

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 ended 30 June 2021

| Particulars | Quarter Ended | | | (₹ in Crores) |
|--|----------------------------|---|----------------------------|--|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer Note 15) | 30 June 2020 (Reviewed) | Year Ended 31 March 2021 (Audited) |
| 1 Revenue from operations | | | | |
| (a) Interest income | 773.28 | 928.45 | 1,055.31 | 4,034.40 |
| (b) Dividend income | 6.05 | 9.16 | 4.42 | 69.57 |
| (c) Fee and commission income | 285.35 | 507.21 | 357.06 | 1,654.14 |
| (d) Net gain / (loss) on fair value changes | 305.11 | 1,090.32 | 280.32 | 2,220.90 |
| (e) Premium from insurance business | 255.74 | 511.73 | 189.35 | 1,324.64 |
| (f) Other operating income | 7.68 | 11.01 | 11.66 | 53.71 |
| Total revenue from operations | 1,633.21 | 3,057.88 | 1,898.12 | 9,357.36 |
| 2 Other income | 16.04 | 1,423.07 | 21.56 | 1,491.49 |
| 3 Total income (1+2) | 1,649.25 | 4,480.95 | 1,919.68 | 10,848.85 |
| 4 Expenses | | | | |
| (a) Finance costs | 802.32 | 957.99 | 1,001.98 | 3,834.03 |
| (b) Impairment on financial assets | (2.95) | 932.88 | 128.05 | 1,260.92 |
| (c) Change in valuation of credit impaired loans (Refer Note 7) | 48.87 | 332.16 | 132.97 | 812.61 |
| (d) Employee benefits expense | 235.59 | 696.84 | 308.41 | 1,615.91 |
| (e) Depreciation and amortisation expense | 35.86 | 90.42 | 57.04 | 259.88 |
| (f) Change in insurance policy liability - actuarial | 209.06 | 354.64 | 270.87 | 1,302.33 |
| (g) Policy benefits paid | 114.51 | 105.55 | 31.27 | 276.30 |
| (h) Other expenses | 253.09 | 455.21 | 231.71 | 1,340.62 |
| Total expenses | 1,696.35 | 3,925.69 | 2,162.30 | 10,702.60 |
| 5 Profit / (loss) before share in profit / (loss) of associates and tax (3-4) | (47.10) | 555.26 | (242.62) | 146.25 |
| 6 Share in profit / (loss) of associates | 21.19 | (0.64) | - | (0.64) |
| 7 Profit / (loss) before tax (5+6) | (25.91) | 554.62 | (242.62) | 145.61 |
| 8 Tax expense | | | | |
| Current tax | 30.57 | (24.85) | 50.41 | 23.99 |
| Deferred tax | (81.77) | (57.23) | (29.36) | (132.29) |
| 9 Net profit / (loss) for the period (7-8) | 25.29 | 636.70 | (263.67) | 253.91 |
| 10 Other comprehensive income/(loss) | (60.41) | (50.10) | 40.26 | (1.80) |
| 11 Total comprehensive income / (loss) (9+10) | (35.12) | 586.60 | (223.41) | 252.11 |
| 12 Net profit / (loss) for the period attributable to: | | | | |
| Owners of the company | 18.09 | 628.63 | (245.08) | 265.33 |
| Non controlling interests | 7.20 | 8.07 | (18.59) | (11.42) |
| 13 Other comprehensive income / (loss) for the period attributable to: | | | | |
| Owners of the company | (27.63) | (26.99) | 20.76 | 1.19 |
| Non controlling interests | (32.78) | (23.11) | 19.50 | (2.99) |
| 14 Total comprehensive income / (loss) for the period attributable to: | | | | |
| Owners of the company | (9.54) | 601.64 | (224.32) | 266.52 |
| Non controlling interests | (25.58) | (15.04) | 0.91 | (14.41) |
| 15 Earnings Per Share (₹) (Face Value of ₹ 1/- each) | | | | |
| - Basic (Refer Note 6) | 0.20 | 7.06 | (2.75) | 2.98 |
| - Diluted (Refer Note 6) | 0.20 | 6.86 | (2.75) | 2.97 |

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Notes:

- The consolidated financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') and its subsidiaries and trusts (together referred as 'Group') and associates for the quarter ended 30 June 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 05 August 2021.
- The consolidated financial results of EFSL for the quarter ended 30 June 2021 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 | | | Year Ended |
|--|----------------------------|---|----------------------------|----------------------------|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer Note 15) | 30 June 2020 (Reviewed) | 31 March 2021 (Audited) |
| Total income | 183.49 | 1,706.61 | (52.09) | 1,721.88 |
| Profit / (loss) before tax | 71.61 | 809.42 | (127.40) | 693.92 |
| Net profit / (loss) after tax for the period | 71.61 | 837.48 | (129.18) | 716.22 |
| Other comprehensive income / (loss) | - | 0.16 | (0.01) | 0.95 |
| Total comprehensive income / (loss) | 71.61 | 837.64 | (129.19) | 717.17 |

- 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 | | | Year Ended |
|--|----------------------------|---|----------------------------|----------------------------|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer Note 15) | 30 June 2020 (Reviewed) | 31 March 2021 (Audited) |
| Profit / (loss) before tax attributable to: | | | | |
| Owners of the company | (40.13) | 542.64 | (230.02) | 131.58 |
| Non controlling interests | 14.22 | 11.98 | (12.60) | 14.03 |
| Profit / (loss) before tax | (25.91) | 554.62 | (242.62) | 145.61 |

- During the quarter ended 30 June 2021, the Company has issued 7,49,475 equity shares of face value of ₹ 1 each to the employees of the Company and its subsidiaries/associates on exercise of employee stock options.
- Earnings per share for the quarters ended 30 June 2021, 31 March 2021 and 30 June 2020 are not annualised.
- Change in valuation of credit imparted loans represents valuation movement of loans originated by consolidated ARC trusts.
- Two Employee Welfare Trust(s) hold an aggregate 4,48,96,780 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.
- 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 24 March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. 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, including the current "second wave" on Group's results, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on the current and further spread of COVID-19, steps taken by the government, RBI and other regulators to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels. Further, 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 financial support from banks and other fundraising opportunities in determining the Group 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, deferred tax assets, investments and in case of life insurance business, estimate of claims, 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.
- The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact if any, and account for the same once the rules are notified and become effective.
- Edelweiss Custodial Services Limited ("ECdSL"), an associate of Edelweiss Financial Services Company ("EFSL") 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 Anugrah Stock and Broking Pvt. Ltd. ("trading member"), for which ECdSL was a clearing member, is still under process, 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 undertaking to keep sufficient assets amounting to ₹ 460.32 crores belonging to the Group and associate unencumbered and the said lien order has been set aside. The matter has been listed for further hearing.

The MCSGF Committee of NSE 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 got liquidated. ECdSL filed an appeal against the impugned order with Securities Appellate Tribunal ("SAT"). SAT vide its order dated 05 November 2020 has directed ECdSL to give an undertaking to NCL that it will deposit ₹ 212 crores or other amount as directed by the SAT after disposal of Appeal. ECdSL has since provided the declaration to NCL. The matter has been listed for further hearing.

Various Arbitration/Writ Petitions have been filed before the Hon'ble Bombay High Court ("Hon'ble Court") by various end clients of the trading member and/or his associates. ECdSL has been made party to the same. All the Writ Petitions have been tagged together and common orders have been passed. The matter has been listed for further hearing.

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, ECdSL has assessed such liability to be remote as at 30 June 2021.
- During the quarter ended 30 June 2021, three subsidiaries of the Company had sold certain financial assets amounting to ₹ 689.80 crores (net of provisions) to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 586.33 crores from these ARC Trusts. Ind AS 109 – 'Financial Instruments', prescribed under section 133 of the Companies Act, 2013, requires substantially all risks and rewards to be transferred for the purpose of de-recognition of such financial assets from these subsidiaries' financial results. The Company had undertaken substantially all risks and rewards in respect of such financial assets. As a result, these financial assets were de-recognized in subsidiaries' financial results. Based on assessment of probability of default, loss given default in respect of these financial assets and in light of various factors viz. exposures to certain sectors and assessment of credit and market risks for certain counter parties relative to such risks at initial recognition, the Group has recorded fair value gain of ₹ 28.99 crores (net) for the quarter and is included in "Net (gain) / loss on fair value change".

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- 13 One NBFC in the Group had initiated sale of certain financial assets before 30 June 2021 and for which definitive contracts were executed post the quarter end. These financial assets sold after 30 June 2021, amounted to ₹ 146.88 crores to AIF 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 assessed that such loans sold by the subsidiary after 30 June 2021 had an increased risk but were not credit impaired. As at 30 June 2021, there is no significant impact on the financial results of the subsidiary, as it has not incurred any loss on sale of these financial assets.
- 14 Two NBFCs in the Group had initiated sale of certain credit impaired financial assets before 30 June 2021 and for which definitive contracts were executed post the quarter end. These financial assets sold after 30 June 2021, amounted to ₹ 87.42 crores to asset reconstruction companies trusts (ARC Trust). 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, on account of subsequent sale to and recovery from ARC Trusts of such credit impaired assets, management has recorded such financial assets as recoverable and not as credit impaired financial assets. EFSL, the holding Company has, undertaken substantially all risks and rewards in respect of these financial assets aggregating to ₹ 43.19 crores. As at 30 June 2021, there is no impact on the financial results of the Group.
- 15 The figures for quarter ended 31 March 2021 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the nine months ended 31 December 2020. The figures up to the end of the nine months period ended 31 December 2020 are subjected to a limited review by the Statutory Auditors of the Company.

16 Consolidated Segment Results for the quarter ended 30 June 2021

| Particulars | Quarter Ended | | | Year Ended |
|--|----------------------------|---|----------------------------|----------------------------|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer Note 15) | 30 June 2020 (Reviewed) | 31 March 2021 (Audited) |
| 1 Segment revenue [Total income] | | | | |
| Agency | 126.41 | 385.61 | 238.45 | 1,336.59 |
| Capital based | 583.76 | 2,784.22 | 774.34 | 4,804.83 |
| Insurance business | 416.91 | 620.42 | 399.05 | 2,070.95 |
| Asset reconstruction business | 263.82 | 546.31 | 359.61 | 1,706.37 |
| Treasury | 272.88 | 126.68 | 136.61 | 880.79 |
| Unallocated | 6.66 | 17.07 | 11.62 | 48.68 |
| Total income | 1,670.44 | 4,480.31 | 1,919.68 | 10,848.21 |
| 2 Segment results [Profit / (loss) before tax] | | | | |
| Agency | 8.83 | 13.05 | 31.64 | 172.15 |
| Capital based | (207.15) | 548.52 | (277.62) | (349.01) |
| Insurance business | (58.95) | (65.07) | (83.81) | (297.77) |
| Asset reconstruction business | 61.46 | 49.60 | 49.19 | 225.01 |
| Treasury | 173.42 | 19.26 | 44.45 | 415.67 |
| Unallocated | (3.52) | (10.74) | (6.47) | (20.44) |
| Total profit / (loss) before tax | (25.91) | 554.62 | (242.62) | 145.61 |
| 3 Segment assets | | | | |
| Agency | 688.21 | 732.66 | 4,264.13 | 732.66 |
| Capital based | 27,328.57 | 29,008.20 | 31,205.11 | 29,008.20 |
| Insurance business | 5,821.14 | 5,648.93 | 4,625.03 | 5,648.93 |
| Asset reconstruction business | 6,271.72 | 6,066.50 | 6,485.50 | 6,066.50 |
| Treasury | 2,980.45 | 2,723.85 | 3,037.53 | 2,723.85 |
| Unallocated | 1,925.55 | 1,794.88 | 1,564.84 | 1,794.88 |
| Total assets | 45,015.64 | 45,975.02 | 51,182.14 | 45,975.02 |
| 4 Segment liabilities | | | | |
| Agency | 273.35 | 327.72 | 3,591.65 | 327.72 |
| Capital based | 25,687.77 | 26,880.20 | 30,418.37 | 26,880.20 |
| Insurance business | 5,261.86 | 4,993.79 | 3,794.94 | 4,993.79 |
| Asset reconstruction business | 4,110.74 | 3,951.67 | 4,510.69 | 3,951.67 |
| Treasury | 1,783.49 | 1,891.60 | 1,567.83 | 1,891.60 |
| Unallocated | 251.68 | 253.04 | 312.44 | 253.04 |
| Total liabilities | 37,368.89 | 38,298.02 | 44,195.92 | 38,298.02 |
| 5 Segment capital employed [Segment assets - Segment liabilities] | | | | |
| Agency | 414.86 | 404.94 | 672.48 | 404.94 |
| Capital based | 1,640.80 | 2,128.00 | 786.74 | 2,128.00 |
| Insurance business | 559.28 | 655.14 | 830.09 | 655.14 |
| Asset reconstruction business | 2,160.98 | 2,114.83 | 1,974.81 | 2,114.83 |
| Treasury | 1,196.96 | 832.25 | 1,469.70 | 832.25 |
| Unallocated | 1,673.87 | 1,541.84 | 1,252.40 | 1,541.84 |
| Total capital employed | 7,646.75 | 7,677.00 | 6,986.22 | 7,677.00 |

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 advisory 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.

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

18 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
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Date: 2021.08.05 19:54:52
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Rashesh Shah
Chairman

Mumbai, 05 August 2021.

Independent Auditor's Review Report on the Quarterly 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") and its associates for the quarter ended June 30, 2021 (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, trusts and associates (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 9 to the Statement, which describes the economic and social disruption as a result of COVID-19 pandemic on the Group's business and financial metrics including the Group's estimates of impairment of loans, financial assets, investment properties, investments, intangible assets (including goodwill) and in case of life insurance business, estimate of claims which are highly dependent on uncertain future developments. Our conclusion 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:

- a. 26 subsidiaries, whose unaudited interim financial results include total revenues of Rs. 789.40 crores, total net profit after tax of Rs. 32.06 crores and total comprehensive loss of Rs. 29.68 crores for the quarter ended June 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditors.
- b. 5 associate companies, whose unaudited interim financial results include Group's share of net loss of Rs. 2.16 crores and Group's share of total comprehensive loss of Rs. 1.89 crores for the quarter ended June 30, 2021, as considered in the Statement whose interim financial results and other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results and other financial information 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 and associate companies is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

- c. 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 June 30, 2021 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 June 30, 2021 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. ETLIFE's auditors have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their conclusion in this regard.
- d. 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 June 30, 2021 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. EGICL's 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: 2021.08.05 20:08:41 +05'30'

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 21102102AAAEJW6177

Place: Mumbai

Date : August 5, 2021

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure A

| SUBSIDIARIES: | TRUSTS: | TRUSTS: |
|--|-------------------|-------------------|
| ECL Finance Limited | ESAF - I Trust | EARC Trust SC 384 |
| Edelweiss Rural & Corporate Services Limited | EARC SAF 2 Trust | EARC Trust SC 391 |
| Edelweiss Asset Reconstruction Company Limited | EARC SAF 3 Trust | EARC Trust SC 392 |
| Edelweiss Housing Finance Limited | EARC Trust SC 6 | EARC Trust SC 395 |
| Edelweiss Retail Finance Limited | EARC Trust SC 7 | EARC Trust SC 380 |
| Edel Finance Company Limited | EARC Trust SC 9 | EARC Trust SC 387 |
| Edelweiss Asset Management Limited | EARC Trust SC 102 | EARC Trust SC 388 |
| EdelGive Foundation | EARC Trust SC 109 | EARC Trust SC 393 |
| Edelweiss Tokio Life Insurance Company Limited | EARC Trust SC 112 | EARC Trust SC 372 |
| Edelweiss General Insurance Company Limited | EARC Trust SC 130 | EARC Trust SC 373 |
| Allium Finance Private Limited | EARC Trust SC 223 | EARC Trust SC 374 |
| Edelcap Securities Limited | EARC Trust SC 229 | EARC Trust SC 375 |
| Edelweiss Securities and Investments Private Limited | EARC Trust SC 238 | EARC Trust SC 376 |
| ECap Equities Limited | EARC Trust SC 245 | EARC Trust SC 385 |
| Edel Investments Limited | EARC Trust SC 251 | EARC Trust SC 394 |
| EC Commodity Limited | EARC Trust SC 262 | EARC Trust SC 399 |
| Aster Commodities DMCC | EARC Trust SC 263 | EARC Trust SC 401 |
| EC International Limited | EARC Trust SC 266 | EARC Trust SC 402 |
| Edel Land Limited | EARC Trust SC 293 | EARC Trust SC 406 |
| Edelweiss Comtrade Limited | EARC Trust SC 297 | EARC Trust SC 377 |
| Edelweiss Multi Strategy Fund Advisors LLP | EARC Trust SC 298 | EARC Trust SC 378 |
| Edelweiss Gallagher Insurance Brokers Limited | EARC Trust SC 306 | EARC Trust SC 396 |
| Edelweiss Private Equity Tech Fund | EARC Trust SC 308 | EARC Trust SC 410 |
| Edelweiss Value and Growth Fund | EARC Trust SC 314 | EARC Trust SC 405 |
| India Credit Investment Fund II | EARC Trust SC 318 | EARC Trust SC 428 |
| EAAA LLC | EARC Trust SC 321 | EARC Trust SC 429 |
| Edelweiss Alternative Asset Advisors Limited | EARC Trust SC 325 | EARC Trust SC 412 |
| Edelweiss Alternative Asset Advisors Pte. Limited | EARC Trust SC 329 | EARC Trust SC 415 |
| Edelweiss Investment Adviser Limited | EARC Trust SC 331 | EARC Trust SC 430 |
| Edelweiss Resolution Advisors LLP | EARC Trust SC 332 | EARC Trust SC 427 |
| EW Special Opportunities Advisors LLC | EARC Trust SC 334 | EARC Trust SC 413 |
| Edelweiss Trusteeship Company Limited | EARC Trust SC 342 | EARC Trust SC 416 |
| Edelweiss International (Singapore) Pte. Limited | EARC Trust SC 344 | EARC Trust SC 417 |
| Edelweiss Capital Services Limited | EARC Trust SC 347 | EARC Trust SC 397 |
| | EARC Trust SC 348 | EARC Trust SC 227 |
| Associates: | EARC Trust SC 349 | EARC Trust SC 228 |
| Edelweiss Securities Limited | EARC Trust SC 351 | EARC Trust SC 431 |
| Edelweiss Finance & Investments Limited | EARC Trust SC 352 | |
| Edelweiss Broking Limited | EARC Trust SC 357 | |
| Edelweiss Custodial Services Limited | EARC Trust SC 360 | |
| Edelweiss Financial Services Inc. | EARC Trust SC 361 | |
| Edelweiss Investment Advisors Private Limited | EARC Trust SC 363 | |
| Edelweiss Securities (Hong Kong) Private Limited | EARC Trust SC 370 | |
| Edelweiss Financial Services (UK) Limited | EARC Trust SC 381 | |
| Edelweiss Securities (IFSC) Limited | EARC Trust SC 383 | |
| ESL Securities Limited | EARC Trust SC 386 | |

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 ended 30 June 2021

| Particulars | Quarter ended | | | Year ended |
|---|----------------------------|--|----------------------------|----------------------------|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer note 9) | 30 June 2020 (Reviewed) | 31 March 2021 (Audited) |
| 1 Revenue from operations | | | | |
| (a) Interest income | 48.15 | 41.77 | 0.04 | 83.50 |
| (b) Dividend income | 38.48 | 83.88 | 52.65 | 136.53 |
| (c) Fee and commission income | 19.37 | 36.31 | 10.93 | 99.12 |
| (d) Other operating income | - | 4.01 | 4.42 | 24.46 |
| Total revenue from operations | 106.00 | 165.97 | 68.04 | 343.61 |
| 2 Other income | 77.49 | 1,540.64 | (120.13) | 1,378.27 |
| 3 Total income (1+2) | 183.49 | 1,706.61 | (52.09) | 1,721.88 |
| 4 Expenses | | | | |
| (a) Finance costs | 35.01 | 41.50 | 3.65 | 97.33 |
| (b) Net (gain) / loss on fair value changes | (19.36) | 442.38 | (0.05) | 442.29 |
| (c) Employee benefits expense | 34.43 | 171.65 | 12.72 | 191.22 |
| (d) Depreciation and amortisation expense | 0.08 | 0.24 | 0.38 | 1.40 |
| (e) Impairment of financial assets | 0.07 | 148.70 | 46.19 | 148.70 |
| (f) Other expenses | 61.65 | 92.72 | 12.42 | 147.02 |
| Total expenses | 111.88 | 897.19 | 75.31 | 1,027.96 |
| 5 Profit / (loss) before tax (3-4) | 71.61 | 809.42 | (127.40) | 693.92 |
| 6 Tax expense | | | | |
| Current tax | - | (11.48) | 10.16 | (13.60) |
| Deferred tax | - | (16.58) | (8.38) | (8.70) |
| 7 Net profit / (loss) for the period (5-6) | 71.61 | 837.48 | (129.18) | 716.22 |
| 8 Other comprehensive income / (loss) | - | 0.16 | (0.01) | 0.95 |
| 9 Total comprehensive income / (loss) (7+8) | 71.61 | 837.64 | (129.19) | 717.17 |
| 10 Earnings Per Share (₹) (Face Value of ₹ 1/- each) | | | | |
| - Basic (Refer note 4) | 0.80 | 9.41 | (1.45) | 8.05 |
| - Diluted (Refer note 4) | 0.80 | 9.37 | (1.45) | 8.01 |

Notes:

- The standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter ended 30 June 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 05 August 2021.
- The standalone financial results of EFSL for the quarter ended 30 June 2021 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 June 2021, the Company has issued 7,49,475 equity shares of face value of ₹1 each to the employees of the Company and its subsidiaries/associates on exercise of employee stock options.
- Earnings per share for the quarters ended 30 June 2021, 31 March 2021 and 30 June 2020 are not annualised.
- Two Employee Welfare Trust(s) hold an aggregate 4,48,96,780 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.
- The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 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 24 March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. 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, including the current "second wave" on Company's results, including gain/loss on fair value changes, investment, 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. Further, 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 fundraising opportunities in determining the Company's 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.

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- 8 During the quarter ended 30 June 2021, three subsidiaries of the Company had sold certain financial assets amounting to ₹ 689.80 crores (net of provisions) to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 586.33 crores from these ARC Trusts. Ind AS 109 – 'Financial Instruments', prescribed under section 133 of the Companies Act, 2013, requires substantially all risks and rewards to be transferred for the purpose of de-recognition of such financial assets from these subsidiaries' financial results. The Company had undertaken substantially all risks and rewards in respect of such financial assets. As a result, these financial assets were de-recognized in subsidiaries' financial results. Based on assessment of probability of default, loss given default in respect of these financial assets and in light of various factors viz. exposures to certain sectors and assessment of credit and market risks for certain counter parties relative to such risks at initial recognition, the company has recorded fair value gain of ₹ 19.33 crores (net) for the quarter and is included in "Net (gain) / loss on fair value change".
- 9 The figures for quarter ended 31 March 2021 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the nine months ended 31 December 2020. The figures up to the end of the nine months period ended 31 December 2020 are subjected to a limited review by the Statutory Auditors of the Company.

10 Standalone Segment Results for the quarter ended 30 June 2021

(₹ in Crores)

| Particulars | Quarter ended | | | Year ended |
|--|----------------------------|--|----------------------------|----------------------------|
| | 30 June 2021 (Reviewed) | 31 March 2021 (Audited) (Refer note 9) | 30 June 2020 (Reviewed) | 31 March 2021 (Audited) |
| 1 Segment revenue [Total income] | | | | |
| Agency | 15.73 | 25.64 | 2.41 | 66.41 |
| Holding Company activities | 167.76 | 1,678.34 | (54.50) | 1,648.69 |
| Unallocated | - | 2.63 | - | 6.78 |
| Total income | 183.49 | 1,706.61 | (52.09) | 1,721.88 |
| 2 Segment results [Profit / (loss) before tax] | | | | |
| Agency | 3.39 | (28.57) | (7.16) | (14.27) |
| Holding Company activities | 68.22 | 835.36 | (120.24) | 701.41 |
| Unallocated | - | 2.63 | - | 6.78 |
| Total profit / (loss) before tax | 71.61 | 809.42 | (127.40) | 693.92 |
| 3 Segment assets | | | | |
| Agency | 11.24 | 4.19 | 4.18 | 4.19 |
| Holding Company activities | 5,790.40 | 5,870.14 | 3,453.09 | 5,870.14 |
| Unallocated | 115.90 | 106.61 | 100.37 | 106.61 |
| Total assets | 5,917.54 | 5,980.94 | 3,557.64 | 5,980.94 |
| 4 Segment liabilities | | | | |
| Agency | 8.02 | 39.71 | 29.51 | 39.71 |
| Holding Company activities | 1,698.07 | 1,813.69 | 173.85 | 1,813.69 |
| Unallocated | 2.51 | 1.55 | 18.51 | 1.55 |
| Total liabilities | 1,708.60 | 1,854.95 | 221.87 | 1,854.95 |
| 5 Capital employed [Segment assets - segment liabilities] | | | | |
| Agency | 3.22 | (35.52) | (25.33) | (35.52) |
| Holding Company activities | 4,092.33 | 4,056.45 | 3,279.24 | 4,056.45 |
| Unallocated | 113.39 | 105.06 | 81.86 | 105.06 |
| Total capital employed | 4,208.94 | 4,125.99 | 3,335.77 | 4,125.99 |

Agency includes investment banking; Holding Company activities comprise of development, managerial and financial support to the businesses of subsidiaries and investment activities.

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

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

On behalf of the Board of Directors

RASHESH
CHANDRAKANT
SHAH

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Date: 2021.08.05 19:55:15
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Rashesh Shah
Chairman

Mumbai, 05 August 2021.

Independent Auditor's Review Report on the Quarterly 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 June 30, 2021 (the "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 7 of the Statement, which describes the economic and social disruption as a result of continued COVID-19 pandemic on the Company's business and financial metrics including the Company's estimates of impairment of investments and other financial 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, o=Personal,
email=shrawan.jalan@srb.in
Date: 2021.08.05 20:09:14 +05'30'

per Shrawan Jalan
Partner
Membership No.:102102
UDIN: 21102102AAAEJV4179
Place: Mumbai
Date: August 5, 2021