contracts.

Exchange traded derivatives:

Company has entered into certain exchange-traded currency futures. The Company uses latest traded prices at the reporting date to value these derivatives and classifies these instruments as Level 1 in the hierarchy.



8

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian Rupees in million)

46. Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	13.66	-	13.66	109.95	-	109.95
Bank balances other than cash and cash equivalents	9.55	-	9.55	59.97	-	59.97
Trade receivables	618.94	-	618.94	529.62	-	529.62
Loans	6.73	-	6.73	2,538.68	-	2,538.68
Investments	8,314.63	26,358.24	34,672.87	-	33,392.51	33,392.51
Other financial assets	15.28	378.00	393.28	133.25	331.71	464.96
Non-financial assets						
Current tax assets (net)	-	618.59	618.59	-	425.77	425.77
Deferred tax assets (net)	-	291.13	291.13	-	258.65	258.65
Property, Plant and Equipment	-	8.36	8.36	-	13.75	13.75
Intangible assets under development	-	9.16	9.16	-	9.96	9.96
Other intangible assets	-	16.83	16.83	-	32.23	32.23
Other non-financial assets	-	161.63	161.63	-	132.69	132.69
Total Assets	8,978.79	27,841.94	36,820.73	3,369.50	34,597.37	37,966.77
Financial Liabilities						
Derivative financial instruments	-	-	-	2.48	-	2.48
Trade payables	81.20	-	81.20	106.90	-	106.90
Debt securities	734.12	-	734.12	-	-	-
Borrowings (other than debt securities)	732.51	-	732.51	3,660.63	-	3,660.63
Other financial liabilities	220.50	356.59	577.09	271.27	331.71	602.98
Non-financial liabilities						
Current tax liabilities (net)	-	60.84	60.84	-	45.86	45.86
Provisions	1.36	7.72	9.08	-	10.27	10.27
Other non-financial liabilities	71.19	-	71.19	21.64	-	21.64
Total Liabilities	1,840.88	434.15	2,275.03	4,062.92	387.84	4,450.76
Net	7,137.91	27,407.79	34,545.70	(693.42)	34,209.43	33,516.01

Note :

The Company in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet its obligations at all points of time.



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

47 Remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31 March. All OTC derivatives used for hedging are shown by maturity, based on their contractual undiscounted payment obligations. All exchange traded derivatives held for trading are analyzed based on expected maturity.

A. Analysis of non-derivative financial liabilities and assets by remaining contractual maturities

As at March 31, 2020	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Trade payables	31.20	-	-	31.20
Debt securities	750.00	-	-	750.00
Borrowings other than debt securities	732.51	-	-	732.51
Other financial liabilities	220.50	-	-	220.50
Total undiscounted non-derivative financial liabilities	1,734.21	-	-	1,734.21

As at March 31, 2020	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Cash and cash equivalent and other bank balances	23.21	-	-	23.21
Trade receivables	618.94	-	-	618.94
Loans	6.73	-	-	6.73
Investments at fair value through profit or loss	23.95	-	-	23.95
Other financial assets	45.28	-	21.41	166.99
Total undiscounted non-derivative financial assets	618.11	-	21.41	759.52

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Trade payables	106.90	-	-	106.90
Borrowings other than debt securities	3,660.63	-	-	3,660.63
Other financial liabilities	271.27	-	-	271.27
Total undiscounted non-derivative financial liabilities	4,038.80	-	-	4,038.80

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Cash and cash equivalent and other bank balances	169.95	-	-	169.95
Trade receivables	527.62	-	-	527.62
Loans	2,538.63	-	-	2,538.63
Investments at fair value through profit or loss	131.07	-	-	131.07
Other financial assets	32.91	-	50.34	333.25
Total undiscounted non-derivative financial assets	3,460.18	-	50.34	3,560.52

Note:

The Company, in addition to generating operating income from merchant banking activities, is also a holding Company of profitable subsidiaries involved in diversified businesses and receives dividend distribution at regular interval and will be comfortably able to meet its obligations at all points of time.



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

47 Remaining contractual maturities

B. Maturity analysis for derivatives

All derivatives which are entered into for trading purposes are shown in the earliest time band. With respect to other derivatives, the remaining contractual maturity information has been given based on undiscounted cash flows.

As at March 31, 2020	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Net settled derivatives entered into for trading purposes	(1.89)	-	-	(1.89)
Other net settled derivatives (other than those entered into for trading purposes)	-	-	-	-
Total	(1.89)	-	-	(1.89)

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Net settled derivatives entered into for trading purposes	(4.26)	-	-	(4.26)
Other net settled derivatives (other than those entered into for trading purposes)	(2.48)	-	-	(2.48)
Total	(6.74)	-	-	(6.74)

C. The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments.

As at March 31, 2020	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Financial guarantee contracts issued	-	91,024.10	-	91,024.10
Total	-	91,024.10	-	91,024.10

As at March 31, 2019	Up to 3 months	Equal to or more than 6 months but less than 12 months	Equal to or more than 12 months but less than 3 years	Total
Financial guarantee contracts issued	-	51,230.80	-	51,230.80
Total	-	51,230.80	-	51,230.80

Note:

1) The Company has undrawn line of credit amounting to ₹.Nil as at March 31, 2020 (previous year ₹.2,000 Million).

2) Outstanding Guarantees issued by the Company are reflected in the respective time bucket as these could be invoked any time on the Company. However, considering the credit-worthiness and soundness of the subsidiary companies on whose behalf these guarantees are given, they will be able to meet it's obligations and hence the Company does not expect any devolvement of these guarantees on it.

3) ECL Finance Limited, Edelweiss Finvest Private Limited, Edelweiss Retail Finance Limited (together 'subsidiaries') of the Company had initiated sale of certain financial assets before March 31, 2020 and for which definitive contracts were executed post the balance sheet date. These financial assets sold subsequent to March 31, 2020, amounted to ₹.16,570 million to alternative assets fund and asset reconstruction companies trusts. As per Ind AS 109, Financial Instruments, prescribed under section 133 of the Companies Act, 2013 significant judgement is involved in classification of assets which has been premised on notion: of factors caused by COVID 19. Accordingly, management of these subsidiary companies assessed that such loans sold by these subsidiaries subsequent to March 31, 2020 had an increased risk but were not credit impaired. Of the above, on ₹.8,450 million sold to alternative assets funds, the Company, has, vide a put agreement dated July 1, 2020, undertaken to purchase part of these financial assets amounting to ₹.4,500 million under certain contingencies as per the agreement. Further, on financial assets amounting to ₹.8,120 million sold to asset reconstruction trusts, the Company, and ERCSL, a subsidiary, have, guaranteed significant risks and assumed rewards in respect of an aggregate value of financial assets of ₹.6,120 million. As at March 31, 2020, there are no impact on the financial statements of the Company and on the Group's consolidated financial statements other than expected credit loss already provided amounting to ₹.5,560 million in the consolidated financial statements.

4) Pursuant to shareholders agreement between CDPQ Private Equity Asia Pte. Ltd. (CDPQ), Edelweiss Financial Services Limited (EFSL) the Company, has undertaken to make equity investment in ECL Finance (ECLF), a subsidiary company of an amount equivalent to losses, if any, incurred by ECLF on certain identified financial assets. CDPQ and the Company currently are in discussions on various matters in connection with such undertaking by the Company. Pending finalization of these matters, the Company has determined that there is no commitment as at March 31, 2020.



2

Edelweiss Financial Services Limited
Notes to the financial statements (Continued)

(Currency: Indian rupees in million)

48 Other Ind AS 115 disclosures -Revenue from contract with customers

Set out below is the disaggregation of the revenue from contracts with customers.

Type of Services or service	March 31, 2020	March 31, 2019
Advisory fees	959.81	1,562.24
Total revenue from contracts with customers		
Geographical markets		
India	954.76	1,443.55
Outside India	5.05	118.69
Total revenue from contracts with customers	959.81	1,562.24
Timing of revenue recognition		
Services transferred at point in time	959.81	1,562.24
Services transferred over time	-	-
Total revenue from contract with customers	959.81	1,562.24

Note :

The Company satisfies its performance obligations on completion of service with regards to investment banking, advisory and other fees. The payments on these contracts is due on completion of service, the contracts do not contain a significant financing component and the consideration is not variable.

Further, at the end of the reporting period, there are no unsatisfied performance obligations with respect to existing contracts.



Edeleviss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

49. Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and

Particulars	As at March 31, 2020			As at March 31, 2019		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent and other bank balances	23.21	-	23.21	169.95	-	169.95
Trade receivables	618.94		618.94	527.62		527.62
Loans at amortised cost	6.73	-	6.73	2,538.68	-	2,538.68
Financial investments- FVTPL	23.95	23.95	-	131.07	131.07	-
Financial investments- at cost	34,648.92	-	34,648.92	33,261.44	-	33,261.44
Other financial assets	393.28	15.28	378.00	464.96	82.91	382.05
Total	35,715.03	39.23	35,675.80	37,093.72	213.98	36,879.74
Liability						
Borrowings (other than debt securities)	732.51	-	732.51	3,660.63	-	3,660.63
Derivative financial instruments	-	-	-	2.48	2.48	-
Debt securities	734.12	-	734.12	-	-	-
Trade payables	81.20	-	81.20	106.90	-	106.90
Other financial liabilities	577.09	-	577.09	602.98	-	602.98
Total	2,124.92	-	2,124.92	4,372.99	2.48	4,370.51



Edelweiss Financial Services Limited
Notes to the financial statements (Continued)
(Currency: Indian rupees in million)

50 Disclosure related to collateral

Following table sets out availability of Company's assets to support funding

As at 31 March 2020	Pledge as	Available as	Total carrying
Cash and cash equivalent including bank balance	-	23.21	23.21
Trade receivables	-	618.94	618.94
Loans	-	6.73	6.73
Investments	-	34,672.87	34,672.87
Deposits- others	-	21.41	21.41
Margin placed with broker	-	15.28	15.28
Corporate guarantee fees receivable	-	356.59	356.59
Property, plant and equipment	-	8.36	8.36
Other non financial assets	-	161.63	161.63
Total assets	-	35,885.02	35,885.02

As at 31 March 2019	Pledge as	Available as	Total carrying
Cash and cash equivalent including bank balance	50.00	119.95	169.95
Trade receivables	-	527.62	527.62
Loans	-	2,538.68	2,538.68
Investments	-	33,392.51	33,392.51
Deposits- others	-	50.34	50.34
Margin placed with broker	-	82.91	82.91
Corporate guarantee fees receivable	-	331.71	331.71
Property, plant and equipment	-	13.75	13.75
Other non financial assets	-	132.69	132.69
Total assets	50.00	37,190.16	37,240.16



2

Edelweiss Financial Services Limited
Notes to the Financial statements (Continued)
(Currency: Indian rupees in million)

Analysis of risk concentration

51. Industry analysis - risk concentration for March 31, 2020

Particulars	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	23.21	-	23.21
Trade receivables	618.94	-	618.94
Loans	6.73	-	6.73
Investments	34,672.87	-	34,672.87
Other financial assets	393.28	-	393.28
Total	35,715.03	-	35,715.03

Industry analysis - risk concentration for March 31, 2019

Particulars	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	169.95	-	169.95
Trade receivables	527.62	-	527.62
Loans	2,538.68	-	2,538.68
Investments	33,392.51	-	33,392.51
Other financial assets	464.96	-	464.96
Total	37,093.72	-	37,093.72



8

Edelweiss Financial Services Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

52. COVID-19

The COVID-19 pandemic outbreak across the world including India has resulted in most countries announcing lockdowns and quarantine measures that have sharply stalled economic activities across the world. The Indian Government too has imposed lockdowns starting from March 24, 2020. The Indian economy is impacted and would continue to be impacted by this pandemic and the resultant lockdown, due to the contraction in industrial and services output across small and large businesses. The impact of the COVID -19 pandemic on the Company's results, including credit quality and provisions, gain/loss on fair value changes, investment impairments, remains uncertain and dependent on the current and further spread of COVID -19, steps taken by the government and other regulators to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels.

As at 31 March 2020, the Company has sufficient capital and liquidity position. Asset quality is being reviewed as part of the risk management and provisioning assessment. With sufficient capital, liquidity and ability to raise funds, provides adequate support that Company would continue to fulfil all required contractual obligations. The management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. The Company would continue to focus on maintaining adequate capital and ensuring liquidity at all points in time.

In assessing the recoverability of loans, receivables, intangible assets, deferred tax assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

53. Subsequent event

ECL Finance Limited, Edelweiss Finvest Private Limited, Edelweiss Retail Finance Limited (together 'subsidiaries') of the Company had initiated sale of certain financial assets before March 31, 2020 and for which definitive contracts were executed post the balance sheet date. These financial assets sold subsequent to March 31, 2020, amounted to ₹ 16,570 million to alternative assets fund and asset reconstruction companies trusts. As per Ind AS 109, Financial Instruments, prescribed under section 133 of the Companies Act, 2013 significant judgement is involved in classification of assets which has been accentuated on account of factors caused by COVID 19. Accordingly, management of these subsidiary companies assessed that such loans sold by these subsidiaries subsequent to March 31, 2020 had an increased risk but were not credit impaired. Of the above, on ₹ 8,450 million sold to alternative asset funds, the Company, has, vide a put agreement dated July 1, 2020, undertaken to purchase part of these financial assets amounting to ₹ 4,500 million under certain contingencies as per the agreement. Further, on financial assets amounting to ₹ 8,120 million sold to asset reconstruction trusts, the Company, and ERCSL, a subsidiary, have, guaranteed significant risks and assumed rewards in respect of an aggregate value of financial assets of ₹ 6,120 million. As at March 31, 2020, there are no impact on the financial statements of the Company and on the Group's consolidated financial statements other than expected credit loss already provided amounting to ₹ 5,560 million in the consolidated financial statements.

54. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

55. Previous year figures have been reclassified to conform to this year's classification.

56. All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirements of Schedule III, unless otherwise stated.



Edelweiss Financial Services Limited
Notes to the financial statements (*Continued*)

(Currency: Indian rupees in millions)

57. These financial statements have been approved for issue by the Board of Directors of the Company on July 04, 2020.

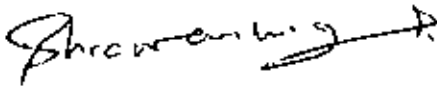
The accompanying notes are an integral part of financial statements.

As per our report of even date attached.

For For S.R. Batliboi & Co. LLP

Chartered Accountants


ICAI Firm Registration No.: 301003E/E300005



per Shrawan Jalan
Partner
Membership No.: 102102

Mumbai
July 04, 2020

For and on behalf of the Board of Directors



Rashesh Shah
Chairman, Managing Director & CEO
DIN: 00008322

Himanshu Kaji
Executive Director
DIN: 00009438



S Ranganathan
Chief Financial Officer

Mumbai
July 04, 2020



B Ranganathan
EVP & Company Secretary




**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS OF
EDELWEISS FINANCIAL SERVICES LIMITED BY WAY OF POSTAL BALLOT ON
SEPTEMBER 10, 2014**

ITEM NO. 1:-

"RESOLVED that in supersession of all the earlier Resolutions passed in this regard, consent of the Company be and is hereby accorded, pursuant to Sections 180(1)(c) and 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), and the Rules framed thereunder to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) for borrowing from time to time, any sum or sums of money for the purposes of the Company, upon such terms and conditions and with or without security, as the Board may in its discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed, may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however that the sums so borrowed and remaining outstanding on account of principal shall not, at any time, exceed Rs. 10,000 crores."

For Edelweiss Financial Services Limited


B. Renganathan
Executive Vice President & Company Secretary

Address Edelweiss House, Off C.S.T Road, Kalina
Mumbai - 400 098

Membership No. F2922



**CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT IN RESPECT OF THE
SPECIAL RESOLUTION PASSED BY WAY OF POSTAL BALLOT ON
SEPTEMBER 10, 2014**

ITEM NO. 1:-

In accordance with the provisions of Section 293 of the Companies Act, 1956, the members at the 16th Annual General Meeting held on July 25, 2011, had authorised the Board of Directors of the Company to borrow monies in excess of the paid-up share capital and free reserves upto Rs. 10,000 crores and, to secure the re-payment thereof.

As per the provisions of Section 180 of the Companies Act, 2013 (the 'Act') and the Circulars issued thereunder, the said approval of the members will remain in force upto September 11, 2014. Therefore, it would be necessary to obtain the approval of the members for borrowing monies in excess of the aggregate of the paid-up capital of the Company and its free reserves and to secure the re-payment thereof.

The Board recommends passing the Special Resolution set out in Item No. 1 of the Postal Ballot Notice.


Your approval is being sought by voting through Postal Ballot pursuant to the provisions of Section 110 of the Act and the Rules as may be applicable for passing the Special Resolution as set out in this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested in this item of business. It may be noted that Mr. Rashesh Shah, Mr. Venkat Ramaswamy, Ms. Vidya Shah, Mr. Himanshu Kaji, Mr. Rujan Panjwani, Mr. Narendra Jhaveri, Mr. P. N. Venkatachalam, Mr. Navtej S. Nandra, the Directors of the Company and Mr. S. Ranganathan and Mr. B. Renganathan, the Key Managerial Personnel are Members of the Company.

Edelweiss Financial Services Limited


B. Renganathan
Executive Vice President & Company Secretary

Address Edelweiss House, Off C.S.T Road, Kalina
Mumbai – 400 098

 **Membership No.** F2922

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON JULY 4, 2020

“RESOLVED that based on the approval accorded by the Board at its meeting held on May 13, 2016 and in terms of the power delegated to the Operations Committee, non-convertible debentures for an amount not exceeding Rs. 2,500 crores be issued on a private placement basis from time to time and that the Operations Committee be authorised to do all such acts, deeds and matters as maybe required to give effect to the resolution.”

For Edelweiss Financial Services Limited

Renganathan Bashyam

Digital Signature of Renganathan Bashyam
DN: cn=Renganathan Bashyam, o=Edelweiss Financial Services Limited, ou=Operations Committee, email=Renganathan.Bashyam@edelweissfin.com, c=IN
c=IN, o=Edelweiss Financial Services Limited, ou=Operations Committee, email=Renganathan.Bashyam@edelweissfin.com, cn=Renganathan Bashyam
Date: 2020.08.21 11:31:57 +05'30'

B. Renganathan
Executive Vice President & Company Secretary

CL/MUM/20-21/DEB/503

17-Nov-2020

Edelweiss Financial Services Limited

Edelweiss House, Off. C.S.T Road, Kalina, Mumbai MH 400098 IN

Kind Attn:-Avinash Agarwal

Dear Sir,

**Consent to act as Trustee for Secured, Listed, Rated, Redeemable,
Non-Convertible Debentures aggregating to upto Rupees 200.0000 Crores
to be issued by your Company.**

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the Secured, Listed, Rated, Redeemable, Non-convertible debentures aggregating upto 200.0000 Crores to be issued. In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

Acceptance Fee: Rs.100,000.00 plus applicable taxes (One Time, Non Refundable payable on appointment as trustee).

Service Charges: Rs.200,000.00 . plus applicable taxes payable in advance, for each financial year or any part thereof, effective from the date of execution till satisfaction of charges in full. Pro-rata charges would apply for the first year from date of appointment till. 31-Mar-2021

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and reimbursed on actual basis.

Yours faithfully,

For Catalyst Trusteeship Limited

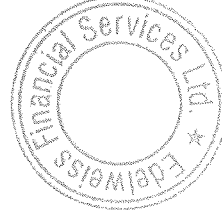
UMESH
MANOHAR
SALVI

Digitally signed by
UMESH MANOHAR
SALVI
Date: 2020.11.17
21:56:11 +05'30'

Authorised Signatory

NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

For Edelweiss Financial Services Limited



Authorised Signatory



CL/MUM/20-21/DEB/503

17-Nov-2020

Edelweiss Financial Services Limited

Edelweiss House, Off. C.S.T Road, Kalina, Mumbai MH 400098 IN

Kind Attn:-Avinash Agarwal

Dear Sir,

**Consent to act as Trustee for Secured, Listed, Rated, Redeemable,
Non-Convertible Debentures aggregating to upto Rupees 200.0000 Crores
to be issued by your Company.**

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the Secured, Listed, Rated, Redeemable non-convertible debentures aggregating upto 200.0000 Crores to be issued by your Company. In this connection, we are agreeable to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and term loans and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange(BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Yours faithfully,

For Catalyst Trusteeship Limited

UMESH
MANOHAR
SALVI

Digitally signed by
UMESH MANOHAR
SALVI
Date: 2020.11.17
21:56:39 +05'30'

For Edelweiss Financial Services Limited**Authorised Signatory****Authorised Signatory**

NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

An ISO:9001 Company

Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel +91 (022) 4922 0555 Fax +91 (022) 4922 0505
Regd. Office GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel +91 (020) 25280081 Fax +91 (020) 25280275
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel 11 430 29101/02.
CIN No. U74999PN1997PLC110262 Email dt@ctltrustee.com Website www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai




Proforma to pay Stamp Duty/ Registration Fee

Web Token number	IBKLMH201123787354	Web Token Generated Date Time	23/11/2020 07:53:40
District	7101-MUMBAI	Office Name	IGR182-BOM1_MUMBAI CITY 1 SUB REGISTRAR

NEFT Payment Details

Reference No	CMS1695231096	Reference No Date	20-11-2020
Account No	IFSC Code		

Object		Amount	
Stamp Duty	0030045501-75	Amount	700
Registration Fees	0030063301-70	Amount	0
Total Amount			700
Web token to be produced to respective branch to initiate payment of Stamp duty and Registration Fees.			
New!			

Duty Payer details

Duty Payer Name	EDELWEISS FINANCIAL SERVICES LIMITED		
Duty Payer ID	PAN-AAACE1461E	Duty Payer Mob No.	+919820215382

Property Details

Particulars*	DEBENTURE TRUSTEE AGREEMENT		
State		Pincode	0
Article Code	5(h) (B) (vi)--Agreement-if not otherwise provided for	Movability	NA
Consideration Amount	2000000000	Property Area	0.00

Other Party details

Other Party Name	CATALYST TRUSTEESHIP LIMITED
Other Party ID	PAN-AACCG4147R

Branch details

Branch Name	Khar (West)
Branch Address	Dharmi Niwas, Plot No77R K Mission MargKhar (West)

Instrument details

Type of Receipt	e-SBTR	Type Of Instrument	NEFT
Instrument Number	CMS1695231096	Instrument Date	20-11-2020
Drawee Bank Name	ICICI BANK LTD	Drawee Branch Name	MUMBAI

Signature

Duty Payer Name	EDELWEISS FINANCIAL SERVICES LIMITED
-----------------	--------------------------------------

Duty Payer Signature

Print

Please visit the selected branch before else the amount may be returned to the remitting bank.

DEBENTURE TRUSTEE APPOINTMENT AGREEMENT

BETWEEN

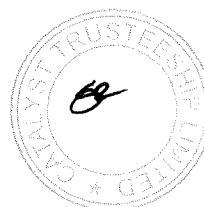
EDELWEISS FINANCIAL SERVICES LIMITED

AS THE COMPANY (ISSUER/COMPANY)

AND

CATALYST TRUSTEESHIP LIMITED

AS THE DEBENTURE TRUSTEE



DEBENTURE TRUSTEE APPOINTMENT AGREEMENT

This Debenture Trustee Appointment Agreement ("**Agreement**") is made at Mumbai on this December 2, 2020.

BETWEEN

EDELWEISS FINANCIAL SERVICES LIMITED, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identity number **L99999MH1995PLC094641** and having its registered office at Edelweiss House, Off. CST. Road, Kalina, Mumbai – 400098, Maharashtra, India and an office at Merchantile House, 15 K G Marg, New Delhi – 110 001 (hereinafter called the "**Company**" / "**Issuer**" which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors and assigns) of ONE PART

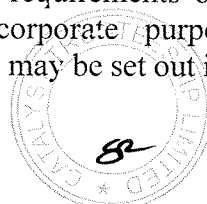
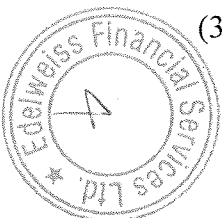
AND

CATALYST TRUSTEESHIP LIMITED (Formerly GDA TRUSTEESHIP LIMITED), a company incorporated under the Companies Act, 1956 and having CIN U74999PN1997PLC110262 and its registered office at GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038, and its branch office at Windsor, 6th Floor, Office No.604, C.S.T.Road, Kalina, Santacruz (East), Mumbai – 400098 , and 810, 8th Floor, Kailash Building, 26,Kasturba Gandhi Marg, New Delhi –110001 (hereinafter called the "**CTL**" / "**Debenture Trustee**", which expression shall, unless excluded by or repugnant to the context or meaning thereof, include the Debenture Trustee and its successors and assigns) of the **OTHER PART**.

The Company and the Debenture Trustee are hereinafter individually referred to as "**the Party**" and are collectively referred to as "**the Parties**".

WHEREAS:

- (1) The Company proposes to issue redeemable, listed, unlisted, secured non-convertible debentures in accordance with SEBI Debt Securities Regulations (*as defined hereinbelow*) and other Applicable Law on the terms and conditions as set out in the Disclosure Document(s) ("**Debentures**").
- (2) Pursuant to the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the SEBI Debt Securities Regulations, the Company is required to appoint a Debenture Trustee for the benefit of and to act on behalf of the holders of the Debentures ("**Debenture Holders**") and accordingly the Company has approached CTL to act as the Debenture Trustee for the Debenture Holders. CTL has agreed to act as the Debenture Trustee to act on behalf of and for the benefit of the Debenture Holders vide consent letter dated November 17, 2020 bearing reference no. CL/MUM/20-21/DEB/503.
- (3) The issuance of Debentures shall to meet requirements of funds for augmenting its working capital requirements, general corporate purposes, refinancing, making investments and/or for any other purposes as may be set out in the Disclosure Document,



in accordance with the provisions of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time ("**SEBI Debt Securities Regulations**"), the applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, SEBI circular on 'Guidelines for Issue and Listing of Structured Products / Market Linked Debentures' dated September 28, 2011, bearing reference no. Cir. /IMD/DF/17/2011 (as applicable to MLDs) ("**SEBI MLD Circular**") and other provisions of Applicable Law as amended from time to time.

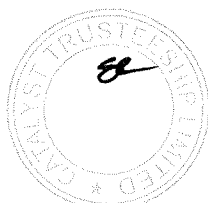
- (4) The Company has passed a board resolution on July 4th, 2020 authorizing borrowing of funds by way of issuance of Debentures, in accordance with the Disclosure Document and the broad terms to be mentioned in the Debenture Trust Deed.
- (5) Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, ("**SEBI LODR**"), SEBI MLD Circular, and SEBI Debt Securities Regulations, the Company will submit the details required as per Schedule I of SEBI the SEBI Debt Securities Regulations to the BSE Limited ("**BSE**") for the purpose of listing the Debentures on its Wholesale Debt Market ("**WDM**") segment.
- (6) The Debenture Trustee is registered with SEBI as a debenture trustee under the SEBI (Debenture Trustee) Regulations, 1993, as amended from time to time.
- (7) Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, and the SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, and in the event that the Debentures are required to be listed in accordance with the Disclosure Documents(s), Pursuant to the Applicable Laws, the Company will be required to execute the uniform listing agreement and comply with the said Regulations *inter-alia* by furnishing the requisite information to the BSE, the Debenture Trustee and the Debenture Holders.
- (8) At the request of the Company, CTL has agreed to act as the Debenture Trustee under this Agreement on the terms and conditions agreed upon and hereinafter set out in the Debenture Trust Deed to be executed on or about the date of this Agreement.
- (9) Words and expressions used herein and defined in the debenture trust deed to be entered into between the Company and the Debenture Trustee (the "**Debenture Trust Deed**") shall have the meaning respectively assigned to such words and expressions in the Debenture Trust Deed and shall be deemed incorporated herein by reference (as of the date hereof, irrespective of the date of execution of the Debenture Trust Deed).

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

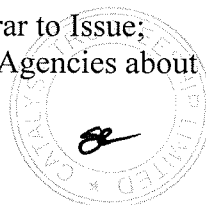
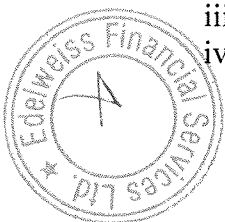
1. Notwithstanding anything to the contrary contained in this Agreement, or any other Transaction Documents, the Parties hereby agree, confirm and acknowledge that the terms of the Debenture Trust Deed shall prevail in case of any conflict in the terms of this Agreement and the Debenture Trust Deed. Further, it is agreed that the Debenture Trustee shall act in accordance with the terms of the Debenture Trust Deed in discharging its obligations under the Transaction Documents.



2. The Company hereby appoints CTL as the Debenture Trustee for the benefit of and to act on behalf of the Debenture Holders of the Debentures to be issued by the Company; and CTL hereby accepts such appointment and pursuant thereto the Issuer hereby settles in trust with CTL a sum of Rs. 1,000 (Rupees One Thousand Only) for the benefit of the Debenture Holders subject to the terms and conditions in this Agreement and the Debenture Trust Deed. CTL agrees to act as Debenture Trustee on behalf of and for the benefit of the Debenture Holders and for the purposes related thereto, strictly in accordance with the provisions of the Transaction Documents and more particularly given in the Debenture Trust Deed. The Debenture Trustee shall act only in accordance with Debenture Trust Deed.
3. In such trust capacity, the Debenture Trustee agrees and is authorised:
 - (a) To execute and deliver this Agreement, Debenture Trust Deed, all Security Documents and all other documents, agreements and instruments contemplated by the Debenture Documents or the other documents which are to be executed and delivered by the Debenture Trustee or as the Debenture Trustee shall deem advisable and in the best interests of the Debenture Holders;
 - (b) To take whatever action as shall be required to be taken by the Debenture Trustee pursuant to the terms of the Debenture Documents, and subject to the terms and provisions of this Agreement or any other Debenture Documents, to exercise its rights and perform its duties and obligations under each such documents, agreement and instruments; and
 - (c) Subject to the terms and provisions of this Agreement and the other Debenture Documents, to take such other action in connection with the foregoing as the Debenture Holders may from time to time direct.
4. In the event the Debentures are required to be listed in accordance with the Disclosure Document(s), the Company will submit the required details along with the necessary documents mentioned in the checklist of the listing application to the BSE, for the purpose of listing the Debentures on the WDM of BSE, and after the allotment of the Debentures, and will apply to obtain the final listing approval from the BSE.
5. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoters have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities.
6. The Company hereby declares and confirms that the proposal to create a charge or security in respect of secured debt securities has been/ shall be disclosed in the Disclosure Document.
7. The Company hereby declares and confirms that it will give an undertaking in the Disclosure Document that the assets on which charge will be created will be free from encumbrances and if assets are already charged to secure the debt, the permissions or consent to create a charge on the assets of the Company have been obtained from the existing creditors (if so required under the existing documents).



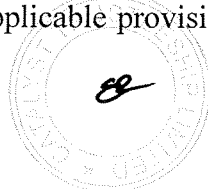
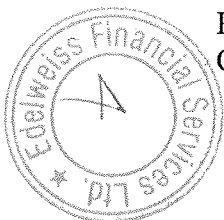
8. The Issuer Company confirms that the requisite disclosures will be made in the Disclosure Document(s).
9. The Debenture Trustee, "ipso facto" do not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/ invested by the Debenture Holders for the Debentures.
10. The Company hereby agrees to ensure the compliance of the Companies Act, 2013 and the applicable guidelines issued by RBI in respect of allotment of debentures i.e. Debentures under listed private placement.
11. The Company shall execute the Debenture Trust Deed in favour of the Debenture Trustee within the period of three months from the date of closure of the issue, setting out thereby the detailed terms and conditions of the Debentures including the rights, duties and obligations of the Company and the Debenture Trustee in terms of Rule 18(5) of the Companies (Share Capital and Debentures) Rules, 2014. The relevant parties shall finalize the draft of the Debenture Trust Deed thereto. The Debenture Trust Deed shall consist of two parts: Part A containing statutory/standard information pertaining to the debt issue; Part B containing details specific to the particular debt issue.
12. The Company shall ensure that the security is created by the Company within period of three months from the date of closure of the issue, over such of its movable properties and on such terms and conditions as agreed by the Debenture Holders and shall be disclosed in the Disclosure Document and the Transaction Documents and execute the Debenture Trust Deed and other necessary Security Documents as approved by the Debenture Trustee, within the time frame prescribed for the Debentures in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the BSE, where the Debentures have been listed.
13. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration hereinafter mentioned for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Transaction Documents. The remuneration of the Trustees shall be as per the consent letter dated November 17, 2020 bearing reference no. CL/MUM/20 21/DEB/503 (As Annexure I).
14. Arrears of installments of annual service charges, if any, and /or delay in reimbursement of costs, charges and expenses shall carry interest at the NIL rate per annum from the date of bill till the date of actual payment which shall be payable on the footing of compound interest with quarterly rests.
15. The Company shall inter-alia furnish to the Debenture Trustee the following documents:
 - i) Memorandum and Articles of Association of the Company;
 - ii) Disclosure Document;
 - iii) Agreement with the Registrar to Issue;
 - iv) Letters from Credit Rating Agencies about Ratings;



- v) Details of the Depository with whom the Debentures are being held in dematerialized form;
- vi) This Debenture Trustee Appointment Agreement;
- vii) Copy of last three years' Audited Annual Reports;
- viii) Necessary resolution for allotment of Debentures;
- ix) Credit confirmation letters;
- x) Copy of the Latest Audited/ Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
- xi) the Issuer shall within 180 (one hundred eighty) days from the end of the financial year, submit a copy of the latest annual report to the Trustee;
- xii) Debenture Trust Deed;
- xiii) Deed of Hypothecation;
- xiv) Charge Certificate from ROC;
- xv) Confirmation/Proofs of payment of interest and principal made to the Debenture Holders;
- xvi) A Certificate from Statutory Auditor regarding utilization of funds/issue proceeds annually as prescribed in regulations;
- xvii) Periodical Reports on quarterly basis or as may be required by the Debenture Trustee or the Debenture Holders as per the terms of the Debenture Trust Deed (as applicable);
- xviii) A copy of all notices, resolutions and circulars issued to Debenture Holders of debt securities issued under the Debenture Trust Deed;
- xix) Information to be submitted to BSE (in the event the Debentures are required to be listed in accordance with the Disclosure Documents(s)), as and when required;
- xx) Beneficiary Position reports; and
- xxi) Such other documents, certificates as may be reasonably required by the Debenture Trustee.

Provided, the Company shall not be under an obligation to furnish the above documents, if any or all of the above documents are waived off by the Debenture Trustee.

16. The Company and Trustee agrees and undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, the SEBI Debt Securities Regulations, SEBI MLD Circular (as applicable), SEBI LODR , SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with BSE (in the event the Debenture are required to be listed in accordance with the Disclosure Documents(s)), the Companies Act, 1956, the Companies Act, 2013 and guidelines of other regulatory authorities as may be applicable from time to time in respect of allotment of debentures till redemption and the Company agrees to furnish to the Debenture Trustee such information in terms of the same on regular basis and as may be requested by the Debenture Trustee.
17. This Agreement is entered into in compliance with the provisions of Regulation 13 of SEBI (Debenture Trustees) Regulations, 1993 and the SEBI Debt Securities Regulations, SEBI MLD Circular, SEBI LODR, the Companies Act, 1956, the Companies Act, 2013 and other applicable provisions and shall be effective on and



from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

18. Miscellaneous

a. Duration of Agreement

This Agreement shall be effective on and from the date first hereinabove written and shall be in force till the Final Settlement Date or until the appointment of the Debenture Trustee is terminated in accordance with the terms of the Debenture Trust Deed.

b. Notices

i. Communications in writing

Any notice, demand, request or other communication to be made or given under this Agreement shall be in writing unless otherwise stated. Such notice, demand request or other communication shall be deemed to have been duly given or made when it shall be sent by any of the following means: (a) delivered personally; or (b) sent by facsimile transmission; or (c) sent by registered mail with acknowledgment due, postage prepaid / courier; or (d) sent by e-mail.

ii. The details of the Parties for the purposes of serving any notices in relation to or pursuant to this Agreement shall be as follows:

1. Company

Kind Attn: Ms. Akshaya Mishra - Head Business Compliance, Global Markets
Address: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai – 400 098
Email: Treasury.compliance@edelweissfin.com

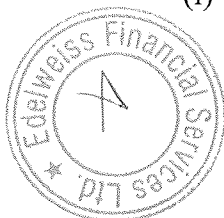
2. Debenture Trustee

Kind Attn: Mr. Umesh Salvi
Address: Windsor, 6th Floor, Office No. 604 C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098
Email: umesh.salvi@ctltrustee.com

iii. Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of personal delivery, when delivered;



- (ii) if by way of facsimile, when the sender receives a receipt indicating proper transmission;
- (iii) if by way of letter, 3 (three) Business Days after it has been deposited in the post (by registered post, with acknowledgment due), postage prepaid in an envelope duly addressed to the addressee;
- (iv) if by way of letter, 3 (three) Business Days after it has been couriered duly addressed to the addressee if the courier company furnishes a statement / record of its delivery or attempted delivery at such address; or
- (v) if by way of e-mail, when received in legible form

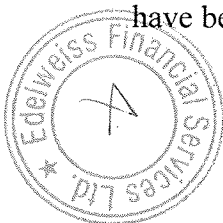
iv. English language

- (i) Any notice given under or in connection with this Agreement must be in English.
- (ii) All other documents provided under or in connection with this Agreement must be in English or if not in English accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

- v. Any Party to this Agreement may change the address details for notices to be served on such Party, as provided under this Agreement, by giving prior written express notice (with changed details mentioned properly), addressed to all other Parties.

c. Governing Law and Disputes

- i. The validity, interpretation, implementation and resolution of disputes arising out of or in connection with this Agreement shall be governed by the laws of India.
- ii. Subject to Clause 18(c) (iv) below, the Parties agree that the courts and tribunals of Mumbai, shall have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as **“Proceedings”**) arising out of or in connection with this Agreement may be brought in such courts or the tribunals of Mumbai and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.
- iii. The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at such place as mentioned in Clause 18.c.ii) above, and any claim that any such Proceedings have been brought in an inconvenient forum.





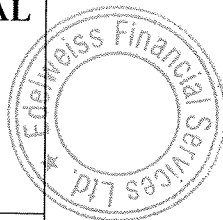
- iv. Nothing contained in this Clause 18.c (Governing Law and Jurisdiction), shall limit any right of the Debenture Trustee to take Proceedings in any other court or tribunal of competent jurisdiction at any other place, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it / they may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum, including on account of any separate proceeding being pending against the Company in this or any other forum.
- v. To the extent that the Company may in any jurisdiction claim for themselves or their assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to themselves or their assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waive such immunity.

d. Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective only to the extent of prohibition or un-enforceability but that shall not invalidate the remaining provisions of this Agreement nor affect such provision in any other jurisdiction.

IN WITNESS WHEREOF the Company and the Debenture Trustee have caused these presents to be executed the day and year first hereinabove written in the manner hereinafter appearing.

<p>SIGNED AND DELIVERED by EDELWEISS FINANCIAL SERVICES LIMITED the within named Company by the hand of Mr. Avinash Agarwal, its Authorised Signatory.</p>	<p>For and on behalf of EDELWEISS FINANCIAL SERVICES LIMITED</p> <p></p> <p>..... Authorised Signatory</p>
<p>SIGNED AND DELIVERED by CATALYST TRUSTEESHIP LIMITED, the within named Debenture Trustee by the hand of <u>Swapnil Rane</u>, its Authorised Signatory.</p>	<p>For and on behalf of CATALYST TRUSTEESHIP LIMITED For CATALYST TRUSTEESHIP LIMITED</p> <p></p> <p>..... Authorised Signatory</p>



RATING RATIONALE

9 November 2020

Edelweiss Financial Services Limited

Brickwork Ratings assigns 'BWR AA-'/ Stable to the NCDs, 'BWR PP-MLD AA-'/ Stable and 'BWR PP-MLD A1+' to the long-term and short-term Principal Protected Market-Linked Debentures, respectively, and revises the rating on the existing NCDs to 'BWR AA-'/ Stable from 'BWR AA'/Negative for Edelweiss Financial Services Limited.

Particulars

Instrument **	Amount Rated (Rs Crs)		Tenure	Rating*	
	Previous	Present		Previous (21 Sep 2020)	Present
Non-Convertible Debentures (NCDs)	--	250.00	Long Term	--	BWR AA-'/ Stable (Assigned)
Non-Convertible Debentures (NCDs) ^	--	200.00	Long Term	--	BWR AA-'/ Stable (Assigned)
Principal Protected Market Linked Debentures (PP-MLDs)	--	300.00	Long Term	--	BWR PP-MLD AA-'/ Stable (Assigned)
Principal Protected Market Linked Debentures (PP-MLDs)	--	200.00	Short Term	--	BWR PP-MLD A1+ (Assigned)
Non-Convertible Debentures (NCDs)	50.00	50.00	Long Term	BWR AA/ Negative	BWR AA-'/ Stable (Downgraded & outlook changed to Stable)
Total	50.00	1000.00	Rupees One Thousand Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Details of NCDs/ PP-MLDs are provided in Annexure I.

^ Public Issue (Retail)

RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) assigns 'BWR AA-'/ Stable to the non-convertible debentures (NCDs), 'BWR PP-MLD AA-'/ Stable and 'BWR PP-MLD A1+' to the principal protected market-linked debentures and downgrades the rating of the existing rated NCDs of Edelweiss

Financial Services Limited (EFSL or the company) to 'BWR AA-' / Stable from 'BWR AA' / Negative, as tabulated above.

The rating revision takes into account the moderation in the group's financial risk profile with a shrinkage in the loan book, both retail as well as corporate, resulting in lower income and weak asset quality, mainly in the wholesale mortgage and structured collateralised credit segments, which has resulted in a high impairment cost and has hence, impacted Edelweiss Group's overall profitability. The rating, however, continues to factor in the group's diversified business profile, experienced management team, adequate capitalisation and liquidity cushion to meet its debt repayments. Furthermore, the group has been focusing on reducing its corporate portfolio by selling down stressed assets to asset reconstruction companies or other investors, or shifting the assets to a fund platform, which will provide the requisite completion finance to stalled projects. The corporate loan book decreased from Rs 18,055 Crs as on 31 March 2019 to Rs 8,613 Crs as on 30 September 2020. The group has already provided for most of its stressed assets and the impact of incremental provisioning on the overall profitability is expected to be limited going forward. BWR also believes the group is well-diversified into businesses such as retail credit, wealth management including broking and investment banking, asset management and asset reconstruction (ARC), which may continue to support its overall profitability. This, coupled with the group's demonstrated ability to raise capital in the past couple of years, is expected to provide balance sheet strength to the group businesses, and thereby, BWR has also revised the rating outlook to Stable.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA

For arriving at its ratings, BWR has taken a consolidated view on EFSL and its subsidiaries (collectively referred to as the Edelweiss group), having common promoters, a shared brand name and strong operational, financial and managerial linkages. BWR has applied its rating methodology as detailed in the rating criteria (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS

Credit Strengths

Diversified business profile: The group has a presence in diversified businesses such as retail lending, wholesale lending, asset reconstruction, wealth management including capital market activities like broking and investment banking, asset management and insurance. In the lending business, the total credit portfolio (including distressed credit) stood at Rs 28,763 Crs as on 30 September 2020 (Rs 18,275 Crs excluding distressed credit). The group is increasingly focusing on building a granular loan book mainly consisting of retail mortgage loans and small and medium enterprise (SME) loans. The group reduced its exposure to corporate loan portfolio from Rs 18,055 Crs as on 31 March 2019 to Rs 10,050 Crs as on 31 March 2020, which had further reduced to Rs 8,613 Crs as on 30 September 2020.

The group has also established its healthy market standing in the wealth management business and witnessed its assets under advice (AUA) grow from Rs 18,500 Crs in FY15 to Rs 1,13,700 Crs in FY20 and further to Rs 1,33,200 Crs in September 2020. The group has a considerably

large retail and high net worth individual (HNI) customer base, with around 6.45 lakh individual customers and around 2400 ultra HNI customers. In the asset management business, the group is a leading player in the alternate assets segment, with managed assets of Rs 29,500 Crs. The group is a relatively small player in the mutual fund segment with assets under management (AUM) of Rs 44,000 Crs as on 30 September 2020 (including alts and PMS). However, the same has rapidly grown since 31 March 2019, when the AUM was Rs 17,500 Crs. The group is also engaged in investment banking and institutional equity broking businesses. It has also entered a joint venture with Tokio Marine Holdings Inc., one of the oldest and largest insurance companies in Japan, for its life insurance business. Under this vertical, the group has a network of 121 branches, over 2000 distribution partners, 51,723 agents and a customer base of ~3.70 lakh as on 31 March 2020. The solvency ratio is strong, at 216% as on 30 September 2020. BWR believes the group will continue to benefit from its diversified businesses, both for future growth and for improving profitability over the medium term.

Adequate capitalisation: The overall capital adequacy ratio of key operating entities is adequate. The total capital adequacy ratio (CAR) of ECL Finance Ltd was 23.5%, Edelweiss Retail Finance Ltd at 29.5%, Edelweiss Housing Finance Ltd at 28.2% and Edelweiss Asset Reconstruction Company Ltd at 34% as on 30 September 2020. EFSL's gearing on a consolidated basis marginally reduced from 5.28 times as on 31 March 2019 to 5.06 times as on 31 March 2020 and further to 4.87 times as on 30 September 2020. The group has demonstrated its ability to raise capital on a frequent basis to support business growth and also cover for asset-side risks. During FY20, the Edelweiss group raised around Rs 294 Crs in the form of compulsorily convertible preference shares (CCPSs) and around Rs 1040 Crs in the form of compulsorily convertible debentures (CCDs). This included an investment of Rs 177 Crs and Rs.117 Crs from Kora Management and Sanaka Capital, respectively, in the form of CCPSs in the EGIA business (which includes wealth management, asset management and capital markets) and an investment of Rs 1,040 Crs from Caisse de depot et placement du Quebec (CDPQ) in ECL Finance Ltd. Considering these investments as part of capital, the adjusted gearing reduced to 3.92 times as on 30 September 2020 (4.11 times as on 31 March 2020). The group has further entered into an agreement with PAGAC Ecstasy Pte Ltd. (Asia-focused investment group) to sell a 51% stake in Edelweiss Global Wealth Management Ltd for approximately Rs 2,200 Crs. This transaction is expected to be completed by Q4 FY21 and will further improve the capital position of the group. BWR believes that the group is adequately capitalised for future growth and to cover for asset-side risks, including those arising due to the COVID-19 crisis, over the medium term.

Experienced management team: EFSL and its various subsidiaries are led by a qualified and experienced management team having vast experience in banking and financial services. Mr. Rashesh Shah, the co-founder of the Edelweiss group, has over three decades of diverse experience in financial markets. He is currently the chairman, managing director and chief executive officer of EFSL. Venkatchalam Ramaswamy, the co-founder of the Edelweiss group, is currently the vice chairman and executive director and has almost three decades of experience in financial markets. EFSL is led by an experienced board comprising twelve members, including seven independent directors, with most members having over three decades of

experience. The company also has an experienced team of professionals at the senior and middle management levels with a long track record with the group.

Credit Risks

Average asset quality: The asset quality in the credit business has deteriorated in the last 18 months. Gross non-performing assets (NPAs) for the total portfolio (excluding distressed assets business) increased to 5.46% as on 30 September 2020 from 1.87% as on 31 March 2019. While the asset quality in the retail loan book remained comfortable, the asset quality in the wholesale loan book deteriorated significantly. Gross NPAs in the corporate portfolio increased to 10.55% as on 30 September 2020 from 2.75% as on 31 March 2019. In absolute terms, corporate credit gross NPAs increased to Rs 909 Crs from Rs 497 Crs between this period, but in % terms, there has been a sharp increase due to de-growth in the loan portfolio and low denominator effect. The group's asset quality has remained vulnerable to credit risks, given its high concentration in the wholesale lending segment. The group has been focusing on reducing its corporate portfolio by selling down stressed assets to asset reconstruction companies. The company has partnered with the Meritz group of South Korea and launched a completion financing platform (AIF) to buy out existing real estate loans and provide requisite completion financing. The focus is on reducing the wholesale book through the sale of assets to investors and shifting the assets to a fund platform, which will provide completion finance to the projects. With the impact of COVID-19 on the domestic economy and slowdown in the real estate sector, the group's ability to control slippages and manage its asset quality is a key rating monitorable.

Impact on earnings profile: EFSL's total income (net of interest expenses) decreased from Rs 6,378 Crs during FY19 to Rs 4,810 Crs during FY20. The total income (net of interest expenses) has further moderated to Rs 2,225 Crs for H1 FY21. This is largely on account of lower interest income due to the shrinkage of the loan book. EFSL reported a net loss of Rs 2,045 Crs (after minority interest) during FY20, compared with a profit of Rs 995 Crs during FY19. The profitability has been significantly impacted by the increase in impairment costs. The company reviewed and revised its expected credit loss model during Q4 FY20 taking into account changes in the market environment and did an independent review on its wholesale portfolio. This model suggested higher impairment costs. The total impairment costs increased significantly to Rs 3,562 Crs for FY20. (FY19: Rs 704 Crs). The impairment costs for H1 FY21 stood at Rs 565 Crs. EFSL reported a net loss of Rs 294 Crs (after minority interest) during H1 FY21. BWR believes the group has already provided for most of its stressed assets and the impact of incremental provisioning on the overall profitability is expected to be limited going forward.

The lending business, ARC business and EGIA business largely contributed to the profits for FY19. However during FY20, the lending business reported steep losses, the ARC business and EGIA businesses reported lower profits and the insurance business continued to be loss-making, given the long gestation period. The insurance business is expected to turn profitable by around FY23. BWR believes the overall profitability could remain impacted in FY21 mainly due to the losses in the credit business, but to be partly offset by the earnings from other capital market-related and ARC businesses, which continue to gain traction. The group's ability to improve its profitability remains a key monitorable over the medium term.

RATING SENSITIVITIES

Going forward, the company's ability to improve its asset quality and profitability, and to maintain comfortable liquidity and capitalisation will be key rating sensitivity factors.

Positive: A significant improvement in asset quality and profitability, and the group's ability to grow its various businesses are key rating positives.

Negative: The weakening of the asset quality or profitability, and/or a deterioration in capital structure are key rating negatives.

LIQUIDITY POSITION: ADEQUATE

The company had adequate liquidity, with cash/ bank balance and fixed deposits of Rs 4,250 Crs, unutilised bank lines of Rs 250 Crs, liquid investments (consisting of mutual fund investments, Gsecs and treasury assets) of Rs 750 Crs and other liquidable assets (securities based lending book) of Rs 1,350 Crs as on 30 September 2020. The company has debt repayments of ~Rs.5,900 Crs between November 2020 to June 2021. The liquidity is adequate to meet its debt repayment obligations. As per the ALM position, there are no negative cumulative mismatches. The group has reduced its dependence on commercial paper borrowing, and it constituted 2% of its total borrowing as on 30 September 2020.

Coronavirus disease (COVID-19), declared a pandemic by the World Health Organisation (WHO), has become a full-blown crisis globally, including in India. As a containment measure, the Indian Government had announced a 21-day nationwide lockdown on 24 March 2020, which was subsequently extended until 31 May 2020. As per BWR, financial institutions, mainly those lending directly or indirectly, to the retail low-income borrower segments, could be the most impacted. The 6-month moratorium announced by the Reserve Bank of India on the interest and principal on bank debt has provided some cushion to the lending community to realign its collection machinery and operations during this period. However, lenders' ability to ensure credit discipline among borrowers and to collect accumulated interest and principal dues on a timely basis will be a key monitorable. BWR is actively engaging with its clients on a continuous basis and taking updates on the impact on its operations and liquidity situation. BWR will take appropriate rating actions as and when it deems necessary and publish the same.

COMPANY PROFILE

Edelweiss Financial Services Limited (EFSL), previously known as Edelweiss Capital Limited, was incorporated in 1995 by Mr. Rashesh Shah and Mr. Venkat Ramaswamy. It is the group's holding company. The group has a presence in diversified businesses such as retail lending, wholesale lending, asset reconstruction, wealth management including broking and capital markets, asset management, life insurance and general insurance. The company is listed on the BSE and NSE. The promoter group held a 32.91% stake, and the management and employees held a 12.4% stake in EFSL as on 30 September 2020. The group had 47 subsidiaries as on 30 September 2020.

KEY FINANCIAL INDICATORS (EFSL Consolidated)

Key Parameters	Units	FY19	FY20
Result Type		Audited	Audited
Total Income	(Rs in Crs)	11161.22	9602.63
Net Profit / (Loss) (after minority interest)	(Rs in Crs)	995.17	(2045.24)
Net Worth	(Rs in Crs)	8714.99	7207.08
Gearing	(In times)	5.28	5.06
Total loan portfolio ^	(Rs in Crs)	36130	21032
Gross NPA ^	(%)	1.87	5.30
Net NPA ^	(%)	0.83	4.10
Total assets	(Rs in Crs)	64153.54	54280.33

^ excluding distressed credit

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NA

NON-COOPERATION WITH PREVIOUS RATING AGENCY, IF ANY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (Including withdrawal & suspended)

Sr. No.	Name of Instrument	Current Rating					Rating History for the past 3 years									
		Type	Amount (Rs. Crs)	Rating	2020		2019			2018			2017			
1	NCDs	Long Term	250.00	BWR AA-/Stable	NA		NA			NA			NA			
2	NCDs ^	Long Term	200.00	BWR AA-/Stable	NA		NA			NA			NA			
3	PP-MLDs	Long Term	300.00	BWR PP-MLDAA-/Stable	NA		NA			NA			NA			
4	PP-MLDs	Short Term	200.00	BWR PP-MLD A1+	NA		NA			NA			NA			
5	NCDs	Long Term	50.00	BWR AA-/Stable	21.09.2020		21.09.2019			29.03.2018			10.02.2017			
					Long Term	50	BWR AA/Negative	Long Term	50	BWR AA/Negative	Long Term	50	BWR AA+/Stable	Long Term	50	BWR AA+/Stable
					NA		5.07.2019			NA			NA			
								Long Term	50	BWR AA+/Negative						
					NA		30.03.2019			NA			NA			
								Long Term	50	BWR AA+/Stable						
	Total		1000		Rupees One Thousand Crores Only											

^ Public Issue (Retail)

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria:

- [General Criteria](#)
- [Banks & Financial Institutions](#)
- [Consolidation of companies](#)
- [Market/ Equity Linked Debentures](#)

Analytical Contacts	
Nirav Shah Senior Analyst - Ratings +91 22 6745 6623 Nirav.s@brickworkratings.com	Vydianathan Ramaswamy Director & Head - Financial Sector Ratings +91 22 6745 6660 Vydianathan.r@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

Edelweiss Financial Services Limited

ANNEXURE I - INSTRUMENT (NCD) DETAILS

Instrument	Issue Date	Amount (Rs in Crs)	Coupon Rate	Maturity Date	ISIN Particulars
NCDs	--	250.00 #	--	--	--
NCDs ^	--	200.00 #	--	--	--
PP-MLDs	--	300.00 #	--	--	--
PP-MLDs	--	200.00 #	--	--	--
NCDs	--	50.00 #	--	--	--

Not yet raised

^ Public Issue (Retail)

Edelweiss Financial Services Limited

ANNEXURE II

List of entities consolidated

Name of Entity	% Ownership	Extent of consolidation	Rationale for consolidation
Edelweiss Securities Limited	100.00	Full	Subsidiary
Edelweiss Finance & Investments Limited	100.00	Full	Subsidiary
ECL Finance Limited	100.00	Full	Subsidiary
Edelweiss Global Wealth Management Limited	100.00	Full	Subsidiary
Edelweiss Gallagher Insurance Brokers Limited	74.00	Full	Subsidiary
Edelcap Securities Limited	100.00	Full	Subsidiary
Edelweiss Asset Management Limited	100.00	Full	Subsidiary
ECap Equities Limited	100.00	Full	Subsidiary
Edelweiss Broking Limited	100.00	Full	Subsidiary
Edelweiss Trusteeship Company Limited	100.00	Full	Subsidiary
Edelweiss Housing Finance Limited	100.00	Full	Subsidiary
Edelweiss Investment Adviser Limited	100.00	Full	Subsidiary
EC Commodity Limited	100.00	Full	Subsidiary
Edel Land Limited	100.00	Full	Subsidiary
Edelweiss Custodial Services Limited	100.00	Full	Subsidiary
Edel Investments Limited	100.00	Full	Subsidiary
Edelweiss Rural & Corporate Services Limited	100.00	Full	Subsidiary
Edelweiss Comtrade Limited	100.00	Full	Subsidiary
Edel Finance Company Limited	100.00	Full	Subsidiary
Edelweiss Retail Finance Limited	100.00	Full	Subsidiary
Edelweiss Multi Strategy Fund Advisors LLP	100.00	Full	Subsidiary
Edelweiss Resolution Advisors LLP	100.00	Full	Subsidiary
Edelweiss General Insurance Company Limited	100.00	Full	Subsidiary
Edelweiss Finvest Private Limited	100.00	Full	Subsidiary
Edelweiss Securities (IFSC) Limited	100.00	Full	Subsidiary
Edelweiss Securities and Investment Private Limited	100.00	Full	Subsidiary
Edelweiss Securities (Hong Kong) Private Limited	100.00	Full	Subsidiary
EC Global Limited	100.00	Full	Subsidiary

EC International Limited	100.00	Full	Subsidiary
EAAA LLC	100.00	Full	Subsidiary
Edelweiss Capital (Singapore) Pte. Limited	100.00	Full	Subsidiary
Edelweiss Alternative Asset Advisors Pte. Limited	100.00	Full	Subsidiary
Edelweiss International (Singapore) Pte. Limited	100.00	Full	Subsidiary
Edelweiss Investment Advisors Private Limited	100.00	Full	Subsidiary
Aster Commodities DMCC	100.00	Full	Subsidiary
Edelweiss Financial Services (UK) Limited	100.00	Full	Subsidiary
Edelweiss Financial Services Inc.	100.00	Full	Subsidiary
Edelweiss Alternative Asset Advisors Limited	95.00	Full	Subsidiary
Edelgive Foundation	100.00	Full	Subsidiary
Lichen Metals Private Limited	100.00	Full	Subsidiary
Edelweiss Private Equity Tech Fund	88.90	Full	Subsidiary
Edelweiss Value and Growth Fund	88.90	Full	Subsidiary
Edelweiss Asset Reconstruction Company Limited	74.80	Full	Subsidiary
EW Special Opportunities Advisors LLC	67.00	Full	Subsidiary
Edelweiss Tokio Life Insurance Company Limited	51.00	Full	Subsidiary
Allium Finance Private Limited	70.00	Full	Subsidiary
ESL Securities Limited	100.00	Full	Subsidiary

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.



DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.