

Edelweiss reports ex-Insurance PAT of INR 113 Cr, Strong performance across Businesses

Businesses poised for Profitable Growth * Robust Balance Sheet and Liquidity * Growing Customer Franchise

Quarter Ended Sep-21 Highlights:

- EFSL Ex-Insurance PAT of INR 113 Cr; 85% growth QoQ
- EFSL Consolidated PAT of INR 57 Cr; 217% growth QoQ
- Revenue (consolidated) - INR 1,853 Cr

Steady Performance across Businesses – Upward trend in key metrics.

- **Credit**
 - **Return to profitability** in NBFC
 - **Improved Asset Quality** in NBFC with Gross NPAs at 2.7% and Net NPAs at 2.2%.
 - Focus remains on **asset-light retail credit** model through partnerships with Banks
 - Gradual **scale up in disbursements**— ~INR 300 Cr disbursed and ~INR 250 Cr securitized in Housing Finance during the quarter
 - Retail **collection efficiency back to normalcy** at 99% in Housing Finance, 94% in SME & Business Loans
- **Asset Management**
 - Mutual Fund:**
 - **Equity AuM grew ~3x** YOY to ~INR 16,600 Cr
 - Total net inflows of ~INR 7,300 Cr and net equity inflows of ~INR 2,500 Cr during the quarter
 - **Retail folios grew ~70%** since Mar-21 to 8.2 lacs
 - Alternatives:**
 - **Deployment momentum continues to be strong** with INR 750 Cr invested during the quarter and ~INR 1,850 Cr in half year ended Sep-21
 - **Steady annuity income** flows from long term asset base; 75% of AUM has tenor > 3 years
 - **Huge potential upside** from carry income as ~95% of AUM is performance linked
- **Asset Reconstruction**
 - Focus continues to be on **deleveraging and building retail capabilities**
 - **Robust recoveries** of ~INR 900 Cr in the quarter, ~INR 160 Cr of which are from retail portfolio
 - Acquired assets worth ~INR 1,300 Cr
- **Insurance**
 - Life Insurance:**
 - **Gross premium grew by 59%** QoQ; **Active client base has increased by ~9%** YoY

General Insurance:

- **Gross premium grew by 52% QoQ;**
- **Expansion of distribution reach** – Digital Partnership with Paynearby & PhonePe

- **Wealth Management (EWM)**

- **35% YoY growth in AuA to INR 1,80,100 Cr, 16% growth YoY in clients**
- **Revenue grew at 18% and PAT doubled QoQ**

Robust Growth in Customer Franchise

- Customer base continues to grow despite challenging times, grew **~3x to 47 lakhs over last 2 years**, Acquired nearly **3 lakh customers in the quarter**, ~18 lakh customers in the last year despite pandemic.
- **Customer assets have grown 70% over the last 2 years to INR 3,24,100 Cr** – demonstrating the continued trust reposed in us by our customers
- Retail digital enabled businesses like Mutual Fund and Insurance have fuelled this growth

Strong Balance Sheet, Robust Liquidity and Well Capitalised businesses

- **Strong Net Worth** at INR 8,664 Cr
- **Borrowings declined** by ~36% over last 2 years to INR 24,755 Cr; **D/E reduced to 2.1x** from 3.4x in Q2FY20
- **Adequate Liquidity** of INR 5,100 Cr at 21% of Borrowings
- Credit Assets remain **conservatively provided well above IRAC norms**
- Well Capitalised businesses, with capital adequacy of over 20% across entities

Remain on track on Key Priorities:

- **EWM value unlocking**
 - Demerger of Edelweiss Wealth Management on track with listing expected by Sept-Dec 22
- **Scaled down wholesale credit assets**
 - Reduced wholesale assets by ~33% over 2 years to ~INR 10,695 Cr in ECL Finance, Expected to reduce by ~50% to ~INR 4,900 Cr by Sept-23
 - Successful Workouts of over INR 3,000 Cr in last 18 months
- **Continued Scale up in Asset Management & Insurance Businesses, enabled by digitalisation**
 - Growth in AuM (Mutual Funds - 61% YoY)
 - Insurance beating industry benchmarks. Life Insurance Individual APE CAGR since FY17 - 26% (industry at 13%); General Insurance GDPI - 62% YoY in Sep-21 quarter (industry at 12%)

Speaking on the occasion, Mr. Rashesh Shah, Chairman, Edelweiss Financial Services Limited said:

“This quarter has witnessed the return of optimism and normalcy across the country, the economy and we at Edelweiss witnessed the same. The vaccination drive across the country has been very encouraging and has brought back much needed confidence. .

Our Performance this quarter has been strong across all businesses and the positive trend will continue hereon. We returned to profitability in our NBFC and are moving towards normalization in retail credit with ~ 96% collection efficiency and scale up in disbursements. Our customer assets have nearly doubled and our customer franchisee has grown 3 times in last 2 years to ~5 million customers. A large part of this growth has come from our Asset management and Insurance Business which have seen a significant scale up. Our Mutual Fund AUM has grown by ~60% YoY, with the equity AuM growing almost 3x. The Alternatives Asset Management business has seen strong deployment momentum. Our insurance businesses are consistently outperforming industry. In ARC, recoveries have been good with almost ~20% of them coming from the retail end.

We continue to make progress on the key priorities that we have outlined for the next 15 months– The demerger of the EWM business for value unlocking through listing is progressing as per planned timelines. Wholesale book has been scaled down ~33% over the last two years with plans to downsize further by ~50%. Growing our asset management and insurance businesses continues to be a focus area. Consistent with our strategy, we have built a robust balance sheet with strong capital and adequate liquidity, which give us a solid foundation, as we look towards post pandemic economic revival and growth of our businesses.”

About Edelweiss Financial Services

The Edelweiss Group is one of India's leading diversified financial services companies, providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss's products and services span multiple asset classes and consumer segments across domestic and global geographies. The group's research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. Its businesses include Asset Management, NBFC, Housing Finance, Asset Reconstruction, Wealth Management, Life Insurance and General Insurance. Together with strong network of Sub-Brokers and Authorized Persons, Edelweiss group has presence across all major cities in India.

Edelweiss Financial Services trades under the symbols NSE: EDELWEISS, BSE: 532922, Reuters: EDEL.NS and EDEL.BO and Bloomberg: EDEL IS and EDEL IB. Edelweiss stock is actively covered by sell side research analysts of Citi Research, Maybank Kim Eng Securities, Haitong International, and Emkay Global Financial Services. To learn more about the Edelweiss Group, please visit www.edelweissfin.com.

Edelweiss Financial Services Limited **Corporate Identity Number:** L99999MH1995PLC094641

Edelweiss Social media handle:[edelweissfinancialservicesltd](https://www.facebook.com/edelweissfinancialservicesltd) |[@EdelweissFin](https://twitter.com/EdelweissFin) |[Linkedin.com/company/edelweissfin](https://www.linkedin.com/company/edelweissfin)

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This document may contain certain forward - looking statements, which are tentative, based on current expectations of the management of Edelweiss Financial Services Limited or any of its subsidiaries and associate companies ("Edelweiss"). The results in future may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include, inter alia, the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of Edelweiss as well as its ability to implement the strategy. Edelweiss does not undertake any obligation to update these statements. The presentation relating to financial performance of various businesses of Edelweiss herein is based on Management estimates.

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Consolidated Financial Results for the quarter and half year ended 30 September 2021

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	Year Ended 31 March 2021 (Audited)
1 Revenue from operations						
(a) Interest income	790.16	773.28	1,085.63	1,563.44	2,140.94	4,034.40
(b) Dividend income	6.97	6.05	6.26	13.02	10.68	69.57
(c) Fee and commission income	372.29	285.35	388.85	657.64	745.91	1,654.14
(d) Net gain / (loss) on fair value changes	274.41	305.11	423.30	579.52	703.62	2,220.90
(e) Premium from insurance business	371.46	255.74	299.79	627.20	489.14	1,324.64
(f) Other operating income	5.85	7.68	18.99	13.53	30.65	53.71
Total revenue from operations	1,821.14	1,633.21	2,222.82	3,454.35	4,120.94	9,357.36
2 Other income	32.17	16.04	34.06	48.21	55.62	1,491.49
3 Total income (1+2)	1,853.31	1,649.25	2,256.88	3,502.56	4,176.56	10,848.85
4 Expenses						
(a) Finance costs	748.40	802.32	949.07	1,550.72	1,951.05	3,834.03
(b) Impairment on financial assets	(21.79)	(2.95)	94.03	(24.74)	222.08	1,260.92
(c) Change in valuation of credit impaired loans (Refer Note 7)	57.71	48.87	209.56	106.58	342.53	812.61
(d) Employee benefits expense	229.35	235.59	286.43	464.94	594.84	1,619.91
(e) Depreciation and amortisation expense	35.53	35.86	57.03	71.39	114.07	258.88
(f) Change in insurance policy liability - actuarial	386.46	209.06	280.79	595.52	551.66	1,302.33
(g) Policy benefits paid	127.83	114.51	60.98	242.34	92.25	276.30
(h) Other expenses	285.46	253.09	350.21	538.55	581.92	1,340.62
Total expenses	1,848.95	1,696.35	2,288.10	3,545.30	4,450.40	10,702.60
5 Profit / (loss) before share in profit / (loss) of associates and tax (3-4)	4.36	(47.10)	(31.22)	(42.74)	(273.84)	146.25
6 Share in profit / (loss) of associates	35.98	21.19	-	57.17	-	(0.64)
7 Profit / (loss) before tax (5+6)	40.34	(25.91)	(31.22)	14.43	(273.84)	145.61
8 Tax expense						
Current tax	25.36	30.57	44.28	55.93	94.69	23.99
Deferred tax	(50.24)	(81.77)	(19.38)	(132.01)	(48.74)	(132.29)
9 Net profit / (loss) for the period (7-8)	65.22	25.29	(56.12)	90.51	(319.79)	253.91
10 Other comprehensive income/(loss)	48.56	(60.41)	(43.04)	(11.85)	(2.78)	(1.80)
11 Total comprehensive income / (loss) (9+10)	113.78	(35.12)	(99.16)	78.66	(322.57)	252.11
12 Net profit / (loss) for the period attributable to:						
Owners of the company	57.29	18.09	(48.50)	75.38	(293.58)	265.33
Non controlling interests	7.93	7.20	(7.62)	15.13	(26.21)	(11.42)
13 Other comprehensive income / (loss) for the period attributable to:						
Owners of the company	23.41	(27.63)	(24.68)	(4.22)	(3.92)	1.19
Non controlling interests	25.15	(32.78)	(18.36)	(7.63)	1.14	(2.99)
14 Total comprehensive income / (loss) for the period attributable to:						
Owners of the company	80.70	(9.54)	(73.18)	71.16	(297.50)	266.52
Non controlling interests	33.08	(25.58)	(25.98)	7.50	(25.07)	(14.41)
15 Earnings Per Share (₹) (Face Value of ₹ 1/- each)						
- Basic (Refer Note 6)	0.65	0.20	(0.55)	0.85	(3.30)	2.98
- Diluted (Refer Note 6)	0.64	0.20	(0.55)	0.84	(3.30)	2.97

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Notes:

- 1 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 and half year ended 30 September 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 28 October 2021.
- 2 The consolidated financial results of EFSL for the quarter and half year ended 30 September 2021 have been subjected to Limited Review by the Statutory Auditors of the Company and the auditors have issued an unmodified review report.
- 3 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 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	Year Ended 31 March 2021 (Audited)
Total income	169.33	183.49	44.78	352.82	(7.31)	1,721.88
Profit / (loss) before tax	96.94	71.61	12.70	168.55	(114.70)	693.92
Net profit / (loss) after tax	188.93	71.61	8.14	260.54	(121.04)	716.22
Other comprehensive income / (loss)	-	-	(0.01)	-	(0.02)	0.95
Total comprehensive income / (loss)	188.93	71.61	8.13	260.54	(121.06)	717.17

- 4 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 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	Year Ended 31 March 2021 (Audited)
Profit / (loss) before tax attributable to:						
Owners of the company	21.42	(40.13)	(30.73)	(18.71)	(260.75)	131.58
Non controlling interests	18.92	14.22	(0.49)	33.14	(13.09)	14.03
Profit / (loss) before tax	40.34	(25.91)	(31.22)	14.43	(273.84)	145.61

- 5 During the quarter ended 30 September 2021, the Company has issued 10,55,000 equity shares of face value of ₹ 1 each to the employees of the Company and its subsidiaries/associates on exercise of employee stock options.
- 6 Earnings per share for the quarters ended 30 September 2021, 30 June 2021, 30 September 2020 and half year ended 30 September 2021 and 30 September 2020 are not annualised.
- 7 Change in valuation of credit impaired loans represents valuation movement of loans originated by consolidated ARC trusts.
- 8 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.
- 9 The COVID-19 outbreak across the world has for past 18 months adversely affected the world economy including India. However in recent times the industry is showing signs of revival signalling a slow but steady return of growth of economy. The impact of the COVID-19 pandemic, on Group's results, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on actual visibility of growth over coming quarters and steps taken by the government, RBI and other regulators to mitigate the economic impact and foster speedier growth. 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, intangible assets (including goodwill), 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.
- 10 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.
- 11 Edelweiss Custodial Services Limited ("ECdSL"), a 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 against trading member and its 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 September 2021.

- 12 During the quarter and half year ended 30 September 2021, three subsidiaries of the Company had sold certain financial assets amounting to ₹ 87.42 crores and ₹ 777.22 crores (net of provisions) respectively to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 48.81 crores and ₹ 635.15 crores respectively 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 ₹ 114.49 crores (net) and ₹ 143.48 crores (net) for the quarter and half year ended respectively and is included in 'Net gain / (loss) on fair value changes'.

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13 Consolidated Segment Results for the quarter and half year ended 30 September 2021

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	Year Ended 31 March 2021 (Audited)
1 Segment revenue [Total income]						
Agency business	138.52	126.41	364.55	264.93	603.00	1,336.59
Capital business	676.87	583.76	756.07	1,260.63	1,530.41	4,804.83
Insurance business	620.05	416.91	443.66	1,036.96	842.71	2,070.95
Asset reconstruction business	277.80	263.82	429.75	541.62	789.36	1,706.37
Treasury business	156.90	272.88	250.10	429.78	386.71	880.79
Unallocated	19.15	6.66	12.75	25.81	24.37	48.68
Total income	1,889.29	1,670.44	2,256.88	3,559.73	4,176.56	10,848.21
2 Segment results [Profit / (loss) before tax]						
Agency business	24.90	8.83	65.00	33.73	96.64	172.15
Capital business	(69.92)	(207.15)	(221.18)	(277.07)	(498.80)	(349.01)
Insurance business	(84.06)	(58.95)	(84.15)	(143.01)	(167.96)	(297.77)
Asset reconstruction business	90.17	61.46	58.00	151.63	107.19	225.01
Treasury business	74.76	173.42	155.72	248.18	200.17	415.67
Unallocated	4.49	(3.52)	(4.61)	0.97	(11.08)	(20.44)
Total profit / (loss) before tax	40.34	(25.91)	(31.22)	14.43	(273.84)	145.61
3 Segment assets						
Agency business	686.67	688.21	4,444.88	686.67	4,444.88	732.66
Capital business	25,467.20	27,328.57	32,748.99	25,467.20	32,748.99	29,008.20
Insurance business	6,397.68	5,821.14	4,833.04	6,397.68	4,833.04	5,648.93
Asset reconstruction business	6,263.50	6,271.72	6,484.94	6,263.50	6,484.94	6,066.50
Treasury business	3,513.51	2,980.45	2,120.33	3,513.51	2,120.33	2,723.85
Unallocated	2,053.35	1,925.55	1,606.74	2,053.35	1,606.74	1,794.88
Total assets	44,381.91	45,015.64	52,238.92	44,381.91	52,238.92	45,975.02
4 Segment liabilities						
Agency business	254.92	273.35	3,706.46	254.92	3,706.46	327.72
Capital business	24,188.52	25,687.77	32,108.20	24,188.52	32,108.20	26,880.20
Insurance business	5,659.06	5,261.86	4,099.53	5,659.06	4,099.53	4,993.79
Asset reconstruction business	4,035.65	4,110.74	4,465.77	4,035.65	4,465.77	3,951.67
Treasury business	2,182.19	1,783.49	621.03	2,182.19	621.03	1,891.60
Unallocated	262.16	251.68	304.64	262.16	304.64	253.04
Total liabilities	36,582.50	37,368.89	45,305.63	36,582.50	45,305.63	38,298.02
5 Segment capital employed [Segment assets - Segment liabilities]						
Agency business	431.75	414.86	738.42	431.75	738.42	404.94
Capital business	1,278.68	1,640.80	640.79	1,278.68	640.79	2,128.00
Insurance business	738.62	559.28	733.51	738.62	733.51	655.14
Asset reconstruction business	2,227.85	2,160.98	2,019.17	2,227.85	2,019.17	2,114.83
Treasury business	1,331.32	1,196.96	1,499.30	1,331.32	1,499.30	832.25
Unallocated	1,791.19	1,673.87	1,302.10	1,791.19	1,302.10	1,541.84
Total capital employed	7,799.41	7,646.75	6,933.29	7,799.41	6,933.29	7,677.00

The Company has made its consolidated segment reporting to meaningfully represent its business lines Agency business, Capital business, Asset reconstruction business, Insurance & Treasury business. Agency business includes advisory and other fee based businesses; Capital business 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.

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14 Consolidated statement of assets and liabilities as at 30 September 2021

	Particulars	(₹ in Crores)	
		As at 30 September 2021 (Reviewed)	As at 31 March 2021 (Audited)
A	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	1,369.25	3,898.52
	(b) Other bank balances	1,115.23	861.69
	(c) Derivative financial instruments	297.92	290.20
	(d) Stock in trade	1,682.59	1,574.68
	(e) Trade receivables	620.68	506.05
	(f) Loans [^]	21,130.90	21,910.55
	(g) Investments	12,536.66	11,476.30
	(h) Other financial assets	1,190.02	1,262.81
	Sub-total - Financial assets	39,943.25	41,780.80
2	Non-financial assets		
	(a) Reinsurance assets	345.32	339.34
	(b) Current tax assets (net)	844.02	721.81
	(c) Deferred tax assets (net)	1,082.87	958.50
	(d) Investment property	310.30	339.46
	(e) Property, plant and equipment	1,178.67	1,228.13
	(f) Capital work-in-progress	0.97	0.79
	(g) Intangible assets under development	16.36	12.42
	(h) Goodwill on consolidation	66.33	66.33
	(i) Other intangible assets	132.07	146.77
	(j) Other non-financial assets	461.75	380.67
	Sub-total - Non-financial assets	4,438.66	4,194.22
	TOTAL - ASSETS	44,381.91	45,975.02
B	LIABILITIES AND EQUITY		
	Liabilities		
1	Financial liabilities		
	(a) Derivative financial instruments	316.83	184.55
	(b) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	0.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	867.76	489.36
	(c) Insurance claims payable	75.02	19.44
	(d) Debt securities	16,500.43	17,485.85
	(e) Borrowings (other than debt securities)	7,681.10	9,431.82
	(f) Deposits	1.52	9.60
	(g) Subordinated liabilities	1,539.19	1,508.77
	(h) Other financial liabilities	3,842.19	4,145.72
	Sub-total - Financial liabilities	30,824.04	33,275.23
2	Non-financial liabilities		
	(a) Current tax liabilities (net)	31.14	25.30
	(b) Provisions	45.42	111.85
	(c) Provision for policyholders' liabilities	4,956.44	4,354.93
	(d) Deferred tax liabilities (net)	207.21	215.76
	(e) Other non-financial liabilities	518.25	314.95
	Sub-total - Non-financial liabilities	5,758.46	5,022.79
3	Equity		
	(a) Equity share capital	89.27	89.09
	(b) Other equity	6,529.91	6,488.07
	Equity attributable to owners of the parent	6,619.18	6,577.16
	Non-controlling interest	1,180.23	1,099.84
	Total Equity	7,799.41	7,677.00
	TOTAL LIABILITIES AND EQUITY	44,381.91	45,975.02

[^] Loans include the credit exposure held by the consolidated ARC trusts.

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15 Consolidated statement of cash flow for the half year ended September 30, 2021

(₹ in Crores)

Particulars	Half Year Ended	
	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)
A Cash flow from operating activities		
Profit/(Loss) before tax	14.43	(273.84)
Adjustments for:		
Depreciation and amortisation expenses	71.39	114.07
Expense on employee stock option plans	6.82	17.69
Impairment on financial instruments	(24.74)	222.08
Change in valuation of credit impaired loans	106.58	342.53
Interest on income tax refund	(15.82)	(12.48)
Dividend income	(13.02)	(10.68)
(Profit) / loss on sale of property, plant and equipment ¹	0.51	5.72
(Profit) / loss on sale of investment property (net) ¹	(0.28)	(0.04)
Realised fair value (gain)/loss on financial instruments	(257.86)	(268.72)
Unrealised fair value (gain)/loss on financial instruments	(321.38)	(434.89)
Provision for policyholders liability	595.52	551.66
Finance costs	313.18	341.05
Operating cash flow before working capital changes	475.33	594.15
Adjustments for:		
Decrease / (increase) in trade receivables	(114.63)	420.49
Decrease / (increase) in stock-in-trade and inventory	(123.21)	702.89
Decrease / (increase) in other financial/non financial assets	36.58	(208.65)
Decrease / (increase) in derivative financial instruments	208.51	(140.77)
Decrease / (increase) in loans	715.20	1,005.23
Increase / (decrease) in trade payables	378.28	213.89
Increase / (decrease) in insurance claim payable	55.58	5.30
Increase / (decrease) in other financial liabilities	(247.06)	813.79
Increase / (decrease) in provisions	19.67	3.53
Increase / (decrease) in provision for policyholders' liabilities	5.99	9.11
Increase / (decrease) in other non-financial liabilities	203.31	(109.60)
Cash generated / (used) in operations	1,613.55	3,309.36
Income taxes paid (net of refund)	(157.80)	(87.54)
Net cash generated / (used) in operating activities - A	1,455.75	3,221.82
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles	(22.52)	(11.63)
(Purchase) / sale of investment property ¹	29.44	37.95
(Purchase) / sale of investments ¹	(692.43)	18.33
Dividend on investments	13.02	10.68
(Investment) / maturity of bank deposits	(253.54)	(1,020.96)
Net cash generated / (used) in investing activities - B	(926.03)	(965.63)
C Cash flow from financing activities		
Proceeds from issue of shares including premium and share application money	7.34	1.82
Investment by non controlling interest	92.25	33.06
Proceeds/(repayment) from debt securities ¹	(985.42)	(240.01)
Proceeds/(repayment) from borrowings (other than debt securities) ¹	(1,750.72)	(1,783.41)
Proceeds/(repayment) from deposits ¹	(8.08)	(203.86)
Proceeds/(repayment) from subordinated liabilities ¹	30.42	(485.07)
Dividend paid	(131.60)	-
Finance cost paid	(313.18)	(385.20)
Net cash generated / (used) in financing activities - C	(3,058.99)	(3,062.67)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,529.27)	(806.48)
Cash and cash equivalents as at the beginning of the period	3,898.52	4,942.52
Cash and cash equivalents as at the end of the period	1,369.25	4,136.04

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.

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

17 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

Rashesh Shah
Chairman

Mumbai, 28 October 2021.

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") and its associates for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 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, 'Interim Financial Reporting' (Ind AS 34) 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 Ind AS 34 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, 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 continued 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 financial results and other financial information, in respect of:
 - a. 27 subsidiaries, whose unaudited financial results include total assets of Rs. 14,177.15 crores as at September 30, 2021, total revenues of Rs. 875.24 crores and Rs. 1,664.64 crores, total net loss after tax of Rs. 138.76 crores and Rs. 106.70 crores, total comprehensive loss of Rs. 90.31 crores and Rs. 119.99 crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash outflows of Rs. 41.76 crores for the period from April 1, 2021 to September 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditors.

- b. 1 subsidiary, whose unaudited financial results include total assets of Rs. 16,697.04 crores as at September 30, 2021, total revenues of Rs. 430.98 crores and Rs. 817.10 crores, total net profit after tax of Rs. 18.00 crores and Rs. 3.75 crores, total comprehensive income of Rs. 18.00 crores and Rs. 4.18 crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash outflows of Rs. 1,425.11 crores for the period from April 1, 2021 to September 30, 2021, as considered in the Statement which have been jointly reviewed by us with another auditor.
- c. 5 associate companies, whose unaudited financial results include Group's share of net profit of Rs. 0.22 crores and Rs. 0.16 crores and Group's share of total comprehensive income of Rs. 0.10 crores and Rs. 0.31 crores for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 respectively, as considered in the Statement whose financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on 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.

- d. 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, 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 September 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.
- e. 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, 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: 2021.10.28 20:02:17 +05'30'

per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 21102102AAAEOR2073

Place of Signature: Mumbai

Date: October 28, 2021

Annexure A

SUBSIDIARIES:	TRUSTS:	TRUSTS:
ECL Finance Limited	ESAF - I Trust	EARC Trust SC 392
Edelweiss Rural & Corporate Services Limited	EARC SAF - 2 Trust	EARC Trust SC 395
Edelweiss Asset Reconstruction Company Limited	EARC SAF - 3 Trust	EARC Trust SC 380
Edelweiss Housing Finance Limited	EARC Trust SC 6	EARC Trust SC 387
Edelweiss Retail Finance Limited	EARC Trust SC 7	EARC Trust SC 388
Edel Finance Company Limited	EARC Trust SC 9	EARC Trust SC 393
Edelweiss Asset Management Limited	EARC Trust SC 102	EARC Trust SC 372
EdelGive Foundation	EARC Trust SC 109	EARC Trust SC 373
Edelweiss Tokio Life Insurance Company Limited	EARC Trust SC 112	EARC Trust SC 374
Edelweiss General Insurance Company Limited	EARC Trust SC 130	EARC Trust SC 375
Allium Finance Private Limited	EARC Trust SC 223	EARC Trust SC 376
Edelcap Securities Limited	EARC Trust SC 229	EARC Trust SC 385
Edelweiss Securities and Investments Private Limited	EARC Trust SC 238	EARC Trust SC 394
ECap Equities Limited	EARC Trust SC 245	EARC Trust SC 399
Edel Investments Limited	EARC Trust SC 251	EARC Trust SC 401
EC Commodity Limited	EARC Trust SC 262	EARC Trust SC 402
Aster Commodities DMCC	EARC Trust SC 263	EARC Trust SC 406
EC International Limited	EARC Trust SC 266	EARC Trust SC 377
Edel Land Limited	EARC Trust SC 293	EARC Trust SC 378
Edelweiss Comtrade Limited	EARC Trust SC 297	EARC Trust SC 396
Edelweiss Multi Strategy Fund Advisors LLP	EARC Trust SC 298	EARC Trust SC 410
Edelweiss Gallagher Insurance Brokers Limited	EARC Trust SC 306	EARC Trust SC 405
Edelweiss Private Equity Tech Fund	EARC Trust SC 308	EARC Trust SC 428
Edelweiss Value and Growth Fund	EARC Trust SC 314	EARC Trust SC 429
India Credit Investment Fund II	EARC Trust SC 318	EARC Trust SC 412
EAAA LLC	EARC Trust SC 321	EARC Trust SC 415
Edelweiss Alternative Asset Advisors Limited	EARC Trust SC 325	EARC Trust SC 430
Edelweiss Alternative Asset Advisors Pte. Limited	EARC Trust SC 329	EARC Trust SC 427
Edelweiss Investment Adviser Limited	EARC Trust SC 331	EARC Trust SC 413
Edelweiss Resolution Advisors LLP	EARC Trust SC 332	EARC Trust SC 416
EW Special Opportunities Advisors LLC	EARC Trust SC 334	EARC Trust SC 417
Edelweiss Trusteeship Company Limited	EARC Trust SC 342	EARC Trust SC 397
Edelweiss International (Singapore) Pte. Limited	EARC Trust SC 344	EARC Trust SC 227
Edelweiss Capital Services Limited	EARC Trust SC 347	EARC Trust SC 228
Edelweiss Real Assets Managers Limited	EARC Trust SC 348	EARC Trust SC 431
Sekura India Management Limited	EARC Trust SC 349	EARC Trust SC 418
	EARC Trust SC 351	EARC Trust SC 434
Associates:	EARC Trust SC 352	EARC Trust SC 421
Edelweiss Securities Limited	EARC Trust SC 357	EARC Trust SC 422
Edelweiss Finance & Investments Limited	EARC Trust SC 360	EARC Trust SC 423
Edelweiss Broking Limited	EARC Trust SC 361	EARC Trust SC 424
Edelweiss Custodial Services Limited	EARC Trust SC 363	EARC Trust SC 436
Edelweiss Financial Services Inc.	EARC Trust SC 370	
Edelweiss Investment Advisors Private Limited	EARC Trust SC 381	
Edelweiss Securities (Hong Kong) Private Limited	EARC Trust SC 383	
Edelweiss Financial Services (UK) Limited	EARC Trust SC 386	
Edelweiss Securities (IFSC) Limited	EARC Trust SC 384	
ESL Securities Limited	EARC Trust SC 391	

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Standalone Financial Results for the quarter and half year ended 30 September 2021

Particulars	Quarter Ended			Half Year Ended		(₹ in Crores)
	30 September 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	Year Ended 31 March 2021 (Audited)
1 Revenue from operations						
(a) Interest income	52.38	48.15	7.90	100.53	7.94	83.50
(b) Dividend income	-	38.48	-	38.48	52.65	136.53
(c) Fee and commission income	22.82	19.37	23.41	42.19	34.34	99.12
(d) Other operating income	-	-	9.28	-	13.70	24.46
Total revenue from operations	75.20	106.00	40.59	181.20	108.63	343.61
2 Other income	94.13	77.49	4.19	171.62	(115.94)	1,378.27
3 Total income (1+2)	169.33	183.49	44.78	352.82	(7.31)	1,721.88
4 Expenses						
(a) Finance costs	39.96	35.01	12.89	74.97	16.54	97.33
(b) Net (gain) / loss on fair value changes	(49.35)	(19.36)	-	(68.71)	(0.05)	442.29
(c) Employee benefits expense	14.74	34.43	2.46	49.17	15.18	191.22
(d) Depreciation and amortisation expense	0.09	0.08	0.42	0.17	0.80	1.40
(e) Impairment on financial assets	(3.17)	0.07	(1.00)	(3.10)	45.19	148.70
(f) Other expenses	70.12	61.65	17.31	131.77	29.73	147.02
Total expenses	72.39	111.88	32.08	184.27	107.39	1,027.96
5 Profit / (loss) before tax (3-4)	96.94	71.61	12.70	168.55	(114.70)	693.92
6 Tax expense						
Current tax	-	-	(1.04)	-	9.12	(13.60)
Deferred tax	(91.99)	-	5.60	(91.99)	(2.78)	(8.70)
7 Net profit / (loss) for the period (5-6)	188.93	71.61	8.14	260.54	(121.04)	716.22
8 Other comprehensive income/(loss)	-	-	(0.01)	-	(0.02)	0.95
9 Total comprehensive income / (loss) (7+8)	188.93	71.61	8.13	260.54	(121.06)	717.17
10 Earnings Per Share (₹) (Face Value of ₹ 1/- each)						
- Basic (Refer Note 4)	2.12	0.80	0.09	2.92	(1.36)	8.05
- Diluted (Refer Note 4)	2.11	0.80	0.09	2.91	(1.36)	8.01

Notes:

- The standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter and half year ended 30 September 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 28 October 2021.
- The standalone financial results of EFSL for the quarter and half year ended 30 September 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 September 2021, the Company has issued 10,55,000 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 September 2021, 30 June 2021, 30 September 2020 and half year ended 30 September 2021 and 30 September 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 COVID-19 outbreak across the world has for past 18 months adversely affected the world economy including India. However in recent times the industry is showing signs of revival signaling a slow but steady return of growth of economy. The impact of the COVID-19 pandemic, on Company's results, including gain/loss on fair value changes, investment, remains uncertain and dependent on actual visibility of growth over coming quarters and steps taken by the government and other regulators to mitigate the economic impact and foster speedier growth. 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.
- 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.
- During the quarter and half year ended 30 September 2021, three subsidiaries of the Company had sold certain financial assets amounting to ₹ 87.42 crores and ₹ 777.22 crores respectively (net of provisions) to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 48.81 crores and ₹ 635.15 crores respectively 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 ₹ 49.30 crores (net) and ₹ 68.63 crores (net) for the quarter and half year ended respectively and is included in "Net (gain) / loss on fair value changes".
- During the quarter ended 30 September 2021, the Company has sold its partial stake in one of its subsidiaries based on independent valuer report to another wholly owned subsidiary of the Company and accordingly, other income include a gain on sale amounting to ₹ 94.13 crores in the financial results for the quarter ended 30 September 2021.

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10 Standalone Segment Results for the quarter and half year ended 30 September 2021

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30 September 2021 (Reviewed)	30 June 2021 (Reviewed)	30 September 2020 (Reviewed)	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)	31 March 2021 (Audited)
1 Segment revenue [Total income]						
Agency	19.68	15.73	17.15	35.41	19.56	66.41
Holding Company activities	149.65	167.76	23.48	317.41	(31.02)	1,648.69
Unallocated	-	-	4.15	-	4.15	6.78
Total income	169.33	183.49	44.78	352.82	(7.31)	1,721.88
2 Segment results [Profit / (loss) before tax]						
Agency	6.72	3.39	12.38	10.11	5.22	(14.27)
Holding Company activities	90.22	68.22	(3.83)	158.44	(124.07)	701.41
Unallocated	-	-	4.15	-	4.15	6.78
Total profit / (loss) before tax	96.94	71.61	12.70	168.55	(114.70)	693.92
3 Segment assets						
Agency	8.73	11.24	15.06	8.73	15.06	4.19
Holding Company activities	6,147.47	5,790.40	4,334.52	6,147.47	4,334.52	5,870.14
Unallocated	213.41	115.90	94.81	213.41	94.81	106.61
Total assets	6,369.61	5,917.54	4,444.39	6,369.61	4,444.39	5,980.94
4 Segment liabilities						
Agency	8.36	8.02	17.69	8.36	17.69	39.71
Holding Company activities	2,018.21	1,698.07	1,051.06	2,018.21	1,051.06	1,813.69
Unallocated	1.70	2.51	22.62	1.70	22.62	1.55
Total liabilities	2,028.27	1,708.60	1,091.37	2,028.27	1,091.37	1,854.95
5 Segment capital employed [Segment assets - Segment liabilities]						
Agency	0.37	3.22	(2.63)	0.37	(2.63)	(35.52)
Holding Company activities	4,129.26	4,092.33	3,283.46	4,129.26	3,283.46	4,056.45
Unallocated	211.71	113.39	72.19	211.71	72.19	105.06
Total capital employed	4,341.34	4,208.94	3,353.02	4,341.34	3,353.02	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.

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11 Standalone statement of assets and liabilities as at 30 September 2021

	Particulars	(₹ in Crores)	
		As at 30 September 2021 (Reviewed)	As at 31 March 2021 (Audited)
A	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	8.04	148.18
	(b) Other bank balances	3.96	0.82
	(c) Trade receivables	7.08	19.10
	(d) Loans	1,696.44	1,247.24
	(e) Investments	4,357.58	4,381.73
	(f) Other financial assets	39.35	62.94
	Sub-total - Financial assets	6,112.45	5,860.01
2	Non-financial assets		
	(a) Current tax assets (net)	83.62	68.81
	(b) Deferred tax assets (net)	129.79	37.81
	(c) Property, plant and equipment	0.64	0.60
	(d) Other intangible assets	0.11	0.12
	(e) Other non-financial assets	43.00	13.59
	Sub-total - Non-financial assets	257.16	120.93
	TOTAL - ASSETS	6,369.61	5,980.94
B	LIABILITIES AND EQUITY		
	Liabilities		
1	Financial liabilities		
	(a) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	71.70	235.44
	(b) Debt Securities	1,353.37	728.90
	(c) Borrowings (other than debt securities)	-	109.11
	(d) Other financial liabilities	583.66	684.15
	Sub-total - Financial liabilities	2,008.73	1,757.60
2	Non-financial liabilities		
	(a) Current tax liabilities (net)	1.70	0.73
	(b) Provisions	0.82	84.58
	(c) Other non-financial liabilities	17.02	12.04
	Sub-total - Non-financial liabilities	19.54	97.35
3	Equity		
	(a) Equity share capital	89.27	89.09
	(b) Other equity	4,252.07	4,036.90
	Total Equity	4,341.34	4,125.99
	TOTAL LIABILITIES AND EQUITY	6,369.61	5,980.94

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 Standalone statement of cash flow for the half year ended September 30, 2021

(₹ in Crores)

Particulars	Half Year Ended	
	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)
A Cash flow from operating activities		
Profit/(Loss) before tax	168.55	(114.70)
Adjustments for :		
Depreciation and amortisation expenses	0.17	0.80
Fair value change in investments	(0.06)	(0.05)
Fair value change in provisions	(68.65)	-
(Profit) / loss on sale of investments (net)	(171.59)	120.13
Interest accrual on Investment in debentures	(1.13)	-
Impairment / (reversal) on financial instruments	(3.10)	45.19
Dividend on investments	(38.48)	(52.65)
(Profit)/loss on sale of property, plant and equipment	(0.04)	(0.02)
Interest income	(100.52)	(7.94)
ESOP and SAR cost	1.01	4.81
Finance costs	74.97	16.54
Operating cash flow before working capital changes	(138.87)	12.11
Add/(Less): Adjustments for working capital changes		
Decrease /(Increase) in trade receivables	15.21	36.98
(Decrease)/increase in trade payables	(163.73)	(2.35)
Decrease /(Increase) in other financial assets	17.44	(2.69)
Decrease /(Increase) in other non-financial assets	(29.36)	10.67
Decrease /(Increase) in other bank balances	(3.15)	0.07
(Decrease)/increase in provisions and other financial liabilities	(31.52)	(8.49)
(Decrease)/increase in other non-financial liabilities	4.99	(4.67)
Cash generated from /(used in) operations	(328.99)	41.63
Income taxes paid/(refund)	(13.84)	3.53
Net cash generated from / (used in) operating activities - A	(342.83)	45.16
B Cash flow from investing activities		
Purchase of property, plant and equipment	(0.29)	(0.62)
Sale of property, plant and equipment	0.11	0.05
Purchase of investments	(183.34)	(479.11)
Sale of investments	380.27	383.75
Dividend on investments	38.48	52.65
Loan (given) / Repayment of loans ¹	(449.33)	(849.48)
Interest received	100.52	1.19
Net cash generated from / (used in) investing activities - B	(113.58)	(891.57)
C Cash flow from financing activities		
Proceeds from issuance of Share capital (including securities premium)	7.34	1.83
Repayment of non convertible debentures	(10.50)	-
Proceeds from debt securities	583.67	939.81
Proceeds from/(repayment of) borrowing ¹	(109.12)	(76.31)
Dividend paid	(131.46)	-
Finance costs	(23.66)	(16.54)
Net cash generated from / (used in) financing activities - C	316.27	848.79
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(140.14)	2.38
Cash and cash equivalents as at the beginning of the period	148.18	1.37
Cash and cash equivalents as at the end of the period	8.04	3.75

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.

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

14 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
Date: 2021.10.28 19:42:09
+05'30'

Rashesh Shah
Chairman

Mumbai, 28 October 2021.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 (2) 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, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 (2) 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, 'Interim Financial Reporting' ("Ind AS 34") 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 Ind AS 34 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, 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 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, c=IN, o=Personal,
email=shrawan.jalan@srb.in
Date: 2021.10.28 20:00:53 +05'30'

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAEQ1363
Place of Signature: Mumbai
Date: October 28, 2021

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

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

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Edelweiss
Ideas create, values protect

Annexure

(i) Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on September 30, 2021 are being utilized as per the objects stated in the offer document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer document.

(ii) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured & redeemable debt securities issued by the Company and outstanding as on September 30, 2021 are fully secured by first charge / pari passu charge, as the case may be, on present & future receivables, book debts, loans and other financial & non- financial assets. Accordingly, the Company is maintaining asset cover of 1x or such higher asset cover required as per the terms of offer document/Information Memorandum.

(iii) Information as required pursuant to Regulation 52 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Particulars	Half Year Ended	Year Ended
	30 September 2021	31 March 2021
1 Debt-Equity Ratio (Refer Note 1)	0.31	0.20
2 Net worth (Rs.in Crores) (Refer note 2)	4,341.34	4,125.99
3 Debt Service Coverage Ratio (Refer note 3)	5.43	28.74
4 Interest Service Coverage Ratio (Refer note 4)	3.25	8.13
5 Capital redemption reserve (Rs.in Crores)	0.20	0.20
6 Debenture redemption reserve (Refer note 5)	NA	NA
7 Net profit after tax (Rs.in Crores)	260.54	716.22
8 Earnings Per Share (₹) (Face Value of ₹ 1/- each)		
- Basic	2.92	8.05
- Diluted	2.91	8.01
9 Total debt to Total assets (Refer Note 6)	0.21	0.14
10 Net profit margin (%) (Refer Note 7)	73.85%	41.60%

Notes:

1 Debt-equity Ratio = Total debt (Debt securities + Borrowings (other than debt securities)) / Net worth

2 Net worth = Equity share capital + Other Equity

3 Debt Service Coverage Ratio = (Profit before interest and tax) / (interest repayment + Principal repayment in next six months)

4 Interest Service Coverage Ratio = Profit before interest and Tax / interest expense

5 As per Rule 18 (7) (b) (iii) (A) B of the Companies (Share Capital and Debentures) Rules, 2014 the Company being listed company, is not required to create Debenture Redemption Reserve.

6 Total debt to Total assets = (Debt securities + Borrowings (other than debt securities)) / Total assets

7 Net profit margin = Net Profit for the period / Total Income

8 Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable owing to the business model of the company.